



Alamogordo City Commission

NOTICE OF MEETING

Regular Meeting Agenda

April 28, 2026 - 6:30 PM
Donald E. Carroll City Commission Chambers
City Hall, 1376 E. Ninth Street

Sharon McDonald Mayor
Joshua Rardin Mayor Pro-Tem, District 4
Baxter Pattillo District 1
Stephen Burnett District 2
Warren Robinson District 3
Al Hernandez District 5
Mark Tapley District 6

Stephanie Hernandez Acting City Manager
Darrell Mori City Attorney
Rachel Hughs City Clerk

MISSION STATEMENT as Adopted by the City Commission on March 24, 1995.
The City of Alamogordo is a Municipal Corporation that exists solely for the purpose of providing the best possible services to our customers, the citizens of Alamogordo. We are committed to providing these services with honesty, integrity, compassion, fairness, and a commitment to excellence.

We are committed to the long-term financial stability and responsible growth of the City and all decisions will be driven by our commitment to provide the best services possible in a financially sound and responsible manner given the economic realities facing the City.

In accordance with Section 10-15-1.D, NMSA 1978 (2010 Cumulative Supplement), this agenda has been posted on the east bulletin board located in the south of the City Hall and in the glass case located outside the north entrance of the City Hall, distributed to the appropriate news media, and posted on the City website: <http://ci.alamogordo.nm.us> within the required time frame. As a courtesy, the entire Agenda Packet has also been posted on the City of Alamogordo website: <http://ci.alamogordo.nm.us>

The Mayor and City Commission request that all cell phones be turned off or set to vibrate. Members of the audience are requested to step outside the Commission Chambers to respond to or to conduct a phone conversation. The Alamogordo Commission Chambers is wheelchair accessible. Other special assistance for disabled attendees must be requested 48 hours in advance by contacting the City Clerk's Office at 575-439-4100.

CALL TO ORDER & ROLL CALL

Announce the presence of a Quorum.

INVOCATION & PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

PUBLIC COMMENT

Residents must sign up with the City Clerk to address the City Commission. The standard allotted time is 3 minutes, but the Mayor reserves the right to change depending on the number of public comments.

CITY MANAGER'S REPORT

REMARKS AND INQUIRIES BY THE CITY COMMISSION

CONSENT AGENDA (Roll Call Vote Required for an Ordinance or Resolution)

All matters listed under the Consent Agenda are considered to be routine by the City Commission and will be enacted by one motion. There will not be separate discussion of these items. If discussion is desired, that item will be removed from the Consent Agenda and will be considered separately.

1. Approve the minutes for the Regular Commission Meeting on April 14, 2026, and the Special Commission Meeting on April 21, 2026. *(Rachel Hughes, City Clerk)*
2. Approve the statements related to the Executive Closed Session of the Special Meeting held on April 21, 2026. *(Rachel Hughes, City Clerk)*
3. Consider, and act upon, acceptance of a grant agreement between the State of New Mexico, Department of Transportation and the City of Alamogordo, in the amount of \$108,900, to plan, design, renovate and construct the White Sands regional airport, including the electrical systems. *(Debbie Osborne, Grant Coordinator)*

ITEMS REMOVED FROM CONSENT AGENDA

NEW BUSINESS

4. Discussion on the RFP for the Golf Course. *(Stephen Burnett, Commissioner)*

EXECUTIVE SESSION (Roll Call Vote Required)

5. Motion to Recess into Executive Closed Session pursuant to NMSA 1978, § 10-15-1(H)(2) for the purpose of discussing limited personnel matters (hiring of the City Manager) and NMSA 1978, § 10-15-1(H)(7) for discussions subject to the attorney-client privilege pertaining to threatened or pending litigation in which the City is or may become a participant. **(Roll Call Vote Required)**

RECONVENE INTO OPEN SESSION

6. Motion to Reconvene into Open Session and read the statements related to the Executive Closed Session. **(Roll Call Vote Required)**
7. Action, if any, related to the Executive Closed Session. **(Roll Call Vote Required)**

ADJOURNMENT

AGENDA REPORT

CITY OF ALAMOGORDO
CITY COMMISSION

Meeting Date: 4/28/2026

Report Date: 04/23/2026

Report No: 1.

Submitted By: Beau Dylan Aleshire

Subject: Approve the minutes for the Regular Commission Meeting on April 14, 2026, and the Special Commission Meeting on April 21, 2026. *(Rachel Hughs, City Clerk)*

Fiscal Impact:

Amount Budgeted:

Fund:

Additional Fiscal Impact:

Recommendation: Approve the minutes.

Background:

**CITY OF ALAMOGORDO, NEW MEXICO
CITY COMMISSION REGULAR DRAFT MEETING MINUTES
6:30 PM, DONALD E. CARROLL COMMISSION CHAMBERS
April 14, 2026**

**SHARON MCDONALD, MAYOR
JOSHUA RARDIN, MAYOR PRO-TEM
BAXTER PATTILLO, COMMISSIONER
STEPHEN BURNETT, COMMISSIONER
WARREN ROBINSON, COMMISSIONER**

**AL HERNANDEZ, COMMISSIONER
MARK TAPLEY, COMMISSIONER
STEPHANIE HERNANDEZ, ACTING CITY
MANAGER
DARRELL MORI, CITY ATTORNEY
RACHEL HUGHS, CITY CLERK**

CALL TO ORDER & ROLL CALL

Mayor McDonald called the meeting to order at 6:30 PM. Roll Call was taken by the City Clerk. City Clerk Hughs announced there was a quorum present.

INVOCATION & PLEDGE OF ALLEGIANCE

The Invocation was given by Commissioner Robinson, and the Pledge of Allegiance was led by Commissioner Burnett.

APPROVAL OF AGENDA

**Commissioner Burnett moved to approve.
Commissioner Pattillo seconded the motion.
Motion Passed with a vote of 7 - 0 - 0.**

PRESENTATIONS

1. Purple Up Day For Military Kids Day Proclamation. (*Sharon McDonald, Mayor*)

Mayor McDonald presented the proclamation to a military family alongside Chief Master Sergeant Ford of Holloman Air Force Base. She proclaimed Wednesday, April 24, 2026, as Purple Up for Military Kids Day in Alamogordo and encouraged all citizens to wear purple in its observance.

2. Presentation of an award by the Veterans of Foreign Wars (VFW) and Police Chief David Kunihiro to White Mountain Drug Task Force Deputy Commander Travis Jones. (*David Kunihiro, Chief of Police*).

The Veterans of Foreign Wars, alongside Police Chief Kunihiro, presented the VFW National Law Enforcement Award, an Exceptional Duty Award, and the Chief's Commendation Award to White Mountain Drug Force Deputy Commander Travis Jones.

3. Presentation of suggestions for Alameda Park, Zoo, and Train Depot Improvements and Collaboration. (*James Perry, Citizen*)

Mr. Perry said the noise of the train passing through the Zoo is damaging to the animals. We need to improve that by installing noise barriers between the train and tracks, like how it is done in El Paso. Barriers are not expensive and could be secured through a federal grant. We could also use native plants and landscape mounds as sound barriers. We could also install speakers for natural sounds to drown out the train noise. We could also reinstitute Deer Park into Alameda Park. People could get on the train to ride into Deer Park, which would be a petting zoo with deer. We could encourage local ranchers to donate acceptable livestock. We need an aesthetically pleasing fence on the back side, from the military memorial down past the train museum. We could have a snack bar inside the park, down the road. I will return with other ideas I have.

4. Presentation on the Alameda Park Zoo: progress, current status, and path forward toward accreditation and long-term sustainability. (*Kate Maes, Zoo Manager and Belinda Bass, Parks and Recreation Director*)

Zoo Manager Maes gave her presentation. She said they will be able to apply for accreditation next Spring. The biggest setback to that was the fence, which was not up to USDA standards. By Christmas, we had achieved that, and now the entire perimeter fence meets USDA regulations.

Acting City Manager Hernandez asked how many visitors the Zoo receives. Zoo Manager Maes said 60,000 a year. Acting City Manager Hernandez said we have put over \$1,000,000 into the Zoo, but we could not have done that with our State legislators. If you haven't been to the Zoo, I encourage you to go.

PUBLIC COMMENT

1. Tamara Hansen said she was the Records and Archives Clerk for the City and was here to announce that she was now the President of the City's Employee's Union, AFSCME 3818. We care deeply about this community and take pride in the job we do for it. Our Union is present, engaged, and an important, viable voice for the City's workforce. The union has been a part of the City for a long time, and we seek to maintain a mutually respectful relationship with City leadership. We want employees, divisions, departments, and the community to succeed. We do not exist as your combatants; we exist as your partner in making Alamogordo a city we are all proud to call home. I wish to remind everyone that the union is here, workers are organized, and their voice matters. Seated together at the same table, management and workers can make good decisions that result in good things for everyone. I am always available to meet with any of you to answer your questions.

2. Tiffany Miller said the Natatorium is a project that the City's residents, whom you represent, voted to approve almost two years ago. They recognized the need, made their choice, and trusted you all to carry it out. Every single day, we have a swim team full of dedicated, exhausted kids who travel to Holloman Air Force Base after school to use their pool in the winter. We also have to bus to White Sands Missile Range, Ruidoso, and even Albuquerque. They sacrifice their evenings, energy, and focus to represent a city that is failing to provide them with a place to train. This delay feels like reopening an old wound or deja-vu. Almost ten years ago to the day, Commissioner Hernandez suggested we close the pool in the winter. The delay in buying a new pool cover led to the pool's closure in winter. New environmental rules came in, and money set aside for the pool was used elsewhere. Back then, the Commission delayed, and the pool was canceled. It feels like the same thing is happening again today with the proposed delay. The Recreation Center has outlived its lifespan, and if it weren't for dedicated staff keeping it going, we wouldn't have anything at all. If you vote to delay funding, we could end up without a pool at all, even in the summer. With rising costs of materials and labor, waiting only makes the project more expensive, maybe even too expensive to build at all. You all have the the opportunity to honor the trust that was placed in you. Please, do not be the Commission that delays a dream into oblivion. Fund the Natatorium as planned.

3. Cheyenne Cervantes said she has been swimming and practicing under the swim teams of Alamogordo for the past decade. I have come to show my support for the much-needed Natatorium. I remember the hope and excitement back when the vote to build a new Natatorium was cast and won. I am here once again to speak up for the pool that was already decided on. The Natatorium was already supported by the people of Alamogordo. Now it is to be delayed, or in other words, it may never happen. Costs will rise, and we will never have the funding for it again. The REC Center has served Alamogordo for decades, but its age will soon catch up with it, and maintenance will be too hard to keep up with. I implore you to listen to your voters and go through with the promised plan.

4. Jan Brending said she wanted to urge the Commission to move forward with funding the pool. In my past experience as a city administrator, I have dealt directly with this situation. We had an aging pool that we had to close. That city is still without a pool and is only finally realizing funding after ten years. I would hate to see the City of Alamogordo not have a pool. Your current pool is failing. The residents of the City voted for a new pool. I encourage you to move forward with the funding of this pool as soon as possible. A new pool will only be more expensive as the days go on.

5. Angela Codwallader said she was a past board member of the Alamogordo Friends of the Zoo. The Zoo has done a good job in moving forward with projects. Complete veterinary care to USDA standards has been a big plus. They have taken time to talk to students, and the Junior Zookeeper is a good place for student education. The Zoo is doing more late-night events for families. The infrastructure for the Grey Wolf is a good project. The Reptile Room is

awesome, and kids love it. The South Chamber building was a great addition and has been great for the community.

6. Crystal Moncada said the Zoo opening at night is amazing for my family. My daughter is autistic, and it gives her a great opportunity to enjoy the animals with a lower sensory impact. In autism, sensory overload and stimulation can be a lot to process. Wednesday night visits are the best. The Zoo is doing a great job. Thank you for allowing them to do that.

7. Shelley Dowhanik-Baron said she was a patron of the Alamogordo Pool four to five times a week. I am passionate about investing in quality of life amenities that make Alamogordo more livable and appealing. Last week, our aging pool could not open on the projected date because the heater did not work. I was disappointed that a short-sighted motion was approved at the last Commission meeting that delayed the approval of the ordinance for the new Natatorium. Delays are not cost-free. For every month the project is postponed, the City is exposed to rising construction costs and the risk of paying more in the future for the same facility. In the first two months of 2026, steel increased 4% in cost. Concrete also increased. Construction pricing is not trending downward in 2026 and 2027, and no one wants to increase the taxpayer burden by delaying action on this project. Thank you to our Acting City Manager and Finance Director for their exceptional leadership that allowed our City to obtain an AAA bond rating. Their disciplined fiscal management has positioned Alamogordo to access favorable financing options when delays closed other doors, like with the New Mexico Finance Authority. Prudent fiscal management means moving forward in a timely way, controlling costs, and not delaying a project until it becomes more expensive. The people of Alamogordo voted on and approved this Natatorium project because they understand both its value and cost to the community. I urge the Commission to approve the ordinance and move this project forward.

8. Jason Casey said he was with the VFW and also the US Veterans Motorcycle Club. Twice a year, we bring back local veterans from El Paso National Airport. This year, we have Lucio Vasquez and Chris Hall, who are both Vietnam-era vets. Honor Flight is Mission 21. They take them to Washington D.C., where they meet up with veteran buddies whom they have served with, and they spend a couple of days up there. When they come home, we like to make a big deal about them. The return is on April 25th, from 7:00 PM to 9:00 PM, at Patron's Hall. We have previously had support from the Police and Fire Departments, and we would love that support again.

CITY MANAGER'S REPORT

Acting City Manager Hernandez made the following comments:

1. Budget Workshops will be on Monday, May 4th, and Tuesday, May 5th, from 5:30 PM to whenever the Commission wishes to call it for the night. I believe we will get through it in two nights.
2. We will be doing Coffee and Connections at the Inkwell on May 8th. Most of the Directors will be there. It is a chance for anyone to ask questions to our departments. Tomorrow, we will go to Rotary.
3. We had to pull the Golf RFP because it now involves union employees. Per RCBA, we have to give the union the opportunity to have input on that.
4. To follow up on Commissioner Hernandez's previous comments, I am looking at the issue with the dump trucks. The problem is that there is a lot of trash in the City, and so they start earlier. We are going to see if we can adjust those hours in accordance with what they say on their website, and with the noise ordinance.
5. I want to follow up on Water Billing, which we all know is an issue. We only have two staff members. We have tried to hire more, and we have interviewed more, but nine individuals have not passed background or credit checks. That area deals with a lot of cash. We have adjusted duties to take some off the two current staff members so they can focus on customer service. We are going to have to sit down and really look at those jobs, which are challenging. You are not just taking money. You are reading ordinances, interpreting law, and dealing with upset people and 13,000 accounts.

REMARKS AND INQUIRIES BY THE CITY COMMISSION

Mayor Pro-Tem Rardin said a constituent called him about a road issue at his house at 3206 Summer Avenue. I drove up there to check it out. The constituent told me it had been there for six months. It looks like a heck of a water leak that we have let leak for a long time. 3120 Sunrise, 3224 Sunrise, 3001 Sunrise, all patches. They have been fixed, but never been repatched. There is one on 1302 Dewey, which I have noticed for about two months. A different constituent emailed me about the status of Puerto Rico Avenue and when it would be repaved. I have not seen the SMP list in a number of years. Notify me of where we are on that one. Separately, we harp on our residents about keeping their weeds down, but on Sunday, I saw that Washington Park is horrible. The weeds were about a foot and

a half tall. I had a different gentleman call me about a ditch that is north of Aspen, between Washington and Jefferson. The weeds there are three to four feet tall. You all put a brand-new stop sign on the corner of Black Street and Mayflower. Someone has already run that sign over.

Commissioner Pattillo said we recently did the RFP for weeds and drainage maintenance. Please explain the differences and similarities between that RFP and the union. Acting City Manager Hernandez said there really isn't any difference. The difference is, when we did that during budget, you did not all see the process. All the proper notifications were given before. With this one, the Commission made the decision in a meeting. We started doing the RFP and then had to backtrack because we skipped that step. We forgot about that step because we do not get rid of departments often. So there really is no difference; they happen the same. It was just that the notifications happened differently. Commissioner Pattillo asked what the plan was for the transition plan with the extended timeline. Acting City Manager Hernandez said it is a thirty-day delay. We have spoken, but I have not spoken to Mr. Dalpes about this. I want to see what management company the Commission decides on and how soon they can take over. We can consider this an emergency due to two different components, which are the Commission's vote and the union's participation. We would be able to extend the current contractor, G&L Golf, an extra thirty to sixty days to allow for that transition. Again, I have not spoken to Mr. Dalpes about this. Commissioner Pattillo asked if we have had any correspondence or interaction with the vendors and contractors. Acting City Manager Hernandez said no. Commissioner Pattillo asked if they had any concerns. Acting City Manager Hernandez said not that she was aware of.

Commissioner Hernandez said he spoke last time about project signage on roads. I spoke to Senior Project Manager Boyle today about White Sands and the Fairgrounds project. If you look at it now, the detours go around all the businesses. I know that is partially a State project and they have a lot of say with it, but I think that when we do large projects like this, we should allow and show access to these businesses. As a construction worker, I have concerns about how they have it set up now, where you can go through barricades. It is actually encouraged to get to those businesses. As a construction worker, that is not a good thing. People could end up getting complacent with that and not really care. Going from White Sands to Tractor Supply or Murphy's, there is nothing that says to turn here or go there. There could be an accident where someone turns in before the barrel, someone turns above that barrel, and hits them. I have a concern about weeds. I was given a Notice of Violation, where I was given fifteen days to correct or else a \$200 administration fee and then the correction cost. What I have seen contractors doing is spraying weeds, and then they end up like mine, dead. The violation was for dead weeds. I do not see why the City is not aggressively maintaining that. I have had many complaints from constituents. I got calls from a gentleman like the Mayor Pro-Tem did, out at Walker Road. I think we need to hit that hard. I also got a call regarding the Paratrooper Memorial at the park. There is an area in the back where benches are, and there are a lot of homeless people starting to migrate there. Regarding the trash trucks, I understand there is a lot of trash and work to do. If I were building a house or building, the ordinance falls from 7 AM to 10 PM. I was once told by my commissioner that an ordinance is an ordinance. It is what it is. On Friday, I made a trip to meet for the COG Board. We had presentations from our legislators, and one of the big outcomes from that was regarding how the southern part of the State really finances the whole state with gas and oil. We received funding for less than a hundred miles of road on the southern part of the state. It is a big fight for us, and they said they would continue to fight to bring in as much money as they could to us.

Commissioner Burnett said a few meetings ago, Commissioner Pattillo had asked about LEDA applications and the estimates on construction for the removal of some buildings. Where are we on that? Acting City Manager Hernandez said I believe I put that in a weekly report, but if I did not, it will be on the April 28th meeting because we are not doing the Golf RFP. You will get the applications, and then the quotes for La Placita, Oregon, and Holiday Inn. We were trying to work privately with the owners and developers of the Holiday Inn. We are about to get a default judgment on the Holiday Inn. Once we do that, it becomes a little more difficult. It would be easier if the owner sold it to a developer. My understanding is that there hasn't been interest in that, so we are going to do a default judgment. Commissioner Burnett said he would like to congratulate the eight young women from Xtreme Amplitude who qualified for regionals in Loveland, Colorado, and Galveston, Texas.

Commissioner Tapley asked what the timeframe was for getting the RFP back out. Is it exactly thirty days? Acting City Manager Hernandez said she did not remember the exact dates, but on day thirty-one, we will get it out, depending on comments that come back from the union and what changes need to be made. We have to get that

RFP ready, which will be on a Monday that they get the comments back. We have to have the RFP done by May. It would be a Wednesday, and then advertised on that Saturday. Two subsequent Saturdays, two fourteen-days, and then it would come back. We are going to do a simplified scoring, and then it will come back in front of the Commission at the next meeting. We could also call a Special Meeting. The RFP should come back before the end of May, and then we should be able to get it in a Special Meeting somewhere between the 25th and the 31st.

Mayor McDonald said the City's Annual City-Wide Cleanup will be on July 18, 2026. This year, we will have all six communities represented. We will have the same type of competition for weight. We will still do cleaning of the yards for seniors, the disabled, and the military. Shredding will be done at the Dudley Community Center on Maryland Avenue from 10 AM to 12 PM. If you sign up as a volunteer, you will have to fill out a form. If you sign up to have your yard cleaned, you will also need a form. We will put those on the website. When we have applications or flyers, they will have a QR code on there so you can go directly to the needed form. On April 7th, we used the Dudley Community Center for a base planning commission. Two people from Alamogordo participated on that Board. They were very impressed with the facility. Hopefully, we will have everything in order to have that officially open for use by the community. I was recently asked to meet and chat at Owen Chapel along with other community leaders. We have a new pastor in town, and her church, through the Methodist Church, has received a grant to help with cleaning up the three or four blocks surrounding them. They have sent letters to people in the neighborhood to make them aware. The church is on the corner of 5th and Delaware. They want to make the area more appealing, and they plan to work with us on July 18th to do some cleanup. We want to ensure we have an effort people out there. A significant thing about the church is that they appointed a female bishop who represents District 5. She will come to District 5 to look at the community where the church is at. In 130 years of the Methodist Church, this is the first time we will have a bishop of that level come to Alamogordo to look at the area. Thrive will be having a concert on the night of July 18th. We will have a drawing to have four people participating in the cleanup for a chance for one of those tickets.

Acting City Manager Hernandez said to further clarify the RFP for Commissioner Tapley, the union has until May 10th. That gives the City the 11th, 12th, and 13th to get it ready. It will be advertised on the 16th, and then on the 23rd. You have to give so many days. I was hoping to have a Special Meeting on maybe Tuesday the 2nd.

Commissioner Hernandez said regarding the cleanup, I was thinking we could get containers placed out at Walker that day. Mayor McDonald said they will be at the baseball field in the parking lot.

CONSENT AGENDA

5. Approve the minutes for the Regular Commission Meeting on March 24, 2026, and the Special Meeting on April 7, 2026. (Rachel Hughs, City Clerk)

6. Approve the statements related to the Executive Closed Session of the Special Meeting held on April 7, 2026. (Rachel Hughs, City Clerk)

7. Consider, and act upon, Resolution 2026-09, authorizing acquisition of a decommissioned T-38 aircraft to serve as a static display at the Alamogordo-White Sands Regional Airport. (Troy Orr, Airport Manager) (Roll Call Vote required)

8. Consider, and act upon, approval of Change Order 1, in the amount of \$135,750.20, excluding NMGRT, to Crosstown Construction, for waterline replacement and new bypasses, additional concrete work for sidewalk, and additional materials. (Joseph Samora, Project Manager)

Commissioner Hernandez asked for Item 8 to be removed.

Commissioner Burnett moved to approve Items 5, 6, and 7.

Commissioner Robinson seconded the motion.

Motion Passed with a vote of 7 - 0 - 0.

ITEMS REMOVED FROM CONSENT AGENDA

8. Consider, and act upon, approval of Change Order 1, in the amount of \$135,750.20, excluding NMGRT, to Crosstown Construction, for waterline replacement and new bypasses, additional concrete work for sidewalk, and additional materials. (Joseph Samora, Project Manager)

Project Manager Samora said it was determined that the existing conditions did not match the last set of drawings from over twenty years ago. Due to this, materials had to be urgently ordered to keep the project going. If the project were to be put on hold for the normal approval processes, the public would have a high chance of low pressure or no water.

Commissioner Robinson asked if there were adequate funds for this. Project Manager Samora said yes.

Commissioner Pattillo asked what would happen if this were not done. Project Manager Samora said the infrastructure would fail from that tank to Callahan. Commissioner Hernandez said it was his understanding that they have existing drawings, but they are not as-built drawings. For example, an existing drawing will show an eight-inch line, but they did not do an as-built drawing, which will show that it is actually a different size. That is what happened here. Existing drawings weren't as-built and did not match existing conditions. Project Manager Samora said yes sir.

Mayor Pro-Tem Rardin asked if any of this work had already been performed. Project Manager Samora said yes, it has. Mayor Pro-Tem Rardin asked how far the line was actually being replaced. Project Manager Samora said he was not sure. Mayor Pro-Tem Rardin asked if it was the line from one tank to another. Project Manager Samora said yes sir. It is not 100% my project, and so I am short on some details on it.

**Commissioner Hernandez moved to approve.
Commissioner Burnett seconded the motion.
Motion Passed with a vote of 7 - 0 - 0.**

NEW BUSINESS

9. Consider, and act upon, the final publication of Ordinance No. 1722 authorizing up to \$12,865,000 in bonds or a loan to fund improvements to the City's natatorium, with repayment from the 0.125% Municipal Infrastructure Gross Receipts Tax. (Chris Muirhead, Modrall Sperling and John Archuleta, Bosque Advisors) (Roll Call Vote Required)

Finance Director Huff said we are here to discuss funding of the new Natatorium. We have Chris Muirhead here from Modrall Sperling, along with Mark Valenzuela from Bosque Advisors. Mr. Archuleta could not be here tonight. They will speak on some differences in funding. Our previous funding proposal was going through the New Mexico Finance Authority and their bond sale. That would have happened after the last meeting, but it wasn't an option after that meeting. NMFA removed us from their bond sale, which gave us the opportunity to look at different financing. This is still the second reading of the ordinance, but we want to ensure the changes are highlighted. We also have Rob Price here from ASA Architects. He can answer questions about design and construction.

Mr. Valenzuela proceeded to give his presentation, followed by Mr. Muirhead giving his presentation.

Commissioner Pattillo said the bond underwriters will require a bond rating and official offering documents. Does the City have a bond rating? Mr. Valenzeula said in this case, we would have to have it re-rated. We would have to go out and get a new rating. Commissioner Pattillo asked if we had one currently. Mr. Valenzeula said the City has been rated in the past, but I think it was withdrawn at the City's request. Commissioner Pattillo asked what needed to be done to obtain a bond rating. Mr. Valenzeula said we would work with your team to put together a presentation and engage with either S&P or Moody's, whichever we thought would be best suited to evaluate this credit. It would take two to three weeks to evaluate and pull together all the financial information we need. Then we would meet with the rating agencies, who would deliver an opinion about two weeks afterward. So, at the quickest, maybe four to five weeks. That process would extend the timeline compared to commercial banks. Commissioner Pattillo asked when the last time we had a bond rating was. Finance Director Huff said back in 2017, when we did the Fun Center bond.

To be fully transparent, our bond rating would likely be impacted by the fact that we had a late audit, but I am not 100% sure. Commissioner Pattillo asked when the audit would need to get done to get a bond rating. Finance Director Huff said the 2024 audit is what is causing the issue right now. We have a phone call tomorrow to finalize some things. We believe that the audit will be done by the first week of May. That would kind of correspond with the timeline that Mr. Valenzuela is talking about with getting all the documents together. We would get that submitted, and that would substantially help our bond rating. Commissioner Pattillo asked if we would have been able to go to NMFA without that. Finance Director Huff said yes. We had already spoken with them and disclosed everything. Commissioner Pattillo said so not having an audit done hasn't had any negative impacts on what we are looking for with state and private. Finance Director Huff said correct. When we put out the RFP that the banks responded to, we did disclose that. We disclosed our current audit status and everything through the gross receipts tax. Mayor McDonald said that it would only be required for Piper Sandler and Hilltop. It would not be required for the Bank of Albuquerque, the NMFA, and Capital One. Finance Director Huff said correct. We would not need a bond rating for those three.

Mayor Pro-Tem Rardin asked how many other municipalities utilize private funding instead of the NMFA. Mr. Muirhead said it varies. Ruidoso does not use the NMFA, they go through Hilltop as their municipal advisor. They always do private lenders for their general obligation bonds. Larger cities will go to a capital market themselves because they do not need the credit boost that may come from the Finance Authority. Cities smaller than Alamogordo routinely use NMFA because it is convenient. I see multiple options used between capital markets given the size of the city. I have done lots of deals with Capital One, the Bank of Albuquerque, and the New Mexico Finance Authority, which is what the City has done lots of deals with. I would say the Finance Authority is more common amongst municipalities, but it is not uncommon or shocking to see a private placement with a bank. Mayor Pro-Tem Rardin said he was a little concerned looking at the numbers. If we go with NMFA, it looks like we pay \$8,100,000 in interest, but going with any of the other ones, we will pay about \$1,000,000 to \$1,500,000 more. Another issue is that we need to have that reserve if we use NMFA. That is just money sitting in an account. Mr. Muirhead said that is not uncommon. The NMFA requires that of a lot of lenders or borrowers. Mayor Pro-Tem Rardin asked how much the tax revenue, the 1/8th of a percent, generated in revenue a year. Is it still around \$1,100,000? Acting City Manager Hernandez said yes sir. Mayor Pro-Tem Rardin said we are borrowing \$12,000,000. From past discussions with this pool, we said to keep it between \$10,000,000 and \$12,000,000. What about the other \$4,000,000 that was rededicated? Where is that at? When does it come into play? Finance Director Huff said of that additional \$4,000,000 we moved over, we have spent a little over \$1,000,000 on the design, around \$450,000 on upgrading the plumbing and connections that needed to be done during the Oregon SMP. So we currently have about \$2,500,000 as contingency. Since that tax was rededicated, that money has been going into the Quality of Life Fund, so that has been growing as well, and that money can be used as additional contingency and for RPR services that will be needed to ensure the pool is constructed properly. So that is the accounting of the \$4,000,000. It is there, it is protected, and it is not being used for anything else other than specific things needed in terms of getting ready to build the Natatorium.

Commissioner Pattillo said he was worried about the balloon. Can you speak to what risks we would have running that option, the recommendation of the Bank of Albuquerque, and what we could potentially get locked into with interest rates that do not change and refinance options. What is your outlook on that? Mr. Muirhead said there is no crystal ball as to how that works. Interest rates, from a legal perspective, would be an obligation to do it in year seven in that amount. There would have to be planning. The final terms with the Bank of Albuquerque say you can repay it anytime, year four or five. At that point, the City, through its advisors, would begin actively looking to see about, whether it is the Finance Authority or the Bank of Albuquerque, going to capital markets to refinance it. It would always be the plan to refinance it because gross receipts tax, borrowing something unforeseen, would not produce enough money over the next seven years to make that \$10,000,000 payment. You would be looking at a legal obligation at year seven. The uncertainty is interest rates. There are no guarantees.

Mayor McDonald said the Mayor Pro-Tem stated it would be about \$1,000,000 more. I know the balloon payment is a risk at the end of seven years. With the Bank of Albuquerque, the money would be required on an annual. It goes down substantially. They are looking at \$783,000 for the Bank of Albuquerque, as opposed to what the NMFA would be at \$829,000. Is that a true statement? Is it \$1,000,000 more? I am looking at the balance for seven years, where we would be at \$15,250,516. In looking at how this would even out, we are paying almost \$60,000 less each year. Even if we went with the Bank of Albuquerque, it is a lower interest rate than NMFA, and a lower amount per year

that the City would pay for this pool. Mr. Muirhead said that is correct. It is, for that six-year period, roughly \$60,000 less. Mayor Pro-Tem Rardin said on page eight, it says our interest total will be \$8,195,000 for the Finance Authority. For Capital One, it says we would have \$9,865,000. For Hilltop, \$9,000,000, and for Piper, \$9,200,000. Mr. Muirhead said anything advertised is for the full twenty-five years. So, for everything but Bank of Albuquerque, the NMFA is the lowest. The Bank of Albuquerque is lower, given that they are advertising it for over twenty-five years, but looking at the seven-year period, the interest rate is less. Mayor Pro-Tem Rardin asked if there would be an early payoff penalty in their contract. Mr. Valenzuela said the terms have yet to be determined. Typically, with a seven-year final maturity, from years five to seven, there is no penalty for early payoff. If you want to go earlier, very likely, the bank will not say after one year. They would want to hold it for at least three years. At that point, they would start charging a premium like 1% in year four to early prepaid. We are in an environment where short-term interest rates are higher than long-term rates. That is not normal. Our view is that, within a seven-year period, we will move back to a normal yield curve, where short-term rates are much lower than long-term rates. In that scenario, the risk of a seven-year final maturity is not that great. To the point about the annual payment, the excess cash from the current revenues you are collecting, that \$1,100,000, compared to that annual payment, if those additional revenues are being set aside for the next seven years, you will have about \$3,000,000 of cash to pay down on that \$10,000,000 due on year seven.

Mayor McDonald said the NMFA is requiring the \$12,845,000, which will be held. If we go with the banking, they won't hold that \$845,000. If we go to NMFA at the end of the seven years, it would be a lower amount held. Looking at the underwriter's discount, surety fees, and bond insurance, those things would not be a part of this if we went with the banking. So it is going to be structured like NMFA without the \$845,000. Mr. Muirhead said that is correct with the seven-year balloon. Mayor McDonald said so, we have savings there. The Bond Council on the NMFA is \$844,057. So we are not going to have that reserve fund either. Mr. Muirhead said no, that is for the reserve fund. Mayor Pro-Tem Rardin said the Bond Council and Municipal Advisor is \$50,000 each. Mayor McDonald said she was looking at the reserve fund. Their rates are the same no matter who we go with. If we were to refinance with NMFA, at the end of the seventh year, we would have less money that would be held, because the amount borrowed would only be the \$10,000,000. Mr. Muirhead said yes, depending on what you use with that excess over the seven years. The lower the amount is, the shorter the time you are borrowing, and the more flexible they will be about the reserve fund. Mayor McDonald asked how a loan at the NMFA would look at the end of seven years. How many years would we have remaining on that loan if we were to go with the bank? Mr. Muirhead said these are structured at twenty-five-year terms. If you were stuck with that term, and it did not change, you would be looking at eighteen more years. You could potentially advertise it over a shorter period because your revenues have increased. If the economy booms or you have more growth, you will see more in that fund, which allows you to make larger payments and reduce the term.

Commissioner Hernandez said you said that if we go to the bank, we have to put up \$350,000 to purchase the bond. Mr. Muirhead said no. Commissioner Hernandez asked what the charter rule was for a supermajority. Acting City Manager Hernandez said that would be five, but this is not a supermajority; it is 75%. Mr. Muirhead said yes. This is driven by state statute regarding revenue bonds. You need 75% of the entirety of the governing body. It would take six of the seven in favor. Commissioner Hernandez said you said if we approve this tonight, we would not have to come back as a Commission. The Mayor, Finance Director, and Acting City Manager could approve whatever you came up with. Mr. Muirhead said this would be the action taken by the Commission to approve the debt, up to \$12,865,000, then delegating to the Mayor and staff to make a determination in consultation with Mr. Valenzuela and myself. It would not come back to the Commission for additional action. It would come back as an informational item showing what we have done. Commissioner Hernandez said if this turns out to be a floozy ten years from now, it was not Commissioner Hernandez who approved it. Mr. Muirhead said the minutes would show that you approved incurring a debt up to \$12,865,000. Commissioner Hernandez said regarding a public comment, ten years ago, when we had the money to cover our pool, it was City staff that decided to spend the money elsewhere. It was not the Commission. The Commission approved it on its recommendation. We got rid of the pool cover because of the danger of the weight and the danger of hurting employees who would put it up and down. There was also an issue regarding the humidity of the pool, which they could not remove. That became an OSHA violation. Going back to this pool, right now, we are at 60% drawings. When would we have 90% drawings? Mr. Price said we are well beyond 65% drawings at this point. We are having our 95% review meeting tomorrow morning at 11 AM. I will know more after this meeting, but in thirty to forty-five days, we will have bid drawings. Commissioner Hernandez asked what the bid process for that would be. Let's say long-term, forty-five days. Finance Director Huff said let's say we have

full drawings by June 1st. We would want to advertise this multiple times, at least twice. Then we would have a mandatory pre-bid. That would pull us out two to three weeks. We would probably leave it for at least thirty days for bids, and it may be better for even sixty days. So, ninety days of bidding time, which puts us at September 1st. I would say it would be brought to the Commission either in September or the first meeting in October, depending on how successful the bid process went. There is an element of cost and price. If they all come in over \$12,000,000, then we would have to do some adjusting. If everything goes well with that, we would probably look at breaking ground at the beginning of January, once we get the bond and everything in place. Commissioner Hernandez said if we had approved this at the last meeting through the NMFA, what was that interest rate? Mr. Valenzuela said it was 4.25%. Commissioner Hernandez said to be clear, I did not hold up this project, which is not even ready to bid at this point. It has been led to believe that staff put out that misinformation through the news media, which is disheartening. This project is not delayed. Mayor Pro-Tem Rardin said it was said that it would be about five months before NMFA does another bond sale. We have plans. Can we start the bid process prior to us having funding? Mr. Valenzuela said no. Finance Director Huff said no. Per our Purchasing Ordinance, I cannot. Mayor Pro-Tem Rardin said five months from now would be mid-August. Finance Director Huff said we looked at that and where ASA Architects would be around June 1st. We would then sit on those plans for a couple of months. Mayor McDonald said there would be a continual cost increase because everything continues to go up, and we do not know where the interest rate will be.

Commissioner Burnett asked what the cost of the actual structure was. Mr. Price said the building, including the pool, decks, offices, multi-purpose rooms, and fabric structure, are all in line with this \$12,865,000, depending on how much contingency and forecasting for inflation, which could bring that number up to \$14,000,000. Those are guessing numbers. I would be crazy if I told you I knew exactly what it would cost. We are inflating beyond that number you have for financing, but we will not know until bid day what the market-established cost of this project would be. Mayor Pro-Tem Rardin said based off what we have seen lately, prices are coming in higher than the engineer's estimate.

Commissioner Hernandez asked what the life expectancy of the facility would be. Mr. Price said the fabric structure and pool would have roughly the same lifespan at twenty to twenty-five years, which is what was initially explained when the Commission approved moving forward with design. Those have not changed. Commissioner Hernandez asked if it might last longer than the payment. It is a twenty-five year bond, and the pool is expected to last twenty-five years. Mr. Price said they are probably running parallel to each other.

Commissioner Pattillo asked what the options were if costs exceeded the \$12,865,000. Finance Director Huff said the main option is to see where it falls in with the contingency and cash available in the fund. If it came in at \$12,900,000, that would be within tolerance. If it came in at \$15,000,000, that would not be within tolerance. We would need to go back with Mr. Price and the REQ Center Team to cut down on things on the design part. This is a \$12,000,000 pool. If it does not pass the cash test, there is no point in bringing this forward. Commissioner Pattillo asked what the negative outcomes would be if we did not vote on this tonight. Mr. Muirhead said it would be a continuation of timing that ties back to the procurement and bid process. The Finance Director mentioned that if we wait five months for the NMFA, that would push procurement farther down the road, including potentially the cost. From a leg perspective, if you did not do this tonight, you could do it at the next meeting or month. I do not think there are legal implications in deferring it. I would not tell you that you must vote tonight. Commissioner Pattillo said if we say yes tonight, have the design meeting tomorrow, when would we find bids? Finance Director Huff said in October. Commissioner Pattillo said we cannot start bids without approving financing, correct? Finance Director Huff said we cannot put it out to bid until you vote on the budget. If approved tonight, we will prepare the budget revision once you approve the funding source you are going with. The budget revision would show the revenue. The first debt payment would not be in FY26 but FY27. It would be included in the preliminary budget to be presented in the first part of May. Commissioner Pattillo asked if there was any advantage of waiting until the budget meetings. Mr. Muirhead said as your consultant, I do not really have an opinion on that, but that would move this back a little bit. Acting City Manager Hernandez asked if the interest rates would change. Mr. Valenzuela said I do believe there is certainly market risk from waiting. Commissioner Burnett said say we approve tonight, and we get the proposal back within thirty days, but the interest rate goes to 5.5%. Can we say we do not want to do this at that point? Mr. Valenzuela said we absolutely do. Commissioner Burnett asked if they could direct staff to not do this at a certain interest rate percentage. Mr. Valenzuela said the ordinance before you tonight is already capped at 6%. If it goes above that, we would not meet the parameter. Through delegation with the Mayor and City Manager, you have the right not to move forward on a transaction. Commissioner Hernandez asked who set the cap at 6%. Mr. Muirhead said the statutory

cap is 12%. Mr. Valenzuela said that after we put out the mini-RFP and saw the pricing, we were comfortable that a 6% cap would not be exceeded under that scenario. That is why we chose 6%. Commissioner Burnett asked if the interest rate would rise within the next thirty days. Mr. Valenzuela said frankly, we are in a very volatile market. I am advising clients that if they can lock in a fixed rate within a good range, we should be doing that. Mayor Pro-Tem Rardin said if we went with the NMFA tonight, is there an early payoff, or do we have to wait ten years? If rates come down, can we refinance it in two years? Mr. Valenzuela said no sir. They have a standard policy of a ten-year period. Mayor Pro-Tem Rardin said if we went with the Bank of Albuquerque, we could do it after five years. Mr. Valenzuela said the terms have not been set, but with most deals I have dealt with, five to seven years is the standard time frame that you would be able to start negotiating that refinance. There is a premium in doing it in year three or four. Finance Director Huff said with the Bank of Albuquerque proposal, in terms of the useful life, there is some flexibility there. Commissioner Hernandez asked if that would be a problem twenty-five years from now. Finance Director Huff said she believed we could make the pool last twenty-five years. This last one has lasted thirty-one years, which is pretty amazing.

Mayor McDonald asked if any of the Commissioners had gone to look at the pool we have now. Finance Director Huff said she worked there for nine years. It has had a very rough life at different parts.

Mayor Pro-Tem Rardin asked if we needed to go out to get a bond rating with the Bank of Albuquerque. Finance Director Huff said no. Mayor Pro-Tem Rardin asked if we needed it with the NMFA. Finance Director Huff said no. Mayor McDonald said we did not need it for Capital One either.

Commissioner Pattillo asked if the unanimous consent from staff and advisors was that the Bank of Albuquerque would be the recommendation and the best way to go. Acting City Manager Hernandez said we talked about it, and that was our recommendation. I believe that it was Bosque Advisors' recommendation as well. Mr. Muirhead said he was not the City's municipal advisor and was prohibited, but legally speaking, it is a good structure. City Attorney Mori said based off the two options and the uncertainty of the financial future, I tend to agree with staff and the presentations. If a decision is made tonight, then Bank of Albuquerque.

Commissioner Tapley asked if it was normal practice on these excess funds to put them towards the principal. Finance Director Huff said we actually have never had excess funds. Commissioner Tapley said in the event we have excess funds, how do we use them? Finance Director Huff said it would be up to the Commission's discretion. As the GRT is projected and has been flowing, there will be additional money over the debt service that is required. You will have the options of either holding it or keeping it for debt service. You also have the option of dedicating money to a city-owned facility for a capital improvement project. As long as we restrict the cash that will cover the debt service, and review revenue to ensure it stays within projections, then you will have some disposable income in that fund. Mayor Pro-Tem Rardin said let's say it generates \$1,100,000. Could we authorize you to pay \$1,000,000 a year instead of the seven? Like if we went with Albuquerque. Acting City Manager Hernandez asked if we could do principal payments. Finance Director Huff said we have never prepaid, other than refinancing. When we are negotiating the terms, we can ensure that it is okay in the agreement. Mr. Valenzuela said the Commission can tell us how they want it to look, and we can put it together. Mayor Pro-Tem Rardin said he would like to see different numbers on that. Like, if we paid \$780,000 a year versus \$1,000,000, how fast would that be paid off? Would that be closer to seven or ten years? Mr. Valenzuela said we could provide the numbers to your staff. These terms have not been defined. The bank will want a certain minimum debt service coverage. NMFA would want that as well. So we have to meet that first, then we look at how we use that excess. Finance Director Huff said that direction would be given in the budget, because that is how we would then budget the debt service. Acting City Manager Hernandez said some of the excess is going to need to go for the maintenance of the pool to ensure we meet the lifespan. Mayor Pro-Tem Rardin asked if the maintenance would come out of the same fund instead of the budget. Acting City Manager Hernandez said it could, if any major repairs need to happen. Mayor Pro-Tem Rardin said he would not expect any major repairs for the first ten to twelve years. Acting City Manager Hernandez said you would hope not.

Commissioner Hernandez asked if there was an estimate of the construction duration period. Mr. Price said fourteen to sixteen months.

Commissioner Pattillo said if we approve this tonight, we will have thirty days to review the agreed-upon terms from Bank of Albuquerque, correct? Mr. Muirhead said the thirty days are for anyone to potentially challenge the adoption

of the ordinance. Mr. Valenzuela said we are going to look into locking the rate and getting a final term sheet next week. Yes, you would have thirty days to understand what the terms are. Commissioner Pattillo asked when we would have a bond rating or audit completion. Finance Director Huff said the 2024 audit will be completed by the first week of May. We would not go out for a bond unless we have to. Commissioner Pattillo asked if refinancing with NMFA was an option. Finance Director Huff said after five to seven years. That would be if we wanted to bond it versus loan it. The NMFA numbers tonight were for a loan, but we are out of the bond game with NMFA at this point. We may be out of it, depending on how we look, at a point as well. It depends on the funding structure. Mayor Pro-Tem said once you have the loan terms and everything, and I do understand that we are delegating authority to the City Manager and the Mayor, but could you email that to us so we know what we are agreeing to. Commissioner Pattillo asked if the Bank of Albuquerque was Finance Director's Huff's recommendation. Finance Director Huff said yes.

Commissioner Hernandez moved to approve the ordinance and go with the Bank of Albuquerque.

Commissioner Rardin seconded the motion.

Motion Passed with a vote of 7 - 0 - 0.

10. Consider, and act upon first publication of Ordinance 1723 Declaring the Need to Designate Certain Property in Otero County as a Metropolitan Redevelopment Area. (Chris Muirhead, Modrall Sperling) (Roll Call Vote Required)

Mr. Muirhead said this was the second of these types of projects for MRA designation, so multi-family housing could be built and get the benefit of a property tax abatement for up to a fifteen-year period, subject to the terms of what the County enters into, and what the City wants. County Attorney Nichols said there were presentations about this before, and some members of the Commission were at the groundbreaking ceremony of the Sendero Apartments, which was the original location of this MRA at the intersection of Mesa Village and Verde Ranch Road. Basically, the undeveloped part past the movie theater. It makes sense not to just do that parcel. There are 151 acres of undeveloped land out there that arguably qualify for this. You have market studies with Patriot Pointe and Sendero. The Sendero market study showed a shortage of apartment rentals by almost 1,500 units with the City and County. Patriot Pointe represents 114 units, and Sendero is 80 units, so we need 1,300 more units just to be in a healthy rental market. It meets the definition under the statute. I would request that you consider the larger area because more is needed.

Commissioner Burnett asked if the County needed more property. County Attorney Nichols said it makes sense if we are going to do it. The County will pay Mr. Muirhead and his team. If we are going to spend money and go through the effort, let's get the biggest bang for our buck. Not just the parcel for Sendero, but that whole area to benefit the community.

Commissioner Pattillo said as far as long-term goes, how does this work doing one lot at a time? Mr. Muirhead said in doing a larger area, you would not have to do all these steps every time. You would already have an area designated. Then the County, in consultation with the City, could approve projects to get that abatement without doing the entire approval. The first one the City did was unique in that small, but it was targeted. The common way to do this is to have a larger area, and that is more consistent with practice. Acting City Manager Hernandez said she believed we had two seats on the planning committee. I am not totally sure how it works, but I would designate two staff to give input on the MRA.

Commissioner Burnett asked if other areas were being considered like this one. County Attorney Nichols said yes, it is essentially the whole area of Mesa Village that is undeveloped. Sendero is west of the movie theater, but there is a lot of other land out there zoned for development that is not currently developed on the north side Mesa Verde Ranch Road. I essentially fit and included all that area I could that was undeveloped. Mayor Pro-Tem Rardin asked if that included the commercial area of their subdivision. Otero County Attorney Nichols said it does include some of the commercial that is open. The documents included in this meeting did not have a map, but they do have the parcels. Mayor Pro-Tem Rardin asked City staff to produce a map of the area. City Attorney Mori said absolutely. The first reading had a very different square area than the second, as the Commission decided to either expand or contract. If there is a desire to change the designated area, the Commission could still have that by the second

reading.

Commissioner Hernandez asked if the City was looking to acquire any of this property. Acting City Manager Hernandez said we have not other than a possible Fire Station #8, due to the number of homes out there. I have already had a developer and a chain ask questions about the MRA. So it is doing what was intended, which was to pique interest and development in the area. Commissioner Hernandez said as the area is developed, they will not have amenities like a pool that the other side of town has. If it starts to fill up, it will be harder to acquire that property, especially for something like a golf course. Regardless of what we use it for, we need to look at it and lock that in. Acting City Manager Hernandez said we were told that they would donate land to us for Fire Station #8, which we really need to consider due to the population. Holloman Air Force Base can help us with that, not necessarily with funding, but with grants and a big OLDCC because it provides faster access to Holloman out that way as well. If you want us to seriously consider that, we would have to go into Executive Session to talk about us acquiring land. Commissioner Hernandez said the City looks like it wants to grow. If we do not start planning on these things, we will get locked out. Commissioner Pattillo said if a developer comes to the Chamber of Commerce and asks what tax incentives there are to build in Alamogordo, who would we refer them to? Would we refer them to County Attorney Nichols? I am trying to understand how we are projecting this and what the plan is. I know we have a lot to figure out. Acting City Manager Hernandez said this is controlled by the County. I believe County Attorney Nichols can speak to the process.

Mayor Pro-Tem Rardin said if we cross the bypass, and I am not sure of City limits there, but if it encompasses the land between the railroad tracks and bypass, south of the northern overpass, then maybe into White Sands Boulevard. Would that be feasible? There are even lots available at the Fairgrounds. Acting City Manager Hernandez said we previously touched on this a little, where we talked about taking on an MRA during our comprehensive plan. Is that something you want to do now, or go through another MRA? We need to look at the City as a whole. Mayor Pro-Tem Rardin said the area I mentioned may incentivize someone to buy the property and develop it. Acting City Manager Hernandez asked if that needed to be pre-approved by the Otero County Commission. County Attorney Nichols said no. We can do it between now and your next reading. Mayor Pro-Tem Rardin said he did not know if that was within City limits. County Attorney Nichols said he believes that goes up to Highway 82. Acting City Manager Hernandez said yes. County Attorney Nichols said for the purposes of this, it could be out in the County, too. Mayor Pro-Tem Rardin said we when get a map, look at encompassing that in there. County Attorney Nichols said as long as it reasonably ties together. Commissioner Burnett asked if they had to be in the vicinity of each other. Acting City Manager Hernandez asked if the land needed to be adjacent. Mr. Muirhead said no. Commissioner Burnett said if we are going to do it, we may as well do it all. County Attorney Nichols said to keep in mind a limiting factor. Once you get further along in the process, every property owner in the impacted area has to be notified via certified mail. Right now, that is basically one owner. Commissioner Pattillo asked if the way we have done this with Sendero and Patriot Pointe has been working with the County. What would you do differently moving forward? County Attorney Nichols said to be honest, I would not want to do it again. It just isn't the most efficient. If it is the City limits, and you all just roll with it, you do not have to do this extra step. The County Commission wanted to help and stepped in with these two. As far as within the City, that should be within your purview. Bring in investment and development where you know it is needed. There will be opportunities next year for us to work on things. This is a tool that has been underutilized. Commissioner Pattillo asked if County Attorney Nichols would do a workshop with the City Commission to help them figure this out. County Attorney Nichols said sure. Something else that Mr. Muirhead and I discussed was getting the actual numbers on the tax implications. We did not have that today, but it is important to know.

Mayor McDonald asked if this would be done like with Patriot Pointe. Will you forego the taxes for seven years? County Attorney Nichols said that would be the intent. Developers would not come here but for that break, and so we would not be getting that money anyway. Acting City Manager Hernandez said we are not necessarily losing it; we are freezing at the current rate. Mayor McDonald asked if this would be mostly apartments. County Attorney Nichols said that is the primary need. Hopefully, other things will come too, because of the increase in population. I do remember a parcel that was excluded for Fire and EMS, and that is excluded from this now. When we bring you the map, that will be the information to include. Commissioner Hernandez said the problem ten years ago was that the Fire Department on Walker was not manned. Why put a Fire Department building out there when we cannot even man the ones we have? County Attorney Nichols said nothing has happened out there, but stuff should have. That is an argument to incentivize building things out there.

**Mayor Pro-Tem Rardin moved to approve.
Commissioner Hernandez seconded the motion.
Motion Passed with a vote of 7 - 0 - 0.**

11. Consider, and act upon, Resolution No. 2026-10, authorizing the Submission of an Application to the New Mexico Department of Transportation Local Government Road Fund Municipal Arterial Program for street rehabilitation of 1st St. from U.S 54 to S White Sands Blvd, planning and design project for the FY2026-2027 Funding Cycle. Funds Match \$81,250.00 (25%). (Jimmy Vargas, Public Works Director) (Roll Call Vote Required)

Acting City Manager Hernandez said we receive a lot of concerns about the road past the bypass on 1st Street. This would allow us to put in an application for a grant. We are looking for grants for other Streets projects that are not in our S&P. Once we come back, there is a 25% match on there. This is just for design.

Mayor Pro-Tem Rardin said that the road was redone less than twenty years ago. From the railroad tracks to 1st Street needs to be redone. Commissioner Burnett said it says from 1st to Highway 54. Commissioner Hernandez said from the bypass to the railroad tracks is fine. It's bad from the railroad tracks to the intersection. Commissioner Burnett said if we are doing this, we may as well look at the 10th Street one. Commissioner Hernandez said 10th Street from the railroad tracks to the bypass is pretty bad. 1st Street is fine. Acting City Manager Hernandez asked if the Commission wished to table this until Public Works Director Vargas could return. Mayor Pro-Tem Rardin said he had no problem in letting the City apply for it. I just want clarification on what we are actually doing. Can we also do an application for 10th Street also, from the railroad to the bypass? Acting City Manager Hernandez said yes. We would come back with a separate application; it would not be combined. Or can come back and redo this one. What would you like to do? Mayor Pro-Tem Rardin asked which was the most likely to get approved. Acting City Manager Hernandez said she did not know. This was from our consultants helping us look at grants we do not typically go through. Commissioner Pattillo asked if there was a time constraint on this. Acting City Manager Hernandez said there was a deadline in the packet. Commissioner Burnett said it says here the segment between the existing railroad crossing and White Sands Boulevard. Commissioner Tapley said so let's approve this one, and say we can throw out for 10th Street as well.

**Mayor Pro-Tem Rardin moved to approve.
Commissioner Tapley seconded the motion.
Motion Passed with a vote of 7 - 0 - 0.**

12. Appointments to Boards and Committees. (Sharon McDonald, Mayor)

Mayor McDonald appointed Rhonda Alterson to her 3rd term on the Alamogordo Library Board, and Erich Wuersching to his 7th term on the Airport Advisory Board. No one was opposed.

EXECUTIVE SESSION

13. Adjourn into Executive Closed Session in compliance with 10-15-1(H)(2) NMSA 1978 (as amended) to discuss: Limited Personnel Matters (Discussion regarding the conduct of an employee in a supervisory/operational role within the Parks Department and related management oversight by the City Manager) and 10-15-1(H)(8) NMSA 1978 (as amended) to discuss: Real property known as the Fairgrounds Parking Lot, located at the corner of White Sands Blvd and Fairgrounds Rd (Roll Call Vote Required)

**Commissioner Robinson moved to adjourn into Executive Session at 9:48 PM.
Commissioner Hernandez seconded the motion.
Motion Passed with a vote of 7 - 0 - 0.**

ADJOURNMENT

ATTEST:

Mayor Sharon McDonald

City Clerk Rachel Hughs

(Prepared by Dylan Aleshire, Deputy Clerk)
Approved at the Regular Meeting held on April 28, 2026.

DRAFT

**CITY OF ALAMOGORDO, NEW MEXICO
CITY COMMISSION SPECIAL MEETING MINUTES
5:30 PM, DONALD E. CARROLL COMMISSION CHAMBERS
April 21, 2026**

**SHARON MCDONALD, MAYOR
JOSHUA RARDIN, MAYOR PRO-TEM
BAXTER PATTILLO, COMMISSIONER
STEPHEN BURNETT, COMMISSIONER
WARREN ROBINSON, COMMISSIONER**

**AL HERNANDEZ, COMMISSIONER
MARK TAPLEY, COMMISSIONER
STEPHANIE HERNANDEZ, ACTING CITY
MANAGER
DARRELL MORI, CITY ATTORNEY
RACHEL HUGHS, CITY CLERK**

CALL TO ORDER & ROLL CALL

Mayor McDonald called the meeting to order at 5:30 PM. Roll Call was taken by the City Clerk. Commissioner Robinson and Commissioner Burnett were absent. City Clerk Hughs announced there was a quorum present.

INVOCATION & PLEDGE OF ALLEGIANCE

The Invocation was given by City Clerk Hughs, and the Pledge of Allegiance was led Mayor Pro-Tem Rardin.

APPROVAL OF AGENDA

Commissioner Tapley moved to approve.
Commissioner Hernandez seconded the motion.
Motion Passed with a vote of 5 - 0 - 0.

EXECUTIVE SESSION

1. Adjourn into Executive Closed Session in compliance with 10-15-1(H)(2) NMSA 1978 (as amended) to discuss: Limited Personnel Matters (Hiring City Manager). (Roll Call Vote Required)

Commissioner Hernandez moved to Adjourn to Executive Session at 5:34 PM.
Commissioner Pattillo seconded the motion.
Motion Passed with a vote of 5 - 0 - 0.

ADJOURNMENT

ATTEST:

Mayor Sharon McDonald

City Clerk Rachel Hughs

(Prepared by Dylan Aleshire, Deputy Clerk)
Approved at the Regular Meeting held on April 28, 2026.

AGENDA REPORT

CITY OF ALAMOGORDO
CITY COMMISSION

Meeting Date: 4/28/2026

Report Date:

Report No: 2.

Submitted By:

Subject: Approve the statements related to the Executive Closed Session of the Special Meeting held on April 21, 2026. *(Rachel Hughs, City Clerk)*

Fiscal Impact:

Amount Budgeted:

Fund:

Additional Fiscal Impact:

Recommendation:

Background: Approve the following statements authorizing them to be included in the minutes of April 28, 2026: "The Governing Body of the City of Alamogordo, New Mexico, hereby states that on April 21, 2026, an Executive Closed Session was held, and the matters discussed in the closed meeting were limited only to discuss Limited Personal Matters (Hiring of the City Manager).

AGENDA REPORT

CITY OF ALAMOGORDO

CITY COMMISSION

Meeting Date: 4/28/2026

Report Date: 04/21/2026

Report No: 3.

Submitted By: Deborah Osborne

Subject: Consider, and act upon, acceptance of a grant agreement between the State of New Mexico, Department of Transportation and the City of Alamogordo, in the amount of \$108,900, to plan, design, renovate and construct the White Sands regional airport, including the electrical systems. (*Debbie Osborne, Grant Coordinator*)

Fiscal Impact:

Amount Budgeted:

Fund:

Additional Fiscal Impact: There is no significant fiscal impact.

Recommendation: Accept the grant agreement between the State of New Mexico, Department of Transportation and the City of Alamogordo in the amount of \$110,000.

Background: The City of Alamogordo submitted a capital outlay application requesting \$110,000, to plan, design, renovate and construct the White Sands regional airport, including the electrical systems. This project was listed on the ICIP list that was approved by the Commission on June 11, 2024. A capital outlay request was awarded at the 2025 Legislative Session, and the State of New Mexico, Department of Finance, recently issued grant agreements. The grant agreement is between the State of New Mexico, Department of Transportation and the City of Alamogordo since this is a transportation project. The total grant appropriation amount is \$108,900, which includes a 1% allocation of \$11,000 withheld for Art in Public Places projects.

Contract Number: _____

Vendor Number: 0000054303

Control Number: HW2C2253283

**NEW MEXICO CAPITAL OUTLAY GRANT AGREEMENT
DEPARTMENT OF TRANSPORTATION
CAPITAL APPROPRIATION PROJECT**

THIS AGREEMENT is made and entered into by and between the State of New Mexico, Department of Transportation, (“**Department**”) and City of Alamogordo, (“**Grantee**”) (individually “**Party**” and collectively “**Parties**”). This Agreement shall be effective as of the date the Department executes it (“**Effective Date**”).

WITNESSETH

WHEREAS, in the Laws of 2025, HB450, Chapter 159, Section 39, Subsection 63, the Legislature made an appropriation to the Department, funds from which the Department is making available to the Grantee pursuant to this Agreement; and

WHEREAS, the Department is granting to Grantee, and the Grantee is accepting the grant of funds from this appropriation, in accordance with the terms and conditions of this Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and obligations contained herein, the parties hereby mutually agree as follows:

AGREEMENT

I. PROJECT DESCRIPTION, GRANT AMOUNT, AND REVERSION

- A. **C2253283** (“**Project**”), Appropriation ID **J3283**, Reversion Date **6/30/2029** (“**Reversion Date**”). Laws of 2025, Chapter 159, Section 39, Subsection 63, (One Hundred Eight Thousand Nine Hundred Dollars and No Cents) (**\$108,900**), **to plan, design, renovate and construct the White Sands regional airport, including the electrical systems, in Alamogordo in Otero county.**
- B. Grantee’s total reimbursements shall not exceed One Hundred Eight Thousand Nine Hundred Dollars and No Cents, (**\$108,900**) (“**Appropriation Amount**”) minus the allocation for Art in Public Places (“**AIPP amount**”), if applicable, One Thousand One Hundred Dollars and No Cents, which equals One Hundred Eight Thousand Nine Hundred Dollars and No Cents (“**Adjusted Appropriation Amount**”).
- C. In the event of a conflict among the Appropriation Amount, the Reversion Date, as defined herein and/or the purpose of the Project, as set forth in this Agreement, and the corresponding appropriation language in the laws cited above in this Article I, the language of the laws cited herein shall control.

The information contained in Article I is referred to collectively as the “**Project Description.**”

II. DISBURSEMENT LIMITATION

- A. Upon the Effective Date, the Grantee shall submit to the Department a comprehensive procurement plan and expenditure plan, detailing a Project timeline with milestones, required procurements, and identifying

expected expenditures per milestone (collectively, "**Project Budget**"). The Department shall review and approve the Project Budget by approving a Notice of Department's Obligation ("**Notice of Obligation**"), in accordance with the Project Description, a sample of which is attached hereto as **Exhibit B** and incorporated herein by reference. After receipt of approved Notice of Obligation, the Grantee may be reimbursed for allowable costs up to the Adjusted Appropriation Amount. This Agreement and any reimbursements up to the Adjusted Appropriation Amount are expressly conditioned upon the following:

- a. Irrespective of any Notice of Obligation, Grantee's expenditures shall be made in accordance with the Project Budget, on or before the Reversion Date and/or, if applicable, any Early Termination Date; and
 - b. The total amount received by Grantee shall not exceed the lesser of:
 - i. the Adjusted Appropriation Amount identified in Article I (B) herein; or
 - ii. the total of all amounts stated in the Notice(s) of Obligation evidencing the Department has received and accepted Grantee's Third Party Obligation(s); and
 - c. Grantee's expenditures are made and accounted for pursuant to the State Procurement Code, State's Model Accounting Practices, and execution of binding written obligations or purchase orders with third-party contractors or vendors for the provision of services, including professional services, or the purchase of tangible personal property and real property for the Project ("**Third Party Obligations**"); and
 - d. Grantee's submittal of timely Requests for Payment and supporting documentation in accordance with the procedures set forth in this Agreement; and
 - e. In the event capital assets acquired with Project funds are to be sold, leased, or licensed to or operated by a private entity, the sale, lease, license, or operating agreement:
 - i. must be approved by the applicable oversight entity (if any) in accordance with §§ 13-6-2, 13-6-2.1, and 13-6-3; or
 - ii. If no oversight entity is required to approve the transaction, the Department of Finance and Administration's Infrastructure Planning Development Division (IPDD) must approve it as complying with the law.
- B. Prior to the sale, lease, license, or operating agreement being approved pursuant to Articles II(A)(e) (i) or (ii) herein, the Department may, in its sole and absolute discretion, unless inconsistent with State Board of Finance imposed conditions, reimburse Grantee for necessary expenditures incurred to develop the Project sufficiently to make the sale, lease, license, or operating agreement commercially feasible, limited to planning and design expenditures; and
- C. Grantee's submission of documentation of all Third Party Obligations and amendments thereto (including terminations) to the Department and the Department's issuance of a Notice of Obligation for a particular amount in accordance with the terms of this Agreement shall be governed by the following:
- a. Grantee is authorized to budget the particular amount set forth in the Notice of Obligation, execute the Third Party Obligation, and request the Third Party to begin work after issuance of a Notice of Obligation by the Department.
 - b. Grantee acknowledges and agrees that any Third Party Obligations agreed to prior to receiving a Notice of Obligation are its sole responsibility.
 - c. Grantee shall submit to the Department one copy of all Third Party Obligations and amendments thereto (including terminations) as soon as possible after execution by the Third Party but prior to execution by the Grantee.
 - d. Department may, in its sole and absolute discretion, issue a Notice of Obligation for the particular amount of a Third Party Obligation that only obligates the Department to reimburse Grantee's expenditures made on or before the Reversion Date or an Early Termination Date. The current Notice of Obligation form is incorporated herein and attached hereto as **Exhibit B**.

- D. Grantee shall provide all necessary qualified personnel, materials, and facilities to implement the Project. The Grantee shall finance its share (if any) of the costs of the Project, including all Project overruns.
- E. Prior to entering into this Agreement, the Department conducted a risk assessment on the Grantee and a project readiness review for the Project. In accordance with State Model Accounting Practices, FIN 9.2, if the Department determines that the expenditure of Project funds by the Grantee requires special conditions, those conditions are identified and listed in **Exhibit C**, which is attached and incorporated by reference. The Parties agree that, to the extent the Department, in its sole and absolute discretion, determines additional special conditions are necessary or that existing special conditions are no longer required, it may update **Exhibit C** from time to time without the need for a formal amendment of this Agreement.
- F. Project funds shall not be used for purposes other than those authorized by the Department in accordance with the Project Description.
- G. Project funds cannot be used to reimburse the Grantee for indirect Project costs unless specifically allowed by law.

III. NOTICES

The following provisions shall apply whenever written notices, including written decisions, are to be given or received related to this Agreement.

- A. The Grantee designates the person(s) listed below, or their successor, as their official representative(s) concerning all matters related to this Agreement:

Grantee: City of Alamogordo
 Name: Deborah Osborne
 Title: Grant Coordinator
 Address: 1376 E. 9th St., Alamogordo, New Mexico 88310
 Email: dosborne@ci.alamogordo.nm.us
 Telephone: 575-439-4257

- B. The Grantee designates the person(s) listed below, or their successor, as their Fiscal Officer or Fiscal Agent concerning all matters related to this Agreement:

Grantee: City of Alamogordo
 Name: Evelyn Huff
 Title: Finance Director
 Address: 1376 E. 9th St., Alamogordo, New Mexico 88310
 Email: ehuff@ci.alamogordo.nm.us
 Telephone: 575-439-4268

- C. The Department designates the persons listed below, or their successors, as the Points of Contact for matters related to this Agreement.

Department: Department of Transportation, District 2 Office
 Name: Libby Coslin
 Title: Capital Outlay District Coordinator
 Address: P.O. Box 1457, Roswell, NM 88202
 Email: Libby.Coslin2@dot.nm.gov
 Telephone: 575-840-3373

The Parties agree that all notices, including written decisions, related to this Agreement shall be sent to the persons named above by email or regular mail. For mailings, notices shall be deemed to have been given and received upon the date of the receiving party's actual receipt or five (5) calendar days after mailing, whichever shall first occur. In the case of email transmissions, the notice shall be deemed to have been given and received on the date reflected on the delivery receipt of the email.

IV. TERM & DEADLINE TO EXPEND FUNDS

- A. The term of this Agreement shall begin on the Effective Date and terminate on the 30th day of June during the calendar year of the **Reversion Date** unless Terminated Before Reversion Date ("**Early Termination**") pursuant to Article V herein (collectively "**Term**").
- B. The Project's funds must be expended on or before the Reversion Date and, if applicable, the Early Termination Date of this Agreement.
 - a. For purposes of this Agreement, it is not sufficient for the Grantee to encumber the Project funds on its books on or before the Reversion Date or Early Termination Date.
 - b. For purposes of this Agreement, an expenditure of funds has occurred on the date the particular quantity of goods is delivered to and received by the Grantee, title to the goods is transferred to the Grantee, and/or as of the date particular services are rendered to and accepted by the Grantee.
 - c. For purposes of this Agreement, an encumbrance of funds pursuant to a contract or purchase order with a third party does not qualify as an expenditure.

V. EARLY TERMINATION

- A. General Provision. The Department may terminate this Agreement before the Reversion Date based on the Completion of the Project, Complete Expenditure of the Adjusted Appropriation, and/or Violation of this Agreement. Early Termination hereunder includes:
 - a. Termination due to completion of the Project before the Reversion Date;
 - b. Termination due to complete expenditure of the Adjusted Appropriation Amount before the Reversion Date;
 - c. Termination for violation of the terms of this Agreement; or
 - d. Termination for suspected mishandling of public funds, including but not limited to fraud, waste, abuse, and conflicts of interest.
- B. Non-appropriation. This Agreement is expressly contingent upon the New Mexico State Legislature making sufficient appropriations and authorizations for the Project Description.
 - a. If the Legislature does not appropriate the Appropriation Amount, this Agreement shall terminate upon the Department giving the Grantee written notice of such termination. Such termination shall be effective as of the effective date of the law making the non-appropriation.
 - i. The Department's decision as to whether sufficient appropriations or authorizations are available shall be final. Grantee hereby waives any rights to assert an impairment of contract claim against the State of New Mexico in the event of Early Termination of this Agreement.
 - b. As used herein, "non-appropriate" or "non-appropriation" includes the following actions by the New Mexico Legislature:

- i. Deauthorization, reauthorization, or revocation of a prior authorization.
- C. Grant Disbursements in the Event of Early Termination. In the event of Early Termination, the Department's sole and absolute obligation to reimburse the Grantee is expressly conditioned upon the limitations set forth in Article II above.
- D. Notice. Either Party may terminate this Agreement prior to the Reversion Date by providing the other Party with a minimum of fifteen (15) days advance written notice of the Early Termination. Grantee hereby waives any rights to assert an impairment of contract claim against the State of New Mexico in the event of Early Termination of this Agreement by the Department.

VI. SUSPENSION OF NEW OR FURTHER OBLIGATIONS

- A. Department, in its sole and absolute discretion, may provide written notice to Grantee to suspend entering into further obligations. Upon the receipt of such written notice by the Grantee:
 - a. Grantee shall immediately suspend entering into new or further written obligations with third parties;
 - b. Department will suspend the issuance of any new or further Notice of Obligation under this Agreement; and
 - c. Department may direct the Grantee to implement a corrective action plan in accordance with Article VI (D) herein.
- B. In the event of Suspension of this Agreement, the Department's sole and absolute obligation to reimburse the Grantee is expressly conditioned upon the limitations set forth in Article II herein.
- C. A suspension of new or further obligations under this Agreement shall remain in effect unless or until the date the Grantee receives written notice given by the Department informing the Grantee that the Suspension has been lifted or that the Agreement has been Early Terminated in accordance with Article V herein. If the Suspension is lifted, the Department will consider further requests for a Notice of Obligation.
- D. Corrective Action Plan in the Event of Suspension. Where the Department, in its sole and absolute discretion, directs Grantee to suspend entering into new or further written obligations with third parties pursuant to Article VI(A), the Department may, but is not obligated to, require the Grantee to develop and implement a written corrective action plan to remedy the grounds for the Suspension.
 - a. Such a corrective action plan must be approved by the Department and be signed by the Grantee.
 - b. Failure to sign a corrective action plan or meet the terms and deadlines set forth in the signed corrective action plan is hereby deemed a violation of the terms of this Agreement for purposes of Early Termination, Article V(A)(c).
 - c. A corrective action plan shall be in addition to, and not in lieu of, any other equitable or legal remedy authorized hereunder or at law, including but not limited to Early Termination.

VII. AMENDMENTS

Unless expressly stated otherwise herein, this Agreement shall not be altered, changed, or amended except by an instrument in writing duly executed by both parties hereto with the same formalities as this agreement.

VIII. REPORTING

A. Database Reporting

- a. Grantee shall provide the Department with quarterly reports of Project activity, entering the required Project information directly into a database required by the Department.
- b. Additionally, Grantee shall certify on each Request for Payment form, attached hereto as **Exhibit A** and incorporated herein, that all information provided in the database is true and accurate, updates to the database have been maintained, and all Project activity complies with applicable law and the terms of this Agreement.
- c. Grantee hereby acknowledges that failure to perform and/or certify updates to the database will jeopardize the reimbursement of funds. The Department shall give Grantee a minimum of fourteen (14) days' advance written notice of any changes to the information the Grantee is required to report.
- d. At the Department's discretion, all reports required hereunder may be directed to and facilitated through an electronic database.
- e. Quarterly reports shall be due on the last day of the month, that is, 30 days prior to the end of the quarter following the execution of this Agreement by the Department and ending during the quarter of the submission of the final request for reimbursement for the Project, or the following quarter.

B. Requests for Additional Information/Project Inspection

During the term of this Agreement and during the period of time during which the Grantee must maintain records pursuant to Article VIII, the Department may:

- i. request such additional information regarding the Project as it deems necessary; and
- ii. conduct, at reasonable times and upon reasonable notice, onsite inspections of the Project.

Grantee shall respond to such requests for additional information within a reasonable period of time, as established by the Department.

B. Requests for Additional Information/Project Inspection

- a. During the term of this Agreement and the Record Retention Period, the Department may:
 - i. Request additional information regarding the Project as it deems necessary and
 - ii. Conduct on-site inspections of the Project at reasonable times and upon reasonable notice.
- b. Grantee shall respond to such requests for additional information within the time established by the Department.

IX. REQUEST FOR PAYMENT PROCEDURES

A. Grantee shall request payment by submitting the form attached hereto as **Exhibit A**. Payment requests are subject to the following procedures:

- a. Each Request for Payment must be in accordance with the Project Budget and contain proof of payment by the Grantee or liabilities incurred by the Grantee.
 - i. Proof of payment must demonstrate the validity of an expenditure or liabilities incurred by Grantee.
 - ii. However, Grantee may be reimbursed for unpaid liabilities only if the Department, in its sole and absolute discretion, agrees to do so and in accordance with any special conditions imposed by the Department.

- iii. The Grantee shall make payment to those contractors or vendors within five (5) business days from the date of receiving reimbursement from the Department or in a shorter period than the Department may prescribe in writing.
 - iv. The Department reserves the right to make such payments directly to the contractors or vendors as a special condition under this Agreement.
 - v. The Grantee is required to certify to the Department proof of payment to the third-party contractor or vendor within five (5) business days from the date the Department reimburses the Grantee.
- B. Until the Project is fully planned, designed, and all necessary procurements identified in the Project Budget are completed, Grantee's reimbursements will be limited to the planning, design, and procurement costs outlined in the Project Budget. Once the planning, designing, and procuring stages are complete, the Grantee must obligate at least ten percent (10%) of the Adjusted Appropriation Amount within one (1) year and must have utilized at least eighty-five percent (85%) of the Adjusted Appropriation Amount six (6) months before the reversion date.
- C. Deadlines. Grantee shall submit requests for Payments to the Department on the earlier of:
- a. Immediately as Grantee receives them, but at a maximum of thirty (30) days from when Grantee incurred the expenditure or liability; or
 - b. Twenty (20) days from the date of Early Termination or Reversion Date for expenditures or liabilities incurred before the Early Termination date or Reversion Date.
- D. Grantee's failure to abide by the requirements set forth in Article II and Article IX herein may result in the denial of its Request for Payment. Department reserves the right to reject a payment request for the Project unless and until it is satisfied that the expenditures or liabilities are for permissible purposes within the meaning of the Project Description, identified within the Project Budget, and that the Grantee is otherwise in compliance with this Agreement.
- a. Department's authority to reject any Request for Payment is in addition to, and not in lieu of, any other legal or equitable remedy available to the Department under this Agreement, at law, or in equity.

X. PROJECT CONDITIONS AND RESTRICTIONS

- A. The following general conditions and restrictions shall apply to the Project:
- a. The Project's funds must be spent in accordance with all applicable state laws, regulations, policies, and guidelines, including, but not limited to, the State Procurement Code.
 - b. The Project's expenditures and liabilities must be accounted for in accordance with the State's Model Accounting Practices, as amended from time to time.
 - c. The Project must be implemented in accordance with the New Mexico Public Works Minimum Wage Act, Section 13-4-10 through 13-4-17 NMSA 1978, as applicable.
 - d. The Project must provide a public benefit above and beyond any incidental benefit to private entities in accordance with applicable law, including, but not limited to, Article IX, Section 14 of the Constitution of the State of New Mexico.
 - e. Without prior written approval from the Department and State Board of Finance, for the useful life of any asset purchased under this Agreement, Grantee shall not convert any property acquired, built, renovated, repaired, designed, or developed with Project funds to uses other than those specified in the Project Description.

function or responsibility with respect to this Agreement, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for the Project.

- ii. Further, Grantee will require all of its contractors to incorporate the language set forth in this paragraph prohibiting conflicts of interest in all subcontracts.
 - g. No funds have been paid or will be paid, by or on behalf of the Grantee, to any person for influencing or attempting to influence an officer or employee of the State, any agency, or body in connection with the awarding of any Third Party Obligation.
 - i. Grantee will require certifying language prohibiting lobbying to be included in the award documents for all subawards, including subcontracts, loans, and cooperative agreements.
- C. **Consequences of False or Misleading Representations.** If any representation or warranty made by Grantee is found to be false or misleading, the Department shall have the right to exercise any or all of the following remedies:
- a. **Termination of Agreement:** Department may terminate this Agreement immediately upon written notice to the Grantee.
 - b. **Repayment of Grant Funds:** Grantee shall repay all Appropriated Amounts disbursed under this Agreement, upon demand by the Department.
 - c. **Other Remedies:** Department may pursue any other remedies available at law or in equity.
- D. **Survival of Representations and Warranties.** The representations and warranties made by the Grantee shall survive the Early Termination or expiration of this Agreement.

XII. PROJECT RECORDS

- A. Grantee shall be strictly accountable for receipts and disbursements relating to the Project's funds. The Grantee shall follow generally accepted accounting principles and the State's Model Accounting Practices and, if feasible, maintain a separate bank account or fund with a separate organizational code to ensure separate budgeting and accounting of the funds.
- B. For six (6) years following the Project's completion ("**Record Retention Period**"), Grantee shall maintain all Project-related records, including, but not limited to, all financial records, requests for proposals, invitations to bid, selection and award criteria, contracts and subcontracts, advertisements, minutes of pertinent meetings, as well as records sufficient to fully account for the amount and disposition of the Appropriated Amount from all sources budgeted for the Project, the purpose for which such funds were used, and such other records as the Department may prescribe.
- C. Grantee shall make all Project records available to the Department, the Department's Independent Public Accountant, and the New Mexico State Auditor upon request. With respect to the funds that are the subject of this Agreement, if the State Auditor or the Department finds any funds were improperly expended, Grantee shall be required to reimburse the State all amounts found to be improperly expended.

XIII. IMPROPERLY REIMBURSED FUNDS

If the Department determines part or all of the Appropriation Amount was improperly reimbursed to Grantee, including but not limited to funds reimbursed to Grantee based upon fraud, mismanagement, misrepresentation, misuse, violation of law by the Grantee, after ten (10) days' notice to Grantee and the opportunity to return such funds to the Department, the Department may offset any funds due to Grantee from the State, until the Appropriation Amount is fully repaid.

XIV. LIABILITY

Neither Party shall be responsible for liability incurred as a result of the other Party's acts or omissions in connection with this Agreement. Any liability incurred in connection with this Agreement is subject to immunities and limitations of the New Mexico Tort Claims Act.

XV. SCOPE OF AGREEMENT

This Agreement constitutes the entire and exclusive agreement between the Parties concerning the subject matter hereof. The Agreement supersedes all prior or contemporaneous agreements, understandings, discussions, communications, and representations, written or verbal.

XVI. REQUIRED NON-APPROPRIATIONS CLAUSE

- A. Grantee acknowledges and agrees to include a "non-appropriations" clause in all contracts between it and other parties that are (i) funded in whole or part by funds made available under this Agreement and (ii) entered into after the effective date of this Agreement that states:
 - a. "The terms of this Agreement are contingent upon sufficient appropriations and authorization being made by the Legislature of the State of New Mexico ("**Legislature**") for the performance of this Agreement.
 - b. If the Legislature does not make sufficient appropriations and authorization, [Grantee's name] may immediately terminate this Agreement by giving Contractor written notice of such termination.
 - c. [Grantee's name]'s decision as to whether sufficient appropriations are available shall be final and accepted by the Contractor. Contractor hereby waives any rights to assert an impairment of contract claim against the [Grantee's name] or the State of New Mexico in the event of immediate or Early Termination of this Agreement by the [Grantee's name] or the State Department of Finance and Administration."

XVII. REQUIRED TERMINATION CLAUSE

- A. Grantee acknowledges and agrees to include the following termination clause in all contracts that are (i) funded in whole or part by funds made available under this Agreement and (ii) entered into after the effective date of this Agreement:
 - a. "This contract is funded in whole or in part by funds made available by the State of New Mexico ("**State**"). Should the State terminate its Agreement with [Grantee's name], [Grantee's name] may terminate this contract immediately by providing Contractor written notice of such termination.
 - b. In the event of termination pursuant to this paragraph, [Grantee's name] only liability to Contractor shall be for goods and services delivered and accepted prior to the termination date."

XVIII. COMPLIANCE WITH UNIFORM FUNDING CRITERIA

- A. Throughout the term of this Agreement, Grantee shall:
 - a. Submit all reports of annual audits and agreed-upon procedures required by § 12-6-3(A)-(B), NMSA 1978 by the due dates established in § 2.2.2 NMAC, reports of which must be a public record pursuant to § 12-6-5(A), NMSA 1978 within forty-five (45) days of delivery to the State Auditor;

- b. Have a duly adopted budget for the current fiscal year approved by its budgetary oversight agency (if any);
 - c. Timely submit all required financial reports to its budgetary oversight agency (if any); and
 - d. Use accounting methods and procedures consistent with Generally Accepted Accounting Principles and the State's Model Accounting Principals to expend the Appropriated Amount in accordance with applicable law and account for and safeguard Project funds and assets acquired with Project funds.
- B. In the event Grantee fails to comply with the requirements of subparagraph A of this Article XVIII, Department may take one or more of the following actions:
- a. Suspend new or further obligations pursuant to Article VI(A) of this Agreement;
 - b. Require the Grantee to develop and implement a written corrective action plan pursuant to Article VI(D) of this Agreement to remedy the non-compliance;
 - c. Impose special conditions to address the non-compliance by giving Grantee notice of such special conditions in accordance with Article III of this Agreement;
 - i. The Parties agree that any special conditions imposed to address non-compliance shall be incorporated into this Agreement, through **Exhibit C**, upon notice to Grantee, without need for formal amendment of this Agreement;
 - ii. Special conditions shall be binding and effective on the date that notice is deemed to have been given pursuant to Article III or
 - d. Terminate this Agreement pursuant to Article V(A) of this Agreement.

XIX. SEVERANCE TAX AND GENERAL OBLIGATION BONDS

- A. Grantee acknowledges and agrees that the underlying appropriation for the Project may originate from the issuance of tax-exempt severance tax bonds or general obligation bonds by the State. Proceeds from such bonds are administered by the New Mexico State Board of Finance ("**SBOF**"), an entity separate and distinct from the Department.
- a. Grantee acknowledges and agrees:
 - i. It is Grantee's responsibility to determine through SBOF what (if any) conditions are currently imposed on the Project;
 - ii. Department's failure to inform Grantee of an SBOF-imposed condition does not affect the validity or enforceability of the condition;
 - iii. The SBOF may in the future impose further or different conditions upon the Project;
 - iv. All SBOF conditions are attached to the Project and Appropriation Amount without the need for formal amendment of this Agreement;
 - v. All applicable SBOF conditions must be satisfied before the SBOF will release to the Department funds subject to the condition(s) and
 - vi. The Department's obligation to reimburse Grantee from the Project is expressly contingent upon the satisfaction of the then-current SBOF conditions.
- B. Grantee acknowledges and agrees SBOF may, at its sole and absolute discretion, require reimbursement or remove eligibility for bond proceeds for the Project if the Project doesn't proceed sufficiently.
- a. Grantee must comply with the requirement to encumber five percent (5%) of Project funds within six months of bond issuance as certified by Grantee in the Bond Questionnaire and Certification documents submitted to the SBOF.

- b. Failure to comply may result in the reassignment of the bond proceeds. Upon reassignment of bond proceeds, this Agreement will be suspended until the entity has demonstrated readiness as determined by the SBOF and the Department.
- C. Grantee acknowledges and agrees that this Agreement is subject to the SBOF's Bond Project Disbursements rule, § 2.61.6, NMAC, as may be amended from time to time or re-codified.

XX. GENERAL PROVISIONS

- A. Assignment: Grantee's rights and obligations under this Agreement are personal and may not be transferred or assigned without the prior written consent of the State. Any attempt at assignment or transfer without such consent shall be void. Any assignment or transfer of Grantee's rights and obligations approved by the State shall be subject to the provisions of this Agreement.
- B. Subcontractors: Grantee shall not enter any subgrant or subcontract in connection with its obligations under this Agreement without the prior written approval of the State. Upon request, Grantee shall submit to the Department a copy of each such subgrant or subcontract.
- C. Binding Effect: Except as otherwise provided, all provisions of this Agreement, including the benefits and burdens, shall extend to and be binding upon the Parties' respective successors and assigns.
- D. Authority: Each Party represents and warrants to the other that the execution and delivery of this Agreement and the performance of such Party's obligations have been duly authorized.
- E. Captions and References: The captions and headings in this Agreement are for the convenience of reference only and shall not be used to interpret, define, or limit its provisions. All references in this Agreement to sections (whether spelled out or using the § symbol), subsections, exhibits, or other attachments are references to sections, subsections, exhibits, or other attachments contained herein or incorporated as a part hereof, unless otherwise noted.
- F. Counterparts: This Agreement may be executed in multiple, identical, original counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute the same agreement.
- G. Digital Signatures: If any signatory signs this agreement using a digital signature in accordance with the State Policies regarding the use of digital signatures, then any agreement or consent to use digital signatures within the electronic system through which that signatory signed shall be incorporated into this Agreement by reference.
- H. Modification: Except as otherwise provided in this Agreement, any modification to this Agreement shall only be effective if agreed to in a formal amendment, properly executed and approved in accordance with applicable New Mexico law and State fiscal policies and rules. Modifications permitted under this Agreement, other than Agreement amendments, shall conform to the policies issued by the State.
- I. Statutes, Regulations, Fiscal Rules, and Other Authority: Any reference in this Agreement to a statute, regulation, policy, or other authority shall be interpreted to refer to such authority then current, as may have been changed or amended after the Effective Date of this Agreement.
- J. External Terms and Conditions: Notwithstanding anything to the contrary herein, the State shall not be subject to any provision included in any terms, conditions, or agreements appearing on Grantee's or a subcontractor's website or any provision incorporated into any click-through or online agreements related to the Work unless that provision is specifically referenced in this Agreement.
- K. Severability: The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and

effect, provided that the Parties can continue to perform their obligations under this Agreement in accordance with its intent.

- L. Survival of Certain Agreement Terms: Any provision of this Agreement that imposes an obligation on a Party after the termination or expiration of this Agreement shall survive the termination or expiration of this Agreement and shall be enforceable by the other Party.
- M. Third Party Beneficiaries: Except for the Parties' respective successors and assigns described in this Agreement, it does not and is not intended to confer any rights or remedies upon any person or entity other than the Parties. Enforcement of this Agreement and all rights and obligations hereunder are reserved solely to the Parties. Any services or benefits that third parties receive as a result of this Agreement are incidental to this Agreement and do not create any rights for such third parties.
- N. Waiver: A Party's failure or delay in exercising any right, power, or privilege under this Agreement, whether explicit or by lack of enforcement, shall not operate as a waiver, nor shall any single or partial exercise of any right, power, or privilege preclude any other or further exercise of such right, power, or privilege.
- O. Standard and Manner of Performance: Grantee shall perform its obligations under this Agreement in accordance with the highest standards of care, skill, and diligence in Grantee's industry, trade, or profession.
- P. Licenses, Permits, and Other Authorizations: Grantee shall secure, prior to the Effective Date, and maintain at all times during the term of this Agreement, at its sole expense, all licenses, certifications, permits, and other authorizations required to perform its obligations under this Agreement and shall ensure that all employees, agents, and subcontractors secure and maintain at all times during the term of their employment, agency or subcontractor, all license, certifications, permits and other authorizations required to perform their obligations in relation to this Agreement.
- Q. Publicity: Any Publicity regarding the subject matter of this Agreement may not be released without prior written approval from the Department. For purposes of this agreement, "**Publicity**" means notices, informational pamphlets, press releases, email responses, research, reports, signs, and similar public notices prepared by or for the Grantee or jointly with others.
 - a. Grantee shall obtain written approval prior to issuing any press release or making any public announcement regarding this agreement. Grantee agrees to obtain approval of the Department in advance with respect to all Public Relations, all communications with media, or all communications with any other member of the public with respect to this agreement, except to acknowledge that an agreement does exist.
 - b. For purposes of this agreement, "Public Relations" includes community relations and means those activities dedicated to maintaining the Department's image or maintaining or promoting understanding and favorable relations with the community or public at large or any segment of the public.
 - c. Violations of either Article XX (Q)(a) or (b) shall constitute a material Breach of Agreement.
- R. Data Sharing: The State intends to secure and collate specific data generated by Grantee under this Agreement to use in support of the State's organizational, policy-making, and management of public resource functions. State, in accordance with **Exhibit E**, attached hereto and incorporated herein by reference, reserves the right to require Grantee and/or its subcontractors to provide specific data relevant to the above-listed functions. Data provided by Grantee may be incorporated into existing or future

developed State integrated analysis tools or databases, including but not limited to geographic information system (GIS) networks and databases accessible by the public. Dissemination of data collected may include historical data and projections based on such historical data.

- a. To the extent any data transferred as part of this Agreement is legally determined to be the property of Subrecipient or its subcontractors, Subrecipient and/or its subcontractors grants State a nonexclusive, fully paid-up right and license to reproduce, use, distribute, do derivative works based on, and archive data transferred as part of this Agreement.

S. Venue and Choice of Law: This Agreement shall be governed by and construed in accordance with the laws of the State of New Mexico, without regard to any conflict of law provisions. Any legal suit, action, or proceeding arising out of or related to this Agreement shall be instituted exclusively in the district courts located in Santa Fe, New Mexico. The Parties hereby irrevocably submit to the exclusive jurisdiction and venue of such courts in any such suit, action, or proceeding. The Parties waive any objection to the laying of the venue of any such suit, action, or proceeding in the district courts of Santa Fe, New Mexico, and irrevocably waive and agree not to plead or claim in any such court that any such suit, action, or proceeding brought in any such court has been brought in an inconvenient forum.

[SIGNATURE PAGE AND EXHIBITS FOLLOW]
[THIS SPACE LEFT BLANK INTENTIONALLY]

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the Department's date of execution.

APPROVED BY DEPARTMENT:

NMDOT Cabinet Secretary or Designee:

Signature

Date

(Print Name)

(Title)

AS TO LEGAL FORM AND SUFFICIENCY

General Counsel's Office:

Signature

Date

(Print Name)

(Title)

APPROVED BY GRANTEE: City of Alamogordo
Entity Name

Official with Authority to Bind Grantee:

Signature

Sharon McDonald
(Print Name)

Mayor
(Title)

Date

Fiscal Officer or Chief Financial Officer:

Signature

Evelyn Huff
(Print Name)

Finance Director
(Title)

Date

Legal Counsel: (OPTIONAL)

Signature

(Print Name)

(Title)

Date

EXHIBIT A
Request for Payment Form and Certification

STATE OF NEW MEXICO GRANT APPROPRIATION Request for Payment Form Exhibit A

I. Grantee Information (Must match your DFA Substitute W-9 Form)

A. Grantee: _____

B. Address: _____
(Complete Mailing, including Suite, if applicable)

City, State, Zip

C. Contact Name/Phone #: _____

D. Grant No: _____

E. Project Title: _____

F. Grant Expiration Date: _____

II. Payment Computation

A. Payment Request No.	
B. Grant Amount:	\$ 0.00
C. AIPP Amount <i>(if Applicable)</i> :	\$ 0.00
D. Funds Requested to Date:	\$ 0.00
E. Amount Requested this Payment:	
F. Reversion Amount <i>(if applicable)</i> :	\$ 0.00
G. Grant Balance:	\$ 0.00
H. <input type="checkbox"/> Final Request for Payment <i>(if applicable)</i>	

III. Fiscal Year : 2026 (July 1, 2025-June 30, 2026)

(The State of NM Fiscal Year is July 1, 20XX through June 30, 20XX of the following year)

IV. Certifications

- I hereby certify that all conditions and requirements for Payments outlined in the Agreement have been met, including but not limited to:
 - a. Submission and approval of a Project Budget as per Article IV, Section A of the Agreement.
 - b. Compliance with the Project Budget and expenditure of funds in accordance with the State Procurement Code and the State's Model Accounting Practices.
 - c. Submission of supporting documentation as required by the Agreement.
 - d. Maintenance of all necessary records and documentation as stipulated in the Agreement.

- I attest that the information provided is correct; expenditures are properly documented and valid or actual receipts, and that the activity fully complies with Article IX, Sec. 14 of the New Mexico Constitution, known as the "anti-donation" clause.

- I hereby certify that all representations and warranties made in the Agreement remain true, accurate, and complete as of the date of this request, and will continue to be so throughout the term of the Agreement. I acknowledge that these representations and warranties are a material inducement for the Department to approve this pay request.

Grantee Fiscal Officer or Fiscal Agent <i>(if applicable)</i>	Grantee Representative
Printed Name	Printed Name
Date:	Date:

(State Agency Use Only)

Vendor Code: _____ **Fund No.:** _____ **PO #** _____ **Loc No.:** _____

I certify that the State Agency financial and vendor file information agree with the above submitted information.

ASD Officer	Date	Division Grant Manager	Date
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EXHIBIT B

NOTICE OF OBLIGATION TO REIMBURSE GRANTEE
EXHIBIT 2

Notice of Obligation to Reimburse Grantee # _____

DATE: _____

TO: Department Representative: _____

FROM: Grantee: _____

Grantee Official Representative: _____

SUBJECT: Notice of Obligation to Reimburse Grantee

Grant Number: _____

Grant Termination Date: _____

As the designated representative of the Department for Grant Agreement number _____ entered into between Grantee and the Department, I certify that the Grantee has submitted to the Department the following third party obligation executed, in writing, by the third party's authorized representative:

Vendor or Contractor: _____
Third Party Obligation Amount: _____

Vendor or Contractor: _____
Third Party Obligation Amount: _____

Vendor or Contractor: _____
Third Party Obligation Amount: _____

I certify that the State is issuing this Notice of Obligation to Reimburse Grantee for permissible purposes within the scope of the project description, subject to all the terms and conditions of the above referenced Grant Agreement.

Grant Amount (Minus AIPP if applicable): _____

The Amount of this Notice of Obligation: _____

The Total Amount of all Previously Issued Notices of Obligation: _____

The Total Amount of all Notices of Obligation to Date: _____

Note: Contract amounts may exceed the total grant amount, but the invoices paid by the grant will not exceed the grant amount.

Department Rep. Approver: _____

Title: _____

Signature: _____

Date: _____

¹ Administrative and/or Indirect Cost – generally, the legislation authorizing the issuance of bonds prohibits the use of its proceeds for indirect expenses (e.g. penalty fees or damages other than pay for work performed, attorney fees, and administrative fees). Such use of bond proceeds shall not be allowed unless specifically authorized by statute.

EXHIBIT C

Special Conditions (If Fiscal Agent Required or Anti Donations Issues Exist)

EXHIBIT E
Data Sharing Provisions for New Mexico Capital Outlay Agreements

I. Introduction:

This Data Sharing Provisions Exhibit (“Exhibit”) is incorporated into the New Mexico Capital Outlay Agreements (“Agreements”) between the State of New Mexico (“State”) and [Insert Partner Name] (“Partner”). This Exhibit outlines the terms and conditions under which data will be shared between the Parties to ensure compliance with New Mexico state laws and regulations, focusing on data privacy, security, and compliance.

II. Definitions:

- a. Authorized User: An employee, agent, assign, representative, independent contractor, or other person or entity authorized by Partner or State to access, use, or disclose information through this exhibit.
- b. Confidential Information: All data or information shared in confidence, with the expectation that it will not be disclosed in an identifiable form. This includes data that is exempt from public disclosure under the New Mexico Inspection of Public Records Act (§ 14-2-1 et seq. NMSA 1978) or other relevant laws.
- c. Data Storage: Electronic media that hold recorded information.
- d. Data Transmission: The process of moving information over a network from its source to one or more destinations.
- e. Direct Identifier: Records or data containing personal identifiers such as names, addresses, and social security numbers.
- f. Disclosure: Permission to access, release, transfer, or otherwise communicate confidential information by any means to any third party, except as authorized by the Party that controls the record.
- g. Encryption involves using algorithms to encode data, rendering it unreadable without a specific key. It may be necessary during data transmission and/or storage.
- h. Information: Any data, figures, statistics, or other facts provided or learned about someone or something, including Confidential Information, that may be legally transmitted under this Exhibit.
- i. Limited Dataset: A data file that omits Direct Identifiers.
- j. Protected Personally Identifiable Information: Sensitive personal details such as social security numbers and financial account numbers, with specific exclusions as outlined in the Agreements.

III. Purpose:

The purpose of this exhibit is to promote transparency, facilitate information sharing between the parties, support better policy and decision-making, and enhance public services through collaborative data analysis from various sources.

IV. Use of Information:

- a. Use of Information obtained or created under this exhibit shall be strictly limited to the purposes stated herein and in the agreements. The parties agree not to sell Information to third parties or use it for commercial, solicitation, or political purposes.
- b. Each Party shall serve as the custodian of the Information and comply with all conditions for its use, including security measures to prevent unauthorized access.
- c. The Parties shall follow all relevant federal and state laws and regulations governing the use of such Information.

V. Safeguarding Information:

- a. Confidentiality: Access to Confidential Information shall be limited to the minimum necessary to accomplish the purposes of this Exhibit. Authorized Users must adhere to the confidentiality requirements.
- b. Security: Security practices shall comply with the requirements of the New Mexico Department of Information Technology Act and related regulations. The Parties agree to notify each other within three business days of any suspected or actual security breach.
- c. Information Storage and Transmission: Data Storage and Transmission shall take place on an encrypted server with appropriate security controls.

VI. Re-Disclosure of Information:

The Parties agree not to disclose Information except as required by law or with prior written approval of the other Party. If there is a public records request, the Party receiving it shall notify the other Party within three business days.

VII. Ownership of Information:

Legal title to Information shall remain with the provider. The Partner grants the State a royalty-free, non-exclusive, non-transferable license to use the Information in furtherance of the purposes outlined in this Exhibit.

EXHIBIT F
NM DEPARTMENT OF TRANSPORTATION PROVISIONS

The City of Alamogordo shall agree to comply with the following Provisions:

1. Assume the lead role for the Project.
2. Be responsible for all applicable design, environmental and archaeological clearances, and right-of-way acquisition, in accordance with current local, state, federal laws, Uniform Relocation Act, and current design practices and specifications.
3. Be responsible for project development, project construction, construction management, and testing.
4. Utilize the Project Control Number in all correspondence and submittals to the Department.
5. Adopt a written resolution of support for the Project, including as applicable an assumption of ownership, liability, and maintenance responsibility for the scope, or related amenities and required funding to support the Project.
6. Complete the Project using current American Public Works Association (APWA) specifications, implemented Grantee's design standards and specifications, or Department specifications.
7. Use Rental Rate Blue Book rates, if not provided in the Department established equipment rates, in the implementation of this Project. Any equipment rates not found in the Department established rates shall be reimbursed at the Blue Book rates.

The City of Alamogordo shall agree to comply with the following Lighting and Signal Provisions as applicable:

1. After subject signal system(s) has/have been constructed, make provisions for and provide, at its own expense, all electrical energy, routine maintenance such as lamp replacement, emergency shutdown in case of accidental damage or equipment failure and make any repairs necessary due to accidental damage to, or equipment failure of, the signal head and poles.
2. In the event that accidental damage or equipment failure should occur, provide for equipment shut down/or emergency traffic control as needed. In addition, should the accidental damage or equipment failure involve the Controller (and cabinet) or the loop detection system, promptly notify the Traffic Technical Support Bureau of the Department.
3. In the event that the traffic signal should be rendered completely inoperable as a result of accidental damage, secure the intersection with stop signs at all approach legs until such time as the traffic signal is made operable.
4. Make ample future provisions in its budget each year for the cost of maintaining and providing energy to the traffic signals and telephone service to the signal system and intersection lighting.
5. At its own expense, maintain the signal controller and control equipment (the "Controller") including and maintenance of the machine vision vehicle detection system with cameras and emergency vehicle pre-empt system and repair or replace the Controller in the event the Controller and/or cabinet is damaged or there is an equipment failure.
6. After the installation of the roadway lighting system, if any, provide any and all utilities, maintenance, and such other items as may be necessary of continued satisfactory operation of said subject lighting system.
7. Make all timing adjustments to the Signal Control equipment and review the Signal System(s) for efficient and satisfactory operation.
8. Obtain approval from the Department for all signal equipment prior to installation.
9. Require the construction contractor to name the Department and the Grantee as an additional insured in the construction contractor's general liability policy.
10. Enter into a Signalization and Lighting Agreement with the Department's Traffic Technical Support Bureau as required.

AGENDA REPORT

CITY OF ALAMOGORDO
CITY COMMISSION

Meeting Date: 4/28/2026

Report Date:

Report No: 4.

Submitted By: Stephen Burnett

Subject: Discussion on the RFP for the Golf Course. *(Stephen Burnett, Commissioner)*

Fiscal Impact:

Amount Budgeted:

Fund:

Additional Fiscal Impact:

Recommendation: Discussion only.

Background:

AGENDA REPORT

CITY OF ALAMOGORDO
CITY COMMISSION

Meeting Date: 4/28/2026

Report Date:

Report No: 5.

Submitted By: Rachel Hughs

Subject: Motion to Recess into Executive Closed Session pursuant to NMSA 1978, § 10-15-1(H)(2) for the purpose of discussing limited personnel matters (hiring of the City Manager) and NMSA 1978, § 10-15-1(H)(7) for discussions subject to the attorney-client privilege pertaining to threatened or pending litigation in which the City is or may become a participant. **(Roll Call Vote Required)**

Fiscal Impact:

Amount Budgeted:

Fund:

Additional Fiscal Impact:

Recommendation:

Background:

AGENDA REPORT

CITY OF ALAMOGORDO
CITY COMMISSION

Meeting Date: 4/28/2026

Report Date:

Report No: 6.

Submitted By:

Subject: Motion to Reconvene into Open Session and read the statements related to the Executive Closed Session. **(Roll Call Vote Required)**

Fiscal Impact:

Amount Budgeted:

Fund:

Additional Fiscal Impact:

Recommendation:

Background:

AGENDA REPORT

CITY OF ALAMOGORDO
CITY COMMISSION

Meeting Date: 4/28/2026

Report Date:

Report No: 7.

Submitted By:

Subject: Action, if any, related to the Executive Closed Session. **(Roll Call Vote Required)**

Fiscal Impact:

Amount Budgeted:

Fund:

Additional Fiscal Impact:

Recommendation:

Background: