

QUAY COUNTY GOVERNMENT
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AGENDA
REGULAR SESSION
QUAY COUNTY BOARD OF COMMISSIONERS
September 25, 2015

9:00 A.M. Call Meeting to Order

Pledge of Allegiance

Approval of Minutes-Regular Session *Sept. 14* August 10, 2015

Approval/Amendment of Agenda

Public Comment

Public Hearing

Franklin McCasland, Quay County Commission Chairman

- Amendment of Ordinance 43, Article 4, Section A.

Public Hearing Adjourned

Ongoing Business

I. Larry Moore, Quay County Road Superintendent

- John Deere Blade Lease Agreement – (Two Blades)

II. T. J. Rich, Quay County Detention Center Superintendent

- Mesa Counselling Agreement

New Business

III. Daniel Alsup, Attorney for Caprock Solar Project

- Approval of Resolution 9 – The Proposed IRB for Caprock Solar Projects

IV. Russell Shafer, Quay County Sheriff

- Sheriff's Report

V. Larry Moore, Quay County Road Superintendent

- Road Update



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Fee: (No FieldTag Finance TotalFees found) Pages: 51
Quay County, NM Veronica Marez, County Clerk



VI. Richard Primrose, Quay County Manager

- Approval of Amendment of Ordinance 43, Article 4, Section A.
- Approval of Resolution 8 - Authorization of Budgetary Increase to EMS Fund (414)
- Correspondence

VII. INDIGENT CLAIMS BOARD

- Call Meeting to Order
- Request Approval of Indigent Minutes for the August 21, 2015 Meeting
- Review September Claims Prepared by Sheryl Chambers
- Adjourn

VIII. Judge Mitchell, 10th Judicial District Court

- Discussion of District Court Clerk's Office Renovation

IX. Request Approval of Accounts Payable

X. Request for Closed Executive Session

- 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 by the public body.
- Pursuant to Section 10-15-1(H) 7. The New Mexico Open Meetings Act Pertaining to Threatened or Pending Litigation

XI. Richard Primrose, Quay County Manager

- Proposed action, if any, from Executive Session

XII. 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

September 25, 2015

9:00 A.M.

BE IT REMEMBERED THE HONORABLE BOARD OF QUAY COUNTY COMMISSIONERS met in regular session the 25th day of September, 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
Aaron McKinney, Tucumcari Public Schools Superintendent
Daniel Alsup, Attorney for Caprock Solar Project
Cheryl Simpson, Quay County Manager's Office
Russell Shafer, Quay County Sheriff
Thomas Garcia, Quay County Sun

Chairman Franklin McCasland called the meeting to order. Aaron McKinney led the Pledge of Allegiance.

A MOTION was made by Mike Cherry, SECONDED by Franklin McCasland to approve the minutes from the September 14, 2015 regular session as printed. MOTION carried with Cherry voting "aye", McCasland voting "aye", and Dowell "abstaining".

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: NONE

---PUBLIC HEARING---

Chairman McCasland call the Public Hearing portion of the meeting to order for the purpose of Amending Ordinance No. 43 as specified below:

Section A.

Flood Damage Prevention Ordinance to Minimize Public and Private Losses due to Flood Conditions within the Jurisdiction of the County of Quay, New Mexico promoting the Public Health, Safety and General Welfare to the Citizens Thereof.

Article 4, Section A shall read as follows:

The Quay County Board of Commissioners, shall hereby appoint the Floodplain Administrator to administer and implement the provisions of this Ordinance and other appropriate sections of 44 CFR (Emergency Management and Assistance – National Flood Insurance Program Regulations) pertaining to floodplain management. The current Floodplain Administrator shall be Curtis Simpson. Changes of future Administrators shall be appointed in a public meeting conducted by the Board of Quay County Commissioners and reflected in the Minutes of Record.

Commissioner Dowell thanked Commissioner Cherry and Curtis Simpson for their efforts when meeting with the State Floodplain Coordinator to keep Quay County's Plan current and up to date.

Chairman McCasland closed the Public Hearing.

Curtis Simpson, Quay County Emergency Manager, Patsy Gresham, Quay County Treasurer and T.J. Rich, Quay County Detention Center Administrator joined the meeting. Time noted 9:05 a.m.

ONGOING BUSINESS:

Larry Moore, Quay County Road Superintendent presented a Lease Agreement between John Deere and Quay County for two blades. Moore said the blades are ready to be picked up in Albuquerque starting next Monday, the 28th of September. A MOTION was made by Mike Cherry SECONDED by Sue Dowell to approve the Lease Agreement as presented. MOTION carried with Cherry voting "aye", Dowell voting "aye", McCasland voting "aye". A copy of the Lease Agreement is attached and made a part of these minutes.

T.J. Rich brought forth the Mesa Counseling Agreement that was tabled at a previous meeting. Rich stated he will be having a teleconference with the NMAC on September 29 regarding the issues involved with Detention Centers providing these services to inmates. As well, a representative will be attending the October 26 County Commission Meeting to speak with the Commissioners. At this time, Rich stated no further information is available regarding the Agreement. County Manager, Richard Primrose suggested the Commissioners table the item until after the October 26 meeting with the NMAC. A MOTION was made by Mike Cherry SECONDED by Sue Dowell to table any action on this Agreement until further notice. MOTION carried with Cherry voting "aye", Dowell voting "aye", McCasland voting "aye".

NEW BUSINESS:

Daniel Alsup, Attorney for Caprock Solar Project presented Resolution No. 9; Relating to the Proposed Industrial Revenue Bond (Caprock Solar 1 LLC and Caprock Solar 2 LLC Projects) in an

aggregate principal amount up to \$116,500.00 in connection with the proposed projects. Alsup described the basics of the IRB process explaining the biggest draw is the tax abatements. Alsup concluded by reminding the Commissioners the County has no financial obligations nor does it affect the tax rates. The entire financial obligation lies with Infigen.

Primrose informed the Commissioners the Resolution has been approved by Quay County's Attorney on the project.

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

Quay County Sheriff, Russell Shafer presented the monthly activity report from the Sheriff's Office for the time period July 24 through September 21, 2015. A copy is attached and made a part of these minutes. Shafer informed the Commissioners a Memorandum of Understanding will be presented to the House Village Council at their next meeting regarding an Officer being located in that area as detailed in the Agreement.

Chairman McCasland asked Shafer what the status of the vehicle transfers from Harding to Quay was. Shafer stated the paperwork is still pending at some level in Santa Fe.

Larry Moore, Quay County Road Superintendent, gave the following department report:

1. Crews are cutting trees in Nara Visa near the Stull residence.
2. Crews are cleaning cattle guards, culverts and servicing equipment.
3. Equipment is being prepared to be moved for work around the House area.

Moore also informed the Commissioners he had just received the Amendment Agreements to the CAP, COOP and School Bus Projects as a result of the Resolutions being approved at an earlier meeting to request the extension of the project. The Commissioners will address these items at the end of the meeting under "Other Business".

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

1. Requested approval of Amended Ordinance No. 43; Flood Damage Prevention. A MOTION was made by Mike Cherry SECONDED by Sue Dowell to approve the Ordinance as presented. MOTION carried with Cherry voting "aye", Dowell voting "aye", McCasland voting "aye". A copy of said Ordinance No. 43 is attached and made a part of these minutes.
2. Presented Resolution No. 8; EMS Fund (414) for approval. A MOTION was made by Sue Dowell SECONDED by Mike Cherry to approve the Resolution as presented. MOTION carried with Cherry voting "aye", Dowell voting "aye", McCasland voting "aye". A copy of said Resolution is attached and made a part of these minutes.

Managers Correspondence:

1. Presented the monthly Gross Receipts Tax Report indicating amounts are 6% below last year at this time.
2. Mesalands Community College will be having free admission into the Dinosaur Museum on Saturday, September 26 in conjunction with the "Fired-Up" event.
3. Quay County is a sponsor of the "Fire-Up" event and the Commissioners have complimentary tickets to the "Ignite" reception on Friday night, September 25.
4. Area Agency on Aging will be hosting a Regional Public Hearing on October 7, 2015 in Clovis at 10:00 a.m.
5. Memorial Services for Nadine Angel, former County Treasurer will be on Saturday, September 26 at 11:00 a.m. at the First Baptist Church.
6. A Quay County employee cook-out will be held on Friday, October 16, 2015 at 5:00 p.m. at the Quay County Fairgrounds.

Chairman McCasland called the Indigent Claims Board portion of the meeting to order. Time noted 9:40 a.m.

-----INDIGENT CLAIMS BOARD-----

Return to regular session. Time noted 9:50 a.m.

Tenth Judicial District Judge Albert Mitchell joined the meeting. Time noted 9:55 a.m.

Judge Mitchell requested the Commissioners tour the newly remodeled District Court Clerk's Office. Members of the Quay County Commission and those in attendance toured the remodeled offices.

Chairman McCasland requested a break. Time noted 10:15 a.m. to 10:30 a.m.

Accounts Payable was presented for approval. Commissioner Dowell requested clarification of the purchase of a culvert and the installation thereof. Moore explained that if a resident wants a culvert installed on their private property, such as in a drive-way, it is the responsibility of the land owner to make the purchase and the County will install them. If the culvert is needed on a County maintained road, the County pays for the culvert. Dowell said she just wanted to make sure because she knows numerous residents who need culverts but cannot afford them. A MOTION was made by Sue Dowell, SECONDED by Mike Cherry to approve payments. MOTION carried with Cherry voting "aye", Dowell voting "aye" and McCasland voting "aye".

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) 8 to discuss the Purchase, Acquisition or Disposal of Real Property or Water Rights; Section 10-15-1(H)7 to discuss Threatened or Pending Litigation. MOTION carried with Cherry voting "aye", McCasland voting "aye" and Dowell voting "aye".

Time noted 10:40 a.m.

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

Return to regular session. Time noted 11:45 a.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".

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

A MOTION was made by Mike Cherry, SECONDED by Sue Dowell to approve the Amendment Agreements to the CAP, COOP and School Bus Projects as requested by Road Superintendent, Larry Moore. MOTION carried with Cherry voting "aye", McCasland voting "aye" and Dowell voting "aye".

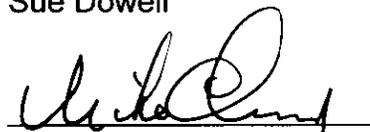
There being no further business, a MOTION was made by Mike Cherry, SECONDED by Sue Dowell to adjourn. MOTION carried with Cherry voting "aye", McCasland voting "aye" and Dowell voting "aye". Time noted 11:50 a.m.

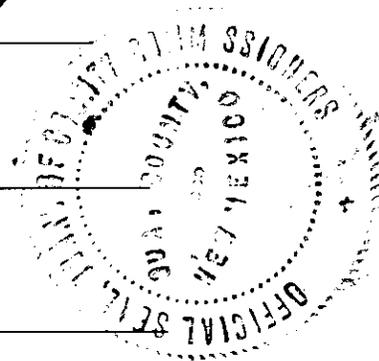
Respectfully submitted by Ellen White, Chief Deputy County Clerk.

BOARD OF QUAY COUNTY COMMISSIONERS

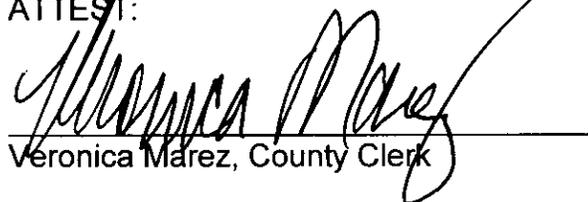

Franklin McCasland


Sue Dowell


Mike Cherry



ATTEST:


Veronica Marez, County Clerk



JOHN DEERE FINANCIAL

Master Lease Agreement

Agreement No. 0064275

Lessee:	QUAY COUNTY 300 S THIRD ST., TUCUMCARI, NM 88401-1246
Lessor:	DEERE CREDIT, INC. 6400 NW 86 TH ST, PO BOX 6600, JOHNSTON, IA 50131-6600
This Master Lease Agreement ("Master Agreement") is entered into between Deere Credit, Inc., as Lessor ("we", "us" or "our"), and the Lessee and any Co-Lessee identified below ("you" or "your"). "Schedule" shall mean any Lease Schedule signed by you and us, which incorporates the terms of this Master Agreement. "Lease" shall mean this Master Agreement and any Schedule.	

TERMS AND CONDITIONS

- Lease Term; Payments.** You agree to lease from us the property ("Equipment") described in each Schedule for the Lease Term. The Lease Term will begin on the Lease Term Start Date and end on the Lease Term End Date. All attachments and accessories itemized on the Schedule and all replacements, parts and repairs to the Equipment shall form part of the Equipment. A Schedule is not accepted by us until we sign it, even if you have made a payment to us. You agree to remit to us the Lease Payments indicated in the Schedule and all other amounts when due and payable each Billing Period, even if we do not send you a bill or an invoice. **YOUR PAYMENT OBLIGATIONS ARE ABSOLUTE AND UNCONDITIONAL, AND ARE NOT SUBJECT TO CANCELLATION, REDUCTION OR SETOFF FOR ANY REASON WHATSOEVER.** For any payment which is not received by its due date, you agree to pay a late charge equal to 5% of the past due amount (not to exceed the maximum amount permitted by law) as reasonable collection costs, plus interest from the due date until paid at a rate of 1.5% per month, but in no event more than the maximum lawful rate. Restrictive endorsements on checks you send us will not change or reduce your obligations to us. If a payment is returned to us by the bank for any reason, you agree to pay us a fee of \$25.00, or the maximum amount permitted by law, whichever is less. Lease Payments and other payments may be applied, at our discretion, to any obligation you may have to us or any of our affiliates. If the total of all payments made during the Lease Term (and any Renewal Term), exceeds the total of all amounts due under the Lease by less than \$25.00, we may retain such excess.
- Security Deposit.** If the Schedule provides for a Security Deposit, the Security Deposit will be held by us in a non-interest bearing account, commingled with other funds. We may apply the Security Deposit to any amounts due under the Lease and, if we do so, you agree to promptly remit to us the amount necessary to restore the Security Deposit to the original amount. The Security Deposit will be returned to you within thirty days of termination of a Schedule and final inspection by us, provided you are not in default.
- Taxes.** Although you may be exempt from the payment of Certain Taxes, you agree to pay us when invoiced (a) all sales, use, rental, gross receipts and all other taxes which may be imposed on the Equipment or its use, and (b) all taxes and governmental charges associated with the ownership, use or possession of the Equipment including, but not limited to, personal property and ad valorem taxes ("Taxes"). Taxes do not include those measured by our net income. If applicable law requires tax returns or reports to be filed by you, you agree to promptly file such tax return and reports and deliver copies to us. You agree to keep and make available to us all tax returns and reports for Taxes paid by you.
- Security Interest; Missing Information.** We are the owner of the Equipment and you have the right to use the Equipment under the terms of the Lease. If a Schedule is deemed to be a secured transaction and not a lease, you (a) grant us and our affiliates a security interest in the Equipment (and all proceeds) to secure all of your obligations under the Lease and any other obligations, which you may have, to us or any of our affiliates, and (b) authorize us to file financing statements naming you as debtor. You agree to keep the Equipment free and clear of liens and encumbrances, except those in our favor, and promptly notify us if a lien or encumbrance is placed or threatened against the Equipment. You irrevocably authorize us, at any time, to (a) insert or correct information on the Lease, including your correct legal name, serial numbers and Equipment descriptions; (b) submit notices and proofs of loss for any required insurance; and (c) endorse your name on remittances for insurance and Equipment sale or lease proceeds. Notwithstanding any other election you make, you agree that (1) we can access any information regarding the location, maintenance, operation and condition of the Equipment; (2) you irrevocably authorize anyone in possession of that information to provide all of that information to us upon our request; (3) you will not disable or otherwise interfere with any information gathering or transmission device within or attached to the Equipment; and (4) we may reactivate any such device.
- Equipment Maintenance, Operation and Use.** You agree to (a) USE THE EQUIPMENT ONLY FOR AGRICULTURAL, BUSINESS OR COMMERCIAL PURPOSES AND NOT FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES; (b) not move the Equipment to another county or state without notifying us within 30 days; (c) operate and maintain the Equipment in accordance with all (1) laws, ordinances and regulations, (2) manuals and other instructions issued by the manufacturer(s) and supplier(s), and (3) insurance policy terms and requirements; (d) perform (at your own expense) all maintenance and repairs necessary to keep the Equipment in as good a condition as when delivered to you, reasonable wear excepted; (e) not install any accessory or device on the Equipment which affects the value, useful life or the originally intended function or use of the Equipment in any way, unless it can be removed without damaging the Equipment; (f) allow us and our agent(s) to inspect the Equipment and all of your records related to its use, maintenance and repair, at any reasonable time; (g) keep any metering device installed on the Equipment connected and in good working condition at all times; (h) affix and maintain, in a prominent place on the Equipment, any labels, plates or other markings we may provide to you; and (i) not permit the Equipment to be used by, or to be in the possession of, anyone other than you or your employees.
- Insurance.** You agree, at your cost, to (a) keep the Equipment insured against all risks of physical damage for no less than its Termination Value (as such term is defined in Section 7 below), naming us (and our successors and assigns) as sole loss payee; and (b) maintain public liability insurance, covering personal injury and property damage for not less than \$1,000,000 per occurrence, naming us (and our successors and assigns) as additional insured. All insurance must be with companies and policies acceptable to us. Your obligation to insure the Equipment continues until you return the Equipment to us and we accept it. Each insurance policy must provide that (a) our interest in the policy will not be invalidated by any act, omission, breach or neglect of anyone other than us; and (b) the insurer will give us at least 30 days' prior written notice before any cancellation of, or material change to, the policy.
Unless you provide us with evidence of the required insurance coverages, we may purchase insurance, at your expense, to protect our interests in the Equipment. This insurance may not (1) protect your interests; or (2) pay any claim that you make or any claim that is made against you in connection with the Equipment. You may later cancel any insurance purchased by us, but only after providing us with evidence that you have obtained the insurance required by the Lease. The cost of the insurance may be more than the cost of insurance you may be able to obtain on your own.
- Loss or Damage.** Until the Equipment is returned to us in satisfactory condition, you are responsible for all risk of loss, damage, theft, destruction or seizure of the Equipment (an "Event of Loss"). You must promptly notify us of any Event of Loss. If the Equipment can be repaired or replaced, you agree to promptly repair or replace the Equipment, at your cost, and the terms of the Lease will continue to apply. If the Equipment cannot be repaired or replaced, you agree to pay us, within 10 days of the Event of Loss, its Termination Value as of the day before such Event of Loss occurred. Upon receipt of the Termination Value, we will transfer to you (or the insurance company) all of our right, title and interest in such item(s) of Equipment (each, an "Item") AS-IS, WHERE-IS, WITHOUT ANY WARRANTY AS TO CONDITION OR VALUE. All insurance proceeds must be paid directly to us, and we may apply any excess insurance proceeds to any other amounts you owe us or any of our affiliates. "Termination Value" for any Item shall be the net book value calculated as the sum of (1) all Lease Payments and any other amounts then due and payable to us; plus (2) the present value of all remaining Lease Payments and other amounts, discounted at the Internal Rate of Return or, if a discount rate is set forth in the applicable Schedule, such discount rate (the "Discount Rate"); plus (3) the cost to repair and refurbish the Item so that it is in satisfactory condition in accordance with Section 9; plus (4) the present value of the Purchase Option Price (or, if there is no Purchase Option Price, the residual value that we assumed in calculating Lease Payments), discounted at the Discount Rate. "Internal Rate of Return" shall be calculated using standard finance techniques with the Equipment Cost, Lease Payments, Lease Term and Purchase Option Price (or residual value assumption) as the variables.

ADDITIONAL TERMS AND CONDITIONS OF MASTER LEASE AGREEMENT

8. **Early Payoff/Purchase.** In the event you desire to purchase an item of Equipment, are not in default, and request a termination of a Schedule before the expiration of its Lease Term, you agree to pay us the Termination Value for each item of Equipment. Upon receipt of the Termination Value, we will transfer to you all of our right, title and interest in such item of Equipment.

9. **Return of Equipment.** If a Schedule is terminated for any reason and you do not (a) return the Equipment to us, (b) exercise any Purchase Option, or (c) exercise any Renewal Option, you agree to remit to us, until such time as the Equipment is returned to us in accordance with the provisions of this Section, lease payments each month equal to the higher of (i) the monthly fair market rental value of the Equipment, as determined by us in our sole discretion, or (ii) the monthly Lease Payment set forth in the Schedule (or the monthly lease payment equivalent if the Lease Payments are other than monthly (e.g., for annual Lease Payments, the monthly lease payment equivalent would be calculated by dividing the annual Lease Payment by 12)). All Equipment must be returned to the nearest John Deere dealer that sells equipment substantially similar to the Equipment, at your expense and in satisfactory condition, along with all use, maintenance and repair records. Equipment is in satisfactory condition if it is in as good a condition as when the Equipment was delivered to you, reasonable wear excepted, and conforms to the standards of any Equipment Return Provisions incorporated into the Lease.

10. **Default.** You will be in default if: (a) you fail to remit to us any Lease Payment or other payment when due; (b) you breach any other provision of the Lease and fail to cure such breach within 10 days; (c) you remove any Equipment from the United States; (d) a petition is filed by or against you or any guarantor under any bankruptcy or insolvency law; (e) a default occurs under any other agreement between you (or any of your affiliates) and us (or any of our affiliates); (f) you or any guarantor is acquired by, merges with or consolidates into another entity, sells substantially all its assets, dissolves or terminates its existence, or (if an individual) dies; or (g) you fail to maintain the insurance required by Section 6. Time is of the essence under the Lease.

11. **Remedies.** If a default occurs, we may, to extent permitted by applicable law, do one or more of the following: (a) require you to return the Equipment in the manner outlined in Section 9, or take possession of the Equipment; (b) recover from you, AS LIQUIDATED DAMAGES FOR LOSS OF BARGAIN AND NOT AS A PENALTY (i) if the Equipment is returned and the Lease is deemed to be a lease and not a secured transaction in our sole discretion, the sum of (1) all Lease Payments and any other amounts then due and payable to us; (2) the present value of all remaining Lease Payments and other amounts, discounted at the Discount Rate; (3) the cost to repair and refurbish the item of Equipment so that it is in satisfactory condition in accordance with Section 9 and (4) unamortized amount of our initial direct costs of originating and administering the applicable Schedule (ii) if the Equipment is returned to us and the Lease is deemed to be a secured transaction and not a lease in our sole discretion, the difference between (1) the Termination Value as of the date of such default; and (2) the net proceeds we receive from any sale, lease or other disposition of the Equipment (after deducting all of our costs and expenses) or (iii) if the Equipment is not returned to us, the Termination Value as of the date of such default; (c) declare any other agreements between you and us (or any of our affiliates) in default; (d) terminate any of your rights (but none of your obligations) under any Lease and any other agreement between you and us (or any of our affiliates); (e) charge you for the expenses incurred in connection with the enforcement of our remedies including, without limitation, repossession, repair and collection costs, attorneys' fees and court costs; (f) exercise any other remedy available at law or in equity; and (g) take on your behalf (at your expense) any action required by the Lease which you fail to take. These remedies are cumulative, are in addition to any other remedies provided by law, and may be exercised concurrently or separately. Any failure or delay by us to exercise any right shall not operate as a waiver of any other right or future right.

12. **Assignment.** You will not assign, pledge or otherwise transfer any of your rights or interests in the Lease or any Equipment without our prior written consent. Any assignment without our consent will be void. The Lease shall be binding upon any successor or permitted assignee. We may assign the Lease or our interest in the Equipment at any time without notice to you and without your consent. We may provide information about you to any prospective assignee or participant. You agree not to assert against our assignee any claims, offsets or defenses which you may have against us.

13. **Indemnity.** You are responsible for all losses, damage, claims, injuries to or the death of an individual, and attorneys' fees and costs ("Claims"), incurred or asserted by any person, in any manner related to the Equipment or the lease thereof, including its use, condition or possession. You agree to defend and indemnify us, and hold us harmless, against all Claims, although we reserve the right to control the defense and to select or approve defense counsel. You will promptly notify us of all Claims made. Your liability under this Section is not limited to the amounts of insurance required under the Lease. This indemnity continues beyond the termination of a Schedule, for acts or omissions, which occurred during the Lease Term.

14. **Representations and Warranties.** You represent and warrant to us, as of the date of this Master Agreement and of each Schedule, and covenant to us so long as the Lease is in effect, that: (a) you are a State, or a political subdivision thereof, for purposes of Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"); (b) any documents required to be delivered in connection with the Lease (collectively, the "Documents") have been duly authorized by you in accordance with all applicable laws, rules, ordinances, and regulations; (c) the Documents are valid, legal, binding agreements, enforceable in accordance with their terms and the person(s) signing the Documents have the authority to do so, are acting with the full authorization of your governing body, and hold the offices indicated below their signatures; (d) the Equipment is essential to the immediate performance of a governmental or proprietary function by you within the scope of your authority and shall be used during the Lease Term only by you and only to perform such function; (e) you intend to use the Equipment for the entire Lease Term and shall take all necessary action to include in your annual budget any funds required to fulfill your obligations each fiscal period during the Lease Term; (f) you have complied fully with all applicable law governing open meetings, public bidding and appropriations, required in connection with the Lease and the debt under applicable state law; (g) your obligations to remit Lease Payments and other amounts due and to become due under the Lease constitute a current expense and not a debt under applicable state law; (h) all financial information you have provided is true and a reasonable representation of your financial condition; (i) you shall not do or cause to be done any act which shall cause, or by omission of any act allow the interest portion of any Lease Payment to become includible in our gross income for Federal income taxation purposes under the Code; (j) you shall maintain a complete and accurate account of all assignments of the Lease in the form sufficient to comply with book entry requirements of Section 149(a) of the Code and the regulations prescribed thereunder from time to time; and (k) you shall comply with the information reporting requirements of Section 149(e) of the Code. Such compliance shall include, but not be limited to, the execution of 8038-G or 8038-GC Information Returns

15. **Governing Law; Jurisdiction; Venue.** EACH LEASE WILL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF IOWA, WHERE THIS MASTER AGREEMENT IS ACCEPTED AND ENTERED INTO, except for its conflict of laws provisions. You irrevocably submit to the non-exclusive jurisdiction and venue of federal and state courts located in Des Moines, Iowa and will not claim it is an inconvenient forum for legal action. YOU AND WE IRREVOCABLY WAIVE ANY RIGHT YOU AND WE MAY HAVE TO A JURY TRIAL.

16. **Miscellaneous.** WE HAVE NOT MADE, AND DO NOT MAKE, ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE EQUIPMENT'S MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, SUITABILITY, OR OTHERWISE. WE ARE NOT LIABLE FOR CONSEQUENTIAL OR SPECIAL DAMAGES. You acknowledge that no supplier or dealer of the Equipment is an agent of ours, or authorized to act for or bind us. You agree not to withhold any amount you owe us if you believe you have a claim against us, or any Equipment supplier(s) or manufacturer(s), but to pursue that claim independently. Any claim you have against us must be made within two years after the event that caused it. All notices must be in writing and will be deemed given 5 days after mailing to the intended recipient at its address indicated above, unless changed by a notice given in accordance with this Section. Each Lease supersedes and replaces all prior understandings and communications (oral or written) concerning the subject matter thereof. Except as otherwise provided in Section 11(d), no part of any Lease can be amended, waived or terminated except by a writing signed by both you and us. Any part of this Master Agreement may be signed in separate counterparts that, together, will constitute

one document. If a court finds any part of this Master Agreement to be invalid or unenforceable, the remainder of this Master Agreement will remain in effect. You permit us to monitor and record telephone conversations between you and us.

Agreement No. 0064275

ADDITIONAL TERMS AND CONDITIONS OF MASTER LEASE AGREEMENT

By providing any telephone number, including a mobile phone number, to us, any of our affiliates or any debt collectors we retain, we, such affiliates and such retained debt collectors can contact you using that number, including calls using an automatic dialing and announcing device and prerecorded calls, and that such calls are not "unsolicited" under state or federal law. All of our rights under each Lease shall remain in effect after the expiration of the Lease Term or termination of the Schedule.

17. **Non-Appropriation of Funds.** You intend to remit to us all Lease Payments and other payments for the full Lease Term if funds are legally available. In the event you are not granted an appropriation of funds at any time during the Lease Term for the Equipment or for equipment which is functionally similar to the Equipment and operating funds are not otherwise available to you to remit Lease Payments and other payments due and to become due under the Lease, and there is no other legal procedure or available funds by or with which payment can be made to us, and the non-appropriation did not result from an act or omission by you, you shall have the right to return the Equipment in accordance with Section 9 of this Master Agreement and terminate the Lease on the last day of the fiscal period for which appropriations were received without penalty or expense to you, except as to the portion of the Lease Payments for which funds shall have been appropriated and budgeted. At least thirty (30) days prior to the end of your fiscal period, your chief executive officer (or legal counsel) shall certify in writing that (a) funds have not been appropriated for the fiscal period, (b) such non-appropriation did not result from any act or failure to act by you, and (c) you have exhausted all funds legally available to pay Lease Payments. If you terminate the Lease because of a non-appropriation of funds, you may not, to the extent permitted by applicable law, purchase, lease, or rent, during the subsequent fiscal period, equipment performing the same functions as, or functions taking the place of, those performed by the Equipment. This Section 17 shall not permit you to terminate the Lease in order to acquire any other equipment or to allocate funds directly or indirectly to perform essentially the application for which the Equipment is intended.

If you terminate the Lease because of a non-appropriation of funds, the provisions of Section 8 shall not apply.

<p>THE TERMS OF THIS MASTER AGREEMENT SHOULD BE READ CAREFULLY BEFORE SIGNING BECAUSE ONLY THESE WRITTEN TERMS ARE ENFORCEABLE NO OTHER TERMS OR ORAL PROMISES MAY BE LEGALLY ENFORCED. BY SIGNING THIS MASTER AGREEMENT, YOU AGREE TO THE TERMS ON BOTH PAGES 1 AND 2. THIS MASTER AGREEMENT IS THE COMPLETE AND EXCLUSIVE STATEMENT OF THE AGREEMENT BETWEEN YOU AND US, EXCEPT AS WE MAY LATER AGREE IN WRITING TO MODIFY IT.</p>	
<p>LESSEE QUAY COUNTY 300 S THIRD ST TUCUMCARI, NM 88401-1246</p>	<p>LESSOR DEERE CREDIT, INC. 6400 NW 86th ST, PO BOX 6600 JOHNSTON, IA 50131-6600</p>
<p>By:  RICHARD PRIMROSE, MANAGER</p>	<p>By: _____</p>
<p>Date: <u>9/25/15</u></p>	<p>Date: _____</p>



JOHN DEERE FINANCIAL

Lease Schedule

Lease Schedule No.	030-0064275-000
Master Lease Agreement No.	0064275

Lessee: (Name & Address)	QUAY COUNTY 300 S THIRD ST., TUCUMCARI, NM 88401-1246
Lessor: (Name & Address)	DEERE CREDIT, INC. 6400 NW 86 th ST, PO BOX 6600, JOHNSTON, IA 50131-6600

LEASE TERM

Lease Term Start Date	Lease Term End Date	# Of Payments	Lease Payment	*Sales/Use Tax	Total Lease Payment	Purchase Option Price
09/18/2015	09/18/2018	36	\$2,220.47	\$0.00	\$2,220.47	\$418,000.00

*If part of the regular scheduled lease payment

RENEWAL TERM

Start Date	End Date	Term	Lease Payment	Purchase Option Price

PAYMENT TERMS

PAYMENT DUE AT SIGNING

Due Date	1 st Payment Due Date	Discount Rate	Advance Lease Payment**	\$0.00
18	10/18/2015	Internal Rate of Return minus 2 percent (2%)	Origination Fee	\$0.00
Billing Period	Irregular Payments		Security Deposit	\$0.00
<input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Semi-Annual <input type="checkbox"/> Annual <input type="checkbox"/> Irregular			Total Due At Signing	\$ 0.00
**Advance Lease Payment includes the first (0) and last (0) Lease Payment(s)				

"Master Agreement" shall mean the above referenced Master Lease Agreement. "Schedule" shall mean this Lease Schedule. "Lease" shall mean this Schedule and the Master Agreement. All of the terms and conditions set forth in the Master Agreement and any amendment, addendum, schedule or attachment thereto or hereto including, but not limited to, the Equipment Return Provisions are hereby incorporated into and made a part of this Schedule.

Lease Payments. You agree to remit the Lease Payments (and applicable sales, use and property taxes) on the dates noted above and all other amounts when due to: DEERE CREDIT, INC., P.O. Box 4450, Carol Stream, IL 60197-4450.

Hourly Charges. You certify that the hour meter reading on each item of Equipment is accurate as of the date you sign this Schedule. If you use any Equipment during the Lease Term for more than the Hourly Limit indicated above for that item of Equipment, you will pay to us within 10 days of the Lease Term End Date (or any earlier termination of the Lease) an amount equal to the Excess Hour Charge for that item of Equipment for each hour in excess of the Hourly Limit. If the Lease is terminated, cancelled or extended for any reason, the Hourly Limit will be prorated by us in our sole discretion.

Purchase Option. You may purchase the Equipment on the Lease Term End Date (or the Renewal Term End Date) for the applicable Purchase Option Price (plus applicable Taxes including estimated property taxes), provided (1) you are not in default; and (2) we receive the Purchase Option Price and any other amounts you owe us on or before the Lease Term End Date (or the Renewal Term End Date). Upon receipt of the Purchase Option Price, we will transfer to you all of our right, title and interest in such item(s) of Equipment AS-IS, WHERE-IS, WITHOUT ANY WARRANTY AS TO CONDITION OR VALUE.

Renewal Term. If (1) a Renewal Term is provided for above, and (2) you notify us at least sixty (60) days prior to the end of the Lease Term that you intend to renew the Lease for the Renewal Term, the Lease shall renew for the Renewal Term. You agree to remit to us the Renewal Lease Payments indicated above (plus applicable taxes and other amounts) when due and payable each Billing Period, even if we do not send you a bill or an invoice.

Representations and Warranties. You represent and warrant to us, as of the date you signed this Schedule, that (1) the Equipment was selected by you; (2) the Equipment (including all manufacturer manuals and instructions) has been delivered to, and examined by, you; (3) the safe operation and the proper servicing of the Equipment were explained to you; (4) you received the written warranty applicable to the Equipment and understand that your rights under the written warranty may be limited; (5) the Equipment is unconditionally and irrevocably accepted by you as being suitable for its intended use; (6) the Equipment is in good condition and repair (operating and otherwise); (7) the Equipment shall be used only for the purpose indicated herein; (8) except as disclosed to us, neither you nor any person related to you will have an equity interest in the Equipment on the Lease Term Start Date; and (9) all information provided to us by you is true and correct.

You acknowledge and agree that: (1) we did not select, manufacture or supply any of the Equipment; (2) we acquired the Equipment at your direction; (3) you selected the supplier of the Equipment; (4) you are entitled to all manufacturer warranties ("Warranty Rights") and we assign all Warranty Rights to you, to the extent assignable; (5) you may request an accurate and complete statement of the Warranty Rights, including any disclaimers and limitations, directly from the manufacturer; and (6) you assign to us all your rights (but none of your obligations) under all purchase orders, purchase agreements or similar documents relating to the Equipment. You waive all rights and remedies conferred upon a lessee under Sections 508 - 522 of Article 2A of the Uniform Commercial Code.

Lease Payments may be based on the assumption that we will be entitled to certain tax benefits as the owner of the Equipment. If you take or fail to take any action that results in a loss of such tax benefits, you will pay us, on demand, the amount we calculate as the value of such lost tax benefits.

Miscellaneous. You agree that we can access any information regarding the location, maintenance, operation and condition of the Equipment, and you irrevocably authorize anyone in possession of such information to provide all of that information to us upon our request. You also agree to not disable or otherwise interfere with any information-gathering or transmission device within or attached to the Equipment. You permit us to monitor and record telephone conversations between you and us. By providing any telephone number, including a mobile phone number, to us, any of our affiliates or any debt collectors we retain, we, such affiliates and such retained debt collectors can contact you using that number, including calls using an automatic dialing and announcing device and prerecorded calls, and that such calls are not "unsolicited" under state or federal law. All of our rights under each Lease shall remain in effect after the expiration of the Lease Term or termination of the Schedule.



**JOHN DEERE
FINANCIAL**

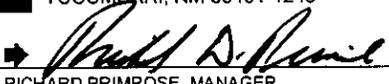
Equipment Return Provisions

Lease Schedule No.	030-0064275-000
Master Lease Agreement No.	0064275

Lessee: (Name & Address)	QUAY COUNTY 300 S THIRD ST., TUCUMCARI, NM 88401-1246
Lessor:	DEERE CREDIT, INC. 6400 NW 86 th ST, PO BOX 6600, JOHNSTON, IA 50131-6600

The following Equipment Return Provisions are hereby incorporated into and made a part of the above referenced Master Lease Agreement (the "Master Agreement"), and entered into between Deere Credit, Inc., as Lessor ("us", "we" or "our"), and QUAY COUNTY, as Lessee ("you" or "your"). Pursuant to Section 9 of the Master Lease Agreement, all Equipment must be returned to us in satisfactory condition. Unsatisfactory condition shall include any condition described in Sections 1 through 4 below ("Excessive Wear and Tear").

1. **Mechanical.**
 - A. Computer systems or safety and emission control equipment not in proper working order.
 - B. Mechanical components that are missing, broken or unsafe or that do not operate normally, other than normal tune-ups, given the age of the equipment.
 - C. Wear on power train assembly that exceeds manufacturer's then current standards for normal wear and tear.
 - D. Any air filters not within manufacturer's specifications.
 - E. Any gauges or fluid indicators that are damaged or do not function, the electrical system fails to operate properly, the battery fails to hold a charge or any wire harnesses that are not tied down and kept secured, dry and clean.
 - F. Any pumps, motors, valves or cylinders not in good operating condition or that fail to meet manufacturer's rated specifications or hydraulic system exceeds manufacturer's then-current contaminant standards (as shown by oil sample analysis). Equipment not serviced according to the manufacturer's operating manual.
 - G. Any lubricant, water or A/C seal leaks.
2. **Exterior.**
 - A. Dents larger than 2 inches in diameter.
 - B. Excessive number of dents or scratches.
 - C. Any scratch 8" or longer that reaches the metal skin.
 - D. Any single chip the size of a quarter or larger or multiple small chips within one square foot.
 - E. Substandard paint repairs, such as peeling, bubbling or mismatched shades that evidence poor condition in comparison with original paint and require repainting at a cost in excess of \$200.
 - F. Rust holes in the body metal or a rust spot that covers more than a 4-inch square area.
 - G. Any glass that must be replaced due to cracks or missing glass and any windshield damages greater than \$50 in amount.
 - H. All frame damage and substandard frame repairs.
 - I. Any tires or tracks that (a) have broken side walls or excessive cuts or damages, or (b) have less than 50% of the original useful life remaining, or (c) are not of the same size, type grade or equivalent quality manufacturer as were originally included on the Equipment.
3. **Cab/Operator Platform.**
 - A. Heavy interior soil or strong odors, such as manure, that cannot be removed by general cleaning.
 - B. Unclean condition of operator environment.
 - C. Holes, tears, or burns on the dash, floor covers, seats, headliners, upholstery or interior.
4. **General.**
 - A. Equipment not operated or maintained in accordance with the manufacturer's specifications or if components, fuels or fluids, on or in connection with the Equipment that do not meet manufacturer's standards were used.
 - B. Any other damage that in the aggregate costs \$250 or more to repair or that makes the Equipment unlawful or unsafe to operate.
5. **Other.**
 - A. All warranty and PIP work must be completed prior to the Lease Term End Date of the Lease Schedule relating to the Equipment.
 - B. The Equipment must be cleaned prior to its return.
6. **Hour Meter.** For each item of Equipment returned with a broken or missing hour meter, you shall accept an invoice from us and remit to us an amount equal to \$1,000. You agree that the hour meter included with the Equipment is conclusive of the number of hours of Equipment use.
7. **Invoices for Excess Wear And Tear.** Upon any return of the Equipment, we shall, in our sole discretion, determine the existence of any Excessive Wear and Tear. In the event any item of Equipment is returned to us with Excessive Wear and Tear, you shall, at our sole discretion, either (i) accept an invoice from us and remit to us the cost of repairing or replacing the affected component(s) which we determine necessary to return the Equipment to its required condition, and/or (ii) accept an invoice from us and remit to us an amount equal to our estimate of (1) the cost of new tires or tracks if the tires or tracks are damaged due to broken side walls or excessive cuts or damage, or (2) the cost of new tires or tracks multiplied by the difference between (A) our estimate of the percentage of the useful life of the tires and tracks then remaining, and (B) fifty percent (50%). For example, if you return Equipment with tires having 20% of their useful life remaining, you would remit to us an amount equal to 30% of the cost of new tires ((50% - 20%) multiplied by the cost of new tires). Your failure to remit the required payment to us within ten (10) days of demand shall constitute a default by you under the terms of the Lease.

LESSEE	QUAY COUNTY 300 S THIRD ST TUCUMCARI, NM 88401-1246
By:	 RICHARD PRIMROSE, MANAGER
Date:	9/25/15

LESSOR	DEERE CREDIT, INC. 6400 NW 86 th ST, PO BOX 6600 JOHNSTON, IA 50131-6600
By:	_____
Date:	_____



**JOHN DEERE
FINANCIAL**

Delivery and Acknowledgment

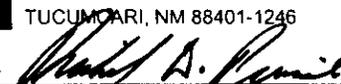
Lease Schedule No.	030-0064275-000
Master Lease Agreement No.	0064275

Lessee: (Name & Address)	QUAY COUNTY 300 S THIRD ST., TUCUMCARI, NM 88401-1246
Lessor:	DEERE CREDIT, INC. 6400 NW 86 th ST, PO BOX 6600, JOHNSTON, IA 50131-6600

Capitalized terms shall have the meanings set forth in the above referenced Master Lease Agreement.

Lessee hereby represents and warrants that: (1) all of the Equipment more fully described in the above referenced Lease Schedule was selected by Lessee; (2) all of the Equipment and the Operator's Manuals have been delivered to, and received by, Lessee; (3) all of the Equipment has been inspected by Lessee and is in good working order; (4) all of the Equipment is unconditionally and irrevocably accepted by Lessee for all purposes under the Lease; (5) the safe operation and the proper servicing of the Equipment have been explained to Lessee; (6) Lessee received the manufacturer's written warranty applicable to the Equipment and Lessee understands that its rights are subject to the limitations outlined therein; (7) no Event of Default has occurred and is continuing; and (8) no material adverse change in the financial or business condition of Lessee has occurred since the date of the last financial statement submitted to Lessor by Lessee.

Signed by Lessee's duly authorized representative on the date shown below.

<p>LESSEE</p> <p>QUAY COUNTY 300 S THIRD ST TUCUMCARI, NM 88401-1246</p> <p>By:  RICHARD PRIMROSE, MANAGER</p> <p>Date: <u>9/25/15</u></p>	<p>LESSOR</p> <p>DEERE CREDIT, INC. 6400 N.W. 86th STREET, PO BOX 6600 JOHNSTON, IA 50131-6600</p> <p>By: _____</p> <p>Date: _____</p>
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**JOHN DEERE
FINANCIAL**

Physical Damage/Liability Insurance

Lease Schedule No.	030-0064275-000
Master Lease Agreement No.	0064275

Lessee: (Name & Address)	QUAY COUNTY 300 S THIRD ST., TUCUMCARI, NM 88401-1246
Lessor:	DEERE CREDIT, INC. 6400 NW 86 th ST, PO BOX 6600, JOHNSTON, IA 50131-6600

LIABILITY INSURANCE on the above referenced Lease Schedule (the "Schedule") to the above referenced Master Lease Agreement will be provided by the following insurance agency:

Name of Agency:	Phone Number of Agency:
Mailing Address of Agency	Fax Number of Agency

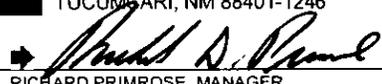
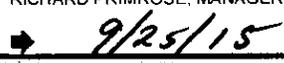
PHYSICAL DAMAGE INSURANCE on the Schedule will be provided by the following agency:

Name of Agency:	Phone Number of Agency:
Mailing Address of Agency	Fax Number of Agency

If an insurance certificate is available, it should be provided in place of the above information

ADDITIONAL INSURED and LOSS PAYEE:
Deere Credit, Inc.
Its Successors &/or Assigns
6400 NW 86th St
Johnston, IA 50131

The undersigned agrees and understands that, pursuant to the provisions of Section 6 of the Master Lease Agreement, the undersigned must at all times (1) maintain public liability insurance, covering personal injury and property damage for not less than \$1,000,000 per occurrence, naming us (and our successors and assigns) as additional insured; and (2) keep the Equipment insured against all risks of physical damage for no less than its Termination Value (as such term is defined in Section 7 of the Master Lease Agreement), naming us (and our successors and assigns) as sole loss payee.

LESSEE	QUAY COUNTY 300 S THIRD ST TUCUMCARI, NM 88401-1246
By: 	
Date: 	

Office Use Only	
Contact Date(s):	Contact Name:
Liability Insurance Company Policy #:	Liability Insurance Expiration Date
Liability Limits:	Notes:
Physical Damage Insurance Company and Policy #	Physical Damage Insurance Expiration Date
Insured Value:	Notes:
Loss Payee Deere Credit, Inc.? <input type="checkbox"/> Yes <input type="checkbox"/> Will Be Added	Verified By:

John Deere Financial Direct Pay-Recurring Enrollment

For Credit Card accounts and Installment Loans

Fax 800-826-9527

Or Mail: John Deere Financial, Attn: Payment Specialist, PO Box 5327, Madison, WI 53705

Lease

Fax to 800-254-0020

Or Mail: John Deere Financial, Attn: Lease Dept, PO Box 6600, Johnston, IA 50131-6600

Eligibility

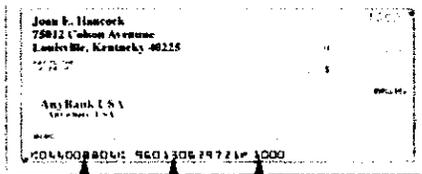
Your account with John Deere Financial must be **current** in order to enroll for the Direct-Pay Recurring payment option. Your account with your financial institution must allow automatic withdrawals.

How to Enroll

Complete and sign the authorization form below. Please be sure to provide all information requested.

Bank & account information, whether it is a saving or checking account. For the typical checking accounts, the account information is located similar to the sample business or personal checks below:

Sample Personal Check



↑ Routing & Transit Number ↑ Checking Acct Number ↑ Check Number

Sample Business Check



↑ Check Number ↑ Routing & Transit Number ↑ Checking Acct Number

JOHN DEERE FINANCIAL DIRECT PAY-RECURRING AUTHORIZATION FORM

My signature below authorizes Deere Credit Services, Inc. and its affiliates, (the Company), to initiate debit entries to the checking/savings account below for the regularly scheduled payments or other amounts that I may owe the Company. This authorization is to remain in full force and effect until canceled by the Company, or by written notification from me, given in such time and manner as to allow the Company a reasonable opportunity to act upon it.

If your account is closed due to an Add-On transaction, consolidation or corrected loan agreement and you have Direct Pay-Recurring, your enrollment and banking information will be transferred to your new account.

Bank Name _____

John Deere Financial Account Number _____

Bank City & State _____

Name on John Deere Financial Account _____

Name on Bank Account _____

Social Security Number/Federal Tax ID _____

9 digit Bank Routing and Transit # _____

Type of Account: Checking Savings

Bank Account Number _____

I request Direct Pay Recurring to begin with my payment due ____/____/____

I understand any payment due prior to the month I requested above, must be made in order to be eligible for Direct Pay Recurring.

Bank Account Owner Signature Date _____

Bank Account Owner Phone Number _____

**Federal/State Agency
and Indian Tribe
Claim for Exemption of
State and Local Sales/Use Tax**

Purchaser

Name: Quay County

Address: 300 S Third St Tucumcari, NM 88401

ID Number (If Applicable): 85-6000238 ; NM CRS 01-508801-004

Seller

Name: Deere Credit Inc.

Address: 6400 NW 86th St. Johnston, IA 50131

Exemption Number (if applicable): _____

Reason for Exemption: Governmental Entity

Description of Item Being Purchased:

JD	770GXBZ	770G MOTOR GRADE	1DW770GPHFF672031
JD	770GXBZ	770G MOTOR GRADE	1DW770GPJFF672040

By signing below, purchaser certifies that the items being purchased are exempt from state and local sales tax.

By: Cheryl Simpson

Title: Finance Director

Date: September 18, 2015

Telephone Number: 575-461-2112

RESOLUTION NO. 9

A RESOLUTION RELATING TO THE PROPOSED INDUSTRIAL REVENUE BONDS ENTITLED QUAY COUNTY, NEW MEXICO TAXABLE INDUSTRIAL REVENUE BONDS (CAPROCK SOLAR 1 LLC AND CAPROCK SOLAR 2 LLC PROJECTS), SERIES 2016A AND SERIES 2016B, AND DECLARING THE INTENT OF QUAY COUNTY TO ISSUE SUCH INDUSTRIAL REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT UP TO \$116,500,000 IN CONNECTION WITH PROPOSED PROJECTS LOCATED WITHIN THE BOUNDARIES OF QUAY COUNTY, NEW MEXICO, FOR THE PURPOSE OF INDUCING CAPROCK SOLAR 1 LLC AND CAPROCK SOLAR 2 LLC TO DEVELOP THE PROJECT SITES AND TO CONSTRUCT AND INSTALL THE PROJECTS; AND DIRECTING THE COUNTY CLERK TO PUBLISH NOTICE OF INTENT TO CONSIDER AN ORDINANCE AUTHORIZING ISSUANCE AND SALE OF THE BONDS IN A NEWSPAPER OF GENERAL CIRCULATION WITHIN THE COUNTY.

WHEREAS, the New Mexico ("State") legislature has passed the "County Industrial Revenue Bond Act" (the "Act"), Sections 4-59-1 to 4-59-16 inclusive, NMSA 1978, as amended, which authorizes Quay County, New Mexico (the "County") to issue industrial revenue bonds and to acquire projects as defined in the Act; and

WHEREAS, the County desires to promote industry and develop trade by inducing manufacturing, industrial and commercial enterprises to locate in the County promoting the agricultural products and natural resources of the County and to secure and maintain a balanced and stable economy in the County and to promote public health, safety, security, and the general welfare of the citizens of the County; and

WHEREAS, Caprock Solar 1 LLC and Caprock Solar 2 LLC, each a Delaware limited liability company (each a "Company" and collectively the "Companies"), made a proposal to the County whereby the County will acquire from the Companies leasehold title to land and fee title to buildings and equipment located in the County which will constitute industrial development projects (each a "Project" and collectively the "Projects"); and

WHEREAS, the issuance of industrial revenue bonds (the "Bonds") by the County to finance the Projects will constitute one of the inducements whereby the Companies will determine to proceed with the Projects; and

WHEREAS, the Board of County Commissioners (the "Commission") of the County constitutes the governing body of the County within the meaning of the Act; and

WHEREAS, the Projects have been considered by the Commission and it has been concluded that the Projects (A) will be located on sites that do not require County approval for the development, installation and operation of the Projects, and (B) will promote the health, safety, security, and general welfare of the citizens of the County, and the Commission desires to indicate its intent to consider proceeding with the issuance of the Bonds for the financing of the Projects; and

WHEREAS, concurrently with the issuance of the Bonds, the Companies will enter into a installment sales, leasing or other financing agreements with the County under which the County will acquire the Projects and which will provide for the payment of installments, lease rentals or other payments by the Companies from the revenues generated by the Projects or other funds of the Companies sufficient to pay the debt service on the Bonds, subject to the prior adoption by the Commission of an ordinance approving such agreements and authorizing issuance of the Bonds (the "Bond Ordinance"); and

WHEREAS, the County and the Companies understand that the adoption of this Resolution shall not obligate the County to issue the Bonds except in full compliance with the terms of the Bond Ordinance to be considered for adoption by the Commission prior to the issuance of the Bonds and with the terms of the related bond documents; and

WHEREAS, Section 4-37-7 NMSA 1978, requires that publication of the title and general summary of the subject matter of any proposed ordinance be made in a newspaper of general circulation within the County at least two weeks prior to the meeting of the Board of County Commissioners at which the ordinance is proposed for final passage.

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

Section 1. All actions (not inconsistent with the provisions hereof) heretofore taken by the Commission and the officers and employees of the County, related to the Projects, the acquisition of the Projects, and the sale and issuance of the Bonds therefor, be and the same hereby are ratified, approved and confirmed.

Section 2. The Commission understands that:

(A) The Projects will each consist of leased land, buildings and equipment for solar photovoltaic electric generating facilities, including conversion equipment, solar tracking hardware and software, photovoltaic panels and inverters, support structures and related equipment and improvements for the generation and transportation of electricity;

(B) The maximum aggregate face amount of industrial revenue bonds to be issued for Caprock Solar 1 LLC Project is \$52,500,000;

(C) The maximum aggregate face amount of industrial revenue bonds to be issued for the Caprock Solar 2 LLC Project is \$64,000,000;

(D) The developer and operator of the Projects will be the Companies, or their permitted successors or assignees;

(E) The approximate location of the Projects' proposed sites in Quay County are approximately 12 miles south-southeast of Tucumcari, New Mexico;

(F) The development, installation and operation of the Projects at the proposed sites are not subject to land-use regulation or approval by the County;

(G) The Companies will make all necessary arrangements for the purchase of the Bonds and the County shall have no responsibility to make such arrangements; and

(H) The Companies have agreed to pay or reimburse the County for all legal counsel, including independent bond counsel, and financial advisory expenses of the County directly related to adoption of this Resolution, consideration and adoption of the Bond Ordinance and issuance of the Bonds. The Companies have agreed to such payment or reimbursement irrespective of whether the Bonds are issued.

Section 3. In order to promote the health, safety, security and general welfare of the citizens of the County, it is the Commission's intent to take all necessary and advisable steps to consider and, if appropriate, to effect the issuance of the Bonds in an aggregate combined principal amount up to \$116,500,000 in order to defray part or all of the costs of the Projects. The Bonds are to be entitled substantially as follows: "Quay County, New Mexico Taxable Industrial Revenue Bonds (Caprock Solar 1 LLC and Caprock Solar 2 LLC Projects), Series 2016A and Series 2016B." This expression of the Commission's intent is subject to the provision of Section 6 of this resolution and conditioned upon the issuance of the Bonds on or before December 31, 2016.

Section 4. The Bonds shall be payable from the revenues of the Projects or other moneys payable by the Companies with respect thereto, and shall not constitute a debt or indebtedness of the County within the meaning of any provision or limitation of the Constitution or statutes of the State of New Mexico. In addition, if the Bonds are issued, the Companies shall indemnify and hold harmless the County, the Commission and their respective officers, employees, designated representatives and agents (collectively, the "Indemnified Persons") from and against any liability to the Companies or to any third parties that may be asserted against the County with respect to the County's ownership of or leasehold interest in the Projects or the issuance of the Bonds. Nothing contained in this Resolution or in any other instrument shall be considered as obligating the County to any pecuniary liability or a charge upon the general credit of the County or against its taxing power, it being understood that no costs are to be borne by the County and that all costs incurred by the County in connection with the Bonds are to be promptly reimbursed by the Companies. The County's adoption of this Resolution shall not be deemed a conclusion

or expression of approval by the County or any Indemnified Person of the Companies or the Projects.

Section 5. The Companies, as agents for the County, will acquire the Projects. For this purpose, by adoption of this Resolution, the County authorizes the Companies to act as agents for the County for the purchase of solar generation equipment used to generate electricity from solar and related equipment as defined in NMSA 1978 Section 7-9-54.3. For other tangible personal property relating to the Projects, the County will cooperate with the Companies to obtain and allow use of Type 9 Nontaxable Transaction Certificates ("Certificates") that have been properly executed for acquisition of tangible personal property relating to the Projects as applicable under the New Mexico Gross Receipts and Compensating Tax Act. The Companies shall not use the Certificates other than for such things as may be permitted by law, if any, nor shall the Companies use such Certificates after the completion of the Projects. Prior to the use of such Certificates by the Companies as agent for the County, the County Manager and the Companies will agree to certain procedures regarding the use of the Certificates and protection of the County from any unpaid taxes determined to be due to the Taxation and Revenue Department. No costs, expenses or other monetary relief will be recoverable from the County by vendors of solar generation equipment.

Section 6. The County Commissioners and other appropriate County officials and employees are hereby authorized and empowered to take such steps and to do such things as may be necessary to achieve the purposes of this Resolution; provided, however, the issuance of the Bonds and the execution and delivery of any documents to which the County is a party in connection therewith shall be subject to the approval and authorization of the Commission pursuant to the Bond Ordinance, adopted following public notice of the Commission's intent to adopt such Bond Ordinance at least fourteen (14) days prior to the consideration of the Bond Ordinance by the Commission at a public meeting, such public notice to specify the time, date and place of the Commission's public hearing on the Bond Ordinance and the meeting at which the Bond Ordinance will be considered. In particular, no provision of this Resolution shall in any way obligate the County or any other person to issue the Bonds, any other bonds or in any way finance the Projects; and the County retains full and complete discretion with respect thereto.

Section 7. This Resolution shall not give rise to a pecuniary liability of the County and shall not give rise to a charge against its general credit or taxing powers.

Section 8. That the County Clerk is hereby directed, in accordance with Section 4-37-7 NMSA 1978, as amended, to publish in the *Quay County Sun*, a newspaper of general circulation within the County, a title and general summary of the ordinance relating to and authorizing issuance of the Bonds at least two weeks prior to the meeting at which the County Commission will consider such ordinance. The County Clerk may undertake such publication upon her own initiative and submittal of any necessary documents related to the proposed ordinance.

Section 9. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

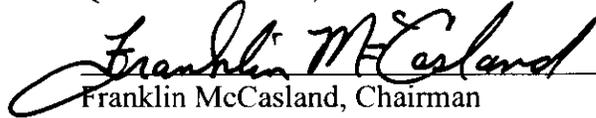
Section 10. All orders and resolutions, or parts thereof, in conflict with this Resolution are hereby repealed; provided, however, this repealer shall not be construed to revive any order, resolution or part thereof, heretofore repealed.

Section 11. This Resolution shall take effect immediately upon its adoption and approval by the Commission.

[Signature page follows.]

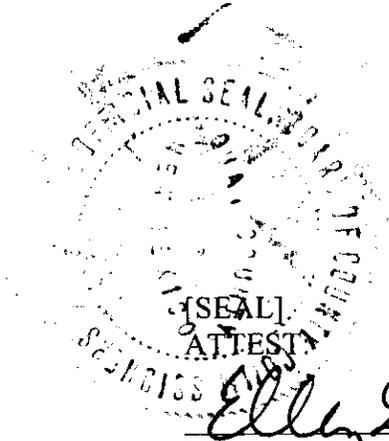
PASSED, ADOPTED, SIGNED AND APPROVED this 25 day of Sept, 2015.

BOARD OF COUNTY COMMISSIONERS,
QUAY COUNTY, NEW MEXICO


Franklin McCasland, Chairman


Sue Dowell, Commissioner


Mike Cherry, Commissioner




Veronica Marez, County Clerk



QUAY COUNTY SHERIFF'S OFFICE

SHERIFF RUSSELL SHAFER
CHIEF DEPUTY DENNIS GARCIA



Quay County Sheriff's Office Monthly Activity Report

July 24-September 21, 2015

Total Calls for Service Responded to: **409**

Total Civil Process: **302**

Total Transports: **In state: 21 Out of State: 3**

Total Citations: **13**

Total Arrests/Warrants Served: **15**

A handwritten signature in cursive script, which appears to read "Sheriff Russell Shafer".

AMENDED ORDINANCE 43

FLOOD DAMAGE PREVENTION ORDINANCE TO MINIMIZE PUBLIC AND PRIVATE LOSSES DUE TO FLOOD CONDITIONS WITHIN THE JURISDICTION OF THE COUNTY OF QUAY, NEW MEXICO PROMOTING THE PUBLIC HEALTH, SAFETY AND GENERAL WELFARE TO THE CITIZENS THEREOF.

ARTICLE I

STATUTORY AUTHORIZATION, FINDINGS OF FACT, PURPOSE AND METHODS

SECTION A. STATUTORY AUTHORIZATION

The Legislature of the State of New Mexico has in Statutes Amended 1978 Section 3-18-7, delegated the responsibility of local governmental units to adopt regulations designed to minimize flood losses. Therefore, the Quay County Commission of Quay County, New Mexico, does ordain as follows:

SECTION B. FINDINGS OF FACT

(1) The flood hazard areas of Quay County are subject to periodic inundation, which results in loss of life and property, health and safety hazards, disruption of commerce and governmental services, and extraordinary public expenditures for flood protection and relief, all of which adversely affect the public health, safety and general welfare.

(2) These flood losses are created by the cumulative effect of obstructions in floodplains which cause an increase in flood heights and velocities, and by the occupancy of flood hazard areas by uses vulnerable to floods and hazardous to other lands because they are inadequately elevated, flood proofed or otherwise protected from flood damage.

SECTION C. STATEMENT OF PURPOSE

It is the purpose of this ordinance to promote the public health, safety and general welfare and to minimize public and private losses due to flood conditions in specific areas by provisions designed to:

- (1) Protect human life and health;

- (2) Minimize expenditure of public money for costly flood control projects;
- (3) Minimize the need for rescue and relief efforts associated with flooding and generally undertaken at the expense of the general public;
- (4) Minimize prolonged business interruptions;
- (5) Minimize damage to public facilities and utilities such as water and gas mains, electric, telephone and sewer lines, streets and bridges located in floodplains;
- (6) Help maintain a stable tax base by providing for the sound use and development of flood-prone areas in such a manner as to minimize future flood blight areas; and
- (7) Insure that potential buyers are notified that property is in a flood area.

SECTION D. METHODS OF REDUCING FLOOD LOSSES

In order to accomplish its purposes, this ordinance uses the following methods:

- (1) Restrict or prohibit uses that are dangerous to health, safety or property in times of flood, or cause excessive increases in flood heights or velocities;
- (2) Require that uses vulnerable to floods, including facilities which serve such uses, be protected against flood damage at the time of initial construction;
- (3) Control the alteration of natural floodplains, stream channels, and natural protective barriers, which are involved in the accommodation of flood waters;
- (4) Control filling, grading, dredging and other development which may increase flood damage;
- (5) Prevent or regulate the construction of flood barriers which will unnaturally divert flood waters or which may increase flood hazards to other lands.

ARTICLE 2

DEFINITION

Unless specifically defined below, words or phrases used in this ordinance shall be interpreted to give them the meaning they have in common usage and to give this ordinance its most reasonable application.

ALLUVIAL FAN FLOODING - means flooding occurring on the surface of an alluvial fan or similar landform which originates at the apex and is characterized by high-velocity flows; active processes of erosion, sediment transport, and deposition; and unpredictable flow paths.

APEX - means a point on an alluvial fan or similar landform below which the flow path of the major stream that formed the fan becomes unpredictable and alluvial fan flooding can occur.

APPURTENANT STRUCTURE - means a structure which is on the same parcel of property as the principal structure to be insured and the use of which is incidental to the use of the principal structure

AREA OF FUTURE CONDITIONS FLOOD HAZARD - means the land area that would be inundated by the 1-percent-annual chance (100 year) flood based on future conditions hydrology.

AREA OF SHALLOW FLOODING - means a designated AO, AH, AR/AO, AR/AH, or VO zone on a community's Flood Insurance Rate Map (FIRM) with a 1 percent or greater annual chance of flooding to an average depth of 1 to 3 feet where a clearly defined channel does not exist, where the path of flooding is unpredictable and where velocity flow may be evident. Such flooding is characterized by ponding or sheet flow.

AREA OF SPECIAL FLOOD HAZARD - is the land in the floodplain within a community subject to a 1 percent or greater chance of flooding in any given year. The area may be designated as Zone A on the Flood Hazard Boundary map (FHBM). After detailed rate making has been completed in preparation for publication of the FIRM, Zone A usually is refined into Zones A, AO, AH, A 1-30, AE, A99, AR, AR/A1-30, AR/AE, AR/AO, AR/AH, AR/A, VO, V1-30, VE or V.

BASE FLOOD - means the flood having a 1 percent chance of being equaled or exceeded in any given year.

BASEMENT - means any area of the building having its floor subgrade (below ground level) on all sides.

BREAKAWAY WALL - means a wall that is not part of the structural support of the building and is intended through its design and construction to collapse under specific lateral loading forces, without causing damage to the elevated portion of the building or supporting foundation system.

CRITICAL FEATURE - means an integral and readily identifiable part of a flood protection system, without which the flood protection provided by the entire system would be compromised.

DEVELOPMENT - means any man-made change to improved and unimproved real estate, including but not limited to buildings or other structures, mining, dredging, filling, grading, paving, excavation or drilling operations or storage of equipment or materials.

ELEVATED BUILDING - means, for insurance purposes, a non-basement building, which has its lowest elevated floor, raised above ground level by

foundation walls, shear walls, posts, piers, pilings, or columns.

EXISTING CONSTRUCTION - means for the purposes of determining rates, structures for which the "start of construction" commenced before the effective date of the FIRM or before January 1, 1975, for FIRMs effective before that date. "Existing construction" may also be referred to as "existing structures."

EXISTING MANUFACTURED HOME PARK OR SUBDIVISION - means a manufactured home park or subdivision for which the construction of facilities for servicing the lots on which the manufactured homes are to be affixed (including, at a minimum, the installation of utilities, the construction of streets, and either final site grading or the pouring of concrete pads) is completed before the effective date of the floodplain management regulations adopted by a community.

EXPANSION TO AN EXISTING MANUFACTURED HOME PARK OR SUBDIVISION - means the preparation of additional sites by the construction of facilities for servicing the lots on which the manufactured homes are to be affixed (including the installation of utilities, the construction of streets, and either final site grading or the pouring of concrete pads).

FLOOD OR FLOODING - means a general and temporary condition of partial or complete inundation of normally dry land areas from:

- (1) The overflow of inland or tidal waters.
- (2) The unusual and rapid accumulation or runoff of surface waters from any source.

FLOOD ELEVATION STUDY - means an examination, evaluation and determination of flood hazards and, if appropriate, corresponding water surface elevations, or an examination, evaluation and determination of mudslide (i.e., mudflow) and/ or flood-related erosion hazards.

FLOOD INSURANCE RATE MAP (FIRM) - means an official map of a community, on which the Federal Emergency Management Agency has delineated both the special flood hazard areas and the risk premium zones applicable to the community.

FLOOD INSURANCE STUDY (FIS) - see *Flood Elevation Study*

FLOODPLAIN OR FLOOD-PRONE AREA - means any land area susceptible to being inundated by water from any source (see definition of flooding).

FLOODPLAIN MANAGEMENT - means the operation of an overall program of corrective and preventive measures for reducing flood damage, including but not limited to emergency preparedness plans, flood control works and floodplain management regulations.

FLOODPLAIN MANAGEMENT REGULATIONS - means zoning ordinances, subdivision regulations, building codes, health regulations, special purpose ordinances (such as a floodplain ordinance, grading ordinance and erosion control ordinance) and other applications of police power. The term describes such state or local regulations, in any combination thereof, which provide standards for the purpose of flood damage prevention and reduction.

FLOOD PROTECTION SYSTEM - means those physical structural works for which funds have been authorized, appropriated, and expended and which have been constructed specifically to modify flooding in order to reduce the extent of the area within a community subject to a "special flood hazard" and the extent of the depths of associated flooding. Such a system typically includes hurricane tidal barriers, dams, reservoirs, levees or dikes. These specialized flood modifying works are those constructed in conformance with sound engineering standards.

FLOOD PROOFING - means any combination of structural and non-structural additions, changes, or adjustments to structures which reduce or eliminate flood damage to real estate or improved real property, water and sanitary facilities, structures and their contents.

FLOODWAY - see *Regulatory Floodway*

FUNCTIONALLY DEPENDENT USE - means a use, which cannot perform its intended purpose unless it is located or carried out in close proximity to water. The term includes only docking facilities, port facilities that are necessary for the loading and unloading of cargo or passengers, and ship building and ship repair facilities, but does not include long-term storage or related manufacturing facilities.

HIGHEST ADJACENT GRADE - means the highest natural elevation of the ground surface prior to construction next to the proposed walls of a structure.

HISTORIC STRUCTURE - means any structure that is:

(1) Listed individually in the National Register of Historic Places (a listing maintained by the Department of Interior) or preliminarily determined by the Secretary of the Interior as meeting the requirements for individual listing on the National Register;

(2) Certified or preliminarily determined by the Secretary of the Interior as contributing to the historical significance of a registered historic district or a district preliminarily determined by the Secretary to qualify as a registered historic district;

(3) Individually listed on a state inventory of historic places in states with historic preservation programs which have been approved by the Secretary of the Interior; or

(4) Individually listed on a local inventory of historic places in communities with historic preservation programs that have been certified either:

- (a) By an approved state program as determined by the Secretary of the Interior or;
- (b) Directly by the Secretary of the Interior in states without approved programs.

LEVEE - means a man-made structure, usually an earthen embankment, designed and constructed in accordance with sound engineering practices to contain, control, or divert the flow of water so as to provide protection from temporary flooding.

LEVEE SYSTEM - means a flood protection system which consists of a levee, or levees, and associated structures, such as closure and drainage devices, which are constructed and operated in accordance with sound engineering practices.

LOWEST FLOOR - means the lowest floor of the lowest enclosed area (including basement). An unfinished or flood resistant enclosure, usable solely for parking or vehicles, building access or storage in an area other than a basement area is not considered a building's lowest floor; **provided** that such enclosure is not built so as to render the structure in violation of the applicable non-elevation design requirement of Section 60.3 of the National Flood Insurance Program regulations.

MANUFACTURED HOME - means a structure transportable in one or more sections, which is built on a permanent chassis and is designed for use with or without a permanent foundation when connected to the required utilities. The term "manufactured home" does not include a "recreational vehicle".

MANUFACTURED HOME PARK OR SUBDIVISION - means a parcel (or contiguous parcels) of land divided into two or more manufactured home lots for rent or sale.

MEAN SEA LEVEL - means, for purposes of the National Flood Insurance Program, the National Geodetic Vertical Datum (NGVD) of 1929 or other datum, to which base flood elevations shown on a community's Flood Insurance Rate Map are referenced.

NEW CONSTRUCTION - means, for the purpose of determining insurance rates, structures for which the "start of construction" commenced on or after the effective date of an initial FIRM or after December 31, 1974, whichever is later, and includes any subsequent improvements to such structures. For floodplain management purposes, "new construction" means structures for which the "start of construction" commenced on or after the effective date of a floodplain management regulation adopted by a community and includes any subsequent improvements to such structures.

NEW MANUFACTURED HOME PARK OR SUBDIVISION - means a manufactured home park or subdivision for which the construction of facilities for servicing the lots on which the manufactured homes are to be affixed (including at a minimum, the installation of utilities, the construction of streets, and either final site grading or the pouring of concrete pads) is completed on or after the effective date of floodplain management regulations adopted by a community.

RECREATIONAL VEHICLE - means a vehicle which is (i) built on a single chassis; (ii) 400 square feet or less when measured at the largest horizontal projections; (iii) designed to be self-propelled or permanently towable by a light duty truck; and (iv) designed primarily not for use as a permanent dwelling but as temporary living quarters for recreational, camping, travel, or seasonal use.

REGULATORY FLOODWAY - means the channel of a river or other watercourse and the adjacent land areas that must be reserved in order to discharge the base flood without cumulatively increasing the water surface elevation more than a designated height.

RIVERINE - means relating to, formed by, or resembling a river (including tributaries), stream, brook, etc.

SPECIAL FLOOD HAZARD AREA - see *Area of Special Flood Hazard*

START OF CONSTRUCTION - (for other than new construction or substantial improvements under the Coastal Barrier Resources Act (Pub. L. 97-348)), includes substantial improvement and means the date the building permit was issued, provided the actual start of construction, repair, reconstruction, rehabilitation, addition placement, or other improvement was within 180 days of the permit date. The actual start means either the first placement of permanent construction of a structure on a site, such as the pouring of slab or footings, the installation of piles, the construction of columns, or any work beyond the stage of excavation; or the placement of a manufactured home on a foundation. Permanent construction does not include land preparation, such as clearing, grading and filling; nor does it include the installation of streets and/ or walkways; nor does it include excavation for basement, footings, piers or foundations or the erection of temporary forms; nor does it include the installation on the property of accessory buildings, such as garages or sheds not occupied as dwelling units or not part of the main structure. For a substantial improvement, the actual start of construction means the first alteration of any wall, ceiling, floor, or other structural part of a building, whether or not that alteration affects the external dimensions of the building.

STRUCTURE - means, for floodplain management purposes, a walled and roofed building, including a gas or liquid storage tank, that is principally above ground, as well as a manufactured home.

SUBSTANTIAL DAMAGE - means damage of any origin sustained by a structure whereby the cost of restoring the structure to its before damaged condition would equal or exceed 50 percent of the market value of the structure before the damage occurred.

SUBSTANTIAL IMPROVEMENT - means any reconstruction, rehabilitation, addition, or other improvement of a structure, the cost of which equals or exceeds 50 percent of the market value of the structure before "start of construction" of the improvement. This term includes structures which have incurred "substantial damage", regardless of the actual repair work performed. The term does not, however, include either: (1) Any project for

improvement of a structure to correct existing violations of state or local health, sanitary, or safety code specifications which have been identified by the local code enforcement official and which are the minimum necessary to assure safe living conditions or (2) Any alteration of a "historic structure", provided that the alteration will not preclude the structure's continued designation as a "historic structure."

VARIANCE - means a grant of relief by a community from the terms of a floodplain management regulation. (For full requirements see Section 60.6 of the National Flood Insurance Program regulations.)

VIOLATION - means the failure of a structure or other development to be fully compliant with the community's floodplain management regulations. A structure or other development without the elevation certificate, other certifications, or other evidence of compliance required in Section 60.3(b)(5), (c)(4), (c)(10), (d)(3), (e)(2), (e)(4), or (e)(5) is presumed to be in violation until such time as that documentation is provided.

WATER SURFACE ELEVATION - means the height, in relation to the National Geodetic Vertical Datum (NGVD) of 1929 (or other datum, where specified), of floods of various magnitudes and frequencies in the floodplains of coastal or riverine areas.

ARTICLE 3

GENERAL PROVISIONS

SECTION A. LANDS TO WHICH THIS ORDINANCE APPLIES

The ordinance shall apply to all areas of special flood hazard with the jurisdiction of Quay County

SECTION B. BASIS FOR ESTABLISHING THE AREAS OF SPECIAL FLOOD HAZARD

The areas of special flood hazard identified by the Federal Emergency Management Agency in the current scientific and engineering report entitled, "The Flood Insurance Study for Quay County, NM," dated May 5, 2003, with the most effective Flood Insurance Rate Maps and/ or Flood Boundary- Floodway Maps (FIRM and/ or FBFM) dated May 5, 2003.

SECTION C. ESTABLISHMENT OF DEVELOPMENT PERMIT

A Floodplain Development Permit shall be required to ensure conformance with the provisions of this ordinance.

SECTION D. COMPLIANCE

No structure or land shall hereafter be located, altered, or have its use changed without

full compliance with the terms of this ordinance and other applicable regulations.

SECTION E. ABROGATION AND GREATER RESTRICTIONS

This ordinance is not intended to repeal, abrogate, or impair any existing easements, covenants, or deed restrictions. However, where this ordinance and another ordinance, easement, covenant, or deed restriction conflict or overlap, whichever imposes the more stringent restrictions shall prevail.

SECTION F. INTERPRETATION

In the interpretation and application of this ordinance, all provisions shall be;
(1) Considered as minimum requirements; (2) liberally construed in favor of the governing body; and (3) deemed neither to limit nor repeal any other powers granted under State statutes.

SECTION G. WARNING AND DISCLAIMER OR LIABILITY

The degree of flood protection required by this ordinance is considered reasonable for regulatory purposes and is based on scientific and engineering considerations. On rare occasions greater floods can and will occur and flood heights may be increased by man-made or natural causes. This ordinance does not imply that land outside the areas of special flood hazards or uses permitted within such areas will be free from flooding or flood damages. This ordinance shall not create liability on the part of the community or any official or employee thereof for any flood damages that result from reliance on this ordinance or any administrative decision lawfully made hereunder.

ARTICLE 4

ADMINISTRATION

SECTION A. DESIGNATION OF THE FLOODPLAIN ADMINISTRATOR

The Quay County Board of Commissioners, shall hereby appoint the Floodplain Administrator to administer and implement the provisions of this Ordinance and other appropriate sections of 44 CFR (Emergency Management and Assistance – National Flood Insurance Program Regulations) pertaining to floodplain management. The current Floodplain Administrator shall be Curtis Simpson. Changes of future Administrators shall be appointed in a public meeting conducted by the Board of Quay County Commissioners and reflected in the Minutes of Record.

SECTION B. DUTIES & RESPONSIBILITIES OF THE FLOODPLAIN ADMINISTRATOR

Duties and responsibilities of the Floodplain Administrator shall include, but not be limited to, the following:

(1) Maintain and hold open for public inspection all records pertaining to the provisions of this ordinance.

(2) Reviews permit application to determine whether to ensure that the proposed building site project, including the placement of manufactured homes, will be reasonably safe from flooding.

(3) Review, approve or deny all applications for development permits required by adoption of this ordinance.

(4) Review permits for proposed development to assure that all necessary permits have been obtained from those Federal, State or local governmental agencies (including Section 404 of the Federal Water Pollution Control Act Amendments of 1972, 33 U.S.C. 1334) from which prior approval is required.

(5) Where interpretation is needed as to the exact location of the boundaries of the areas of special flood hazards (for example, where there appears to be a conflict between a mapped boundary and actual field conditions) the Floodplain Administrator shall make the necessary interpretation.

(6) Notify, in riverine situations, adjacent communities and the State Coordinating Agency which is the State of New Mexico Department of Homeland Security and Emergency Management, prior to any alteration or relocation of a watercourse, and submit evidence of such notification to the Federal Emergency Management Agency.

(7) Assure that the flood carrying capacity within the altered or relocated portion of any watercourse is maintained.

(8) When base flood elevation data has not been provided in accordance with Article 3, Section B, the Floodplain Administrator shall obtain, review and reasonably utilize any base flood elevation data and floodway data available from a Federal, State or other source, in order to administer the provisions of Article 5.

(9) When a regulatory floodway has not been designated, the Floodplain Administrator must require that no new construction, substantial Improvements, or other development (including fill) shall be permitted within Zones A 1-30 and AE on the community's FIRM, unless it is demonstrated that the cumulative effect of the proposed development, when combined with all other existing and anticipated development, will not increase the water surface elevation of the base flood more than one foot at any point within the community.

(10) Under the provisions of 44 CFR Chapter 1, Section 65.12, of the National Flood Insurance Program regulations, a community may approve certain development in Zones A1-30, AE, AH, on the community's FIRM which increases the water surface elevation of the base flood by more than 1 foot, provided that the community **first** completes all of the

provisions required by Section 65.12.

SECTION C. PERMIT PROCEDURES

(1) Application for a Floodplain Development Permit shall be presented to the Floodplain Administrator on forms furnished by him/ her and may include, but not be limited to, plans in duplicate drawn to scale showing the location, dimensions, and elevation of proposed landscape alterations, existing and proposed structures, including the placement of manufactured homes, and the location of the foregoing in relation to areas of special flood hazard. Additionally, the following information is required:

{a) Elevation {in relation to mean sea level), of the lowest floor {including basement) of all new and substantially improved structures;

{b) Elevation in relation to mean sea level to which any nonresidential structure shall be flood proofed;

{c) A certificate from a registered professional engineer or architect that the nonresidential flood proofed structure shall meet the flood proofing criteria of Article 5, Section B (2);

{d) Description of the extent to which any watercourse or natural drainage will be altered or relocated as a result of proposed development;

(e) Maintain a record of all such information in accordance with Article 4, Section (B) (1);

(2) Approval or denial of a Floodplain Development Permit by the Flood plain Administrator shall be based on all of the provisions of this ordinance and the following relevant factors:

(a) The danger to life and property due to flooding or erosion damage;

(b) The susceptibility of the proposed facility and its contents to flood damage and the effect of such damage on the individual owner;

(c) The danger that materials may be swept onto other lands to the injury of others;

(d) The compatibility of the proposed use with existing and anticipated development;

(e) The safety of access to the property in times of flood for ordinary and emergency vehicles;

(f) The costs of providing governmental services during and after flood conditions including maintenance and repair of streets and bridges, and public utilities and facilities such as sewer, gas, electrical and water systems;

(g) The expected heights, velocity, duration, rate of rise and sediment transport of the floodwaters and the effects of wave action, if applicable, expected at the site;

(h) The necessity to the facility of a waterfront location, where applicable;

(i) The availability of alternative locations, not subject to flooding or erosion damage, for the proposed use.

SECTION D. VARIANCE PROCEDURES

(1) The Appeal Board, as established by the community, shall hear and render judgment on requests for variances from the requirements of this ordinance.

(2) The Appeal Board shall hear and render judgment on an appeal only when it is alleged there is an error in any requirement, decision, or determination made by the Floodplain Administrator in the enforcement or administration of this ordinance.

(3) Any person or persons aggrieved by the decision of the Appeal Board may appeal such decision in the courts of competent jurisdiction.

(4) The Floodplain Administrator shall maintain a record of all actions involving an appeal and shall report variances to the Federal Emergency Management Agency upon request.

(5) Variances may be issued for the reconstruction, rehabilitation or restoration of structures listed on the National Register of Historic Places or the State Inventory of Historic Places, without regard to the procedures set forth in the remainder of this ordinance.

(6) Variances may be issued for new construction and substantial improvements to be erected on a lot of 1/2 acre or less in size contiguous to and surrounded by lots with existing structures constructed below the base flood level, providing the relevant factors in Section C (2) of this Article have been fully considered. As the lot size increases beyond the 1/2 acre, the technical justification required for issuing the variance increases.

(7) Upon consideration of the factors noted above and the intent of this ordinance, the Appeal Board may attach such conditions to the granting of variances as it deems

necessary to further the purpose and objectives of this ordinance (Article 1, Section C).

(8) Variances shall not be issued within any designated floodway if any increase in flood levels during the base flood discharge would result.

(9) Variances may be issued for the repair or rehabilitation of historic structures upon a determination that the proposed repair or rehabilitation will not preclude the structure's continued designation as a historic structure and the variance is the minimum necessary to preserve the historic character and design of the structure.

(10) Prerequisites for granting variances:

(a) Variances shall only be issued upon a determination that the variance is the minimum necessary, considering the flood hazard, to afford relief.

(b) Variances shall only be issued upon: (i) showing a good and sufficient cause; (ii) a determination that failure to grant the variance would result in exceptional hardship to the applicant, and (iii) a determination that the granting of a variance will not result in increased flood heights, additional threats to public safety, extraordinary public expense, create nuisances, cause fraud on or victimization of the public, or conflict with existing local laws or ordinances.

(c) Any application to which a variance is granted shall be given written notice that the structure will be permitted to be built with the lowest floor elevation below the base flood elevation, and that the cost of flood insurance will be commensurate with the increased risk resulting from the reduced lowest floor elevation.

(11) Variances may be issued by a community for new construction and substantial improvements and for other development necessary for the conduct of a functionally dependent use provided that (i) the criteria outlined in Article 4, Section D (1)-(9) are met, and (ii) the structure or other development is protected by methods that minimize flood damages during the base flood and create no additional threats to public safety.

ARTICLE 5

PROVISIONS FOR FLOOD HAZARD REDUCTION SECTION A.

GENERAL STANDARDS

In all areas of special flood hazards the following provisions are required for all new construction and substantial improvements:

(1) All new construction or substantial improvements shall be designed (or modified) and adequately anchored to prevent flotation, collapse or lateral movement of the structure resulting from hydrodynamic and hydrostatic loads, including the effects of buoyancy;

(2) All new construction or substantial improvements shall be constructed by methods and practices that minimize flood damage;

(3) All new construction or substantial improvements shall be constructed with materials resistant to flood damage;

(4) All new construction or substantial improvements shall be constructed with electrical, heating, ventilation, plumbing, and air conditioning equipment and other service facilities that are designed and/ or located so as to prevent water from entering or accumulating within the components during conditions of flooding;

(5) All new and replacement water supply systems shall be designed to minimize or eliminate infiltration of flood waters into the system;

(6) New and replacement sanitary sewage systems shall be designed to minimize or eliminate infiltration of flood waters into the system and discharge from the systems into flood waters; and,

(7) On-site waste disposal systems shall be located to avoid impairment to them or contamination from them during flooding.

(1) **Residential Construction** - new construction and substantial improvement of any residential structure shall have the lowest floor (including basement), elevated to or above the base flood elevation. A registered professional engineer, architect, or land surveyor shall submit a certification to the Floodplain Administrator that the standard of this subsection as proposed in Article 4, Section C (1) a., is satisfied.

(2) **Nonresidential Construction** - new construction and substantial improvements of any commercial, industrial or other nonresidential structure shall either have the lowest floor (including basement) elevated to or above the base flood level or together with attendant utility and sanitary facilities, be designed so that below the base flood level the structure is watertight with walls substantially impermeable to the passage of water and with structural components having the capability of resisting hydrostatic and hydrodynamic loads and effects of buoyancy. A registered professional engineer or architect shall develop and/ or review structural design, specifications, and plans for the construction, and shall certify that the design and methods of construction are in accordance with accepted standards of practice as outlined in this subsection. A record of such certification which includes the specific elevation (in relation to mean sea level) to which such structures are flood proofed shall be maintained by the Floodplain Administrator.

(3) **Enclosures** - new construction and substantial improvements, with fully enclosed areas below the lowest floor that are usable solely for parking of vehicles, building access or storage in an area other than a basement and which are subject to flooding shall be designed to automatically equalize hydrostatic flood forces on exterior walls by allowing for the entry and exit of floodwaters. Designs for meeting this requirement must either be certified by a registered professional engineer or architect or meet or exceed the following minimum criteria:

(a) A minimum of two openings on separate walls having a total net area of not less than 1 square inch for every square foot of enclosed area subject to flooding shall be provided.

(b) The bottom of all openings shall be no higher than 1 foot above grade.

(c) Openings may be equipped with screens, louvers, valves, or other coverings or devices provided that they permit the automatic entry and exit of floodwaters.

(4) Manufactured Homes -

(a) Require that all manufactured homes to be placed within Zone A on a community's FHBM or FIRM shall be installed using methods and practices which minimize flood damage. For the purposes of this requirement, manufactured homes must be elevated and anchored to resist flotation, collapse, or lateral movement. Methods of anchoring may include, but are not limited to, use of over-the-top or frame ties to ground anchors. This requirement is in addition to applicable State and local anchoring requirements for resisting wind forces.

(b) Require that manufactured homes that are placed or substantially improved within Zones A 1-30, AH, and AE on the community's FIRM on sites (i) outside of a manufactured home park or subdivision, (ii) in a new manufactured home park or subdivision, (iii) in an expansion to an existing manufactured home park or subdivision, or (iv) in an existing manufactured home park or subdivision on which a manufactured home has incurred "substantial damage" as a result of a flood, be elevated on a permanent foundation such that the lowest floor of the manufactured home is elevated to or above the base flood elevation and be securely anchored to an adequately anchored foundation system to resist flotation, collapse, and lateral movement.

(c) Require that manufactured homes be placed or substantially improved on sites in an existing manufactured home park or subdivision with Zones A 1-30, AH and AE on the community's FIRM that are not subject to the provisions of paragraph (4) of this section be elevated so that either:

(i) the lowest floor of the manufactured home is at or above the base flood elevation, or

(ii) the manufactured home chassis is supported by reinforced piers or other foundation elements of at least equivalent strength that are no less than 36 inches in height above grade and be securely anchored to an adequately anchored foundation system to resist flotation, collapse, and lateral movement.

(5) **Recreational Vehicles** - Require that recreational vehicles placed on sites within Zones A 1-30, AH, and AE on the community's FIRM either (i) be on the site for fewer than 180 consecutive days, or (ii) be fully licensed and ready for highway use, or (iii) meet the permit requirements of Article 4, Section C (1), and the elevation and anchoring requirements for "manufactured homes" in paragraph (4) of this section. A recreational vehicle is ready for highway use if it is on its wheels or jacking system, is attached to the site only by quick disconnect type utilities and security devices, and has no permanently attached additions.

SECTION C. STANDARDS FOR SUBDIVISION PROPOSALS

(1) All subdivision proposals including the placement of manufactured home parks and subdivisions shall be consistent with Article 1, Sections B, C, and D of this ordinance.

(2) All proposals for the development of subdivisions including the placement of manufactured home parks and subdivisions shall meet Floodplain Development Permit requirements of Article 3, Section C; Article 4, Section C; and the provisions of Article 5 of this ordinance.

(3) Base flood elevation data shall be generated for subdivision proposals and other proposed development including the placement of manufactured home parks and subdivisions which is greater than 50 lots or 5 acres, whichever is lesser, if not otherwise provided pursuant to Article 3, Section B or Article 4, Section B (8) of this ordinance.

(4) All subdivision proposals including the placement of manufactured home parks and subdivisions shall have adequate drainage provided to reduce exposure to flood hazards.

(5) All subdivision proposals including the placement of manufactured home parks and subdivisions shall have public utilities and facilities such as sewer, gas, electrical and water systems located and constructed to minimize or eliminate flood damage.

SECTION D. STANDARDS FOR AREAS OF SHALLOW FLOODING (AO/ AH ZONES)

Located within the areas of special flood hazard established in Article 3, Section B, are areas designated as shallow flooding. These areas have special flood hazards associated with flood depths of 1 to 3 feet where a clearly defined channel does not exist, where the path of flooding is unpredictable, and where velocity flow may be evident. Such flooding is characterized by ponding or sheet flow; therefore, the following provisions apply:

(1) All new construction and substantial improvements of **residential** structures have the lowest floor (including basement) elevated to or above the base flood elevation or the highest adjacent grade at least as high as the depth number specified in feet on the

community's FIRM (at least 2 feet if no depth number is specified).

(2) All new construction and substantial improvements of **non-residential** structures;

(a) have the lowest floor (including basement) elevated to or above the base flood elevation or the highest adjacent grade at least as high as the depth number specified in feet on the community's FIRM (at least 2 feet if no depth number is specified) ,or

(b) together with attendant utility and sanitary facilities be designed so that below the base specified flood depth in an AO Zone, or below the Base Flood Elevation in an AH Zone, level the structure is watertight with walls substantially impermeable to the passage of water and with structural

components having the capability of resisting hydrostatic and hydrodynamic loads of effects of buoyancy.

(3) A registered professional engineer or architect shall submit a certification to the Floodplain Administrator that the standards of this Section, as proposed in Article 4, Section C are satisfied.

(4) Require within Zones AH or AO adequate drainage paths around structures on slopes, to guide flood waters around and away from proposed structures.

SECTION E. FLOODWAYS

Floodways - located within areas of special flood hazard established in Article 3, Section B, are areas designated as floodways. Since the floodway is an Extremely hazardous area due to the velocity of flood waters which carry debris, potential projectiles and erosion potential, the following provisions shall apply:

(1) Encroachments are prohibited, including fill, new construction, substantial improvements and other development within the adopted regulatory floodway unless it has been demonstrated through hydrologic and hydraulic analyses performed in accordance with standard engineering practice that the proposed encroachment would not result in any increase in flood levels within the community during the occurrence of the base flood discharge.

(2) If Article 5, Section E (1) above is satisfied, all new construction and substantial improvements shall comply with all applicable flood hazard reduction provisions of Article 5.

(3) Under the provisions of 44 CFR Chapter 1, Section 65.12, of the National Flood Insurance Program Regulations, a community may permit encroachments within the adopted regulatory floodway that would result in an increase in base flood elevations, provided that the community first completes all of the provisions required by Section 65.12.

SECTION F. SEVERABILITY

If any section, clause, sentence, or phrase of this Ordinance is held to be invalid or unconstitutional by any court of competent jurisdiction, then said holding shall in no way affect the validity of the remaining portions of this Ordinance.

SECTION G. PENALTIES FOR NON COMPLIANCE

No structure or land shall hereafter be constructed, located, extended, converted, or altered without full compliance with the terms of this court order and other applicable regulations. Violation of the provisions of this court order by failure to comply with any of its requirements (including violations of conditions and safeguards established in connection with conditions) shall constitute a misdemeanor. Any person who violates this court order or fails to comply with any of its requirements shall upon conviction thereof be fined not more than \$1,000.00 or imprisoned for not more than 364, or both, for each violation, and in addition shall pay all costs and expenses involved in the case. Nothing herein contained shall prevent Quay County from taking such other lawful action as is necessary to prevent or remedy any violation.

SECTION H: CERTIFICATION OF ADOPTION

APPROVED: Franklin McCasland
Franklin McCasland, Chairman

PASSED: SEPTEMBER 25, 2015
(adoption date)

ORDINANCE BECOMES EFFECTIVE SEPTEMBER 25, 2015 (EFFECTIVE DATE)

I, the undersigned, Franklin McCasland do hereby certify that the above is a true and correct copy of an ordinance duly adopted by the Quay County Commission at a regular meeting duly convened on (adoption date.)

Attested by
Elle L. White, Deputy
County Clerk

**QUAY COUNTY
FISCAL YEAR 2015-2016
RESOLUTION No. 8**

Authorization of Budgetary Increase to **EMS Fund (414)**

WHEREAS, at meeting of the Board of Quay County Commissioners on September 25, 2015 the following was among the proceedings;

WHEREAS, the Board of Quay County Commissioners deems it necessary to request this Budgetary Increase

**State Fund 206
Budgetary Increase**

	<u>DEBIT</u>	<u>CREDIT</u>
414-12-48100 Rural I EMS Expense	\$ 1,700.00	
414-00-37407 Rural I EMS Revenue		\$ 1,700.00
414-12-48120 Forrest Fire EMS Expense		\$ 1.00
414-00-37411 Forrest Fire EMS Revenue	\$ 1.00	

WHEREAS, the above activity was not contemplated at the time the final budget was adopted and approved **Rural I Fire EMS Revenue received was \$1700.00 more than budgeted and Forrest Fire EMS Revenue received was \$1.00 less than budgeted for FY2016**

NOW THEREFORE, BE IT RESOLVED that after approval of the Local Government Division of the Department of Finance and Administration, the above Budgetary Increase be made.

DONE at Tucumcari, County of Quay, New Mexico this 25th day of September, 2015.


Franklin McCasland, Commissioner


Sue Dowell, Commissioner


Mike Cherry, Commissioner

ATTEST:


Veronica Marez, County Clerk

Contract No.	<u>D14583</u>
Vendor No.	<u>54395</u>
Project No.	<u>CAP-4-15(404)</u>
Control No.	<u>L400207</u>

**SECOND AMENDMENT TO
COOPERATIVE AGREEMENT**

This **SECOND AMENDMENT** to Cooperative Agreement is entered into this 25 day of Sept., 2015 between the NEW MEXICO DEPARTMENT OF TRANSPORTATION ("Department") and the QUAY COUNTY ("Public Entity").

RECITALS

Whereas, the Department and the Public Entity entered into a Cooperative Agreement, Contract No. **D14583**, on **SEPTEMBER 10, 2014** and,

Whereas, Section Twenty-Two, "Amendment" allows the parties to alter the Cooperative Agreement by written consent of the parties; and

Whereas, the Department and the Public Entity want to extend the expiration date of the Agreement to **DECEMBER 31, 2016** to allow completion of the project; and,

Whereas, no additional funding is required to be paid to the Public Entity for this extension of time.

Now, therefore, the Department and the Public Entity agree as follows:

1. Section Seventeen, "Term," is deleted and replaced with the following:

This Agreement is effective on **SEPTEMBER 10, 2014** and shall terminate on **DECEMBER 31, 2016**, unless terminated pursuant to Section Seventeen of the Agreement.

All other obligations set forth in the Original Agreement shall remain in full force and effect unless expressly amended or modified by this **SECOND AMENDMENT**.

In witness whereof, the parties have set their hands and seals this day and year set forth below.

NEW MEXICO DEPARTMENT OF TRANSPORTATION

By: _____ Date: _____
Cabinet Secretary or Designee

**APPROVED AS TO FORM AND LEGAL SUFFICIENCY BY THE DEPARTMENT'S
OFFICE OF GENERAL COUNSEL**

By: _____ Date: _____
Assistant General Counsel

QUAY COUNTY

By: Franklin McCasland Date: 9/25/15
Name: Franklin McCasland
Title: Chairman

ATTEST:

By: Edna L. White, Deputy Date: 9/25/15
QUAY COUNTY CLERK

Contract No.	<u>D14577</u>
Vendor No.	<u>54395</u>
Project No.	<u>SB-7731(932)15</u>
Control No.	<u>L400214</u>

**FIRST AMENDMENT TO
COOPERATIVE AGREEMENT**

This **FIRST AMENDMENT** to Cooperative Agreement is entered into this 25 day of Sept, 2015 between the NEW MEXICO DEPARTMENT OF TRANSPORTATION ("Department") and the **QUAY COUNTY** ("Public Entity").

RECITALS

Whereas, the Department and the Public Entity entered into a Cooperative Agreement, Contract No. **D14577**, on **SEPTEMBER 10, 2014** and,

Whereas, Section Twenty-Two, "Amendment" allows the parties to alter the Cooperative Agreement by written consent of the parties; and

Whereas, the Department and the Public Entity want to extend the expiration date of the Agreement to **DECEMBER 31, 2016** to allow completion of the project; and,

Whereas, no additional funding is required to be paid to the Public Entity for this extension of time.

Now, therefore, the Department and the Public Entity agree as follows:

1. **Section Seventeen, "Term,"** is deleted and replaced with the following:

This Agreement is effective on **SEPTEMBER 10, 2014** and shall terminate on **DECEMBER 31, 2016**, unless terminated pursuant to Section Seventeen of the Agreement.

All other obligations set forth in the Original Agreement shall remain in full force and effect unless expressly amended or modified by this **FIRST AMENDMENT**.

In witness whereof, the parties have set their hands and seals this day and year set forth below.

NEW MEXICO DEPARTMENT OF TRANSPORTATION

By: _____ Date: _____
Cabinet Secretary or Designee

**APPROVED AS TO FORM AND LEGAL SUFFICIENCY BY THE DEPARTMENT'S
OFFICE OF GENERAL COUNSEL**

By: _____ Date: _____
Assistant General Counsel

QUAY COUNTY

By: Franklin McCasland Date: 9/25/15
Name: Franklin McCasland
Title: Chairman

ATTEST:

By: Ellen White, Deputy Date: 9/25/15
QUAY COUNTY CLERK

Contract No.	<u>D14573</u>
Vendor No.	<u>54395</u>
Project No.	<u>SP-4-15(954)</u>
Control No.	<u>L400175</u>

**SECOND AMENDMENT TO
COOPERATIVE AGREEMENT**

This **SECOND AMENDMENT** to Cooperative Agreement is entered into this 25 day of Sept, 2015 between the NEW MEXICO DEPARTMENT OF TRANSPORTATION ("Department") and the **QUAY COUNTY** ("Public Entity").

RECITALS

Whereas, the Department and the Public Entity entered into a Cooperative Agreement, Contract No. **D14573**, on **SEPTEMBER 10, 2014** and.

Whereas, Section Twenty-Two, "Amendment" allows the parties to alter the Cooperative Agreement by written consent of the parties; and

Whereas, the Department and the Public Entity want to extend the expiration date of the Agreement to **DECEMBER 31, 2016** to allow completion of the project; and.

Whereas, no additional funding is required to be paid to the Public Entity for this extension of time.

Now, therefore, the Department and the Public Entity agree as follows:

1. Section Seventeen, "Term," is deleted and replaced with the following:

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All other obligations set forth in the Original Agreement shall remain in full force and effect unless expressly amended or modified by this **SECOND AMENDMENT**.

In witness whereof, the parties have set their hands and seals this day and year set forth below.

NEW MEXICO DEPARTMENT OF TRANSPORTATION

By: _____

Date: _____

Cabinet Secretary or Designee

**APPROVED AS TO FORM AND LEGAL SUFFICIENCY BY THE DEPARTMENT'S
OFFICE OF GENERAL COUNSEL**

By: _____

Date: _____

Assistant General Counsel

QUAY COUNTY

By: Franklin McCasland

Date: 9/25/15

Name: Franklin McCasland

Title: Chairman

ATTEST:

By: Ellen L. White, Deputy

Date: 9/25/15

QUAY COUNTY CLERK