

**CHAVES COUNTY BOARD OF COMMISSIONERS  
SPECIAL BUSINESS MEETING**

**March 6, 2015-1:30 p.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**

**AGENDA ITEMS**

**A. AGREEMENTS AND RESOLUTIONS**

1. Resolution R-15-012-Requesting Permission to Publish for Amendments to Ordinances O-089, O-090, and O-091 and for Adoption of Ordinance O-094 – Pledging County Hold Harmless Gross Receipts Taxes

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

- **COUNTY MANAGERS' COMMUNICATIONS**
- **COMMISSIONER'S COMMUNICATIONS**
- **SIGNATURE OF DOCUMENTS**
- **ADJOURNMENT**

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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\_\_

Resolution R-15-012 Requesting  
Permission to Publish for Amendments  
to Ordinances O-089, O-090, and O-091  
and for Adoption of Ordinance O-094 –  
Pledging County Hold Harmless Gross  
Receipts Taxes.

**MEETING DATE:** March 6, 2015

### **STAFF SUMMARY REPORT**

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**ACTION REQUESTED BY:** Stanton L. Riggs, County Manager

**ACTION REQUESTED:** Conduct Public Hearing and Approve Ordinance

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#### **ITEM SUMMARY:**

The Resolution, if approved, declares the intent of the Board of County Commissioners of Chaves County, New Mexico to consider for adoption (1) ordinance amending ordinances adopted by the County Commission on December 9, 2014 and (2) an ordinance pledging county hold harmless gross receipts taxes as security for revenue bonds; directing the County Manager to publish notice of intent to consider the ordinances in a newspaper of general circulation within the county.

Staff recommends approval.

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**SUPPORT DOCUMENTS:** Resolution R-15-012

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**SUMMARY BY:** Stanton L. Riggs

**TITLE:** County Manager

CHAVES COUNTY, NEW MEXICO  
RESOLUTION NO. R-15-012

DECLARING THE INTENT OF THE BOARD OF COUNTY COMMISSIONERS OF CHAVES COUNTY, NEW MEXICO TO CONSIDER FOR ADOPTION (1) ORDINANCES AMENDING ORDINANCES ADOPTED BY THE COUNTY COMMISSION ON DECEMBER 9, 2014 AND (2) AN ORDINANCE PLEDGING COUNTY HOLD HARMLESS GROSS RECEIPTS TAXES AS SECURITY FOR REVENUE BONDS; DIRECTING THE COUNTY MANAGER TO PUBLISH NOTICE OF INTENT TO CONSIDER THE ORDINANCES IN A NEWSPAPER OF GENERAL CIRCULATION WITHIN THE COUNTY.

WHEREAS, Sections 7-20E-28, NMSA 1978 (the "Act"), authorizes New Mexico counties to impose county hold harmless gross receipts taxes in three one-eighth increments; and

WHEREAS, the Board of County Commissioners (the "Board") of Chaves County (the "County") on December 9, 2014 adopted Ordinance No. 0-089, Ordinance No. 0-090 and Ordinance No. 0-091 each imposing a one-eighth increment of county hold harmless gross receipts tax (collectively, the "Tax Ordinances"); and

WHEREAS, the Board previously issued and has outstanding its Gross Receipts Tax Refunding Revenue Bonds, Series 2007, its Loan Agreement from the New Mexico Finance Authority dated June 13, 2013, and its Promissory Note dated January 13, 2015, (collectively, the "Revenue Bonds") all of which are secured by local option gross receipts taxes imposed by the County; and

WHEREAS, the Revenue Bonds are subject to impairment by virtue of the phase-out of food and medical hold harmless payments approved by the Legislature in 2013 and the County is obligated to provide additional security for the Revenue Bonds so they are not downgraded or otherwise reduced in credit quality; and

WHEREAS, paragraph R of Section 4-62-1, NMSA 1978, as amended, provides that the term "bond" means any obligation of a county issued under Chapter 4, Article 62 NMSA 1978, whether designated as a bond, note, loan, warrant, debenture, lease-purchase agreement or other instrument evidencing an obligation of a county to make payments; and

WHEREAS, the County desires to consider for adoption (1) ordinances amending the dedication clauses in the Tax Ordinances and (2) an ordinance pledging the county hold harmless gross receipts tax increments as additional security for the outstanding Revenue Bonds, which ordinances shall be considered at a public hearing to be held at least two weeks after publication of a notice of the hearing has been published on the

*Roswell Daily Record*, a newspaper of general circulation in the County, as provided in this Resolution; and

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

BE IT RESOLVED BY THE COUNTY COMMISSION, THE GOVERNING BODY OF THE COUNTY OF CHAVES:

Section 1. That all action (not inconsistent with the provisions hereof) heretofore taken by the County Commission of Chaves County and the officers and employees thereof directed toward the amendment of the dedication clauses of the Tax Ordinances and the pledge of county hold harmless gross receipts taxes to secure outstanding Revenue Bonds, be and the same is hereby ratified, approved and confirmed.

Section 2. That the County Manager and County Clerk are hereby directed, in accordance with Section 4-37-7, NMSA 1978, as amended, to publish in the *Roswell Daily Record*, a newspaper of general circulation within the County, a title and general summary of the ordinances at least two weeks prior to the meeting at which the County Commission will consider such ordinance. The County Manager and County Clerk may undertake such publication upon their own initiative and submittal of any necessary documents related to the proposed ordinances. The Notice shall be substantially in the following form:

(Form of Notice)

PUBLIC NOTICE IS HEREBY GIVEN of the title and general summary of ordinances which the Board of County Commissioners of Chaves County, New Mexico intends to adopt at a special meeting on March 23, 2015, at the hour of 5:00 p.m. The meeting will be held in the Commission Chambers, Chaves County Administrative Center, #1 St. Mary's Place, Roswell, New Mexico.

The title and general summary of the proposed ordinances are:

(1)

AMENDING THE DEDICATION OF A COUNTY LOCAL OPTION  
GROSS RECEIPTS TAX

BE IT ORDAINED BY THE GOVERNING BODY OF CHAVES COUNTY, NEW MEXICO that Section 4 of Ordinance Number 0-089, effective July 1, 2015, and

imposing an excise tax equal to one-eighth of one percent (.125%) of gross receipts tax is amended to read:

Section 4. Dedication. Revenue from the county hold harmless gross receipts tax will be used for Chaves County Detention Center construction and operations, Chaves County Road Department, reimbursement of depleted funds used to construct Detention Center, and securing revenue bonds.

The effective date of this amendment shall be July 1, 2015 or January 1, 2016, whichever date occurs first after the expiration of at least three months from the date this ordinance is delivered or mailed to the Taxation and Revenue Department.

(2)

AMENDING THE DEDICATION OF A COUNTY LOCAL OPTION  
GROSS RECEIPTS TAX

BE IT ORDAINED BY THE GOVERNING BODY OF CHAVES COUNTY, NEW MEXICO that Section 4 of Ordinance Number 0-090, effective July 1, 2015, and imposing an excise tax equal to one-eighth of one percent (.125%) of gross receipts tax is amended to read:

Section 4. Dedication. Revenue from the county hold harmless gross receipts tax will be used for Chaves County Detention Center construction and operations, and securing revenue bonds.

The effective date of this amendment shall be July 1, 2015 or January 1, 2016, whichever date occurs first after the expiration of at least three months from the date this ordinance is delivered or mailed to the Taxation and Revenue Department.

(3)

AMENDING THE DEDICATION OF A COUNTY LOCAL OPTION  
GROSS RECEIPTS TAX

BE IT ORDAINED BY THE GOVERNING BODY OF CHAVES COUNTY, NEW MEXICO that Section 4 of Ordinance Number 0-091, effective July 1, 2015, and imposing an excise tax equal to one-eighth of one percent (.125%) of gross receipts tax is amended to read:

Section 4. Dedication. Revenue from the county hold harmless gross receipts tax will be used for the operation of the Chaves County Detention Center and operations and Chaves County Road Department, and securing revenue bonds.

The effective date of this amendment shall be July 1, 2015 or January 1, 2016, whichever date occurs first after the expiration of at least three months from the date this ordinance is delivered or mailed to the Taxation and Revenue Department.

(4)

PLEDGING CHAVES COUNTY, NEW MEXICO HOLD HARMLESS GROSS RECEIPTS TAX REVENUES AS SECURITY FOR CHAVES COUNTY, NEW MEXICO GROSS RECEIPTS TAX REVENUE BONDS, SERIES 2007, CHAVES COUNTY LOAN AGREEMENT DATED JUNE 13, 2013, AND CHAVES COUNTY PROMISSORY NOTE DATED JANUARY 13, 2015.

The ordinance recites that (1) the County has issued revenue bonds secured by gross receipts tax revenues, (2) the State has decreased the amount of revenues distributed to the County and (3) the decrease adversely affects the Revenue Bonds. The enacting clauses of the ordinance pledge the previously enacted three-eighths of county hold harmless gross receipts tax increments to the Revenue Bonds, provide that the ordinance is irrevocable until the Revenue Bonds are paid, provide a severability clause and a repealer clause, declare an emergency and provide that the ordinance is effective immediately.

Complete copies of the proposed ordinances may be obtained at the Chaves County Clerk's office, located at Chaves County Administrative Center, #1 St. Mary's Place, Suite 110, Roswell, New Mexico. This notice is given pursuant to Section 4-37-7, NMSA 1978.

DATED this 6<sup>th</sup> day of March, 2015.

(End of Form of Notice)

Section 3. This Resolution shall take effect immediately upon its adoption and approval.

[Signature page follows]

PASSED AND ADOPTED this 6<sup>th</sup> day of March, 2015.

CHAVES COUNTY  
BOARD OF COMMISSIONERS

By \_\_\_\_\_  
James W. Duffey, Chair

By \_\_\_\_\_  
Robert Corn, Vice-Chair

By \_\_\_\_\_  
Kyle D. "Smiley" Wooton, Member

By \_\_\_\_\_  
Kim Chesser, Member

[SEAL]

By \_\_\_\_\_  
William E. Cavin, Member

ATTEST:

\_\_\_\_\_  
Dave Kunko, County Clerk