

CHAVES COUNTY BOARD OF COMMISSIONERS
REGULAR BUSINESS MEETING

January 10, 2013 –9:00 a.m.

Chaves County Administrative Center – Joseph R. Skeen Building
Commission Chambers - #1 St. Mary's Place

CALL TO ORDER

PLEDGE OF ALLEGIANCE

DETERMINATION OF QUORUM

ELECTION OF OFFICERS

APPROVAL OF MINUTES: DECEMBER 19, 2012

PRESENTATIONS

AGENDA ITEMS

A. PUBLIC HEARINGS

1. Low-Income Property Tax Rebate

B. AGREEMENTS AND RESOLUTIONS

2. Agreement A-13-001-between Chaves County and Kansas State Bank
3. Agreement A-13-002-between Chaves County and the NM Children, Youth and Families Department
4. A. Amendment No. 7 to Agreement A-08-035
B. Amendment No. 7 to Agreement A-08-036
5. Resolution R-12-049-Adoption of a New Loss Control Program
6. Resolution R-12-053-Budget Increase to Fiscal Year 2012/2013 Final Budget for Other Grants and Contracts and Sierra and Berrendo EMS
7. Resolution R-12-054-Demolition of a Hazardous Structure
8. A. Resolution R-13-001-Notice for Public Meetings for the Chaves County Board of Commissioners
B. Resolution R-13-002-Notice for Public Meetings for the Chaves County Indigent Hospital/Health Care Board
9. Resolution R-13-003-DWI Grant and Distribution Application for Fiscal Year 2014 Local DWI Grant Fund
10. Resolution R-13-004-Approval of Temporary Transfer

C. OTHER BUSINESS

11. 2013/2014 Chaves County Volunteer Fire Departments Emergency Medical Services (EMS) Fund Act Application

APPROVAL OF CHECKS

UNSCHEDULED COMMUNICATIONS LIMITED TO FIVE MINUTES PER VISITOR NO FORMAL ACTION TAKEN BY COMMISSION

- **COUNTY MANAGERS' COMMUNICATIONS**
- **COMMISSIONER'S COMMUNICATIONS**
- **CLOSED SESSION PURSUANT TO SECTION 10-15-1-(H)(7) DISCUSS THREATENED OR PENDING LITIGATION AND PURSUANT TO SECTION 10-15-1-(H)(8) DISPOSITION OF REAL PROPERTY**
- **SIGNATURE OF DOCUMENTS**
- **ADJOURNMENT**

If you are an individual with a disability who is in need of a reader, qualified sign language interpreter, or any form of auxiliary aid or service to attend or participate in the hearing of a meeting, please contact the County Commissioner's office at 575-624-6600. This should be done at least one week prior to the meeting. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact the County Commissioner's office if a summary or other type of accessible format is needed.

AGENDA ITEM: 1

A Public Hearing on the Question of Whether
a Property Tax Rebate Benefitting Low Income
Property Taxpayers in the County Should be
Made Available Through the Adoption of a
County Ordinance

MEETING DATE: January 10, 2013

STAFF SUMMARY REPORT

ACTION REQUESTED BY: Stanton L. Riggs

ACTION REQUESTED: Public Hearing

ITEM SUMMARY:

According to Section 7-2-14.3G, NMSA 1978, in every odd numbered year, the Board of County Commissioners shall conduct a public hearing on the question of whether a property tax rebate benefitting low income property tax payers in the County should be made available through adoption of a County Ordinance.

The problem with this rebate to low income property taxpayers is twofold. First, who actually qualifies as low income? The procedure to qualify is set out in Section 7-2-14, NMSA 1978. However, it is based upon New Mexico Income Tax returns and could possibly be manipulated. The second issue revolves around the tax itself. The taxes are not forgiven. The tax burden is shifted to the County to pay until an election occurs and the voters decide whether to impose a 1 mil property tax increase to pay for the taxes which have been rebated.

In addition, this does not rebate state or school taxes, bond levies, etc. It only rebates the County and City portion of the property tax.

Staff recommends denial of creating an ordinance.

This public hearing has been properly advertised.

SUPPORT DOCUMENTS: Sections 7-2-14, 7-2-14.3, 7-2-14.4, NMSA 1978

SUMMARY BY: Stanton L. Riggs

TITLE: County Manager

7-2-14. Low-income comprehensive tax rebate.

A. Except as otherwise provided in Subsection B of this section, any resident who files an individual New Mexico income tax return and who is not a dependent of another individual may claim a tax rebate for a portion of state and local taxes to which the resident has been subject during the taxable year for which the return is filed. The tax rebate may be claimed even though the resident has no income taxable under the Income Tax Act. A husband and wife who file separate returns for a taxable year in which they could have filed a joint return may each claim only one-half of the tax rebate that would have been allowed on a joint return.

B. No claim for the tax rebate provided in this section shall be filed by a resident who was an inmate of a public institution for more than six months during the taxable year for which the tax rebate could be claimed or who was not physically present in New Mexico for at least six months during the taxable year for which the tax rebate could be claimed.

C. For the purposes of this section, the total number of exemptions for which a tax rebate may be claimed or allowed is determined by adding the number of federal exemptions allowable for federal income tax purposes for each individual included in the return who is domiciled in New Mexico plus two additional exemptions for each individual domiciled in New Mexico included in the return who is sixty-five years of age or older plus one additional exemption for each individual domiciled in New Mexico included in the return who, for federal income tax purposes, is blind plus one exemption for each minor child or stepchild of the resident who would be a dependent for federal income tax purposes if the public assistance contributing to the support of the child or stepchild was considered to have been contributed by the resident.

D. The tax rebate provided for in this section may be claimed in the amount shown in the following table:

Modified Gross Income is:		And the total number of exemptions is:						
Over	But Not Over	1	2	3	4	5	6 or More	
\$ 0	\$ 500	\$120	\$160	\$200	\$240	\$280	\$320	
500	1,000	135	195	250	310	350	41	
1,000	1,500	135	195	250	310	350	43	
1,500	2,000	135	195	250	310	350	45	
2,000	2,500	135	195	250	310	350	45	
2,500	3,000	135	195	250	310	350	45	
3,000	3,500	135	195	250	310	350	45	
3,500	4,000	135	195	250	310	355	45	
4,000	4,500	135	195	250	310	355	45	

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4,500	5,000	125	190	240	305	355	45
5,000	5,500	115	175	230	295	355	43
5,500	6,000	105	155	210	260	315	41
6,000	7,000	90	130	170	220	275	37
7,000	8,000	80	115	145	180	225	29
8,000	9,000	70	105	135	170	195	24
9,000	10,000	65	95	115	145	175	20
10,000	11,000	60	80	100	130	155	18
11,000	12,000	55	70	90	110	135	16
12,000	13,000	50	65	85	100	115	14
13,000	14,000	50	65	85	100	115	14
14,000	15,000	45	60	75	90	105	12
15,000	16,000	40	55	70	85	95	11
16,000	17,000	35	50	65	80	85	10
17,000	18,000	30	45	60	70	80	9
18,000	19,000	25	35	50	60	70	8
19,000	20,000	20	30	40	50	60	6
20,000	21,000	15	25	30	40	50	5
21,000	22,000	10	20	25	35	40	4

E. If a taxpayer's modified gross income is zero, the taxpayer may claim a credit in the amount shown in the first row of the table appropriate for the taxpayer's number of exemptions.

F. The tax rebates provided for in this section may be deducted from the taxpayer's New Mexico income tax liability for the taxable year. If the tax rebates exceed the taxpayer's income tax liability, the excess shall be refunded to the taxpayer.

G. For purposes of this section, "dependent" means "dependent" as defined by Section 152 of the Internal Revenue Code of 1986, as that section may be amended or renumbered, but also includes any minor child or stepchild of the resident who would be a dependent for federal income tax purposes if the public assistance contributing to the support of the child or stepchild

was considered to have been contributed by the resident.

History: 1953 Comp., § 72-15A-11.1, enacted by Laws 1972, ch. 20, § 2; 1973, ch. 336, § 1; 1974, ch. 17, § 1; 1975, ch. 213, § 1; 1977, ch. 197, § 1; 1978, ch. 145, § 1; 1981, ch. 37, § 24; 1986, ch. 20, § 29; 1986 (3d S.S.), ch. 1, § 1; 1987, ch. 264, § 7; 1990, ch. 49, § 8; 1992, ch. 78, § 2; 1994, ch. 5, § 21; 1998, ch. 99, § 2.

Cross references. — For Section 152 of the Internal Revenue Code, see 26 U.S.C.S. § 1152.

The 1998 amendment, rewrote the tax rebate table in Subsection D. Laws 1998, ch. 99, contains no effective date provision, but pursuant to N.M. Const., art. IV, § 23, is effective May 20, 1998, 90 days after adjournment of the legislature.

The 1994 amendment, effective May 18, 1994, deleted "tax rebates for food and medical expenses" at the end of the section heading, and substituted the table in Subsection D for the former table.

The 1992 amendment, effective May 20, 1992, added present Subsection E; redesignated former Subsections E and F as present Subsections F and G; and inserted "of 1986" near the beginning of Subsection G.

The 1990 amendment, effective May 16, 1990, added the language beginning "plus one exemption for each minor child" at the end of Subsection C and added Subsection F.

ANNOTATIONS

Law reviews. — For article, "An Intergovernmental Approach to Tax Reform," see 4 N.M.L. Rev. 189 (1974).

Am. Jur. 2d, A.L.R. and C.J.S. references. — 71 Am. Jur. 2d State and Local Taxation §§ 549 to 551.

84 C.J.S. Taxation §§ 60 to 68; 85 C.J.S. Taxation §§ 1738 to 1755.

7-2-14.3. Tax rebate of part of property tax due from low-income taxpayer; local option; refund.

A. The tax rebate provided by this section may be claimed for the taxable year for which the return is filed by an individual who:

- (1) has his principal place of residence in a county that has adopted an ordinance pursuant to Subsection G of this section;
- (2) is not a dependent of another individual;
- (3) files a return; and
- (4) incurred a property tax liability on his principal place of residence in the taxable year.

B. The tax rebate provided by this section shall be allowed for any individual eligible to

claim the refund pursuant to Subsection A of this section and who:

- (1) was not an inmate of a public institution for more than six months during the taxable year;
- (2) was physically present in New Mexico for at least six months during the taxable year for which the rebate is claimed; and
- (3) is eligible for the rebate as a low-income property taxpayer in accordance with the provisions of Subsection D of this section.

C. A husband and wife who file separate returns for the taxable year in which they could have filed a joint return may each claim only one-half of the tax rebate that would have been allowed on the joint return.

D. As used in the table in this subsection, "property tax liability" means the amount of property tax resulting from the imposition of the county and municipal property tax operating impositions on the net taxable value of the taxpayer's principal place of residence calculated for the year for which the rebate is claimed. The tax rebate provided in this section is as specified in the following table:

LOW-INCOME TAXPAYER'S PROPERTY TAX REBATE TABLE

Taxpayer's Modified Gross Income		Property Tax Rebate
Over	But Not Over	
\$0	\$8,000	75% of property tax liability
8,000	10,000	70% of property tax liability
10,000	12,000	65% of property tax liability
12,000	14,000	60% of property tax liability
14,000	16,000	55% of property tax liability
16,000	18,000	50% of property tax liability
18,000	20,000	45% of property tax liability
20,000	22,000	40% of property tax liability
22,000	24,000	35% of property tax liability.

E. If a taxpayer's modified gross income is zero, the taxpayer may claim a tax rebate in the amount shown in the first row of the table. The tax rebate provided for in this section shall not exceed three hundred fifty dollars (\$350) per return and, if a return is filed separately that could have been filed jointly, the tax rebate shall not exceed one hundred seventy-five dollars (\$175). No tax rebate shall be allowed any taxpayer whose modified gross income exceeds twenty-four thousand dollars (\$24,000).

F. The tax rebate provided for in this section may be deducted from the taxpayer's New Mexico income tax liability for the taxable year. If the tax rebate exceeds the taxpayer's income tax liability, the excess shall be refunded to the taxpayer.

G. In January of every odd-numbered year in which a county does not have in effect an ordinance adopted pursuant to this subsection, the board of county commissioners of the county shall conduct a public hearing on the question of whether the property tax rebate provided in this section benefiting low-income property taxpayers in the county should be made available through adoption of a county ordinance. Notice of the public hearing shall be published once at least two weeks prior to the hearing date in at least one newspaper of general circulation in the county and broadcast at some time within the week before the hearing on at least one radio station with substantial broadcasting coverage in the county. At the public hearing, the board shall take action on the question and if a majority of the members elected votes to adopt an ordinance, it shall be adopted no later than thirty days after the public hearing.

H. An ordinance adopted pursuant to Subsection G of this section shall specify the taxable years to which it is applicable. The board of county commissioners adopting an ordinance shall notify the department of the adoption of the ordinance and furnish a copy of the ordinance to the department no later than September 1 of the first taxable year to which the ordinance applies.

I. No later than December 31 of the year immediately following the first year in which the low-income taxpayer property tax rebate provided in the Income Tax Act is in effect for a county, and no later than December 31 of each year thereafter in which the tax rebate is in effect, the department shall certify to the county the amount of the loss of income tax revenue to the state for the previous taxable year attributable to the allowance of property tax rebates to taxpayers of that county. The county shall promptly pay the amount certified to the department. If a county fails to pay the amount certified within thirty days of the date of certification, the department may enforce collection of the amount by action against the county and may withhold from any revenue distribution to the county, not dedicated or pledged, amounts up to the amount certified.

J. As used in this section, "principal place of residence" means the dwelling owned and occupied by the taxpayer and so much of the land surrounding it, not to exceed five acres, as is reasonably necessary for use of the dwelling as a home and may consist of a part of a multidwelling or a multipurpose building and a part of the land upon which it is built.

History: Laws 1994, ch. 111, § 1; 1997, ch. 196, § 1; 2003, ch. 275, § 4.

The 2003 amendment, effective June 20, 2003, substituted "taxable years" for "first taxable year" following "shall specify the" in Subsection H; substituted "December 31" for "July 1" twice in the first sentence of Subsection I.

The 1997 amendment, effective June 20, 1997, revised the table in Subsection D to add the last four income ranges; and in Subsection E, in the second sentence, substituted "three hundred fifty dollars (\$350)" for "two hundred fifty dollars (\$250)", substituted "one hundred seventy-five dollars (\$175)" for "one hundred twenty-five dollars (\$125)", and in the third sentence substituted "twenty-four thousand dollars (\$24,000)" for "sixteen thousand dollars (\$16,000)".

7-2-14.4. Authorization to fund property tax rebate for low-income taxpayers; tax imposition; election.

A. The board of county commissioners of any county may adopt a resolution to submit to the qualified electors of the county the question of whether a property tax at a rate not to exceed one dollar (\$1.00) per thousand dollars (\$1,000) of taxable value of property should be imposed for the purpose of providing the necessary funding for the property tax rebate for low-income taxpayers provided in the Income Tax Act if the county has adopted an ordinance providing the property tax rebate.

B. The resolution shall:

- (1) specify the rate of the proposed tax, which shall not exceed one dollar (\$1.00) per thousand dollars (\$1,000) of taxable value of property;
- (2) specify the date an election will be held to submit the question of imposition of the tax to the qualified electors of the county;
- (3) impose the tax for one, two, three, four or five property tax years and limit the imposition of the proposed tax to no more than five property tax years; and
- (4) pledge the revenue from the tax solely for the payment of the income tax revenue reduction resulting from the implementation of the property tax rebate for low-income taxpayers.

C. The resolution authorized in Subsection A of this section shall be adopted no later than May 15 in the year prior to the year in which the tax is proposed to be imposed. By adoption of an appropriate resolution, the board of county commissioners may submit the question of imposing the tax for successive periods of one, two, three, four or five years to the qualified electors of the county. The procedures for the election and for the imposition of the tax for subsequent periods shall be the same as those applying to the initial imposition of the tax. The election shall be scheduled so that the imposition of the tax for successive periods results in continuity of the tax.

D. An election on the question of imposing the tax authorized pursuant to this section may be held in conjunction with a general election or may be conducted as or held in conjunction with a special election, but the election shall be held by the date necessary to assure that the results of the election on the question of imposing the tax may be certified no later than July 1 of the first property tax year in which the tax is proposed to be imposed. Conduct of the election shall be as provided by the Election Code [1-1-1 NMSA 1978].

E. As used in this section, "taxable value of property" means the combined total of net taxable value of property allocated to the county under the Property Tax Code [Articles 35 to 38 of Chapter 7 NMSA 1978]; the assessed value of products severed and sold in the county for the calendar year preceding the year for which a determination is made as determined under the Oil and Gas Ad Valorem Production Tax Act [7-32-1 NMSA 1978]; the assessed value of equipment

in the county as determined under the Oil and Gas Production Equipment Ad Valorem Tax Act [7-34-1 NMSA 1978]; and the taxable value of copper mineral property in the county pursuant to Section 7-39-7 NMSA 1978.

History: Laws 1994, ch. 111, § 2; 2000, ch. 33, § 1.

The 2000 amendment, effective May 17, 2000, deleted former Subsection A(2), concerning counties that had not adopted an ordinance imposing a transfer tax, and deleted the designation from former Subsection A(1).

Item # 2

Agreement A-13-001 – between Chaves
County and Kansas State Bank

Meeting Date: 1-17-13

STAFF SUMMARY

REQUESTED BY: Tammy Brisco West, Purchasing Director

ACTION REQUIRED: Approve Agreement A-13-001

SUMMARY:

On September 20, 2012 the Commission awarded RFB-12-5 for Lease (with option to buy) of One or More Motor Graders to Sierra Machinery of El Paso. Kansas State Bank is the leasing agent for Sierra Machinery. Agreement A-13-001 is a contract for the lease of two (2) motor graders at \$1,545.01 per month for 60 months. The contract contains a provision which authorizes the Purchasing Director to execute contract documents. Staff recommends approval of Agreement A-13-001.

SUPPORT DOCUMENTS: Agreement A-13-001

Submitted by: Tammy Brisco West
Title: Purchasing Director

GOVERNMENT OBLIGATION CONTRACT

Obligor

Chaves County, New Mexico
PO Box 1597
Roswell, 88202-1597

Obligee

Kansas State Bank of Manhattan
1010 Westloop, P.O. Box 69
Manhattan, Kansas 66505-0069

Dated as of December 20, 2012

This Government Obligation Contract dated as of the date listed above is between Obligee and Obligor listed directly above. Obligee desires to finance the purchase of the Equipment described in Exhibit A to Obligor and Obligor desires to finance the purchase of the Equipment from Obligee subject to the terms and conditions of this Contract which are set forth below.

I. Definitions

Section 1.01 Definitions. The following terms will have the meanings indicated below unless the context clearly requires otherwise:

"Additional Schedule" refers to the proper execution of additional Schedules to Exhibit A and Exhibit B, as well as other exhibits or documents that may be required by the Obligee all of which relate to the financing of additional Equipment.

"Budget Year" means the Obligor's fiscal year.

"Commencement Date" is the date when Obligor's obligation to pay Contract Payments begins.

"Contract" means this Government Obligation Contract and all Exhibits attached hereto, all addenda, modifications, schedules, refinancing's, and all documents relied upon by Obligee prior to execution of this Contract.

"Contract Payments" means the payments Obligor is required to make under this Contract as set forth on Exhibit B.

"Contract Term" means the Original Term and all Renewal Terms.

"Exhibit" includes the Exhibits attached hereto, and any "Additional Schedule", whether now existing or subsequently created.

"Equipment" means all of the items of Equipment listed on Exhibit A and any Additional Schedule, whether now existing or subsequently created, and all replacements, restorations, modifications and improvements.

"Government" as used in the title hereof means a State or a political subdivision of the State within the meaning of Section 103(a) of the Internal Revenue Code of 1986, as amended ("Code"), or a constituted authority or district authorized to issue obligations of on behalf of the State or political subdivision of the State within the meaning of Treasury Regulation 1.103-1(b), or a qualified volunteer fire company within the meaning of section 150(e)(1) of the Code.

"Obligee" means the entity originally listed above as Obligee or any of its assignees.

"Obligor" means the entity listed above as Obligor and which is financing the Equipment from Obligee under the provisions of this Contract.

"Original Term" means the period from the Commencement Date until the end of the Budget Year of Obligor.

"Purchase Price" means the total cost of the Equipment, including all delivery charges, installation charges, legal fees, financing costs, recording and filing fees and other costs necessary to vest full, clear legal title to the Equipment in Obligor, subject to the security interest granted to and retained by Obligee as set forth in this Contract, and otherwise incurred in connection with the financing of this Equipment.

"Renewal Term" means the annual term which begins at the end of the Original Term and which is simultaneous with Obligor's Budget Year and each succeeding Budget Year for the number of Budget Years necessary to comprise the Contract Term.

"State" means the state in which Obligor is located.

II. Obligor Warranties

Section 2.01 Obligor represents, warrants and covenants as follows for the benefit of Obligee or its assignees:

- (a) Obligor is an "issuer of tax exempt obligations" because Obligor is the State or a political subdivision of the State within the meaning of Section 103(a) of the Internal Revenue Code of 1986, as amended, (the "Code") or because Obligor is a constituted authority or district authorized to issue obligations on behalf of the State or political subdivision of the State within the meaning of Treasury Regulation 1.103-1(b), or a qualified volunteer fire company within the meaning of section 150(e)(1) of the Code.
- (b) Obligor has complied with any requirement for a referendum and/or competitive bidding.
- (c) Obligor has complied with all statutory laws and regulations that may be applicable to the execution of this Contract; Obligor, and its Officer executing this Contract, are authorized under the Constitution and laws of the State to enter into this Contract and have used and followed all proper procedures of its governing body in executing and delivering this Contract. The Officer of Obligor executing this Contract has the authority to execute and deliver this Contract. This Contract constitutes a legal, valid, binding and enforceable obligation of the Obligor in accordance with its terms.
- (d) Obligor shall use the Equipment only for essential, traditional government purposes.
- (e) Should the IRS disallow the tax-exempt status of the interest portion of the Contract Payments as a result of the failure of the Obligor to use the Equipment for governmental purposes, or should the Obligor cease to be an issuer of tax exempt obligations, or should the obligation of Obligor created under this Contract cease to be a tax exempt obligation for any reason, then Obligor shall be required to pay additional sums to the Obligee or its assignees so as to bring the after tax yield on this Contract to the same level as the Obligee or its assignees would attain if the transaction continued to be tax-exempt.
- (f) Obligor has never non-appropriated funds under a contract similar to this Contract.
- (g) Obligor will submit to the Secretary of the Treasury an information reporting statement as required by the Code.
- (h) Upon request by Obligee, Obligor will provide Obligee with current financial statements, reports, budgets or other relevant fiscal information.
- (i) Obligor shall retain the Equipment free of any hazardous substances as defined in the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. 9601 et. seq. as amended and supplemented.
- (j) Obligor presently intends to continue this Contract for the Original Term and all Renewal Terms as set forth on Exhibit B hereto. The official of Obligor responsible for budget preparation will include in the budget request for each Budget Year the Contract Payments to become due in such Budget Year, and will use all reasonable and lawful means available to secure the appropriation of money for such Budget Year sufficient to pay the Contract Payments coming due therein. Obligor reasonably believes that moneys can and will lawfully be appropriated and made available for this purpose.
- (k) Obligor has selected both the Equipment and the vendor(s) from whom the Equipment is to be purchased upon its own judgment and without reliance on any manufacturer, merchant, vendor or distributor, or agent thereof, of such equipment to the public.
- (l) Obligor owns free and clear of any liens any additional collateral pledged, subject only to the lien described herein; Obligor has not and will not, during the Contract Term, create, permit, incur or assume any levies, liens or encumbrances of any kind with respect to the Equipment and any additional collateral except those created by this Contract.

Section 2.02 Escrow Agreement. In the event both Obligee and Obligor mutually agree to utilize an Escrow Account, then immediately following the execution and delivery of this Contract, Obligee and Obligor agree to execute and deliver and to cause Escrow Agent to execute and deliver the Escrow Agreement. This Contract shall take effect only upon execution and delivery of the Escrow Agreement by the parties thereto. Obligee shall deposit or cause to be deposited with the Escrow Agent for credit to the Equipment Acquisition Fund the sum of N/A, which shall be held, invested and disbursed in accordance with the Escrow Agreement.

III. Acquisition of Equipment, Contract Payments and the Purchase Option Price

Section 3.01 Acquisition and Acceptance. Obligor shall be solely responsible for the ordering of the Equipment and for the delivery and installation of the Equipment. Execution of the Acceptance Certificate or, alternatively, Payment Request and Equipment Acceptance Form, by a duly authorized representative of Obligor, shall constitute acceptance of the Equipment on behalf of the Obligor.

Section 3.02 Contract Payments. Obligor shall pay Contract Payments exclusively to Obligee or its assignees in lawful, legally available money of the United States of America. The Contract Payments shall be sent to the location specified by the Obligee or its assignees. The Contract Payments shall constitute a current expense of the Obligor and shall not constitute an indebtedness of the Obligor. The Contract Payments are due as set forth on Exhibit B. Obligee shall have the option to charge interest at the highest lawful rate on any Contract Payment received later than the due date for the number of days that the Contract Payment(s) were late, plus any additional accrual on the outstanding balance for the number of days that the Contract Payment(s) were late. Once all amounts due Obligee hereunder have been received, Obligee will release any and all of its rights, title and interest in the Equipment. Obligee shall also have the option, on monthly payments only, to charge a late fee of up to 10% of the monthly Contract Payment that is past due. The Contract Payments will be payable without notice

or demand. Furthermore, Obligor agrees to pay any additional fees/costs incurred by Obligees relating to Obligor's requirement that a certain payment mechanism be utilized. Obligees will use funds to make the Contract Payments for this Contract from a Special Fund designated by Obligor in accordance with New Mexico law.

SECTION 3.03 Contract Payments Unconditional. Except as provided under Section 4.01, THE OBLIGATIONS OF OBLIGOR TO MAKE CONTRACT PAYMENTS AND TO PERFORM AND OBSERVE THE OTHER COVENANTS CONTAINED IN THIS CONTRACT SHALL BE ABSOLUTE AND UNCONDITIONAL IN ALL EVENTS WITHOUT ABATEMENT, DIMINUTION, DEDUCTION, SET-OFF, OR SUBJECT TO DEFENSE OR COUNTERCLAIM.

Section 3.04 Purchase Option Price. Upon thirty (30) days written notice, Obligor shall have the option to pay, in addition to the Contract Payment, the corresponding Purchase Option Price which is listed on the same line on Exhibit B. This option is only available to the Obligor on the Contract Payment date and no partial prepayments are allowed. If Obligor chooses this option and pays the Purchase Option Price to Obligees then Obligees will transfer any and all of its rights, title and interest in the Equipment to Obligor.

Section 3.05 Contract Term. The Contract Term shall be the Original Term and all Renewal Terms until all the Contract Payments are paid as set forth on Exhibit B except as provided under Section 4.01 and Section 9.01 below. If, after the end of the budgeting process which occurs at the end of the Original Term or any Renewal Term, Obligor has not non-appropriated as provided for in this Contract then the Contract Term shall be extended into the next Renewal Term and the Obligor shall be obligated to make all the Contract Payments that come due during such Renewal Term.

Section 3.06 Disclaimer of Warranties. OBLIGEE MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY, FITNESS FOR PARTICULAR PURPOSE OR ANY OTHER WARRANTY WITH RESPECT TO THE EQUIPMENT. OBLIGEE IS NOT A MANUFACTURER, VENDOR OR DISTRIBUTOR, OR AGENT THEREOF, OF SUCH EQUIPMENT; NOR IS OBLIGEE A MERCHANT OR IN THE BUSINESS OF DISTRIBUTING SUCH EQUIPMENT TO THE PUBLIC. OBLIGEE SHALL NOT BE LIABLE FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGE ARISING OUT OF THE INSTALLATION, OPERATION, POSSESSION, STORAGE OR USE OF THE EQUIPMENT BY OBLIGOR.

IV. Non-Appropriation

Section 4.01 Non-Appropriation. If insufficient funds are available in Obligor's budget for the next Budget Year to make the Contract Payments for the next Renewal Term and the funds to make such Contract Payments are otherwise unavailable by any lawful means whatsoever, then Obligor may non-appropriate the funds to pay the Contract Payments for the next Renewal Term. Such non-appropriation shall be evidenced by the passage of an ordinance or resolution by the governing body of Obligor specifically prohibiting Obligor from performing its obligations under this Contract and from using any moneys to pay the Contract Payments due under this Contract for a designated Budget Year and all subsequent Budget Years. If Obligor non-appropriates, then all obligations of the Obligor under this Contract regarding Contract Payments for all remaining Renewal Terms shall be terminated at the end of the then current Original Term or Renewal Term without penalty or liability to the Obligor of any kind provided that if Obligor has not delivered possession of the Equipment to Obligees as provided herein and conveyed to Obligees or released its interest in the Equipment by the end of the last Budget Year for which Contract Payments were paid, the termination shall nevertheless be effective but Obligor shall be responsible for the payment of damages in an amount equal to the amount of the Contract Payments thereafter coming due under Exhibit B which are attributable to the number of days after such Budget Year during which Obligor fails to take such actions and for any other loss suffered by Obligees as a result of Obligor's failure to take such actions as required. Obligor shall immediately notify the Obligees as soon as the decision to non-appropriate is made. If such non-appropriation occurs, then Obligor shall deliver the Equipment to Obligees as provided below in Section 9.04. Obligor shall be liable for all damage to the Equipment other than normal wear and tear. If Obligor fails to deliver the Equipment to Obligees, then Obligees may enter the premises where the Equipment is located and take possession of the Equipment and charge Obligor for costs incurred.

V. Insurance, Damage, Insufficiency of Proceeds

Section 5.01 Insurance. Obligor shall maintain both casualty insurance and liability insurance at its own expense with respect to the Equipment. Obligor shall be solely responsible for selecting the insurer(s) and for making all premium payments and ensuring that all policies are continuously kept in effect during the period when Obligor is required to make Contract Payments. Obligor shall provide Obligees with a Certificate of Insurance which lists the Obligees and/or assigns as a loss payee and an additional insured on the policies with respect to the Equipment.

- (a) Obligor shall insure the Equipment against any loss or damage by fire and all other risks covered by the standard extended coverage endorsement then in use in the State and any other risks reasonably required by Obligees in an amount at least equal to the then applicable Purchase Option Price of the Equipment. Alternatively, Obligor may insure the Equipment under a blanket insurance policy or policies.
- (b) The liability insurance shall insure Obligees from liability and property damage in any form and amount satisfactory to Obligees.
- (c) Obligor may self-insure against the casualty risks and liability risks described above. If Obligor chooses this option, Obligor must furnish Obligees with a certificate and/or other documents which evidences such coverage.
- (d) All insurance policies issued or affected by this Section shall be so written or endorsed such that the Obligees and its assignees are named additional insureds and loss payees and that all losses are payable to Obligor and Obligees or its assignees as their interests may appear. Each policy issued or affected by this Section shall contain a provision that the insurance company shall not cancel or materially modify the policy without first giving thirty (30) days advance notice to Obligees or its assignees. Obligor shall furnish to Obligees certificates evidencing such coverage throughout the Contract Term.

Section 5.02 Damage to or Destruction of Equipment. Obligor assumes the risk of loss or damage to the Equipment. If the Equipment or any portion thereof is lost, stolen, damaged, or destroyed by fire or other casualty, Obligor will immediately report all such losses to all possible insurers and take the proper procedures to obtain all insurance proceeds. At the option of Obligees, Obligor shall either (1) apply the Net Proceeds to replace, repair or restore the Equipment or (2) apply the Net Proceeds to the applicable Purchase Option Price. For purposes of this Section and Section 5.03, the term Net Proceeds shall mean the amount of insurance proceeds collected from all applicable insurance policies after deducting all expenses incurred in the collection thereof.

Section 5.03 Insufficiency of Net Proceeds. If there are no Net Proceeds for whatever reason or if the Net Proceeds are insufficient to pay in full the cost of any replacement, repair, restoration, modification or improvement of the Equipment, then Obligor shall, at the option of Obligees, either (1) complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds or (2) apply the Net Proceeds to the Purchase Option Price and pay the deficiency, if any, to the Obligees.

Section 5.04 Obligor Negligence. Obligor assumes all risks and liabilities, whether or not covered by insurance, for loss or damage to the Equipment and for injury to or death of any person or damage to any property whether such injury or death be with respect to agents or employees of Obligor or of third parties, and whether such property damage be to Obligor's property or the property of others (including, without limitation, liabilities for loss or damage related to the release or threatened release of hazardous substances under the Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act or similar or successor law or any State or local equivalent now existing or hereinafter enacted which in any manner arise out of or are incident to any possession, use, operation, condition or storage of any Equipment by Obligor), which is proximately caused by the negligent conduct of Obligor, its officers, employees and agents.

Section 5.05 Indemnification. Obligor hereby assumes responsibility for and agrees to reimburse Obligees for all liabilities, obligations, losses, damages, penalties, claims, actions, costs and expenses (including reasonable attorneys' fees) of whatsoever kind and nature, imposed on, incurred by or asserted against Obligees that in any way relate to or arise out of a claim, suit or proceeding, based in whole or in part upon the negligent conduct of Obligor, its officers, employees and agents, or arose out of installation, operation, possession, storage or use of any item of the Equipment, to the maximum extent permitted by law.

VI. Title and Security Interest

Section 6.01 Title. Title to the Equipment shall vest in Obligor when Obligor acquires and accepts the Equipment. Title to the Equipment will automatically transfer to the Obligees in the event Obligor non-appropriates under Section 4.01 or in the event Obligor defaults under Section 9.01. In such event, Obligor shall execute and deliver to Obligees such documents as Obligees may request to evidence the passage of legal title to the Equipment to Obligees.

Section 6.02 Security Interest. To secure the payment of all Obligor's obligations under this Contract, as well as all other obligations, debts and liabilities, plus interest thereon, whether now existing or subsequently created, Obligor hereby grants to Obligees a security interest under the Uniform Commercial Code constituting a first lien on the Equipment described more fully on Exhibit A, including any and all additional collateral listed on any other Exhibit A. The security interest established by this section includes not only all additions, attachments, repairs and replacements to the Equipment but also all proceeds therefrom. Obligor authorizes Obligees to prepare and record any Financing Statement required under the Uniform Commercial Code to perfect the security interest created hereunder. Obligor agrees that any Equipment listed on Exhibit A is and will remain personal property and will not be considered a fixture even if attached to real property.

VII. Assignment

Section 7.01 Assignment by Obligees. All of Obligees's rights, title and/or interest in and to this Contract may be assigned and reassigned in whole or in part to one or more assignees or sub-assignees (including a Registered Owner for Participation Certificates) by Obligees at any time without the consent of Obligor. No such assignment shall be effective as against Obligor until the assignor shall have filed with Obligor written notice of assignment identifying the assignee. Obligor shall pay all Contract Payments due hereunder relating to such Equipment to or at the direction of Obligees or the assignee named in the notice of assignment. Obligor shall keep a complete and accurate record of all such assignments.

Section 7.02 Assignment by Obligor. None of Obligor's right, title and interest under this Contract and in the Equipment may be assigned by Obligor unless Obligees approves of such assignment in writing before such assignment occurs and only after Obligor first obtains an opinion from nationally recognized counsel stating that such assignment will not jeopardize the tax-exempt status of the obligation.

VIII. Maintenance of Equipment

Section 8.01 Equipment. Obligor shall keep the Equipment in good repair and working order, and as required by manufacturer's and warranty specifications. If Equipment consists of copiers, Obligor is required to enter into a copier maintenance/service agreement. Obligor shall have no obligation to inspect, test, service, maintain, repair or make improvements or additions to the Equipment under any circumstances. Obligor will be liable for all damage to the Equipment, other than normal wear and tear, caused by Obligor, its employees or its agents. Obligor shall pay for and obtain all permits, licenses and taxes necessary for the installation, operation, possession, storage or use of the Equipment. If the Equipment includes any titled vehicle(s), then Obligor is responsible for obtaining such title(s) from the State and also for ensuring that Obligor is listed as First Lienholder on all of the title(s). Obligor shall not use the Equipment to haul, convey or transport hazardous waste as defined in the Resource Conservation and Recovery Act, 42 U.S.C. 6901 et. seq. Obligor agrees that Obligor or its Assignee may execute any additional documents including financing statements, affidavits, notices, and similar instruments, for and on behalf of Obligor which Obligor deems necessary or appropriate to protect Obligor's interest in the Equipment and in this Contract. Obligor shall allow Obligor to examine and inspect the Equipment at all reasonable times.

IX. Default

Section 9.01 Events of Default defined. The following events shall constitute an "Event of Default" under this Contract:

- (a) Failure by Obligor to pay any Contract Payment listed on Exhibit B for fifteen (15) days after such payment is due according to the Payment Date listed on Exhibit B.
- (b) Failure to pay any other payment required to be paid under this Contract at the time specified herein and a continuation of said failure for a period of fifteen (15) days after written notice by Obligor that such payment must be made. If Obligor continues to fail to pay any payment after such period, then Obligor may, but will not be obligated to, make such payments and charge Obligor for all costs incurred plus interest at the highest lawful rate.
- (c) Failure by Obligor to observe and perform any warranty, covenant, condition, promise or duty under this Contract for a period of thirty (30) days after written notice specifying such failure is given to Obligor by Obligor, unless Obligor agrees in writing to an extension of time. Obligor will not unreasonably withhold its consent to an extension of time if corrective action is instituted by Obligor. Subsection (c) does not apply to Contract Payments and other payments discussed above.
- (d) Any statement, material omission, representation or warranty made by Obligor in or pursuant to this Contract which proves to be false, incorrect or misleading on the date when made regardless of Obligor's intent and which materially adversely affects the rights or security of Obligor under this Contract.
- (e) Any provision of this Contract which ceases to be valid for whatever reason and the loss of such provision would materially adversely affect the rights or security of Obligor.
- (f) Except as provided in Section 4.01 above, Obligor admits in writing its inability to pay its obligations.
- (g) Obligor defaults on one or more of its other obligations.
- (h) Obligor becomes insolvent, is unable to pay its debts as they become due, makes an assignment for the benefit of creditors, applies for or consents to the appointment of a receiver, trustee, conservator, custodian, or liquidator of Obligor, or all or substantially all of its assets, or a petition for relief under is filed by Obligor under federal bankruptcy, insolvency or similar laws, or is filed against Obligor and is not dismissed within thirty (30) days thereafter.

Section 9.02 Remedies on Default. Whenever any Event of Default exists, Obligor shall have the right to take one or any combination of the following remedial steps:

- (a) With or without terminating this Contract, Obligor may declare all Contract Payments and other amounts payable by Obligor hereunder to the end of the then current Budget Year to be immediately due and payable.
- (b) With or without terminating this Contract, Obligor may require Obligor at Obligor's expense to redeliver any or all of the Equipment and any additional collateral to Obligor as provided below in Section 9.04. Such delivery shall take place within fifteen (15) days after the event of default occurs. If Obligor fails to deliver the Equipment and any additional collateral, Obligor may enter the premises where the Equipment and any additional collateral is located and take possession of the Equipment and any additional collateral and charge Obligor for cost incurred. Notwithstanding that Obligor has taken possession of the Equipment and any additional collateral, Obligor shall still be obligated to pay the remaining Contract Payments due up until the end of the then current Original Term or Renewal Term. Obligor will be liable for any damage to the Equipment and any additional collateral caused by Obligor or its employees or agents.
- (c) Obligor may take whatever action at law or in equity that may appear necessary or desirable to enforce its rights. Obligor shall be responsible to Obligor for all costs incurred by Obligor in the enforcement of its rights under this Contract including, but not limited to, reasonable attorney fees.

Section 9.03 No Remedy Exclusive. No remedy herein conferred upon or reserved to Obligor is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Contract now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or shall be construed to be a waiver thereof.

Section 9.04 Return of Equipment and Storage.

- (a) Surrender: The Obligor shall, at its own expense, surrender the Equipment, any Additional Collateral and all required documentation to evidence transfer of title from Obligor to the Obligor in the event of a default or a non-appropriation by delivering the Equipment and any Additional Collateral to the Obligor to a location accessible by common carrier and designated by Obligor. In the case that any of the Equipment and any Additional Collateral consists of software, Obligor shall destroy all intangible items constituting such software and shall deliver to Obligor all tangible items constituting such software. At Obligor's request, Obligor shall also certify in a form acceptable to Obligor that Obligor has complied with the above software return provisions and that they will immediately cease using the software and that they shall permit Obligor and/or the vendor of the software to inspect Obligor's locations to verify compliance with the terms hereto.
- (b) Delivery: The Equipment and any Additional Collateral shall be delivered to the location designated by the Obligor by a common carrier unless the Obligor agrees in writing that a common carrier is not needed. When the Equipment and any Additional Collateral is delivered into the custody of a common carrier, the Obligor shall arrange for the shipping of the item and its insurance in transit in accordance with the Obligor's instructions and at the Obligor's sole expense. Obligor at its expense shall completely sever and disconnect the Equipment and any Additional Collateral or its component parts from the Obligor's property all without liability to the Obligor. Obligor shall pack or crate the Equipment and any Additional Collateral and all of the component parts of the Equipment and any Additional Collateral carefully and in accordance with any recommendations of the manufacturer. The Obligor shall deliver to the Obligor the plans, specifications, operation manuals or other warranties and documents furnished by the manufacturer or vendor on the Equipment and any Additional Collateral and such other documents in the Obligor's possession relating to the maintenance and methods of operation of such Equipment and any Additional Collateral.
- (c) Condition: When the Equipment is surrendered to the Obligor it shall be in the condition and repair required to be maintained under this Contract. It will also meet all legal regulatory conditions necessary for the Obligor to sell or lease it to a third party and be free of all liens. If Obligor reasonably determines that the Equipment or an item of the Equipment, once it is returned, is not in the condition required hereby, Obligor may cause the repair, service, upgrade, modification or overhaul of the Equipment or an item of the Equipment to achieve such condition and upon demand, Obligor shall promptly reimburse Obligor for all amounts reasonably expended in connection with the foregoing.
- (d) Storage: Upon written request by the Obligor, the Obligor shall provide free storage for the Equipment and any additional collateral for a period not to exceed 60 days after the expiration of the Contract Term before returning it to the Obligor. The Obligor shall arrange for the insurance described to continue in full force and effect with respect to such item during its storage period and the Obligor shall reimburse the Obligor on demand for the incremental premium cost of providing such insurance.

X. Miscellaneous

Section 10.01 Notices. All notices shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, to the parties at their respective places of business as first set forth herein or as the parties shall designate hereafter in writing.

Section 10.02 Binding Effect. Obligor acknowledges this Contract is not binding upon the Obligor or its assignees unless the Conditions to Funding listed on the Documentation Instructions have been met to Obligor's satisfaction, and Obligor has executed the Contract. Thereafter, this Contract shall inure to the benefit of and shall be binding upon Obligor and Obligor and their respective successors and assigns.

Section 10.03 Severability. In the event any provision of this Contract shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 10.04 Amendments, Addenda, Changes or Modifications. This Contract may be amended, added to, changed or modified by written agreement duly executed by Obligor and Obligor. Furthermore, Obligor reserves the right to directly charge or amortize into the remaining balance due from Obligor, a reasonable fee, to be determined at that time, as compensation to Obligor for the additional administrative expense resulting from such amendment, addenda, change or modification.

Section 10.05 Execution in Counterparts. This Contract may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 10.06 Captions. The captions or headings in this Contract do not define, limit or describe the scope or intent of any provisions or sections of this Contract.

Section 10.07 Master Contract. This Contract can be utilized as a Master Contract. This means that the Obligor and the Obligor may agree to the financing of additional Equipment under this Contract at some point in the future by executing one or more Additional Schedules to Exhibit A and Exhibit B, as well as other exhibits or documents that may be required by Obligor. Additional Schedules will be consecutively numbered on each of the exhibits which make up the Additional Schedule and all the terms and conditions of the Contract shall govern each Additional Schedule.

Section 10.08 Entire Writing. This Contract constitutes the entire writing between Obligor and Obligor. No waiver, consent, modification or change of terms of this Contract shall bind either party unless in writing and signed by both parties, and then such waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given. There are no understandings, Contract, representations, conditions, or warranties, express or implied, which are not specified herein regarding this Contract, the Equipment or any additional collateral, financed hereunder. Any terms and conditions of any purchase order or other documents submitted by Obligor in connection with this Contract which are in addition to or inconsistent with the terms and conditions of this Contract will not be binding on Obligor and will not apply to this Contract.

Section 10.09 Special Fund, Obligor will use funds to make the Contract Payments for this Contract from a "Special Fund" designated by the Obligor in compliance with New Mexico law.

Obligee and Obligor have caused this Contract to be executed in their names by their duly authorized representatives listed below.

Chaves County, New Mexico

Kansas State Bank of Manhattan

Signature

Signature

Marsha Jarvis, Vice President

Printed Name and Title

Printed Name and Title

EXHIBIT A

DESCRIPTION OF EQUIPMENT

RE: Government Obligation Contract dated as of December 20, 2012, between Kansas State Bank of Manhattan (Obligee) and Chaves County, New Mexico (Obligor)

Below is a detailed description of all the items of Equipment including quantity, model number and serial number where applicable:

One (1) 2012 Volvo G940B Motor Grader, SN: 577022

Physical Address of Equipment after Delivery : 1505 E. Brasher Road, Roswell, NM 88203

EXHIBIT B

PAYMENT SCHEDULE

RE: Government Obligation Contract dated as of December 20, 2012, between Kansas State Bank of Manhattan (Obligee) and Chaves County, New Mexico (Obligor)

Date of First Payment:	At Closing
Original Balance:	\$209,395.00
Total Number of Payments:	Sixty-One (61)
Number of Payments Per Year:	Twelve (12)

Pmt No.	Due Date	Contract Payment	Applied to Interest	Applied to Principal	*Purchase Option Price
1	At Closing	\$1,545.01	\$0.00	\$1,545.01	Not Available
2	20-Jan-13	\$1,545.01	\$503.69	\$1,041.32	Not Available
3	20-Feb-13	\$1,545.01	\$501.17	\$1,043.84	\$209,354.11
4	20-Mar-13	\$1,545.01	\$498.64	\$1,046.37	\$208,237.93
5	20-Apr-13	\$1,545.01	\$496.10	\$1,048.91	\$207,119.46
6	20-May-13	\$1,545.01	\$493.56	\$1,051.45	\$205,998.70
7	20-Jun-13	\$1,545.01	\$491.01	\$1,054.00	\$204,875.64
8	20-Jul-13	\$1,545.01	\$488.46	\$1,056.55	\$203,750.28
9	20-Aug-13	\$1,545.01	\$485.90	\$1,059.11	\$202,622.62
10	20-Sep-13	\$1,545.01	\$483.33	\$1,061.68	\$201,492.65
11	20-Oct-13	\$1,545.01	\$480.76	\$1,064.25	\$200,360.36
12	20-Nov-13	\$1,545.01	\$478.18	\$1,066.83	\$199,225.75
13	20-Dec-13	\$1,545.01	\$475.59	\$1,069.42	\$198,088.82
14	20-Jan-14	\$1,545.01	\$473.00	\$1,072.01	\$196,949.56
15	20-Feb-14	\$1,545.01	\$470.40	\$1,074.61	\$195,807.97
16	20-Mar-14	\$1,545.01	\$467.80	\$1,077.21	\$194,664.04
17	20-Apr-14	\$1,545.01	\$465.19	\$1,079.82	\$193,517.77
18	20-May-14	\$1,545.01	\$462.57	\$1,082.44	\$192,369.15
19	20-Jun-14	\$1,545.01	\$459.95	\$1,085.06	\$191,218.18
20	20-Jul-14	\$1,545.01	\$457.32	\$1,087.69	\$190,064.85
21	20-Aug-14	\$1,545.01	\$454.68	\$1,090.33	\$188,909.16
22	20-Sep-14	\$1,545.01	\$452.04	\$1,092.97	\$187,751.10
23	20-Oct-14	\$1,545.01	\$449.39	\$1,095.62	\$186,590.67
24	20-Nov-14	\$1,545.01	\$446.74	\$1,098.27	\$185,427.86
25	20-Dec-14	\$1,545.01	\$444.08	\$1,100.93	\$184,262.67
26	20-Jan-15	\$1,545.01	\$441.41	\$1,103.60	\$183,095.09
27	20-Feb-15	\$1,545.01	\$438.73	\$1,106.28	\$181,925.12
28	20-Mar-15	\$1,545.01	\$436.05	\$1,108.96	\$180,752.75
29	20-Apr-15	\$1,545.01	\$433.37	\$1,111.64	\$179,577.98
30	20-May-15	\$1,545.01	\$430.67	\$1,114.34	\$178,400.81
31	20-Jun-15	\$1,545.01	\$427.97	\$1,117.04	\$177,221.22
32	20-Jul-15	\$1,545.01	\$425.26	\$1,119.75	\$176,039.22
33	20-Aug-15	\$1,545.01	\$422.55	\$1,122.46	\$174,854.80
34	20-Sep-15	\$1,545.01	\$419.83	\$1,125.18	\$173,667.95
35	20-Oct-15	\$1,545.01	\$417.10	\$1,127.91	\$172,478.67
36	20-Nov-15	\$1,545.01	\$414.37	\$1,130.64	\$171,286.95
37	20-Dec-15	\$1,545.01	\$411.63	\$1,133.38	\$170,092.79
38	20-Jan-16	\$1,545.01	\$408.88	\$1,136.13	\$168,896.19
39	20-Feb-16	\$1,545.01	\$406.13	\$1,138.88	\$167,697.14
40	20-Mar-16	\$1,545.01	\$403.37	\$1,141.64	\$166,495.63

EXHIBIT B - CONTINUED

PAYMENT SCHEDULE

RE: Government Obligation Contract dated as of December 20, 2012, between Kansas State Bank of Manhattan (Obligee) and Chaves County, New Mexico (Obligor)

Pmt No.	Due Date	Contract Payment	Applied to Interest	Applied to Principal	*Purchase Option Price
41	20-Apr-16	\$1,545.01	\$400.60	\$1,144.41	\$165,291.66
42	20-May-16	\$1,545.01	\$397.83	\$1,147.18	\$164,085.22
43	20-Jun-16	\$1,545.01	\$395.05	\$1,149.96	\$162,876.31
44	20-Jul-16	\$1,545.01	\$392.26	\$1,152.75	\$161,664.92
45	20-Aug-16	\$1,545.01	\$389.47	\$1,155.54	\$160,451.05
46	20-Sep-16	\$1,545.01	\$386.67	\$1,158.34	\$159,234.70
47	20-Oct-16	\$1,545.01	\$383.86	\$1,161.15	\$158,015.86
48	20-Nov-16	\$1,545.01	\$381.05	\$1,163.96	\$156,794.52
49	20-Dec-16	\$1,545.01	\$378.23	\$1,166.78	\$155,570.68
50	20-Jan-17	\$1,545.01	\$375.40	\$1,169.61	\$154,344.33
51	20-Feb-17	\$1,545.01	\$372.57	\$1,172.44	\$153,115.47
52	20-Mar-17	\$1,545.01	\$369.73	\$1,175.28	\$151,884.09
53	20-Apr-17	\$1,545.01	\$366.88	\$1,178.13	\$150,650.19
54	20-May-17	\$1,545.01	\$364.02	\$1,180.99	\$149,413.76
55	20-Jun-17	\$1,545.01	\$361.16	\$1,183.85	\$148,174.80
56	20-Jul-17	\$1,545.01	\$358.29	\$1,186.72	\$146,933.30
57	20-Aug-17	\$1,545.01	\$355.42	\$1,189.59	\$145,689.26
58	20-Sep-17	\$1,545.01	\$352.53	\$1,192.48	\$144,442.67
59	20-Oct-17	\$1,545.01	\$349.64	\$1,195.37	\$143,193.53
60	20-Nov-17	\$1,545.01	\$346.75	\$1,198.26	\$141,941.83
61	20-Dec-17	\$142,232.56	\$343.88	\$141,888.68	\$0.00

Chaves County, New Mexico

Signature

Printed Name and Title

**Assumes all Contract Payments due to date are paid*

EXHIBIT C

CERTIFICATE OF ACCEPTANCE

RE: Government Obligation Contract dated as of December 20, 2012, between Kansas State Bank of Manhattan (Obligee) and Chaves County, New Mexico (Obligor)

I, the undersigned, hereby certify that I am a duly qualified representative of Obligor and that I have been given the authority by the Governing Body of Obligor to sign this Certificate of Acceptance with respect to the above referenced Contract. I hereby certify that:

1. The Equipment described on Exhibit A has been delivered and installed in accordance with Obligor's specifications.
2. Obligor has conducted such inspection and/or testing of the Equipment as it deems necessary and appropriate and hereby acknowledges that it accepts the Equipment for all purposes.
3. Obligor has appropriated and/or taken other lawful actions necessary to provide moneys sufficient to pay all Contract Payments required to be paid under the Contract during the current Budget Year of Obligor, and such moneys will be applied in payment of all Contract Payments due and payable during such current Budget Year.
4. Obligor has obtained insurance coverage as required under the Contract from an insurer qualified to do business in the State.
5. No event or condition that constitutes or would constitute an Event of Default exists as of the date hereof.
6. The governing body of Obligor has approved the authorization, execution and delivery of this Contract on its behalf by the authorized representative of Obligor who signed the Contract.
7. Please list the Source of Funds (Fund Item in Budget) for the Contract Payments that come due under Exhibit B of this Contract.

Source of Funds : Road Fund (402)

Chaves County, New Mexico

Signature

Printed Name and Title

EXHIBIT A

DESCRIPTION OF EQUIPMENT

RE: Government Obligation Contract dated as of December 20, 2012, between Kansas State Bank of Manhattan (Obligee) and Chaves County, New Mexico (Obligor)

Below is a detailed description of all the items of Equipment including quantity, model number and serial number where applicable:

One (1) 2012 Volvo G940B Motor Grader, SN: 577023

Physical Address of Equipment after Delivery : 1505 E. Brasher Road, Roswell, NM 88203

EXHIBIT B

PAYMENT SCHEDULE

RE: Government Obligation Contract dated as of December 20, 2012, between Kansas State Bank of Manhattan (Obligee) and Chaves County, New Mexico (Obligor)

Date of First Payment:	At Closing
Original Balance:	\$209,395.00
Total Number of Payments:	Sixty-One (61)
Number of Payments Per Year:	Twelve (12)

Pmt No.	Due Date	Contract Payment	Applied to Interest	Applied to Principal	*Purchase Option Price
1	At Closing	\$1,545.01	\$0.00	\$1,545.01	Not Available
2	20-Jan-13	\$1,545.01	\$503.69	\$1,041.32	Not Available
3	20-Feb-13	\$1,545.01	\$501.17	\$1,043.84	\$209,354.11
4	20-Mar-13	\$1,545.01	\$498.64	\$1,046.37	\$208,237.93
5	20-Apr-13	\$1,545.01	\$496.10	\$1,048.91	\$207,119.46
6	20-May-13	\$1,545.01	\$493.56	\$1,051.45	\$205,998.70
7	20-Jun-13	\$1,545.01	\$491.01	\$1,054.00	\$204,875.64
8	20-Jul-13	\$1,545.01	\$488.46	\$1,056.55	\$203,750.28
9	20-Aug-13	\$1,545.01	\$485.90	\$1,059.11	\$202,622.62
10	20-Sep-13	\$1,545.01	\$483.33	\$1,061.68	\$201,492.65
11	20-Oct-13	\$1,545.01	\$480.76	\$1,064.25	\$200,360.36
12	20-Nov-13	\$1,545.01	\$478.18	\$1,066.83	\$199,225.75
13	20-Dec-13	\$1,545.01	\$475.59	\$1,069.42	\$198,088.82
14	20-Jan-14	\$1,545.01	\$473.00	\$1,072.01	\$196,949.56
15	20-Feb-14	\$1,545.01	\$470.40	\$1,074.61	\$195,807.97
16	20-Mar-14	\$1,545.01	\$467.80	\$1,077.21	\$194,664.04
17	20-Apr-14	\$1,545.01	\$465.19	\$1,079.82	\$193,517.77
18	20-May-14	\$1,545.01	\$462.57	\$1,082.44	\$192,369.15
19	20-Jun-14	\$1,545.01	\$459.95	\$1,085.06	\$191,218.18
20	20-Jul-14	\$1,545.01	\$457.32	\$1,087.69	\$190,064.85
21	20-Aug-14	\$1,545.01	\$454.68	\$1,090.33	\$188,909.16
22	20-Sep-14	\$1,545.01	\$452.04	\$1,092.97	\$187,751.10
23	20-Oct-14	\$1,545.01	\$449.39	\$1,095.62	\$186,590.67
24	20-Nov-14	\$1,545.01	\$446.74	\$1,098.27	\$185,427.86
25	20-Dec-14	\$1,545.01	\$444.08	\$1,100.93	\$184,262.67
26	20-Jan-15	\$1,545.01	\$441.41	\$1,103.60	\$183,095.09
27	20-Feb-15	\$1,545.01	\$438.73	\$1,106.28	\$181,925.12
28	20-Mar-15	\$1,545.01	\$436.05	\$1,108.96	\$180,752.75
29	20-Apr-15	\$1,545.01	\$433.37	\$1,111.64	\$179,577.98
30	20-May-15	\$1,545.01	\$430.67	\$1,114.34	\$178,400.81
31	20-Jun-15	\$1,545.01	\$427.97	\$1,117.04	\$177,221.22
32	20-Jul-15	\$1,545.01	\$425.26	\$1,119.75	\$176,039.22
33	20-Aug-15	\$1,545.01	\$422.55	\$1,122.46	\$174,854.80
34	20-Sep-15	\$1,545.01	\$419.83	\$1,125.18	\$173,667.95
35	20-Oct-15	\$1,545.01	\$417.10	\$1,127.91	\$172,478.67
36	20-Nov-15	\$1,545.01	\$414.37	\$1,130.64	\$171,286.95
37	20-Dec-15	\$1,545.01	\$411.63	\$1,133.38	\$170,092.79
38	20-Jan-16	\$1,545.01	\$408.88	\$1,136.13	\$168,896.19
39	20-Feb-16	\$1,545.01	\$406.13	\$1,138.88	\$167,697.14
40	20-Mar-16	\$1,545.01	\$403.37	\$1,141.64	\$166,495.63

EXHIBIT B - CONTINUED

PAYMENT SCHEDULE

RE: Government Obligation Contract dated as of December 20, 2012, between Kansas State Bank of Manhattan (Obligee) and Chaves County, New Mexico (Obligor)

Pmt No.	Due Date	Contract Payment	Applied to Interest	Applied to Principal	*Purchase Option Price
41	20-Apr-16	\$1,545.01	\$400.60	\$1,144.41	\$165,291.66
42	20-May-16	\$1,545.01	\$397.83	\$1,147.18	\$164,085.22
43	20-Jun-16	\$1,545.01	\$395.05	\$1,149.96	\$162,876.31
44	20-Jul-16	\$1,545.01	\$392.26	\$1,152.75	\$161,664.92
45	20-Aug-16	\$1,545.01	\$389.47	\$1,155.54	\$160,451.05
46	20-Sep-16	\$1,545.01	\$386.67	\$1,158.34	\$159,234.70
47	20-Oct-16	\$1,545.01	\$383.86	\$1,161.15	\$158,015.86
48	20-Nov-16	\$1,545.01	\$381.05	\$1,163.96	\$156,794.52
49	20-Dec-16	\$1,545.01	\$378.23	\$1,166.78	\$155,570.68
50	20-Jan-17	\$1,545.01	\$375.40	\$1,169.61	\$154,344.33
51	20-Feb-17	\$1,545.01	\$372.57	\$1,172.44	\$153,115.47
52	20-Mar-17	\$1,545.01	\$369.73	\$1,175.28	\$151,884.09
53	20-Apr-17	\$1,545.01	\$366.88	\$1,178.13	\$150,650.19
54	20-May-17	\$1,545.01	\$364.02	\$1,180.99	\$149,413.76
55	20-Jun-17	\$1,545.01	\$361.16	\$1,183.85	\$148,174.80
56	20-Jul-17	\$1,545.01	\$358.29	\$1,186.72	\$146,933.30
57	20-Aug-17	\$1,545.01	\$355.42	\$1,189.59	\$145,689.26
58	20-Sep-17	\$1,545.01	\$352.53	\$1,192.48	\$144,442.67
59	20-Oct-17	\$1,545.01	\$349.64	\$1,195.37	\$143,193.53
60	20-Nov-17	\$1,545.01	\$346.75	\$1,198.26	\$141,941.83
61	20-Dec-17	\$142,232.56	\$343.88	\$141,888.68	\$0.00

Chaves County, New Mexico

Signature

Printed Name and Title

**Assumes all Contract Payments due to date are paid*

EXHIBIT C

CERTIFICATE OF ACCEPTANCE

RE: Government Obligation Contract dated as of December 20, 2012, between Kansas State Bank of Manhattan (Obligee) and Chaves County, New Mexico (Obligor)

I, the undersigned, hereby certify that I am a duly qualified representative of Obligor and that I have been given the authority by the Governing Body of Obligor to sign this Certificate of Acceptance with respect to the above referenced Contract. I hereby certify that:

1. The Equipment described on Exhibit A has been delivered and installed in accordance with Obligor's specifications.
2. Obligor has conducted such inspection and/or testing of the Equipment as it deems necessary and appropriate and hereby acknowledges that it accepts the Equipment for all purposes.
3. Obligor has appropriated and/or taken other lawful actions necessary to provide moneys sufficient to pay all Contract Payments required to be paid under the Contract during the current Budget Year of Obligor, and such moneys will be applied in payment of all Contract Payments due and payable during such current Budget Year.
4. Obligor has obtained insurance coverage as required under the Contract from an insurer qualified to do business in the State.
5. No event or condition that constitutes or would constitute an Event of Default exists as of the date hereof.
6. The governing body of Obligor has approved the authorization, execution and delivery of this Contract on its behalf by the authorized representative of Obligor who signed the Contract.
7. Please list the Source of Funds (Fund Item in Budget) for the Contract Payments that come due under Exhibit B of this Contract.

Source of Funds : Road Fund (402)

Chaves County, New Mexico

Signature

Printed Name and Title

EXHIBIT D
OBLIGOR RESOLUTION

RE: Government Obligation Contract dated as of December 20, 2012, between Kansas State Bank of Manhattan (Obligee) and Chaves County, New Mexico (Obligor)

At a duly called meeting of the Governing Body of the obligor (as defined in the Contract) held on _____ the following resolution was introduced and adopted:

BE IT RESOLVED by the Governing Body of Obligor as follows:

- 4. **Determination of Need.** The Governing Body of Obligor has determined that a true and very real need exists for the acquisition of the Equipment described on Exhibit A of the Government Obligation Contract dated as of December 20, 2012, between Chaves County, New Mexico (Obligor) and Kansas State Bank of Manhattan (Obligee).
- 5. **Approval and Authorization.** The Governing Body of Obligor has determined that the Contract, substantially in the form presented to this meeting, is in the best interests of the Obligor for the acquisition of such Equipment, and the Governing Body hereby approves the entering into of the Contract by the Obligor and hereby designates and authorizes the following person(s) to execute and deliver the Contract on Obligor's behalf with such changes thereto as such person(s) deem(s) appropriate, and any related documents, including any Escrow Agreement, necessary to the consummation of the transaction contemplated by the Contract.

Authorized Individual(s):

(Printed or Printed Name and Title of individual(s) authorized to execute the Contract)

- 6. **Adoption of Resolution.** The signatures below from the designated individuals from the Governing Body of the Obligor evidence the adoption by the Governing Body of this Resolution.

Signature:

(Signature of Secretary, Board Chairman or other member of the Governing Body)

Printed Name & Title:

(Printed Name and Title of individual who signed directly above)

Attested By:

(Signature of one additional person who can witness the passage of this Resolution)

Printed Name & Title:

(Printed Name of individual who signed directly above)

EXHIBIT E

BANK QUALIFIED CERTIFICATE

RE: Government Obligation Contract dated as of December 20, 2012, between Kansas State Bank of Manhattan (Obligee) and Chaves County, New Mexico (Obligor)

Whereas, Obligor hereby represents that it is a "Bank Qualified" Issuer for the calendar year in which this Contract is executed by making the following designations with respect to Section 265 of the Internal Revenue Code. (A "Bank Qualified Issuer" is an issuer that issues less than ten million (\$10,000,000) dollars of tax-exempt obligations during the calendar year).

Now, therefor, Obligor hereby designates this Contract as follows:

- 1. Designation as Qualified Tax-Exempt Obligation.** Pursuant to Section 265(b)(3)(B)(i) of the Internal Revenue Code of 1986 as amended (the "Code"), the Obligor hereby specifically designates the Contract as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Code. In compliance with Section 265(b)(3)(D) of the Code, the Obligor hereby represents that the Obligor will not designate more than \$10,000,000 of obligations issued by the Obligor in the calendar year during which the Contract is executed and delivered as such "qualified tax-exempt obligations".
- 2. Issuance Limitation.** In compliance with the requirements of Section 265(b)(3)(C) of the Code, the Obligor hereby represents that the Obligor (including all subordinate entities of the Obligor within the meaning of Section 265(b)(3)(E) of the Code) reasonably anticipates not to issue in the calendar year during which the Contract is executed and delivered, obligations bearing interest exempt from federal income taxation under Section 103 of the Code (other than "private activity bonds" as defined in Section 141 of the Code) in an amount greater than \$10,000,000.

Chaves County, New Mexico

Signature

Printed Name and Title

INSURANCE REQUIREMENTS

Pursuant to Article V of the Government Obligation Contract, you have agreed to provide us evidence of insurance covering the Equipment.

A Certificate of Insurance listing the information stated below should be sent to us no later than the date on which the equipment is delivered.

Insured:

Chaves County, New Mexico
PO Box 1597
Roswell, 88202-1597

Certificate Holder:

Kansas State Bank of Manhattan
1010 Westloop, P.O. Box 69
Manhattan, Kansas 66505-0069

1. Equipment Description

- ◆ Two (2) 2012 Volvo G940B Motor Graders, SN: 577022 & 57023
- ◆ Please include all applicable VIN's, serial numbers, etc.

2. Deductible

- ◆ The deductible amounts on the insurance policy should not exceed \$25,000.00.

3. Physical Damage

- ◆ All risk coverage to guarantee proceeds of at least \$418,790.00.

4. Liability

- ◆ Minimum Combined Single Limit of \$1,000,000.00 combined single-limit on bodily injury and property damage.

5. Additional Insured and Loss Payee

- ◆ Kansas State Bank and/or Its Assigns MUST be listed as additional insured and loss payee.

Please forward certificate as soon as possible to:

Fax: (785) 587-4068

or

Email: aturner@ksstatebank.com

Please complete the information below and return this form along with the Contract.

Chaves County, New Mexico

Insurance Company: _____

Agent's Name: _____

Telephone #: _____

Fax #: _____

Address: _____

City, State Zip: _____

Email: _____

OPTIONAL

*As an additional payment option for Obligor, we are now providing the option of ach (Automatic Clearing House). By completing this form, Obligor is authorizing Obligee to withdraw said payment amount on said date.

DEBIT AUTHORIZATION

I hereby authorize Kansas State Bank Government Finance Department to initiate debit entries, and, if necessary, to reinstate returned entries up to two additional times, to the account indicated below at the financial institution named below and to debit the same to such account for:

Contract Number	Payment Amount	Frequency of Payments	
Beginning _____ Month Year	Day of Month (please choose one) 1 st <input type="checkbox"/> 5 th <input type="checkbox"/> 15 th <input type="checkbox"/> 20 th <input type="checkbox"/>		

I acknowledge that the origination of ACH transactions to this account must comply with the provisions of U.S. law.

Financial Institution Name		Branch	
Address	City	State	Zip
Routing Number		Account Number	

Type of Account Checking Savings

This authority is to remain in full force and effect until Kansas State Bank has received written notification from any authorized signer of the account of its termination in such time and manner as to afford Kansas State Bank a reasonable opportunity to act on it.

Obligor Name on Contract Chaves County, New Mexico	
Signature	Printed Name and Title
Tax ID Number	Date

PLEASE ATTACH COPY OF A VOIDED CHECK TO THIS FORM!

USA Patriot Act
USA Patriot Act requires identity verification for all new accounts. This means that we may require information from you to allow us to make a proper identification.



INVOICE

BILL TO:

Chaves County, New Mexico
 Attn: Accounts Payable
 PO Box 1597
 Roswell, 88202-1597

INVOICE DATE:	December 20, 2012
CONTRACT NUMBER:	3344505
PAYMENT AMOUNT:	\$3,090.02
PAYMENT DUE DATE:	At Closing

DESCRIPTION	AMOUNT
Contract Payment- Schedule 01	\$1,545.01
Contract Payment- Schedule 02	\$1,545.01
Government Obligation Contract dated as of December 20, 2012 for Two (2) 2012 Volvo G940B Motor Graders	
<i>Additional interest will be assessed on any payment received after the due date.</i>	
	\$3,090.02
	TOTAL DUE

Please remit payment to: Kansas State Bank
 Government Finance Dept.
 P.O. Box 69
 Manhattan, KS 66505-0069

For inquiries: (877) 587-4054



INVOICE

BILL TO:

Chaves County, New Mexico
Attn: Accounts Payable
PO Box 1597
Roswell, 88202-1597

INVOICE DATE: December 20, 2012
CONTRACT NUMBER: 3344505
PAYMENT AMOUNT: \$3,090.02
PAYMENT DUE DATE: January 20, 2013

DESCRIPTION	AMOUNT
Contract Payment- Schedule 01	\$1,545.01
Contract Payment- Schedule 02	\$1,545.01
Government Obligation Contract dated as of December 20, 2012 for Two (2) 2012 Volvo G940B Motor Graders	
<i>Additional interest will be assessed on any payment received after the due date.</i>	
	\$3,090.02
	TOTAL DUE

Please remit payment to: Kansas State Bank
Government Finance Dept.
P.O. Box 69
Manhattan, KS 66505-0069

For inquiries: (877) 587-4054

8038 REVIEW FORM

The 8038 form attached hereto is an important part of the documentation package and must be properly filled out and submitted to the Department of the Treasury in order for you to receive the lower tax-exempt rate. Unless you instruct us otherwise, we have engaged a Paid Preparer to assist in the filling out of this form. The Paid Preparer has filled out the relevant portions of this form based on the current understanding of what is required by the Department of the Treasury. The responses on this 8038 form are based on the dates and amounts which you have requested (structure of the transaction) and which are on the Payment Schedule.

- ✓ Please review our responses for accuracy. If anything is inaccurate, please contact our office so that we can make proper revisions.
- ✓ If the information provided to you on this form is accurate, please sign where indicated and return with the document package.
- ✓ If there are any changes to the structure of the transaction that occur prior to funding which require a change to the 8038 form, we will make such changes and provide notification to you.
- ✓ We will return to you a copy of the 8038 form that was mailed to the Department of the Treasury.
- ✓ For additional guidance on this 8038 form, you can refer to the Documentation Instructions located on the following government website: <http://www.irs.gov/app/picklist/list/formsInstructions.html>.

Information Return for Tax-Exempt Governmental Obligations

► Under Internal Revenue Code section 149(e)
 ► See separate instructions.
Caution: If the issue price is under \$100,000, use Form 8038-GC.

Part I Reporting Authority		If Amended Return, check here <input type="checkbox"/>
1 Issuer's name Chaves County, New Mexico		2 Issuer's employer identification number (EIN) 85-6000206
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions)		3b Telephone number of other person shown on 3a
4 Number and street (or P.O. box if mail is not delivered to street address) P O Box 1597	Room/suite	5 Report number (For IRS Use Only) 3
6 City, town, or post office, state, and ZIP code Roswell, NM 88202-1597		7 Date of issue 12/20/2012
8 Name of issue G overnment O bligation C ontract		9 CUSIP number None
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions)		10b Telephone number of officer or other employee shown on 10a

Part II Type of Issue (enter the issue price). See the instructions and attach schedule.

11 Education	11		
12 Health and hospital	12		
13 Transportation	13		
14 Public safety	14		
15 Environment (including sewage bonds)	15		
16 Housing	16		
17 Utilities	17		
18 Other. Describe ► One (1) 2012 Volvo G 940B Motor Grader	18	210,629	57
19 If obligations are TANs or RANs, check only box 19a			<input type="checkbox"/>
If obligations are BANs, check only box 19b			<input type="checkbox"/>
20 If obligations are in the form of a lease or installment sale, check box			<input checked="" type="checkbox"/>

Part III Description of Obligations. Complete for the entire issue for which this form is being filed.

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	12/20/2017	\$ 210,629.57	\$ N/A	5 years	2.908 %

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

22 Proceeds used for accrued interest	22		
23 Issue price of entire issue (enter amount from line 21, column (b))	23		
24 Proceeds used for bond issuance costs (including underwriters' discount)	24		
25 Proceeds used for credit enhancement	25		
26 Proceeds allocated to reasonably required reserve or replacement fund	26		
27 Proceeds used to currently refund prior issues	27		
28 Proceeds used to advance refund prior issues	28		
29 Total (add lines 24 through 28)	29		
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30		

Part V Description of Refunded Bonds. Complete this part only for refunding bonds.

31 Enter the remaining weighted average maturity of the bonds to be currently refunded	►	_____ years
32 Enter the remaining weighted average maturity of the bonds to be advance refunded	►	_____ years
33 Enter the last date on which the refunded bonds will be called (MM/DD/YYYY)	►	_____
34 Enter the date(s) the refunded bonds were issued (MM/DD/YYYY)	►	_____

Part VI Miscellaneous

35 Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35		
36a Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC) (see instructions)	36a		
b Enter the final maturity date of the GIC ▶ _____			
c Enter the name of the GIC provider ▶ _____			
37 Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units	37		
38a If this issue is a loan made from the proceeds of another tax-exempt issue, check box ▶ <input type="checkbox"/> and enter the following information:			
b Enter the date of the master pool obligation ▶ _____			
c Enter the EIN of the issuer of the master pool obligation ▶ _____			
d Enter the name of the issuer of the master pool obligation ▶ _____			
39 If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box ▶			<input checked="" type="checkbox"/>
40 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box ▶			<input type="checkbox"/>
41a If the issuer has identified a hedge, check here ▶ <input type="checkbox"/> and enter the following information:			
b Name of hedge provider ▶ _____			
c Type of hedge ▶ _____			
d Term of hedge ▶ _____			
42 If the issuer has superintegrated the hedge, check box ▶			<input type="checkbox"/>
43 If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box ▶			<input type="checkbox"/>
44 If the issuer has established written procedures to monitor the requirements of section 148, check box ▶			<input type="checkbox"/>
45a If some portion of the proceeds was used to reimburse expenditures, check here ▶ <input type="checkbox"/> and enter the amount of reimbursement ▶			
b Enter the date the official intent was adopted ▶ _____			

Signature and Consent	Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.				
	▶ _____ Signature of issuer's authorized representative	▶ _____ Date	▶ _____ Type or print name and title		
Paid Preparer Use Only	Print/Type preparer's name H. E van Howe	Preparer's signature <i>H. E van Howe</i> <small>Digitally signed by H. E van Howe DN: cn=H. E van Howe, o=Baystone Financial, LLC, ou, email=h.ev@baystone.net, c=US Date: 2012.12.19 10:19:50 -0800</small>	Date 12/19/12	Check <input type="checkbox"/> if self-employed	PTIN P 01438994
	Firm's name ▶ B aystone F inancial L L C	Firm's EIN ▶ 48-1223987			
	Firm's address ▶ 5350 C ollege B lvd., O verland P ark, K S 66211	Phone no. 800-752-3562			

Information Return for Tax-Exempt Governmental Obligations

► Under Internal Revenue Code section 149(e)
► See separate instructions.
Caution: If the issue price is under \$100,000, use Form 8038-GC.

Part I Reporting Authority		If Amended Return, check here <input type="checkbox"/>
1 Issuer's name Chaves County, New Mexico		2 Issuer's employer identification number (EIN) 85-6000206
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions)		3b Telephone number of other person shown on 3a
4 Number and street (or P.O. box if mail is not delivered to street address) PO Box 1597	Room/suite	5 Report number (For IRS Use Only) 3
6 City, town, or post office, state, and ZIP code Roswell, NM 88202-1597		7 Date of issue 12/20/2012
8 Name of issue Government Obligation Contract		9 CUSIP number None
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions)		10b Telephone number of officer or other employee shown on 10a

Part II Type of Issue (enter the issue price). See the instructions and attach schedule.		
11 Education		11
12 Health and hospital		12
13 Transportation		13
14 Public safety		14
15 Environment (including sewage bonds)		15
16 Housing		16
17 Utilities		17
18 Other. Describe ► One (1) 2012 Volvo G940B Motor Grader		18 210,629 57
19 If obligations are TANs or RANs, check only box 19a	► <input type="checkbox"/>	
If obligations are BANs, check only box 19b	► <input type="checkbox"/>	
20 If obligations are in the form of a lease or installment sale, check box	► <input checked="" type="checkbox"/>	

Part III Description of Obligations. Complete for the entire issue for which this form is being filed.					
	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	12/20/2017	\$ 210,629.57	\$ N/A	5 years	2.908 %

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)		
22 Proceeds used for accrued interest		22
23 Issue price of entire issue (enter amount from line 21, column (b))		23
24 Proceeds used for bond issuance costs (including underwriters' discount)	24	
25 Proceeds used for credit enhancement	25	
26 Proceeds allocated to reasonably required reserve or replacement fund	26	
27 Proceeds used to currently refund prior issues	27	
28 Proceeds used to advance refund prior issues	28	
29 Total (add lines 24 through 28)		29
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)		30

Part V Description of Refunded Bonds. Complete this part only for refunding bonds.	
31 Enter the remaining weighted average maturity of the bonds to be currently refunded	► _____ years
32 Enter the remaining weighted average maturity of the bonds to be advance refunded	► _____ years
33 Enter the last date on which the refunded bonds will be called (MM/DD/YYYY)	► _____
34 Enter the date(s) the refunded bonds were issued ► (MM/DD/YYYY)	_____

Part VI Miscellaneous

35 Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35	
36a Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC) (see instructions)	36a	
b Enter the final maturity date of the GIC ▶ _____		
c Enter the name of the GIC provider ▶ _____		
37 Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units	37	
38a If this issue is a loan made from the proceeds of another tax-exempt issue, check box <input type="checkbox"/> and enter the following information:		
b Enter the date of the master pool obligation ▶ _____		
c Enter the EIN of the issuer of the master pool obligation ▶ _____		
d Enter the name of the issuer of the master pool obligation ▶ _____		
39 If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box		<input checked="" type="checkbox"/>
40 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box		<input type="checkbox"/>
41a If the issuer has identified a hedge, check here <input type="checkbox"/> and enter the following information:		
b Name of hedge provider ▶ _____		
c Type of hedge ▶ _____		
d Term of hedge ▶ _____		
42 If the issuer has superintegrated the hedge, check box		<input type="checkbox"/>
43 If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box		<input type="checkbox"/>
44 If the issuer has established written procedures to monitor the requirements of section 148, check box		<input type="checkbox"/>
45a If some portion of the proceeds was used to reimburse expenditures, check here <input type="checkbox"/> and enter the amount of reimbursement ▶ _____		
b Enter the date the official intent was adopted ▶ _____		

Signature and Consent	Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.		
	▶ _____ Signature of issuer's authorized representative	Date	▶ _____ Type or print name and title

Paid Preparer Use Only	Print/Type preparer's name H. Evan Howe	Preparer's signature <i>H. Evan Howe</i>	Date 12/19/12	Check <input type="checkbox"/> if self-employed	PTIN P01438994
	Firm's name ▶ Baystone Financial LLC			Firm's EIN ▶ 48-1223987	
	Firm's address ▶ 5350 College Blvd., Overland Park, KS 66211			Phone no. 800-752-3562	

AGENDA ITEM: 3

Agreement A-13-002 between Chaves County and the NM Children, Youth and Families Department

MEETING DATE: 01/10/13

STAFF SUMMARY REPORT

Action Requested by: Charlotte Andrade, Community Development Division

Action Requested: Approval of Agreement A-13-002

Item Summary:

Chaves County has been awarded a grant under the federal Enforcement of Underage Drinking (EUDL) Grant Program administered by the NM Children, Youth and Families Department. The program is aimed at reducing the availability and use of alcohol by youth and to increase the awareness of the dangers associated with underage drinking.

The award provides \$13,000.00 in funding and outlines three (3) performance measures:

- 1) Reduce access to and use of alcohol by youth.
- 2) Increase awareness of the societal impacts and costs associated with underage drinking.
- 3) Increase law enforcement efforts targeted at underage drinking.

The term of the agreement will be January 1, 2013 through May 31, 2013.

Staff recommends approval.

SUPPORT DOCUMENTS: Agreement A-13-002

Summary by: Charlotte Andrade

Title: Community Development Director

AGREEMENT

THIS AGREEMENT, # 13-690-15736 is entered into by and between the State of New Mexico Children, Youth and Families Department, hereinafter referred to as the “Agency” and Chaves County, hereinafter referred to as the “Contractor.”

WHEREAS, the Agency is the state agency designated to receive and administer state funds to work in partnership with residents, community leaders, law enforcement agencies, the courts and educational institutions to reduce the availability and use of alcohol by youth and increase awareness of the dangers associated with underage drinking,

WHEREAS, the Agency desires to engage and the Contractor is willing to provide certain portions of the Agency’s program,

NOW THEREFORE, the Agency and the Contractor in consideration of mutual covenants and agreements herein contained, do hereby agree as follows:

I. Period of Agreement

This Agreement shall become effective **January 1, 2013** and shall terminate on **May 31, 2013**, unless terminated pursuant to Article VI, *infra*.

II. Statement of Work

The Contractor shall provide the program of services as set forth in the scope of work which is attached hereto as “Attachment 1 – Statement of Work” and incorporated herein by reference, unless amended or terminated pursuant to Article VI, *infra*. In consideration for the provision of those services, the Agency agrees to purchase and the Contractor agrees to perform the services identified in the Statement of Work.

III. Limitation of Cost

The total amount of the monies payable to the Contractor under this Agreement shall not exceed thirteen thousand dollars (**\$13,000.00**) including New Mexico gross receipts tax. The annual budget is attached hereto as “Attachment 2 - Budget” and incorporated herein by reference.

IV. Payment

The Agency shall make monthly payments to the Contractor for services and costs specified in Attachment 2. The Contractor shall submit certified and documented invoices and vouchers monthly for actual work performed and expenses incurred to the Agency. The Contractor’s failure to submit such payment vouchers, invoices, and supporting documentation within thirty (30) days after they are due may result in the non-availability of funds for payment and/or the denial of payment by the Agency.

V. Return of Funds

Upon termination of this Agreement, or after the services provided for herein have been rendered, surplus money, if any, shall be returned by the Contractor to the Agency.

VI. Termination of Agreement

This Agreement may be terminated by either of the parties hereto upon written notice delivered to the other party at least thirty (30) days prior to intended date of termination. **By such termination, neither party may nullify obligations already incurred for performance or failure to perform prior to the date of termination. THE PROVISION IS NOT EXCLUSIVE AND DOES NOT WAIVE OTHER LEGAL RIGHTS AND REMEDIES AFFORDED THE STATE IN SUCH CIRCUMSTANCES AS CONTRACTOR'S DEFAULT/BREACH OF CONTRACT.**

VII. Funds Accountability

The parties shall provide for strict accountability of all monies made subject to this Agreement. The Contractor shall maintain fiscal records, follow generally accepted accounting principles, and account for all receipts and disbursements of funds transferred to the Contractor pursuant to this Agreement. The Contractor will include all monies made subject to this Agreement in the annual audit and will provide the Agency with a copy of the annual audit.

VIII. Maintenance of Records

The Agency shall maintain records as required of any administering state agency pursuant to applicable state law and regulation. The Contractor shall maintain fiscal and programmatic records relative to those funds and activities that have been made subject to this Agreement for a minimum of three (3) years. The Contractor agrees to comply with the requirements and regulations set forth in **Attachment 3 – Administrative and Fiscal Standards.**

IX. Confidentiality

Any confidential information provided to or developed by the Contractor in the performance of this Agreement shall be kept confidential and shall not be made available to any individual or organization by the Contractor without the prior written approval of the Agency.

X. Amendments

This Agreement shall not be altered, changed, or amended except by an instrument, in writing, executed and approved by both parties.

XI. Assignment

The Contractor shall not assign or transfer any interest in this Agreement or assign any claims for money due or to become due under this Agreement without the prior written approval of the Agency.

XII. Applicable Law

The laws of the State of New Mexico shall govern this Agreement, without giving effect to its choice of law provisions. Venue shall be proper only in a New Mexico court of competent jurisdiction in accordance with Section 38-3-1 (G) NMSA 1978. By execution of this Agreement, Contractor acknowledges and agrees to the jurisdiction of the courts of the State of New Mexico over any and all lawsuits arising under or out of any term of this Agreement.

XIII. Acquisition of Property

The parties agree that neither party shall acquire any property as the result of this Agreement.

XIV. Liability

Each party shall be solely responsible for fiscal or other sanctions occasioned as a result of its own violation or alleged violation or requirements applicable to the performance of the Agreement. Each party shall be liable for its actions according to this Agreement subject to the immunities and limitations of the New Mexico Tort Claims Act, Sections 41-4-1, et. seq., NMSA 1978, as amended.

XV. Execution of Documents

The Agency and the Contractor agree to execute any document(s) necessary to implement the terms of this Agreement.

XVI. Sub-Contracts

The Contractor shall be ultimately responsible for all items enumerated in Attachment 1 of this Agreement. The Contractor shall seek advance approval from the Agency of all sub-contracts, including qualifications and job descriptions for any professional service sub-contract.

XVII. Equal Opportunity Compliance

The Contractor agrees to abide by all federal and state laws and rules and regulations, and executive orders of the Governor of the State of New Mexico, pertaining to equal employment opportunity. In accordance with all such laws of the State of New Mexico, the Contractor assures that no person in the United States shall, on the grounds of race, religion, color, national origin, ancestry, sex, age, physical or mental handicap, or serious medical condition, spousal affiliation, sexual orientation or gender identity, be excluded from employment with or participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity performed under this Agreement. If Contractor is found not to be in compliance with these requirements during the life of this Agreement, Contractor agrees to take appropriate steps to correct these deficiencies.

XVIII. Workers' Compensation

The Contractor agrees to comply with state laws and rules applicable to workers' compensation benefits for its employees. If the Contractor fails to comply with the Workers' Compensation Act and applicable rules when required to do so, this Agreement may be terminated by the Agency.

XIX. Lobbying Certification

The Contractor, by signing below, certifies to the best of his/her knowledge and belief, that:

No federal appropriated funds have been paid or will be paid by or on the behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, or an employee of a member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit a Standard Form LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including sub-contracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly. This certification is a material representation of facts upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S.C. (United States Code). Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000.00 and not more than \$100,000.00 for each such failure.

XX. Background Checks

CYFD Contractors that have or could have primary custody of children for at least twenty hours per week are required to comply with NMAC 8.8.3 et. seq. requiring background checks on any employee, staff, volunteer or student intern, that has direct care responsibilities or potential unsupervised physical access to clients. The Contractor must submit to CYFD Background Check Unit fingerprint cards and the appropriate fee for such employees, volunteers or staff required to have background checks. CYFD Background Check Unit will conduct nationwide, state and abuse and neglect background checks on required staff or volunteers in accordance with NMAC 8.8.3 standards. A CYFD eligibility letter must be in the employee, volunteer or staff member's personnel file prior to that individual having any unsupervised direct contact or unsupervised potential access to clients.

IN WITNESS WHEREOF, the Agency and the Contractor have caused this Agreement to be executed, said Agreement to become effective when signed by both parties.

Authorized Signatory

Date: _____

Printed Title of Authorized Signatory

Legal Counsel, Contractor

Date: _____

Agency

Secretary or Designee, Agency

Date: _____

Approved as to legal form and sufficiency.

Office of General Counsel, Agency

Date: _____

Attachment 1 – Scope of Work
Chaves County

Performance Measures:

- A. Reduce access to and use of alcohol by youth.
- B. Increase awareness of the societal impacts and costs associated with underage drinking.
- C. Increase law enforcement efforts targeted at underage drinking.

The Office of Juvenile Justice Delinquency Prevention through the Enforcing Underage Drinking Laws (EUDL) 2009 grant establishes these performance measures. The Agency Strategic Plan identifies blending systems to strengthen families and communities as a progress initiative. Through the sharing of resources, information, funding and training, youth access to and use of alcohol may be reduced and the awareness of the societal impacts and costs associated with underage drinking may be increased.

Goal:

The Contractor shall work in partnership with residents, community leaders, law enforcement agencies, the courts and educational institutions to reduce alcohol availability and use by youth and increase awareness of the dangers associated with underage drinking in Chaves County.

The Contractor Shall:

1. Develop a time-line of activities regarding all aspects of contractual obligations. This time-line is to be provided to the EUDL Program Manager no later than the date of termination.
2. Designate a project coordinator to work in partnership with Chaves County residents, community leaders, law enforcement, juvenile probation and parole, the courts and educational institutions to reduce alcohol availability and use by youth and to increase awareness of the dangers associated with underage drinking.
3. Increase awareness and communicate the issues related to underage drinking through media campaigns and community outreach.
 - a. Develop a media campaign that addresses the issues of underage drinking to be approved by the Advisory Board and the EUDL Program Manager.
 - b. Provide training and technical assistance to teachers in the Chaves County School Districts on the integration of media literacy in the classroom.
 - c. Develop and publish Counter-Advertising, including posters, newspaper advertisements, billboards, television, and radio ads, using artwork and public service announcements generated by the students in the media literacy program.

- d. Participate in the discipline policy discussions with Chaves County Public Schools and Independent Schools to support the development of evidence-based programs.
 - e. Establish a youth group in Chaves County Public Schools and Independent Schools to focus on underage drinking.
 - i. Recruit a minimum of ten (10) students and one (1) teacher to participate in each youth group;
 - ii. Provide training and technical assistance to the youth group to help them organize activities focused on prevention of underage drinking;
 - iii. Increase youth participation in the Enforcement of Underage Drinking Laws activities such as shoulder tap operations.
 - f. Provide training to merchants at licensed liquor establishments to aid in the recognition and prevention of alcohol sales to minors; the understanding of laws related to underage drinking and providing alcohol to minors; and the legal consequences related to those laws.
 - g. Implement a recognition process for merchants who comply with the law during compliance check operations.
4. Provide enforcement-based operations designed to decrease youth access to and use of alcohol through overtime for Chaves County law enforcement officers.
 - a. Enforce all applicable laws and ordinances that relate to underage drinking using a zero tolerance approach;
 - b. Respond to citizen complaints of underage drinking parties as they are received;
 - c. Conduct party patrol activities targeting youth parties in Chaves County by May 31, 2013.
 - d. Conduct complete investigations when responding to underage drinking parties to ensure appropriate enforcement action is given to both youth and adults.
 5. Provide enforcement-based operations designed to reduce the underage sales and delivery of alcohol to minors through overtime for Chaves County law enforcement officers.
 - a. Conduct compliance check operations at licensed liquor establishments throughout the county. Compliance checks are to be conducted through May 31, 2013.
 - b. Conduct shoulder tap operations at licensed liquor establishments throughout the county. Shoulder tap operations are to be conducted through May 31, 2013.
 - c. Ensure appropriate enforcement action is given to both youth and adults when conducting compliance check and shoulder tap operations.
 6. Provide quarterly updates on all activities related to the EUDL grant to the Chaves County DWI Planning Council that will function as the advisory board.
 7. Provide monthly expenditure reports and invoices for payment. The final expenditure report and invoice for payment is due to the Agency no later than June 15, 2013.

8. Provide a final report with performance measure data for the periods ending January 1, 2013 and May 31, 2013.
 - a. The final report shall include a narrative description of the underage drinking enforcement activities implemented for the period of January 1, 2013, through May 31, 2013; a summary of expenditures billed during this reporting period; and performance measure data as outlined on the attached form. The final report shall also contain a narrative description of how the Contractor addressed all activities as outlined in this agreement. The final report is due no later than June 15, 2013.
9. Continuation of funding is contingent upon sufficient annual appropriation by the federal Office of Juvenile Justice and Delinquency Prevention (OJJDP) and satisfactory compliance by the Contractor each year as determined by the Agency.

Revised Attachment 2 – Budget
Chaves County

<u>LINE ITEM</u>	<u>AMOUNT</u>
Reportable Professional Services	\$13,000.00
Office Supplies	\$ 00.00
Educational/Recreational Supplies	\$ 00.00
Out-of-State Mileage & Fares*	\$ 00.00
Out-of-State Meals & Lodging*	\$ 00.00
Advertising	\$ 00.00
Miscellaneous Other Expenses	\$ 00.00
Total	\$13,000.00

The total amount of this contract shall not exceed \$13,000.00, including gross receipts tax.

Contractor agrees that expenditures will not deviate from the allowable project budget without prior written approval from the designated Agency program manager.

The Contractor must provide supporting documentation for each expenditure on its line item budget and attach to the monthly invoice.

Based on periodic program and fiscal reviews, the Agency retains the sole discretion to reduce the contract budgets of contractors who are not generating services sufficient to utilize the entire budget by the end of the contract period. The Agency retains the sole discretion to reallocate the resulting funds to contractors who are able to provide additional units within the contract period.

*Per diem and mileage, and other miscellaneous expenses, will be paid in accordance with the Department of Finance and Administration (DFA) Rule 2.42.2 NMAC.

Grant Amount: \$13,000
 Grant Name: OJJDP Enforcing the Underage Drinking Laws Block Grant
 Grant Number: 2010-AH-FX-0103
 Grant CFDA Number: 16.727
 Grant Year: 2010

AGENDA ITEM: 4

Amendments to the Continuum Grant Funded Programs providing non-secure alternatives to detention for juvenile offenders.

A. Amendment No. 7 to Agreement A-08-035

B. Amendment No. 7 to Agreement A-08-036

MEETING DATE: 01/10/13

STAFF SUMMARY REPORT

Action Requested by: Charlotte Andrade, Community Development

Action Requested: Approval of Amendment No. 7 to Agreement A-08-035
Approval of Amendment No. 7 to Agreement A-08-036

Item Summary:

Chaves County received additional funding of \$78,133.50 from the New Mexico Children, Youth and Families Department for providing non-secure alternatives to detention for juvenile offenders in Chaves County.

Chaves County is currently contracted with the following agencies for their respective programs. These amendments will provide additional funding for FY 12/13 as follows.

	<u>Agency</u>	<u>Program</u>	<u>FY 12/13 Funding</u>
A.	Chaves County CASA (A-08-035)	Intensive Youth Advocacy & Girls Circle Program	\$38,510.00
B.	Shelly Currier (A-08-036)	Wings for L.I.F.E. Program	\$25,000.00

All remaining covenants, conditions and terms of each agreement will remain in full force and effect.

Staff recommends approval.

SUPPORT DOCUMENTS: Amendment No. 7 to Agreement A-08-035
Amendment No. 7 to Agreement A-08-036

Summary by: Charlotte Andrade

Title: Community Development Director

**AMENDMENT NUMBER SEVEN
AGREEMENT A-08-036
BETWEEN CHAVES COUNTY AND SHELLY CURRIER
FOR THE WINGS FOR L.I.F.E. PROGRAM**

This Amendment is made and entered into this 10th day of January 2013 by and between Chaves County, hereafter referred to as the "County" and Shelly Currier

PURPOSE OF AMENDMENT

The purpose of the Amendment is to:

1. Revise Agreement A-08-036 to add an additional \$25,000.00 in funding for the Wings for L.I.F.E. Program for FY 12/13, for a new contract total of \$98,307.00 through June 30, 2013.
2. Extend Agreement A-08-036 through June 30, 2013.

CHANGES TO AGREEMENT

Effective upon approval by the Chaves County Board of Commissioners, the Agreement is amended as follows:

3. COMPENSATION: The County agrees to pay Shelly Currier in full payment for services rendered at the rate of \$4,166.67 per month beginning January 1, 2013 through June 30, 2013.
 - * The New Mexico Gross Receipts Tax levied on the amounts payable under this amendment shall be paid by the Contractor.
 - * The amended total amount of the monies payable to the Contractor under this amendment shall not exceed Ninety-Eight Thousand, Three Hundred Seven Dollars (\$98,307.00) unless approved by the County.

All remaining covenants, conditions and terms of Agreement A-08-036 will remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment as of the date first written above.

ATTEST:

CHAVES COUNTY COMMISSION

Commission Chairman

Wings for L.I.F.E.

Dave Kunko, County Clerk

Shelly Currier, Executive Director

**AMENDMENT NUMBER SEVEN
AGREEMENT A-08-035
BETWEEN CHAVES COUNTY AND CHAVES COUNTY CASA
FOR THE "INTENSIVE YOUTH ADVOCACY" PROGRAM
AND THE "GIRLS CIRCLE" PROGRAM**

This Amendment is made and entered into this 10th day of January 2013 by and between Chaves County, hereafter referred to as the "County" and Chaves County CASA.

PURPOSE OF AMENDMENT

The purpose of the Amendment is to:

1. Revise Agreement A-08-035 to add an additional \$38,510.00 in funding for the Intensive Youth Advocacy Program and the Girls Circle Program for FY 12/13 for a new contract total of \$179,073.00 through June 30, 2013.
2. Extend Agreement A-08-035 through June 30, 2013.

CHANGES TO AGREEMENT

Effective upon approval by the Chaves County Board of Commissioners, the Agreement is amended as follows:

3. **COMPENSATION:** The County agrees to pay Chaves County CASA in full payment for services rendered at the rate of \$6,418.34 per month beginning January 1, 2013 through June 30, 2013.
 - * The New Mexico Gross Receipts Tax levied on the amounts payable under this amendment shall be paid by the Contractor.
 - * The amended total amount of the monies payable to the Contractor under this amendment shall not exceed One Hundred Seventy-Nine Thousand, Seventy Three Dollars (\$179,073.00) unless approved by the County.

All remaining covenants, conditions and terms of Agreement A-08-035 will remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment as of the date first written above.

ATTEST:

CHAVES COUNTY COMMISSION

Commission Chairman

Chaves County CASA

Dave Kunko, County Clerk

Carrie-Leigh Cloutier, Executive Director

AGENDA ITEM: 5

Resolution R-12-049 Adoption of a
New Loss Control Program

MEETING DATE: January 10, 2013

STAFF SUMMARY REPORT

ACTION REQUESTED BY: Sonny Chancey, Public Services Director

ACTION REQUESTED: Approve Resolution

ITEM SUMMARY:

Over the course of the last several months, the Loss Control Committee has been working with the New Mexico Association of Counties to create a new Loss Control Program that better meets the needs of the County, the insurance and the employees. Resolution R-12-049 sets forth the abolishment of the previous program and adopts the new program.

Staff recommends approval of Resolution R-12-049.

SUPPORT DOCUMENTS: Resolution R-12-049, Loss Control Program

SUMMARY BY: Sonny Chancey

TITLE: Public Services Director

**RESOLUTION R-12-049
ADOPTION OF A NEW
CHAVES COUNTY LOSS CONTROL PROGRAM**

WHEREAS, at a regular meeting of the Board of Chaves County Commissioners held on August 28, 1986, Resolution R-86-036 was approved, establishing the Chaves County Loss Control Program, and

WHEREAS, over the years, the County has made several revisions and modifications to the Chaves County Loss Control Program, and

WHEREAS, County staff has determined that the current Loss Control Program can no longer meet the needs of the County and its employees, and

WHEREAS, the County Loss Control Committee, over the past several months, has prepared a new Loss Control Program in accordance with insurance requirements.

NOW, THEREFORE, BE IT RESOLVED by the Board of Chaves County Commissioners that the Chaves County Loss Control Program adopted in 1986, and its revisions, are hereby abolished.

BE IT FURTHER RESOLVED that a new Chaves County Loss Control Program is hereby adopted as set forth in the attached document.

ADOPTED this 10th day of January, 2013.

CHAVES COUNTY BOARD OF COMMISSIONERS

Kyle D. "Smiley" Wooton, Member

Robert Corn, Member

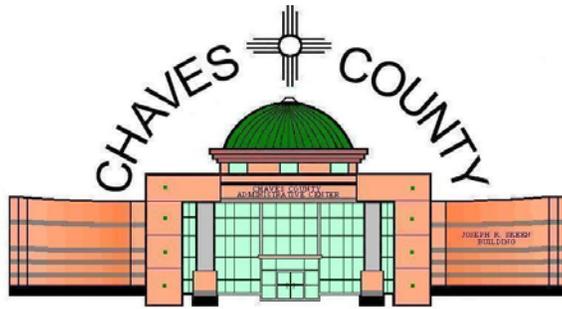
Kim Chesser, Member

James W. Duffey, Member

Greg Nibert, Member

ATTEST:

Dave Kunko
County Clerk



LOSS CONTROL PROGRAM

Chaves County
1 St. Mary's Place
Roswell NM 88203

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1.0 Purpose

- 1.1 Chaves County considers no phase of county services as being of greater importance than employee safety and risk control. It is the policy of Chaves County to provide efficient services to the community, while assuring and maintaining safe and healthy working conditions, and implementing recognized risk control practices that safeguard employees and the public.
- 1.2 Therefore Chaves County has implemented a Risk Control Program. Through this program, the County will endeavor to provide safe working equipment, training and recognized policies and procedures to protect the safety of its employees. All levels of management will have the primary responsibility of ensuring the success of this program. This process will be ongoing, to assure that the employees have the knowledge, equipment and training to safely carry out their duties.
- 1.3 This manual has been prepared for the guidance and safety of all county employees and the public. Employees are expected to adhere to this policy and all work rules and safety procedures as set forth in this program.

2.0 RESPONSIBILITIES:

- 2.1 County Manager: The County Manager has overall responsibility for administering the Risk Control Program and ensuring its success. This responsibility includes leadership, support, enforcement, and development of relevant policies, procedures, work rules, and strategies. Specific responsibilities include but are not limited to:
 - a. Providing managers with the authority and responsibility to establish, promulgate, and enforce county-wide risk control policies, procedures, and strategies.
 - b. Enforcement of this program through coordination with managers.
 - c. Developing and administering an employee communication forum and complaint procedure that will ensure the county's responsiveness to employee risk control concerns.
 - d. Selecting a designee to manage and administer the Risk Control Program.
- 2.2 Elected Officials/Department Head: [For ease of reference in this document, elected officials/department head will be referred to as managers.] Each manager is responsible for the effectiveness of this program within his or her respective department and shall have sufficient authority and responsibility to maintain a safe, healthy, and risk-free work environment to the extent that the work allows. Each manager must recognize that risk control issues vary from department to department, which may necessitate adopting program strategies for unique activities. Specific responsibilities include, but are not limited to:

- a. Training employees on risk control practices and enforcing the rules and requirements of this program.
- b. Directing all risk control modification recommendations to the County Manager or designee.
- c. Developing general rules and procedures for all personnel. Each manager shall develop specific rules and procedures that recognize the hazards and risks of his or her respective department activities.
- d. Educating employees, particularly new employees, about this program and the rules by which their performance will be governed. Employees must be given adequate training and instruction in the safe and proper manner of performing their work. Additional job safety instruction or safety training must be given wherever hazardous conditions or materials indicate a potential for frequent or severe loss.
- e. Conducting and documenting quarterly inspections of department facilities, property, equipment, and operations to identify and eliminate or reduce hazardous exposures. Inspections should be conducted more frequently for high-risk activities. Managers shall also be responsible for identifying high-risk activities within their respective departments.
- f. Developing and applying general rules and procedures for all employees regarding the proper use of personal protective equipment (PPE) as required for tasks they perform. Required PPE shall be provided to and used by employees at all times. PPE requirements will be enforced at all times.
- g. Working with personnel within the scope of their authority to implement, review, and modify department activities to minimize losses, eliminate hazardous conditions, and promote practical risk control habits.
- h. Whenever feasible, assuring that safety and risk control features and specifications are designed into equipment, material, and supplies purchased. Whenever feasible, assuring that safety and risk control features are engineered into future buildings and incorporated into existing buildings during major remodeling or renovations. Ideally, these features, specifications, or improvements will be incorporated into county buildings during the planning and design phase.

2.3 Supervisor: Each supervisor shall have the authority and responsibility to maintain a safe, healthy, and risk-free work environment to the extent that the work allows. Specific responsibilities include, but are not limited to:

- a. Maintaining responsibility for the day to day instruction and supervision of employees with regard to risk control practices to be observed; enforcement of those standards and requirements as determined by this program, the appropriate manager, or standard operating procedures.

- b. Because of each supervisor's general responsibilities and interaction with employee activities, supervisors are ideally placed to informally inspect and correct work areas and operations on a daily basis. In addition, supervisors will conduct and document formal inspections on a quarterly basis and submit inspection reports to the appropriate manager for review and disposition. Inspections should be conducted more frequently if specific tasks have significant loss potential.
- c. Ensuring that employees receive the proper training and instruction to safely accomplish all assignments.
- d. Ensuring equipment is maintained in an acceptable manner pursuant to the manufacturers' recommendations, department policy, or recognized industry practice. Ensuring that employees use equipment in an approved manner and comply with procedures or recognized practices for safe operation of equipment.
- e. Ensuring that employees use personal protective equipment (PPE) appropriately for recognized hazards.
- f. In coordination with the department's safety representative, conducting thorough investigations of all losses and taking necessary corrective action to prevent future losses.

2.4 Employee: Employees are responsible for complying with this policy and all risk control work rules and safety procedures.

Risk control is every employee's responsibility; thus every employee is responsible for his or her personal safety as well as the safety of co-workers, visitors, and the public who come in contact with county services. Employees are responsible for the safe and efficient use of county facilities, equipment, and vehicles, for conducting themselves in accordance with work rules and statutory mandates to minimize potential losses and litigation, and for ensuring all activities are conducted and carried out in a safe and efficient manner.

Specific responsibilities include, but are not limited to:

- a. Placing risk control practices and identification of unsafe conditions as the highest priority when performing their duties.
- b. Use equipment properly and in the manner for which it is intended; maintaining property and equipment in a manner that will ensure the best possible condition during usage.
- c. Warning co-workers of unsafe conditions or practices that could lead to or cause loss.
- d. Operating equipment and tools, and performing technical tasks, only after receiving proper training and instruction.

- e. Immediately reporting defective or damaged equipment, and dangerous or unsafe conditions, to their supervisor.
- f. Reporting all incidents including injuries to their supervisor as soon as possible. Failure to report may result in disciplinary action up to and including termination depending on the severity of the incident.
- g. Taking proper protective measures to minimize unsafe conditions that could present a hazard or loss to personnel, county property, or the public.

2.5 Safety Officer: In coordination with the County Manager, the Safety Officer or the County Manager's designee(s) will assist the county and department managers in planning, implementing, maintaining, and monitoring this program. Specific responsibilities include, but are not limited to:

- a. Developing risk control goals and objectives, and preparing and recommending preventive policies, procedures, and strategies.
- b. Conducting regular inspections of county offices, buildings, and work activities in progress to identify hazards and determine compliance with applicable standards and recognized risk control practices.
- c. Recommending corrective measures that resolve loss exposures and reduce or eliminate recognized hazards.
- d. Conducting safety and risk control training for all county personnel.
- e. In coordination with supervisors, investigating incidents, injuries, property damage, and near miss claims to determine root cause(s) and provide corrective recommendations.
- f. Serving as technical advisor to managers, supervisors, employees, and the Safety/Loss Prevention Committee in all matters pertaining to risk control.
- g. Serving as liaison between the county and all OSHA, MSHA and other regulatory entity communications and inspectors.

3.0 RISK CONTROL PROGRAM:

3.1 A systemic risk control program encompasses all loss or risk potential the county may experience. Examples include employee safety and health, citizen safety, fleet vehicle maintenance and operation, on-site contractor exposures, environmental exposures, damage to equipment and property, and tort liability. Each manager is responsible for minimizing risk exposures and for achieving and maintaining acceptable loss levels for his or her respective department.

a. The county's risk control process consists of five major elements:

- 1) Identifying all potential risk exposures
- 2) Evaluating the risks (risk assessment)
- 3) Developing an exposure control plan
- 4) Implementing the control plan
- 5) Monitoring system performance

3.2 Identifying Potential Risk Exposures: When identifying potential risks, managers should review all loss reports and trends, maintenance records and industry practices, and conduct inspections of facilities and operations. Once the review is completed, the manager should have a realistic understanding of the potential risk exposures for the department. Managers should determine whether a deficiency is related to the management process, human factors, situational factors, or environmental factors.

a. When reviewing the management process, look for oversights and omissions by management. Look for inadequate training; improper assignment of responsibilities; failure to follow mandatory or industry standards; unsuitable, inoperable, or lack of equipment; inadequate supervision; and inefficient or insufficient budgeting of funds.

b. Human factor losses occur when employees engage in unsafe practices, or commit errors or omissions in regards to policy, procedures, or work rules. Human factors usually indicate an enforcement (supervision) problem.

c. Situational factors are activities, situations, equipment, and facilities that are unsafe or inappropriate for the circumstances. Deficiencies of this type are a contributing factor in most losses.

d. Environmental factors refer to the way in which the workplace directly or indirectly causes or contributes to losses. Environmental factors fall into four broad categories: chemical stress (toxic fumes, smoke, dust, etc.), physical stress (noise, temperature extremes, inadequate or poorly placed illumination, etc.), biological stress (contact with bloodborne pathogens, bacteria, viruses etc.), and ergonomic stress (work-related musculoskeletal disorders, etc.)

3.3 Evaluating Risks: Upon completion of the identification process, conduct a risk assessment for each risk. The assessment should include an evaluation of the severity of each risk and the likelihood or frequency of similar losses reoccurring. Once the severity and frequency of a risk has been assessed, prioritize beginning with the most significant risks.

3.4 Developing a Control Plan: Develop an exposure control plan for the most significant risks first. The most significant risks in descending order are injury to employees and citizens, tort claims, fleet incidents, preservation of facilities, environmental exposures, on-site contractor exposures, and property damage to equipment and machinery. When developing the plan, managers must decide whether to terminate, treat, transfer, or tolerate each risk.

- a. Terminating a risk is generally the preferred option, although this is not always possible in regard to services provided by the county. It should be noted, however, that not all county risk exposures involve services mandated by state statute or county ordinance. Some exposures can be eliminated by disposing of defective equipment or eliminating certain activities or processes. Examples of terminating risks in which the county has no obligation include: no longer extending road maintenance activities to non-county roads; not providing office space to entities when not required by law; or terminating residential security checks when residents leave town. Terminating these services eliminates the county's exposure.
 - b. Many exposures can be treated to reduce the inherent risk. Treatment of risk exposures can be accomplished by implementation of policy, procedures, work rules, supervision, use of personal protective equipment, and other administrative controls. Examples of treating risks include: development of policy; providing training or equipment; following universal precautions to prevent exposure to blood borne pathogens.
 - c. Transferring risk exposures includes transferring the burden to another entity, party, or service; contract provisions to hold the county harmless; release waivers; indemnification clauses; and insurance certificates. Insurance certificates should name the county as co-insured on an insurance policy. Examples of transferring risks include: requiring non-county organizations who wish to use a county facility or equipment to sign a release waiver [a waiver will aid the county in transferring some or all of the liability if an unforeseen event were to occur], or using a temp agency to contract for short-term staff instead of hiring additional employees.
 - d. Managers must carefully decide when to tolerate a risk. Many risks are not covered by the county's insurance; thus, losses are paid out of the county's general fund or a department's operating budget. All risk exposures not terminated or transferred should be treated to a degree that will reduce the exposure to a tolerable level. An example would be requiring residents to sign a release waiver stating the county is not responsible for damages should a burglary occur after the Sheriff's Department has agreed to conduct residential security checks.
- 3.5 Implement Control Plan: Implement the plan in the same manner as any new initiative. Set standards of compliance for each risk exposure, such as policy, procedures, work rules, training, release waivers, etc. Define department expectations, train employees on those standards, and implement the plan.
- 3.6 Monitor System: Once the plan has been implemented, establish performance measures to monitor the plan (system). Both qualitative and quantitative performance measures should be included. Evaluate department progress on a quarterly basis, review and revise the system as necessary, and commend and correct individually and organizationally as appropriate.

4.0 INCIDENT AND INJURY CLASSIFICATION AND DISCIPLINARY ACTION

4.1 Risk Management Committee Review

- a. All incidents and injuries involving a County employee will be reviewed by the Risk Management Committee, and classified in accordance with the following procedures, however at the discretion of the County Manager, department managers may choose to form their own review committees. Decisions reached by those committees will be reviewed and acted upon by the Risk Management Committee. Incidents involving Sheriff's Department personnel will be reviewed by the Sheriff's Safety Committee. The Sheriff will report to the Risk Management Committee the results of the Sheriff's review.
- b. If the Committee or the employee's manager believes that the incident or injury may have been prevented by the employee, the employee may be required to attend a hearing before the committee. The Committee and the employee have the right to call in witnesses to the incident for testimony. Upon completion of the hearing, the Committee will determine the classification of the incident.
- c. The Committee will issue a report that specifies the classification, previous occurrences and other findings of the Committee to the County Manager, or Elected Official for their employees.
- d. The Committee will also determine and specify, for each incident or injury, if the County should provide additional training or other measures to help prevent similar incidents or injuries and will provide such recommendations in writing to the Managers.
- e. The Committee will be responsible for the minutes of their meetings, record keeping on the classification of the incident, and follow up of disciplinary action.

4.2 Incident and Injury Classification Plan

- a. All incidents and injuries (hereafter referred to as incidents) shall be reviewed by the immediate supervisor prior to being submitted to the committee.
- b. All vehicle incidents involving a county vehicle will be reported immediately to their supervisor and if necessary to the appropriate law enforcement agency.
- c. Citations received by county employees operating county vehicles will be reported immediately to their supervisor and may be reviewed and classified by the committee.
- d. A review of an employee's incident records can be made upon request if it is determined that a pattern of incidents is developing.
- e. Incidents classified under a previous policy will not be changed to the new policy.

4.3 Determination of Disciplinary Action

- a. The County Manager or Elected Official shall hold a pre-disciplinary hearing for their respective employees to consider the Risk Management Committee report in determining disciplinary action for all preventable incidents
- b. All disciplinary action shall be in accordance with provisions of the Chaves County Personnel Policy.
- c. The County Manager or Elected Official may require more or less disciplinary action at their discretion than is recommended by the Committee based on the findings and circumstances determined at the pre-disciplinary hearing.

CLASS 1 - NON-PREVENTABLE

- a. Near miss: An incident in which there is no injury or damage to equipment, but there is a need for a report to be turned in to the supervisor and Safety Committee to determine if there are measures that can be taken to prevent future occurrences.
- b. An incident or injury that is non-preventable and the employee is clearly not careless or negligent and could not avoid the incident. The employee did everything reasonable to avoid the incident.
- c. Employee should not be reprimanded for incidents or injuries caused by faulty equipment which had been properly documented and/or by acts of nature in which the employee took all proper precautions.

CLASS 2 – PREVENTABLE MINOR INCIDENT OR INJURY

An incident in which there is a minor incident or injury which appears may have been avoided.

- a. A letter is sent to the employee by the Risk Management Board advising the employee that there has been a minor incident or injury which may have been avoided by the employee and recommending to use caution in the future. The letter should also provide specific measures or procedures to avoid future incidents or injuries of this type. The employee will be on a twelve month cautionary probation from the date of the incident.

CLASS 3 - PREVENTABLE INCIDENT OR INJURY NEGLIGENCE

An incident or injury which was clearly caused due to negligence of the employee and could have been prevented.

CLASS 4 - PREVENTABLE – GROSS NEGLIGENCE

An incident or injury in which the employee was deliberately, inordinately or grossly negligent with a clear lack of disregard for the safety of oneself or others.

CLASS 5 - PREVENTABLE: DRIVING WHILE INTOXICATED

Employee is operating a County vehicle while under the influence of alcohol or drugs as prohibited by the Chaves County Personnel Policy and Drug and Alcohol Policy.

4.4 CLASSIFICATIONS AND PENALTIES

When considering an employee's record for final disciplinary action the different classifications or combination of classifications shall carry the following penalties.

CLASSIFICATIONS	PENALTIES
1	None
2	Cautionary Letter from the Risk Management Committee. (First Occurrence)
3	Letter of reprimand and probation for 12 months from date of this occurrence.
4 Pre-disciplinary Hearing	Suspension without pay for minimum of 20 hours to a maximum of 40 hours and 24 months probation or termination depending on the severity of this occurrence.
5 Pre-disciplinary Hearing	Termination of employee consistent with provisions in the Chaves County Personnel Policy, Ordinance #8 and Drug and Alcohol Policy.

Two incidents within 12 months or three or more incidents within 24-36 months as specified below and not in any specific order.

CLASSIFICATIONS	PENALTIES
2+2	Letter of Reprimand plus probation for 12 months from the date of the last occurrence.
2+3 Pre-disciplinary Hearing	Suspension without pay for a minimum of 10 hours and a maximum of 30 hours, depending on the severity of the incident plus probation extended for an additional 12 months from the date of the last occurrence.
2+4 Pre-disciplinary Hearing	Suspension without pay for a minimum of 40 hours and a maximum of 60 hours or termin-

		ation depending on the severity of the incident plus probation period extended an additional 24 months from the date of the last occurrence.
3+3	Pre-disciplinary Hearing	Suspension without pay for a minimum of 30 hours to a maximum of 60 hours or termination depending on the severity of the incident plus probation period extended an additional 24 months from the date of the last occurrence.
3+4	Pre-disciplinary Hearing	Suspension without pay for a minimum of 60 hours to a maximum of 80 hours or termination depending on the severity of the incident plus probation period extended an additional 24 months from the date of the last occurrence.
4+4	Pre-disciplinary Hearing	Suspension without pay for a minimum of 100 hours to a maximum of 240 hours or termination depending on the severity of the incident plus probation period extended for an additional 24 months from the date of the last occurrence.
2+2+2	Pre-disciplinary Hearing	Third occurrence within a 24 month period, suspension without pay for 20 hours plus probation period extended for an additional 24 months from the date of the last occurrence.
2+2+3	Pre-disciplinary Hearing	Third occurrence within a 24 month period, suspension without pay for 30 hours plus probation period extended for an additional 24 months from the date of the last occurrence.
2+2+4	Pre-disciplinary Hearing	Third occurrence within a 24 month period, suspension without pay for a minimum of 40 hours to a maximum of 80 hours plus the probation period extended for an additional 24 months from the date of the last occurrence or termination depending on the severity of the occurrence.
2+3+3	Pre-disciplinary Hearing	Third occurrence within a 24 month period, suspension without pay for a minimum of 80 hours to a maximum of 120 hours plus the probation period is extended an additional 36 months from the date of the last occurrence or

termination depending on the severity of the occurrence.

2+3+4 Pre-disciplinary Hearing

Third occurrence within a 24 month period, suspension without pay for a minimum of 100 hours to a maximum of 240 hours plus the probation period is extended an additional 36 months from the date of the last occurrence or termination depending on the severity of the occurrence.

2+4+4 Pre-disciplinary Hearing

Third occurrence within a 24 month period, suspension without pay for 240 hours plus the probation period is extended an additional 36 months from the date of the last occurrence or termination depending on the severity of the occurrence.

2+2+2+2 Pre-disciplinary Hearing

Fourth occurrence within a 36 month period, suspension without pay not to exceed 240 hours or termination depending on the severity of the occurrence.

2+2+2+3 Pre-disciplinary Hearing

Fourth occurrence within a 36 month period, suspension without pay not to exceed 240 hours or termination depending on the severity of the occurrence.

3+3+3 Pre-disciplinary Hearing

Third occurrence within a 24 month period, suspension without pay not to exceed 240 hours plus the probation period is extended an additional 36 months from the date of the last occurrence or termination depending on the severity of the occurrence.

3+3+4 Pre-disciplinary Hearing

Third occurrence within 36 months, termination of employee consistent with the provisions of the Chaves County Personnel Policy.

3+4+4 Pre disciplinary Hearing

Third occurrence within 36 months, termination of employee consistent with the provision of the Chaves County Personnel Policy.

For any combination not listed, the range of discipline will be determined by the Committee and recommended to the County Manager and/or Elected Official.

4.5 Employee's Disciplinary Record

Disciplinary actions will always remain in the employee's Personnel File. However, any disciplinary action related to an incident will only have a bearing if subsequent incidents occur within the probationary period.

5.0 TORT LIABILITY TRENDS:

Analysis of past tort claims filed against the county clearly demonstrates identifiable trends. In fact, the frequency and severity of these claims is predictable to a reasonable degree of certainty. Since these claims are predictable, they are controllable to a great extent. Each department shall institute mitigation strategies to reduce the frequency and severity of these claims.

5.1 Personnel shall be educated on the most common types of tort claims filed against the county. Personnel shall be attentive to these identified trends and thoroughly document all relevant facts when involved in such incidents.

6.0 LITIGATION PROCEDURES:

Due to the nature of county services and current societal attitudes, litigation is inevitable; however, how the county responds will have a significant impact on litigation outcomes.

6.1 Personnel receiving an official document from a court of law naming them as parties in any action resulting from their official duties shall inform their manager and County Manager within 24 hours or on their next workday.

6.2 An employee who receives notice from a member of the public or another employee of their intent to sue the county (written or verbal) shall inform his or her manager within 24 hours or on the next workday.

6.3 New Mexico Association of Counties retains different law or investigative firms to conduct investigations and/or to provide legal counsel. Personnel should contact the county safety/risk management or the County Attorney, to confirm the authority of an investigator or attorney. All affected personnel will cooperate with NMAC Risk Management, outside counsel, and designated investigators when civil suits are being investigated.

6.4 If a citizen, non-county attorney or investigator makes an inquiry concerning civil suits against the county, employees shall refer them to NMAC Risk Management and the County Attorney. Employees shall not discuss a claim or suit with any unauthorized individuals. If an employee believes an inquiry is deceptive, improper, or unethical, the employee shall immediately notify the County Attorney and NMAC Risk Management.

6.5 Discussions concerning any civil suit against the county shall be restricted to affected employees, managers, NMAC Risk Management staff, and designated attorneys and investigators.

7.0 USE OF RELEASE WAIVERS:

Reducing the county's exposure to the innumerable forms of liability is of paramount importance. Release waivers will be used to strengthen and support the county's risk control efforts.

- 7.1 Release waivers shall be used for ride-along passengers or anytime non-county personnel wish to use county personnel, equipment, or facilities. However, waivers are not required for sedentary type meetings in county facilities. Other examples of activities requiring waivers include, but are not limited to:
- a. All personnel who wish to use county fitness equipment shall sign a release waiver prior to utilization of the equipment.
 - b. All requests from members of the public to use county equipment, employees or facilities will be directed to the County Manager or the elected official. The County Manager or elected official is responsible for ensuring release waivers are completed and forms retained.
 - c. Requests for personnel will be directed to the appropriate manager for a determination. If approved, the manager will forward the request to the County Manager. The County Manager is responsible for ensuring release waivers are completed and retained.
- 7.2 A standardized release form approved by the County Attorney shall be used for all situations requiring a release of liability.

8.0 EMPLOYEE TRAINING:

Each manager shall be responsible for providing appropriate training that offers the necessary knowledge and skills to do tasks safely and efficiently. Employees shall receive training in proper work conditions and procedures; all hazards they are likely to experience on the job; proper use of personal protective equipment (PPE); proper use of equipment required to complete a task; emergency procedures; and regulatory mandates. Employees should request instruction and/or training for tasks and equipment they are either unfamiliar with or uncomfortable using.

- 8.1 All employees shall receive a risk control orientation, training on risk control policies and procedures, training for specialized equipment, and job/assignment instruction. Employees should receive safety/risk control training at the time of the initial assignment, anytime an employee is reassigned or when activities change significantly, or as required by OSHA, MSHA or other regulatory entity.
- 8.2 All training should be documented and retained by the Personnel Department in the affected employee's personnel file.
- 8.3 Employees engaged in specialized tasks shall be provided training and instruction to do all aspects of their job safely and efficiently prior to working in the environment. Departments having specialized tasks that are either hazardous or unique shall develop and institute special policies and procedures and provide training to ensure these tasks are accomplished safely.

AGENDA ITEM: 6

Resolution R-12-053 Budget Increase to FY
12/13 Final Budget for Other Grants &
Contracts and Sierra & Berrendo EMS

MEETING DATE: 01/10/13

STAFF SUMMARY REPORT

Action Requested by: Charlotte Andrade, Community Development

Action Requested: Approval of Resolution R-12-053

Item Summary:

Resolution R-12-053 reflects a budget increase to FY 12/13 Final Budget for a grant award received from the NM Children, Youth & Families Department; as well as amendments to the Sierra & Berrendo EMS budgets to reflect actual funding.

Staff recommends approval.

SUPPORT DOCUMENTS: Resolution R-12-053

Summary by: Charlotte Andrade

Title: Community Development Director

**RESOLUTION R-12-053
BUDGET INCREASE TO FY 12-13 FINAL BUDGET
FOR SPECIAL GRANTS & CONTRACTS AND SIERRA & BERRENDO EMS**

WHEREAS, at a regularly scheduled meeting of the Board of Chaves County Commissioners held on January 10, 2013, the following was among the proceedings:

WHEREAS, Chaves County received Agreement #A-13-002 from the NM Children, Youth and Families Department and funding from NM Department of Health for the EMS Fund Act FY12-13.

WHEREAS, the Board of Chaves County Commissioners deems it necessary to adjust the FY 12-13 Final Budget as designated in Exhibit A, attached.

NOW, THEREFORE, BE IT RESOLVED, that the Finance Department will submit the appropriate budgets to DFA – Local Government Division for review and approval.

BE IT FURTHER RESOLVED, that after approval from DFA – Local Government Division, that these budget adjustments be done.

Done at Roswell, County of Chaves, New Mexico this 10th day of January, 2013.

BOARD OF CHAVES COUNTY COMMISSIONERS:

Kyle D. "Smiley" Wooton, Member

Robert Corn, Member

ATTEST:

Kim Chesser, Member

Dave Kunko
County Clerk

James W. Duffey, Member

Greg Nibert, Member

EXHIBIT 'A'

EXPENDITURES:

411-Berrendo EMS Grant
Supplies/Tools

411-8-828-230-000 Increase \$ 683.00

411-Berrendo EMS Grant
Dues & Other Fees

411-8-828-253-000 Increase \$ 7,316.00

412-Sierra EMS Grant
Training

412-8-828-224-000 Increase \$ 3,000.00

412-Sierra EMS Grant
Per Diem Expense

412-8-828-225-000 Increase \$ 2,000.00

412-Sierra EMS Grant
Transportation Expense

412-8-828-227-000 Increase \$ 1,000.00

412-Sierra EMS Grant
Supplies/Tools

412-8-828-230-000 Increase \$ 2,499.00

412-Sierra EMS Grant
Non-Expendable Supplies

412-8-828-231-000 Increase \$ 1,000.00

412-Sierra EMS Grant
Dues & Other Fees

412-8-828-253-000 Increase \$ 5,126.00

631-Other Grants & Contracts
Contractual Services

631-8-884-267-000 Increase \$ 13,000.00

AGENDA ITEM: 7

Resolution R-12-054-Demolition of a Hazardous Structure

MEETING DATE: January 10, 2013

STAFF SUMMARY REPORT

ACTION REQUESTED BY: Planning and Zoning Director

ACTION REQUESTED: Approve Resolution

ITEM SUMMARY:

A residence located at 3948 Cottonwood Lane caught fire and was destroyed in February 2012. The Chaves County Building Inspector inspected the property and made a determination that the structure was a total loss. The property owner, William Worthington II, was apprised of the situation. Mr. Worthington requested to have some time to salvage some contents that were not destroyed by the fire.

Several months went by with no apparent progress being made by the property owner to either salvage items or to demolish the remains of the structure. One neighbor (Matt Boese) contacted the Code Enforcement Officer to inform him that he had been in contact with the property owner regarding the removal of the destroyed structure. The property owner informed Boese in early June that the property would be cleaned up by July 4, 2012.

Witnessing very little progress by the property owner, Mr. Boese contacted the Code Enforcement Officer in August 2012, asking if the County would assist the residents of the South Springs Subdivision in persuading Mr. Worthington to demolish and remove the structure.

The Code Enforcement Officer conducted several conversations with the property owner concerning the necessity to demolish the structure in a timely manner. Mr. Worthington also stated to the Code Enforcement officer his intent to hire a construction crew to “finish the demolition of the structure.” However, the Planning and Zoning Department believe that no contracts have been negotiated between Mr. Worthington and any contractors that specialize in the demolition and/or removal of hazardous structures.

Normally, the demolition process should have commenced within 90 days of the date of the event. However, the Planning and Zoning Department staff observed that virtually no effort had been undertaken by Mr. Worthington to retrieve the items he wanted to salvage, and take the necessary steps to demolish the structure and remove the debris from the site.

In August 2012, Planning and Zoning staff began receiving a number of complaints from several other residents of the subdivision. In response to a number of e-mailed complaints, the Code Enforcement Officer spoke with the property owner (Worthington) about the

necessity to take action to demolish the structure. In early September, the Code Enforcement Officer gave Mr. Worthington 45-60 additional days to complete the demolition work.

A follow-up inspection confirmed that very little progress had been taken to remedy the situation. The Chaves County Building Inspector then placed a Notice to Stop Work Order on the structure on October 25, 2012.

On November 20, 2012, the Code Enforcement Officer sent a letter to Mr. Worthington, notifying him that the County had not witnessed any progress on the removal of the structure from the property. The letter continued by informing Mr. Worthington that he had ten (10) days in which to complete action on demolishing the structure.

A follow-up letter was drafted and mailed to Mr. Worthington on December 13, 2012.

New Mexico State Statute 3-18-5 et. seq. provides the governing body the right to remove, or have removed, any building or structure that is ruined, damaged and dilapidated, and that is considered a menace to the public comfort, health, peace or safety. This Statute outlines the procedures the County shall follow when taking action to abate a structure that has been deemed to be a hazard to the health, safety and welfare to the community.

The Resolution, if passed, authorizes the County to enter into a contract with a contractor specializing in the demolition, removal and clean-up of hazardous structures and associated debris, and to assess the cost of the work to the property owner.

Staff recommends approval of the resolution.

SUPPORT DOCUMENTS: Resolution R-12-054

SUMMARY BY: Anders Sheridan

TITLE: Planning and Zoning Director

3-18-5. Dangerous buildings or debris; removal; notice; right of municipality to remove; lien.

A. Whenever any **building** or structure is ruined, damaged and dilapidated, or any premise is covered with ruins, rubbish, wreckage or debris, the governing body of a municipality may by resolution find that the ruined, damaged and dilapidated **building**, structure or premise is a menace to the public comfort, health, peace or safety and require the removal from the municipality of the **building**, structure, ruins, rubbish, wreckage or debris.

B. A copy of the resolution shall be served on the owner, occupant or agent in charge of the **building**, structure or premise. If the owner, as shown by the real estate records of the county clerk, occupant or agent in charge of the **building**, structure or premise cannot be served within the municipality, a copy of the resolution shall be posted on the **building**, structure or premise and a copy of the resolution shall be published one time.

C. Within ten days of the receipt of a copy of the resolution or of the posting and publishing of a copy of the resolution, the owner, occupant or agent in charge of the **building**, structure or premise shall commence removing the **building**, structure, ruin, rubbish, wreckage or debris, or file a written objection with the municipal clerk asking for a hearing before the governing body of the municipality.

D. If a written objection is filed as required in this section, the governing body shall:

- (1) fix a date for a hearing on its resolution and the objection;
- (2) consider all evidence for and against the removal resolution at the hearing; and
- (3) determine if its resolution should be enforced or rescinded.

E. Any person aggrieved by the determination of the governing body may appeal to the district court by:

- (1) giving notice of appeal to the governing body within five days after the determination made by the governing body; and
- (2) filing a petition in the district court within twenty days after the determination made by the governing body. The district court shall hear the matter de novo and enter judgment in accordance with its findings.

F. If the owner, occupant or agent in charge of the **building**, structure or premise fails to commence removing the **building**, structure, ruins, rubbish, wreckage or debris:

- (1) within ten days of being served a copy of the resolution or of the posting and publishing of the resolution; or
- (2) within five days of the determination by the governing body that the resolution shall be enforced; or
- (3) after the district court enters judgment sustaining the determination of the governing body, the municipality may remove the **building**, structure, ruins, rubbish, wreckage or debris at the cost and expense of the owner. The reasonable cost of the removal shall constitute a lien against the **building**, structure, ruin, rubbish, wreckage or debris so removed and against the lot or parcel of land from which it was removed. The lien shall be foreclosed in the manner provided in [Sections 3-36-1](#) through [3-36-6](#) NMSA 1978.

G. The municipality may pay for the costs of removal of any condemned **building**, structure, wreckage, rubbish or debris by granting to the person removing such materials, the legal title to all salvageable materials in lieu of all other compensation.

H. Any person or firm removing any condemned **building**, structure, wreckage, rubbish or debris shall leave the premises from which the material has been removed in a clean, level and safe condition, suitable for further occupancy or construction and with all excavations filled.

History: 1953 Comp., § 14-17-4, enacted by Laws 1965, ch. 300; 1967, ch. 123, § 1; 1977, ch. 126, § 1.

3-18-5. Dangerous buildings or debris; removal; notice; right of municipality to remove; lien.

A. Whenever any **building** or structure is ruined, **damaged** and dilapidated, or any premise is covered with ruins, rubbish, wreckage or debris, **the governing body of a municipality may by resolution** find that the ruined, damaged and dilapidated **building**, structure or premise is a **menace to the public** comfort, **health**, peace or **safety** and **require the removal from the** municipality of the **building**, structure, ruins, rubbish, wreckage or debris.

B. **A copy of the resolution shall be served on the owner**, occupant or agent in charge of the **building**, structure or premise. If the owner, as shown by the real estate records of the county clerk, occupant or agent in charge of the **building**, structure or premise cannot be served within the municipality, a copy of the resolution shall be posted on the **building**, structure or premise and a copy of the resolution shall be published one time.

C. **Within ten days of the receipt** of a copy of the resolution or of the posting and publishing of a copy of the resolution, **the owner**, occupant or agent in charge of the **building**, structure or premise **shall commence removing the building**, structure, ruin, rubbish, wreckage or debris, **or file a written objection** with the municipal clerk **asking for a hearing** before the governing body of the municipality.

D. If a written objection is filed as required in this section, the governing body shall:

- (1) fix a date for a hearing on its resolution and the objection;
- (2) consider all evidence for and against the removal resolution at the hearing; and
- (3) determine if its resolution should be enforced or rescinded.

E. Any person aggrieved by the determination of the governing body may appeal to the district court by:

- (1) giving notice of appeal to the governing body within five days after the determination made by the governing body; and
- (2) filing a petition in the district court within twenty days after the determination made by the governing body. The district court shall hear the matter de novo and enter judgment in accordance with its findings.

F. **If the owner**, occupant or agent in charge of the **building**, structure or premise **fails to commence removing the building**, structure, ruins, rubbish, wreckage or debris:

- (1) **within ten days** of being served a copy of the resolution or of the posting and publishing of the resolution; or
- (2) within **five days** of the determination by the governing body that the resolution shall be enforced; or
- (3) after the district court enters judgment sustaining the determination of the governing body, the municipality **may remove the building**, structure, ruins, rubbish, wreckage or debris **at the cost and expense of the owner**. **The reasonable cost of the removal shall constitute a lien against the building**, structure, ruin, rubbish, wreckage or debris so removed and against the lot or parcel of land from which it was removed. **The lien shall be foreclosed in the manner provided in Sections 3-36-1 through 3-36-6 NMSA 1978.**

G. The municipality may pay for the costs of removal of any condemned **building**, structure, wreckage, rubbish or debris by granting to the person removing such materials, the legal title to all salvageable materials in lieu of all other compensation.

H. Any person or firm removing any condemned **building**, structure, wreckage, rubbish or debris shall leave the premises from which the material has been removed in a clean, level and safe condition, suitable for further occupancy or construction and with all excavations filled.

History: 1953 Comp., § 14-17-4, enacted by Laws 1965, ch. 300; 1967, ch. 123, § 1; 1977, ch. 126, § 1.

SYNOPSIS REPORT

ZONING INQUIRY NUMBER: I2012-30

Code Enforcement Officer: David Gonzales, CZO, CFM

Zoning Inquiry: I2012-30

Owner Name: William Worthington II
Mailing address: P.O. Box 272 Roswell, NM 88202-0272

Renter Name:
Property address: 3948 Cottonwood Ln. Roswell, NM

Legal Description: South Springs Replat Block: B Lot: 3
Account No. R033763
Parcel No. 4-138-065-082-232-000000

Person of interest: Matthew Boese
Address: 3969 Spring Branch Drive Roswell, NM 88203

This residence caught on fire in or about the Month of February 2012. Our office started to receive phone calls from Mr. Matthew Boese in August of 2012 concerning the unsafe structure at the above mentioned address.

The Chaves County building Inspector was notified of the complaint. The Chaves County Code Enforcement Officer and the Building Inspector reviewed the property. Most of the structured roof has been removed except for a small percentage. The walls are block in nature. The property owner was on site and we had a long conversation of the subject of a dangerous structure and the conditions. The property owner mentioned that he would hire a construction crew to finish the demolition of the structure. However he would like to salvage some of the items the fire didn't destroy. Our inspections show very little progress and Mr. Boese is continuing with his complaint. The structure was red tagged and the building inspector left his card so the property owner would give him a call to discuss the issues of abatement. It's been about (30) days now with no response.

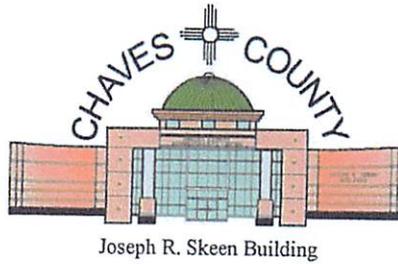
November 20, 2012: Sent out a letter of violation (10) days for a response.

December 13, 2012: Sent letter explaining condemnation procedure.

PLANNING AND ZONING

PO Box 1817
Roswell, NM 88202-1817
Phone (575)-624-6606
Fax (575)-624-6563

P&Z Director
Anders M. Sheridan



COMMISSIONERS

Michael A. Trujillo • District 1
Kim Chesser • District 2
Kyle D. "Smiley" Wooton • District 3
Richard C. Taylor • District 4
Greg Nibert • District 5

County Manager
Stanton Riggs

December 13, 2012

William N. Worthington II
P.O. Box 272
Roswell, NM 88202-0272

RE: Zoning Inquiry Number: I2012-30 Dangerous Building
Address: 3948 Cottonwood Lane
Legal Description: South Spring Replat Block: B Lot: 3
Parcel Number: 4-138-065-232-000000
Account Number: R033763

Dear: Mr. Worthington:

On November 20, 2012, I notified you of the necessity for you to take action to remove the fire-damaged building located at 3948 Cottonwood Lane. To date, we have not heard from you. We have been very patient, and have attempted to work with you to honor your request for additional time for you to demolish this building. Several residents as well as the County Commissioners have made inquiries concerning the dangerous condition of the structure and the delay in its demolition and removal.

At this time, we have no alternative but to proceed with the condemnation procedure, and to ask the Board of County Commissioners to have the building declared a public nuisance, removed, and to place a lien on the property for the expenses incurred to remedy the situation.

If you have any questions concerning this matter, please contact us at 575-624-6606. If I am not available when you call, please leave a voice message with the best time and date to contact you.

Thank you in advance for attending to this matter.

Sincerely,

David Gonzales

David Gonzales

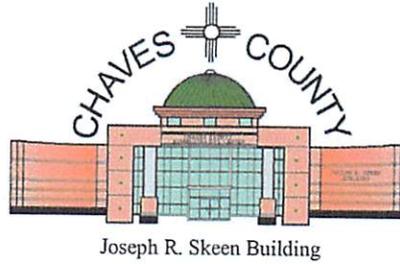
Code Enforcement Officer, CEZ/CFM

Copy: Jonathan Stephens, Chaves County Building Inspector

PLANNING AND ZONING

PO Box 1817
Roswell, NM 88202-1817
Phone (575)-624-6606
Fax (575)-624-6563

P&Z Director
Anders M. Sheridan



COMMISSIONERS

Michael A. Trujillo • District 1
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Richard C. Taylor • District 4
Greg Nibert • District 5

County Manager
Stanton Riggs

November 20, 2012

William N. Worthington II
P.O. Box 272
Roswell, NM 88202-0272

RE: Zoning Inquiry Number: I2012-30
Address: 3948 Cottonwood Lane
Legal Description: South Spring Replat Block: B Lot: 3
Parcel Number: 4-138-065-232-000000
Account Number: R033763

Dear: Mr. Worthington:

In February 2012 your residence, located at 3948 Cottonwood Lane, suffered significant damage due to a catastrophic fire. The damage sustained by this residence warrants that it be demolished. Normally the demolition process should be accomplished within 90 days of the date of the event.

It has now been more than nine (9) months since this event occurred.

I have discussed options with you on several occasions. In our conversations, you've informed me that you would take the steps necessary to demolish this structure, or hire a contractor that specializes in demolition work. To date no action has occurred, and the remnants of the structure are still standing.

The structure, as is, is a significant health and safety hazard as well as an eyesore to the community. Additionally, Chaves County has received a significant number of inquiries regarding the status of the demolition. As such, Chaves County is now compelled to take immediate action with this issue.

The Chaves County Board of Commissioners adopted Ordinance No. 60, Chaves County Building Code, on December 9, 1998. This Ordinance took effect on January 8, 1999.

The New Mexico Uniform Building Code was simultaneously adopted for the purpose of regulating the erection, construction, enlargement, alteration repair, moving, removal, conversion, **DEMOLITION**, occupancy, equipment, use, height, area and maintenance of buildings or structures. Your circumstances fall under these codes.

The New Mexico Uniform Building Code for the Abatement of Dangers Building requires a building permit. The demolition of the burnt residence at the above mentioned address is in violation of the Uniform Building Code and must be permitted with the Chaves County Building Inspector.

In addition, this property is in violation of the Roswell-Chaves County Extraterritorial Zoning Ordinance No. 80-1 Article 1 Section 1.3. Please see the attached copy of the regulation.

The Chaves County Building Inspector, Jonathan Stephens, is charged with the regulation and enforcement of these codes. His office is located in the *Chaves County Administration Offices*, in the *Joe Skeen Building*; at *Number # 1 St. Mary's Place*, in Roswell, and he can be reached by calling 575-624-6606.

If you do not response within (10) days of the receipt of this letter, I will have no alternative but to turn this zoning issue to our Legal Department for abatement.

Please contact our office concerning this matter. Our office hours are from 8:00AM to 12:00PM and from 1:00PM to 5:00PM, Monday through Friday. We can be reached at 575-624-6606. If I am not available when you call, please leave a voice message with the best time and date to contact you.

Thank you in advance for attending to this matter.

Sincerely,



David Gonzales
Code Enforcement Officer, CEZ/CFM

Copy: Jonathan Stephens, Chaves County Building Inspector

David Gonzales

From: David Gonzales
Sent: Thursday, November 29, 2012 2:14 PM
To: 'Hanson'
Cc: Anders Sheridan; Jonathan Stephens; Julia Torres (julia@co.chaves.nm.us)
Subject: RE: unsafe structure 3948 cotton wood lane

Dear Mr. Boese:

Thank you for the update and the pictures. They are sincerely appreciated.

The county building inspector posted a notice for the property owner to contact our office concerning demolishing the residential structure. In addition, I sent a letter to Mr. Worthington addressing the zoning issues concerning removing the fire-destroyed residence.

Our office staff is meeting to discuss forwarding a recommendation to the Board of County Commissioners to consider declaring the property to be dangerous and a menace to the public health, safety, and general welfare. By declaring the property a hazard, the county is authorized to follow the procedures outlined in Section 3-18-5, NMSA, 1978. This regulation outlines the legal process by which the County may remove a property that has been declared a hazard. After notifying the owner and posting the site with a notice, placing a legal notice in the local paper, and upon the adoption of a resolution by the Board of County Commissioners, the county would then have the authority to hire a company that specializes in the removal of the unsafe structure. However, if the property owner were to contact our office prior to a resolution being adopted, we will work with the property owner, as we do with any individual who has been cited with a zoning violation, and allow the property owner to remove the structure prior to securing a company that would remove the structure.

I appreciate your patience during the progression of this zoning issue towards a satisfactory resolution.

Sincerely,

David Gonzales, Chaves County Code Enforcement Officer

From: Hanson [<mailto:mboese@dfn.com>]
Sent: Wednesday, November 28, 2012 10:35 AM
To: David Gonzales
Subject:

David
Gonzalez,
November 28th. 2012

I want to update your office on the status of the burnt home in the South Springs Subdivision that was 'Red Tagged' by Chaves County on 10/27/12. Over the past month no progress was made in cleaning up the home. This lack of effort and apathy towards Chaves County's 'Red Tag' notice on the part of the owner, Bill Worthington, is not surprising. I have lived in this community for over 13 years, and watched as the owner continually filled up the

uninhabited home and property with junk, totally disregarding the health and safety of the surrounding neighborhood. Prior to the fire, this behavior was tolerated by the residents of South Springs because the home could still be classified as an inhabitable residence. The hope was always that Bill Worthington would someday cleanup or sell the property.

Today, the burnt structure is currently being utilized as an open air warehouse by the owner as exhibited by the attached photographs. Although the roof has collapsed, the ceiling in the rear of the home is still precariously supported by burnt timbers. This structure continues to be a serious health, safety, and fire hazard to the surrounding community. It is the belief of the South Spring residents that Bill Worthington has no intention of cleaning up the property. Without a time constraint or mandate being imposed, that the owner will continue to procrastinate and ignore the 'Red tag' notice.

The residents of South Springs are asking for Chaves County's assistance in forcing Bill Worthington to demolish the structure in a timely manner. Thank you for your continued vigilance and concern in rectifying this problem.

Matt Boese



REC: NOV. 28, 2012 3948 Cotton wood LN.



REC: NOV 28, 2012

3948 Cottonwood LN.



REC: NOV 28, 2012 3948 Cotton Wood Ln.



Planning & Zoning Department
#1 St. Mary's Place
Roswell, NM 88203
Suite 170

Jonathan Stephens
Building Inspector

Phone: (575) 624-6606

Fax: (575) 624-6563

jstephens@co.chaves.nm.us

STA
CONSTRUC

NOTICE TO STOP WORK

THIS BUILDING IS NOT IN COMPLIANCE WITH THE NEW MEXICO BUILDING CODE AS IS NOTED BELOW, PLEASE CORRECT THE DEFICIENCIES BELOW BEFORE ANY FURTHER WORK IS DONE AND CALL FOR REINSPECTION. CALL 575-624-6606

~~Unsafe Structure~~ Unsafe Structure
Needs to be Demolished
or fixed up to building code.

DATE: 10/25/12 BUILDING INSPECTOR

DO NOT REMOVE THIS NOTICE

TTC 6226 55

SHORT FORM WARRANTY DEED—New Mexico Statutory Form
Approved by State Comptroller as Standard Form, Oct. 6, 1947
Revised September, 1975

Printed and For Sale by
Hall-Poorbaugh Press, Inc., New Mexico
Form 312

WARRANTY DEED

LICR 0122 pag 645

Anne Worthington Huff, a married woman dealing in her sole and
separate property, joined pro forma by Hugh M. Huff, III, her
husband
for consideration paid, grant 8 to
William N. Worthington, II, a single man

whose address is _____

the following described real-estate in Chaves county, New Mexico:

Lot 3, Block "B" of SOUTH SPRINGS SUBDIVISION, in the County of
Chaves and State of New Mexico, as shown on the Official Plat
thereof on file in the Office of the County Clerk of Chaves
County, New Mexico.

Subject to easements, reservations and restrictions of record.

with warranty covenants.

WITNESS MY hand and seal this 9th day of
December 1991
Anne Worthington Huff (Seal)
Anne Worthington Huff (Seal)
Hugh M. Huff, III (Seal)
Hugh M. Huff, III (Seal)

STATE OF NEW MEXICO,
County of Chaves ss.

The foregoing instrument was acknowledged before me this 9 day of December
1991 by Anne Worthington Huff, a married woman dealing in her sole and
separate property, joined pro forma by Hugh M. Huff, III, her husband

My Commission expires 11-20, 1993 Angela Sosa
Notary Public

STATE OF NEW MEXICO,
County of Chaves } ss.

Clerk's
Records of DEEDS of said County.
Rhoda Goodloe

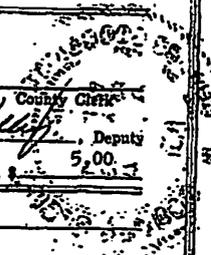
I hereby certify that this instrument was filed for
record on the 6th day of
January, A. D. 1992

By Rhoda Goodloe Deputy
Rec. 91564 Fee, \$ 5.00

at 12:04 o'clock P M., and duly recorded in
Book 122 Page 645 of

Return to TTC

Vertical text on the left margin, including a date stamp: 11/19/92 2:30 PM



- [Account Search](#)
- [Help?](#)
- [Treasurer Web](#)
- [Logout Public](#)

Account: R033763

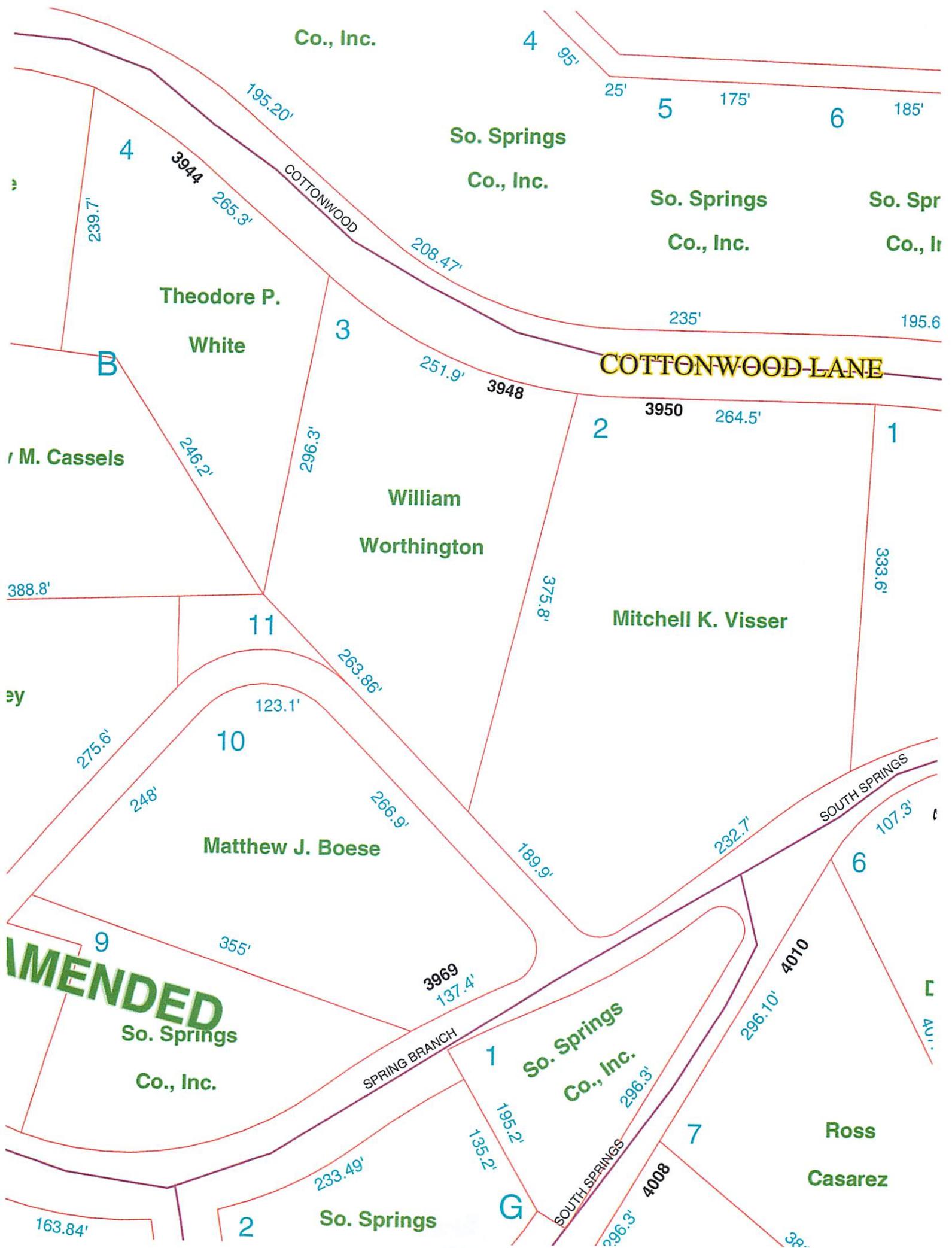
*** Tax Rate does not include the Pecos Valley Artesian Conservancy District**

<u>Location</u>	<u>Owner Information</u>	<u>Assessment History</u>
Parcel Number 4-138-065-082-232-000000	Owner Name WORTHINGTON, WILLIAM N II	Actual Value (2012 - Residential Cap applied) \$115,442
Tax Area 11R_8_10 - 11R-FC-CSW	Owner Address P O BOX 272	Primary Taxable \$38,481
Situs Address 3948 COTTONWOOD LN	ROSWELL, NM 88202-0272 UNITED STATES OF AMERICA	Exemption Adjustments:
Legal Summary Subd: SOUTH SPRINGS REPLAT Block: B Lot: 3 UPC 4138065073231 LAND 1 BK: 122 PG: 645		Head of Household (\$2,000)
		Adjusted Taxable Total \$36,481
		Tax Area: 11R_8_10 Tax Rate: 0.020442
		Type Actual Assessed Acres SQFT
		Residential Land \$40,595 \$13,532 2.240 0.000
		Residential Improvement \$74,847 \$24,949 2246.000

Images

- [Map](#)
- [Sketch](#)
- [GIS](#)

Focusing On: 3948 COTTONWOOD LN ROSWELL 88203



Co., Inc.

4 95'

25' 5 175' 6 185'

So. Springs
Co., Inc.

So. Springs
Co., Inc.

So. Spr
Co., Inc.

Theodore P.
White

B

3

COTTONWOOD LANE

M. Cassels

William
Worthington

Mitchell K. Visser

388.8'

11

10

Matthew J. Boese

IMENDED
So. Springs
Co., Inc.

9

3969
137.4'

SPRING BRANCH

So. Springs
Co., Inc.

1

Ross
Casarez

163.84'

2

So. Springs

G

SOUTH SPRINGS

7

4008

SP...



David Gonzales

From: Hanson <mboese@dfn.com>
Sent: Saturday, October 27, 2012 9:11 AM
To: David Gonzales
Attachments: Sept10th2012.JPG; Oct26th2012.JPG

David Gonzales,

As you requested, I have listed the approximate dates and a summary of our discussions concerning the burnt down home in the South Spring subdivision owned by Bill Worthington;

- 1.) I initially contacted you during the last week of August, asking if Chaves County would assist the residents of South Springs in persuading Bill Worthington to demolish & remove what's left of the structure. The home burnt down in May, and the initial efforts to clean up the property had come to a standstill. I personally spoke to Bill Worthington in early June, and he stated the property would be cleaned up by July 4th.
- 2.) I called your office on September 10th as a follow up to our first conversation. I was put on speaker phone with yourself and the Chaves County building inspector. I was informed that you both had visited the property and personally spoke with Bill Worthington about Chaves County's concerns. We mutually agreed to give the matter another 45-60 days before proceeding forward with any action. I documented the cleanup progress on 9/10/12 with a photograph of the partially filled dumpster in front of the residence.
- 3.) I called your office on October 25th as a follow up to our September conversation. I indicated that very little if any forward progress had been made regarding cleanup or demolition of the structure. I documented the cleanup effort with another photograph on 10/26/12. A small amount of debris was added to the dumpster, which perhaps represents a days work. The dumpster was never emptied during this 45 day period.

In summation, the residents of South Springs are asking Chaves County to condemn the home, thereby forcing the owner to clean up the property. The structure presents a very dangerous environment and a health hazard for the neighborhood children that play throughout the subdivision. Thank you for your continued effort in regards to this matter.

Matt Boese



• Sep 10, 2012 ✓

AGENDA ITEM: 8

- A. Resolution R-13-001-Notice for Public Meetings for the Chaves County Board of Commissioners
- B. Resolution R-13-002-Notice for Public Meetings for the Chaves County Indigent Hospital/Health Care Board

MEETING DATE: January 10, 2013

STAFF SUMMARY REPORT

ACTION REQUESTED BY: County Manager

ACTION REQUESTED: Approve Resolutions

ITEM SUMMARY:

In accordance with the Open Meetings Act, the Commission is required to publish a notice for public meetings each year. The attached resolutions, if approved, would establish Commission meetings and Indigent Hospital/Health Care Board meetings once monthly on the third Thursday of each month at 8:30 a.m. and 9:00 a.m. consecutively.

Staff recommends approval.

SUPPORT DOCUMENTS: Resolution R-13-001 and Resolution R-13-002

SUMMARY BY: Stanton L. Riggs

TITLE: County Manager

RESOLUTION R-13-001
NOTICE FOR PUBLIC MEETINGS

WHEREAS, Section 10-15-1(D) of the Open Meetings Act (NMSA 1978, Sections 10-15-1 to -4) states, that, except as may be otherwise provided in the Constitution for the provisions of the Open Meetings Act, all meetings of a quorum of any members of any boards, counsel, commission, administrative adjudicatory body or other policy making body of any state or local public agency for the purpose of formulating public policy, discussing public business, or for the purpose of taking any action within the authority of or the delegated authority of such body, are declared to be public meetings open to the public at all times; and

WHEREAS, any meeting subject to the Open Meetings Act at which the discussion or adoption of any proposed resolution, rule, regulation or formal action occurs shall be held only after reasonable notice to the public; and

WHEREAS, Section 10-15-1(D) of the Open Meetings Act requires the Chaves County Commission to determine annually what constitutes reasonable notice of its public meetings.

NOW, THEREFORE BE IT RESOLVED by the Board of Chaves County Commissioners that:

1. The Chaves County Commission will meet once monthly. The meetings will be held at 9:00 a.m. on the third Thursday of each month, unless otherwise specifically changed by the Chairman with ten (10) days' notice. The meetings will be held in the Chaves County Commission Chambers of the Chaves County Administrative Center located at #1 St. Mary's Place Roswell, New Mexico.
2. The agenda will be available at least twenty-four (24) hours prior to the meeting from the County Commissioner's Office located in the Chaves County Administrative Center, Roswell, New Mexico. Notice of any other regular meeting will be ten (10) days in advance of the meeting date. The notice shall indicate how a copy of the agenda may be obtained.
3. The Chairman or a majority of the members upon three (3) days notice shall call special meetings. The notice shall include an agenda for the meeting or information on how members of the public may obtain a copy of the agenda. The agenda shall be available to the public at least twenty-four (24) hours before any special meeting.
4. Emergency meetings will be called only under unforeseen circumstances, which demand immediate action to protect the health, safety and property of citizens or to protect the public body from substantial financial loss.
5. The Board of County Commissioners will avoid emergency meetings whenever possible. The Chairman or majority of the members upon twenty-four (24) hours notice may call emergency meetings, unless threats of personal injury or property damage require less notice. The notice for all emergency meetings shall include an

agenda for the meeting or information on how the public may obtain a copy of the agenda.

6. For the purpose of regular meetings described in paragraph 2 of this Resolution, notice requirements are met if notice of the date, time, place and agenda is placed in newspapers of general circulation in Chaves County in the State of New Mexico and/or posted on the bulletin board located in the west hallway of the Chaves County Administrative Building. Although not a requirement, the agenda will also be posted on the County website at www.co.chaves.nm.us. The County Commissioner's office shall also fax and/or e-mail copies of the written notice to those broadcast stations licensed by the Federal Communications Commission and newspapers of general circulation, which have made a written request for notice of public meetings.
7. For the purpose of special meetings and emergency meetings described in paragraph 3 and 4 of this Resolution, notice requirements shall be met by posting notice of the date, time and place and agenda on the bulletin board located in the west hallway of the Chaves County Administrative Building. The County Commissioner's office shall also fax copies of the written notice to those broadcast stations licensed by the Federal Communications Commission and newspapers of general circulation, which have made a written request for notice of public meetings.
8. In addition to the information specified above, all notices shall include the following language:

If you are an individual with a disability who is in need of a reader, qualified sign language interpreter, or any form of auxiliary aid, or service to attend or participate in the hearing of a meeting, please contact the County Commissioner's office at 624-6600. This should be done at least one week prior to the meeting. Public documents, including the agenda and minutes can be provided in various accessible formats. Please contact the County Commissioner's office if a summary or other type of accessible format is needed.
9. A member of the Chaves County Board of Commissioners may participate by telephone or other similar communications equipment when it is difficult or impossible for the Commissioner to attend the meeting in person, provided that the Commissioner can be identified when speaking, all participants are able to hear each other at the same time and members of the public attending the meeting are able to hear any member of the Commission.
10. The Board of Commissioners may close a meeting to the public only if the subject matter of such discussion or action is exempted from the open meeting requirements under Section 10-15-1(H) of the Open Meetings Act.
 - a. If any meeting is closed during an open meeting, such closure shall be approved by the majority vote of a quorum of the Commission taken during the open meeting. The authority for the closure and the subject to be discussed shall be stated with reasonable specificity in the motion for

closure and the vote on closure on each individual member shall be recorded in the minutes. Only those subjects specified in the motion may be discussed in the closed meeting.

- b. If a decision to hold a closed meeting is made when the Commission is not in an open meeting, the closed meeting shall not be held until public notice, appropriate under the circumstances, stating the specific provisions of law authorizing the closed meeting and the subject to be discussed with reasonable specificity is given to the members and the general public.
- c. Following completion of any closed meeting, the minutes of the open meeting that was closed, or the minutes of the next open meeting if the closed meeting was separately scheduled, shall state whether the matters discussed in the closed meeting were limited only to those specified in the motion for notice for closure.
- d. Except as provided in Section 10-15-1(H) of the Open Meetings Act, any action taken as a result of discussions in the closed meetings shall be made by the vote of the Commission in an open public meeting.

Passed this 10th day of January, 2013.

BOARD OF CHAVES COUNTY COMMISSIONERS

James W. Duffey, Member

Kim Chesser, Member

Kyle D. "Smiley" Wooton, Member

Robert Corn, Member

Greg Nibert, Member

ATTEST:

Dave Kunko
County Clerk

RESOLUTION R-13-002
NOTICE FOR PUBLIC MEETINGS

WHEREAS, Section 10-15-1(D) of the Open Meetings Act (NMSA 1978, Sections 10-15-1 to -4) states, that, except as may be otherwise provided in the Constitution for the provisions of the Open Meetings Act, all meetings of a quorum of any members of any boards, counsel, commission, administrative adjudicatory body or other policy making body of any state or local public agency for the purpose of formulating public policy, discussing public business, or for the purpose of taking any action within the authority of or the delegated authority of such body, are declared to be public meetings open to the public at all times; and

WHEREAS, any meeting subject to the Open Meetings Act at which the discussion or adoption of any proposed resolution, rule, regulation or formal action occurs shall be held only after reasonable notice to the public; and

WHEREAS, Section 10-15-1(D) of the Open Meetings Act requires the Chaves County Commission/Chaves County Indigent Hospital/Health Care Board to determine annually what constitutes reasonable notice of its public meetings.

NOW, THEREFORE BE IT RESOLVED by the Board of Chaves County Commissioners/Chaves County Indigent Hospital/Health Care Board that:

1. The Chaves County Indigent Hospital/Health Care Board will meet once monthly to approve claims. The meetings will be held at 8:30 a.m. on the third Thursday of each month, unless otherwise specifically changed by the Chairman with ten (10) days' notice. The meetings will be held in the Chaves County Commission Chambers of the Chaves County Administrative Center located at #1 St. Mary's Place Roswell, New Mexico.
2. The agenda will be available at least twenty-four (24) hours prior to the meeting from the IHC Coordinator whose office is located in the Chaves County Administrative Center, Roswell, New Mexico. Notice of any other regular meeting will be ten (10) days in advance of the meeting date. The notice shall indicate how a copy of the agenda may be obtained.
3. The Chairman or a majority of the members upon three (3) days notice shall call special meetings. The notice shall include an agenda for the meeting or information on how members of the public may obtain a copy of the agenda. The agenda shall be available to the public at least twenty-four (24) hours before any special meeting.
4. Emergency meetings will be called only under unforeseen circumstances, which demand immediate action to protect the health, safety and property of citizens or to protect the public body from substantial financial loss.
5. The Chaves County Indigent Hospital/Health Care Board will avoid emergency meetings whenever possible. The Chairman or majority of the members upon twenty-four (24) hours notice may call emergency meetings, unless threats of

personal injury or property damage require less notice. The notice for all emergency meetings shall include an agenda for the meeting or information on how the public may obtain a copy of the agenda.

6. For the purpose of regular meetings described in paragraph 2 of this Resolution, notice requirements are met if notice of the date, time, place and agenda is placed in newspapers of general circulation in Chaves County in the State of New Mexico and/or posted on the bulletin board located in the west hallway of the Chaves County Administrative Building. Although not a requirement, the agenda will also be posted on the County website at www.co.chaves.nm.us. The IHC Coordinator shall also fax and/or e-mail copies of the written notice to those broadcast stations licensed by the Federal Communications Commission and newspapers of general circulation, which have made a written request for notice of public meetings.
7. For the purpose of special meetings and emergency meetings described in paragraph 3 and 4 of this Resolution, notice requirements shall be met by posting notice of the date, time and place and agenda on the bulletin board located in the west hallway of the Chaves County Administrative Building. The IHC office shall also fax copies of the written notice to those broadcast stations licensed by the Federal Communications Commission and newspapers of general circulation, which have made a written request for notice of public meetings.
8. In addition to the information specified above, all notices shall include the following language:

If you are an individual with a disability who is in need of a reader, qualified sign language interpreter, or any form of auxiliary aid, or service to attend or participate in the hearing of a meeting, please contact the IHC Coordinator at 624-6547. This should be done at least one week prior to the meeting. Public documents, including the agenda and minutes can be provided in various accessible formats. Please contact the IHC Coordinator if a summary or other type of accessible format is needed.
9. A member of the Chaves County Indigent Hospital/Health Care Board may participate by telephone or other similar communications equipment when it is difficult or impossible for the Commissioner to attend the meeting in person, provided that the Commissioner can be identified when speaking, all participants are able to hear each other at the same time and members of the public attending the meeting are able to hear any member of the Commission.
10. The IHC Board may close a meeting to the public only if the subject matter of such discussion or action is exempted from the open meeting requirements under Section 10-15-1(H) of the Open Meetings Act.
 - a. If any meeting is closed during an open meeting, such closure shall be approved by the majority vote of a quorum of the IHC Board taken during the open meeting. The authority for the closure and the subject to be discussed shall be stated with reasonable specificity in the motion for closure and the vote on closure on each individual member shall be

recorded in the minutes. Only those subjects specified in the motion may be discussed in the closed meeting.

- b. If a decision to hold a closed meeting is made when the IHC Board is not in an open meeting, the closed meeting shall not be held until public notice, appropriate under the circumstances, stating the specific provisions of law authorizing the closed meeting and the subject to be discussed with reasonable specificity is given to the members and the general public.
- c. Following completion of any closed meeting, the minutes of the open meeting that was closed, or the minutes of the next open meeting if the closed meeting was separately scheduled, shall state whether the matters discussed in the closed meeting were limited only to those specified in the motion for notice for closure.
- d. Except as provided in Section 10-15-1(H) of the Open Meetings Act, any action taken as a result of discussions in the closed meetings shall be made by the vote of the IHC Board in an open public meeting.

Passed this 10th day of January, 2013.

BOARD OF CHAVES COUNTY COMMISSIONERS

James W. Duffey, Member

Kim Chesser, Member

Kyle D. "Smiley" Wooton, Member

Robert Corn, Member

Greg Nibert, Member

ATTEST:

Dave Kunko
County Clerk

AGENDA ITEM: 9

DWI Grant & Distribution
Application for FY14 Local DWI
Grant Fund

MEETING DATE: 01/10/13

STAFF SUMMARY REPORT

Action Requested by: Charlotte Andrade, Grants Specialist

Action Requested: Approval of FY14 Local DWI Grant Fund Application

Item Summary:

Chaves County is applying for funding under the FY13 Local DWI Grant Fund. As outlined under the 2014 Application, the Local DWI Grant Fund is established to support programs, services, or activities to prevent or reduce the incidence of DWI. Two sources of program funding are available: distribution and/or grants. The competitive grant portion of the funding will support new, innovative or model programs. The goal of this grant program is to decrease the number of injuries and fatalities in New Mexico caused by alcohol impaired drivers.

The application will fund the project year July 1, 2013 through June 30, 2014.

Required application documents include the following:

- Resolution R-13-003 – Authorizing grant submission.
- Estimated Budget – Based on FY14 distribution projections (Will be provided prior to the meeting)
- Memorandum of Understanding
- Statement of Assurances
- Department of Health Assurances and Cooperative Agreement

SUPPORT DOCUMENTS: Grant Application Documents

Summary by: Charlotte Andrade

Title: Community Development Director

RESOLUTION R-13-003

AUTHORIZING CHAVES COUNTY TO SUBMIT AN APPLICATION TO THE DEPARTMENT OF FINANCE AND ADMINISTRATION, LOCAL GOVERNMENT DIVISION TO PARTICIPATE IN THE FY14 LOCAL DWI GRANT AND DISTRIBUTION PROGRAM.

WHEREAS, the Legislature enacted Section 11-6A-1 through 11-6A-6 NMSA (1978) as amended to address the serious problems of Driving While Intoxicated in the State; and

WHEREAS, a program is established to make grant and distribution funding available to counties and municipalities for new, innovative or model programs, services or activities to prevent or reduce the incidence of DWI, alcoholism and alcohol abuse; and

WHEREAS, the Chaves County DWI Planning Council and other governmental entities approval must be received in order to apply for grant and distribution funding; and

WHEREAS, Chaves County along with participating agencies is making application to the Department of Finance and Administration, Local Government Division for program funding.

NOW, THEREFORE, BE IT RESOLVED by the governing body of Chaves County that the Chairperson, on behalf of the County and all participating entities, is authorized to submit an application under the FY13 Local DWI Grant Fund.

APPROVED AND ADOPTED by the governing body at its meeting of January 10, 2013.

ATTEST:

Dave Kunko
County Clerk

County Commission Chairman

DWI Planning Council Representative

MEMORANDUM OF UNDERSTANDING

The Chaves County DWI Program (hereinafter referred to as the “Program”) and the New Mexico Department of Finance and Administration/Local Government Division/Driving While Intoxicated Program (hereinafter referred to as “Agency”) hereby exchange the following assurances and enter into the following Memorandum of Understanding MOU:

The Agency assures:

1. That Agency is in full compliance with the provisions concerning research activities in Section 2.52 of the Federal Confidentiality of Alcohol & Drug Abuse Patient Records regulations, 42 CFR Part 2, including Section 2.16.
2. That client identifying information will not be re-disclosed except back to the Program from which the information was obtained, or according to the terms of this MOU.
3. That in receiving, storing, processing, or otherwise dealing with any information from the Program about the clients in the Program, the Agency acknowledges it is bound by the provisions of the Federal Confidentiality of Alcohol and Drug Abuse Patient Records regulations, 42 CFR Part 2.
4. That the Agency shall undertake to resist any effort to obtain access to information pertaining to patients otherwise than as expressly provided for in the Federal Confidentiality of Alcohol & Drug Abuse Patient Records regulations, 42 CFR Part 2.
5. That the Agency is not a “covered entity” as defined by the Department of Health and Human Services Regulations entitled “Standards for Privacy of Individually Identifiable Health Information”, 45 CFR Parts 160 and 164, implementing the Health Insurance Portability and Accountability Act of 1996 (HIPAA); (the HIPAA Regulations).
6. That the Agency shall never possess treatment or maintain any “individually identifiable health information” or transmit “protected health information” as defined by the HIPAA Regulations.

The Program agrees to:

1. Upon request, provide the Agency or other parties authorized with client records for those clients provided services through the Local Government Division DWI Grant Program, for the purpose of conducting outcome monitoring research activities, and evaluation of LDWI Program interventions.

2. If applicable, comply with the requirements of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the Department of Health and Human Services Regulation entitled "Standards for Privacy of Individually Identifiable Health Information", 45 CFR Parts 160 and 164, applicable to entities covered by HIPAA; (the HIPAA Regulations).
3. Report or transmit data to the Agency that deletes and contains no "individually identifiable health information" or "protected health information" as defined by the HIPAA Regulations.

Executed this 10th day of January 2013.

Ryan Gleason, Director
Department of Finance & Administration
Local Government Division
DWI Program
Bataan Memorial Building, Suite 203
Santa Fe, New Mexico 87501

County Commissioner

Date

STATEMENT OF ASSURANCES
Local DWI Grant and Distribution Program
Project Year 13: July 1, 2013 – June 30, 2014

The applicant hereby assures and certifies compliance with the following statutes, rules, regulations, and guidelines associated with the acceptance and use of funds under the New Mexico Local DWI Grant and Distribution Program:

1. Compliance with the provisions of the New Mexico Local DWI Grant Program Act, Section 11-6A-1 NMSA (1978) as amended, the regulations and the approved LDWI Guidelines.
2. The applicant has the responsibility and legal authority to receive and expend funds as described in the grant and distribution project description, as well as to finance the grantee share (if any) of costs of the project, including all project overruns.
3. Compliance with the State Procurement Code, with the exception of Home Ruled Governments, and submission of all related procurement documents to the Local Government Division for administrative review and approval, prior to execution, including, but not limited to: requests for professional services (RFPs); advertisements; minutes of pertinent meetings; contract selection and award criteria. All project-related services, activities or programs done through a service provider must be implemented through a professional services contract. Any project-related contract, subcontract or agreement and related amendments, providing services to the grant or distribution program, must be submitted for administrative review by the Division prior to execution.
4. Adherence to all financial, accounting, and reporting requirements of the Department of Finance and Administration. Distribution programs will include with each quarterly narrative progress report the Grant Fund Agreement Exhibit F, The Local DWI Distribution Program Financial Status Report. Grant programs will include with each quarterly narrative progress report the Local DWI Program Request for Payment/Financial Status Report, Exhibit D. The said reports shall contain narrative and/or bulleted highlights of accomplishments and/or problems and delays encountered to date, a detailed budget breakdown of expenditures to date, a summary of any fees collected and/or expended, the Managerial Data Set, Planning Council meeting agendas and minutes, and such other information following the objectives of the county's evaluation as may be of assistance to the Division in its evaluation.
5. Compliance with the requirement to not budget, nor expend, any of the grant amount awarded or the amount distributed for **indirect administrative costs** incurred during the grant or distribution fiscal period. Requests for payment or financial status reports shall document all direct program administrative expenditures and in-kind/match administrative expenditures.
6. Compliance with the requirement to not budget, nor expend, greater than **ten percent** of the grant amount awarded or the amount distributed for **capital outlay** incurred during the grant or distribution fiscal period. Requests for payment or financial status reports shall specify all

capital outlay expenditures. **The ten percent cap for capital outlay does not exist with detoxification funding grants.**

7. Compliance with all required reports, including but not limited to: the first quarter narrative and fiscal reports due on the last working day of October; the second quarter narrative and fiscal reports due on the last working day of January; and the third quarter narrative and fiscal reports due on the last working day of April; the fourth and the final quarter narrative and fiscal reports for the fiscal year due the 15th of July; required screening and treatment protocols; required evaluation plans; required fiscal reports; required screening and tracking managerial data reports; and required annual reports.
 8. Compliance with the current Local DWI Grant Program Screening Guidelines. To avoid any conflict of interest, or appearance of conflict of interest, screeners should not be affiliated with any contracted treatment agency. Clients will be given options for treatment and will not be *mandated* to treatment with the same agency that does the screening.
 9. If applicable to the applicant, compliance with the requirements of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the Department of Health and Human Services regulation entitled "Standards for Privacy of Individually Identifiable Health Information", 45 CFR Parts 160 and 164, applicable to entities covered by HIPAA; (the HIPAA Regulations).
 10. Any distribution program under run amount for the fiscal year must be returned to the Local DWI Grant Fund by September 30 of the following fiscal year. Failure to remit an under run to the Local DWI Grant Fund will cause suspension of grant reimbursements and/or future distributions until the remittance is made.
 11. Grant program under runs revert to the Local DWI Grant Fund.
 12. Compliance with all applicable conditions and requirements prescribed by the Division in relation to receipt/accountability of state General Funds.
 13. The grant applicant will follow the scope of work for the grant program, as negotiated with the Local Government Division, and in accordance with the local planning council's approved plan. The applicant will submit any proposed modifications/amendments to the scope of work to the Division for its approval, prior to execution.
 14. The distribution program applicant will follow the local planning council's application as approved by DWI Grant Council in the application review process. The applicant will submit any proposed modifications/amendments to this proposal to the Division for its written approval, prior to execution of changes to programs.
 15. Compliance with conflict of interest prohibitions whereby no member, officer, or employee of the grant or the distribution program, or its designee or agents, no voting member of the local planning council or of the governing body of the locality in which the program is situated, and no other public official of such locality who exercises any functions or
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responsibilities with respect to the program during his/her tenure (or for one year thereafter) shall have any interest, direct or indirect, in any contract or subcontract for work to be performed in the program. The grant and/or the distribution program shall incorporate, in all such contracts or subcontracts, a provision prohibiting such interest pursuant to the purposes of these stated provisions.

16. Compliance with the maintenance of records as will fully disclose the amount and disposition of the total funds from all sources budgeted for the grant or distribution agreement period, the purpose of undertaking for which such funds were used and the amount and nature of all contributions from other sources, and such other records as the Division shall prescribe. Such records shall be preserved for a period of not less than six (6) years following completion of all the conditions of the grant agreement and the distribution program administrative guidelines.
17. The applicant will provide access to authorized State officials and representatives of all books, accounts, records, reports, files, and other papers, things, or property pertaining to the project in order to make audits, examinations, excerpts and transcripts.
18. The applicant will provide DFA's auditor and evaluator timely access to all program records and information. Additionally, the applicant will assure that records of subcontractors working for the applicant are retained and made available to DFA's auditor and evaluator.

County Commission Chairperson

Signature

Date

DOH ASSURANCES AND COOPERATIVE AGREEMENT

The **Chaves County DWI Program** referred to as the “Program” and the New Mexico Department of Health (DOH), Epidemiology and Response Division hereby receives the following assurances and enters into the following cooperative agreement, to carry out the requirements of NMSA 1978, sections 43-3-10 to 43-3-15:

The DOH:

1. Acknowledges that it is in full compliance with the provisions concerning research activities in Section 2.52 of Federal confidentiality regulations, 42 CFR Part 2, including:
 - a. That a research protocol is maintained in accordance with the security requirements of § 2.16 of 42 CFR Part 2; and
 - b. That client identifying information will not be re-disclosed except back to the Program from which the information was obtained; and no individual client will be identified in any report resulting from any epidemiologic research; and
 - c. That the Epidemiology and Response Division has provided a satisfactory written statement that a group of three or more individuals who are independent of the research project has reviewed the protocol and determined that:
 - (i) The rights and welfare of clients will be adequately protected; and
 - (ii) The risks in disclosing client identifying information are outweighed by the potential benefits of the research.
2. Acknowledges that in receiving, storing, processing, or otherwise dealing with any information from the Program about the clients in the Program, the Epidemiology and Response Division is fully bound by the provisions of the Federal regulations governing Confidentiality of Alcohol and Drug Abuse Patient Records, 42 CFR Part 2: and
3. Undertakes to resist in judicial proceedings any effort to obtain access to information pertaining to patients otherwise than as expressly provided for in the Federal confidentiality regulations, 42 CFR Part 2.

The Program:

1. Agrees to allow the Epidemiology and Response Division access to client records from the web based client screening and tracking system for those clients provided services through the Local Government Division DWI Grant Program, for the purpose of conducting outcome monitoring research activities.

This agreement will become effective on July 1, 2013.

This agreement will expire on June 30, 2014.

C. Mack Sewell, DrPH, MS
State Epidemiologist and
Director Epidemiology and Response Division
New Mexico Department of Health
Harold Runnels Building
1190 St. Francis Drive
Santa Fe, NM 87502

Commission Chairman