

QUAY COUNTY GOVERNMENT

300 South Third Street
P.O. Box 1246
Tucumcari, NM 88401
Phone: (575) 461-2112
Fax: (575) 461-6208

AGENDA REGULAR SESSION QUAY COUNTY BOARD OF COMMISSIONERS June 8, 2015

9:00 A.M. Call Meeting to Order

Pledge of Allegiance

Approval of Minutes-Regular Session May 26, 2015

Approval/Amendment of Agenda

Public Comment

Ongoing Business-None

New Business

- I. **Tabosa Homemaker's Club/4-H Club/Eastern Bluegrass Association**
 - Request Discussion of the purchase of a new stove for the Quay County Fairgrounds Kitchen
- II. **Lance Labine, Trigg Memorial Hospital Administrator**
 - Request Approval for a Hospital Payment
- III. **Phil Bidegain, Quay County Resident**
 - Request Approval of 2014-2015 Resolution No. 42 Opposing the "Safeguard American Food Exports Act of 2015"
- IV. **Larry Moore, Quay County Road Superintendent**
 - Request Approval of 2014-2015 Resolution No. 43 Match Waiver Request for 2015-2016 CAP Project
 - Request Approval 2014-2015 Resolution No. 44 Match Waiver Request for 2015-2016 CO-OP Project
 - Road Update
- V. **Richard Primrose, Quay County Manager**
 - Request Approval of 2014-2015 Resolution No. 41 Authorizing and Approving Submission of a Completed Application for Financial Assistance and Project Approval to the New Mexico Finance Authority for Development of an Asset Management Plan
 - Request Approval of the DWI Grant Agreement for 2015-2016
 - Correspondence



DOC #CM-00368

06/29/2015 11:22 AM Doc Type: COCOM

Fee: (No FieldTag Finance.TotalFees found)

Quay County, NM Veronica Marez, County Clerk

Pages: 53



VI. Request Approval of Accounts Payable

VII. Request for Closed Executive Session

- Pursuant to Section 10-15-1(H) 2. The New Mexico Open Meetings Act to Discuss Limited Personnel Matters, and
- Pursuant to Section 10-15-1(H) 8. The New Mexico Open Meetings Act to Discuss the Purchase, Acquisition or Disposal of Real Property or Water Rights

VIII. Richard Primrose, Quay County Manager

- Request Approval of Real Estate Purchase Agreement between Quay County and Full Circle Holdings, LLC
- Request Approval of 2014-2015 Resolution No. 45 Authorizing and Approving Submission of a Completed Application for Financial Assistance and Project Approval to the New Mexico Finance Authority
- Request Approval of 2014-2015 Resolution No. 46 for Reimbursement of Proceeds of a Loan Agreement for Certain Capital Expenditures

IX. Other Quay County Business That May Arise During the Commission Meeting and/or Comments from the Commissioners

Adjourn

Lunch-Time and Location to be Announced

REGULAR SESSION-BOARD OF QUAY COUNTY COMMISSIONERS

June 8, 2015

9:00 A.M.

BE IT REMEMBERED THE HONORABLE BOARD OF QUAY COUNTY COMMISSIONERS met in regular session the 8th day of June, 2015, at 9:00 a.m. in the Quay County Commission Chambers, Tucumcari, New Mexico, for the purpose of taking care of any business that may come before them.

PRESENT & PRESIDING:

Franklin McCasland, Chairman
Mike Cherry, Member
Sue Dowell, Member
Ellen L. White, Chief Deputy County Clerk
Richard Primrose, County Manager

OTHERS PRESENT:

Larry Moore, Quay County Road Superintendent
Becky Wallace, Presbyterian Health Clinic Administrator
Vic Baum, Assessor
Donald Adams, Quay County Fire Marshal
Cheryl Simpson, Quay County Manager's Office
Phil Bidegain, Quay County Resident
Tabosa Homemaker's Club, 4-H Clubs & Eastern Bluegrass Association
Representatives including: Betty Bason, Rebecca Cothem, Ruby Bonds,
Debbie Thomas, Mela & Carlos Chavez
Gail Houser, Tucumcari Mainstreet Director
Eve Calderon, Tucumcari Chamber Director
Russell Shafer, Quay County Sheriff
Russell Braziel, KTNM; KQAY
Thomas Garcia, Quay County Sun

Chairman Franklin McCasland called the meeting to order. Mike Cherry led the Pledge of Allegiance.

A MOTION was made by Mike Cherry, SECONDED by Sue Dowell to approve the minutes from the May 25, 2015 regular session as printed. MOTION carried with Cherry voting "aye", McCasland voting "aye", and Dowell voting "aye".

County Manager Primrose stated that Mr. Lance Labine was scheduled to be at the meeting today, but he cannot make it and Primrose will present his item on Labine's behalf. A MOTION was made by Mike Cherry SECONDED by Sue Dowell to approve

the Agenda as presented. MOTION carried with Cherry voting "aye", Dowell voting "aye", McCasland voting "aye".

PUBLIC COMMENTS: Ellen White, Quay County Chief Deputy stated the following:

On behalf of numerous disgruntled employees and Department Heads I am letting the Commissioners know how unfair we believe the recent passing of the upcoming year's budget was handled following a Budget workshop where most of the Department Heads attended.

When asked to prepare the 2015 fiscal year budget, it was requested that we all keep our bottom line figures the same without increasing costs and were told there would not be salary increases for anyone due to budget constraints.

Most of us followed the request to a fault and asked no questions only to see now how one Department Head, who did not attend the Budget Workshop, requested an executive session at a following Board of Commissioners meeting to negotiate raises for their employees leaving everyone else out of the process. This Department received raises with a couple other selected employees leaving out some long term employees not even making what a newly hired employee is making.

We have veteran employees who have dedicated there services for over 10 and 15 years who are below or barely near what many recently employed individuals are now making and future employees will be receiving by as much as \$3.00 an hour.

I don't feel like this was a fair process to employees throughout the County. I don't think one person's job field, that they have freely chosen, makes it more valuable or important than another.

I believe it was an undermining act that left the other Elected Officials and Department Heads who did what was asked of them by keeping their budgets the same with a sour taste in their mouths.

Realizing that nothing can be done to rectify this situation at this point, we will remember next year this process and that the best strategy perhaps is extortion instead of integrity.

ONGOING BUSINESS: None

NEW BUSINESS:

Rebecca Cothorn, representing the Tabosa Homemakers Club, 4-H Clubs and Eastern Bluegrass Association introduced members from each and requested the Board of Commissioners replace the stove at the Quay County Exhibit Center. She stated the facility is state of the art with all the new upgrades. Cothorn said the stove, in its current

condition is not functioning properly and dangerous. Cothorn explained that you must be on your hands and knees to light the oven and that the burners are either off or on with no heat control. The Commissioners thanked those in attendance for voicing their concerns and will take the request under advisement.

Chairman McCasland asked Mr. Primrose if the stove had been looked at to see if it could be repaired and what the cost of replacing it was. Primrose stated that Danny Estrada is getting quotes and he will report to the Commission when prices are available.

Richard Primrose, Quay County Manager, requested approval of the fourth quarter payment to Trigg Memorial Hospital from the Mill Levy and Gross Receipts Tax funds. The amount is \$315,000.00. A MOTION was made by Mike Cherry, SECONDED by Sue Dowell to approve the payment. MOTION carried with Cherry voting "aye", Dowell voting "aye" and McCasland voting "aye".

Phil Bidegain, Quay County Resident, requested approval of Resolution No. 42 Opposing the "Safeguard American Food Exports Act of 2015". Bidegain stated Eddy, Luna and Chavez Counties have already passed this Resolution and other entities are expected to follow. A MOTION was made by Mike Cherry, SECONDED by Sue Dowell to approve said Resolution. MOTION carried with Cherry voting "aye", Dowell voting "aye" and McCasland voting "aye". A copy of said Resolution is attached and made a part of these minutes.

Larry Moore, Quay County Road Superintendent, requested approval of the following and gave this report:

1. Requested approval of Resolution No. 43; Match Waiver for 2015-2016 CAP Project and Resolution No. 44; Match Waiver for 2015-2016 CO-OP Projects. Moore stated the Agreements have not yet been drafted but should be arriving soon. Moore said he spoke to John Herrera, LGRF Coordinator, and Herrera confirmed proceeding with the Resolutions and following up with the Agreements were best practice. Moore informed the Commissioners these projects would include the final phase of Quay Road 63. A MOTION was made by Mike Cherry, SECONDED by Sue Dowell to approve said Resolutions No. 43 and 44 respectively. MOTION carried with Cherry voting "aye", Dowell voting "aye" and McCasland voting "aye". Copies of said Resolutions is attached and made a part of these minutes.
2. Moore reported work on Quay Road U was temporarily halted so crews could work on roads damaged by recent rain storms and to mow weeds. Moore stated a lot of roads lost most of the material on the surface.
3. John Herrera, LGRF Coordinator was scheduled to arrive in Quay County this week to do a mileage check of Quay Roads 24, 49, 49.5, 67, 68, 60 and 62 totaling 60.59 miles. Moore said he spoke with Herrera this morning and advised him to postpone his visit due to the road conditions around the County as a result of heavy rains. Moore reported that the mileage check must be performed from

Herrera's vehicle with the calculating meter and that it was not equipped to get through these roads at this time. Herrera will reschedule for a later date after the NMAC Conference later this month.

4. Blade reports were presented and totaled 124.78 miles.
5. Crews have resumed work on Quay Road U today with \$12,000.00 left to be spent on the project.
6. The second CAT blade lost its transmission last week. Repairs are estimated between \$23 and \$25 thousand for each unit. John Deere has loaned the County a blade to try out for the possibility of a lease or purchase. Moore will be exploring which option will best suit the Counties needs and report back at a later meeting. Moore stated if they purchased a new one, they would purchase the one they are testing out, which has approximately 200 hours on it. If the best option is to lease a blade, it will be a brand new unit.

Chairman McCasland asked if Quay County could piggy-back off of another County's RFP. Moore said if the RFP was worded properly they could. McCasland also asked how many good weather days it would take to complete Quay Road U as so many other roads throughout the County are in desperate need of attention. Moore estimated 8 days.

Richard Primrose, Quay County Manager presented the following items for approval:

1. Requested approval of Resolution No. 41; Authorizing and Approving Submission of a Completed Application for Financial Assistance and Project Approval to the New Mexico Finance Authority for the Asses Management Plan. Primrose stated this Resolution must be in place for upcoming CDBG Projects in Quay County.

Commissioner Cherry asked if the County had been reimbursement for expenses of the 40 Year Water Plan. Primrose said the Water Plan is waiting final approval of the State Engineer. When that occurs, the reimbursement will arrive.

With no further questions, A MOTION was made by Sue Dowell, SECONDED by Mike Cherry to approve Resolution No. 41. MOTION carried with Dowell voting "aye", Cherry voting "aye" and McCasland voting "aye". A copy of said Resolution is attached and made a part of these minutes.

2. Requested approval of the DFA DWI Grant Program Agreement for the 2015-2016. Primrose informed the Commissioners this Grant pays for all Prevention Programs in Quay County including a portion of Susan Lease's wages.

A MOTION was made by Mike Cherry, SECONDED by Sue Dowell to approve the Agreement as presented. MOTION carried with Dowell voting "aye", Cherry voting "aye" and McCasland voting "aye". A copy of said Agreement is attached and made a part of these minutes.

Managers Correspondence:

1. Informed the Commissioners and those in attendance the next regularly scheduled meeting of the Board of Commissioners will be held on Monday, June 29 instead of June 22 due to the NMAC Summer Conference.
2. Eastern Plains Council of Government will have their annual meeting in Tucumcari on Wednesday, June 10th at the Convention Center. Larry Moore will be hosting a Shrimp Boil for the noon meal.
3. The NM Legislation is in Special Session beginning today to address Capital Outlay and other handpicked items of the Governor.

Accounts Payable was presented for approval. A MOTION was made by Mike Chery, SECONDED by Sue Dowell to approve payments. MOTION carried with Cherry voting "aye", Dowell voting "aye" and McCasland voting "aye". Copies are attached.

Chairman McCasland requested a break. Times noted 9:30 – 9:55 a.m.

A MOTION was made by Mike Cherry, SECONDED by Sue Dowell, to go into Executive Session pursuant to the Open Meetings Act pursuant to Section 10-15-1(H) 2 to discuss Limited Personnel Matters, and 10-15-1(H) 8 to discuss the Purchase, Acquisition or Disposal of Real Property or Water Rights. MOTION carried with Cherry voting "aye", McCasland voting "aye" and Dowell voting "aye".

Time noted 10:00 a.m.

-----EXECUTIVE SESSION-----

Return to regular session. Time noted 12:15 p.m.

A MOTION was made by Sue Dowell, SECONDED by Mike Cherry that only the items listed above were discussed during Executive Session and no action was taken. MOTION carried with Cherry voting "aye", Dowell voting "aye" and McCasland voting "aye".

Richard Primrose, County Manager requested approval of the following:

1. Real Estate Purchase Agreement between Quay County and Full Circle Holdings, LLC. Primrose stated this building is located at 1110 E. High and was formerly the TeamBuilders building. The building appraised for \$570,000.00 and the County has agreed to purchase the 28,058 square foot facility for \$195,000.00. This facility will house the Quay County District Attorney's Office and a variety of other offices currently located in the basement of the Courthouse. Primrose said the roof of the building needs some repairs and perhaps some attention to the parking lot. The property comes with 14,200 square feet of land that the building does not sit on. Primrose said the purchase price is 1/3 of the appraised value and is a sound economic decision for the County.

A MOTION was made by Mike Cherry, SECONDED by Sue Dowell to approve the Purchase as described above. MOTION carried with Dowell voting "aye", Cherry voting "aye" and McCasland voting "aye". The Purchase Agreement is attached and made a part of these minutes.

2. Requested approval of Resolution No. 45; Authorizing and Approving Submission of a Completed Application for Financial Assistance and Project Approval to the New Mexico Finance Authority. Primrose informed the Commission this Resolution is necessary to allow Quay County to submit a loan application for the \$195,000.00 to purchase the building at 1110 E. High at a zero percent interest rate loan from the New Mexico Finance Authority.

A MOTION was made by Sue Dowell SECONDED by Mike Cherry to approve Resolution No. 45. MOTION carried with Dowell voting "aye", Cherry voting "aye" and McCasland voting "aye". Copy of said Resolution is attached and made a part of these minutes.

3. Requested approval of Resolution No. 46; Reimbursement of Proceeds of a Loan Agreement for Certain Capital Expenditures. Primrose said this Resolution will allow Quay County to pay for the building located at 1110 E. High and use the proceeds of the NMFA Loan to replenish the County General Fund. Primrose stated he has approval from NMFA to proceed with this procedure.

A MOTION was made by Mike Cherry, SECONDED by Sue Dowell to approve Resolution No. 46. MOTION carried with Dowell voting "aye", Cherry voting "aye" and McCasland voting "aye". Copy of said Resolution is attached and made a part of these minutes.

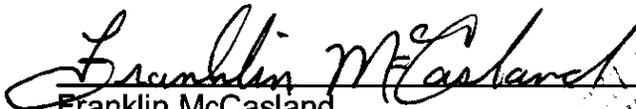
Other Quay County Business That May Arise During the Commission Meeting and/or Comments from the Commissioners:

Commissioners announced they would be having lunch at the Cornerstone Deli. Everyone is invited to attend.

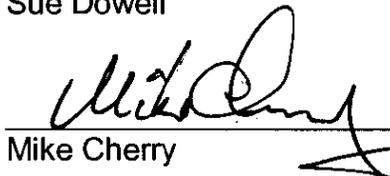
There being no further business, a MOTION was made by Mike Cherry, SECONDED by Sue Dowell to adjourn. MOTION carried with Cherry voting "aye", McCasland voting "aye" and Dowell voting "aye". Time noted 12:30 p.m.

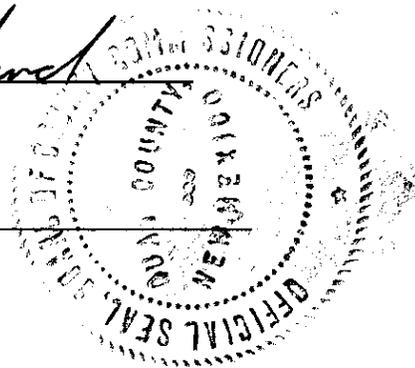
Respectfully submitted by Ellen White, Chief Deputy County Clerk.

BOARD OF QUAY COUNTY COMMISSIONERS


Franklin McCasland


Sue Dowell


Mike Cherry



ATTEST:


Veronica Marez, County Clerk

**2014-2015
QUAY COUNTY
RESOLUTION NO. 42**

OPPOSING THE “SAFEGUARD AMERICAN EXPORTS ACT OF 2015”

WHEREAS, New Mexico Congresswoman Michelle Lujan-Grisham recently cosponsored the “Safeguard American Food Exports (SAFE) Act” (H.R. 1942); and

WHEREAS, the SAFE Act would make it illegal to “knowingly sell or transport equines or equine parts in interstate or foreign commerce for purposes of human consumption”; and

WHEREAS, the SAFE Act would prohibit the shipment of over 150,000 unwanted horses annually to Mexico and Canada processing facilities; and

WHEREAS, the SAFE Act provides no other outlet for the disposition of these unwanted animals; and

WHEREAS, the SAFE Act states that “horses and other members of the equine family are not raised for human consumption” yet research shows that in 2005, the eight principal horse-meat-producing countries produced over 700,000 tons of this product for human consumption; and

WHEREAS, no peer-reviewed research is provided to support the claim that exported horse meat from the United States of America is unsafe for human consumption; and

WHEREAS, the Section 512 definitions of “Consumable” and “safe” are not applicable to foreign lands and only apply within the boundaries of the United States; and

WHEREAS, the SAFE Act could have a negative economic impact on our country, state, and county.

NOW THEREFORE BE IT RESOLVED that the Board of Quay County Commissioners opposes any Federal Act that would limit the exportation of horses for any purpose unless and until peer reviewed scientific studies can document that the facts claimed in the ACT are true and a resolution can be obtained to the disposition of the 150,000 unwanted horses that would be affected per year.

BE IT FURTHER RESOLVED, that we urge Congresswoman Lujan-Grisham to withdraw her sponsorship of this Act and in the alternative urge all others in our New Mexico delegation to OPPOSE this legislation.

PASSED, ADOPTED, SIGNED AND APPROVED by the Quay County Board of Commissioners in regular session, this 8th day of June, 2015.

BOARD OF QUAY COUNTY COMMISSIONERS



Franklin McCasland
Franklin McCasland, Chairman

Sue Dowell
Sue Dowell, Member

Mike Cherry
Mike Cherry, Member

ATTEST:

Ellen L. White, Chief Deputy
Veronica Marez, Quay County Clerk



QUAY COUNTY GOVERNMENT

300 South Third Street
P.O. Box 1246
Tucumcari, NM 88401
Phone: (575) 461-2112
Fax: (575) 461-6208

June 8, 2015

Mr. John Herrera
New Mexico Department of Transportation
District 4 Office
PO Box 10
Las Vegas, NM, 87701

Dear Mr. Herrera,

Quay County is interested in applying for the Local Government Road Fund Match Waiver Program per New Mexico Administration Code 18.27.3.8 for our FY 2015/2016 Project No. CAP-4-16(456) and Control No. is as follows:

Total Project:	\$266,348.00
State Share:	\$199,761.00
Quay County:	\$ 66,587.00

We have included a Resolution for analysis by the Department of Finance and Administration in consideration of this Match Waiver request.

If you have questions you can contact Larry Moore at 575-461-3577.

Sincerely,

Richard Primrose
Quay County Manager



QUAY COUNTY GOVERNMENT

FISCAL YEAR 2014-2015

RESOLUTION NO. 43

PARTICIPATION IN LOCAL GOVERNMENT ROAD FUND PROGRAM AND REQUEST FOR MATCH WAIVER ADMINISTERED BY NEW MEXICO DEPARTMENT OF TRANSPORTATION

WHEREAS, **Quay County** and the New Mexico Department of Transportation enter into a Cooperative Agreement.

WHERE AS, the total cost of the project will be **\$266,348.00** to be funded in proportional share by the parties hereto as follows:

- a. New Mexico Department of Transportation's share shall be 75% or **\$199,761.00**

and

- b. **Quay County's** proportional matching share shall be 25% or **\$66,587.00** if a "Hardship" for "Match Waiver" is not deemed to present by Department of Finance and Administration and the Department of Transportation.

TOTAL PROJECT COST IS **\$266,348.00**

Quay County shall pay all costs, which exceed the total amount of **\$266,348.00**.

WHEREAS, **Quay County** has a limited tax base, which limits the funding for meeting the proportional matching share; and, a fund exists in the NMDOT appropriated by the New Mexico State Legislature for Public Entities in need of "hardship" match money and **Quay County** requests participation this Match Waiver Program in the amount of **\$66,587.00**.

NOW, therefore, be it resolved in official session that **Quay County** determines, resolves, and orders as follows:

That the project for this Cooperative Agreement is adopted and has priority standing.

The agreement terminates on December 31, 2016 and **Quay County** incorporates all the agreements, covenants, and understandings between the parties hereto concerning the subject matter hereof, and all such covenants, agreements and understandings have been merged into the written agreement.

NOW therefore, be it resolved by **Quay County** to enter into Cooperative Agreement Project Number CAP-4-16(456) Control Number _____ with the New Mexico Department of Transportation for LGRF Project for year 2015-2016 to

SCOPE: Design, Construction Management, Blading, and Shaping Drainage Improvements, Reconstruction, Pavement Rehabilitation and Full Construction to various county roads.

TERMINI: To finish Quay Road 63.

Within the control of **Quay County** in Quay County, New Mexico.

DONE AND RESOLVED this 8th day of June 2015.


Franklin McCasland
Franklin McCasland, Chairman

Sue Dowell
Sue Dowell, Member

Mike Cherry
Mike Cherry, Member

Attest:

Ellen L White, Chief Deputy
Veronica Marez, Quay County Clerk



QUAY COUNTY GOVERNMENT

300 South Third Street

P.O. Box 1246

Tucumcari, NM 88401

Phone: (575) 461-2112

Fax: (575) 461-6208

June 8, 2015

Mr. John Herrera
New Mexico Department of Transportation
District 4 Office
PO Box 10
Las Vegas, NM, 87701

Dear Mr. Herrera,

Quay County is interested in applying for the Local Government Road Fund Match Waiver Program per New Mexico Administration Code 18.27.3.8 for our FY 2015/2016 Project No. SP-4-16(905) and Control No. is as follows:

Total Project:	\$144,425.00
State Share:	\$108,394.00
Quay County:	\$ 36,131.00

We have included a Resolution for analysis by the Department of Finance and Administration in consideration of this Match Waiver request.

If you have questions you can contact Larry Moore at 575-461-3577.

Sincerely,

Richard Primrose
Quay County Manager



QUAY COUNTY GOVERNMENT

FISCAL YEAR 2014-2015

RESOLUTION NO. 44

PARTICIPATION IN LOCAL GOVERNMENT ROAD FUND PROGRAM AND REQUEST FOR MATCH WAIVER ADMINISTERED BY NEW MEXICO DEPARTMENT OF TRANSPORTATION

WHEREAS, **Quay County** and the New Mexico Department of Transportation enter into a Cooperative Agreement.

WHEREAS, the total cost of the project will be **\$144,525.00** to be funded in proportional share by the parties hereto as follows:

- a. New Mexico Department of Transportation's share shall be 75% or **\$108,394.00**

and

- b. **Quay County's** proportional matching share shall be 25% or **\$36,131.00** if a "Hardship" for "Match Waiver" is not deemed to present by Department of Finance and Administration and the Department of Transportation.

TOTAL PROJECT COST IS **\$144,525.00**

Quay County shall pay all costs, which exceed the total amount of **\$144,525.00**

WHEREAS, **Quay County** has a limited tax base, which limits the funding for meeting the proportional matching share; and, a fund exists in the NMDOT appropriated by the New Mexico State Legislature for Public Entities in need of "hardship" match money and **Quay County** requests participation this Match Waiver Program in the amount of **\$36,131.00**.

NOW therefore, be it resolved in official session that **Quay County** determines, resolves, and orders as follows:

That the project for this Cooperative Agreement is adopted and has priority standing.

The agreement terminates on December 31, 2016 and **Quay County** incorporates all the agreements, covenants, and understandings between the parties hereto concerning the subject matter hereof, and all such covenants, agreements and understandings have been merged into the written agreement.

NOW therefore, be it resolved by **Quay County** to enter into Cooperative Agreement Project Number SP-4-16(905) Control Number _____ with the New Mexico Department of Transportation for LGRF Project for year 2015-2016 to

SCOPE: Design, Construction Management, Blading, and Shaping Drainage Improvements, Reconstruction, Pavement Rehabilitation and Full Construction to various county roads.

TERMINI: To finish Quay Road 63.

Within the control of **Quay County** in Quay County, New Mexico.

DONE AND RESOLVED this 8th day of June 2015.


Franklin McCasland
Franklin McCasland, Chairman

Sue Dowell
Sue Dowell, Member

Mike Cherry
Mike Cherry, Member

Attest:

Veronica Marez
Veronica Marez, Quay County Clerk

STATE OF NEW MEXICO
DEPARTMENT OF FINANCE AND ADMINISTRATION
LOCAL GOVERNMENT DIVISION
DWI GRANT PROGRAM

DWI GRANT AGREEMENT
Project No. 16-D-J-G-21

THIS GRANT AGREEMENT is made and entered into by and between the Department of Finance and Administration, State of New Mexico, acting through the Local Government Division, Bataan Memorial Building, Suite 201, Santa Fe, New Mexico 87501, hereinafter called the **DIVISION**, and the County of Quay, hereinafter called the **GRANTEE**.

WITNESSETH:

WHEREAS, this Grant Agreement is made by and between the Department of Finance and Administration, State of New Mexico, acting through the Local Government Division, and the Grantee, pursuant to the Local Driving While Intoxicated ("LDWI") Grant Program Act Sections 11-6A-1 through 11-6A-6, NMSA 1978, as amended (the "Act") and the LDWI Grant Program Regulations 2.110.4 NMAC (the "Regulations"); and

WHEREAS, on April 28, 2015, the DWI Grant Council awarded the Grantee \$17,264.00 to support programs to reduce the incidence of driving while intoxicated, alcoholism, and alcohol abuse in New Mexico ("Project"); and

NOW, THEREFORE, the parties hereto do mutually agree as follows:

ARTICLE I - SCOPE OF WORK

- A. The Grantee agrees that it will implement, in all respects, the activities outlined in its Project Description, attached hereto as Exhibit "A" and made a part of this Grant Agreement.
- B. The Grantee agrees to make no change to the Project Description herein described without first submitting a written request to the Division and obtaining the Division's written approval of the proposed change.

ARTICLE II - LENGTH OF GRANT AGREEMENT

- A. Upon being duly executed by the Division, the term of this Grant Agreement shall be from July 1, 2015 through June 30, 2016.
- B. In the event that, due to unusual circumstances, it becomes apparent that this Grant Agreement cannot be brought to full completion within the time period set forth in Paragraph A of this Article II, the Grantee shall so notify the Division in writing at least thirty (30) days prior to the termination date of this Grant Agreement, in order that the Grantee and the Division may review the work accomplished to date and determine whether there is need or sufficient justification to amend this Grant Agreement to provide additional time for completion of the

same. The Division's decision whether or not to extend the term of this Grant Agreement is final and non-appealable.

ARTICLE III - REPORTS

A. Evaluation

1. The Grantee agrees that data entered into the DWI Screening Program (ADE, Inc.) website is complete and accurate to allow the Department of Finance and Administration's (DFA) designated evaluation contractor to develop and implement an evaluation system.

B. Progress Reports

1. In order that the Division may adequately evaluate the progress of the Grant Agreement, the Grantee shall be required to provide periodic quarterly Progress Reports to the Division. The Progress Reports shall contain a narrative and/or bulleted highlights of accomplishments and/or problems and delays encountered to date, a detailed budget breakdown of expenditures to date, a summary of any fees collected and/or expended, the DWI Screening Program Quarterly Report, LDWI Planning Council meeting agendas and minutes, attached hereto as Exhibit "B" (Quarterly Progress Report and Certification), and such other information following the objectives of the Grantee's evaluation as may be of assistance to the Division in its evaluation. The first quarterly Progress Report is due **October 30, 2015**.
2. Grantee assures that Progress Reports submitted to the Division will not contain any "individually identifiable health information" as defined by the Standards for Privacy of Individually Identifiable Health Information, 45 CFR Parts 160 and 164, the Regulations promulgated by the Department of Health and Human Services pursuant to HIPAA, the Health Insurance Portability and Accountability Act of 1996 (the "HIPAA Regulations").
3. One copy of the corresponding quarterly Progress Report shall be submitted to the Division no later than **October 30, 2015**, **January 29, 2016**, and **April 29, 2016** for review and comment.
4. In order that the Division may adequately evaluate the progress of the Local DWI grant program statewide, the Grantee shall provide within 30 days, upon request of DFA's evaluator(s), information and access to program records and records of contractors working for the Grantee, provided that such information shall not contain any "individually identifiable health information" as defined by the HIPAA Regulations.

C. Final Report

1. The Grantee shall submit to the Division one copy of the Final Report for this Project. The Final Report shall include the information called for in Article III, Paragraph B(1)

and B(2) for the fourth quarter, in addition to a Managerial Data Set Summary Report for the entire term of the Grant Agreement.

2. The Final Report and final reimbursement shall include sufficient detail to evaluate the effectiveness of each program component in the Project and shall be submitted no later than **July 15, 2016.**

D. Annual Report

1. The Grantee shall submit to the Division one copy of the Annual Report for this Project. The Annual Report shall include the data from the DWI Screening Program (ADE, Inc.) website, including the demographic profile of the DWI offender and Managerial Data Set data for the entire term of the Grant Agreement, highlights for the period, and other information requested by the Division.
2. The Annual Report shall be submitted no later than **July 29, 2016.**

ARTICLE IV - CONSIDERATION AND METHOD OF PAYMENT

- A. In consideration of the Grantee's satisfactory completion of all work and services required to be performed under the terms of this Grant Agreement, and in compliance with all other Grant Agreement requirements herein stated, the Division shall pay the Grantee a sum not to exceed **Seventeen Thousand Two Hundred Sixty Four Dollars (\$17,264.00).** The funds are to be expended in accordance with the proposed budget attached as Exhibits "C" and "C(1)", and made a part hereof. It is understood and agreed that the Grantee's expenditure of these monies shall not deviate from the budget categories of said budget by more than 10 percent of the total grant amount without the prior written approval of the Division.
- B. It is understood and agreed that if any portion of the funds set forth in Paragraph IV(A) are not expended at the completion of this Grant Agreement period for the purpose designated in this Grant Agreement, the unexpended funds shall revert to the Division for disposition.
- C. All payments will be made on a reimbursement of actual cost basis upon receipt by the Division of individual quarterly Progress Reports accompanied by the following completed forms: Request for Payment Form, attached hereto as Exhibit "D"; Fees Collected Summary Form, attached hereto as Exhibit "E"; and Detailed Breakdown By Budget Category Form, attached hereto as Exhibit "G." Request for Payment Forms shall specify all in-kind administrative costs and capital outlay expenditures.
- D. Payment shall be made only for those services specified in this Grant Agreement and not funded by any other public-entity funding source. **The Grantee shall not bill the Division for the same service or services billed to another funding agency or source.**

ARTICLE V - MODIFICATION AND TERMINATION

- A. The Division, by written notice to the Grantee, shall have the right to terminate this Grant Agreement if, at any time, in the judgment of the Division, the provisions of this Grant

Agreement have been violated or the activities described in the Project Description do not progress satisfactorily. In this regard, the Division may demand refund of all or part of the funds dispersed to the Grantee.

- B. The parties may modify any and all terms and conditions of the Grant Agreement by mutual written agreement between the Grantee and the Division.
- C. Early Termination for Convenience: Except as provided in Article X, Appropriations, either the Division or Grantee may terminate this Grant Agreement by providing the other party with a minimum of thirty (30) days' advance, written notice of the termination.
- D. Liability in the Event of Early Termination: In the event of early termination of this Grant Agreement by either party, the Division's sole liability shall be to reimburse Grantee in accordance with this Grant Agreement for qualifying expenditures that were:
 - a. Incurred pursuant to a legally binding agreement entered into by Grantee before Grantee's receipt of the Division's notice of early termination or the issuance by the Grantee of a notice of early termination;
 - b. Incurred on or before the termination date in the notice of early termination;
 - c. For permissible purposes under this Grant Agreement's Project Description and procured and executed in accordance applicable law; and
 - d. The subject of a Request for Payment Form properly and timely submitted in accordance with Article IV of this Grant Agreement.

ARTICLE VI - CERTIFICATION

The Grantee hereby assures and certifies that it will comply with all State regulations, policies, guidelines, and requirements with respect to the acceptance and use of State funds. Also, the Grantee gives assurances and certifies with respect to the grant that:

- A. It has the legal authority to receive and expend the funds as described in the Project Description.
- B. It shall meet all requirements of the Act and the Regulations and all other New Mexico State laws and regulations as they pertain to all activity conducted under this Grant Agreement and provide verification thereof to the Division.
- C. It shall finance all costs of the Project, including all Project overruns.
- D. Every treatment facility, program or other provider it contracts with to perform the activities that are subject to this Grant Agreement, shall, at all times, comply with all applicable State and federal laws and regulations and any and all licensure requirements governing treatment facilities, programs, or providers. All Contracts shall contain the following provisions: "The Contractor agrees to comply, at all times, with all applicable State and federal laws and regulations and any and all licensure requirements governing its program and facility." The Grantee agrees it shall be solely liable for the failure of any of its providers to meet and comply with all applicable State and federal laws and licensure requirements governing the treatment provider or the program.

- E. It shall comply with the State Procurement Code, Sections 13-1-28 through 13-1-199, NMSA 1978. All professional services, activities or programs provided through a service provider must be implemented through a professional service contract. **The Grantee will submit all Project related contracts, and agreements to the Division for review and approval prior to execution. Amendments to existing contracts must also be submitted to the Division for review and approval prior to execution.**

Grantees will be **required** to complete a request-for-proposal (RFP) for contracts over \$60,000; provided, however, that if the Grantee's governing body's guidelines have more stringent requirements, the Grantee's governing body's guidelines must be followed. Sole Source contracts can be utilized if justification can be provided that the organization(s) is the only one in the area that can provide the services. The Grantee will be required to submit to the Division written documentation describing the reason for sole source contracting prior to entering into the contract and all provisions of the Procurement Code **MUST** be adhered to in regard to the requirements.

- F. It will adhere to all financial and accounting requirements of the Department of Finance and Administration.
- G. It will comply with all applicable conditions and requirements prescribed by the Division in relation to receipt of State DWI grant funds.
- H. It shall not at any time utilize or convert any equipment or property acquired or developed pursuant to this Grant Agreement for any use other than those specified in the scope of work as defined in the Grant Agreement without the prior approval of the Division.
- I. No member, officer, employee, or family member(s) of the Grantee, or its designees or agents, no member of the governing body of the locality in which the program is situated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the program during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any contract, or the process thereof, for work to be performed in connection with the program assisted under the grant, and the Grantee shall incorporate, in all such contracts, a provision prohibiting such interest pursuant to the purposes of this certification.
- J. If applicable, it will comply with all HIPAA requirements and HIPAA Regulations.

ARTICLE VII - RETENTION OF RECORDS

The Grantee shall keep such records as will fully disclose the amount and disposition of the total funds from all sources budgeted for the Grant Agreement period, the purpose for which such funds were used, the amount and nature of all contributions from other sources, and such other records as the Division shall prescribe. Such records shall be preserved for a period of not less than six (6) years following completion of all the conditions of this Grant Agreement.

ARTICLE VIII - REPRESENTATIVES

- A. The Grantee hereby designates the person listed below as the official Grantee Representative responsible for overall supervision of the approved Project:

Name: Bryan Rinstine
Title: DWI Coordinator
Address: P.O. Box 1011
Tucumcari, N.M. 88401
Phone: (575) 461-6069
Fax: (575) 461-0645
Email: quaydwi@plateautel.net

- B. The Division designates the person listed below as its Program Manager, responsible for overall administration of this Grant Agreement, including compliance and monitoring of Grantee:

Name: Michael Baldwin
Title: DWI Program Manager
Address: Department of Finance and Administration
Local Government Division
Bataan Memorial Building, Suite 203
Santa Fe, NM 87501
Phone: (505) 827-4332
Fax: (505) 827-4948
Email: Michael.Baldwin@state.nm.us

ARTICLE IX - SPECIAL CONDITIONS

- A. The Grantee shall budget and expend a minimum of 10 percent of the total DWI grant funding awarded for the twelve-month period in local match/in-kind monies. The Grantee shall not budget administrative expenses except as in-kind match pursuant to the DWI Grant Council's administrative policy. The Grantee hereby budgets **One Thousand Seven Hundred Twenty Eight Dollars (\$1,728.00) (10%)** as its matching funds commitment.
- B. The Grantee shall not budget, nor at any time exceed expenditures, greater than **ten percent** of its overall grant funding for capital outlay incurred during the grant period.
- C. The Grantee shall submit to the Division written copies of the description of the **treatment program protocol as part of the first quarter Progress Report**, for review and comment. All changes and modifications made to the treatment program, including its materials, shall be reported to the Division for its review and comment, as necessary.
- D. The Grantee shall submit to the Division written copies of the description of the **screening program protocol as part of the first quarter Progress Report**, for review and comment. All changes and modifications made to the screening program, including its materials, shall

be reported to the Division for its review and comment.

- E. The Grantee shall submit to the Division written copies of the description of the **compliance monitoring program protocol as part of the first quarter Progress Report**, for review and comment. All changes and modifications made to the compliance monitoring program, including its materials, shall be reported to the Division for its review and comment.
- F. **The Grantee shall submit LDWI Planning Council by-laws as part of the first quarter Progress Report.**
- G. **The Grantee shall enter screening and tracking data online in the DWI Screening Program (ADE, Inc.) website. Data shall be entered and maintained in a current up-to-date status.**
- H. **The Grantee shall enter the prevention and enforcement goals and activities online in the MDS database website. Data shall be entered and maintained on a quarterly basis.**
- I. The Grantee shall be solely responsible for fiscal or other sanctions, penalties, or fines occasioned as a result of its own violation or alleged violation of requirements applicable to performance of this Grant Agreement. The Grantee shall be liable for its acts or failure to act in accordance with this Grant Agreement, subject to the immunities and limitations of the New Mexico Tort Claims Act, Sections 41-4-1 through 41-4-27, NMSA 1978.

ARTICLE X - APPROPRIATIONS

The terms of this Grant Agreement are contingent upon sufficient appropriations and authorization being made by the Legislature of New Mexico for the performance of the Grant Agreement. If sufficient appropriations and authorizations are not made by the Legislature, the Division may *immediately* terminate this Grant Agreement, in whole or in part, regardless of any existing legally binding third party contracts entered into by or between Grantee and a third party, by giving Grantee written notice of such early termination. The Division's decision as to whether sufficient appropriations are available shall be accepted by the Grantee and shall be final and non-appealable. The Grantee shall include a substantively identical clause in all contracts between it and third parties that are (i) funded in whole or part by funds made available under this Grant Agreement and (ii) entered into between the effective date of this Grant Agreement and the Termination Date or early termination date.

ARTICLE XI – REQUIRED TERMINATION CLAUSE IN CONTRACTS FUNDED IN WHOLE OR PART BY FUNDS MADE AVAILABLE UNDER THIS GRANT AGREEMENT

- A. Grantee shall include the following or a substantially similar termination clause in all contracts that are (i) funded in whole or part by funds made available under this Grant Agreement and (ii) entered into after the effective date of this Grant Agreement:

“This contract is funded in whole or in part by funds made available under a Department of Finance and Administration, Local Government Division (Division) grant agreement. If the Division terminates the grant agreement, the County of Quay may terminate this contract by providing contractor written notice of such termination in accordance with the notice

provisions in this contract. In the event of termination pursuant to this paragraph, the County of Quay's only liability shall be to pay contractor for acceptable goods and/or services delivered and accepted prior to the termination date."

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the Grantee and the Division do hereby execute this Grant Agreement.

THIS GRANT AGREEMENT has been approved by:

COUNTY OF QUAY

By: Franklin McCasland
Authorized Signatory

6/8/15
Date

Franklin McCasland
(Type or Print Name)

STATE OF NEW MEXICO)
COUNTY OF Quay) ss.

The foregoing instrument was acknowledged before me this 8 day of June by Franklin McCasland

Ellen Rubin
Notary Public



My Commission Expires: 3/21/19

DEPARTMENT OF FINANCE AND ADMINISTRATION
LOCAL GOVERNMENT DIVISION

By: _____
Rick Lopez, Director Date

STATE OF NEW MEXICO)
COUNTY OF SANTA FE) ss.

The foregoing instrument was acknowledged before me this _____ day of _____, 2015 by _____

Notary Public

My Commission Expires: _____

EXHIBIT "A"

PROJECT DESCRIPTION

Name of Grantee: County of Quay

Grant No.: 16-D-J-G-21

Grant Amount: \$17,264.00

Grantee will provide DWI program activities in the following areas:

1) Prevention:

Prevention is the active process that promotes the personal, physical and social well-being of individuals, families and communities to reinforce positive behaviors and healthy lifestyles. The term "prevention" is reserved for interventions that occur before the initial onset of a disorder. Prevention programs shall focus on the prevention of alcoholism, alcohol abuse, underage drinking, and DWI.

All prevention activities funded by the LDWI grant program must be related to preventing DWI and/or alcohol abuse. LDWI funds may be used to support the planning, implementation, and evaluation of such activities. Staff development (such as training required for certification) is an allowable prevention activity.

While funds for prevention can be budgeted in any allowable budget category, all funds spent on prevention should be in support of prevention activities identified and approved as part of a systematic planning process described below.

Prevention activities funded with LDWI grant funds should be either evidence-based or promising activities. DWI programs must be able to document compliance with this requirement.

2) Screening:

The grant requires a county-wide screening program that addresses all municipal, district and magistrate court referrals related to DWI. Other referrals addressing DWI-related issues may also be handled from schools and the probation and parole system. Programs must use the DFA approved screening program.

The program shall use screening fees to self-fund the screening costs to the fullest extent possible. The fee structure shall include an appropriate sliding-fee schedule, based on earning capacity of offenders, to assist those offenders who are unable to pay the full fees.

The screening program shall not be provided by an alcoholism treatment program serving the judicial districts involved in order to avoid conflict of interest or screening bias. (Section 43-3-11(D), NMSA 1978).

3) Compliance Monitoring/Tracking:

The grant supports a compliance monitoring/tracking component, which strengthens tracking, follow-up, and supervised probation-type efforts with DWI offenders to assist courts in the monitoring for compliance of offenders with court imposed sentencing (i.e., screening, treatment, ignition interlock, DWI School, etc.) Compliance monitoring follow-up may include community service supervision, as well. All programs must use the State selected screening and tracking instrument. Programs which are funding supervised probation-

type services must follow the Misdemeanor Compliance Program Guidelines issued by the Administrative Office of the Courts (AOC).

**2014-2015
QUAY COUNTY
RESOLUTION NO. 41**

**AUTHORIZING AND APPROVING SUBMISSION OF A COMPLETED
APPLICATION FOR FINANCIAL ASSISTANCE AND PROJECT APPROVAL TO
THE NEW MEXICO FINANCE AUTHORITY**

WHEREAS, Quay County Government (the "Governmental Unit") is a duly organized County Governmental Entity in the State of New Mexico and is a qualified entity under the New Mexico Finance Authority Act, Sections 6-21-1 through 6-21-31, NMSA 1978 ("Act"); and

WHEREAS, the New Mexico Finance Authority ("Finance Authority") is authorized pursuant to the Act, particularly Section 6-21-6.4 of the Act, to make grants from the local government planning fund (the "Fund") to qualified entities to evaluate and estimate the costs of developing and implementing an Asset Management Plan; and

WHEREAS, pursuant to the Act the Finance Authority has developed an application procedure whereby the Governing Body may submit an application ("Application") to the Finance Authority for planning grant financial assistance from the Fund; and

WHEREAS, the Board of County Commissioners of the Governmental Unit (the "Governing Body") desires to submit an Application for financial assistance from the Fund for an Asset Management Planning Document, as defined in the Rules Governing the Local Government Planning Fund currently in effect and as specifically identified below, for the benefit of the Governmental Unit; and

WHEREAS, the Governing body intends to submit the Asset Management Planning Document to develop a long term master plan of Quay County ("Project") for the benefit of the Governmental Unit and its citizens; and

WHEREAS, the application prescribed by the Finance Authority to finance the Asset Management Planning Document in part with financial assistance from the Fund has been completed, submitted to, and reviewed by the Governing Body, and this Resolution approving submission of the completed Application to the Finance Authority for its consideration and review is required as part of the Application.

NOW THEREFORE BE IT RESOLVED BY THE GOVERNING BODY:

Section 1. That all lawful actions previously taken by the Governing Body and the Governmental Unit and their respective officers and employees in connection with the Application and the Project are hereby ratified, approved and confirmed.

Section 2. That the completed Application submitted to the Governing Body is hereby approved and confirmed.

Section 3. That the officers and employees of the Government Unit are hereby directed and requested to submit the completed Application to the Finance Authority, and are further authorized to take such other action as may be requested by the Finance Authority in connection with the Application and to proceed with arrangements for financing the Project.

Section 4. All acts and resolutions in conflict with this Resolution are hereby rescinded, annulled and repealed.

Section 5. This Resolution shall take effect immediately upon its adoption.

PASSED, ADOPTED, SIGNED AND APPROVED by the Quay County Board of Commissioners in regular session, this 8th day of June, 2015.

BOARD OF QUAY COUNTY COMMISSIONERS



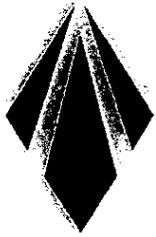
Franklin McCasland
Franklin McCasland, Chairman

Sue Dowell
Sue Dowell, Member

Mike Cherry
Mike Cherry, Member

ATTEST:

Veronica Marez
Veronica Marez, Quay County Clerk



**NEW MEXICO
FINANCE AUTHORITY**

NMFA Use Only:	
App. #:	-PP
FA assigned:	
Legislative Authorization	

**LOCAL GOVERNMENT PLANNING FUND
APPLICATION**

I. GENERAL INFORMATION

A. APPLICANT/ENTITY

Application Date: June 4, 2015

Applicant/Entity:	Quay County		
Address:	300 3rd Street Tucumcari, New Mexico 88401		
County	Quay	Census Tract:	9586.02
Federal Employer Identification Number (EIN) as issued by the IRS:			85-6000238
Legislative District:	Senate:	8	House: 67
Phone: 575-461-2112	Fax: 575-461-6208	Email Address: richard.primrose@quaycounty-nm	
Individual Completing Application:		Richard Primrose	
Address:	300 3rd Street Tucumcari, New Mexico 88401		
Phone: 575-461-2112	Fax: 575-461-0181	Email Address: richard.primrose@quaycounty-nm	

B. CONSULTING PROFESSIONALS (Legal Counsel, Architect, Engineer, Planner etc.), if available:

Firm:			
Contact:			
Address:			
Phone:	Fax:	Email Address: richard.primrose@quaycounty-nm	

C. PRIMARY CONTACT PERSON:

Name:	Richard Primrose		
Contact:	Richard Primrose		
Address:	300 3rd Street, Tucumcari, New Mexico 88401		
Phone:	575-461-2112	Fax:	575-461-6208
Email Address:	richard.primrose@quaycounty-nm		

D. Organizational Readiness-to-proceed (Municipalities & Counties Skip to II)

1. Are you formally organized? Yes No

2. Do you have formally adopted by-laws? Yes No

If yes, please provide a copy.

3. Are you incorporated? Yes No

If yes, please provide a copy of your Articles of Incorporation.

4. Do you have regular board meetings? Yes No

If yes, please identify when and how often.

5. Do you keep formalized records of your Board meetings? Yes No

6. Do you have written Board rules and regulations? Yes No

If yes, please provide a copy.

II. PROJECT SUMMARY

A. Project Description. Complete the following information, use additional paper if necessary. Include any additional documents that may be useful in reviewing this project, i.e. architectural designs, feasibility studies, business plan, etc.

1. Type of Project

- Preliminary Engineering Report (PER)
- Environmental Information Document
- Local Economic Development Act plan & Comprehensive Economic Development plan
- Water Conservation Plan
- Comprehensive Plan

- Infrastructure Plan for project identified on the ICIP
- Economic Development Feasibility Study
- Asset Management Plan
- Water Master Plan (Up Date 40 Year Water Plan)
- Wastewater Master Plan
- Energy Audit

2. Please include a detailed description of the scope of the proposed plan to be funded. Attach additional pages as needed.

Scope includes Asset Management Plan for all County Roads in Quay County total miles of road is 1,113.86. The road plan plus mapping and additional assets (equipment and buildings) as funding will allow.

B. Sources of Funding

NMFA Planning Funds Requested \$50,000.00

Non-NMFA Funds (specify source & terms) Quay County will match 25% \$12,500.00

III. Water & Wastewater System Rates & Information (if applicable)

A. 1. List the current residential water or wastewater;

	Wastewater Rate per 6000 Gallons	Water Rate per 6,000 Gallons	Last Adjusted
Residential	\$35.04	\$27.49	7/2013
Commercial	\$40.61	\$34.95	7/2013

2. Is the water system metered? Yes No

If yes, what percentage? 100% (City of Tucumcari)

3. Is the wastewater system metered? Yes No

If yes, what percentage? N/A

4. How many connections? 2800 (City of Tucumcari)

5. How many certified operators? 4 (City of Tucumcari)

IV. READINESS TO PROCEED ITEMS

A. The following items must accompany this application in order for this application to be considered complete:

- Map of service area, including census tract information
- 3 years of most recently completed fiscal year audit reports or unaudited financials
- Current unaudited financials
- Current fiscal year budget
- NMFA Application Resolution
- By-laws (if applicable)

- Articles of incorporation (if applicable)
- Board rules and regulations (if applicable)
- Open Meetings Act Resolution
- Documentation that each non-NMFA project funding source has been approved, or is in the process of being approved (if applicable)
- Joint Powers Agreement (if applicable)
- Administrative Order (if applicable)

Please Note: All water and wastewater planning documents must conform to Rural Utilities Services (RUS) Guidelines which is available from NMFA upon request. The scope and writer of any economic development feasibility study must be approved in advance by the Economic Development Department. A copy of any final report must be submitted to and accepted by the NMFA prior to disbursement of NMFA funds. NMFA may consult with the Departments of Environment, Economic Development or Finance & Administration in determining acceptability of any report.

V. CERTIFICATION

I certify that:

We have the authority to request and incur the debt described in this application and, upon award, will enter into a contract for the repayment of any NMFA loans and/or bonds.

We will comply with all applicable state and federal regulations and requirements.

To the best of my knowledge all information contained in this application is valid and accurate and the submission of this application has been authorized by the governing body of the undersigned jurisdiction.

Signature:

Title: County Manager

(highest elected official)

Jurisdiction:

Print Name:

Richard Primrose, Manager

Date: June 4, 2015

Signature:

Date: June 4, 2015

Finance Officer/Director:

Cheryl Simpson, Finance Officer

**2014-2015
QUAY COUNTY
RESOLUTION NO. 45**

AUTHORIZING AND APPROVING SUBMISSION OF A COMPLETED APPLICATION
FOR FINANCIAL ASSISTANCE AND PROJECT APPROVAL TO THE
NEW MEXICO FINANCE AUTHORITY

WHEREAS, the Quay County ("Governmental Unit") is a qualified entity under the New Mexico Finance Authority Act, Sections 6-21-1 through 6-21-31, NMSA 1978 ("Act"), and the Quay County Board of Commissioners ("Governing Body") is authorized to borrow funds and/or issue bonds for financing of public projects for benefit of the Governmental Unit; and

WHEREAS, the New Mexico Finance Authority ("Authority") has instituted a program for financing of projects from the public project revolving fund created under the Act and has developed an application procedure whereby the Governing Body may submit an application ("Application") for financial assistance from the Authority for public projects; and

WHEREAS, the Governing Body intends to undertake acquisition, construction and improvement of *Lots One (1) through Six (6) in Block Fourteen (14) of the Aber Addition to the City of Tucumcari* ("Project") for the benefit of the Governmental Unit and its citizens; and

WHEREAS, the application prescribed by the Authority has been completed and submitted to the Governing Body and this resolution approving submission of the completed Application to the Authority for its consideration and review is required as part of the Application.

NOW THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY:

Section 1. That all actions previously taken by the Governing Body and the Governmental Unit and their respective officers and employees in connection with the Application and the Project are hereby ratified, approved and confirmed.

Section 2. That the completed Application submitted to the Governing Body is hereby approved and confirmed.

Section 3. That the officers and employees of the Governing Body are hereby directed and requested to submit the completed Application to the Authority, and are further authorized to take such other action as may be requested by the Authority in connection with the Application and to proceed with arrangements for financing the Project.

Section 4. All acts and resolutions in conflict with this resolution are hereby rescinded, annulled and repealed.

Section 5. This resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED this 8th day of June, 2015.

BOARD OF QUAY COUNTY COMMISSIONERS


Franklin McCasland

Franklin McCasland, Chairman

Sue Dowell

Sue Dowell, Member

Mike Cherry

Mike Cherry, Member

ATTEST:

Ellen L. White, Chief Deputy

Veronica Marez, Quay County Clerk



**NEW MEXICO
FINANCE AUTHORITY**

NMFA Use Only	
App#:	PP:
FA assigned:	
Legislative Authorization	

**PUBLIC PROJECT REVOLVING FUND
BUILDING APPLICATION**

I. GENERAL INFORMATION

A. APPLICANT/ENTITY

Application Date: 5/29/2015

Applicant/Entity:	Quay County		
Address:	P. O. Box 1246 Tucumcari, NM 88401		
County:	Quay	Census Tract:	9586.02
Federal Employer Identification Number (EIN) as issued by the IRS:	85-6000238		
Legislative District:	Senate:	8	House:
Phone:	575-461-2112	Fax:	575-461-6208
Email Address:	Richard.primrose@quaycount y-nm.gov		
Individual Completing Application:	Richard Primrose		
Address:	300 S Third Street Tucumcari NM 88401		
Phone:	575-461-2112	Fax:	575-461-6208
Email Address:	Richard.primrose@quaycount y-nm.gov		

B. CONSULTING PROFESSIONALS (Bond/Legal Counsel, Architect, Engineer, etc.), if available:

Firm:			
Contact:			
Address:			
Phone:	Fax:	Email Address:	

C. PRIMARY CONTACT PERSON:

Name: Richard Primrose
Contact: Richard Primrose
Address: 300 S Third Street Tucumcari NM 88401
Phone: 575-461-2112 **Fax:** 575-461-6208 **Email Address:** Richard.primrose@quaycount
y-nm.gov

II. PROJECT SUMMARY

A. Project Description. Complete the following information, using additional paper if necessary. Include any additional documents that may be useful in reviewing this project, i.e. architectural designs, feasibility studies, business plan, etc.

1. Description of the project. Purchase office building at 1110 East High Street in Tucumcari for the District Attorney's offices.

2. Proposed Project Start Date: 7/1/2015 Proposed Project Completion Date: 7/15/15
When do you need NMFA funds available? Right after closing documents are final

3. How will the ongoing maintenance, operation, and replacement of this project be funded? Quay County will be responsible for the O & M of the facility.

4. Provide a detailed drawdown schedule for project payments. The schedule may reflect monthly or quarterly payments. Quay County would like to have a monthly payment that would be intercepted from our GRT payment from Tax and Revenue

B. Total Project Cost & Sources of Funds Detail.

Construction Activities	NMFA Funds Requested	Other Public Funds*	Private Funds	Total
Planning and Design	\$	\$	\$	\$ 0.00
Construction	\$	\$	\$	\$ 0.00
Equipment	\$	\$	\$	\$ 0.00
Infrastructure Activities				
Facility Acquisition	\$195,000	\$	\$	\$195,000
Land Acquisition	\$	\$	\$	\$ 0.00

Utilities (Electric, Gas, Water, etc.)	\$	\$	\$	\$ 0.00
Engineering and Architectural	\$	\$	\$	\$ 0.00
Contingencies	\$	\$	\$	\$ 0.00
Project Administration/Legal Fees	\$	\$	\$	\$ 0.00
Other	\$	\$	\$	\$ 0.00
Total Cost:	\$195,000	\$ 0.00	\$ 0.00	\$195,000

*Specify any other public funds, and amounts and terms of these funds, i.e. FmHA, CDBG, EPA, etc.

Source	Amount	Terms / # of Years
	\$	
	\$	
	\$	
Total:	\$ 0.00	

Attach a letter verifying that each non-NMFA funding source has been approved, or is in the process of being approved for this project. Explain any exceptions.

C. Will this project require right-of-way acquisition? Yes No xxx

If yes, specify any right-of-way needs, and whether acquisition may or may not delay beginning of project.

D. Who will hold title to the land where the project is to be located? Quay County

If this is land owned by the Bureau of Land Management, State Land Office, or Tribal Land, please attach lease agreements. (If there is no clear title, attach an explanation of ownership arrangements.)

E. Does this project require a Joint Powers Agreement (JPA)? Yes No xxx

If yes, provide a copy of the JPA, which should include a list of the current membership.

III. FINANCING

A. 1. Specify the revenue to be pledged as security for the NMFA loan (a revenue source must be pledged for this type of project).

Municipal Local Option GRT – please specify: _____

xxxx County Option GRT – please specify: .25 % County Option GRT

Other Tax-Based Revenue: _____

State-Shared GRT

Law Enforcement Funds

- Fire Protection Funds
- Net System Revenues:
- Other Revenue:

2. Is there an alternative revenue source available to pledge to pay debt service in the event that the primary pledged revenue is unavailable or insufficient? Yes xxx No If yes, specify:
County Property Tax

3. Preferred financing term: 10 years.

B. Is any debt being repaid from the revenue source(s) referenced in A (1)? Yes No xxx

If yes, provide bond or loan documents and payment schedule for any existing debt service being paid from the same revenues that would be used to repay a NMFA loan.

IV. READINESS TO PROCEED ITEMS

A. **The following items must accompany this application in order for this application to be considered complete:**

- Equipment cost breakdown (if applicable)
- Three most recently completed fiscal year audit reports
- Current unaudited financials
- xxx Current fiscal year budget
- Verification of ownership of land where project will be located
- Documentation that each non-NMFA project funding source has been approved, or is in the process of being approved (if applicable)
- Joint Powers Agreement (if applicable)

B. **In addition, complete the following information, using additional paper as necessary. These items will be required prior to disbursement of NMFA proceeds:**

- Provide a detailed drawdown schedule for project payments
- Final technical information for the project, stamped and approved by a registered engineer
- Cost breakdown of the project, certifiable by either an engineer or architect
- Area map, site map, and floor map (if applicable)
- Verification of ownership of land where project will be located
- Documentation that each Non-NMFA project funding source has been approved, or is in the process of being approved (if applicable)
- Documentation showing status of right-of-way acquisition (if applicable)

- Explanation of land ownership arrangements (if applicable)
- List all required permits and licenses necessary to complete this project. Detail the status of each item, a plan of action, and time frame for completing incomplete permits and licenses. Also provide a copy of all permits and licenses.
- Is there litigation pending which would have a bearing on this project or applicant?
 Yes No xxx
 If yes, provide a complete summary of all circumstances relating to such litigation.
- Indicate the regular meeting dates for your authorizing body: Second and Fourth Monday of each month

V. CERTIFICATION

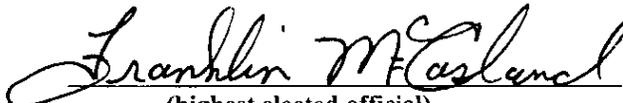
I certify that:

We have the authority to request and incur the debt described in this application and, upon award, will enter into a contract for the repayment of any NMFA loans and/or bonds.

We will comply with all applicable state and federal regulations and requirements.

To the best of my knowledge all information contained in this application is valid and accurate and the submission of this application has been authorized by the governing body of the undersigned jurisdiction.

Signature:


 (highest elected official)

Title: Quay County Commission
Chairman

Jurisdiction:

Quay County

Print Name:

Franklin McCasland

Date: 5/29/2015

Signature:



Date: 5/29/2015

Finance Officer/Director:

Quay County Manager

PURCHASE AND SALE AGREEMENT

THIS AGREEMENT IS MADE AND ENTERED INTO this 8th day of June, 2015, by and between FULL CIRCLE HOLDINGS, LLC hereinafter referred to as “**SELLER**” and QUAY COUNTY, NEW MEXICO, hereinafter referred to as “**PURCHASER**”.

RECITALS

WHEREAS, SELLER are the owners of that certain real property and improvements situated in the City of Tucumcari, Quay County, New Mexico, and more particularly described in Paragraph One (1) below, hereinafter referred to as the “**PROPERTY**”; and

WHEREAS, SELLER wishes to sell the real property to **PURCHASER** by accepting a portion of the purchase price in cash and by making a donation of the balance of the purchase price to **PURCHASER**.

WHEREAS, THE PURCHASER desires to purchase the property under the terms suggested by **SELLER** and accept the difference in the amount paid and the value of the property as a donation by **SELLER** to **PURCHASER**.

NOW, THEREFORE, in consideration of the above-expressed purposes and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Description of the Property. Upon the following terms and conditions, the **SELLER** shall sell to **PURCHASER**, and **PURCHASER** shall purchase from **SELLER**, the real property, fixtures, and improvements which are described below, located at 1110 East High Street, Tucumcari, New Mexico, and which shall be collectively referred to in this Agreement as the “**PROPERTY**”. The **PROPERTY** includes the real property and improvements located thereon, described as Lots One (1) through (6) in Block Fourteen (14) of the Aber Addition to the City of Tucumcari, together with all fixtures located thereon as described on **Exhibit “A”** attached hereto and incorporated herein by reference.

2. Purchase Price and Terms of Payment. As full consideration for the purchase price of the above described premises, the **PURCHASER** agrees to purchase the Property for a total purchase price of \$570,000.00, payable as follows:

A. Purchaser shall deposit \$100.00 as Earnest Money with First Title Services, LLC on the Effective Date of this contract. The Earnest Money shall be deposited in a non-interest bearing account in a federally insured financial institution chosen by Escrow Agent.

B. At Closing, Purchaser shall pay Seller a cash payment of \$195,000.00, and shall accept the remaining \$375,000.00 value of the Property as a charitable contribution from Seller.

3. Title Provisions. **SELLER** shall convey good and merchantable title to **PURCHASER** upon closing of this transaction, free and clear of all liens or encumbrances, except as to recorded easements, rights-of-way or other matters which can be ascertained by visual inspection of the **PROPERTY**.

SELLER, at their sole cost and expense, agrees to furnish **PURCHASER** a commitment to title insurance as hereinafter set forth. The subject title binder shall be issued by **FIRST TITLE SERVICES, LLC**, and shall cover the subject **PROPERTY** in the amount of \$195,000.00 and shall conform to the American Land Title Association (ALTA) standards; and shall show merchantable title to the subject **PROPERTY** vested in **SELLER**, subject only to the usual and customary exceptions of record.

PURCHASER shall have 5 days after the delivery of the title commitment to **PURCHASER** to review it and provide **SELLER** with written notice of any objections to the status of title as shown by the commitment with the exception of standard title insurance policy exceptions. Any objections which have not been presented to **SELLER** by the end of such period shall be deemed to have been waived. If written objections to the title commitment are timely made, then **SELLER**, at **SELLER'S** expense, may take such steps as are necessary to resolve the objections. If **SELLER** is unable or unwilling to resolve **PURCHASER'S** objections to **PURCHASER'S** reasonable satisfaction prior to closing, then **PURCHASER** may elect not to close this transaction and not to purchase the **PROPERTY**.

4. Fixtures, Buildings, Equipment and Furnishings. The parties acknowledge that the **PURCHASER** has had ample opportunity to inspect the building, fixtures, and improvements on the premises and accept such properties in "as-is" condition. Further, the parties understand and agree that the **SELLER** is making no other representations or warranties as to the fitness or operating condition of the building, fixtures or improvements transferred hereunder and that such building, fixtures, equipment, and improvements are being transferred in "as-is" condition. **Purchaser acknowledges that except for Seller's special warranty of title contained in the deed, Purchaser is not relying on any written, oral, implied or other representations, statements or warranties by Seller or any agent of Seller. All previous written, oral, implied or other statements, representations, warranties or agreements, if any, are merged herein. Except as expressly set forth herein, Seller shall have no liability to Purchaser, and Purchaser HEREBY releases Seller from any liability (including contractual and/or statutory actions for contribution or indemnity), for, concerning or regarding (1) the nature and condition of the Property, including the suitability thereof for any activity or use; (2) any improvements or substances located thereon; or (3) the compliance of the Property with any laws, rules, ordinances or regulations of any government or other body. THE FOREGOING INCLUDES A RELEASE OF SELLER FROM CLAIMS BASED ON SELLER'S NEGLIGENCE IN WHOLE OR IN PART AND CLAIMS BASED ON STRICT LIABILITY. SELLER HAS NOT MADE, DOES NOT MAKE AND EXPRESSLY DISCLAIMS, ANY WARRANTIES, REPRESENTATIONS, COVENANTS OR GUARANTEES, EXPRESSED OR IMPLIED, OR ARISING BY OPERATION OF LAW, AS TO THE MERCHANTABILITY, HABITABILITY, QUANTITY, QUALITY OR ENVIRONMENTAL CONDITION OF THE PROPERTY**

OR ITS SUITABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR USE. PURCHASER AFFIRMS THAT PRIOR TO CLOSING PURCHASER SHALL HAVE (i) INVESTIGATED AND INSPECTED THE PROPERTY TO ITS SATISFACTION AND BECOME FAMILIAR AND SATISFIED WITH THE CONDITION OF THE PROPERTY, AND (ii) MADE ITS OWN DETERMINATION AS TO (a) THE MERCHANTABILITY, QUANTITY, QUALITY AND CONDITION OF THE PROPERTY, INCLUDING THE POSSIBLE PRESENCE OF TOXIC OR HAZARDOUS SUBSTANCES, MATERIALS OR WASTES OR OTHER ACTUAL OR POTENTIAL ENVIRONMENTAL CONTAMINATES, AND (b) THE PROPERTY'S SUITABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR USE. PURCHASER HEREBY ACCEPTS THE PROPERTY IN ITS PRESENT CONDITION ON AN "AS IS", "WHERE IS" AND "WITH ALL FAULTS", INCLUDING ENVIRONMENTAL, BASIS AND ACKNOWLEDGES THAT (i) WITHOUT THIS ACCEPTANCE, THIS SALE WOULD NOT BE MADE, AND (ii) THAT SELLER SHALL BE UNDER NO OBLIGATION WHATSOEVER TO UNDERTAKE ANY REPAIR, ALTERATION, REMEDIATION OR OTHER WORK OF ANY KIND WITH RESPECT TO ANY PORTION OF THE PROPERTY. PURCHASER AND ITS SUCCESSORS AND ASSIGNS HAVE, AND SHALL BE DEEMED TO HAVE, ASSUMED ALL RISK AND LIABILITY WITH RESPECT TO THE PRESENCE OF TOXIC OR HAZARDOUS SUBSTANCES, MATERIALS OR WASTES OR OTHER ACTUAL OR POTENTIAL ENVIRONMENTAL CONTAMINATES ON, WITHIN OR UNDER THE SURFACE OF THE PROPERTY, WHETHER KNOWN OR UNKNOWN, APPARENT, NON-APPARENT OR LATENT, AND WHETHER EXISTING PRIOR TO, AT OR SUBSEQUENT TO, TRANSFER OF THE PROPERTY. SELLER IS HEREBY RELEASED BY PURCHASER AND ITS SUCCESSORS AND ASSIGNS OF AND FROM ANY AND ALL RESPONSIBILITY, LIABILITY, OBLIGATIONS AND CLAIMS, KNOWN OR UNKNOWN, INCLUDING (1) ANY OBLIGATION TO TAKE THE PROPERTY BACK OR REDUCE THE PRICE, OR (2) ACTIONS FOR CONTRIBUTION OR INDEMNITY, THAT PURCHASER OR ITS SUCCESSORS AND ASSIGNS MAY HAVE AGAINST SELLER OR THAT MAY ARISE IN THE FUTURE, BASED IN WHOLE OR IN PART, UPON THE PRESENCE OF TOXIC OR HAZARDOUS SUBSTANCES, MATERIALS OR WASTES OR OTHER ACTUAL OR POTENTIAL ENVIRONMENTAL CONTAMINATES ON, WITHIN OR UNDER THE SURFACE OF THE PROPERTY, INCLUDING ALL RESPONSIBILITY, LIABILITY, OBLIGATIONS AND CLAIMS THAT MAY ARISE UNDER THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION, AND LIABILITY ACT, AS AMENDED 42 U.S.C. § 9601 ET SEQ. PURCHASER FURTHER ACKNOWLEDGES THAT THE PROVISIONS OF THIS PARAGRAPH HAVE BEEN FULLY EXPLAINED TO PURCHASER AND THAT PURCHASER FULLY UNDERSTANDS AND ACCEPTS THE SAME. THE PROVISIONS OF THIS PARAGRAPH SHALL SURVIVE CLOSING.

5. Environmental Responsibility. The parties specifically understand and agree that, to SELLER'S actual knowledge, with no duty of investigation, no portion of the PROPERTY is being used or has ever been used for the generation, storage, disposal, or for the handling of any environmental waste of hazardous substances. Further, to SELLERS' actual knowledge, there

are no conditions whatsoever on the subject **PROPERTY** which would subject **PURCHASER** to any environmental claims against **PURCHASER** involving compliance with any and all applicable federal, state or local environmental laws, rules or regulations.

Upon closing of this transaction, **PURCHASER** agrees to indemnify and hold **SELLER** harmless as to any and all claims, demands, damages or proceedings involving **PURCHASER** use of the subject **PROPERTY**, particularly including any environmental claims against **PURCHASER** or **SELLER** regarding compliance with any and all applicable federal, state or local environmental laws, rules or regulations involving **PURCHASER'S** use of the subject **PROPERTY**.

Likewise, **SELLER** agree to indemnify and hold **PURCHASER** harmless as to any and all claims, demands, damages or proceedings involving **SELLER'S** use of the subject **PROPERTY**, particularly including any environmental claims against **PURCHASER** or **SELLER** regarding compliance with any and all applicable federal, state or local environmental laws, rules or regulations involving **SELLER'S** use of the subject **PROPERTY**.

6. Taxes and Insurance. Insurance (at Purchaser's option) if a transfer is permitted by the insurance carrier, and current taxes shall be prorated through the Closing Date. If the amount of the ad valorem taxes for the year in which the sale is closed is not available on the Closing Date, proration of taxes shall be made on the basis of taxes assessed in the previous year, with a subsequent cash adjustment of such proration to be made between Seller and Purchaser, if necessary, when actual tax figures are available.

7. Real Estate Commissions. **SELLER** and **PURCHASER** covenant and agree that neither party has employed a real estate broker with respect to this transaction.

8. Possession and Delivery. Possession of the **PROPERTY** shall be delivered to **PURCHASER** immediately upon execution of this Agreement, and the risk of loss to **PURCHASER** shall shift at that time.

9. Closing of Transactions. The closing of this transaction shall occur on or before August 15, 2015, or within 7 days after objections to title have been cured, whichever date is later (the "Closing Date"); however, the Closing Date shall be extended up to 15 days only if necessary to comply with lender's closing instructions (for example, insurance policy, property repairs, closing documents). Closing shall occur in the offices of FIRST TITLE SERVICES, LLC (the "Escrow Agent"), 216 South 2nd Street, Tucumcari, New Mexico. At closing, Seller shall furnish purchaser with a Special Warranty Deed, subject only to all matters of record other than liens and conveyances.

10. Closing Costs and Attorney Fees. Each party shall be responsible for their own attorney's fees. The parties shall further split and share equally the cost of any title company closing fees, including recording fees, incurred in closing this transaction with the exception of title insurance which shall be borne by **SELLER** and any survey fees which shall be borne by **PURCHASER**.

11. Default and Remedies. If either party defaults in the performance of this Agreement, the non-defaulting party shall have the right to compel specific performance of the defaulting party's duties and obligations, to rescind this Agreement or to pursue any other remedy provided by law.

12. Survival of Agreement After Closing. The parties specifically understand and agree that all of the representation and warranties and the "As-Is" provision contained in this Agreement shall survive the closing and performance of this Agreement.

13. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same instrument.

14. Further Documentation. The parties specifically agree to execute such further deeds, documents, or other writings as are necessary to effectuate the terms and conditions of this Agreement.

15. Interpretation. This Agreement is made and entered into and shall be governed by the laws of the State of New Mexico.

16. Benefit. This Agreement will be binding upon and inure to the benefit of the parties, and their respective heirs, successors and assigns.

17. Attorney's Fees. If, Purchaser, Seller, or Escrow Agent is a prevailing party in any legal proceeding brought under or with relation to this contract or this transaction, such party shall be entitled to recover from the non-prevailing parties all costs of such proceeding and reasonable attorney fees. The provisions of this paragraph shall survive closing.

18. Notices. All notices shall be in writing and effective when hand-delivered, mailed by certified mail return receipt requested, or sent by facsimile transmission or email (with receipt confirmed) to the party at the addresses specified below.

19. Dispute Resolution. The parties agree to negotiate in good faith in an effort to resolve any dispute related to this contract that may arise. If the dispute cannot be resolved by negotiation, the dispute shall be submitted to mediation before the parties resort to arbitration or litigation and a mutually acceptable mediator shall be chosen by the parties to the dispute who shall share the cost of mediation services equally.

20. Agreement of the Parties. This contract shall be binding on the parties, their heirs, executors, representatives, successors, and assigns. This contract contains the entire agreement of the parties and cannot be changed except by written agreement. Purchaser may not assign this contract.

21. Casualty Loss and Condemnation

(a) If any part of the Property is damaged or destroyed by fire or other casualty loss, Seller shall restore the Property to its previous condition as soon as reasonably possible, but in any event by the Closing Date. If Seller is unable to do so without fault, Purchaser may: (i) terminate this contract and the Earnest Money shall be refunded to Purchaser; (ii) extend the time for performance up to 15 days and the Closing Date shall be extended as necessary; or (iii) accept the Property in its damaged condition and accept an assignment of insurance proceeds.

(b) If prior to closing condemnation proceedings are commenced against any portion of the Property, Purchaser may: (i) terminate this contract by written notice to Seller within 10 days after Purchaser is advised of the condemnation proceeding and the Earnest Money shall be refunded to Purchaser; or (ii) appear and defend in the condemnation proceeding and any award in condemnation shall, at Purchaser's election, become the property of Seller and the sales price shall be reduced by the same amount or any award shall become the property of Purchaser and the sales price shall not be reduced.

22. Escrow. If either party makes demand for the payment of the Earnest Money, Escrow Agent has the right to require from all parties a written release of liability of Escrow Agent for disbursement of the Earnest Money. Any refund or disbursement of Earnest Money under this contract shall be reduced by the amount of unpaid expenses incurred on behalf of the party receiving the Earnest Money, and Escrow agent shall pay the same to the creditors entitled thereto. At closing, the Earnest Money shall be applied first to any cash down payment, then to Purchaser's closing costs and any excess refunded to Purchaser. Demands and notices required by this paragraph shall be in writing and delivered by hand delivery or by certified mail, return receipt requested.

23. Purchaser's Temporary Lease.

- A. LEASE: Seller "Landlord" leases to Purchaser "Tenant" the property (the Property).
- B. TERM: The term of this Lease commences on the Effective Date of this Contract and terminates on the Closing Date, unless terminated earlier by reason of other provisions hereof.
- C. RENTAL: Tenant shall pay as rental \$1.00 per month with an initial payment of \$2.00 to be paid on the Effective Date and the balance, if any, to be paid at the time of Closing. The rental shall be paid to Landlord or Landlord's agent at the address designated for payment of rent.
- D. UTILITIES: Tenant shall pay all utility charges.
- E. USE OF PROPERTY: The Property shall be used and occupied by Tenant for commercial office purposes only. Tenant shall not assign this Lease or sublet any part of the Property.

- F. **CONDITION OF PROPERTY:** Tenant accepts the Property in its condition and state of repair at the commencement of the lease term, and Landlord shall not be obligated to make any repairs or improvements. Upon termination Tenant shall surrender the Property to the Landlord in its required condition under the Contract at the time of closing, except normal wear and tear.
- G. **INSPECTIONS:** During the lease term Landlord may enter the Property at all reasonable times to inspect the improvements.
- H. **LAWS:** Tenant shall obey all applicable laws, restrictions, ordinances, rules and regulations with respect to the Property.
- I. **REPAIRS AND MAINTENANCE:** Tenant shall repair at the expense of Tenant any damage to the Property caused directly or indirectly by the acts or omissions of the Tenant or any other person therein or thereon by the consent, invitation or sufferance of Tenant. Repairs shall be completed promptly and in a good and workmanlike manner.
- J. **INDEMNITY:** Tenant shall indemnify Landlord from the claims of all third parties for injury or damage to the person or property of such third party arising from the use or occupancy of the Property by Tenant. This indemnification shall include all costs and expenses incurred by Landlord, including attorney's fees.
- K. **INSURANCE:** Tenant shall maintain public liability insurance for its operations on the Property in an amount equal to the minimum "primary coverage" amount required by Tenant's insurance carrier as a condition for purchasing umbrella liability insurance by Tenant. In no event shall such coverage be less than \$1,000,000 per occurrence. Upon written notice by Landlord to Tenant, such dollar amount of Tenant's liability policy shall be increased by the amount of any increase required by Tenant's carrier for "primary coverage" under an umbrella liability policy. Landlord shall be named as additional insureds on Tenant's liability insurance policy. Tenant is encouraged to maintain fire and extended coverage insurance (including vandalism and malicious mischief) on the contents in the building, including fixtures, furniture, equipment, supplies, inventory and other personal property.
- L. **DEFAULT:** If Tenant fails to perform or observe any provision of this Lease and fails to remedy same within three days after notice by Landlord, Tenant shall be in default under this Lease and Landlord may pursue all available legal remedies.
- M. **TERMINATION:** This Lease shall terminate upon expiration of the term or upon Tenant's default under this Lease.

24. EFFECTIVE DATE. The Effective Date of this contract for the purpose of performance of all obligations shall be the date this contract is received by the Escrow Agent after all parties have executed this contract.

SELLER: **Full Circle Holdings, LLC**

By: Patrick L. Freedle, Manager

Dated signed: _____, 2015

c/o Gregory A. Richards
Pattillo Richards, P.C.
Attorneys at Law
280 Thompson Drive
Kerrville, Texas 78028
greg@pattillorichards.com

PURCHASER:

BOARD OF QUAY COUNTY COMMISSIONERS



Franklin McCasland, Chairman



Sue Dowell, Member



Mike Cherry, Member

Date signed: June 8, 2015

RECEIPT

On this day, _____, 2015, Escrow Agent acknowledges receipt of the Contract, fully executed by both parties.

First Title Services, LLC

By: _____

**2014-2015
QUAY COUNTY
RESOLUTION NO. 46**

A RESOLUTION OF QUAY COUNTY, NEW MEXICO DECLARING ITS OFFICIAL INTENT TO REIMBURSE-ITSELF WITH THE PROCEEDS OF A LOAN AGREEMENT BETWEEN QUAY COUNTY AND THE NEW MEXICO FINANCE AUTHORITY FOR CERTAIN CAPITAL EXPENDITURES THAT WILL BE MADE BY THE COUNTY; IDENTIFYING SAID CAPITAL EXPENDITURES AND THE FUNDS USED FOR SUCH PAYMENT; AND PROVIDING CERTAIN OTHER MATTERS IN CONNECTION THEREWITH.

WHEREAS, Quay County (the "County") in the State of New Mexico is duly organized and existing pursuant to the Constitution and laws of the State; and

WHEREAS, the Quay County Board of Commissioners is the governing body of the County; and

WHEREAS, the Board of Commissioners has determined that it is the best interest of the County to make certain capital expenditures on the project; and

WHEREAS, the Board of Commissioners currently intends and reasonably expects to enter into a loan agreement with the New Mexico Finance Authority (the "Loan Agreement") to finance the Project, including an amount not to exceed \$195,000 for reimbursing the County's Improvement Fund for capital expenditures subsequent to the date which is 60 days prior to the date hereof but before borrowing, within 18 months of the date of such capital expenditures or the placing in service of the Project, whichever is later (but in no event more than three years after the date of the original expenditure of such money's); and

WHEREAS, the Board of Commissioners hereby desires to declare its official intent, pursuant to 26 C.F.R. 1.150.2, to reimburse the County's Fund for such capital expenditures with the proceeds of the Loan Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE QUAY COUNTY BOARD OF COMMISSIONERS OF QUAY COUNTY OF NEW MEXICO THAT:

1. Declaration of Official Intent. The County will finance *Lots One (1) through Six (6) in Block Fourteen (14) of the Aber Addition to the City of Tucumcari* (the "Project") with moneys currently contained in its funds and known as the County's Improvement Fund.
2. Dates of Capital Expenditures. All of the capital expenditures covered by this Resolution were not made earlier than 60 days prior to the date of this Resolution.
3. Issuance of Loan Agreement. The County presently intends and reasonably expects to enter into the Loan Agreement within 18 months of the date of the expenditures of moneys on the Project or the date upon which the Project was placed in service or abandoned. Whichever is later (but in no event more than

three years after the date of the original expenditure of such moneys), and to allocate an amount not to exceed \$195,000 of the proceeds thereof to reimburse the County's Improvement Fund for its expenditures in connection with the Project.

4. Confirmation of Prior Acts. All prior acts and doings of the officials, agents, and employees of the County which are in conformity with the purpose and intent of this Resolution, and in furtherance of the Project, shall be and the same hereby in all respects ratified, approved and confirmed.
5. Repeal of Inconsistent Resolutions. All other resolutions of the Board of Commissioners, or parts of resolutions, inconsistent with this Resolution are hereby repealed to the extent of such inconsistency.
6. Effective Date of Resolution. This Resolution shall take effect immediately upon its passage.

PASSED, APPROVED AND ADOPTED this 8th day of June, 2015.

BOARD OF QUAY COUNTY COMMISSIONERS



Franklin McCasland
Franklin McCasland, Chairman

Sue Dowell
Sue Dowell, Member

Mike Cherry
Mike Cherry, Member

ATTEST:

Veronica Marez
Veronica Marez, Quay County Clerk

On behalf of numerous disgruntled employees and Department Heads I am letting the Commissioners know how unfair we believe the recent passing of the upcoming year's budget was handled following a Budget workshop where most of the Department Heads attended.

When asked to prepare the 2015 fiscal year budget, it was requested that we all keep our bottom line figures the same without increasing costs and were told there would not be salary increases for anyone due to budget constraints.

Most of us followed the request to a fault and asked no questions only to see now how one Department Head, who did not attend the Budget Workshop, requested an executive session at a following Board of Commissioners meeting to negotiate raises for their employees leaving everyone else out of the process. This Department received raises with a couple other selected employees leaving out some long term employees not even making what a newly hired employee is making.

We have veteran employees who have dedicated their services for over 10 and 15 years who are below or barely near what many recently employed individuals are now making and future employees will be receiving by as much as \$3.00 an hour.

I don't feel like this was a fair process to employees throughout the County. I don't think one person's job field, that they have freely chosen, makes it more valuable or important than another.

I believe it was an undermining act that left the other Elected Officials and Department Heads who did what was asked of them by keeping their budgets the same with a sour taste in their mouths.

Realizing that nothing can be done to rectify this situation at this point, we will remember next year this process and that the best strategy perhaps is extortion instead of integrity.