

Rolf Hechler
Mayor



Ingo Hoeppepner
Commissioner

Destiny Mitchell
Mayor Pro-Tem

Chaz M. Glines
Commissioner

Amanda Forrister
Commissioner

505 Sims St.
Truth or Consequences, New Mexico 87901
P: 575-894-6673 ♦ F: 575-894-7767
www.torcnm.gov

Gary Whitehead
City Manager

REGULAR MEETING

THE REGULAR MEETING OF THE CITY COMMISSION OF THE CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO, TO BE HELD IN THE COMMISSION CHAMBERS, 405 W. 3RD ST., ON FRIDAY, AUGUST 28, 2026; TO START AT 9:00 A.M.

A. CALL TO ORDER

B. INTRODUCTION

1. ROLL CALL

Hon. Rolf Hechler, Mayor
Hon. Destiny Mitchell, Mayor Pro-Tem
Hon. Amanda Forrister, Commissioner
Hon. Ingo Hoeppepner Commissioner
Hon. Chaz Glines, Commissioner

2. SILENT MEDITATION

3. PLEDGE OF ALLEGIANCE

4. APPROVAL OF AGENDA

5. COMMISSION COMMENTS

6. STAFF COMMENTS

C. PRESENTATIONS

1. Turtleback Trail Presentation. Merry Jo Fahl, Jornada RCD
2. Proclamation Honoring 103 Years of the Truth or Consequences Volunteer Fire Department. Mayor Hechler

D. PUBLIC COMMENT (3 Minute Rule Applies)

E. CONSENT CALENDAR

1. Acknowledge purchase report of items under \$60,000
2. Take Home Vehicle Form: Police Department

F. NEW BUSINESS

1. Discussion/Action: Land lease agreement with Love's Travel Stops & Country Stores, Inc. Assistant City Manager Alvarez
2. Discussion/Action: Conditional Use Permit (CUP) – Shipping Container at 818 N. Magnolia Street. Assistant City Manager Alvarez

F. NEW BUSINESS Continued...

3. Discussion/Action: Conditional Use Permit and Variance Requests for Parcel #2878573667187. Assistant City Manager Alvarez
4. Discussion/Action: Request to vacate the Public Alley located within Block 4 of the Smith Terrace Subdivision. Assistant City Manager Alvarez
5. Discussion/Action: Summary Plat Amendment at 310-316 E. Third Street. Assistant City Manager Alvarez
6. Discussion/Action: Memorandum of Understanding between the City of Truth or Consequences and Sierra County to develop a Riverwalk Trail along the Rio Grande at Ralph Edwards Park. OJ Hechler, Community Services Director
7. Discussion/Action: Change Order Increase
 - a. Streets- Texan Waste Equipment- \$239,414.00-HGAC BUY-Per DFA Advisement of Loan Purchase
 - b. WISPI 2- from \$33,492.98 to \$459,996.25 for Construction Services
8. Discussion/Action: Re-appointment of Chris Sisney to serve a 2-year term on the Planning & Zoning Commission. City Clerk Torres
9. Discussion/Action: Re-appointment of Esther Luchini to serve a 2-year term on the Planning & Zoning Commission. City Clerk Torres
10. Discussion/Action: Re-appointment of Susan Buhler to serve a 2-year term on the Planning & Zoning Commission. City Clerk Torres
11. Discussion/Action: Re-appointment of Molly Hammer to serve a 2-year term on the Planning & Zoning Commission. City Clerk Torres
12. Discussion/Action: Approval of Purchase Requisitions over \$60,000
 - a. Bohannon Huston- \$75,000- On Call Engineering Services-NMFA Grant Planning

G. ORDINANCES/RESOLUTIONS/ZONING

1. Discussion/Action: Resolution No. 15 26/27 Authorizing NMFA Colonias Infrastructure Project Fund Loan/Grant Agreement CIF-7113 for Marie Street Improvements. Assistant City Manager Alvarez
2. Discussion/Action: Resolution No. 16 26/27 Authorizing City Staff to Submit an Application to Water Trust Board for Design Services for a Water System Improvements Project. Assistant City Manager Alvarez
3. Discussion/Action: Resolution No. 17 26/27 Adopting guidelines for the City of Truth or Consequences Lodgers Tax Grant Program. City Manager Whitehead
4. Discussion/Action: Resolution No. 18 26/27 Declaring a Local Disaster Emergency related to the Elephant Butte Reservoir. Mayor Hechler

H. EXECUTIVE SESSION:

1. Purchase, Acquisition, or Disposal of Real Property (Cantrell Dam Easement Acquisition) pursuant to 10-15-1(H.8).

I. RETURN TO REGULAR SESSION; ACTION (if any)

1. Purchase, Acquisition, or Disposal of Real Property (Cantrell Dam Easement Acquisition) pursuant to 10-15-1(H.8).

J. ADJOURNMENT

The meeting will be streamed through YouTube Live at <http://www.youtube.com/@CityofTorC>.

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing or meeting please contact the City Clerk's Office, at 505 Sims Street, Truth or Consequences, New Mexico 87901, phone (575) 894-6673 at least one (1) week prior to the meeting or as soon as possible. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact the City Clerk's Office if a summary or other type of accessible format is needed.

NEXT REGULAR CITY COMMISSION MEETING SEPTEMBER 9, 2026 AT 9:00 A.M.



City of Truth or Consequences

AGENDA REQUEST FORM

MEETING DATE: August 28, 2026

Agenda Item #: C.1

SUBJECT: Turtleback Trail Presentation.

DEPARTMENT: Clerk's Office

DATE SUBMITTED: August 24, 2026

SUBMITTED BY: Angela A. Torres, City Clerk

WHO WILL PRESENT THE ITEM: Merry Jo Fahl, Jornada RCD

Summary/Background:

Ms. Fahl will provide an update on Jornada RCD's progress with the Turtleback Trail project.

Recommendation:

None. Presentation Only.

Attachments:

-
- N/A

Fiscal Impact (Finance): No

-

Legal Review (City Attorney): N/A

-

Approved For Submittal By: ☒ Department Director

Reviewed by: ☒ City Clerk ☐ Finance ☐ Legal ☐ Other: Click here to enter text.

Final Approval: ☒ City Manager

CITY CLERK'S USE ONLY - COMMISSION ACTION TAKEN

Resolution No. - Ordinance No. -

Continued To: - Referred To: -

☐ Approved ☐ Denied ☐ Other: -

File Name: CC Agendas 8-28-2026



CITY OF TRUTH OR CONSEQUENCES

AGENDA REQUEST FORM

MEETING DATE: August 28, 2026

Agenda Item #: C.2

SUBJECT: Proclamation Honoring 103 Years of the Truth or Consequences Volunteer Fire Department

DEPARTMENT: Fire Department

DATE SUBMITTED: August 21, 2026

SUBMITTED BY: Johanna Muñoz, Executive Assistant

WHO WILL PRESENT THE ITEM: Mayor Rolf Hechler

Summary/Background:

This year marks the 103rd anniversary of the Truth or Consequences Volunteer Fire Department. Over its history, the Department became the first all-volunteer fire department in New Mexico to achieve an ISO Class 2 rating. This rating has provided a significant benefit to the citizens of T or C through reduced insurance rates. Furthermore, the many volunteers have provided countless hours of service to our residents.

Recommendation: Staff recommend approval and issuance of the Proclamation honoring the 103rd Anniversary of the Truth or Consequences Volunteer Fire Department.

Attachments:

- Proclamation Honoring 103 Years of the Truth or Consequences Volunteer Fire Department

Fiscal Impact (Finance): No

Legal Review (City Attorney): No

Approved For Submittal By: ☐ Department Director

Reviewed by: ☐ City Clerk ☐ Finance ☐ Legal ☒ Other: City Manager

Final Approval: ☒ City Manager

CITY CLERK'S USE ONLY - COMMISSION ACTION TAKEN

Resolution No. [Click here to enter text.](#) Ordinance No. -

Continued To: - Referred To: -

☐ Approved ☐ Denied ☐ Other: -

File Name: CC agendas 8-28-26



**CITY OF TRUTH OR CONSEQUENCES
NEW MEXICO**

A PROCLAMATION

**HONORING 103 YEARS OF THE TRUTH OR CONSEQUENCES VOLUNTEER
FIRE DEPARTMENT**

WHEREAS, the Truth or Consequences Volunteer Fire Department has proudly served the City of Truth or Consequences and Sierra County for 103 years, protecting the lives, property, and safety of our residents through the dedication of its volunteer firefighters; and

WHEREAS, generations of volunteers have given countless hours of their time, training, and personal sacrifice to answer the call at all hours, often leaving their own families and jobs behind to respond to emergencies large and small; and

WHEREAS, through the commitment of its volunteers, the Truth or Consequences Volunteer Fire Department became the first all-volunteer fire department in New Mexico to achieve an ISO Class 2 rating, growing the Department's annual State Fire Protection Fund allotment from less than \$100,000 to approximately \$525,000 for fiscal year 2026–2027; and

WHEREAS, the members of the Department have responded to thousands of calls for service over the decades, embodying the true spirit of volunteerism by protecting neighbors, friends, and family without expectation of pay or recognition; and

WHEREAS, the Department's volunteers have also given generously of their time to the broader community, serving on local boards, in emergency management, and in countless civic efforts that have strengthened Truth or Consequences far beyond the fire station; and

WHEREAS, the legacy of the Truth or Consequences Volunteer Fire Department, and the example set by all who have served within it, reflect the enduring spirit of volunteerism, sacrifice, and hometown pride that defines the City of Truth or Consequences; and

WHEREAS, this legacy has been guided for the past 44 years of service by Fire Chief Paul Tooley, who has served as Chief for the last 17 of those years, with dedication that is honored here as a reflection of the volunteer spirit shared by all who have served alongside him;

NOW, THEREFORE, I, Rolf Hechler, Mayor of the City of Truth or Consequences, New Mexico, on behalf of the Governing Body, do hereby proclaim recognition of the **103RD ANNIVERSARY OF THE TRUTH OR CONSEQUENCES VOLUNTEER FIRE DEPARTMENT**, and extend the City's deepest gratitude to every volunteer, past and present, who has served this Department, for their unwavering commitment to the safety and well-being of our community.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Truth or Consequences, New Mexico, to be affixed this 28th day of August, 2026.

Rolf Hechler, Mayor

ATTEST:

Angela Torres, City Clerk



City of Truth or Consequences

AGENDA REQUEST FORM

MEETING DATE: August 28, 2026

Agenda Item #: E.1

SUBJECT: Purchase Report of Items under \$60,000
DEPARTMENT: Procurement
DATE SUBMITTED: August 10, 2026
SUBMITTED BY: Carlos Miyagishima, Chief Procurement Officer
WHO WILL PRESENT THE ITEM: Carlos Miyagishima, Chief Procurement Officer

Summary/Background:

Per Resolution No 46 20/27 Execution of Contracts; Grant Agreements; Memoranda of Understanding; Joint Powers Agreements; Settlement Agreements; Purchases (Contract and Purchases Over \$60,000).

Recommendation:

Items purchase requisitions between \$20,000 and \$59,999.99 thousand were City Manager reviewed and approved prior to issuing a purchase order.

Attachments:

- Listing of Purchase Requisition \$20,000 - \$60,000
 - 8 in packet

Fiscal Impact (Finance): Yes

- Yes, see attached:

Legal Review (City Attorney): N/A

None.

Approved For Submittal By: ☒ Department Director

Reviewed by: ☒ City Clerk ☒ Finance ☐ Legal ☒ Other: Carlos Miyagishima, Chief Procurement Officer

Final Approval: ☒ City Manager

CITY CLERK'S USE ONLY - COMMISSION ACTION TAKEN

Resolution No. [Click here to enter text.](#) Ordinance No. [Click here to enter text.](#)

Continued To: [Click here to enter a date.](#) Referred To: [Click here to enter text.](#)

☐ Approved ☐ Denied ☐ Other: [Click here to enter text.](#)

File Name: CC agendas 8-28-26

PURCHASE ORDER FROM JULY 16, 2026-PRESENT-MANAGER APPROVED: \$20,000 THROUGH \$59,999.00. MANAGER APPROVED COMMISSION REPORT:

Number	Vendor Numbe	Ship To	Status	Total	Issue Date	Vendor Name	Vendor DBA Name	Description
A	A	A	A	=	=	A	A	A
83775	7982	COMMUNITY DEV	Outstanding	35,000.00	7/20/2026	WILSON & COMPANY INC ENGINEE		OPEN PO - GRANT MANAGEMENT ASSISTANCE
83769	0217	TORC PD	Outstanding	31,000.00	7/20/2026	SIERRA VISTA HOSPITAL SIERRA VI		MEDICAL CARE FOR ARRESTEES
83855	7633	CMO DEPT	Partially Rec	26,010.00	7/30/2026	COPPLER LAW FIRM PC		OPEN PO FOR LEGAL SERVICES 2026-2027
83909	0214	TORC PD	Outstanding	44,000.00	8/4/2026	SIERRA COUNTY TREASURER		HOLDING OF ARRESTEES AT DETENTION CENTER
83915	9367	STREET DEPT	Outstanding	21,133.13	8/5/2026	RAY C JONES	SANDY JONES CO	MILL AND PLACEMENT OF ASPHALT
83929	8410	WWTP	Outstanding	50,000.00	8/7/2026	JESSE COLE	4x4 SERVICES AN	JESSE COLE CONTRACT FOR WATER & WASTEWATER
83928	8822	FACILITY DEPT	Outstanding	39,501.28	8/7/2026	SUPERIOR WEED AND PEST CONT		VECTOR CONTROL OPERATION AGREEMENTS
83927	9155	FINANCE	Outstanding	23,300.00	8/7/2026	TEXAN WASTE EQUIPMENT INC DB	TEXAN WASTE E	POLY CART TIPPERS (ATTACHMENTS)

Reviewed By City CPO On:

8/7/2026

ACCEPTED:

YES:

No:

Additional Comments:

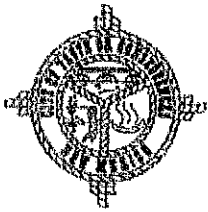
Mayor Rolf Hechler

(If required.)

City Clerk Attest:

(If required.)

*See Attached POs

**CITY OF TRUTH OR CONSEQUENCES**

505 Silms St.

Truth or Consequences, NM 87901

PH: (575) 894-6673

FAX: (575) 894-0363

PURCHASE ORDER

PO Number: 83775

Date: 07/20/2026

Requisition #: 96720

Vendor #: 7982

ISSUED TO: WILSON & COMPANY INC ENGINEER & ARCHITECTS
4401 MASTHEAD ST NE SUITE 150
ALBUQUERQUE, NM 87109-

SHIP TO: COMMUNITY DEVELOPMENT
401 McAdoo St.
Truth or Consequences, NM 87901

ITEM	UNITS	VENDOR PART #	DESCRIPTION	GL ACCT #	PROJ ACCT #	PRICE	AMOUNT
1	0		ON CALL GRANT MANAGEMENT ASSISTANCE TASK ORDER FY26/27 ON CALL SERVICES CONTRACT RFP 24-09-001 COMM. DEV.	101-1010-48598		0.00	35,000.00

SUBTOTAL:	35,000.00
TOTAL TAX:	0.00
SHIPPING:	0.00
TOTAL	35,000.00

Chief Purchasing Office

Date: 7/20/2026

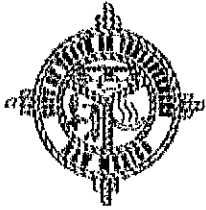
Director of Finance:

Requisition approved electronically.

City Manager:

Requisition approved electronically.

1. Send INVOICE to Accounts Payable, address as noted above.
2. Prepay all transportation charges, and attach receipted freight bill to invoice.
3. Show our Purchase Order number on all invoices, Bills of Lading, Packages, etc.
4. This order must NOT be filled in greater or lesser quantities than shown without our written permission.
5. This order is Issued with the understanding that if material is not according to our specifications, same will be returned at seller's expense.
6. The right is reserved to cancel this order if not filled within a reasonable length of time.
7. The City is exempt from all federal excise and state tax - ID# 01-405755-007



REQUISITION

Requisition #: 96720

Date: 07/15/2026

Vendor #: 7982

ISSUED TO: WILSON & COMPANY INC ENGINEER & ARCHITECT
4401 MASTHEAD ST NE SUITE 150
ALBUQUERQUE, NM 87109-

SHIP TO: COMMUNITY DEVELOPMENT
401 McAdoo St.
Truth or Consequences, NM 87901

ITEM	UNITS DESCRIPTION	PROJECT #	PRICE GL ACCOUNT NUMBER	AMOUNT
1	0 ON CALL GRANT MANAGEMENT ASSISTANCE		0.00 101-1010-48598	35,000.00
PO Description: OPEN PO - GRANT MANAGEMENT ASSISTANCE Detailed Description: TASK ORDER FY26/27 ON CALL SERVICES CONTRACT RFP 24-09-001				

Authorized By: _____

SUBTOTAL:	35,000.00
TOTAL TAX:	0.00
SHIPPING:	0.00
TOTAL	35,000.00

PROFESSIONAL MULTIPLE ON CALL ENGINEER AND ARCHITECT SERVICES

CONTRACT #2024-09-001

THIS AGREEMENT is made and entered into by and between City, hereinafter referred to as the "City " and Wilson & Company, Inc., Architects & Engineers, (Contractor), hereinafter referred to as the "Engineer and Architect", and is effective as of the date set forth below upon which it is executed by the Mayor, Mayor Pro-Tem and Board of City Commissioners.

WHEREAS, the City issued a Request for Proposals (RFP) to provide On-Call Engineer and Architect Services under RFP NO. 23-24-005; and

WHEREAS, the Engineer and Architect submitted its original proposal and was selected under RFP NO. 23-24-005; and

WHEREAS, the City desires to engage the Engineer and Architect to render certain Engineer and Architect services, as needed, and the Engineer and Architect is willing to provide such services and to enter into this Master Professional Engineer and Architect Design Services Agreement; and

WHEREAS, this Master Agreement including all Exhibits and any subsequently awarded Task Orders for Professional Services form the Contract Documents and are all as fully a part of the Contract as if attached to this Agreement; and

WHEREAS, the Engineer and Architect was selected to provide and perform such Engineer and Architect Services as provided for within this Agreement; and

NOW, THEREFORE, in consideration of the premises and mutual obligations herein, the parties hereto do mutually agree as follows:

IT IS AGREED BETWEEN THE PARTIES:

1. Scope of Work.

The Engineer and Architect hereby agrees to perform professional Engineer and Architect Design services relevant to each project assigned in accordance with the terms and conditions set forth herein.

Individual project assignments will be made by Task Orders, which are individual amendments to this contract and outline the scope of work, period of performance and compensation.

The City agrees to compensate the Engineer and Architect as set forth in Article 2 of this Agreement.

2. Compensation.

A. The City shall pay the Engineer and Architect in full payment for services satisfactorily performed under the individual Task Orders based on the schedule of payments contained in the individual task order. In no event will the Engineer and Architect be paid any amount in excess of the specified total amount payable in the individual task order without the task order being amended in writing.

B. Payment is subject to availability of funds pursuant to the Appropriations Paragraph set forth below and to any negotiations between the parties from year to year pursuant to Article 1, Scope of Work.

C. Engineer and Architect must submit a detailed statement accounting for all services performed, as specified in the individual task order. If the City finds that the services are not acceptable, within 15 days after the date of receipt of written notice from the Engineer and Architect that payment is requested, it shall provide the Engineer and Architect a letter of exception explaining the defect or objection to the services, and outlining steps the Engineer and Architect may take to provide remedial action. The City will continue to pay Engineer and Architect for any undisputed amounts pursuant to Article 2(A). Upon certification by the City that the services have been received and accepted, payment shall be tendered to the Engineer and Architect within thirty days after the date of acceptance. If payment is made by mail, the payment shall be deemed tendered on the date it is postmarked. However, the City shall not incur late charges, interest, or penalties for failure to make payment within the time specified herein.

D. The payment of taxes due for any money received under this Agreement shall be the Engineer and Architect's sole responsibility and shall be reported under the Engineer and Architect Federal and State tax identification number(s).

3. Term.

This Agreement is for one (1) year from the date of approval by the City of T or C, Mayor, Mayor Pro-Tem and Board of City Commissioners. This Contract will automatically renew on an annual basis, for up to three (3) additional one (1) year terms unless terminated pursuant to Article 4 (Termination for Convenience), Article 5 (Termination for Cause), or Article 6 (Appropriations). In accordance with Section 13-1-150 NMSA 1978, no term for a professional services contract, including extensions and renewals, shall exceed four years, except as set forth in Section 13-1-150 NMSA 1978.

4. Termination For Convenience.

A. Termination. This Agreement may be terminated by either of the parties hereto upon written notice delivered to the other party at least thirty (30) days prior to the intended date of termination. Except as otherwise allowed or provided under this Agreement, the City's sole liability upon such termination shall be to pay for acceptable work ordered and performed prior to the Engineer and Architect's receipt of the notice of termination, if the City is the terminating party, or the Engineer and Architect's sending of the notice of termination, if the Engineer and Architect is the terminating party; provided, however, that a notice of termination shall not nullify or otherwise affect either party's liability for pre-termination defaults under or

breaches of this Agreement. The Engineer and Architect shall submit an invoice for such work within thirty (30) days of receiving or sending the notice of termination. Notwithstanding the foregoing, this Agreement may be terminated immediately upon written notice to the Engineer and Architect if the Engineer and Architect becomes unable to perform the services contracted for, as determined by the City or if, during the term of this Agreement, the Engineer and Architect or any of its officers or employees is indicted for fraud, embezzlement or other crime due to misuse of government funds or due to the Appropriations paragraph herein.

THIS PROVISION IS NOT EXCLUSIVE AND DOES NOT WAIVE THE CITY'S OTHER LEGAL RIGHTS AND REMEDIES CAUSED BY THE ENGINEER AND ARCHITECT'S DEFAULT/BREACH OF THIS AGREEMENT.

B Termination Management. Immediately upon receipt by either the City or the Engineer and Architect of notice of termination of this Agreement, the Engineer and Architect shall: 1) not incur any further obligations for salaries, services or any other expenditure of funds under this Agreement without written approval of the City ; 2) comply with all directives issued by the City in the notice of termination as to the performance of work under this Agreement; and 3) take such action as the City shall direct for the protection, preservation, retention or transfer of all property titled to the City and records generated under this Agreement. Any non-expendable personal property or equipment provided to or purchased by the Engineer and Architect with contract funds shall become property of the City upon termination and shall be submitted to the City as soon as practicable.

5. Termination For Cause.

A. City may by written notice terminate this Agreement in whole or in part for Engineer and Architect's default if the Engineer and Architect fails to comply with the provisions of this Agreement or fails to make progress so as to endanger performance and does not cure such failure within a reasonable period of time. In such event, City may otherwise secure the materials, supplies or services ordered, and Engineer and Architect shall be liable for damages suffered by City thereby, including incidental and consequential damages. If after notice of termination, City determines Engineer and Architect was not in default, or if Engineer and Architect's default is due to failure of City, termination shall be deemed for the convenience of City. The rights and remedies of City provided in this paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement as used in this paragraph, the word "Engineer and Architect" includes Engineer and Architect's sub-suppliers at any tier.

B. In the event a termination for cause notice is issued by the City, the Engineer and Architect shall: 1) not incur any further obligations for salaries, services or any other expenditure of funds under this Agreement without written approval of the City ; 2) comply with all directives issued by the City in the notice of termination as to the performance of work under this Agreement; and 3) take such action as the City shall direct for the protection, preservation, retention or transfer of all property titled to the City and records generated under this Agreement. Any non-expendable personal property or equipment provided to or purchased by the Engineer and Architect with contract funds shall become property of the City upon termination and shall be submitted to the City as soon as practicable.

6. Appropriations.

The terms of this Agreement are contingent upon sufficient appropriations and authorization being made by the Board of City Commissioners for the performance of each task order assigned under this Agreement. If sufficient appropriations and authorization are not made by the Board of City Commissioners, this Agreement shall terminate immediately upon written notice being given by the City to the Engineer and Architect. The City's decision as to whether sufficient appropriations are available shall be accepted by the Engineer and Architect and shall be final. If the City proposes an amendment to the Agreement to unilaterally reduce funding, the Engineer and Architect shall have the option to terminate the Agreement or to agree to the reduced funding, within thirty (30) days of receipt of the proposed amendment.

7. Status of Engineer and Architect.

The Engineer and Architect and its employees are independent Engineer and Architects performing professional services for the City and are not employees of the City of T or C. The Engineer and Architect and its employees shall not accrue leave, retirement, insurance, bonding, use of City vehicles, or any other benefits afforded to employees of the City of T or C as a result of this Agreement. The Engineer and Architect acknowledges that all sums received hereunder are reportable by the Engineer and Architect for tax purposes, including without limitation, self-employment and business income tax. The Engineer and Architect agrees not to purport to bind the City of T or C unless the Engineer and Architect has express written authority to do so, and then only within the strict limits of that authority.

8. Assignment.

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

9. Subcontracting.

The Engineer and Architect shall not subcontract any portion of the services to be performed under this Agreement without the prior written approval of the City. Subcontractors listed in an approved task order constitute approval of the City. No such subcontract shall relieve the Engineer and Architect from its obligations and liabilities under this Agreement, nor shall any subcontract obligate direct payment from the City. In all cases, the Engineer and Architect is solely responsible for fulfillment of this Agreement.

10. Release.

Final payment of the amounts due under each task order issued under this Agreement shall operate as a release of the procuring agency of the City, its officers and employees, and the City of T or C from all liabilities, claims and obligations whatsoever arising from or under this Agreement.

11. Confidentiality.

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

12. Product of Service -- Copyright.

All materials developed or acquired by the Engineer and Architect under this Agreement shall become the property of the City of T or C and shall be delivered to the City no later than the termination date of this Agreement. Nothing developed or produced, in whole or in part, by the Engineer and Architect under this Agreement shall be the subject of an application for copyright or other claim of ownership by or on behalf of the Engineer and Architect.

13. Conflict of Interest; Governmental Conduct Act.

A. The Engineer and Architect represents and acknowledges that it presently has no interest and, during the term of this Agreement, shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance or services required under the Agreement.

B. The Engineer and Architect further represents and acknowledges that it has complied with, and, during the term of this Agreement, will continue to comply with, and that this Agreement complies with all applicable provisions of the Governmental Conduct Act, Chapter 10, Article 16 NMSA 1978. Without in anyway limiting the generality of the foregoing, the Engineer and Architect specifically represents and acknowledges that:

1) in accordance with Section 10-16-4.3 NMSA 1978, the Engineer and Architect does not employ, has not employed, and will not employ during the term of this Agreement any City employee while such employee was or is employed by the City and participating directly or indirectly in the City 's contracting process.

2) this Agreement complies with Section 10-16-7(B) NMSA 1978 because (i) the Engineer and Architect is not a public officer or employee of the City ; (ii) the Engineer and Architect is not a member of the family of a public officer or employee of the City ; (iii) the Engineer and Architect is not a business in which a public officer or employee or the family of a public officer or employee has a substantial interest; or (iv) if the Engineer and Architect is a public officer or employee of the City , a member of the family of a public officer or employee of the City , or a business in which a public officer or employee of the City or the family of a public officer or employee of the City has a substantial interest, public notice was given as required by Section 10-16-7(B) NMSA 1978 and this Agreement was awarded pursuant to a competitive process;

3) in accordance with Section 10-16-8(C) NMSA 1978, (i) the Engineer and Architect is not, and has not been represented by, a person who has been a public officer or employee of the City within the preceding year and whose official act directly resulted in this Agreement and (ii) the Engineer and Architect is not, and has not been assisted in any way regarding this transaction by, a former public officer or employee of the City whose official act, while in City employment, directly resulted in the City 's making this Agreement;

4) in accordance with Section 10-16-13 NMSA 1978, the Engineer and Architect has not directly participated in the preparation of specifications, qualifications or evaluation

criteria for this Agreement, or any procurement related to this Agreement; and

5) in accordance with Section 10-16-3 and Section 10-16-13.3 NMSA 1978, the Engineer and Architect has not contributed, and during the term of this Agreement shall not contribute, anything of value to a public officer or employee of the City.

C. Engineer and Architect's representations and acknowledgements in Paragraphs A and B of this Article 13 are material representations of fact upon which the City relied when this Agreement was entered into by the parties. Engineer and Architect shall provide immediate written notice to the City if, at any time during the term of this Agreement, Engineer and Architect learns that Engineer and Architect's representations and acknowledgements in Paragraphs A and B of this Article 13 were erroneous on the effective date of this Agreement or have become erroneous by reason of new or changed circumstances. If it is later determined that Engineer and Architect's representations and acknowledgements in Paragraphs A and B of this Article 13 were erroneous on the effective date of this Agreement or have become erroneous by reason of new or changed circumstances, in addition to other remedies available to the City and notwithstanding anything in the Agreement to the contrary, the City may immediately terminate the Agreement.

D. All terms defined in the Governmental Conduct Act have the same meaning in this Article 13(B).

14. Amendment.

This Agreement shall not be altered, changed or amended except by instrument in writing executed by the parties hereto and all other required signatories. Executed task orders are amendments to this agreement.

15. Merger.

This Agreement incorporates all the Agreements, covenants and understandings between the parties hereto concerning the subject matter hereof, and all such covenants, Agreements and understandings have been merged into this written Agreement. No prior Agreement or understanding, oral or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Agreement.

16. Penalties for Violation of Law.

The Procurement Code, Sections 13-1-28 through 13-1-199, NMSA 1978, imposes civil and criminal penalties for its violation. In addition, the New Mexico criminal statutes impose felony penalties for illegal bribes, gratuities and kickbacks.

17. Equal Opportunity Compliance.

The Engineer and Architect agrees to abide by all federal, state and City laws and rules and regulations, pertaining to equal employment opportunity. In accordance with all such laws, the Engineer and Architect assures that no person in the United States shall, on the grounds of race, religion, color, national origin, ancestry, sex, age, physical or mental handicap, or serious medical condition, spousal affiliation, sexual orientation or gender identity, be excluded from employment with or participation in, be denied the benefits of, or be otherwise subjected to

discrimination under any program or activity performed under this Agreement. If Engineer and Architect is found not to be in compliance with these requirements during the life of this Agreement, Engineer and Architect agrees to take appropriate steps to correct these deficiencies.

18. Applicable Law.

In any action, suit or legal dispute arising from this Agreement, the Engineer and Architect agrees that the laws of the State of New Mexico shall govern, and that venue will lie in the Seventh Judicial District Court in Sierra County. By execution of this Agreement, Engineer and Architect acknowledges and agrees to the jurisdiction of the courts of the State of New Mexico over any and all lawsuits arising under or out of any term of this Agreement.

19. Workers Compensation.

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

20. Records and Financial Audit.

The Engineer and Architect shall maintain detailed time and expenditure records that indicate the date, time, nature and cost of services rendered during the Agreement's term and effect and retain them for a period of three (3) years from the date of final payment under this Agreement. The records shall be subject to inspection by the City, the City's auditor, the New Mexico Department of Finance and Administration and the New Mexico State Auditor. The City shall have the right to audit billings both before and after payment. Payment under this Agreement shall not foreclose the right of the City to recover excessive or illegal payments

21. Disclaimer and Hold Harmless.

City of T or C shall not be liable to the Engineer and Architect, or the Engineer and Architect's successors, heirs, administrators, or assigns, for any loss, damage, or injury, whether to Engineer and Architect's person or property, occurring in connection with Engineer and Architect's performance of Engineer and Architect's duties according to this Agreement. Engineer and Architect shall hold City of T or C harmless from all loss, damage, and injury, including court costs and reasonable attorney fees, incurred by the City of T or C in connection with the performance by Engineer and Architect of Engineer and Architect's duties according to this Agreement.

22. Indemnification.

Engineer and Architect shall shield (except for claims against professional liability insurance), indemnify and hold harmless the City, its Commissioners, and employees from damages and expenses, including reasonable attorney fees, arising or alleged to have arisen out of any negligent act of Contractor or anyone directly or indirectly employed by Contractor, or arising in any from the activities of or services by the Contractor under this Contract. Notwithstanding the foregoing, Contractor shall have no obligation to indemnify, defend or hold harmless the City, its Commissioners, employees or agents from or against any claims or actions arising from the gross negligence, reckless disregard for the safety of others or willful misconduct of the City, its Commissioners, employees or agents. Contractor shall safeguard all

claims and litigation. The City shall have the right to choose its own legal counsel.

23. Invalid Term or Condition.

If any term or condition of this Agreement shall be held invalid or unenforceable, the remainder of this Agreement shall not be affected and shall be valid and enforceable.

24. Enforcement of Agreement.

A party's failure to require strict performance of any provision of this Agreement shall not waive or diminish that party's right thereafter to demand strict compliance with that or any other provision. No waiver by a party of any of its rights under this Agreement shall be effective unless expressed in writing, and no effective waiver by a party of any of its rights shall be effective to waive any other rights.

25. Authority.

If Engineer and Architect is other than a person, the individual(s) signing this Agreement on behalf of Engineer and Architect represents and acknowledges that he or she has the power and authority to bind Engineer and Architect, and that no further action, resolution, or approval from Engineer and Architect is necessary to enter into a binding contract.

26. Lobbying.

No federal appropriated funds can be paid or will be paid, by or on behalf of the Engineer and Architect, or any person for influencing or attempting to influence an officer or employee of any City, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, or the making of any Federal grant, the making of any federal loan, the entering into of any cooperative agreement, or modification of any Federal contract, grant, loan, or cooperative agreement. If any funds other than federal appropriated funds have been paid or will be paid to any person influencing or attempting to influence an officer or employee of any City, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection of this federal contract, grant, loan, or cooperative agreement, the ENGINEER AND ARCHITECT shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

27. Approval of Engineer and Architect Personnel.

Personnel proposed in the Engineer and Architect's written proposal to the City are considered material to any work performed under this Agreement. No changes of personnel will be made by the Engineer and Architect without prior written consent of the procuring agency of the City. Replacement of any Engineer and Architect personnel, if approved, shall be with personnel of equal ability, experience and qualifications. The Engineer and Architect will be responsible for any expenses incurred in familiarizing the replacement personnel to insure their being productive to the project immediately upon receiving assignments. Approval of replacement personnel shall not be unreasonably withheld. The procuring agency of the City shall retain the right to request the removal of any of the Engineer and Architect's personnel at any time.

28. Survival.

The agreement Articles titled "Patent, Copyright, Trademark, and Trade Secret Indemnification" and "Indemnification" shall survive the expiration of this agreement. Software licenses, leases, maintenance and any other unexpired agreements that were entered into under the terms and conditions of this agreement shall survive this agreement.

29. Succession.

This agreement shall extend to and be binding upon the successors and assigns of the parties.

30. Force Majeure.

A party shall be excused from performance under this agreement for any period that the party is prevented from performing as a result of an act of God, strike, war, civil disturbance, epidemic, or court order, provided that the party has prudently and promptly acted to take any and all steps that are within the party's control to ensure performance. Subject to this provision, such non-performance shall not be deemed a default or a ground for termination.

31. Mediation.

In the event a dispute arises as to the rights and obligations among the parties hereto, the parties agree to attempt to resolve the dispute through mediation as a condition precedent to seeking legal and equitable remedies. The parties agree to evenly split the costs of any such mediation services. The parties shall mutually agree upon the choice of mediator. In the event the parties have not agreed upon a mediator within twenty (20) days of written notice to the other regarding the dispute, then a list of seven potential mediators will be obtained from the New Mexico Association of Counties and the parties shall utilize a striking process until a mediator is agreed upon.

32. Notice to Proceed.

It is expressly understood that this Agreement is not binding upon the City until it is executed by the Board of City Commissioners after voting on the contract at a public meeting. The Engineer and Architect is not to proceed with its obligations under the Agreement until the Engineer and Architect has received a fully signed copy of the Agreement. Further, each individual task order must be fully executed prior to proceeding with any work.

33. Attorney's Fees.

In the event this Agreement results in dispute, mediation, litigation, or settlement between the parties to this Agreement, the prevailing party of such action shall NOT be entitled to an award of attorneys' fees and court costs.

34. Cooperation.

All parties hereto will fully cooperate with the other and their respective counsel, accountant, and agents in connection with any steps required to be taken under this Agreement.

35. Incorporation and Order of Precedence.

Request for Proposals RFP NO. 23-24-005 and the Engineer and Architect's proposal are incorporated by reference into this agreement and are made a part of this agreement. In the event

of any conflict among these documents, the following order of precedence shall apply:

1. Any contract amendment(s), in reverse chronological order; then
2. this contract itself; then
3. the Request for Proposals; then
4. the executed task orders with the scope of work, timeframe for completion, and compensation, in reverse chronological order; then
5. the Engineer and Architect 's proposal.

36. Patent, Copyright, Trademark and Trade Secret Indemnification.

A. The Engineer and Architect shall defend, at its own expense, the City of T or C against any claim that any product or service provided under this agreement infringes any patent, copyright or trademark in the United States or Puerto Rico, and shall pay all costs, damages and reasonable attorneys' fees that a court finally awards as a result of any such claim. In addition, if any third party obtains a judgment against the City of T or C based upon the Engineer and Architect 's trade secret infringement relating to any product or service provided under this agreement, the Engineer and Architect agrees to reimburse the City of T or C for all costs, attorneys' fees and the amount of the judgment. To qualify for such defense and/or payment, the City of T or C shall:

- i. gives the Engineer and Architect prompt written notice of any claim;
- ii. allow the Engineer and Architect to control the defense or settlement of the claim; and
- iii. cooperate with the Engineer and Architect in a reasonable way to facilitate the defense or settlement of the claim.

B. If any product or service becomes, or in the Engineer and Architect 's opinion is likely to become the subject of a claim of infringement, the Engineer and Architect shall at its option and expense:

- i. provides a procuring agency of the City the right to continue using the product or service;
- ii. replace or modify the product or service so that it becomes non-infringing; or
- iii. accept the return of the product or service and refund an amount equal to the depreciated value of the returned product or service, less the unpaid portion of the purchase price and any other amounts, which are due to the Engineer and Architect. The Engineer and Architect 's obligation will be void as to any product or service modified by the procuring agency of the City to the extent such modification is the cause of the claim.

37. Professional Liability Insurance.

Engineer and Architect agrees to maintain in full force throughout the duration of the Agreement a liability insurance policy with a minimum coverage of: Comprehensive General Liability - \$1,000,000 per occurrence, \$2,000,000 General Aggregate; Professional liability-

\$1,000,000 per occurrence, \$2,000,000 Annual Aggregate. Occurrence type, if available; if not "Claims Made" type with a minimum of a six (6) year tail. The City will be provided an updated certificate of insurance on an annual basis.

38. Compliance With Laws

In providing the scope of services outlined herein, the Engineer and Architect and the City shall comply with all applicable laws, ordinances, and codes of the Federal, State, and local governments, in effect during Engineering and Architect's performance of their services.

39. Construction and Severability

If any part of this Agreement is held to be invalid or unenforceable, such holding will not affect the validity or enforceability of any other part of this Agreement so long as the remainder of the Agreement is reasonably capable of completion.

41. Entire Agreement

This Agreement contains the entire agreement of the parties and supersedes any and all other agreements or understandings, oral or written, whether previous to the execution hereof or contemporaneous herewith.

MAYOR, MAYOR PRO- TEM, BOARD OF CITY COMMISSIONERS

42. Notices.

Any notice required to be given to either party by this Agreement shall be in writing and shall be delivered in person, by courier service or by U.S. mail, either first class or certified, return receipt requested, postage prepaid, as follows:

To: City of T or C

Leiandra Guerra, Chief Procurement Officer
505 Sims
Truth or Consequences, NM 87901

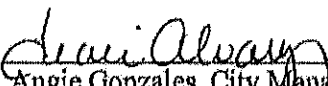
To the Engineer-Architect: Wilson & Company, Inc., Architects & Engineers

Printed Name: Brian P McBride, VP

Address: Wilson & Company, Inc., Architects & Engineers
4401 Masthead NE, Ste 150
Albuquerque, NM 87109

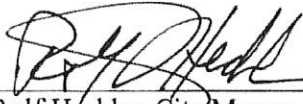
By:  Date: 10/09/2024
Brian P. McBride, Vice President. Water-Wastewater

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date of signature by the County Chief Procurement Officer below:

By:  Date: 10/17/24
For Angie Gonzales, City Manager

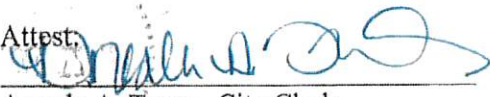
MAYOR, MAYOR PRO- TEM, BOARD OF CITY COMMISSIONERS

APPROVED, ADOPTED AND PASSED on this 9th day of October 2024



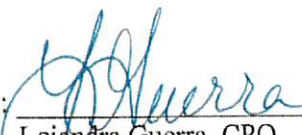
Rolf Hechler, City Mayor

Attest,



Angela A. Torres, City Clerk

City Chief Procurement Officer:

By:  _____ Date: 10/17/24
Leiana Guerra, CPO
City of T or C

July 14, 2026

Gary Whitehead, City Manager
City of Truth or Consequences
505 Sims Street
Truth or Consequences, NM 87901

Re: Task Order Request - On-Call Grants Management Services – FY26/27
Procurement: On-Call Services Contract – (RFP) 24-09-001

Dear Mr. Whitehead,

Wilson & Company is excited to continue providing On-Call Grants Management Services to the City of Truth or Consequences. Since 2022, our team has supported the City in identifying, applying for, and **securing over \$61 million in state and federal funding**. As a result of this effort, we are currently assisting with the management of more than \$60 million in active grant contracts.

We respectfully request a new task order to continue providing these services. Based on current grant administration activities and anticipated funding pursuits, we propose an initial time-and-materials budget of **\$35,000**.

Project Team, Roles & Responsibilities

Ashley Martinez, Funding & Grant Administration Lead, will continue to serve as the City's primary point of contact. She will coordinate all requests for assistance, oversee funding applications, and ensure timely and compliant grant administration.

Scope of Work

The Wilson & Company team will work to assist City staff, providing services including but not limited to the following:

Grant Administration

- Review grant agreements.
- Monitor reporting requirements and reimbursement/disbursement status.
- Develop and maintain a grant tracking spreadsheet, including milestones such as awards, loan terms, match requirements, expenditures, reimbursements, and reporting schedules.
- Provide monthly status reports for Assistant City Manager Traci Alvarez.
- Ensure all grant agreement terms and conditions are met.
- Prepare quarterly and monthly reports for funding agencies.
- Prepare disbursement and reimbursement requests.
- Reconcile City funds with grant awards.
- Maintain knowledge of funding portals and databases for reporting and reimbursement submissions.

Current Grant Contracts

Grant ID	Awarded Amount	Expiration Date
22-ZG1023-7 Quality of Life	\$449,019	6/30/2026
USDA FY 23 WSPI-2	\$4,325,000	9/27/2026
CIF-6441	\$4,840,000	12/20/2026
CIF-6442	\$335,940	12/20/2026
WPF-6323	\$17,600,000	2/7/2027
TAP CN 1102370	\$555,937	6/30/2027
MAP L100652	\$229,777	6/30/2027
CIF-6738	\$191,000	10/24/2027
WPF-6621	\$8,899,000	1/16/2028
24-I2460-GF FY 24	\$4,400,000	6/30/2028
CPF-SpB-23-CP-NM-1048 HUD FY 2023	\$1,600,000	8/31/2031
CPF-SpB-24-CP-NM-1489 HUD FY 2024	\$4,300,000	8/31/2032
USDA FY 25 WSPI-1	\$7,531,000	8/24/2061 (loan)
WPF-6947	\$2,775,041	Pending Grant Agreement
SS4A Supplemental Planning	\$550,000	Pending Grant Agreement
CIF-7113	\$1,500,001	Pending Grant Agreement
Total	\$60,081,715	

Funding Services – Federal Programs

As requested, our team will assist the City with identifying and pursuing federal grant opportunities. This includes:

- **Funding research**
 - Identify appropriate federal funding programs and their requirements.
 - Communicate findings and provide recommendations.
- **Application development**
 - Outline application requirements and coordinate with the City for financial and supporting information.
 - Develop scope, approach, and budgets with the technical team.
 - Prepare and submit competitive, compliant applications.
- **Coordination & Presentations**
 - Support meetings and stakeholder communication as needed.

Assumptions

The City will provide Wilson & Company with all available grant and funding information in PDF or digital format to support our services.

Schedule

Services will be provided on an ongoing basis until the City notifies Wilson & Company that they are no longer required.

Fee

Services will be billed on a time-and-materials basis with an initial budget of \$35,000.00 (including NMGR). Invoices will be submitted monthly. Wilson & Company will report budget status to allow the City to adjust funding as needed. Billing rates will follow Wilson & Company's active rate schedule.

If you have any questions or comments concerning this proposal, please contact Ashley Martinez at 505-348-4136.

Thank you,



Daniel S. Aguirre, PE, CFM
Senior Vice President



Gary Whitehead
City Manager

7-14-26

Date

Attachment:

Wilson & Company MSD 2023-2024 Rate Schedule

Wilson & Company

Rate Schedule Listing



MSD 2023-2024			
Employee/Class/Activity Type, Code & Name	Reg. Rate	O/T Rate	
A1	INTERN ARCHITECT/JOB CPTN(UNLIC)	94.00	141.00
A2	INTERN ARCHITECT/JOB CPTN(UNLIC)	108.00	162.00
A3	INTERN ARCHITECT/JOB CPTN(UNLIC)	122.00	183.00
A4	ARCHITECT(LICENSED)	136.00	204.00
A5	ARCHITECT (LICENSED)	168.00	168.00
A6	ARCHITECT (LICENSED)	200.00	200.00
AD1	RECEPTIONIST/FILECLERK/MAINT I	62.00	93.00
AD2	ADMIN ASST II/ RECEPT/MAINT II	66.00	99.00
AD3	ADMIN ASST III/ RECEPT/MAINT III	70.00	105.00
AD4	ADMIN ASST IV/EXEC ASST IV	78.00	117.00
AD5	SR ADMIN V/EXEC ASST VI/ ADM MGR	99.00	99.00
FC1	CONSTRUCTION OBSERVER	64.00	96.00
FC2	CONSTRUCTION OBSERVER	88.00	132.00
FC3	CONSTRUCTION OBSERVER	96.00	144.00
FC4	CONSTRUCTION OBSERVER	114.00	171.00
FC5	CONSTRUCTION OBSERVER	142.00	142.00
FC6	CONSTRUCTION OBSERVER	164.00	164.00
FC7	CONSTRUCTION OBSERVER	230.00	230.00
FS1	CHAINMAN	60.00	90.00
FS2	RODMAN	66.00	99.00
FS3	INSTRUMENTMAN	76.00	114.00
FS4	PARTY CHIEF	102.00	153.00
FS5	CHIEF SURVEYOR, FIELD SUPERVISOR	132.00	132.00
FS6	DEPARTMENT HEAD	178.00	178.00
FS7	SR DEPARTMENT MANAGER	226.00	226.00
IA1	INTERN	58.00	87.00
IA2	COLLEGE STUDENT	68.00	102.00
IA3	GRAD STUDENT/COLLEGE GRAD	74.00	111.00
IA4	GRAD STUDENT/COLLEGE GRAD	76.00	114.00
OD1	APPRENTICE DRAFTER	78.00	117.00
OD2	DRAFTER, TRACER, PLOTTER OPERAT	84.00	126.00
OD3	DRAFTER, DETAILER	90.00	135.00
OD4	SR DRAFT, DETAIL, CAD OPERATOR	108.00	162.00
OD5	SR DRAFT, DETAIL, SQUAD LEADER	128.00	128.00
OD6	CHIEF DRAFTER	146.00	146.00
OF6	ASSOCIATE VICE PRESIDENT	266.00	266.00
OF7	VICE PRESIDENT	298.00	298.00
OF8	SR VICE PRESIDENT	352.00	352.00
OP1	APPRENTICE STEREO OPERATOR	68.00	102.00
OP2	STEREO OPERATOR	74.00	111.00
OP3	STEREO OPERATOR	80.00	120.00
OP4	SR STEREO OPER, SQUAD LEADER	108.00	162.00
OP5	PHOTOGRAMMETRIST, SUPERVISOR	134.00	201.00
OP6	CHIEF PHOTOGRAM, DEPARTMENT HEAD	188.00	188.00
OP7	CHIEF PHOTOGRAM	218.00	218.00
P1	GRAD ENG/ARCH IN RES (UNLIC)	108.00	162.00
P2	GRAD ENG/ARCH IN RES (UNLIC)	118.00	177.00
P3	STAFF DETAIL DESIGNER (UNLIC)	126.00	189.00
P4	STAFF DETAIL DESIGNER (LICENSED)	156.00	234.00
P5	PROJECT DESIGNER (LICENSED)	212.00	212.00
P6	PROJECT DESIGNER (LICENSED)	244.00	244.00
P7	DEPT HEAD, PRINCIPALS, (LIC)	298.00	298.00
PD1	DETAIL DESIGNER (UNLICENSED)	86.00	129.00
PD2	SR DETAIL DESIGNER (UNLICENSED)	84.00	126.00
PD3	SENIOR DESIGNER II	128.00	192.00
PD4	SENIOR DESIGNER III	146.00	219.00
PD5	SENIOR DESIGNER	164.00	246.00
RP1	RAILROAD PROFESSIONAL	148.00	222.00
RP2	RAILROAD PROFESSIONAL	158.00	237.00
RP3	RAILROAD PROFESSIONAL	172.00	258.00
RP4	RAILROAD PROFESSIONAL SENIOR	186.00	186.00
RP5	RAILROAD PROFESSIONAL MANAGER	200.00	200.00
RP6	SENIOR RAILROAD SPECIALIST	230.00	230.00
SP1	RE SPEC/PLNRR/SR ROW/PM/OTHR	64.00	96.00
SP2	SR RE SPEC/PUBLIC INVOL/CONSULT/OTHR	94.00	141.00
SP3	SR RE SPEC/PLNRR/SR ROW/PM/OTHR	122.00	183.00
SP4	SR RE SPEC/PLNRR/SR ROW/PM/OTHR	156.00	234.00
SP5	SR RE SPEC/PLNRR/SR ROW/PM/OTHR	172.00	172.00
SP6	SR RE SPEC/PLNRR/SR ROW/PM/OTHR	246.00	246.00
SP7	SR AVP/VP/OPS MGR	250.00	250.00

PL1	PLANNER	74,00	111,00
PL2	PLANNER	86,00	144,00
PL3	PLANNER	118,00	177,00
PL4	PROJECT PLANNER	132,00	198,00
PL5	SENIOR PROJECT PLANNER	176,00	264,00
PL6	SENIOR PROJECT PLANNER	244,00	244,00

**CITY OF TRUTH OR CONSEQUENCES**

505 Sims St.

Truth or Consequences, NM 87901

PH: (575) 894-6673

FAX: (575) 894-0363

PURCHASE ORDER**PO Number:** 83769**Date:** 07/20/2026**Requisition #:** 96633**Vendor #:** 0217**ISSUED TO:** SIERRA VISTA HOSPITAL SIERRA VISTA COMMUNITY HEA
800 E NINTH AVE
TRUTH OR CONSEQUENCES, NM 87901**SHIP TO:** TCPD
507 McAdoo Street
Truth or Consequences, NM 87901

ITEM	UNITS	VENDOR PART #	DESCRIPTION	GL ACCT #	PROJ ACCT #	PRICE	AMOUNT
1	0		MEDICAL CLEARANCES FOR ARRESTEES	201-1903-48598		0.00	31,000.00
PD							

SUBTOTAL:	31,000.00
TOTAL TAX:	0.00
SHIPPING:	0.00
TOTAL	31,000.00

Chief Purchasing Office

Date: 7/20/2026

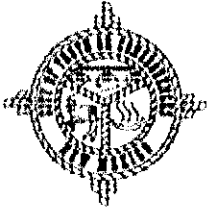
Director of Finance:

Requisition approved electronically.

City Manager:

Requisition approved electronically.

1. Send INVOICE to Accounts Payable, address as noted above.
2. Prepay all transportation charges, and attach receipted freight bill to invoice.
3. Show our Purchase Order number on all invoices, Bills of Lading, Packages, etc.
4. This order must NOT be filled in greater or lesser quantities than shown without our written permission.
5. This order is issued with the understanding that if material is not according to our specifications, same will be returned at seller's expense.
6. The right is reserved to cancel this order if not filled within a reasonable length of time.
7. The City is exempt from all federal excise and state tax - ID# 01-405755-007



REQUISITION

Requisition #: 96633

Date: 07/07/2026

Vendor #: 0217

ISSUED TO: SIERRA VISTA HOSPITAL SIERRA VISTA COMM
800 E NINTH AVE
TRUTH OR CONSEQUENCES, NM 87901

SHIP TO: TCPD
507 McAdoo Street
Truth or Consequences, NM 87901

ITEM	UNITS DESCRIPTION	PROJECT #	PRICE GL ACCOUNT NUMBER	AMOUNT
1	0 MEDICAL CLEARANCES FOR ARRESTEES		0.00 201-1903-48598	31,000.00
PO Description: MEDICAL CARE FOR ARRESTEES Detailed Description: MEDICAL EVALUATIONS FOR ARRESTEES - OPEN PO BILLED MONTHLY FOR ARRESTEES THAT NEED MEDICAL CLEARANCES MOU WITH SIERRA VISTA HOSPITAL				

Authorized By: _____

SUBTOTAL:	31,000.00
TOTAL TAX:	0.00
SHIPPING:	0.00
TOTAL	31,000.00

**CITY OF TRUTH OR CONSEQUENCES**

505 Sims St.
Truth or Consequences, NM 87901
PH: (575) 894-6673
FAX: (575) 894-0363

PURCHASE ORDER

PO Number: 82232

Date: 07/07/2025

Requisition #: 94754

Vendor #: 0217

ISSUED TO: SIERRA VISTA HOSPITAL SIERRA VISTA COMMUNITY HEA
800 E NINTH AVE
TRUTH OR CONSEQUENCES, NM 87901

SHIP TO: TCPD
507 McAdoo Street
Truth or Consequences, NM 87901

ITEM	UNITS	VENDOR PART #	DESCRIPTION	GL ACCT #	PROJ ACCT #	PRICE	AMOUNT
1	0		OPEN PO FOR CARE OF ARRESTEES AT HOSPITAL	201 1903 48598		0.00	28,000.00
	PD						
VOID							

Chief Purchasing Office

Date:

7/24/25

Director of Finance:

Requisition approved electronically.

City Manager:

Requisition approved electronically.

SUBTOTAL:	28,000.00
TOTAL TAX:	0.00
SHIPPING:	0.00
TOTAL	28,000.00

1. Send INVOICE to Accounts Payable, address as noted above.
2. Prepay all transportation charges, and attach receipted freight bill to invoice.
3. Show our Purchase Order number on all invoices, Bills of Lading, Packages, etc.
4. This order must NOT be filled in greater or lesser quantities than shown without our written permission.
5. This order is issued with the understanding that if material is not according to our specifications, same will be returned at seller's expense.
6. The right is reserved to cancel this order if not filled within a reasonable length of time.
7. The City is exempt from all federal excise and state tax - ID# 01-405755-007

**CITY OF TRUTH OR CONSEQUENCES**

505 Sims St.
Truth or Consequences, NM 87901
PH: (575) 894-6673
FAX: (575) 894-0363

PURCHASE ORDER**PO Number:** 83855**Date:** 07/30/2026**Requisition #:** 96774**Vendor #:** 7633

ISSUED TO: COPPLER LAW FIRM PC
645 DON GASPAR AVENUE
SANTA FE, NM 87505

SHIP TO: CMO
401 McAdoo St.
Truth or Consequences, NM 87901

ITEM	UNITS	VENDOR PART #	DESCRIPTION	GL ACCT #	PROJ ACCT #	PRICE	AMOUNT
1	0		OPEN PO FOR LEGAL SERVICES (FY 2026-2027)	101-1000-43597		0.00	24,000.00
			RECIEPTS/INVOICES ARE REQUIRED FOR PROCESSING				
2	0		TAX (SERVICE)	101-1000-43597		0.00	2,010.00
			CMO				

SUBTOTAL:	26,010.00
TOTAL TAX:	0.00
SHIPPING:	0.00
TOTAL	26,010.00

Chief Purchasing Office

Date:

7/30/2026

Director of Finance:

Requisition approved electronically.

City Manager:

Requisition approved electronically.

1. Send INVOICE to Accounts Payable, address as noted above.
2. Prepay all transportation charges, and attach receipted freight bill to invoice.
3. Show our Purchase Order number on all invoices, Bills of Lading, Packages, etc.
4. This order must NOT be filled in greater or lesser quantities than shown without our written permission.
5. This order is issued with the understanding that if material is not according to our specifications, same will be returned at seller's expense.
6. The right is reserved to cancel this order if not filled within a reasonable length of time.
7. The City is exempt from all federal excise and state tax - ID# 01-405755-007



REQUISITION

Requisition #: 96774

Date: 07/22/2026

Vendor #: 7633

ISSUED TO: COPPLER LAW FIRM PC
645 DON GASPAR AVENUE
SANTA FE, NM 87505

SHIP TO: CMO
401 McAdoo St.
Truth or Consequences, NM 87901

ITEM	UNITS DESCRIPTION	PROJECT #	PRICE GL ACCOUNT NUMBER	AMOUNT
1	O OPEN PO FOR LEGAL SERVICES (FY 2026-2027)		0.00 101-1000-43597	24,000.00
2	O TAX (SERVICE)		0.00 101-1000-43597	2,010.00

PO Description: OPEN PO FOR LEGAL SERVICES 2026-2027

Detailed Description:

PER CONTRACT FOR LEGAL SERVICES AS NEEDED
07/01/2026 THROUGH 06/30/2027
COMMISSION APPROVED 7/1/2025
RFP# 2025-05-002
CMO
(PENDING CITY MANAGER'S APPROVAL)

Authorized By: _____

SUBTOTAL:	26,010.00
TOTAL TAX:	0.00
SHIPPING:	0.00
TOTAL	26,010.00

CITY OF TRUTH OR CONSEQUENCES

RFP #2025-05-002 ANNUAL LEGAL SERVICES CONTRACT #2025-05-002 (2)

THIS AGREEMENT is made and entered into by and between the City of Truth or Consequences, hereinafter referred to as the "City" and Coppler Law Firm, P.C. hereinafter referred to as the "Contractor" and is effective as of the date set forth below upon which it is executed by the Chief Procurement Officer and the Board of City Commissioners.

IT IS AGREED BETWEEN THE PARTIES:

1. Scope of Work.

The Contractor shall perform the work outlined in the Scope of Work attached hereto as Attachment 1 and incorporated herein by reference, to the extent assigned by the City and not performed by other counsel working in cooperation with Contractor.

2. Compensation.

A. The City shall pay to the Contractor an hourly rate of Two Hundred Dollars (\$200.00), plus New Mexico Gross Receipts Tax not to exceed an annual amount of TWENTY-FOUR THOUSAND DOLLARS (\$24,000.00) plus New Mexico Gross Receipts Tax for services satisfactorily performed for the first year of this Contract, without the Agreement being amended in writing.

B. Payment is subject to availability of funds pursuant to the Appropriations Paragraph set forth below and to any negotiations between the parties from year to year pursuant to Paragraph 1, Scope of Work. All invoices MUST BE received by the City no later than fifteen (15) days after the termination of the Fiscal Year in which the services were delivered. Invoices received after such date WILL NOT BE PAID.

C. Contractor must submit a detailed statement accounting for all services performed, specified on a minimum of a tenth of an hour basis, and expenses incurred. If the City finds that the services are not acceptable, within thirty days after the date of receipt of written notice from the Contractor that payment is requested, it shall provide the Contractor a letter of exception explaining the defect or objection to the services, and outlining steps the Contractor may take to provide remedial action. Upon certification by the City that the services have been received and accepted, payment shall be tendered to the Contractor within thirty days after the date of acceptance. If payment is made by mail, the payment shall be deemed tendered on the date it is postmarked. However, the City shall not incur late charges, interest, or penalties for failure to make payment within the time specified herein.

D. The payment of taxes due for any money received under this Agreement shall be the Contractor's sole responsibility and shall be reported under the Contractor's Federal and State tax identification number(s).

ORIGINAL

3. Term.

This Agreement is for one (1) year from the date of approval by the City of T or C's City Board of City Commissioners. This Contract will automatically renew on an annual basis, for up to three (3) additional one (1) year terms unless terminated pursuant to paragraph 4 (Termination), or paragraph 5 (Appropriations). In accordance with Section 13-1-150 NMSA 1978, no term for a professional services contract, including extensions and renewals, shall exceed four years, except as set forth in Section 13-1-150 NMSA 1978.

4. Termination.

A. Termination. This Agreement may be terminated by either of the parties hereto upon written notice delivered to the other party at least thirty (30) days prior to the intended date of termination. Except as otherwise allowed or provided under this Agreement, the City's sole liability upon such termination shall be to pay for acceptable work performed prior to the Contractor's receipt of the notice of termination, if the City is the terminating party, or the Contractor's sending of the notice of termination, if the Contractor is the terminating party; provided, however, that a notice of termination shall not nullify or otherwise affect either party's liability for pre-termination defaults under or breaches of this Agreement. The Contractor shall submit an invoice for such work within thirty (30) days of receiving or sending the notice of termination. Notwithstanding the foregoing, this Agreement may be terminated immediately upon written notice to the Contractor if the Contractor becomes unable to perform the services contracted for, as determined by the City or if, during the term of this Agreement, the Contractor or any of its officers, employees or agents is indicted for fraud, embezzlement or other crime due to misuse of government funds or due to the Appropriations paragraph herein. THIS PROVISION IS NOT EXCLUSIVE AND DOES NOT WAIVE THE CITY'S OTHER LEGAL RIGHTS AND REMEDIES CAUSED BY THE CONTRACTOR'S DEFAULT/BREACH OF THIS AGREEMENT.

B Termination Management. Immediately upon receipt by either the City or the Contractor of notice of termination of this Agreement, the Contractor shall: 1) not incur any further obligations for salaries, services or any other expenditure of funds under this Agreement without written approval of the City; 2) comply with all directives issued by the City in the notice of termination as to the performance of work under this Agreement; and 3) take such action as the City shall direct for the protection, preservation, retention or transfer of all property titled to the City and records generated under this Agreement. Any non-expendable personal property or equipment provided to or purchased by the Contractor with contract funds shall become property of the City upon termination and shall be submitted to the City as soon as practicable.

5. Appropriations.

The terms of this Agreement are contingent upon sufficient appropriations and authorization being made by the Board of City Commissioners for the performance of this Agreement. If sufficient appropriations and authorization are not made by the Board of City Commissioners, this Agreement shall terminate immediately upon written notice being given by the City to the Contractor. The City's decision as to whether sufficient appropriations are available shall be accepted by the Contractor and shall be final. If the City proposes an amendment to the Agreement to unilaterally reduce funding, the Contractor shall have the option to terminate the

Agreement or to agree to the reduced funding, within thirty (30) days of receipt of the proposed amendment.

6. **Status of Contractor.**

The Contractor and its agents and employees are independent contractors performing professional services for the City and are not employees of the City of Truth or Consequences. The Contractor and its agents and employees shall not accrue leave, retirement, insurance, bonding, use of county vehicles, or any other benefits afforded to employees of the City of Truth or Consequences as a result of this Agreement. The Contractor acknowledges that all sums received hereunder are reportable by the Contractor for tax purposes, including without limitation, self-employment and business income tax. The Contractor agrees not to purport to bind the City of Truth or Consequences unless the Contractor has express written authority to do so, and then only within the strict limits of that authority.

7. **Assignment.**

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

8. **Subcontracting.**

The Contractor shall not subcontract any portion of the services to be performed under this Agreement without the prior written approval of the City. No such subcontract shall relieve the primary Contractor from its obligations and liabilities under this Agreement, nor shall any subcontract obligate direct payment from the City. In all cases, the contractor is solely responsible for fulfillment of this Agreement.

9. **Release.**

Final payment of the amounts due under this Agreement shall operate as a release of the procuring agency of the City, its officers and employees, and the City of Truth or Consequences from all liabilities, claims and obligations whatsoever arising from or under this Agreement.

10. **Confidentiality.**

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

11. **Product of Service -- Copyright.**

All materials developed or acquired by the Contractor under this Agreement shall become the property of the City of Truth or Consequences and shall be delivered to the City no later than the termination date of this Agreement. Nothing developed or produced, in whole or in part, by the Contractor under this Agreement shall be the subject of an application for copyright or other claim of ownership by or on behalf of the Contractor.

12. **Conflict of Interest; Governmental Conduct Act.**

A. The Contractor represents and warrants that it presently has no interest and, during the term of this Agreement, shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance or services required under the Agreement.

B. The Contractor further represents and warrants that it has complied with, and, during the term of this Agreement, will continue to comply with, and that this Agreement complies with all applicable provisions of the Governmental Conduct Act, Chapter 10, Article 16 NMSA 1978. Without in anyway limiting the generality of the foregoing, the Contractor specifically represents and warrants that:

1) in accordance with Section 10-16-4.3 NMSA 1978, the Contractor does not employ, has not employed, and will not employ during the term of this Agreement any City employee while such employee was or is employed by the City and participating directly or indirectly in the City's contracting process;

2) this Agreement complies with Section 10-16-7(B) NMSA 1978 because (i) the Contractor is not a public officer or employee of the City; (ii) the Contractor is not a member of the family of a public officer or employee of the City; (iii) the Contractor is not a business in which a public officer or employee or the family of a public officer or employee has a substantial interest; or (iv) if the Contractor is a public officer or employee of the City, a member of the family of a public officer or employee of the City, or a business in which a public officer or employee of the City or the family of a public officer or employee of the City has a substantial interest, public notice was given as required by Section 10-16-7(B) NMSA 1978 and this Agreement was awarded pursuant to a competitive process;

3) in accordance with Section 10-16-8(C) NMSA 1978, (i) the Contractor is not, and has not been represented by, a person who has been a public officer or employee of the City within the preceding year and whose official act directly resulted in this Agreement and (ii) the Contractor is not, and has not been assisted in any way regarding this transaction by, a former public officer or employee of the City whose official act, while in City employment, directly resulted in the City's making this Agreement;

4) in accordance with Section 10-16-13 NMSA 1978, the Contractor has not directly participated in the preparation of specifications, qualifications or evaluation criteria for this Agreement or any procurement related to this Agreement; and

5) in accordance with Section 10-16-3 and Section 10-16-13.3 NMSA 1978, the Contractor has not contributed, and during the term of this Agreement shall not contribute, anything of value to a public officer or employee of the City.

C. Contractor's representations and warranties in Paragraphs A and B of this Article 12 are material representations of fact upon which the City relied when this Agreement was entered into by the parties. Contractor shall provide immediate written notice to the City if, at any time during the term of this Agreement, Contractor learns that Contractor's representations and warranties in Paragraphs A and B of this Article 12 were erroneous on the effective date of this Agreement or have become erroneous by reason of new or changed circumstances. If it is later determined that Contractor's representations and warranties in Paragraphs A and B of this Article 12 were erroneous on the effective date of this Agreement or have become erroneous by reason of new or changed circumstances, in addition to other remedies available to the City and notwithstanding anything in the Agreement to the contrary, the City may immediately terminate the Agreement.

D. All terms defined in the Governmental Conduct Act have the same meaning in this Article 12(B).

13. Amendment.

This Agreement shall not be altered, changed or amended except by instrument in writing executed by the parties hereto and all other required signatories.

14. Merger.

This Agreement incorporates all the Agreements, covenants and understandings between the parties hereto concerning the subject matter hereof, and all such covenants, Agreements and understandings have been merged into this written Agreement. No prior Agreement or understanding, oral or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Agreement.

15. Penalties for violation of law.

The Procurement Code, Sections 13-1-28 through 13-1-199, NMSA 1978, imposes civil and criminal penalties for its violation. In addition, the New Mexico criminal statutes impose felony penalties for illegal bribes, gratuities and kickbacks.

16. Equal Opportunity Compliance.

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

17. Applicable Law.

In any action, suit or legal dispute arising from this Agreement, the Contractor agrees that the laws of the State of New Mexico shall govern and that venue will lie in the Seventh Judicial District Court in Sierra County. By execution of this Agreement, Contractor acknowledges and agrees to the jurisdiction of the courts of the State of New Mexico over any and all lawsuits arising under or out of any term of this Agreement.

18. Workers Compensation.

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

19. Records and Financial Audit.

The Contractor shall maintain detailed time and expenditure records that indicate the date; time, nature and cost of services rendered during the Agreement's term and effect and retain them for a period of three (3) years from the date of final payment under this Agreement. The records shall be subject to inspection by the City, the Department of Finance and Administration and the State Auditor. The City shall have the right to audit billings both before and after payment. Payment under this Agreement shall not foreclose the right of the City to recover excessive or illegal payments

20. Disclaimer and Hold Harmless.

The City of Truth or Consequences shall not be liable to the Contractor, or the Contractor's successors, heirs, administrators, or assigns, for any loss, damage, or injury, whether to Contractor's person or property, occurring in connection with Contractor's performance of Contractor's duties according to this Agreement. Contractor shall hold the City of Truth or Consequences harmless from all loss, damage, and injury, including court costs and attorney fees, incurred by the City of T or C in connection with the performance by Contractor of Contractor's duties according to this Agreement.

21. Indemnification.

The Contractor shall defend, indemnify and hold harmless the City of Truth or Consequences from all actions, proceeding, claims, demands, costs, damages, attorneys' fees and all other liabilities and expenses of any kind from any source which may arise out of the performance of this Agreement, caused by the negligent act or failure to act of the Contractor, its officers, employees, servants, subcontractors or agents, or if caused by the actions of any client of the Contractor resulting in injury or damage to persons or property during the time when the Contractor or any officer, agent, employee, servant or subcontractor thereof has or is performing services pursuant to this Agreement. In the event that any action, suit or proceeding related to the services performed by the Contractor or any officer, agent, employee, servant or subcontractor under this Agreement is brought against the Contractor, the Contractor shall, as soon as practicable but no later than two (2) days after it receives notice thereof, notify the legal counsel of the City of Truth or Consequences and the New Mexico Municipal League by certified mail.

22. Invalid Term or Condition.

If any term or condition of this Agreement shall be held invalid or unenforceable, the remainder of this Agreement shall not be affected and shall be valid and enforceable.

23. Enforcement of Agreement.

A party's failure to require strict performance of any provision of this Agreement shall not waive or diminish that party's right thereafter to demand strict compliance with that or any other provision. No waiver by a party of any of its rights under this Agreement shall be effective unless express and in writing, and no effective waiver by a party of any of its rights shall be effective to waive any other rights.

24. Authority.

If Contractor is other than a natural person, the individual(s) signing this Agreement on behalf of Contractor represents and warrants that he or she has the power and authority to bind

Contractor, and that no further action, resolution, or approval from Contractor is necessary to enter into a binding contract.

25. Lobbying.

No federal appropriated funds can be paid or will be paid, by or on behalf of the CONTRACTOR, or any person for influencing or attempting to influence an officer or employee of any City, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, or the making of any Federal grant, the making of any federal loan, the entering into of any cooperative agreement, or modification of any Federal contract, grant, loan, or cooperative agreement. If any funds other than federal appropriated funds have been paid or will be paid to any person influencing or attempting to influence an officer or employee of any City, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection of this federal contract, grant, loan, or cooperative agreement, the CONTRACTOR shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

26. Approval of Contractor Personnel.

Personnel proposed in the Contractor's written proposal to the City are considered material to any work performed under this Agreement. No changes of personnel will be made by the Contractor without prior written consent of the procuring agency of the City. Replacement of any Contractor personnel, if approved, shall be with personnel of equal ability, experience and qualifications. The Contractor will be responsible for any expenses incurred in familiarizing the replacement personnel to insure their being productive to the project immediately upon receiving assignments. Approval of replacement personnel shall not be unreasonably withheld. The procuring agency of the City shall retain the right to request the removal of any of the Contractor's personnel at any time.

27. Survival.

The agreement paragraphs titled "Patent, Copyright, Trademark, and Trade Secret Indemnification" and "Indemnification" shall survive the expiration of this agreement. Software licenses, leases, maintenance and any other unexpired agreements that were entered into under the terms and conditions of this agreement shall survive this agreement.

28. Succession.

This agreement shall extend to and be binding upon the successors and assigns of the parties.

29. Force Majeure.

A party shall be excused from performance under this agreement for any period that the party is prevented from performing as a result of an act of God, strike, war, civil disturbance, epidemic, or court order, provided that the party has prudently and promptly acted to take any and all steps that are within the party's control to ensure performance. Subject to this provision, such non-performance shall not be deemed a default or a ground for termination.

30. Mediation.

In the event a dispute arises as to the rights and obligations among the parties hereto, the parties agree to attempt to resolve the dispute through mediation as a condition precedent to seeking legal and equitable remedies. The parties agree to evenly split the costs of any such mediation services. The parties shall mutually agree upon the choice of mediator. In the event the parties have not agreed upon a mediator within twenty (20) days of written notice to the other regarding the dispute, then a list of seven potential mediators will be obtained from the New Mexico Municipal League and the parties shall utilize a striking process until a mediator is agreed upon.

31. Notice to Proceed.

It is expressly understood that this Agreement is not binding upon the City until it is executed by the Board of City Commissioners after voting on the contract at a public meeting. Further, the Contractor is not to proceed with its obligations under the Agreement until the Contractor has received a fully signed copy of the Agreement.

32. Attorney's Fees.

In the event this Agreement results in dispute, mediation, litigation, or settlement between the parties to this Agreement, the prevailing party of such action shall NOT be entitled to an award of attorneys' fees and court costs.

33. Cooperation.

All parties hereto will fully cooperate with the other and their respective counsel, accountant, and agents in connection with any steps required to be taken under this Agreement.

34. Incorporation and Order of Precedence.

Request for Proposals No. [2025-05-002] and the contractor's proposal are incorporated by reference into this agreement and are made a part of this agreement. In the event of any conflict among these documents, the following order of precedence shall apply:

1. Any contract amendment(s), in reverse chronological order; then
2. this contract itself; then
3. the Request for Proposals; then
4. the Contractors Best and Final Offer(s), in reverse chronological order; then
5. the contractor's proposal; then
6. the contractor's standard agreement terms and conditions (which may or may not have been submitted as part of the contractor's proposal).

35. Patent, Copyright, Trademark and Trade Secret Indemnification.

A. The contractor shall defend, at its own expense, the City of Truth or Consequences against any claim that any product or service provided under this agreement infringes any patent, copyright or trademark in the United States or Puerto Rico, and shall pay all costs, damages and attorneys' fees that a court finally awards as a result of any such claim. In addition, if any third party obtains a judgment against the City of Truth or Consequences based upon the contractor's trade secret infringement relating to any product or service provided under this agreement, the

contractor agrees to reimburse the City of Truth or Consequences for all costs, attorneys' fees and the amount of the judgment. To qualify for such defense and/or payment, the City of Truth or Consequences shall:

- i. give the contractor prompt written notice of any claim;
- ii. allow the contractor to control the defense or settlement of the claim; and
- iii. cooperate with the contractor in a reasonable way to facilitate the defense or settlement of the claim.

B. If any product or service becomes, or in the contractor's opinion is likely to become the subject of a claim of infringement, the contractor shall at its option and expense:

- i. provide a procuring agency of the City the right to continue using the product or service;
- ii. replace or modify the product or service so that it becomes non-infringing; or
- iii. accept the return of the product or service and refund an amount equal to the depreciated value of the returned product or service, less the unpaid portion of the purchase price and any other amounts which are due to the contractor. The contractor's obligation will be void as to any product or service modified by the procuring agency of the City to the extent such modification is the cause of the claim.

36. Professional Liability Insurance.

Contractor agrees to maintain in full force throughout the duration of the Agreement a liability insurance policy with a minimum coverage of \$1,000,000 per claim and \$1,000,000 aggregate.

BOARD OF CITY COMMISSIONERS OF THE CITY OF TRUTH OR CONSEQUENCES

37. Notices.

Any notice required to be given to either party by this Agreement shall be in writing and shall be delivered in person, by courier service or by U.S. mail, either first class or certified, return receipt requested, postage prepaid, as follows:

To: City of Truth or Consequences

Jocelyn Holguin, Chief Procurement Officer
505 Sims Street
Truth or Consequences, NM 87901

To: Coppler Law Firm, P.C.

Address: 645 Don Gaspar Avenue
Santa Fe, NM 87505

Phone # 505-988-5656

By: Frank Coppler Date: 6/23/2025
Frank Coppler, Senior Partner

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date of signature by the City Chief Procurement Officer below:

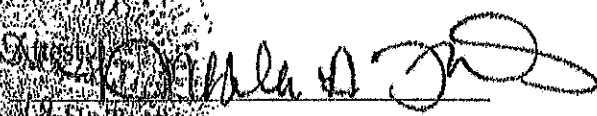
By: [Signature] Date: 7.1.2025
Gary Whitehead, City Manager

BOARD OF CITY COMMISSIONERS

APPROVED, ADOPTED AND PASSED on this 25th day of June 2025.



Rolf Hechler, Mayor

Angela Torres
City Clerk

City of Truth or Consequences Chief Procurement Officer:

By:  Date: 7/1/25

Jocelyn Holguin
Finance Director/CPO
City of Truth or Consequences

Attachment 1

Scope of Work

Required activities include, but are not necessarily limited to -

The scope of work is for Legal Services and shall consist of the following:

- Provide day to day legal services to the City Commission and Administration
- Experience with New Mexico Local Government
- Employment Laws
- Legal staff will provide legal opinion and guidance- but will ultimately leave final decisions to the City Commission and Administration- and continue to provide legal support based on these decisions
- Attend All City Commission Meetings and Administrative Hearings
- Advise Commission on all matters including Policies and Procedures, Open Meetings, Inspection of Public Records, Elections, Procurement, Administrative Proceedings and Hearings, Meetings Rules, Personnel Matters, Tort, and Criminal Litigations matters that may arise. Including and not limited to liens and property abatements
- Draft and review Notices of Contemplated Actions
- Draft and Review Resolutions, Ordinances and other city departments
- Draft and review Contracts, Leases, Memorandums of Understandings, Joint Powers Agreements and as requested by departments as needed
- Subdivision, property and road experience
- Provide written legal opinions and advise county on methods to avoid civil litigation
- Advise elected officials
- Timely Response to inquiries
- Shall notify appropriate staff of new laws, legislative mandatory requirements or other when knowledge of such changes are incurred
- Monthly Flat Rate
- Annual Fee
- Other Rates (Detailed)
- To be respectful and diplomatic to all staff

END

**CITY OF TRUTH OR CONSEQUENCES**

505 Sims St.
Truth or Consequences, NM 87901
PH: (575) 894-6673
FAX: (575) 894-0363

PURCHASE ORDER**PO Number:** 83909**Date:** 08/04/2026**Requisition #:** 96634**Vendor #:** 0214

ISSUED TO: SIERRA COUNTY TREASURER
1712 N. DATE SUITE D
TRUTH OR CONSEQUENCES, NM 87901-

SHIP TO: TCPD
507 McAdoo Street
Truth or Consequences, NM 87901

ITEM	UNITS	VENDOR PART #	DESCRIPTION	GL ACCT #	PROJ ACCT #	PRICE	AMOUNT
1	0		OPEN PO HOLDING OF ARRESTEES	201-1903-48710		0.00	44,000.00
			OPEN PO FOR HOLDING OF ARRESTEES				
			BILLED MONTHLY				
			MOU WITH SIERRA COUNTY				
			WILL HAVE ENOUGH WHEN ENCUMERED MONEY IS RELEASED				
			OLD PO ATTACHED TO SHOW A RECURRING COST				
			PD				

Chief Purchasing Office

Date:

8/5/2026

Director of Finance:

Requisition approved electronically.

City Manager:

Requisition approved electronically.

SUBTOTAL:	44,000.00
TOTAL TAX:	0.00
SHIPPING:	0.00
TOTAL	44,000.00

1. Send INVOICE to Accounts Payable, address as noted above.
2. Prepay all transportation charges, and attach receipted freight bill to invoice.
3. Show our Purchase Order number on all invoices, Bills of Lading, Packages, etc.
4. This order must NOT be filled in greater or lesser quantities than shown without our written permission.
5. This order is issued with the understanding that if material is not according to our specifications, same will be returned at seller's expense.
6. The right is reserved to cancel this order if not filled within a reasonable length of time.
7. The City is exempt from all federal excise and state tax - ID# 01-405755-007



REQUISITION

Requisition #: 96634

Date: 07/07/2026

Vendor #: 0214

ISSUED TO: SIERRA COUNTY TREASURER
1712 N. DATE SUITE D
TRUTH OR CONSEQUENCES, NM 87901-

SHIP TO: TCPD
507 McAdoo Street
Truth or Consequences, NM 87901

ITEM	UNITS DESCRIPTION	PROJECT #	PRICE GL ACCOUNT NUMBER	AMOUNT
1	0 OPEN PO HOLDING OF ARRESTEES		0.00 201-1903-48710	44,000.00
PO Description: HOLDING OF ARRESTEES AT DETENTION CENTER Detailed Description: OPEN PO FOR HOLDING OF ARRESTEES BILLED MONTHLY MOU WITH SIERRA COUNTY				

Authorized By: _____

SUBTOTAL:	44,000.00
TOTAL TAX:	0.00
SHIPPING:	0.00
TOTAL	44,000.00

**CITY OF TRUTH OR CONSEQUENCES**

505 Sims St.
Truth or Consequences, NM 87901
PH: (575) 894-6673
FAX: (575) 894-0363

**PURCHASE ORDER**
COPY**PO Number:** 82239**Date:** 07/22/2025**Requisition #:** 94908**Vendor #:** 0214

ISSUED TO: SIERRA COUNTY TREASURER
1712 N. DATE SUITE D
TRUTH OR CONSEQUENCES, NM 87901-

SHIP TO: TCPD
507 McAdoo Street
Truth or Consequences, NM 87901

ITEM	UNITS	VENDOR PART #	DESCRIPTION	GL ACCT #	PROJ ACCT #	PRICE	AMOUNT
1	0		HOLDING OF PRISONERS FY25-26 OPEN PO	201 1903 48710		0.00	40,000.00
	PD						

COPY
For reference ONLY

Chief Purchasing Office

Date:

7/24/25

Director of Finance: Requisition approved electronically.City Manager: Requisition approved electronically.

SUBTOTAL:	40,000.00
TOTAL TAX:	0.00
SHIPPING:	0.00
TOTAL	40,000.00

1. Send INVOICE to Accounts Payable, address as noted above.
2. Prepay all transportation charges, and attach receipted freight bill to invoice.
3. Show our Purchase Order number on all invoices, Bills of Lading, Packages, etc.
4. This order must NOT be filled in greater or lesser quantities than shown without our written permission.
5. This order is issued with the understanding that if material is not according to our specifications, same will be returned at seller's expense.
6. The right is reserved to cancel this order if not filled within a reasonable length of time.
7. The City is exempt from all federal excise and state tax - ID# 01-405755-007

**CITY OF TRUTH OR CONSEQUENCES**

505 Sims St.
Truth or Consequences, NM 87901
PH: (575) 894-6673
FAX: (575) 894-0363

PURCHASE ORDER**PO Number:** 83915**Date:** 08/05/2026**Requisition #:** 96875**Vendor #:** 9367

ISSUED TO: SANDY JONES CONTRACTOR
34 YIPPIE CALLE
WILLIAMSBURG, NM 87942-

SHIP TO: STREET
211 South Ash Street
Truth or Consequences, NM 87901

ITEM	UNITS	VENDOR PART #	DESCRIPTION	GL ACCT #	PROJ ACCT #	PRICE	AMOUNT
1	0		MILL, GRADE AND PAVE 3" SP-IV	216-4503-43550		0.00	19,500.00
2	0		TAX (LABOR)	216-4503-43550		0.00	1,633.13
			NMGRT (8.3750%) STREET				

SUBTOTAL:	21,133.13
TOTAL TAX:	0.00
SHIPPING:	0.00
TOTAL	21,133.13

Chief Purchasing Office

Date:

8/5/2026

Director of Finance:

Requisition approved electronically.

City Manager:

Requisition approved electronically.

1. Send INVOICE to Accounts Payable, address as noted above.
2. Prepay all transportation charges, and attach receipted freight bill to invoice.
3. Show our Purchase Order number on all invoices, Bills of Lading, Packages, etc.
4. This order must NOT be filled in greater or lesser quantities than shown without our written permission.
5. This order is issued with the understanding that if material is not according to our specifications, same will be returned at seller's expense.
6. The right is reserved to cancel this order if not filled within a reasonable length of time.
7. The City is exempt from all federal excise and state tax - ID# 01-405755-007



REQUISITION

Requisition #: 96875

Date: 08/04/2026

Vendor #: 9367

ISSUED TO: RAY C JONES
34 YIPPIE CALLE
WILLIAMSBURG, NM 87942-

SHIP TO: STREET
211 South Ash Street
Truth or Consequences, NM 87901

ITEM	UNITS DESCRIPTION	PROJECT #	PRICE GL ACCOUNT NUMBER	AMOUNT
1	0 MILL, GRADE AND PAVE 3" SP-IV		0.00 216-4503-43550	19,500.00
2	0 TAX (LABOR)		0.00 216-4503-43550	1,633.13
PO Description: MILL AND PLACEMENT OF ASPHALT Detailed Description: MILL GRADE AND PAVE 3" STREET				

Authorized By: _____

SUBTOTAL:	21,133.13
TOTAL TAX:	0.00
SHIPPING:	0.00
TOTAL	21,133.13

Sandy Jones Contractor 34 Yippie Calle Rd Williamsburg, NM 87942

sandyjones1@windstream.net (575) 740-2322

NMCL-368485 GB,GA EE-98 GF-2,4, 5

Quotation Project City of Truth or Consequences Daniels Street Rehab. ATT Gary Whitehead Manager

Item #	Description	Unit	Quantity	Unit Price	Total Unit Price	Comments
						Remove existing asphalt from curb line to curb line full depth. Blade and reshape existing sub-grade to normal crown section. Place 3' NMDOT SP-IV HMA.
1	Mill, Grade and Pave 3" SP-IV	Lump Sum	1	19,500.00	\$19,500.00	
2					\$0.00	
3					\$0.00	
4					\$0.00	
5					\$0.00	
6					\$0.00	
7					\$0.00	
8					\$0.00	
9					\$0.00	
10					\$0.00	
11					\$0.00	
12					\$0.00	
13	Sub-Total				\$19,500.00	
14	NMGRT			8.3750%	\$1,633.13	
15	Total Quote				\$21,133.13	

1/16/2026

**CITY OF TRUTH OR CONSEQUENCES**

505 Sims St.
Truth or Consequences, NM 87901
PH: (575) 894-6673
FAX: (575) 894-0363

PURCHASE ORDER**PO Number:** 83829**Date:** 07/28/2026**Requisition #:** 96740**Vendor #:** 9117

ISSUED TO: UNIFIRST CORPORATION
6928 A COMMERCE AVE
EL PASO, TX 79915-

SHIP TO: PARKS
2700 South Broadway Street
Truth or Consequences, NM 87901

ITEM	UNITS	VENDOR PART #	DESCRIPTION	GL ACCT #	PROJ ACCT #	PRICE	AMOUNT
1	0		OPEN PO UNIFORMS & SERVICE (JUL-SEP 26) OPEN PO DRAWDOWN FOR UNIFORMS & SERVICE (JULY -SEPTEMBER 2026) RECIEPTS/INVOICES ARE REQUIRED FOR PROCESSING PARKS DEPARTMENT	101-1009-42620		0.00	1,000.00

SUBTOTAL:	1,000.00
TOTAL TAX:	0.00
SHIPPING:	0.00
TOTAL	1,000.00

Chief Purchasing Office **Date:** 7/28/2026**Director of Finance:** Requisition approved electronically.**City Manager:** Requisition approved electronically.

1. Send INVOICE to Accounts Payable, address as noted above.
2. Prepay all transportation charges, and attach receipted freight bill to invoice.
3. Show our Purchase Order number on all invoices, Bills of Lading, Packages, etc.
4. This order must NOT be filled in greater or lesser quantities than shown without our written permission.
5. This order is issued with the understanding that if material is not according to our specifications, same will be returned at seller's expense.
6. The right is reserved to cancel this order if not filled within a reasonable length of time.
7. The City is exempt from all federal excise and state tax - ID# 01-405755-007



REQUISITION

Requisition #: 96740

Date: 07/17/2026

Vendor #: 9117

ISSUED TO: UNIFIRST HOLDINGS INC DBA UNIFIRST CORP
6928 A COMMERCE AVE
EL PASO, TX 79915-

SHIP TO: PARKS
2700 South Broadway Street
Truth or Consequences, NM 87901

ITEM	UNITS DESCRIPTION	PROJECT #	PRICE GL ACCOUNT NUMBER	AMOUNT
1	0 OPEN PO UNIFORMS & SERVICE (JUL-SEP 26)		0.00 101-1009-42620	1,000.00
PO Description: OPEN PO UNIFORMS & SERVICE (JUL-SEP 2026) Detailed Description: OPEN PO FOR THREE MONTHS PARKS				

Authorized By: _____

SUBTOTAL:	1,000.00
TOTAL TAX:	0.00
SHIPPING:	0.00
TOTAL	1,000.00

**CITY OF TRUTH OR CONSEQUENCES**

505 Sims St.
Truth or Consequences, NM 87901
PH: (575) 894-6673
FAX: (575) 894-0363

PURCHASE ORDER**PO Number:** 83928**Date:** 08/07/2026**Requisition #:** 96883**Vendor #:** 8822

ISSUED TO: SUPERIOR WEED AND PEST CONTROL LLC
PO BOX 1370
ELEPHANT BUTTE, NM 87935-0097

SHIP TO: FACILITY
330 East Riverside
Truth or Consequences, NM 87901

ITEM	UNITS	VENDOR PART #	DESCRIPTION	GL ACCT #	PROJ ACCT #	PRICE	AMOUNT
1	0		VECTOR CONTROL - CITY OF T OR C PAID IN FOUR EQUAL MONTHLY PAYMENTS OF \$2,650.00 FROM JULY - OCTOBER	101-1014-48597		0.00	10,600.00
2	0		VECTOR CONTROL - SIERRA COUNTY PAID IN FOUR EQUAL MONTHLY PAYMENTS OF \$3,900.00 FROM JULY - OCTOBER	101-1014-48597		0.00	15,600.00
3	0		VECTOR CONTROL - ELEPHANT BUTTE PAID IN FOUR EQUAL MONTHLY PAYMENTS OF \$3,050.00 FROM JULY - OCTOBER	101-1014-48597		0.00	12,200.00
4	0		VECTOR CONTROL - WILLIAMSBURG PAID IN FOUR EQUAL MONTHLY PAYMENTS OF \$275.32 FROM JULY - OCTOBER FACILITY	101-1014-48597		0.00	1,101.28

SUBTOTAL:	39,501.28
TOTAL TAX:	0.00
SHIPPING:	0.00
TOTAL	39,501.28

Chief Purchasing Office

Date:

8/7/2026

Director of Finance:

Requisition approved electronically.

City Manager:

Requisition approved electronically.

1. Send INVOICE to Accounts Payable, address as noted above.
2. Prepay all transportation charges, and attach receipted freight bill to invoice.
3. Show our Purchase Order number on all invoices, Bills of Lading, Packages, etc.
4. This order must NOT be filled in greater or lesser quantities than shown without our written permission.
5. This order is issued with the understanding that if material is not according to our specifications, same will be returned at seller's expense.
6. The right is reserved to cancel this order if not filled within a reasonable length of time.
7. The City is exempt from all federal excise and state tax - ID# 01-405755-007



REQUISITION

Requisition #: 96883

Date: 08/05/2026

Vendor #: 8822

ISSUED TO: SUPERIOR WEED AND PEST CONTROL LLC
PO BOX 1370
ELEPHANT BUTTE, NM 87935-0097

SHIP TO: FACILITY
330 East Riverside
Truth or Consequences, NM 87901

ITEM	UNITS	DESCRIPTION	PROJECT #	PRICE	GL ACCOUNT NUMBER	AMOUNT
1	0	VECTOR CONTROL - CITY OF T OR C		0.00	101-1014-48597	10,600.00
2	0	VECTOR CONTROL - SIERRA COUNTY		0.00	101-1014-48597	15,600.00
3	0	VECTOR CONTROL - ELEPHANT BUTTE		0.00	101-1014-48597	12,200.00
4	0	VECTOR CONTROL - WILLIAMSBURG		0.00	101-1014-48597	1,101.28

PO Description: VECTOR CONTROL OPERATION AGREEMENTS

Detailed Description:

FY26/27 VECTOR CONTROLS AGREEMENTS

CITY OF T OR C AND SIERRA COUNTY

ELEPHANT BUTTE

Authorized By: _____

SUBTOTAL:	39,501.28
TOTAL TAX:	0.00
SHIPPING:	0.00
TOTAL	39,501.28

SERVICE AGREEMENT
VECTOR CONTROL

THIS AGREEMENT, made this 24th day of June, 2026, by and between the City of Truth or Consequences, New Mexico hereinafter called "City", and the Village of Williamsburg, New Mexico, hereinafter called "Village."

WITNESSETH

WHEREAS, the Village is in need of Vector Control services, and;

WHEREAS, the City has the ability to coordinate and administer such services and both parties desire to cooperate in providing vector control services within the village.

NOW, THEREFORE, in consideration of the mutual covenants herein, the parties agree as follows:

1. **Scope of Services** - The City shall act as the fiscal agent for services provided by Superior Weed and Pest Control (the "Contractor"). The Contractor shall provide the following services:
 - a. Cost of site surveying
 - b. Mapping
 - c. Recordkeeping
 - d. Larvicide treatment
 - e. Adult mosquito fogging

The City reserves the right to subcontract services as necessary to fulfill the obligation of this Agreement.

2. **Services Frequency** - Contractor shall provide mosquito control services annually during mosquito season, defined as July 1 through October 31 of each year, for the duration of this Agreement.

Services shall include a minimum of four (4) treatments per month during this period, as well as additional services on an as-needed (on-call) basis.

3. **Termination** - Either party may terminate this Agreement without cause by providing thirty (30) days' written notice to the other party.
4. **Compensation** - The Village shall pay the City \$275.32 per month during each mosquito season (July through October), for four (4) months per year during the term of this agreement.

No compensation shall be due outside of the defined mosquito season unless additional services are requested and approved in writing.

5. Indemnity:

- a. City of Truth or Consequences' Indemnity
City of Truth or Consequences shall indemnify the Village of Williamsburg and save the Village of Williamsburg harmless from and against all claims, losses,

expenses and liabilities arising out of damage to property, injury to or death of persons (including the property and persons of the parties hereto and their agents, servants, contractors and employees), or loss of use of property, loss of revenue or other economic losses arising out of or occasioned by or in connection with the negligence or willful act or omission of City of Truth or Consequences or City of Truth or Consequences' agents, servants, employees and subcontractors.

b. **Village of Williamsburg's Indemnity**

To the extent permitted by state law the Village of Williamsburg shall indemnify the City of Truth or Consequences and save the City of Truth or Consequences harmless from and against all claims, losses, expenses and liabilities arising out of damage to property or injury to or death of persons (including the property and persons of the parties hereto and their agents, servants, contractors and employees) arising out of or occasioned by or in connection with the negligence or willful act or omission of the Village of Williamsburg or the Village of Williamsburg's agents and contractors, other than the City of Truth or Consequences, and the City of Truth or Consequences' agents, servants, employees and subcontractors.

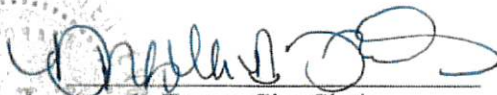
6. This Agreement shall become effective from July 1, 2026, and shall remain in effect through June 30, 2031, unless terminated earlier in accordance with Section 3 of this Agreement.

CITY OF TRUTH OR CONSEQUENCES


Rolf Hechler, Mayor

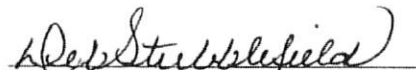
4/24/2024
Date

ATTEST:


Angela Torres, City Clerk

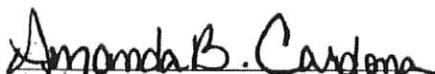
4/24/2024
Date

VILLAGE OF WILLIAMSBURG


Deb Stubblefield, Mayor

6/23/2026
Date

ATTEST:


Amanda Cardona, Village Clerk

June 23, 2026
Date

PROPOSED INTERGOVERNMENTAL VECTOR CONTROL SERVICES AGREEMENT

Between

CITY OF ELEPHANT BUTTE, NEW MEXICO

and

CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO

Item	Description
Proposed Term	July 1, 2026 through June 30, 2031
Operational Season	July, August, September, and October of each contract year
Annual Service Compensation	\$12,200.00
Annual Equipment Support Reserve	\$1,000.00 per year, if needed for qualifying equipment repairs
Maximum Annual Program Value	\$13,200.00
Purpose	Mosquito and vector control services, route operations, complaint response, reporting, and emergency response support for designated Elephant Butte service areas.

DRAFT FOR REVIEW - SUBJECT TO LEGAL REVIEW, APPROVAL, AND EXECUTION

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Article 6 - Service Areas and Treatment Maps

Article 7 - Service Schedule, Operational Conditions, and Equipment Operations

Article 8 - Program Administration and Subcontracting Authority

Article 9 - Licensed Applicator and Regulatory Requirements

Article 10 - City of Truth or Consequences Responsibilities

Article 11 - City of Elephant Butte Responsibilities

Article 12 - Equipment Provided for Services

Article 13 - Equipment Support Reserve Contribution

Article 14 - Insurance and Risk Requirements

Article 15 - Indemnification and Risk Allocation

Article 16 - Complaint Management and Public Requests

Article 17 - Reporting, Logs, and Records

Article 18 - Emergency Response and Public Health Events

Article 19 - Environmental and Operational Compliance

Article 20 - Compensation and Payment

Article 21 - Annual Compensation and Program Review

Article 22 - Record Retention and Audit

Article 23 - Public Records, Confidentiality, and Proprietary Materials

Article 24 - Suspension, Default, and Termination

Article 25 - Notices

Article 26 - Miscellaneous Provisions

Article 27 - Signatures

Exhibit A - Elephant Butte Treatment Maps

Exhibit B - Service Area Descriptions

Exhibit C - Compensation Schedule

Exhibit D - Equipment Support Reserve Procedures

Exhibit E - Monthly Vector Control Report

Exhibit F - Do Not Spray Registry

Exhibit G - Priority Spray Request Form

Exhibit H - Complaint Investigation Form

Exhibit I - Emergency Response Procedures

Exhibit J - Equipment Inspection Log

Exhibit K - Weekly Application Log

Exhibit L - Annual Program Review Form

Exhibit M - Certificate of Insurance Requirements

ARTICLE 1 - PARTIES AND PURPOSE

This Intergovernmental Vector Control Services Agreement ("Agreement") is entered into by and between the City of Elephant Butte, New Mexico ("Elephant Butte") and the City of Truth or Consequences, New Mexico ("Truth or Consequences").

The purpose of this Agreement is to establish the terms under which Truth or Consequences shall provide mosquito and vector control services within designated Elephant Butte service areas, including operational treatment routes, program administration, complaint response, recordkeeping, reporting, and emergency response support.

This Agreement is intended to support public health, reduce nuisance mosquito populations, provide a documented service process, and establish a uniform regional vector control framework among participating governmental entities.

This Agreement is a proposed municipal agreement and is subject to legal review, approval by the authorized governing bodies, and execution by authorized representatives of both parties.

ARTICLE 2 - RECITALS

WHEREAS, Elephant Butte desires to provide mosquito and vector control services for the protection of public health, public comfort, and quality of life within designated areas of the municipality;

WHEREAS, Truth or Consequences has access to vector control equipment, program experience, administrative capabilities, and operational resources suitable for providing mosquito and vector control services;

WHEREAS, the parties desire to coordinate mosquito and vector control services in a manner consistent with regional public health needs, available equipment, weather conditions, route feasibility, and lawful pesticide application requirements;

WHEREAS, Truth or Consequences may provide services directly through City personnel or through qualified subcontractors and licensed applicators while retaining overall responsibility for administration of this Agreement;

WHEREAS, the parties desire to set forth their respective duties, service areas, compensation terms, reporting obligations, equipment support provisions, scheduling guidelines, and termination rights;

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

ARTICLE 3 - DEFINITIONS

Agreement. This proposed Intergovernmental Vector Control Services Agreement, including all exhibits and written amendments.

Elephant Butte. The City of Elephant Butte, New Mexico, including authorized employees, officials, or representatives acting within their authority.

Truth or Consequences. The City of Truth or Consequences, New Mexico, including authorized employees, officials, agents, subcontractors, or representatives acting within their authority.

Vector Control Services. Mosquito and vector control operations, including ULV applications, route planning, complaint response, reporting, recordkeeping, emergency response support, and related public health services authorized under this Agreement.

ULV Application. Ultra-Low Volume mosquito control application performed using equipment designed to disperse mosquito control products in accordance with label requirements and applicable law.

Service Areas. Areas within or near Elephant Butte designated for treatment under this Agreement and depicted or described in the attached exhibits.

Operational Season. The anticipated four-month treatment season consisting of July, August, September, and October of each contract year, subject to weather, mosquito activity, public health needs, and operational conditions.

Equipment Support Reserve. A separate annual reserve contribution established for qualifying major equipment repairs or replacement components needed to support regional vector control equipment used to perform services.

Do Not Spray Registry. A list maintained for properties or residents requesting no application at or adjacent to a location, subject to law, operational feasibility, and public health requirements.

ARTICLE 4 - TERM AND RENEWAL

The proposed initial term of this Agreement shall begin on July 1, 2026 and shall continue through June 30, 2031, unless terminated earlier in accordance with this Agreement.

The parties acknowledge that a five-year term is intended to align the Elephant Butte vector control program with related regional vector control agreements and to promote uniform service planning, equipment support, budgeting, and public health coordination.

Continuation of services is subject to lawful appropriation, annual funding availability, equipment availability, regulatory compliance, insurance requirements, and approval by authorized representatives of both parties.

The parties may renew, extend, or amend this Agreement only by written agreement approved by authorized representatives of both parties.

ARTICLE 5 - SCOPE OF SERVICES

Truth or Consequences shall provide or cause to be provided mosquito and vector control services within the designated Elephant Butte service areas. Services may include the following:

- Adult mosquito control using ULV applications when authorized and conditions permit.
- Larvicide applications where authorized, appropriate, and consistent with product labeling and site conditions.
- Review of treatment routes and scheduling in coordination with Elephant Butte.
- Response to complaints, do-not-spray requests, priority spray requests, and follow-up inspection requests forwarded by Elephant Butte.
- Emergency mosquito control response when public health or nuisance conditions warrant additional action.
- Documentation of application dates, times, routes, products, rates where required, weather conditions, operator information, complaints, corrective actions, and equipment issues.
- Preparation of monthly reports and annual program review information.

- Communication with designated municipal personnel regarding operations, equipment concerns, delays, and public requests.

ARTICLE 6 - SERVICE AREAS AND TREATMENT MAPS

Services shall be performed in areas designated by Elephant Butte and accepted by Truth or Consequences as operationally feasible. The current proposed treatment maps are attached as Exhibit A.

The treatment maps are intended to identify proposed service routes and high-priority treatment corridors. The maps may be modified by mutual written agreement, administrative approval, or written route update when mosquito activity, development patterns, public health concerns, standing water conditions, public events, or operational needs warrant route modifications.

The parties acknowledge that the routes shown in Exhibit A are planning maps and may be adjusted in the field based upon access limitations, road conditions, weather, safety, equipment conditions, no-spray requests, public health directives, or treatment effectiveness.

Any material expansion of service areas that substantially increases labor, route time, product usage, equipment use, or operational cost may require written compensation review.

ARTICLE 7 - SERVICE SCHEDULE, OPERATIONAL CONDITIONS, AND EQUIPMENT OPERATIONS

Truth or Consequences shall provide mosquito and vector control services within designated Elephant Butte service areas during the annual mosquito control season, generally occurring between July 1 and October 31 of each contract year.

The anticipated operational schedule for Elephant Butte service areas shall primarily consist of Friday treatment routes, with supplemental treatment activities occurring on designated Mondays when necessary to complete routes, respond to complaints, address mosquito activity, or recover from weather-related delays.

Routine evening and nighttime mosquito control operations shall generally occur between the hours of 8:00 p.m. and 1:00 a.m. When operationally appropriate, early morning treatment may begin as early as approximately 3:00 a.m., and additional treatment activity may occur near dusk or during other periods when mosquito activity, weather, route timing, and label requirements support treatment.

The operational schedule described herein is intended as a planning guideline and shall not constitute a guarantee that treatment will occur on any specific date or time.

Mosquito control operations may be delayed, modified, rescheduled, or suspended due to wind conditions, rainfall, storms, lightning, flooding, temperature inversions, equipment malfunction, calibration concerns, mechanical failure, public events, emergency incidents, road closures, construction activities, safety concerns, product availability, regulatory restrictions, or public health directives.

Wind and rain are significant factors in mosquito control operations. Treatment shall not be performed when the responsible operator or program administrator determines that wind, precipitation, or atmospheric conditions could reduce treatment effectiveness, create drift concerns, violate label requirements, or compromise public safety.

When a scheduled treatment route is postponed or cancelled, Truth or Consequences shall make reasonable efforts to perform the missed treatment on the next available operational day when conditions permit.

The equipment utilized under this Agreement consists primarily of energy-efficient, electrically powered Ultra-Low Volume application equipment. Such equipment is intended to operate with minimal noise output and reduced operational disruption when compared with traditional engine-driven application systems.

Operations shall be conducted in a manner intended to comply with applicable municipal ordinances, county regulations, New Mexico law, pesticide label requirements, and accepted industry practices. Nothing in this Agreement shall be interpreted as an absolute warranty regarding noise, route timing, environmental conditions, or treatment occurrence on any specific date.

Truth or Consequences shall not be deemed in default of this Agreement when operational delays occur due to weather conditions, equipment failures, public safety concerns, emergency events, regulatory requirements, or other circumstances beyond its reasonable control.

ARTICLE 8 - PROGRAM ADMINISTRATION AND SUBCONTRACTING AUTHORITY

Truth or Consequences may administer the program directly or through qualified subcontractors, licensed applicators, consultants, or service providers. Truth or Consequences may subcontract all or any portion of the operational mosquito and vector control services required under this Agreement.

Any subcontractor performing pesticide applications shall maintain licenses, certifications, insurance coverage, and regulatory approvals required by federal, state, and local law.

Truth or Consequences shall remain responsible to Elephant Butte for overall contract administration, reporting, coordination, compliance oversight, and performance under this Agreement regardless of subcontracting arrangements.

Truth or Consequences may modify operational staffing or subcontracting arrangements during the term of this Agreement without amendment, provided that required services remain subject to this Agreement and applicable law.

ARTICLE 9 - LICENSED APPLICATOR AND REGULATORY REQUIREMENTS

All pesticide applications performed under this Agreement shall be conducted by or under the supervision of properly licensed applicators in accordance with applicable federal, state, and local requirements.

Pesticides shall be applied only in accordance with EPA-approved product labeling, New Mexico Department of Agriculture requirements, federal pesticide law, New Mexico pesticide law, local requirements, and applicable safety standards.

No party, employee, contractor, or subcontractor shall be required to perform any application that is inconsistent with product labeling, regulatory requirements, weather limitations, equipment limitations, or sound professional practice.

ARTICLE 10 - CITY OF TRUTH OR CONSEQUENCES RESPONSIBILITIES

Truth or Consequences shall provide program administration and designate a contact for operational coordination.

Truth or Consequences shall provide or make available vector control equipment necessary for services under this Agreement, subject to equipment availability, mechanical condition, and operational feasibility.

Truth or Consequences shall coordinate subcontracted operational services when utilized, maintain reasonable operational records, review service issues, and provide monthly or periodic reports to Elephant Butte.

Truth or Consequences shall make reasonable efforts to maintain equipment readiness, schedule services, coordinate treatment routes, respond to complaints forwarded by Elephant Butte, and document delays or operational issues.

ARTICLE 11 - CITY OF ELEPHANT BUTTE RESPONSIBILITIES

Elephant Butte shall designate a municipal contact for vector control coordination, public requests, no-spray requests, priority requests, and complaint routing.

Elephant Butte shall provide reasonable access to designated service areas, assist with route clarification, forward public complaints or priority requests in a timely manner, and coordinate public communication when necessary.

Elephant Butte shall pay the annual service compensation and equipment support reserve contribution established in this Agreement and attached exhibits.

Elephant Butte shall promptly notify Truth or Consequences of public events, road closures, access restrictions, sensitive locations, or operational issues that may affect vector control services.

ARTICLE 12 - EQUIPMENT PROVIDED FOR SERVICES

Truth or Consequences shall provide or make available the vector control equipment used to perform services under this Agreement, which may include ULV foggers, pumps, tanks, hoses, nozzles, calibration equipment, accessories, and related operational equipment.

All equipment provided by Truth or Consequences shall remain the property of Truth or Consequences unless otherwise agreed in writing. Nothing in this Agreement shall transfer ownership of any equipment to Elephant Butte.

Equipment may be operated by Truth or Consequences personnel or authorized subcontractors for the purpose of performing vector control services under this Agreement and related regional vector control agreements.

ARTICLE 13 - EQUIPMENT SUPPORT RESERVE CONTRIBUTION

In addition to the annual service compensation, Elephant Butte shall establish an annual Equipment Support Reserve Contribution in the amount of One Thousand Dollars (\$1,000.00) per contract year.

The Equipment Support Reserve Contribution is intended as a safety blanket for qualifying major equipment repairs, replacement components, calibration-related repairs, mechanical failures, electrical failures, pump assemblies, atomizer assemblies, blower assemblies, control systems, or other significant equipment expenses associated with vector control equipment used to provide regional services.

The parties acknowledge that other governmental entities receiving vector control services, including Sierra County and Truth or Consequences, may maintain similar equipment support contributions or budgeted funds. The purpose of this provision is to equitably distribute major equipment support costs among the governmental entities receiving the benefit of the regional vector control program.

The Equipment Support Reserve shall not be used automatically. Before requesting or applying reserve funds, Truth or Consequences shall provide written notice to Elephant Butte identifying the affected equipment, the failed component or required repair, the estimated repair or replacement cost, the operational necessity of the expenditure, and supporting documentation when available.

Elephant Butte shall not be responsible for more than One Thousand Dollars (\$1,000.00) per contract year under this reserve contribution unless a separate written amendment or approval is executed by authorized representatives.

Unused Equipment Support Reserve funds may remain available for future qualifying equipment-related expenditures during the term of this Agreement or may be handled as otherwise directed by the parties in writing.

ARTICLE 14 - INSURANCE AND RISK REQUIREMENTS

Truth or Consequences shall ensure that services performed directly or through subcontractors are supported by insurance coverage customary for municipal operations and contracted pesticide application services.

Any subcontractor performing operational pesticide application services shall maintain general liability insurance of not less than \$1,000,000 per occurrence, commercial automobile liability coverage, and workers compensation coverage when required by law.

Proof of required subcontractor insurance may be requested by Truth or Consequences and maintained in program records. Operations may be suspended if required insurance or proof of coverage is unavailable.

ARTICLE 15 - INDEMNIFICATION AND RISK ALLOCATION

To the extent permitted by law, each party shall be responsible for its own acts, omissions, negligence, employees, officials, agents, and contractors, subject to applicable law and any limitations, immunities, or defenses available under the New Mexico Tort Claims Act or other applicable law.

Nothing in this Agreement shall be construed as a waiver of any immunity, limitation of liability, defense, or protection available to either party under applicable law.

Truth or Consequences shall not be responsible for claims or damages arising from Elephant Butte policy decisions, public communications, access restrictions, incorrect information supplied to Truth or Consequences, or matters outside the scope of this Agreement, except to the extent caused by Truth or Consequences as provided by law.

ARTICLE 16 - COMPLAINT MANAGEMENT AND PUBLIC REQUESTS

The parties shall use a structured complaint and request process to ensure public requests are documented and handled consistently.

The general workflow shall be: resident or member of the public to Elephant Butte designated contact; Elephant Butte designated contact to Truth or Consequences; Truth or Consequences to operational personnel or authorized subcontractor; response, documentation, and follow-up report as appropriate.

Do Not Spray requests shall be documented and maintained in the Do Not Spray Registry or a substantially similar format. Priority Spray requests shall be documented using the Priority Spray Request Form or substantially similar format. Complaints shall be investigated when reasonably necessary and documented using the Complaint Investigation Form or substantially similar format.

Elephant Butte shall determine public policy issues and provide direction when public requests conflict with public health needs, operational requirements, or municipal priorities.

ARTICLE 17 - REPORTING, LOGS, AND RECORDS

Truth or Consequences shall maintain or cause to be maintained operational records for services performed under this Agreement. Records may be maintained in paper or electronic format.

Reports and logs may include monthly vector control reports, weekly application logs, complaint forms, priority request forms, no-spray lists, equipment inspection logs, emergency response documentation, and annual program review information.

Monthly reports should include dates of service, locations or routes treated, products used when applicable, application rates where required, operator information, weather conditions, complaints received, corrective actions taken, emergency responses, and equipment issues.

ARTICLE 18 - EMERGENCY RESPONSE AND PUBLIC HEALTH EVENTS

Upon authorization or coordination between the parties, Truth or Consequences may provide emergency response services for mosquito outbreaks, confirmed or suspected mosquito-borne disease activity, flooding-related mosquito concerns, public events, standing water issues, or other public health conditions requiring additional response.

Emergency services may include additional applications, modified routes, priority inspections, larvicide applications where appropriate, supplemental reporting, or coordination with public health personnel.

Emergency services remain subject to product labeling, weather conditions, equipment availability, licensing requirements, public safety considerations, and applicable law.

ARTICLE 19 - ENVIRONMENTAL AND OPERATIONAL COMPLIANCE

All operations shall be performed in a manner intended to comply with applicable federal, state, and local requirements governing pesticide application and mosquito control operations.

Treatment activities shall be subject to pesticide label restrictions, weather conditions, environmental conditions, access limitations, route safety, and equipment availability.

No treatment shall be required when conditions make application unsafe, ineffective, unlawful, inconsistent with label requirements, or inconsistent with sound professional judgment.

ARTICLE 20 - COMPENSATION AND PAYMENT

In consideration of the services provided under this Agreement, Elephant Butte shall compensate Truth or Consequences in the amount of Twelve Thousand Two Hundred Dollars (\$12,200.00) annually for mosquito and vector control services within the designated Elephant Butte service areas.

The annual service compensation includes program administration, route planning, operational oversight, complaint response, emergency response capability, reporting, recordkeeping, regulatory compliance activities, subcontracted operational services when utilized, and routine program costs associated with performance of vector control services.

The annual service compensation is separate from the annual Equipment Support Reserve Contribution described in Article 13.

Compensation shall be paid pursuant to the payment schedule established in Exhibit C or as otherwise agreed by the parties in writing.

ARTICLE 21 - ANNUAL COMPENSATION AND PROGRAM REVIEW

The parties may conduct an annual program review to evaluate service areas, route performance, complaints, mosquito activity, equipment needs, public health concerns, fuel costs, chemical costs, subcontractor costs, insurance requirements, staffing needs, and regulatory changes.

Compensation may be adjusted only by written amendment or written approval by authorized representatives of both parties.

No annual adjustment shall be effective unless approved in writing by authorized representatives of the parties.

ARTICLE 22 - RECORD RETENTION AND AUDIT

Application records and operational records required by law shall be retained for the period required by applicable regulation. Unless a longer retention period is required by law, program records under this Agreement should be retained for not less than five (5) years.

Either party may request copies of records reasonably related to services performed under this Agreement, subject to applicable law, public records requirements, and protection of confidential or proprietary information.

ARTICLE 23 - PUBLIC RECORDS, CONFIDENTIALITY, AND PROPRIETARY MATERIALS

The parties acknowledge that municipal records may be subject to public records laws. Public records requests shall be handled by the receiving public entity in accordance with applicable law.

Nothing in this Agreement shall transfer ownership of proprietary contractor materials, operational systems, private business records, or third-party intellectual property to either municipality unless expressly transferred in writing.

ARTICLE 24 - SUSPENSION, DEFAULT, AND TERMINATION

Either party may terminate this Agreement upon thirty (30) days written notice to the other party.

Operations may be suspended if funding is unavailable, equipment is not operational, required insurance or licensing is unavailable, unsafe conditions exist, regulatory restrictions apply, public safety requires suspension, or weather conditions prevent safe or effective treatment.

If either party materially defaults, the non-defaulting party may provide written notice describing the alleged default and a reasonable opportunity to cure unless immediate action is required for safety, legal compliance, or protection of property.

Termination shall not relieve either party of payment obligations or reporting obligations incurred prior to the effective date of termination unless otherwise agreed in writing.

ARTICLE 25 - NOTICES

Notices to Elephant Butte shall be directed to the City Manager or other designated representative of the City of Elephant Butte, New Mexico.

Notices to Truth or Consequences shall be directed to the City Manager or other designated representative of the City of Truth or Consequences, New Mexico.

Either party may update its notice contact by providing written notice to the other party.

ARTICLE 26 - MISCELLANEOUS PROVISIONS

This Agreement, together with its exhibits and written amendments, represents the proposed understanding of the parties regarding vector control services for Elephant Butte.

If any provision is found invalid, the remaining provisions shall remain in effect to the extent permitted by law.

Any amendment must be in writing and approved by authorized representatives of both parties.

Headings are for convenience and do not limit the meaning of the provisions.

This Agreement shall be interpreted under applicable New Mexico law.

The parties acknowledge that this Agreement is intended for attorney review and governing body consideration before final execution.

ARTICLE 27 - SIGNATURES

IN WITNESS WHEREOF, the parties execute this proposed Agreement through their authorized representatives.

CITY OF ELEPHANT BUTTE, NEW MEXICO

By: Richard Holcomb

Date: July 22, 2026

Name/Title: Richard Holcomb, Mayor

ATTEST:

By: Amanda LeBlanc

Date: July 22, 2026

City Clerk



CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO

By: Raf Hechler

Date: 7-24-26

Name/Title: Raf Hechler

ATTEST:

By: Michelle D. [Signature]

Date: 7/24/26

City Clerk

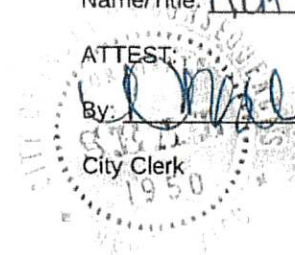


EXHIBIT B - SERVICE AREA DESCRIPTIONS

The service areas consist of the proposed treatment routes shown in Exhibit A-1 through Exhibit A-3, including residential neighborhoods, commercial corridors, lake-adjacent areas, Hot Springs Landing, golf-course-adjacent areas, resort and clubhouse corridors, pond-influenced areas, and other locations approved by the parties.

Treatment areas may be adjusted based on mosquito activity, standing water, route access, public health concerns, resident requests, no-spray requests, public events, field conditions, or direction from authorized municipal personnel.

EXHIBIT C - COMPENSATION SCHEDULE

Compensation Item	Annual Amount	Notes
Vector Control Services	\$12,200.00	Four-month operational season: July, August, September, and October. Includes routine program services and administration.
Equipment Support Reserve Contribution	\$1,000.00	Annual maximum reserve contribution for qualifying equipment repairs or replacement components, if needed and requested in writing.
Maximum Annual Program Value	\$13,200.00	Service compensation plus annual equipment reserve contribution.

The parties may use a monthly payment schedule during the operational season unless otherwise agreed in writing. Suggested monthly service compensation for the four-month operational season is \$3,050.00 per month for July, August, September, and October, exclusive of any Equipment Support Reserve request.

Month	Suggested Service Payment
July	\$3,050.00
August	\$3,050.00
September	\$3,050.00
October	\$3,050.00
Total	\$12,200.00

EXHIBIT D - EQUIPMENT SUPPORT RESERVE PROCEDURES

The Equipment Support Reserve Contribution shall be requested or applied only for qualifying equipment repairs, replacement components, or operational equipment failures associated with vector control equipment used to serve participating governmental entities.

Before reserve funds are utilized, Truth or Consequences shall provide written notice identifying the affected equipment, failed part or repair need, estimated cost, operational necessity, and supporting documentation when available.

Elephant Butte annual exposure for this reserve shall not exceed \$1,000.00 per contract year unless separately approved in writing.

EXHIBIT E - MONTHLY VECTOR CONTROL REPORT

Reporting Month		Year		Prepared By		Date Submitted	
Date	Route / Location	Product	Rate	Start / End Time	Weather	Operator	

Complaints / Requests Received:

Corrective Actions Taken:

Equipment Issues Noted:

Additional Comments:

Authorized Signature / Date:

EXHIBIT F - DO NOT SPRAY REGISTRY

Date Requested	Name	Address / Location	Phone / Contact	Notes / Radius / Restrictions

Do-not-spray requests are subject to law, operational feasibility, route safety, public health needs, and emergency response requirements.

EXHIBIT G - PRIORITY SPRAY REQUEST FORM

Field	Information
Date Received	
Received By	
Requestor Name	
Phone	
Address / Location	
City / Area	
Reason for Request	
Standing Water Present	Yes / No
High Mosquito Activity	Yes / No
Public Event / Health Concern	Yes / No
Inspection Date	
Action Taken	
Follow-Up Required	Yes / No
Resolution Date	
Notes	

EXHIBIT H - COMPLAINT INVESTIGATION FORM

Field	Information
Complaint No.	
Date Received	
Received From	Elephant Butte / Resident / Other
Received By	
Complainant Name	
Phone	
Location / Address	
Route Area	
Complaint Type	Missed Area / Mosquito Activity / Drift Concern / No-Spray Request / Other
Investigation Date	
Investigator	
Findings	
Action Taken	
Follow-Up Required	Yes / No
Resolution Date	

EXHIBIT I - EMERGENCY RESPONSE PROCEDURES

Emergency response procedures may be activated when mosquito activity, disease-vector concerns, flooding, standing water, public events, or public health conditions require response outside the normal operational schedule.

Notification Chain: Public / Elephant Butte Department / Authorized Representative -> Elephant Butte Designated Contact -> Truth or Consequences Designated Contact -> Operational Personnel or Authorized Subcontractor.

Emergency Review: Before response, operational personnel should review product label limitations, weather conditions, equipment status, route safety, and available personnel.

Emergency Action: Upon authorization or coordination, operational personnel may perform additional ULV applications, inspections, larvicide applications where appropriate, route modifications, or follow-up services.

Emergency Reporting: Date, time, location, reason for response, products used, conditions, and outcome should be documented in the monthly report or separate emergency report.

EXHIBIT J - EQUIPMENT INSPECTION LOG

Date	Truck / Equipment ID	Power / Battery / Fluids	Lights / Safety	ULV / Pump	Leaks / Damage	Operator Initials
		OK / Issue	OK / Issue	OK / Issue	None / Issue	
		OK / Issue	OK / Issue	OK / Issue	None / Issue	
		OK / Issue	OK / Issue	OK / Issue	None / Issue	
		OK / Issue	OK / Issue	OK / Issue	None / Issue	
		OK / Issue	OK / Issue	OK / Issue	None / Issue	

Issues / Notes:

EXHIBIT K - WEEKLY APPLICATION LOG

Week Of	Route	Date	Start Time	End Time	Product	Rate	Weather	Operator

Route Notes / Missed Areas / No-Spray Observations:

EXHIBIT L - ANNUAL PROGRAM REVIEW FORM

Program Year	Prepared By
Review Item	Total / Notes
Total Applications	
Total Complaints	
Priority Spray Requests	
Do-Not-Spray Requests	
Emergency Responses	
Equipment Issues	
Recommended Route Changes	
Recommended Equipment Changes	
Compensation Review Notes	
Recommended Program Improvements	

EXHIBIT M - CERTIFICATE OF INSURANCE REQUIREMENTS

When services are performed by a subcontractor, the subcontractor shall provide proof of insurance upon request and annually thereafter throughout the term of the Agreement or subcontract period.

The Certificate of Insurance should demonstrate required coverage, including General Liability Insurance of not less than \$1,000,000 per occurrence and any additional coverage required by law or by Truth or Consequences for contracted operations.

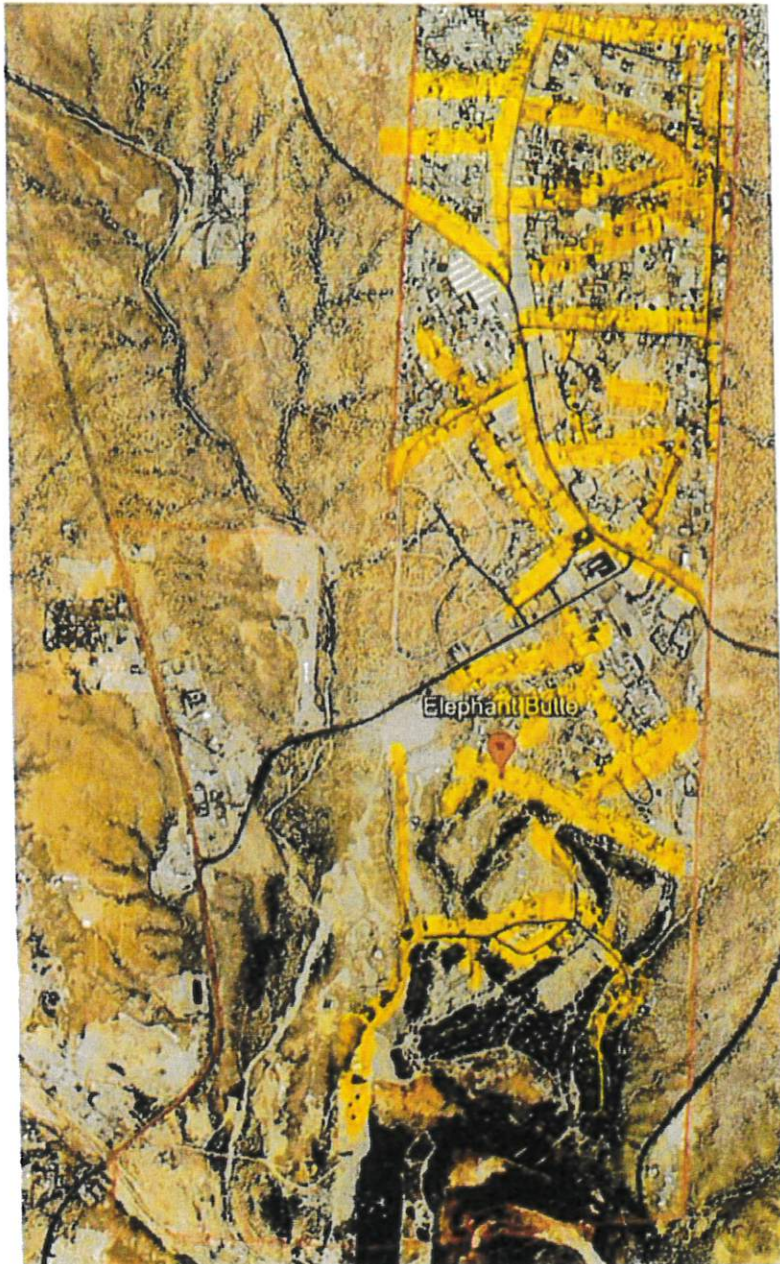
If a required policy expires or proof of coverage is not provided, operations may be suspended until acceptable proof of insurance is received.

ATTORNEY REVIEW NOTE

This packet is prepared as a proposed municipal review draft. Final terms, statutory authority, indemnification language, procurement requirements, insurance requirements, funding appropriations, noise ordinance references, and execution authority should be reviewed by the appropriate municipal attorney before adoption or execution.

REVISED EXHIBIT A – ELEPHANT BUTTE APPROVED VECTOR CONTROL SERVICE AREA

This exhibit replaces the prior Exhibit A treatment maps. Hot Springs Landing has been removed from the approved treatment area. All other provisions of the Agreement remain unchanged.



VECTOR CONTROL OPERATIONS AGREEMENT

Between

CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO

and

SUPERIOR WEED AND PEST CONTROL LLC

Ryan Lawler

Superior Weed and Pest Control LLC

505-322-8855

ryanlawler@gmail.com

NMDA Applicator License No. 68631

Proposed Term: July 1, 2026 through June 30, 2031

Purpose: Mosquito and vector control operations, reporting, complaint response, and support services for the City mosquito control program.

This document is a proposed draft for review by the City Manager, City Attorney, City Commission, and other authorized representatives. Final terms remain subject to legal review, approval, and execution by authorized parties.

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ARTICLE 1 - PARTIES AND PURPOSE

This Vector Control Operations Agreement ("Agreement") is entered into by and between the City of Truth or Consequences, New Mexico ("City") and Superior Weed and Pest Control LLC ("Contractor").

The purpose of this Agreement is to establish the terms under which Contractor shall provide operational mosquito and vector control services for the City, including licensed pesticide application services, route planning, documentation, complaint response, recordkeeping, reporting, and related support services.

The services described in this Agreement are intended to support the City's mosquito control program, protect public health, reduce nuisance mosquito populations, and provide a documented process for service requests, do-not-spray requests, priority spray requests, and emergency response activities.

This Agreement is drafted to allow the City to administer vector control services directly and through a qualified licensed contractor while preserving City oversight, public accountability, and compliance with applicable law.

ARTICLE 2 - RECITALS

WHEREAS, the City has historically participated in mosquito and vector control operations within the City and surrounding service areas; and

WHEREAS, the City may coordinate with Sierra County or other public entities regarding mosquito control services and public health response; and

WHEREAS, the City desires to use qualified licensed applicators to perform operational pesticide application services; and

WHEREAS, Contractor represents that it is qualified, properly licensed, and capable of performing the operational services described in this Agreement; and

WHEREAS, Contractor's New Mexico Department of Agriculture applicator license number is 68631; and

WHEREAS, the parties desire to set forth their respective duties, responsibilities, reporting obligations, equipment-use requirements, insurance requirements, and operational procedures.

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

ARTICLE 3 - DEFINITIONS

Agreement. This proposed Vector Control Operations Agreement, including all exhibits and any written amendments.

City. The City of Truth or Consequences, New Mexico, including authorized employees, officials, or representatives acting within their authority.

Contractor. Superior Weed and Pest Control LLC, including its authorized owners, employees, agents, licensed applicators, or representatives performing services under this Agreement.

Licensed Applicator. An individual who holds or works under the authority of a required pesticide applicator license or certification under applicable law.

Vector Control Services. Operational mosquito and vector control services, including ULV applications, larvicide applications where authorized, complaint investigation, route planning, reporting, recordkeeping, and emergency response support.

Equipment. City owned ULV fogger, tanks, pumps, hoses, nozzles, calibration materials, vehicle accessories, and related mosquito control equipment.

Service Areas. Areas designated by the City for mosquito and vector control operations, including areas depicted or described in the exhibits.

Mosquito Season. The seasonal period during which mosquito control operations are generally performed, as determined by weather, mosquito activity, public health needs, and City direction.

Emergency Response Event. A mosquito-related public health concern, disease-vector concern, heavy mosquito outbreak, public event concern, or other circumstance requiring response outside ordinary route operations.

Do Not Spray Registry. A list maintained for properties or residents requesting no application at or adjacent to a location, subject to law, operational feasibility, and public health requirements. Technicians shall not spray within 400' radius from requested "No-Spray" properties.

Priority Spray Request. A request for inspection or treatment based on high mosquito activity, standing water, public events, or public health concerns.

ARTICLE 4 - TERM AND RENEWAL

The proposed initial term of this Agreement shall begin on **July 1, 2026** and shall continue through **June 30, 2031**, unless terminated earlier in accordance with this Agreement.

The parties acknowledge that municipal funding, County funding, operational needs, chemical pricing, insurance requirements, and regulatory obligations may change during the term. Compensation and operational scope may therefore be reviewed annually and amended by written agreement of the parties.

Continuation of services is subject to funding, lawful appropriation, availability of equipment, insurance compliance, and approval by authorized City representatives.

ARTICLE 5 - SCOPE OF SERVICES

Contractor shall furnish licensed applicator services, operational labor, route support, documentation, and program support necessary to perform mosquito and vector control services authorized by the City.

- Adult mosquito control using ULV applications when authorized by the City and permitted by label, law, and conditions.
- Larvicide applications where authorized, appropriate, and consistent with product labeling and site conditions.
- Review of spray routes and scheduling in coordination with the City.
- Response to complaints, do-not-spray requests, priority spray requests, and follow-up inspection requests forwarded by the City.
- Emergency mosquito control response upon City authorization when public health or nuisance conditions warrant additional action.
- Documentation of application dates, times, routes, products, rates, weather conditions, operator information, complaints, corrective actions, and equipment issues.
- Preparation of monthly reports and annual program review information.
- Communication with City-designated personnel regarding operations, equipment concerns, delays, and public requests.

Contractor shall not be required to perform any application that Contractor reasonably believes would violate law, product labeling, NMDA requirements, EPA requirements, public safety standards, or sound professional practice.

ARTICLE 6 - SERVICE AREAS AND OPERATIONAL SCHEDULE

Contractor shall perform services in areas designated by the City. The current service area map is attached as Exhibit A.

The parties may update routes, service areas, and treatment locations as needed by written direction or written amendment.

Based on the current City route structure, service areas may include north-side and south-side routes, Williamsburg routes, and other areas identified by the City. The existing map notes a typical operational schedule of South Side/ Williamsburg routes on Tuesday nights and North Side routes on Thursday nights. This schedule is a planning guide and may be modified as conditions require.

Applications may be delayed, rescheduled, or cancelled due to wind, rainfall, equipment conditions, temperature inversions, public events, pesticide label restrictions, public safety concerns, or other operational considerations.

ARTICLE 7 - LICENSED APPLICATOR REQUIREMENTS

All pesticide applications performed under this Agreement shall be conducted by or under the supervision of properly licensed applicators in accordance with applicable federal, state, and local requirements.

Contractor's New Mexico Department of Agriculture applicator license number is 88631. Contractor shall maintain required licensing during the term of this Agreement and shall notify the City if any required license becomes suspended, expired, revoked, restricted, or otherwise unavailable.

Contractor shall apply pesticides only in accordance with the EPA-approved product label, NMDA requirements, New Mexico pesticide law, federal pesticide law, and all applicable ordinances and safety requirements.

ARTICLE 8 - CONTRACTOR RESPONSIBILITIES

- Provide qualified operational personnel and licensed applicator supervision for authorized applications. Page 6
- Operate City-provided equipment only for authorized vector control activities.
- Conduct reasonable pre-operation equipment checks before use and report deficiencies to the City.
- Monitor weather conditions before and during applications.
- Maintain required application logs and operational records.
- Prepare monthly vector control reports using the form attached as Exhibit E or a substantially similar City-approved format.
- Maintain do-not-spray and priority spray documentation when requests are forwarded by the City.
- Notify the City of equipment failure, accidents, spills, incidents, public complaints, or conditions that may interfere with service completion.
- Use professional judgment when conditions make application unsafe, ineffective, or inconsistent with label requirements.
- Contractor shall perform services in a professional and workmanlike manner consistent with industry standards for mosquito control operations.

ARTICLE 9 - CITY RESPONSIBILITIES

- Provide program oversight and designate a City contact for operational coordination.
- Provide access to City-owned vector control equipment when such equipment is to be used under this Agreement.
- Coordinate County communications when complaints or service requests originate through Sierra County.
- Forward do-not-spray requests, priority spray requests, and complaints to Contractor in a timely manner.
- Review monthly reports and request corrections or additional information when needed.
- Handle public records requests, public policy issues, County communications, and governmental administrative responsibilities unless otherwise agreed in writing.
- Provide authorization before emergency or non-routine services when required.

ARTICLE 10 - CITY-OWNED EQUIPMENT USE

The City may provide a ULV fogger, and related mosquito control equipment for Contractor's use in performing services under this Agreement. City equipment remains the sole property of the City. Contractor receives only limited operational use for authorized vector control activities to use for City contract only.

Contractor shall not sell, transfer, encumber, remove, materially alter, or use City equipment for non-authorized purposes. Contractor shall operate equipment in a reasonable manner and shall follow manufacturer recommendations, City instructions, product label requirements, and applicable law to the extent known and applicable.

The City shall be responsible for major repairs, age-related equipment issues, and ensuring that City-owned equipment is available in a reasonably safe and operable condition before use, unless damage is caused by Contractor negligence.

ARTICLE 11 - EQUIPMENT INSPECTION, MAINTENANCE, AND LIABILITY

Contractor shall perform reasonable visual and operational inspections before use of City-owned vector control equipment. Any observed safety issue, mechanical issue, calibration concern, leak, unusual sound, warning light, operational failure, or damage shall be reported to the City as soon as reasonably practical. Use for city contract only.

Contractor shall be responsible for damage to City-owned equipment caused by Contractor's negligence, reckless conduct, intentional misconduct, or unauthorized use.

Contractor shall not be responsible for normal wear and tear, pre-existing defects, age-related deterioration, latent defects, deferred maintenance, ordinary mechanical failure, manufacturer defects, or damage not caused by Contractor negligence.

The Equipment Inspection Log attached as Exhibit J may be used to document pre-operation checks, observed conditions, deficiencies, and equipment-related comments.

ARTICLE 12 - INSURANCE AND CERTIFICATE OF INSURANCE

Contractor shall maintain insurance coverage during the term of this Agreement in amounts sufficient to protect the City and Contractor from risks arising out of the services performed under this Agreement.

At a minimum, Contractor shall maintain General Liability Insurance with limits of not less than \$1,000,000 per occurrence, Contractor shall also maintain commercial automobile liability coverage and workers compensation coverage when required by law.

Contractor shall provide the City with a current Certificate of Insurance upon execution of this Agreement and annually thereafter. Updated Certificates of Insurance should be provided prior to expiration of any required policy. The City may require that it be named as an Additional Insured where appropriate and available under Contractor's policies.

Failure to maintain required insurance or provide proof of insurance may result in suspension of operations until proof of coverage is provided.

ARTICLE 13- INDEMNIFICATION AND RISK ALLOCATION

To the extent permitted by law, Contractor shall be responsible for claims, damages, losses, or expenses caused by Contractor's negligence, willful misconduct, or violation of applicable law while performing services under this Agreement.

Contractor shall not be responsible for claims, damages, or losses arising from City policy decisions, City-owned equipment defects not caused by Contractor, City administrative decisions, or services outside the scope of this Agreement unless caused by Contractor negligence.

Nothing in this Agreement shall be construed as a waiver of any immunity, limitation of liability, defense, or protection available to the City under applicable law.

ARTICLE 14 - COMPLAINT MANAGEMENT AND PUBLIC REQUESTS

The parties shall use a structured complaint and request process to ensure public requests are documented and handled consistently. The general workflow shall be: **County resident or member of the public → Sierra County or City → City designated contact → Contractor → documentation and response.**

- Do Not Spray requests shall be documented and maintained in the Do Not Spray Registry or substantially similar format.
- Priority Spray requests shall be documented using the Priority Spray Request Form or substantially similar format.
- Complaints shall be investigated when reasonably necessary and documented using the Complaint Investigation Form or substantially similar format.
- The City shall determine public policy issues and provide direction when requests conflict with public health needs or operational requirements.
- Contractor shall report completion, findings, or recommended action back to the City.

ARTICLE 15 - REPORTING, LOGS, AND RECORDS

Contractor shall maintain accurate operational records for services performed under this Agreement. Reports and logs may be maintained in paper or electronic format.

- Monthly Vector Control Report - Exhibit E.
- Do Not Spray Registry- Exhibit F.
- Priority Spray Request Form - Exhibit G.
- Complaint Investigation Form - Exhibit H.
- Equipment Inspection Log - Exhibit J.
- Weekly Application Log - Exhibit K.
- Annual Program Review Form - Exhibit L.

Monthly reports should include dates of service, locations or routes, products used, application rates, applicator/operator information, weather conditions, complaints received, corrective actions taken, emergency responses, and equipment issues.

ARTICLE 16- EMERGENCY RESPONSE AND PUBLIC HEALTH EVENTS

Upon City authorization, Contractor may provide emergency response services for mosquito outbreaks, confirmed or suspected mosquito-borne disease activity, public events, flooding-related mosquito concerns, or other public health conditions requiring additional response.

Emergency services may include additional applications, modified routes, priority inspections, additional reporting, or coordination with public health personnel. Emergency services remain subject to product labeling, weather conditions, equipment availability, licensing requirements, and applicable law.

ARTICLE 17- REGULATORY COMPLIANCE

Contractor shall comply with all applicable federal, state, and local requirements governing pesticide application and mosquito control operations, including EPA product labeling, NMDA requirements, federal pesticide laws, New Mexico pesticide laws, and applicable municipal requirements.

Contractor shall not be required to apply any product at a rate, location, method, or condition inconsistent with its label or applicable law.

ARTICLE 18 - INDEPENDENT CONTRACTOR STATUS

Contractor shall perform all services as an independent contractor. Nothing in this Agreement shall be construed to create an employer-employee relationship, partnership, joint venture, agency relationship, or other relationship beyond that of independent contractor.

Contractor shall be responsible for its own employees, payroll, taxes, licensing, insurance, training, and internal business operations. Contractor shall receive at 1099 at end of year.

ARTICLE 19-COMPENSATION AND PAYMENT

Compensation for services shall be established by written agreement, approved purchase order, written amendment, or other City-approved payment authorization. For County-funded vector control services, the parties anticipate that the City may receive funds from Sierra County and compensate Contractor for operational services authorized by the City.

Unless otherwise agreed, invoices shall be submitted to the City with sufficient documentation to identify the service period, work performed, routes or areas covered, and any supporting reports required by this Agreement.

The parties may use the County-City recommendation document as a planning basis for funding requests, but the City remains responsible for approving compensation owed to Contractor under this Agreement.

ARTICLE 20 - ANNUAL COMPENSATION REVIEW

Compensation shall be reviewed annually. The parties may adjust compensation by written amendment to account for changes in labor, fuel, chemical pricing, insurance premiums, equipment needs, regulatory requirements, emergency response requirements, or changes in service area.

No annual adjustment shall be effective unless approved in writing by authorized representatives of the parties.

ARTICLE 21 - RECORD RETENTION AND AUDIT

Contractor shall retain application records and operational records required by law for the period required by applicable regulation. Unless a longer retention period is required by law, program records under this Agreement should be retained for not less than five (5) years.

The City may request copies of records reasonably related to services performed under this Agreement. Contractor shall provide such records within a reasonable time, subject to applicable law and protection of proprietary business information.

ARTICLE 22-CONFIDENTIALITY, PUBLIC RECORDS, AND PROPRIETARY MATERIALS

The parties acknowledge that the City may be subject to public records laws. The City shall handle public records requests in accordance with applicable law.

Nothing in this Agreement shall transfer ownership of Contractor-developed routes, operational methods, reporting systems, customer-management systems, business procedures, pricing methods, or proprietary business materials to the City. Such materials shall remain the property of Superior Weed and Pest Control LLC unless expressly transferred in writing.

ARTICLE 23 - ASSIGNMENT AND SUBCONTRACTING

Contractor shall not assign this Agreement without prior written approval of the City. Contractor may use employees, licensed applicators, and operational personnel necessary to perform services, provided that services remain under Contractor's responsibility and applicable licensing requirements are satisfied.

The City may coordinate with Sierra County and may enter into separate agreements for funding, administration, or public service purposes. Contractor is not a party to any County-City agreement unless expressly stated in writing.

ARTICLE 24- SUSPENSION, DEFAULT, AND TERMINATION

Either party may terminate without cause to this Agreement upon thirty (30) days written notice to the other party.

The City may suspend operations if insurance coverage lapses, required licensing becomes unavailable, unsafe conditions exist, equipment is not operational, funding is not available, or public safety requires suspension.

If either party materially defaults, the non-defaulting party may provide written notice describing the alleged default and a reasonable opportunity to cure unless immediate action is required for safety, legal compliance, or protection of property.

ARTICLE 25 - NOTICES

Notices to Contractor shall be directed to:

Superior Weed and Pest Control LLC

Ryan Lawler 505-322-5555

ryanglawler@gmail.com

Notices to the City shall be directed to the City Manager or other City-designated representative at the City of Truth or Consequences, New Mexico.

ARTICLE 26 - MISCELLANEOUS PROVISIONS

This Agreement, together with its exhibits and written amendments, represents the proposed understanding of the parties regarding vector control operations. If any provision is found invalid, the remaining provisions shall remain in effect to the extent permitted by law.

Any amendment must be in writing and approved by authorized representatives of both parties. Headings are for convenience and do not limit the meaning of the provisions. This Agreement shall be interpreted under applicable New Mexico law.

ARTICLE 27 - SIGNATURES

IN WITNESS WHEREOF, the parties execute this proposed Agreement through their authorized representatives.

CITY OF TRUTH OR CONSEQUENCES

By: [Signature] Date: 4/10/24

Name/Title: Bolt Hechler, Mayor

ATTEST

By: [Signature] Date: 4/10/24

City Clerk

SUPERIOR WEED AND PEST CONTROL LLC

By: [Signature] Date: 6/11/24

Ryan Lawler, Authorized Representative

NMDA Applicator License No. 68631

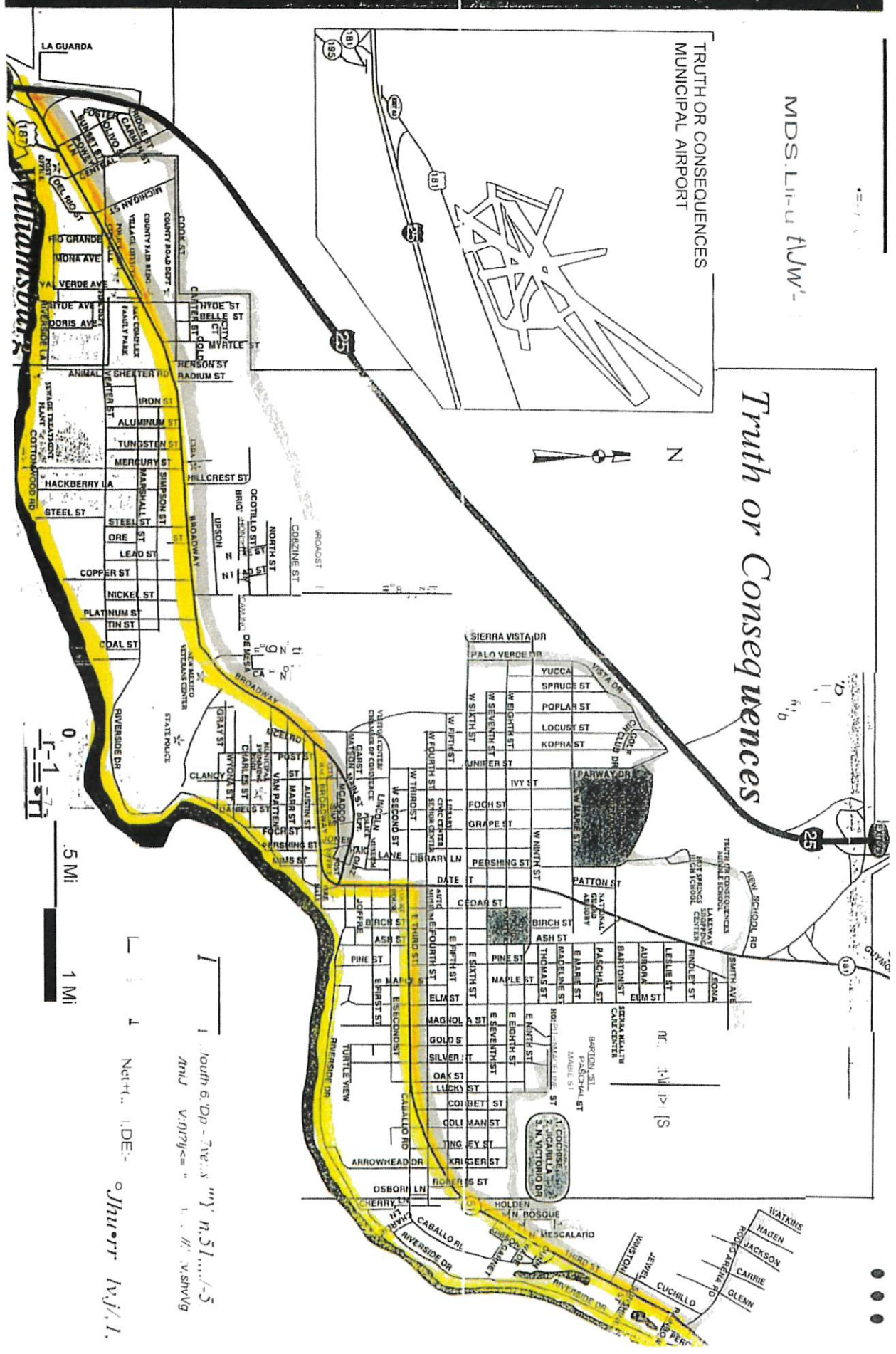
EXHIBIT A -MOSQUITO SERVICE AREA MAP

The current City mosquito service area map follows this exhibit cover page. The map includes the established north-side and south-side/ Williamsburg route structure and historical weekly spray schedule notes.

MDS:Li-u fJw-

Truth or Consequences

TRUTH OR CONSEQUENCES
MUNICIPAL AIRPORT



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EXHIBIT B -SERVICE AREA DESCRIPTION

Service areas shall include locations designated by the City for mosquito and vector control operations. Current service areas are reflected in Exhibit A and may include City routes, north-side routes, south-side routes, Williamsburg routes, and additional areas authorized by the City.

The City may update service areas based on mosquito activity, constituent requests, public health concerns, County coordination, public events, flooding, standing water, or operational necessity. Any expansion that materially increases cost, time, chemical usage, or operational burden may require written compensation review.

EXHIBIT C – EQUIPMENT INVENTORY

The following inventory may be completed by the City and Contractor before operations begin and updated as equipment changes.

Equipment	Owner	Condition/Notes	Date Issued	Date Returned
ULV Fogger	City			
Tank / Pump Components	City			
Hoses / Nozzles / Accessories	City			
PPE / Contractor Supplies	Contractor			
Other _____				

Equipment remains property of the listed owner. City-owned equipment may be used only for authorized vector control operations.

EXHIBIT D -INSURANCE REQUIREMENTS

Contractor shall maintain Insurance coverage during the term of the Agreement. Minimum required coverage shall include General Liability Insurance of not less than \$1,000,000 per occurrence. Contractor shall also maintain commercial automobile liability insurance and workers compensation coverage when required by law.

The City may request to be named as Additional Insured on applicable policies. Contractor shall provide proof of Insurance upon execution of the Agreement and annually thereafter.

Insurance coverage shall be maintained without interruption during active operations. If coverage lapses, operations may be suspended until proof of coverage is provided.

EXHIBIT E -MONTHLY VECTOR CONTROL REPORT

Reporting Month:		Year:	
Prepared By:		NMDA License No.:	68831
City Contact:		Date Submitted:	

Date	Route/Location	P.O. Order	Est.	Start/End Time	Weather	Operator

Complaints / Requests Received:

Corrective Actions Taken:

Equipment Issues Noted:

Additional Comments:

Contractor Signature: _____ Date: _____

EXHIBIT F - DO NOT SPRAY REGISTRY

The City's current no-spray list follows this exhibit cover page. Contractor may use the City list, an updated City-approved list, or a substantially similar format.

2026 NO SPRAY LIST

Date Requested	Name	Address	Phone#
6/3/2025	Steven Jerrick	407&409 Kopra	575-740-2618
6/16/2025	Molly Hammer	402 Kopra	415-902-2212
6/16/2025	Molly Hammer	780 W 4TH	415-902-2212
6/16/2025	Molly Hammer	760 W 4TH	415-902-2212
6/16/2025	Willow Dixon	515 Kopra	503-896-1207
6/16/2025	Willow Dixon	504 Kopra	503-896-1207
6/16/2025	Willow Dixon	506 Kopra	503-896-1207
6/17/2025	Raven Willow	861 West 5th Ave	518-653-2014
6/17/2025	Raven Willow	902 North Date	518-653-2014
8/27/2024	Steven Jerrick	613 Marr	575-740-2618
8/1/2025	Melissa Garcia	608 Corbett St	505-999-6903

2026 PLEASE SPRAY LIST

Date Requested	Name	Address	Phone#
7/3/2025	Linda Thompson	906 Poplar Street	831-345-0951
7/11/2025	Ed Rodriguez	110 N Pershing	575-740-1707
7/25/2025	Mary Seeley	1333 E Riverside	575-915-4267
7/30/2025	Ed Rodriguez	Pershing Arroyo	575-740-1707
8/1/2025	Randy Plane	1805 Upson Street (Across from Greenway Laundry)	575-740-0986
8/8/2025	Daniel Montoya	708 Ivy	575-740-2537
8/29/2025	Tricia Jump	909 Palo Verde (Home)	575-740-7936
9/11/2025	Jesse Cole	507 Corna	575-740-4157

EXHIBIT G-PRIORITY SPRAY REQUEST FORM

Date Received:		Received By:	
Requestor Name:		Phone:	
Address/ Location:		City/ Area:	
Reason for Request:		Standing Water Present?	☐ Yes ☐ No
High Mosquito Activity?	☐ Yes ☐ No	Public Event/ Health Concern	☐ Yes ☐ No
Inspection Date:		Action Taken:	
Follow-Up Required?	☐ Yes ☐ No	Resolution Date:	

Not

EXHIBIT H - COMPLAINT INVESTIGATION FORM

Complaint No.:		Date Received:	
Received From:	☐ County ☐ City ☐ Resident	Received By:	
Complainant Name:		Phone:	
Location / Address:		Route Area:	
Complaint Type:	☐ Missed Area ☐ Mosquito Activity ☐ Drift Concern ☐ No-Spray Request ☐ Other		
Investigation Date:		Investigator:	
Findings:			
Action Taken:			
Follow-Up Required:	☐ Yes ☐ No	Resolution Date:	

EXHIBIT I -EMERGENCY RESPONSE PROCEDURES

Emergency response procedures may be activated when the City determines that mosquito activity, disease-vector concerns, flooding, standing water, public events, or public health conditions require response outside the normal operational schedule.

Notification Chain: Public | County | City Department → City Designated Contact → Contractor → Licensed Applicator | Operator.

Emergency Review: Before response, Contractor shall review product label limitations, weather conditions, equipment status, route safety, and available personnel.

Emergency Action: Upon City authorization, Contractor may perform additional ULV applications, inspections, larvicide applications where appropriate, route modifications, or follow-up services.

Emergency Reporting: Contractor shall document date, time, location, reason for response, products used, conditions, and outcome in the monthly report or separate emergency report.

EXHIBIT J -EQUIPMENT INSPECTION LOG

Date	Truck / Equipment ID	Fuel / Fluids	Lights / Safety	Fogger Pump	Leaks / Damage	Operator Initials

Issues / Notes

EXHIBIT K-WEEKLY APPLICATION LOG

Week Of:		Route:	■ North Side ■ South Side/ Williamsburg ■ Other				
Date	Start Time	End Time	Product		Machine		Operator

Route Notes / Missed Areas/ No-Spray Observations:

EXHIBIT L -ANNUAL PROGRAM REVIEW FORM

Program Year:

Total Applications:

Priority Spray Requests:

Emergency Responses:

Recommended Route Changes

Recommended Equipment Changes

Compensation Review Notes:

Recommended Program Improvements

Prepared By:

Total Complaints:

Do-Not-Spray Requests:

Equipment Issues:

EXHIBIT M -CERTIFICATE OF INSURANCE REQUIREMENTS

Contractor shall provide the City with a current Certificate of Insurance upon execution of the Agreement and annually thereafter throughout the term of the Agreement.

The Certificate of Insurance shall demonstrate the required coverage specified in the Agreement, including General Liability Insurance of not less than \$1,000,000 per occurrence and any additional coverage required by law or the City.

Contractor should provide updated Certificates of Insurance before expiration of any required policy. If a required policy expires or proof of coverage is not provided, the City may suspend operations until acceptable proof of insurance is received.

The City may request Additional Insured status where applicable and available under Contractor's policies.

ATTACHMENT -COUNTY / CITY FUNDING RECOMMENDATION SUMMARY

The following summary may be provided to the City as a planning recommendation for a separate County-City agreement. This attachment is not intended to replace legal review or the City's own agreement with Sierra County.

Recommended County Annual Compensation to City: \$15,600.00 per year.

Recommended County-City Term: Five (5) years, July 1, 2026 through June 30, 2031, subject to annual appropriations.

Recommended Services: Adult mosquito control using ULV applications, larvicide applications where appropriate, complaint response, emergency response, route planning, public notification coordination, and reporting by licensed applicators.

Recommended City Authority: The City should be authorized to use qualified contractors and licensed applicators to perform operational vector control activities while retaining responsibility for County-facing administration.

VERSION 2 UPDATE -ARTICLE 19 AND EXHIBIT N REVISED ARTICLE 19- COMPENSATION AND PAYMENT

City Vector Control Program Compensation shall be \$10,600 annually in equal monthly payments of Two-Thousand Six Hundred Fifty Dollars and Zero Cents (\$2650.00) July through October. The County of Sierra shall pay \$15,600 annually in equal monthly payments of Three-Thousand Nine Hundred Dollars and Zero Cents (\$3900.00) to the City of Truth or Consequences July through October. The Compensation includes all labor, licensed applicator supervision, mosquito control products, adulticides, larvicides, adjuvants, route planning, complaint response, follow-up inspections, monthly reporting, recordkeeping, equipment inspections, insurance requirements, and regulatory compliance activities.

Except as otherwise agreed in writing, Superior Weed and Pest Control LLC shall furnish all mosquito control products, adulticides, larvicides, adjuvants, and application materials necessary to perform services under the Agreement.

EXHIBIT N - COMPENSATION SCHEDULE

County Program Compensation: \$15,600 annually

City Program Compensation: \$10,600 annually

Total Annual Program Value: \$26,200 annually

The City Program Compensation includes mosquito control products, adulticides, larvicides, adjuvants, application materials, labor, reporting, insurance, licensing, and operational services required under the Agreement.

EXHIBIT L ADDITION

Current Annual Program Compensation: _____

**CITY OF TRUTH OR CONSEQUENCES**

505 Sims St.
Truth or Consequences, NM 87901
PH: (575) 894-6673
FAX: (575) 894-0363

PURCHASE ORDER**PO Number:** 83927**Date:** 08/07/2026**Requisition #:** 96873**Vendor #:** 9155

ISSUED TO: TEXAN WASTE EQUIPMENT INC DBA HEIL OF TEXAS
Attn: CHRISTIAN CASTANEDA
9545 PLAZA CIRCLE
EL PASO, TX 79927-

SHIP TO: City of Truth or Consequences
505 Sims St.
Truth or Consequences, NM 87901

ITEM	UNITS	VENDOR PART #	DESCRIPTION	GL ACCT #	PROJ ACCT #	PRICE	AMOUNT
1	0		INSTALLATION OF 2 TIPPERS/REAR BRACKETS	505-3904-80810		0.00	18,000.00
			VALVE BODY SECTIONS,&LINKAGE+LABOR				
2	0		FREIGHT	505-3904-80810		0.00	200.00
3	0		LABOR	505-3904-80810		0.00	4,500.00
4	0		SHOP FEES	505-3904-80810		0.00	500.00
5	0		FUEL SURCHARGE	505-3904-80810		0.00	100.00
SEE ATTACHED ESTIMATE/BUDGET/SUPPORTING DOCS. PER MR WHITEHEAD AND ANDRES ALVAREZ 8-4-26 MEETING -APPROVAL SOLID WASTE							

SUBTOTAL:	23,300.00
TOTAL TAX:	0.00
SHIPPING:	0.00
TOTAL	23,300.00

Chief Purchasing Office

Date:

8/7/2026

Director of Finance:

Requisition approved electronically.

City Manager:

Requisition approved electronically.

1. Send INVOICE to Accounts Payable, address as noted above.
2. Prepay all transportation charges, and attach receipted freight bill to invoice.
3. Show our Purchase Order number on all invoices, Bills of Lading, Packages, etc.
4. This order must NOT be filled in greater or lesser quantities than shown without our written permission.
5. This order is issued with the understanding that if material is not according to our specifications, same will be returned at seller's expense.
6. The right is reserved to cancel this order if not filled within a reasonable length of time.
7. The City is exempt from all federal excise and state tax - ID# 01-405755-007



REQUISITION

Requisition #: 96873

Date: 08/04/2026

Vendor #: 9155

ISSUED TO: TEXAN WASTE EQUIPMENT INC DBA HEIL OF
Attn:CHRISTIAN CASTANEDA
9545 PLAZA CIRCLE
EL PASO, TX 79927-

SHIP TO: City of Truth or Consequences
505 Sims St.
Truth or Consequences, NM 87901

ITEM	UNITS DESCRIPTION	PROJECT #	PRICE GL ACCOUNT NUMBER	AMOUNT
1	0 INSTALLATION OF 2 TIPPERS/REAR BRACKETS		0.00 505-3904-80810	18,000.00
2	0 FREIGHT		0.00 505-3904-80810	200.00
3	0 LABOR		0.00 505-3904-80810	4,500.00
4	0 SHOP FEES		0.00 505-3904-80810	500.00
5	0 FUEL SURCHARGE		0.00 505-3904-80810	100.00

PO Description: POLY CART TIPPERS (ATTACHMENTS)

Detailed Description:

SEE ATTACHED ESTIMATE/BUDGET/SUPPORTING DOCS.
PER MR WHITEHEAD AND ANDRES ALVAREZ 8-4-26 MEETING -APPROVAL
SOLID WASTE

Authorized By: _____

SUBTOTAL:	23,300.00
TOTAL TAX:	0.00
SHIPPING:	0.00
TOTAL	23,300.00

	ESTIMATE ONLY ESTIMATES ARE VALID ONLY FOR 30 DAYS	Parts Subtotal	\$17,864.88
		Labor Subtotal	\$4,440.00
		SHOP CHARGE	\$500.00
		TAX	\$0.00
	This estimate is based on initial inspection only. Often times hidden damage is not visible. When additional parts or labor hours are required to complete the repair, a supplemental estimate will be provided to the customer for additional authorization. Estimates are valid for 30 days from date of creation.	Fuel Surcharge	\$75.00
		FREIGHT	
		Total	\$22,879.88

Heil of Texas appreciates your business and our team is looking forward to supporting your future parts, service and new equipment needs.

Approval

Shop Charge %	15%	Yes	Shop Charge	\$ 500.00
		No	Tax	\$1,515.10
Fuel Surcharge	3%			\$ 75.00
Schwarze Parts	No			FALSE
				\$535.95
				\$535.95



Electronic Delivery

Cody Garefalos
Texan Waste Equipment Inc dba Heil of Texas
5900 Wheeler St.
Houston, Tx 77023

Welcome to BuyBoard!

Re: *Notice of The Local Government Purchasing Cooperative Contract Award*; Proposal Invitation No. 786-25, Refuse and Recycle Bodies, Containers, and Other Transport Bodies

Congratulations, The Local Government Purchasing Cooperative (Cooperative) has awarded your company a BuyBoard® contract based on the above-referenced Proposal Invitation. The contract is effective for an initial one-year term of 12/1/2025 through 11/30/2026 and may be subject to two possible one-year renewals. Please refer to the Proposal Invitation for the contract documents, including the General Terms and Conditions of the Contract.

To review the items your company has been awarded, please review Proposal Tabulation No. 786-25 at: www.buyboard.com/vendor. Only items marked as awarded to your company are included in this contract award, and only those awarded items may be sold through the BuyBoard contract. All sales must comply with the contract terms and must be at or below the awarded pricing as set forth in the General Terms and Conditions.

A list of Cooperative members is available on the buyboard.com website. In addition, the BuyBoard Administrator's vendor relations staff is available to assist you in locating available BuyBoard informational resources and answering questions you may have as an awarded BuyBoard vendor.

On behalf of the Cooperative, we appreciate your interest in the Cooperative and we are looking forward to your participation in the program. If you have any questions, feel free to contact me at bids@buyboard.com.

Sincerely,

Kristin Gardner, Bid Analyst
Texas Association of School Boards, Inc.,
Administrator for The Local Government Purchasing Cooperative





BuyBoard Current Vendors - New Mexico

Vendor	Address Line 1	City	State	ZIP	Effective	Expiration	Contract
TestForce USA Inc(E)(I)(T)	4552 Sunbelt Dr	Addison	TX	75001	2/1/2025	1/31/2028	Technology: Hardware Equipment and Products 760-25
Texan Waste Equipment Inc. dba Heil of Texas(E)(I)(T)	5900 Wheeler St.	Houston	TX	77023	7/1/2025	6/30/2028	Airport Runway Equipment, Products, and Related Services 775-25
Texan Waste Equipment Inc. dba Heil of Texas(E)(I)(T)	5900 Wheeler St.	Houston	TX	77023	10/1/2025	9/30/2028	Sewer Inspection and Cleaning Products 776-25
Texan Waste Equipment Inc. dba Heil of Texas(E)(I)(T)	5900 Wheeler St.	Houston	TX	77023	12/1/2025	11/30/2028	Refuse and Recycle Bodies, Containers and Other Transport Bodies 786-25
Texan Waste Equipment Inc. dba Heil of Texas(E)(I)(T)	5900 Wheeler St.	Houston	TX	77023	12/1/2025	11/30/2028	Construction, Road and Bridge, and Other Related Equipment 788-25
Texas AirSystems LLC(E)(I)(T)	6029 W. Campus Circle Drive	Irving	TX	75063	12/1/2023	11/30/2026	HVAC Equipment, Supplies, and Installation of HVAC Equipment 720-23
Texas Alternator Starter Service(E)(I)(T)	P O Box 9131	Austin	TX	78766	12/1/2023	11/30/2026	Automotive Parts, Fluids, Equipment, Maintenance Services 715-23
Texas Custom Trailers, LP(E)(I)(T)	2740 N HWY 287	DECATUR	TX	76230	12/1/2025	11/30/2028	Trailers, Optional Equipment, Parts and Maintenance Repair Service 787-25
Texas Enterprises, Inc.(E)	4911 E. 7th Street	Austin	TX	78702	12/1/2023	11/30/2026	Automotive Parts, Fluids, Equipment, Maintenance Services 715-23
Texas Film Gear, LLC(E)(I)(T)	231 W Jefferson Blvd	Dallas	TX	75208	6/1/2024	5/31/2027	Audio Visual Equipment and Supplies 739-24
Texas Motion Sports LLC(E)(I)(T)	866 Presidential Dr., Suite 406	RICHARDSON	TX	75081	7/1/2025	6/30/2028	Uniforms and Accessories 773-25
Texas Municipal Equipment LLC(E)(T)	PO Box 121261	Arlington	TX	76012	10/1/2025	9/30/2028	Sewer Inspection and Cleaning Products 776-25
Texas Municipal Equipment LLC(E)(T)	PO Box 121261	Arlington	TX	76012	12/1/2025	11/30/2028	Construction, Road and Bridge, and Other Related Equipment 788-25
Texas Music Festivals Enterprise, Inc (E)(I)(T)	216 East Expressway 83	San Juan	TX	78589	4/1/2025	3/31/2028	Athletic & Physical Education Supplies & Equipment 766-25
Texas Music Festivals Enterprise, Inc (E)(I)(T)	216 East Expressway 83	San Juan	TX	78589	7/1/2025	6/30/2028	Awards, Trophies, and Personal Recognition Products 771-25
Texas Music Festivals Enterprise, Inc (E)(I)(T)	216 East Expressway 83	San Juan	TX	78589	7/1/2025	6/30/2028	Uniforms and Accessories 773-25
Texas Pneudraulic Inc. dba Southwestern Equipment Company (E)(I)(T)	P O BOX 219	JUSTIN	TX	76247	12/1/2025	11/30/2028	Refuse and Recycle Bodies, Containers and Other Transport Bodies 786-25

(M) - MWBE (E) - EDGAR Received (D) - Designated Dealer (I) - No Israel Boycott (T) - No Foreign Terrorist Orgs

7/6/2026 5:51 AM



SOFT-PAK®

The **Curotto-Can**
The Future of Automated Collection



February 10, 2026

Subject: Authorized Heil Dealer

To Whom It May Concern,

I am writing to formally confirm that Heil of Texas is the authorized original equipment manufacturer (OEM) dealer for Heil bodies, parts, warranties, certified Heil rebuild parts, and full-service support in the states of Texas and New Mexico. This authorization extends to the sale of products on government purchasing contracts within these states.

Heil of Texas operates facilities in San Antonio, El Paso, Dallas, and Houston, and holds the exclusive distributorship for Heil parts and services throughout Texas. Please be aware that the use of non-OEM or aftermarket parts may void warranties on Heil refuse bodies.

Heil of Texas – Corporate Office
5900 Wheeler St
Houston, TX 77023

Heil of Texas is dedicated to promoting, servicing, supporting, and supplying replacement parts, along with providing technical assistance for Heil refuse bodies.

Should you have any questions or require further information, please feel free to reach out to the Director of Sales.

Sincerely,

John Osterkamp

John Osterkamp
Director of Sales
Heil Environmental
423-785-6414
John.Osterkamp@terex.com



P.O. Box 400, Austin, Texas 78767
800.695.2919 • buyboard.com

NATIONAL PURCHASING COOPERATIVE INTERLOCAL PARTICIPATION AGREEMENT

This Interlocal Participation Agreement ("Agreement") is made and entered into on the date indicated below by and between the National Purchasing Cooperative ("Cooperative"), an administrative agency of cooperating local governments and other governmental entities, acting on its own behalf and the behalf of all participating governmental entities, and the undersigned governmental entity ("Cooperative Member").

I. RECITALS

WHEREAS, the National Purchasing Cooperative was formed on May 26, 2010, by certain local governments that entered into an Organizational Interlocal Agreement; and

WHEREAS, the purpose of the Cooperative is to facilitate compliance with state procurement requirements, to identify qualified vendors of commodities, goods and services, to relieve the burdens of the governmental purchasing function, and to realize potential economies of scale, including administrative cost savings, for Cooperative Members;

NOW THEREFORE, in consideration of the mutual covenants, promises and obligations contained herein, the undersigned Cooperative Member and the Cooperative agree as follows:

II. TERMS AND CONDITIONS

1. **Adopt Organizational Interlocal Cooperation Agreement.** The Cooperative Member by the execution or acceptance of this Agreement hereby adopts and approves the Organizational Interlocal Agreement, as last amended and restated, which agreement is incorporated herein by reference (and is available from the Cooperative upon request). The Organizational Interlocal Agreement establishes the Cooperative as an administrative agency of its collective participants, and Cooperative Member agrees to become a participant or additional party to the Organizational Interlocal Agreement.

2. **Term.** The initial term of this Agreement shall commence on the date it is executed by both parties and shall automatically renew for successive one-year terms unless sooner terminated in accordance with the provisions of this Agreement. If the Cooperative Member is an existing Cooperative Member that joined the Cooperative by executing a participation agreement which authorized amendment upon the Cooperative providing prior written notice, then this Agreement will be deemed an Amendment by Notice, effective on the 61st day that the Cooperative Member is sent notice of this Agreement. In addition, this Agreement will continue to automatically renew for successive one-year terms on the anniversary date of the Cooperative Member's initial term (not the effective date of the amendment), unless the Agreement is sooner terminated in accordance with the provisions herein.



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3. **Termination.**

(a) **By the Cooperative Member.** This Agreement may be terminated by the Cooperative Member at any time by 30 days prior written notice to the Cooperative as provided in Article III, Section 14, provided any amounts owed to any vendor have been fully paid.

(b) **By the Cooperative.** The Cooperative may terminate this Agreement by:

(1) Giving 10 days notice as provided in Article III, Section 14, to the Cooperative Member if the Cooperative Member breaches this Agreement; or

(2) Giving 30 days notice as provided in Article III, Section 14, to the Cooperative Member with or without cause.

(c) **Termination Procedure.** If the Cooperative Member terminates its participation under this Agreement or breaches this Agreement, or if the Cooperative terminates participation of the Cooperative Member, the Cooperative Member shall bear the full financial responsibility for all of its purchases made from vendors under or through this Agreement. The Cooperative may seek the whole amount due, if any, from the terminated Cooperative Member. In addition, the Cooperative Member agrees it will not be entitled to any distribution which may occur after the Cooperative Member terminates from the Cooperative.

4. **Payments by Cooperative Member.** The Cooperative Member will make timely payments to the vendor for the goods, materials and services received in accordance with the terms and conditions of the bid invitation, instructions, and all other applicable procurement documents. Payment for goods, materials and services and inspections and acceptance of goods, materials and services ordered by the procuring Cooperative Member shall be the exclusive obligation of the procuring Cooperative Member, and not the Cooperative. Furthermore, the Cooperative Member is solely responsible for negotiating and securing ancillary agreements from the vendor on such other terms and conditions, including provisions relating to insurance or bonding, that the Cooperative Member deems necessary or desirable under federal, state or local law, local policy or rule, or within its business judgment.

5. **Payments by Vendors.** The parties agree that the Cooperative will require payment from vendors which are selected to provide goods, materials or services to Cooperative Members. Such payment (hereafter "Vendor Fees") may be up to two percent (2%) of the purchase price paid by Cooperative Members or a flat fee amount that may be set from time to time by the Cooperative Board of Directors. Cooperative Member agrees that these Vendor Fees fairly compensate the Cooperative for the services and functions performed under this Agreement and that these Vendor Fees enable the Cooperative to pay the administrative, licensing, marketing, and other expenses involved in successfully operating a program of electronic commerce for the Cooperative Members. Further, Cooperative Member affirmatively disclaims any rights to such Vendor Fees, acknowledging all such fees are the property of the Cooperative. Similarly, in no event shall a Cooperative Member be responsible for payment of Vendor Fees.



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6. **Distribution.** From time to time, and at the sole discretion of the Cooperative Board of Directors, the Cooperative may issue a distribution to Cooperative Members under a plan developed by the Cooperative Board of Directors. The Cooperative Member acknowledges that a distribution is never guaranteed and will depend on the overall financial condition of the Cooperative at the time of the distribution and the purchases made by the Cooperative Member.

7. **Administration.** The Cooperative may enter into contracts with others, including non-profit associations, for the administration, operation and sponsorship of the purchasing program provided through this Agreement. The Cooperative will provide reports, at least annually, to the Cooperative Member electronically or by mail. Cooperative Member will report purchase orders generated under this Agreement to the Cooperative or its designee, in accordance with instructions of the Cooperative.

8. **BuyBoard®.** Cooperative Member will have a non-exclusive license to use the BuyBoard electronic purchasing application during the term of this Agreement. Cooperative Member acknowledges and agrees that the BuyBoard electronic application and BuyBoard trade name are owned by the Texas Association of School Boards, Inc. ("TASB"), and that neither the Cooperative nor the Cooperative Member has any proprietary rights in the BuyBoard electronic application or trade name. The Cooperative Member will not attempt to resell, rent, or otherwise distribute any part of BuyBoard to any other party; nor will it attempt to modify the BuyBoard programs on the server or acquire the programming code. The Cooperative Member may not attempt to modify, adapt, translate, distribute, reverse engineer, decompile, or disassemble any component of the application. The Cooperative Member will use BuyBoard in accordance with instructions from the Cooperative (or its designee) and will discontinue use upon termination of participation in the Cooperative. The Cooperative Member will maintain equipment, software and conduct testing to operate the BuyBoard system at its own expense.

III. GENERAL PROVISIONS

1. **Amendment by Notice.** The Board may amend this Agreement, provided that prior written notice is sent to the Cooperative Member at least 60 days prior to the effective date of any change described in such amendment and provided that the Cooperative Member does not terminate its participation in the Cooperative before the expiration of said 60 days.

2. **Authorization to Participate and Compliance with Local Policies.** Each Cooperative Member represents that its governing body has duly authorized its participation in the Cooperative and that the Cooperative Member will comply with all state and local laws and policies pertaining to purchasing of goods and services through its membership in the Cooperative.

3. **Bylaws.** The Cooperative Member agrees to abide by the Bylaws of the Cooperative, as they may be amended, and any and all written policies and procedures established by the Cooperative that apply to Cooperative Members. The Cooperative shall provide written notice to the Cooperative Member of any amendment to the Bylaws of the Cooperative and any written policy or procedure of the Cooperative that is intended to be binding on and applicable to the Cooperative Member. In addition to any other notice method specified in this Agreement, notice under this Section may be satisfied by posting of the applicable bylaws.



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policy, or procedure on the Cooperative's website or BuyBoard application landing page for Cooperative Members.

4. **Cooperation and Access.** The Cooperative Member agrees that it will cooperate in compliance with any reasonable requests for information and/or records made by the Cooperative. The Cooperative reserves the right to review and audit the relevant and available records of any Cooperative Member. Any breach of this provision shall be considered material and shall make the Agreement subject to termination on 10 days written notice to the Cooperative Member.

5. **Coordinator.** The Cooperative Member agrees to appoint a program coordinator who shall have express authority to represent and bind the Cooperative Member, and the Cooperative will not be required to contact any other individual regarding program matters. Any notice to or any agreements with the coordinator shall be binding upon the Cooperative Member. The Cooperative Member reserves the right to change the coordinator as needed by giving written notice to the Cooperative. Such notice is not effective until actually received by the Cooperative.

6. **Current Revenue.** The Cooperative Member hereby represents that all payments, fees, and disbursements required of it hereunder shall be made from current revenues budgeted and available to the Cooperative Member.

7. **Defense and Prosecution of Claims.** The Cooperative Member authorizes the Cooperative to handle the commencement, defense, intervention, or participation in a judicial, administrative, or other governmental proceeding or in an arbitration, mediation, or any other form of alternative dispute resolution, or other appearances of the Cooperative (as an entity) in any litigation, claim or dispute which arises from the services provided by the Cooperative. Neither this provision nor any other provision in this Agreement will create a legal duty for the Cooperative to provide a defense or prosecute a claim; rather, the Cooperative may exercise this right in its sole discretion and to the extent permitted or authorized by law. The Cooperative Member shall reasonably cooperate and supply any information necessary or helpful in such prosecution or defense. Subject to specific revocation, the Cooperative Member hereby designates the Cooperative to act as a class representative on its behalf in matters arising out of this Agreement and pertaining to the collective or predominant interest of Cooperative Members. Nothing herein grants the Cooperative any rights to file, defend, or settle any claim on behalf of the Cooperative Member in its individual capacity.

8. **Governance.** The Board of Directors (Board) will govern the Cooperative in accordance with the Bylaws.

9. **Legal Authority.** The Cooperative Member represents to the Cooperative the following:

a) The Cooperative Member has conferred with legal counsel and determined it is duly authorized by the laws of the jurisdiction in which the Cooperative Member lies to participate in cooperative purchasing, and specifically, the National Purchasing Cooperative.

b) The Cooperative Member possesses the legal authority to enter into this Agreement and can allow this Agreement to automatically renew without subsequent action of its governing body.

c) Purchases made under this Agreement will satisfy all procedural procurement requirements that the Cooperative Member must meet under all applicable local policy, regulation, or state law.



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d) All requirements—local or state—for a third party to approve, record or authorize the Agreement have been met.

10. **Disclaimer.** THE COOPERATIVE, ITS ENDORSERS, SPONSORS, AND SERVICING CONTRACTORS, WHETHER CURRENT OR FORMER AND INCLUDING TASB, ("COOPERATIVE AND ASSOCIATES") DO NOT WARRANT THAT THE OPERATION OR USE OF COOPERATIVE SERVICES WILL BE UNINTERRUPTED OR ERROR FREE.

THE COOPERATIVE AND ASSOCIATES HEREBY DISCLAIM ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, IN REGARD TO ANY INFORMATION, PRODUCT OR SERVICE FURNISHED UNDER THIS AGREEMENT, INCLUDING WITHOUT LIMITATION, ANY AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

11. **Limitation of Liability.** To the extent permitted by law and without waiver of the disclaimer or other limitation of liability in this Agreement, the parties agree that:

- a) Neither party waives any immunity from liability afforded under law;
- b) In regard to any lawsuit or formal adjudication arising out of or relating to this Agreement, neither party shall be liable to the other under any circumstance for special, incidental, consequential, or exemplary damages;
- c) The maximum amount of damages recoverable will be limited to the amount of fees which the Cooperative received as a direct result of the Cooperative Member's purchase activity, within 12 months of when the lawsuit or action was filed; and
- d) In the event of a lawsuit or formal adjudication the prevailing party will be entitled to recover reasonable attorney's fees.

Without waiver of the disclaimer or other limitation of liability in this Agreement, the parties further agree to limit the liability of Cooperative and Associates up to the maximum amount each received from or through the Cooperative, as a direct result of the undersigned Cooperative Member's purchase activity, within 12 months of the filing of any lawsuit or action.

12. **Limitation of Rights.** Except as otherwise expressly provided in this Agreement, nothing in this Agreement is intended to confer upon any person, other than the parties hereto, any benefits, rights, or remedies under or by reason of this Agreement.

13. **Merger/Entirety.** This Agreement, together with the Cooperative's Bylaws and Organizational Interlocal Agreement, as amended and restated, represents the complete understanding of the Cooperative and Cooperative Member. To the extent there exists any conflict between the terms of this Agreement and that of prior agreements, the terms of this Agreement shall control and take precedence over all prior participation agreements.

14. **Notice.** Any written notice to the Cooperative may be given by email to BuyBoard Administrator at membership@buyboard.com; by U.S. mail, postage prepaid, and delivered to the National Purchasing Cooperative, P.O. Box 400, Austin, Texas 78767-0400; by overnight courier or hand delivery to National Purchasing Cooperative, 12007 Research Blvd., Austin, Texas 78759; or by other mode of delivery typically



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used in commerce and accessible to the intended recipient. Notices to Cooperative Member may be given by email to the Cooperative Member's Coordinator or other email address of record provided by the Cooperative Member; by U.S. mail, postage prepaid, and delivered to the Cooperative Member's Coordinator or chief executive officer (e.g., superintendent, city manager, county judge or mayor); or by other mode of delivery typically used in commerce and accessible to the intended recipient.

15. **Severability.** If any portion of this Agreement shall be declared illegal or held unenforceable for any reason, the remaining portions shall continue in full force and effect.

16. **Signatures/Counterparts.** The failure of a party to provide an original, manually executed signature to the other party will not affect the validity, enforceability or binding effect of this Agreement because either party may rely upon an electronic or facsimile signature as if it were an original, including any Cooperative Member signature executed by click and accept or similar electronic signature and acceptance. Furthermore, this Agreement may be executed in several separate counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

17. **Authority.** By the execution and delivery of this Agreement, the undersigned individual represents that the individual is duly authorized by all requisite administrative action required to enter into and bind the entity that is a party to this Agreement.

[Signature page follows.]



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WHEREFORE, the parties, acting through their duly authorized representatives, accept this Agreement.

NATIONAL PURCHASING COOPERATIVE:

By: Dan Troxell
Dan Troxell, Ph.D.
Assistant Secretary

Date: July 14, 2026

COOPERATIVE MEMBER:

[Signature required unless accepted as an Amendment by Notice as described in the Agreement.]

City of TORC - (Truth or Consequences)
(Government Entity Name)

By: [Signature]
Signature of authorized representative of Cooperative Member

Date: 7/10/2026

Locelyn Hobguin, Chief Financial Officer
Printed name and title of authorized representative

Coordinator for the Cooperative Member is:

Carlos Miyagishima
Name

CEO
Title

585 Sims Street
Mailing Address

TORC
City

NM 87901
State Zip Code

575-952-9301
Telephone

Fax

Cmiyagishima@torc-nm.org
Email



CITY OF TRUTH OR CONSEQUENCES

AGENDA REQUEST FORM

MEETING DATE: August 28, 2026

Agenda Item #: **E.2**

SUBJECT: Take Home Vehicle Form: Police Department

DEPARTMENT: City Clerk's Office

DATE SUBMITTED: August 24, 2026

SUBMITTED BY: Angela A. Torres

WHO WILL PRESENT THE ITEM: Consent Calendar

Summary/Background:

In accordance with Resolution No. 12 21/22, all take-home vehicle requests must be approved by the City Commission. The take-home vehicle request is for Derek Smith in the Police Department. His commute is 73 miles.

Recommendation:

Approve take home vehicle form.

Attachments:

- -

Fiscal Impact (Finance): N/A

-

Legal Review (City Attorney): N/A

-

Approved For Submittal By: ☒ Department Director

Reviewed by: ☐ City Clerk ☐ Finance ☐ Legal ☐ Other: [Click here to enter text.](#)

Final Approval: ☐ City Manager

CITY CLERK'S USE ONLY - COMMISSION ACTION TAKEN

Resolution No. - Ordinance No. -

Continued To: - Referred To: -

☐ Approved ☐ Denied ☐ Other: -

File Name: CC Agendas 8-28-26



CITY OF TRUTH OR CONSEQUENCES

AGENDA REQUEST FORM

Agenda Item #: F.1

MEETING DATE: August 28, 2026

SUBJECT: Discussion/Action: Land lease agreement with Love's Travel Stops & Country Stores, Inc.

DEPARTMENT: Community Development

DATE SUBMITTED: August 21, 2026

SUBMITTED BY: Traci Alvarez

WHO WILL PRESENT THE ITEM: City Manager, Gary Whitehead

Summary/Background:

Love's Travel Stops & Country Stores, Inc. has requested to lease approximately 350 square feet (10' x 35') of City-owned property near Exit 79 for the installation of a 12' x 24' directional billboard serving Love's Travel Stop Store #256. The proposed location is shown on the attached map.

The requested billboard is intended to provide clear directional guidance to motorists, particularly commercial truck traffic exiting I-25 at Exit 79, to the Love's entrance. The City and Love's have discussed concerns with drivers having difficulty identifying the correct route to the facility after exiting the interstate. The proposed location was selected to provide directional information at a point where drivers can more easily identify the appropriate route, helping reduce wrong turns and unnecessary commercial truck traffic traveling toward town or re-entering the interstate.

To assist in establishing a lease rate, staff used a recent 2023 appraisal of separate City-owned property as a general land-lease valuation guideline. A strict square-foot application of that appraisal methodology results in a nominal amount and does not adequately reflect the specialized commercial use of the property. For Commission consideration, staff has identified potential annual lease rates of \$500, \$750, or \$1,000, with a proposed 7.5% increase after the first five years.

Staff has prepared a draft 10-year land lease agreement, with one potential five-year extension subject to City approval. Love's would be responsible for all costs associated with construction, permitting, maintenance, utilities, insurance, and eventual removal of the billboard.

Recommendation:

Approve entering into a land lease agreement with Love's Travel Stops & Country Stores, Inc. for an annual lease rate of _____; and authorize the City Manager and City Attorney to finalize and execute the agreement

Attachments:

- Draft Billboard Land Lease Agreement
- Proposed Sign Location Map

Fiscal Impact (Finance): TBD

[Click here to enter text.](#)

Legal Review (City Attorney): Yes

[Click here to enter text.](#)

Approved For Submittal By: ☐ Department Director

Reviewed by: ☐ City Clerk ☐ Finance ☐ Legal ☐ Other: [Click here to enter text.](#)

Final Approval: ☐ City Manager

CITY CLERK'S USE ONLY - COMMISSION ACTION TAKEN

Resolution No. [Click here to enter text.](#) Ordinance No. -

Continued To: - Referred To: -

☐ Approved ☐ Denied ☐ Other: -

File Name: [Click here to enter text.](#)

BILLBOARD LAND LEASE AGREEMENT

City of Truth or Consequences / Love's Travel Stops & Country Stores, Inc.

DRAFT FOR CITY ATTORNEY REVIEW

THIS BILLBOARD LAND LEASE AGREEMENT ("Lease") is entered into effective as of _____, 2026 ("Effective Date"), by and between the CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO, a New Mexico municipal corporation ("City" or "Lessor"), with a mailing address of 505 Sims Street, Truth or Consequences, New Mexico 87901, and LOVE'S TRAVEL STOPS & COUNTRY STORES, INC., an Oklahoma corporation ("Love's" or "Lessee"), with a notice address of 10601 N. Pennsylvania Avenue, Oklahoma City, Oklahoma 73120.

RECITALS

- A. The City owns real property near Exit 79 in Truth or Consequences, Sierra County, New Mexico, at the location depicted on Exhibit A (the "Property").
- B. Love's has requested to lease a small portion of the Property for installation and use of a 12-foot by 24-foot wood directional billboard sign. The requested general location is depicted on Exhibit A.
- C. The parties desire to establish the terms governing Love's limited use of the City-owned land, subject to all applicable approvals, permits, zoning requirements, and other laws.

1. LEASED PREMISES

The City leases to Love's, and Love's leases from the City, a ten-foot by thirty-five-foot (10' x 35') area containing approximately 350 square feet, including the billboard overhang and additional clearance area, as shown on Exhibit A and more particularly described in Exhibit B (the "Leased Premises"). The final location, legal description or site depiction, access route, and exact billboard placement must be approved in writing by the City before construction. No rights are granted outside the Leased Premises except the limited access expressly provided in this Lease.

2. PERMITTED USE

The Leased Premises may be used solely for installation, construction, operation, inspection, maintenance, repair, replacement, and removal of one 12-foot by 24-foot directional billboard serving Love's Travel Stop Store #256, together with only those appurtenances specifically approved by the City. Any material change in size, location, structure, illumination, electronic components, or use requires the City's prior written approval.

3. PERMITS; REGULATORY COMPLIANCE

Love's is solely responsible, at its cost, for obtaining and maintaining every permit, approval, clearance, license, and authorization required for the Billboard, including any City zoning/sign approval, New Mexico Department of Transportation approval, utility approval, and any other governmental review that may apply. Execution of this Lease does not constitute zoning, sign, building, electrical, or other regulatory approval. Love's shall comply with all applicable federal, state, and local laws, ordinances, regulations, and permit conditions.

4. TERM

The initial term shall be ten (10) years, beginning on _____, 2026 and ending on _____, 2036, unless earlier terminated under this Lease. Provided Love's is not in default, Love's may request one additional five (5) year extension. Any extension is subject to written approval by the City and execution of a written amendment; it is not automatic.

5. RENT

For general valuation guidance only, the City considered a 2023 appraisal of separate City-owned airport property because it provides a recent appraisal-based example of a City land lease rate. The airport

property is not the Property being leased under this Agreement and is not located at or near the proposed billboard site. That appraisal concluded a ground lease rate equal to eight percent (8%) of the appraised land value. Applying that methodology strictly on a proportional square-foot basis to the 350-square-foot Leased Premises would produce an estimated annual land rent of approximately \$14.50. The parties acknowledge that this mathematical comparison is only a guideline and does not constitute an appraisal or valuation of the Property. Because the proposed lease is for a small, strategically located commercial billboard site, a simple square-foot proration may not adequately reflect the value of the specialized advertising use.

Accordingly, the City may establish a minimum annual rent in lieu of the proportional appraisal amount. For purposes of review and negotiation, potential annual rates of \$500.00 to \$1,000.00 per year are identified as reasonable minimum-rate options, subject to final approval by the City Commission and review by the City Attorney. The final initial annual rent approved by the City shall be \$_____ per year, payable annually in advance. Consistent with the 2023 appraisal recommendation, the annual rent shall increase by seven and one-half percent (7.5%) at the beginning of Lease Year 6. If the Lease is extended beyond the initial ten-year term, the rent for the extension shall be established by written amendment and shall not be less than the then-current annual rent.

6. ACCESS

Love's shall have a non-exclusive right of reasonable ingress and egress over the access route approved by the City for purposes directly related to the Billboard. Access shall be exercised so as not to interfere with City operations, utilities, public safety, or other authorized uses of the Property. The City may reasonably relocate or modify the access route when necessary for public purposes, provided reasonable access to the Billboard remains available.

7. CONSTRUCTION; UTILITIES; MAINTENANCE

All construction, installation, utilities, lighting, maintenance, repair, and removal shall be at Love's sole cost and expense. Plans for the Billboard, foundation, utility service, lighting, and site disturbance must be approved by the City before work begins. Love's shall keep the Billboard and Leased Premises safe, neat, and in good repair and shall promptly correct any unsafe or unsightly condition. Any utility service shall be separately established and paid by Love's.

8. NO PROPERTY INTERFERENCE RIGHTS

Nothing in this Lease gives Love's the right to remove, trim, alter, or damage City vegetation, improvements, utilities, signs, fences, facilities, or other property without the City's prior written approval. The City retains the right to use, develop, improve, lease, or otherwise manage the remainder of the Property. The City will not intentionally obstruct the Billboard solely for the purpose of defeating this Lease, but no visibility corridor or exclusive advertising right is granted.

9. OWNERSHIP; REMOVAL; RESTORATION

The Billboard and equipment installed by Love's remain Love's property during the Term. Upon expiration or termination, Love's shall, at its sole cost, remove the Billboard, foundation to the depth required by the City, utilities and other improvements within thirty (30) days, unless the City approves otherwise in writing, and shall restore the site to a condition reasonably acceptable to the City. If Love's fails to timely remove the improvements, the City may remove them and charge Love's for the reasonable cost, or may treat abandoned improvements as City property to the extent permitted by law.

10. INSURANCE

Before entering the Property for construction and throughout the Term, Love's shall maintain commercial general liability/casualty insurance with limits of not less than \$1,000,000 per occurrence, or such higher limits as the City may reasonably require under its then-current risk-management standards, and shall name the City of Truth or Consequences, its officers, officials, employees, and agents as additional insureds. Love's shall provide certificates of insurance upon request. Coverage shall be primary to the extent permitted by law.

11. INDEMNIFICATION

To the fullest extent permitted by law, Love's shall defend, indemnify, and hold harmless the City, its elected officials, officers, employees, and agents from claims, damages, losses, liabilities, and expenses arising from Love's use of the Leased Premises, the Billboard, or the acts or omissions of Love's, its contractors, agents, employees, invitees, successors, or assigns, except to the extent caused by the negligence or willful misconduct of the City. Nothing in this Lease waives any immunity, limitation, or defense available to the City under the New Mexico Tort Claims Act or other applicable law.

12. ASSIGNMENT AND SUBLETTING

Love's shall not assign this Lease or sublet any part of the Leased Premises without the City's prior written consent. Any approved assignee shall assume all obligations of Love's in writing. Unless the City expressly releases Love's in writing, Love's remains responsible for performance of this Lease.

13. DEFAULT AND CURE

If either party fails to perform a material obligation under this Lease, the non-defaulting party shall provide written notice describing the default. The defaulting party shall have fifteen (15) days after receipt to cure a monetary default and thirty (30) days to cure a non-monetary default; provided that, if a non-monetary default cannot reasonably be cured within thirty days, the defaulting party must begin cure within that period and diligently complete it. The City may require immediate corrective action where a condition presents an imminent threat to public safety or City property.

14. TERMINATION

The City may terminate this Lease for uncured default. The City may also terminate this Lease upon ninety (90) days' written notice if the Leased Premises are reasonably required for a transportation, utility, public safety, economic development, or other municipal/public purpose, or if continued use becomes prohibited or materially restricted by law or governmental requirement. Love's may terminate this Lease without cause upon sixty (60) days' written notice. Upon termination, rent shall be prorated through the effective termination date, subject to any amounts owed to the City, and Love's shall comply with Section 9.

15. CASUALTY; CONDEMNATION; LOSS OF PERMIT

If the Billboard is destroyed, the Leased Premises are taken by eminent domain, or a governmental action or final permit decision makes the permitted use unlawful or impracticable, either party may terminate this Lease by written notice. Any prepaid unearned rent shall be prorated, less amounts otherwise due to the City.

16. CITY INSPECTION

The City may enter and inspect the Leased Premises at reasonable times and may enter without prior notice in an emergency. Inspection does not create a duty by the City to identify or correct conditions for which Love's is responsible.

17. TAXES, FEES, AND COSTS

Love's is responsible for all taxes, assessments, permit fees, utility charges, construction costs, maintenance costs, and other expenses arising from its use of the Leased Premises or ownership and operation of the Billboard, except taxes imposed solely on the City's ownership of the underlying land.

18. NOTICES

Notices shall be in writing and delivered personally, by nationally recognized overnight courier, or by U.S. certified mail, return receipt requested, to the addresses below, or to any replacement address designated in writing.

CITY:

City of Truth or Consequences
505 Sims Street

Truth or Consequences, NM 87901

Attn: City Manager

LOVE'S:

Love's Travel Stops & Country Stores, Inc.

10601 N. Pennsylvania Avenue

Oklahoma City, OK 73120

Attn: _____

19. GOVERNING LAW; VENUE

This Lease shall be governed by the laws of the State of New Mexico. Venue for any action arising from this Lease shall lie in the appropriate court in Sierra County, New Mexico, unless applicable law requires otherwise.

20. MUNICIPAL APPROVAL; NO WAIVER

This Lease is subject to all approvals required by applicable law and City policy, including approval by the City Commission if required. No officer or employee may bind the City except as authorized by law. Nothing in this Lease constitutes a waiver of sovereign or governmental immunity or any limitation of liability available to the City.

21. ENTIRE AGREEMENT; AMENDMENT; SEVERABILITY

This Lease and its exhibits constitute the entire agreement concerning the Leased Premises and supersede prior discussions concerning this lease. Any amendment must be in writing and signed by authorized representatives of both parties. If any provision is held invalid or unenforceable, the remaining provisions shall remain in effect.

22. RECORDATION

Neither party shall record this Lease without the other party's written consent. If the parties agree that a memorandum of lease should be recorded, its form must be approved by the City Attorney before execution and recording.

SIGNATURES

CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO

By: _____

Name/Title: _____

Date: _____

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

LOVE'S TRAVEL STOPS & COUNTRY STORES, INC.

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT A – GENERAL LOCATION

Attach Love's submitted aerial/location exhibit showing the requested billboard site.

EXHIBIT B – FINAL LEASED PREMISES

Leased Premises: 10' × 35', containing approximately 350 square feet, including sign overhang and additional clearance area. Attach the final approved site depiction/legal description and approved access route.

STAFF RENT ESTIMATE – WORKING SHEET (NOT PART OF LEASE)

2023 Airport Property Appraisal - Reference Guideline Only:

Item	Amount
Reference appraisal tract (separate airport property)	7.646 acres / 333,059.76 sq. ft.
Reference appraisal fee-simple value	\$172,500
Reference appraisal first five-year ground rent	\$13,800/year
Reference appraisal capitalization rate	8% of appraised land value
Reference equivalent annual rent per acre	\$1,804.87/acre
Reference equivalent annual rent per sq. ft.	\$0.04143/sq. ft.

Reference calculation only: using the lease-rate methodology from the 2023 appraisal of separate City-owned airport property, 350 sq. ft. $\times$ approximately \$0.04143/sq. ft. = approximately \$14.50 per year. The airport appraisal was not prepared for the proposed billboard property and is being used only as a recent City land-lease valuation guideline. Because this mathematical comparison produces a nominal rent for a commercially valuable billboard location, staff may consider a minimum annual rent of \$500 to \$1,000, subject to City Commission approval and City Attorney review.

Potential annual rate options for staff/Commission discussion: \$500, \$750, or \$1,000 per year. These are proposed minimum-rate options for the specialized billboard use; they are not appraised values and are not values stated in the 2023 airport property appraisal. At the referenced 7.5% five-year escalation, the corresponding Year 6 annual rents would be \$537.50, \$806.25, or \$1,075.00, respectively.

Recommended escalation for consideration: increase the approved annual rent by 7.5% every five years, using the escalation recommendation in the 2023 airport property appraisal as a guideline.





CITY OF TRUTH OR CONSEQUENCES

AGENDA REQUEST FORM

MEETING DATE: August 28, 2026

Agenda Item #: F.2

SUBJECT: Discussion/Action: Conditional Use Permit (CUP) – Shipping Container – 818 N Magnolia St.

DEPARTMENT: Community Development

DATE SUBMITTED: August 19, 2026

SUBMITTED BY: Traci Alvarez

WHO WILL PRESENT THE ITEM: Assistant City Manager Alvarez

Summary/Background:

Applicant is requesting a CUP to allow an existing shopping container to remain on the property at 818 N Magnolia St. Public Hearing was held at the P & Z Meeting on 8-11-26 – Board recommended approval unanimously

Recommendation:

Consider P & Z Recommendation and make final determination

Attachments:

- P & Z Agenda Packet
- Draft Minutes

Fiscal Impact (Finance): Choose an item.

Legal Review (City Attorney): Choose an item.

[Click here to enter text.](#)

Approved For Submittal By: ☐ Department Director

Reviewed by: ☐ City Clerk ☐ Finance ☐ Legal ☐ Other: [Click here to enter text.](#)

Final Approval: ☐ City Manager

CITY CLERK'S USE ONLY - COMMISSION ACTION TAKEN

Resolution No. [Click here to enter text.](#) Ordinance No. -

Continued To: - Referred To: -

☐ Approved ☐ Denied ☐ Other: -

File Name: CC agendas 8-28-26



CITY OF TRUTH OR CONSEQUENCES
PLANNING AND ZONING COMMISSION ACTION FORM
DATE: 8-10-2026

ITEM:

Public Hearing/Discussion/Action: Conditional Use Permit (CUP) – Shipping Container – 818 N Magnolia St.

BACKGROUND:

The applicant has submitted a request for a Conditional Use Permit (CUP) to allow an existing shipping container to remain on the property located at **818 N. Magnolia Street**. The supporting site plan identifies the proposed location of the shipping container as an accessory storage structure on a residential lot. The City's shipping container regulations require that shipping containers placed within residential zoning districts obtain a Conditional Use Permit prior to placement. The applicant has advised staff that the container was installed after the ordinance became effective but was unaware that a Conditional Use Permit was required. Rather than pursuing enforcement action, staff worked with the property owner to submit the required application to bring the property into compliance with the City Code.

The request is therefore not seeking relief from the ordinance but is requesting the required Conditional Use Permit for an existing accessory shipping container.

In considering all requests, the Planning and Zoning Commission shall review applicable plans and determine whether the request will:

1. Impair an adequate supply of light and air to adjacent property;
2. Unreasonably increase the traffic in public streets;
3. Increase the danger of fire or endanger the public safety;
4. Deter the orderly and phased growth and development of the community;
5. Unreasonably impair established property values within the surrounding area;
6. In any other respect impair the public health, safety and general welfare of the City; or
7. Constitute a spot zone and therefore adversely affect adjacent property values.

All actions or recommendations by the Planning and Zoning Commission shall be based on Findings of Facts as to the impacts of the proposal, using the criteria listed in numbers 1 through 7, above. The Planning and Zoning Commission shall review each of the above listed factors and accord each factor the necessary weight on a case-by-case basis in making its determination.

SUPPORT INFORMATION:

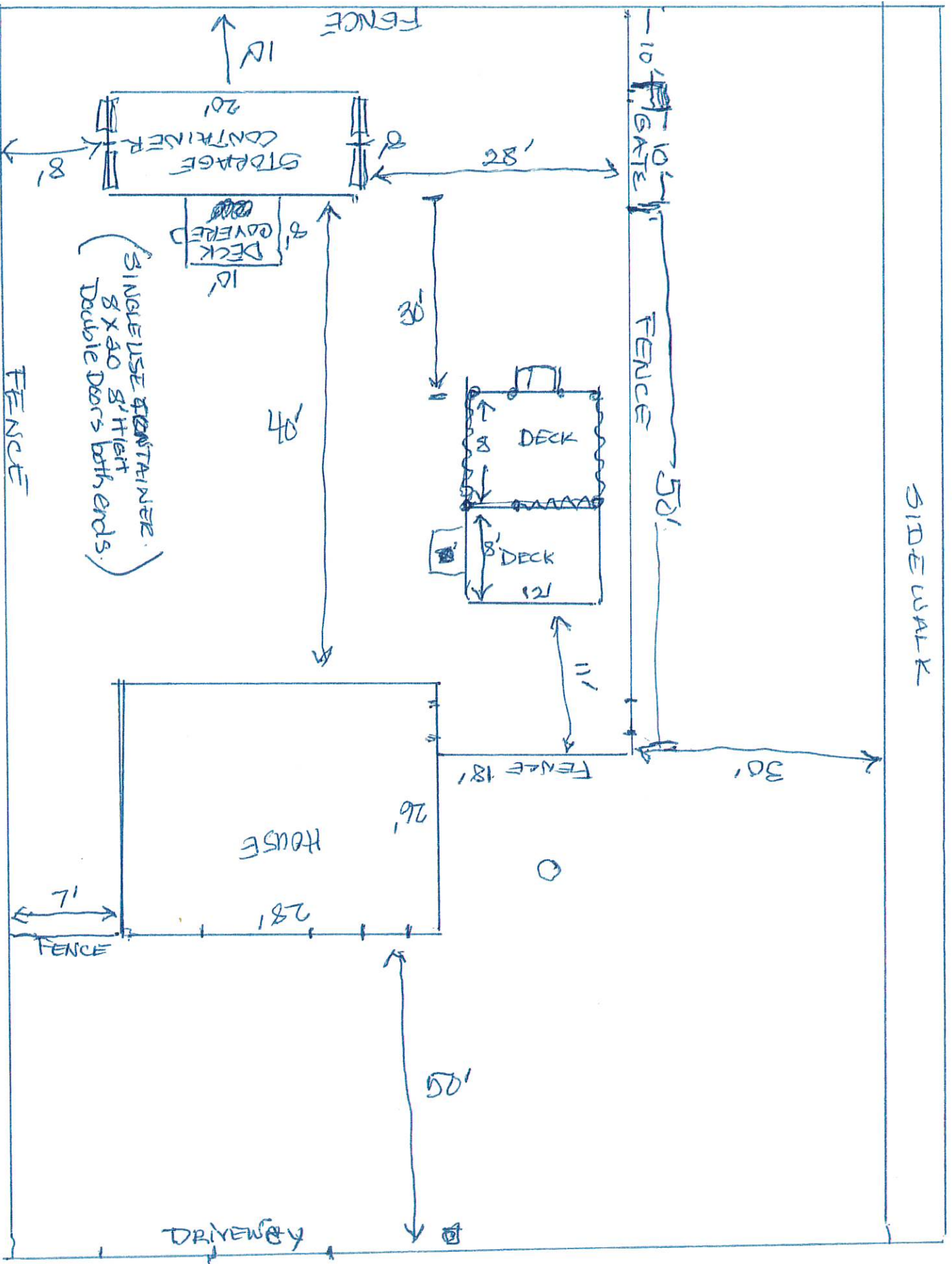
- Site Plan
- Parcel Map
- Applicable Code Reference
- Public Hearing Notice

Name of Drafter: Traci Alvarez	: Assistant City Manager	
E-mail: talvarez@torcnm.gov	Phone: 575-952-0565	

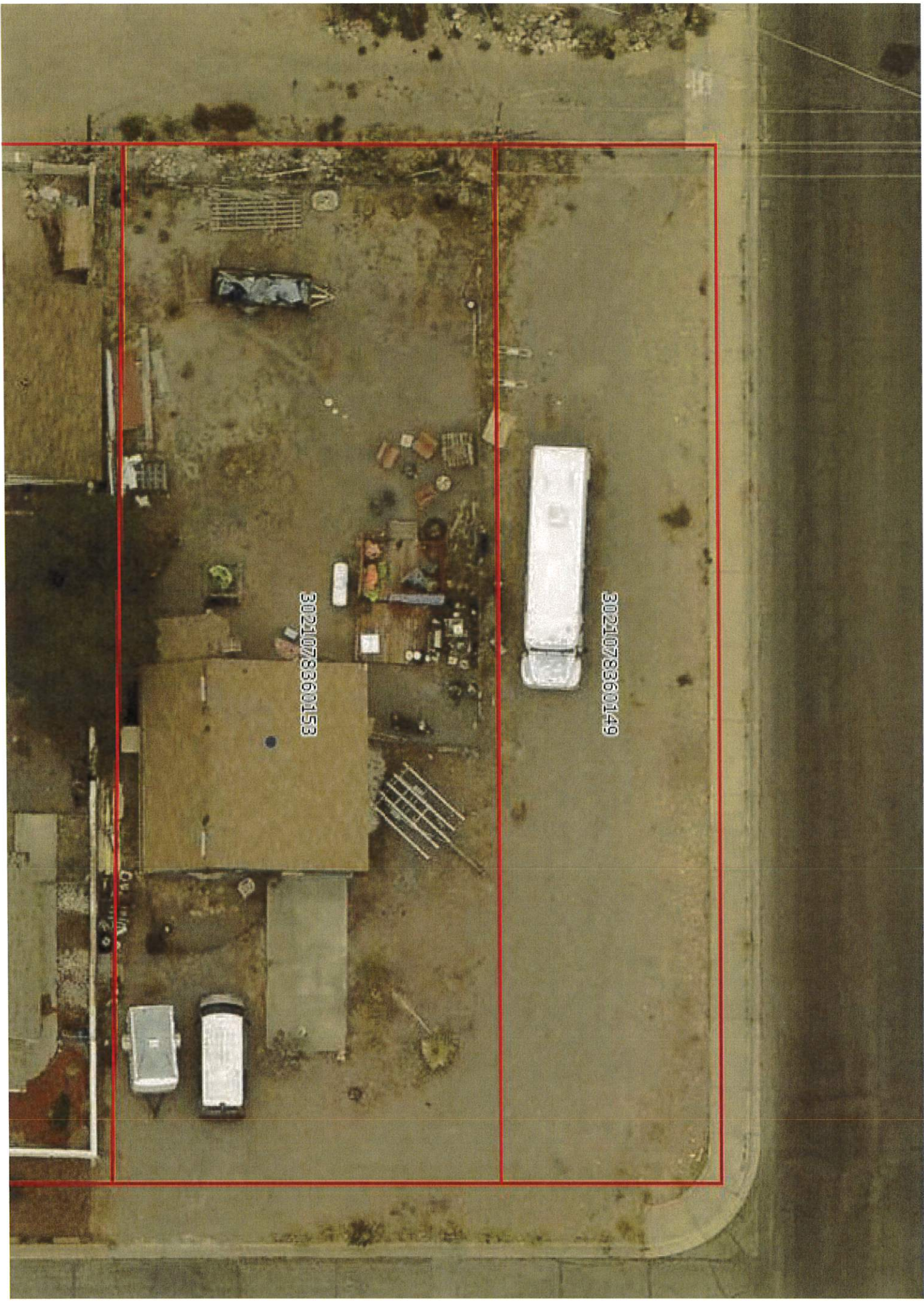
ALLEY

9th STREET

SIDE WALK



MAGNOLIA



3021078360149

3021078360153

Sec. 11-10-4. Storage Units/Shipping Containers.

The regulation of storage units/shipping containers within the city limits of the City of Truth or Consequences shall be controlled by and shall conform to the regulations prescribed in this section. A storage unit/shipping container means a unit originally or specifically designed or used to store goods or merchandise during shipping or hauling by container ships, rail, commercial trucks, or other types of transportation.

- A. Placement of storage units/shipping containers within C-1, M-1 and T-1 districts are permitted as accessory storage units as long as they are not used for dwelling purposes and with the following exceptions:
 - 1. Conditional Use Permit is required for placement of all storage units/shipping containers within the boundaries of the Metropolitan Redevelopment Area (MRA) and Historic MainStreet District Area defined in the Downtown Master Plan.
 - 2. Containers may not exceed 46 feet in length and 10 feet in height
 - 3. Must be a subordinate use or structure customarily incidental to and located on the same lot with the principal use or building
 - 4. Interior lot: No less than ten (10) feet from main use or structure and in conformance with the front setback for that district and no less than five (5) feet from the property lines of side and rear yards
 - 5. Lots with more than one street frontage: No less than ten (10) feet from main use or structure, and no less than five (5) feet from the property line of yards without street frontage.
 - 6. May not encroach in the clear-sight triangle.
 - 7. Shall not create unsanitary or hazardous premises as outlined in Sec 6-74 and 6-75.
- B. Placement of storage units/shipping containers within Residential Districts is allowed as accessory storage units as long as they are not used for dwelling purposes and with the following exceptions:
 - 1. Conditional Use Permit is required for placement of all storage units/shipping containers within the following districts: R-1, R-2, R-3, R-4 and RR-1.
 - 2. Containers may not exceed 46 feet in length and 10 feet in height
 - 3. Must be a subordinate use or structure customarily incidental to and located on the same lot with the principal use or building
 - 4. Interior lot: No less than ten (10) feet from main use or structure and in conformance with the front setback for that district and no less than five (5) feet from the property lines of side and rear yards
 - 5. Lots with more than one street frontage: No less than ten (10) feet from main use or structure, and no less than five (5) feet from the property line of yards without street frontage.
 - 6. May not encroach in the clear-sight triangle.
 - 7. Shall not create unsanitary or hazardous premises as outlined in Sec 6-74 and 6-75.
- C. Temporary placement of storage containers within Conditional Use Areas are allowed through written approval of the Designated Zoning Official as long as they are not used for dwelling purposes for:
 - 1. The purpose of moving household contents in to or out of a house are allowed for up to 30 days in any 12-month period and can only be on the property or driveway.

-
2. The purpose of construction projects are allowed up to 3 months in any 12-month period from the time it's put on the construction site. The designated zoning official or designee may grant an extension but only if it is determined that:
- a. The storage unit/shipping container is located on a site with an active building permit
 - b. The storage container is necessary part of the construction process
 - c. Not be allowed in public right-of-way
 - d. Construction is moving forward in a timely manner and in accordance with generally accepted industry standards.

(Ord. No. 731, § 1, 8-10-22)

Rolf Hechler
Mayor

Destiny Mitchell
Mayor Pro-Tem

Amanda Forrister
Commissioner



505 Sims St.
Truth or Consequences, New Mexico 87901
P: 575-894-6673
www.torcnm.gov

Ingo Hoeppner
Commissioner

Chaz M. Glines
Commissioner

Gary Whitehead
City Manager

NOTICE OF PUBLIC HEARING

NOTICE is hereby given that the City of Truth or Consequences Planning & Zoning Commission will hold a Public Hearing during their regular scheduled meeting on Monday, August 10, 2026, to receive input regarding the following:

Public Hearing/Discussion/Action: Conditional Use Permit at 818 N Magnolia – Request for Shipping Container

ARTICLE X. - ACCESSORY BUILDINGS - Sec. 11-10-4. - Storage Units/Shipping Containers. - B. Placement of storage units/shipping containers within Residential Districts is allowed as accessory storage units as long as they are not used for dwelling purposes and with the following exceptions: 1. Conditional Use Permit is required for placement of all storage units/shipping containers within the following districts: R-1, R-2, R-3, R-4 and RR-1.

The meeting will be held in the City Commission Chambers, 405 W. Third, Truth or Consequences, New Mexico starting at 4:00 p.m.

Should you have any questions regarding this Public Hearing, please contact Traci Alvarez at (575) 952-0565 or by email at talvarez@torcnm.org.

The agenda may be obtained on Friday, August 7, 2026 on the city website calendar at www.torcnm.org; by contacting the City Clerk's Office at 575-894-6673; or by email to: torcclerk@torcnm.gov.

/s/ Angela A. Torres, CMC, City Clerk

Publish on the following date:

- Sentinel– Thursday, July 23, 2026

**CITY OF TRUTH OR CONSEQUENCES
PLANNING & ZONING COMMISSION
MINUTES
MONDAY, AUGUST 10, 2026**

REGULAR MEETING

Regular meeting of the Planning & Zoning Commission of the City of Truth or Consequences, New Mexico to be held in the City Commission Chambers, 405 W. Third, Truth or Consequences, New Mexico, on Monday, August 10, 2026 at 4:00 p.m.

INTRODUCTION:

ROLL CALL:

Chris Sisney, Chairman
Susan Buhler, Vice Chairman Absent
Esther Luchini, Member
Lisa Kent, Member Absent
Molly Hammer, Member

ALSO PRESENT:

Traci Alvarez, Assistant City Manager
Katy Martinez, Deputy Clerk

1. APPROVAL OF AGENDA:

Member Luchini made a motion to approve the agenda. Member Hammer seconded the motion. Motion carried unanimously.

2. APPROVAL OF MINUTES:

a) July 13, 2026.

Member Luchini made a motion to approve the minutes. Member Hammer seconded the motion. Motion carried unanimously.

3. COMMENTS FROM THE PUBLIC (3 Minute Rule Applies)

There were no comments from the public.

Deputy Clerk Martinez swore in the participants for the public hearings.

4. PUBLIC HEARINGS (5 Minute Rule Applies)

**a) Public Hearing/Discussion/Action: Conditional Use Permit and Variances
request for parcel # 2878573667187**

Assistant City Manager Alvarez: The applicant is requesting approval to establish a secure towing and vehicle impound facility at right now we have it addressed as 1903 South Broadway B. That address is subject to change just simply because we are in the process of going through a street renaming in that area. The property and location will remain the same. That is zoned C1 for general commercial. The proposed development includes a fenced and lighted impound yard, site surfacing improvements and approximately a 550 square foot office building for customer service and vehicle retrieval. The applicant currently provides towing for and impound services in the area but transports the impounded vehicles to their secured facility in Anthony New Mexico. They are not doing private towing. They are towing only for our law enforcement agencies at this time. The proposed facility would allow those vehicles to remain locally because law enforcement towing can occur any time tow trucks may enter or leave the property 24 hours a day. The applicant is requesting the conditional use permit for storage of wrecked or dismantled vehicles associated with the wrecker service along with 3 requested variances. They would also like to allow storage of privately owned or impounded vehicles while legal disposition or required processing is completed. They would like to allow for more than 5 vehicles to be stored outdoors and allow an approximately 550 square foot office building instead of the 800 square foot office minimum in our development standards. Your packet also includes letters of support for the project including the support from all the law enforcement, public safety entities and from an adjacent commercial property owner as well.

Chairman Sisney: Can we ask for a limit on the maximum time a vehicle can be on the lot?

Assistant City Manager Alvarez: Potentially and I think the applicant would be happy to speak on that as it is not his full-time salvage yard and that there is a time frame that he may have to have them on there by if I understand correctly for law enforcement. But if he looks like something that is going to have to go to auction or go through a longer process I believe his intent is then to haul them to his main yard in Anthony.

Chairman Sisney: I have another concern. I would like to mention the lighting not be obtrusive to the neighbors.

Member Hammer: I have a comment on that. Are we even authorized to put in conditions like that. Its either a yes or a no for us we don't actually.

Assistant City Manager Alvarez: I think that you can make some recommendations and when it goes up City Commission they can review those with the attorney and decide which ones would be allowed. But all lighting has to go by the night sky. As far as what you might find offensive versus somebody else that based on an opinion. You guys can make recommendations of conditions of approval and then our City Commission can review those and they can either agree with it or not agree with it and potentially send it back to you guys for another recommendation or they can make a decision at that time.

Member Hammer: So I am clear we have a conditional use permit which is renewal able after 1 year each year correct.

Assistant City Manager Alvarez: Could you repeat that?

Member Hammer: There are 4 application request? There is a conditional use permit and there is 3 variances?

Assistant City Manager Alvarez: Yes ma'am.

Member Hammer: The conditional use permit from my understanding it has to be renewed and approved every year. It has to come before this board is that correct?

Assistant City Manager Alvarez: I would have to review the code off the top of my head I can't remember it. I knew one of them either special use or conditional use I just can't remember.

Member Hammer: I think special use has an expiration date and conditional use is a year. Variance is permanent for that property.

Assistant City Manager Alvarez: Like I said I'm not going to confirm any of that without reviewing the code and I do apologize we are short handed in my office so I didn't bring my codes with me.

Member Hammer: I didn't bring my either. I just want to understand what we are recommending here. Because there has been some confusion. I have a question about the building size and the construction of 550 square feet from the normal minimum required for

the zone of 800 square feet. Are there other buildings in this commercial area that are outside of the normal that have variances?

Assistant City Manager Alvarez: I can't answer because I didn't look at the outside area. The properties that are right adjacent to the undeveloped. Our City Manager has a property up there that was used for towing services it has a very small building on it. Size-wise I couldn't tell you if it's 800 or less. The other property is still in process of submitting their documents for the building.

Member Hammer: I don't have an issue with that as long as the setbacks are minded. The size doesn't bother me because we are going to smaller size like tiny homes and so forth all though that hasn't been confirmed in our ordinance yet but I don't have a problem with that as long as the setbacks are being minded.

Assistant City Manager Alvarez: They have to meet the setbacks regardless yes.

Deputy Clerk Martinez: A conditional use permit is reviewed annually.

Member Luchini: These vehicles are not only impounded vehicles that are temporary housed there that may be claimed later?

Assistant City Manager Alvarez: What I would really like is for you guys to be able to ask the applicant these questions because he could better answer them.

Humberto Valenzuela, Applicant: The vehicles are currently not there right now. Is that what you were asking?

Member Luchini: Well let me start with this. I went to look at the property, and what I saw – difficult to find a posted address – there is a storage yard there now, is that it or is it just –

Humberto Valenzuela, Applicant: No, it's next to that property.

Member Luchini: To the East?

Humberto Valenzuela Applicant: To the left.

Member Luchini: So, it's close to that drainage?

Assistant City Manager Alvarez: The property that you're speaking of that has the vehicles currently on it, that's the property you guys approved at a previous meeting, it was a Conditional Use Permit for Kari Fresquez, for theirs. That came through you guys and you approved it.

Member Hammer: Okay.

Member Luchini: So these are not just impounded vehicles, but possibly long-term storage wreckage yard? Dismantled vehicles and parts, and accessory use? So if I needed a part for my '57 Chevy?

Humberto Valenzuela, Applicant: No, we wouldn't sell any parts there, it's strictly storage and it will be there for about 90-120 days while we process the paperwork. If the owners come and retrieve their vehicles, whatever doesn't get retrieved and we end up getting all the paperwork, we'll end up transporting them back down to Anthony to sell at auction.

Assistant City Manager Alvarez: I believe what you're referencing is the way it's worded in our code. So that is word-for-word out of our code.

Member Luchini: Okay.

Assistant City Manager Alvarez: If I could request the applicant, just to briefly explain what your business is, like you came to me to explain.

Humberto Valenzuela, Applicant: We currently are doing impounds for the City, Sheriffs, and state police, but we've been picking them up and taking them directly to Anthony, and people have to drive over there to pick up their vehicles. We're just trying to save them time and money, because we charge by the mile. Keeping it here would allow there to be a location where they could retrieve their vehicles, we would have a place here to sort, and we would be able to respond quicker if I have somebody here permanently to respond to the police calls.

Member Hammer: I see here you're not only doing impounding for the city or the county, but you are also providing a service to others? Like if I was broken down, I could call you, and you could tow my car?

Humberto Valenzuela, Applicant: At the moment, we're not. But maybe if we end up having somebody here permanently, we probably will serve. But for the impound yard, it's strictly for impounded vehicles. No private property impounds or any of that.

Member Hammer: Okay.

Assistant City Manager Alvarez: They're on a rotation service. We have 2 other local tow companies, sometimes they're not available as well. Our law enforcement rotates on a weekly basis, I believe, is that correct?

Humberto Valenzuela, Applicant: Yes, ma'am.

Assistant City Manager Alvarez: So when they're called or they're on their weekly rotation, this would give them a local base. But like I said, if a vehicle was impounded and the person wasn't going to be getting the vehicle back, what's your plan?

Humberto Valenzuela, Applicant: We will submit paperwork, end up getting the title, and then transfer the vehicle back down to Anthony to sell over there.

Member Hammer: To be auctioned?

Humberto Valenzuela, Applicant: Yes, to be auctioned.

Member Hammer: How big of a rig can you tow? Can you tow RV's?

Humberto Valenzuela, Applicant: Yes, we can do RV's, semi's —

Member Hammer: Larger vehicles? I know that was a limitation recently, they were trying to tow an abandoned RV.

Humberto Valenzuela, Applicant: Yeah, we do RV's. For the Police Department, we've done RV's, they're not far from where the yard is, and we picked it up for them because they couldn't find anybody. We've done a couple 18-wheelers that rolled over between the '69 and '71, a burnt unit that was on the '78, we picked that one up as well.

Member Hammer: But you're taking that to Anthony?

Humberto Valenzuela, Applicant: Yeah, we're taking those to Anthony. For an example, with the one that burned down here, we had to take it to our yard and prepare it for long-term transport because it was unstable and it was still filled with produce, etc. But yes, we took it back down to Anthony.

Chairman Sisney: What would be a condition where a car would stay over 120 days, and is there any chance it's just going to sit on that lot for a year?

Humberto Valenzuela, Applicant: No, the only way is if we don't get the title and paperwork for it. Sometimes we've had trouble when they're stolen vehicles and all the VIN numbers are scratched and nobody can get us a VIN number, we end up just crushing those vehicles. But they stay longer than 120 days. But anything for this yard, if it stays 120 days, we will transport it to our other yard and take care of it over there.

Member Hammer: I see a lot of support here, and letters. Is there any opposition that you know of?

Assistant City Manager Alvarez: I think the Chairman has the list of anyone who wants to speak.

Chairman Sisney: There is 1.

Assistant City Manager Alvarez: You'll need to open the public hearing and ask for the proponents and opponents.

Member Hammer: I'm finished with questions if you guys are. Thank you.

Humberto Valenzuela Applicant: Thank you.

Chairman Sisney opened the public hearing.

Proponents:

No Proponents.

Opponents:

Ken Oliver

Ken Oliver, Opponent: I'm right across from them on the arroyo, and already, I've had so many issues over there. The constant thing of trash, they have monstrous – I even have pictures of it – but really big piles of trash on their side, it's in the arroyo, it's in my yard, they went down there with a bobcat into the arroyo for some reason, they were removing vegetation. That made it worse, more trash in there, they've thrown tires in the arroyo, there are tires now in

the arroyo, and all kinds of trash everywhere, piles of trash. They run big rigs all night long, just sitting there idling while they're talking, I've had them from 9:00pm until 1:30am until I go out there and yell at them. I've had confrontations with them a few times because of it, I tell them, "Hey it's 10:00pm it's supposed to be quiet." After that, but it didn't matter. They say, "Oh well we're leaving." Well it's 11:30pm now, and then it's 1:30am, it's always later, later, later. Big rigs would run, and the light's flashing for hours and hours and hours through the night. My bedroom is right there, my home is right across the arroyo from them. Sometimes there are 2 diesels idling at the same time. I know everybody is chasing the same dollar, we're a small town, and they have to make their bucks, and make their money somehow, I get it. I understand that, and I'm willing to be lenient about that, but enough is enough when they're blatant that they have no consideration whatsoever, and they show that they just don't care. The way the property is right now, with all the piles of trash and everything, I don't see it getting any better, when they only have a few cars of their own there, and this is the kind of mess that's there already, what's going to happen when they have 20 cars there or 30 cars there? This is just a few cars and they have mountains of trash, it doesn't make any sense. That's a big concern for me, I'm constantly picking up stuff in my yard on my property that came from their property. The arroyo's always got trash or something from their property in it as well. Like I said, if they're just starting and there are only a few cars, what's going to happen when there's 20-30 cars?

Assistant City Manager Alvarez: I just want to show the speaker the map. Can you show me where you're located at?

Ken Oliver, Opponent: I'd be [just to the left of the blue box on page 11 of the packet]

Assistant City Manager Alvarez: So currently, there's nothing on this property [within the blue box] and the one to the right of that has quite a few vehicles listed on it.

Ken Oliver, Opponent: There are a lot of vehicles [within the blue box] that have been there for the longest time, and I didn't know if they had approval on that either.

Assistant City Manager Alvarez: [The owners of the adjacent property] did go through, I know that.

Ken Oliver, Opponent: Well they came to me and made me get rid of my vehicles that were on my property because they weren't registered, I was still fixing them. But they were neat and they weren't an eyesore or in the way, nobody complained, but Code Enforcement showed up there because of a death in the neighborhood, they didn't have anybody else to respond so he

was there, he had time on his hands, so he wrote me up and was fining me \$500 for each month that the vehicles were there. So I had to literally give the vehicles away because I couldn't afford the storage, because they wanted a minimum of \$480 a month to store them, and I couldn't do that. So I was forced to get rid of my vehicles, and meanwhile, when I look out my kitchen window, I'm looking at mountains of trash, I'm looking at vehicles everywhere. Like I said, the main thing for me is the cleanup, there is trash everywhere, even in the arroyo. There is no reason to have bad tires and stuff thrown in the arroyo, it wasn't there before. Also, like I said, the noise factor, and the blatant lack of care. When I would go out there and confront him at 10:30pm and they just leave trucks running and lights flashing until 1:30am.

Member Luchini: What kind of trucks?

Ken Oliver, Opponent: Big rigs.

Member Luchini: Like a tow truck?

Ken Oliver, Opponent: Yeah, big tow trucks.

Member Hammer: I have a couple follow-up questions. They might be more for Ms. Alvarez or the company. Thank you for your input. Where is the access point on this map, in and out?

Assistant City Manager Alvarez: The property owner has an access easement in this lower property [on the bottom right portion of the map on page 11 of the packet].

Member Hammer: So they come in here?

Assistant City Manager Alvarez: Yep, they come in right there.

Member Hammer: Not through [the top area]?

Assistant City Manager Alvarez: I would like to request for the applicant to be able to come up and speak regarding anything they may or may not be doing over at the property, or anything as far as towing vehicles.

Member Luchini: I have a question. I was able to peek through into your area here, and is it cleaned up now?

Humberto Valenzuela, Applicant: We've never thrown any trash in the arroyo or any of that.

Member Luchini: Is it scraped or bladed to be able to park anything on it, or does it still need to be prepared?

Humberto Valenzuela, Applicant: It still needs to be prepared. There is an elevated area I would like to prepare, to make it level, so there would be a little bit of scraping.

Member Luchini: But you're not storing anything, are you?

Humberto Valenzuela, Applicant: No, I have nothing there. There is a pile of dirt there, and it's going to get removed.

Member Luchini: To the arroyo, it won't intrude into the arroyo or anything, the cleanup?

Humberto Valenzuela, Applicant: No.

Member Luchini: And this will be fenced-off, right? With a solid fence?

Humberto Valenzuela, Applicant: Yes, ma'am.

Member Hammer: Even along the arroyo?

Humberto Valenzuela, Applicant: Yeah, along the arroyo, but not in the arroyo, even though the property's kind of in the arroyo, it would be on the elevated area, and we'll fence it off.

Member Hammer: And are you applying for a business license also?

Humberto Valenzuela, Applicant: We do have a business license already.

Member Hammer: Will you have a dumpster on-site?

Humberto Valenzuela, Applicant: We can.

Member Hammer: If you're towing, usually the car is locked, but there might be issues or a truck bed that has stuff in the back, and we have high winds here that can blow all over the place. I'm sure this arroyo is not the only place that has issues. In listening to your neighbor, I do want to address that obviously, we all want good neighbor and clean neighbors, with

regards to noise complaints or visual pollution. I would ask that you guys abide by that if you're going in and out, because that would bother me, too.

Humberto Valenzuela, Applicant: Yes. We don't keep our trucks running, diesel is so expensive, there is no reason to keep them running all night.

Assistant City Manager Alvarez: If I could just ask a couple questions, too, have you towed any vehicles at all over to this lot?

Humberto Valenzuela, Applicant: We have, temporarily, while we wait for another truck to get back. But they're there for like a day or 2, not even a day, a few hours. But lately, since I started talking to you, we have not kept any vehicles there, we have been taking them directly to Anthony.

Assistant City Manager Alvarez: And have you done any of the property clearing or grubbing or anything?

Humberto Valenzuela, Applicant: I did clear some bushes on one of the corners, and I wasn't aware that I needed a permit until I spoke with you about the bushes, I stopped everything else.

Member Hammer: And what are your hours of operation? Is it pretty much 24-hours?

Humberto Valenzuela, Applicant: The yard is from 8am-5pm, but the towing and bringing in the vehicles is 24/7. I don't know when we're going to get calls from the state, Sheriffs, or Police Department. We do have to respond to them, and trucks will be there. They would have to go in and drop off the vehicle.

Member Luchin: Which one of these adjacent was Mr. Oliver? The number parcel ending in 10206?

Assistant City Manager Alvarez: [Near the parcel ending in 0221]

Member Hammer: And this person here didn't respond?

Assistant City Manager Alvarez: No. All certified mail letters were sent and received.

Chairman Sisney: Mr. Valenzuela, normally if somebody in the neighborhood objects or opposes, I usually go with them. But I think this is a good service to the people here in town.

Although everything here is commercial, there are residents really close to you. I just hope you go out of your way to make them happy. Quiet hours are pretty much from 10:00pm to 7:00am. The lights, once you get in your yard, you probably don't need to have them on.

Humberto Valenzuela, Applicant: We don't have the lights on because we're only supposed to have our amber lights on while we're on-scene recovering the vehicle. When transporting back, our lights are off even until we get to the yard.

Chairman Sisney: I hope you can work out something with your neighbor.

Member Luchini: The fence adjacent to him, again, I ask that that's a solid, metal fence?

Humberto Valenzuela, Applicant: Yes.

Member Luchini: If you did have loose truck trash, it should stop it from blowing out.

Chairman Sisney: Were you putting up a steel fence, not a game fence?

Humberto Valenzuela, Applicant: I'll put a paneled fence, especially on that wall, and I'll try to get it all around.

Chairman Sisney: I think you want to do the right thing, and I think you did it. I hope that you can keep this man in consideration, also.

Humberto Valenzuela, Applicant: We will, I'll try to work it out for him. He did come at one time and yelled at us, and the truck was leaving when he yelled at us. That was one time, and that was when we were working that big accident on the '70 with a trailer.

Chairman Sisney: Hopefully you guys can work together and get along.

Member Luchini: I agree. I wouldn't want to live next to a wrecking yard or tow yard. That's why I feel that if you do – Isn't that required? A solid metal fence around –

Member Hammer: A privacy fence.

Assistant City Manager Alvarez: Yes.

Humberto Valenzuela, Applicant: We'll put up a metal fence around it. For the lighting, we'll try to keep it all in our yard. PRC does require us to have a lighted storage facility for the vehicles.

Chairman Sisney: Thank you. I also want to let you know that the people in this town really love the quiet and the darkness, and we're just trying to keep everybody happy.

Humberto Valenzuela, Applicant: Yes, sir.

Assistant City Manager Alvarez: Before the board considers a motion, please remember to close the public hearing.

Chairman Sisney: There were a couple of letters, do we read those?

Assistant City Manager Alvarez: Those are the letters of support. No, I don't think so. They're just part of the supporting documents.

Chairman Sisney closed the public hearing.

Member Luchini: The only other thing I'm a little leery about is the size of the building. Trying to stick to this 800 square foot minimum for a building.

Chairman Sisney: In one of the letters, it mentions that it's a prefab. So it's not like we can just ask him to change the specs.

Member Hammer: And is that for an office or a residence?

Humberto Valenzuela, Applicant: Office.

Member Hammer: Will someone be there 24/7?

Humberto Valenzuela, Applicant: No.

Member Hammer: Your accessible just by cell phone on the truck pretty much. That is your office most of the time? I support this with some pretty major conditions. Mr. Oliver had his opinion and I with member Luchini that the noise and the light pollution I would want to have that managed if I was going to approve this. Also with the understanding that this a yearly renewal the conditional use permit and if we meet again in a year and if there are complaints we need to consider those and there be a risk that you might not get approved again. If there

was a big opposition. I like that you are bringing the business to town I do think we need that. You have a lot of support here with your neighbors and law enforcement.

Member Luchini: I agree.

Chairman Sisney: I would like to hear a motion with the stipulations included.

Member Hammer made a motion to recommend approval to the City Commission for a Conditional Use Permit and Variance Requests for parcel # 2878573667187 with the conditions that applicant is respectful of their neighbors with regards to light pollutions and noise also with the understanding that we will renew the conditional use permit every year. Chairman Sisney seconded the motion. Roll call vote was taken. Motion carried unanimously.

b) Public Hearing/Discussion/Action: Summary Plat Amendment at 310 and 316 E Third Ave.

Assistant City Manager Alvarez: The applicant is requesting a summary plat amendment through the alternate summary procedure. The purpose is to adjust the existing property lines between 310 and 316 east Third Avenue. Both properties are zoned C-1 for commercial. It involves lots 8,9 and 10 of block 66. The request does not create any additional lot or new subdivision it only changes the boundaries between the existing tracks. I have reviewed the application and survey and it meets all the requirements for the alternate summary procedure. The applicants are present to answer any questions. To further help identify ill show you guys on the map.

Member Hammer: Is that an alley way or is it just the property?

Assistant City Manager Alvarez: No its not an alley.

Member Hammer: The same person owns the whole property?

Assistant City Manager Alvarez: No its different owners.

Member Hammer: Two different property owners and the property owners are amendable to that change?

Assistant City Manager Alvarez: Yes. It will equal out the property lines.

Member Hammer: Are both property owners present?

Assistant City Manager Alvarez: Just one.

Chairman Sisney opened the public hearing.

Carrie Marrow Applicant: I'm at 310 E Third.

Member Hammer: Are you in the white roof or the other one?

Carrie Marrow Applicant: I'm the other one.

Member Hammer: And this person is here or no?

Assistant City Manager Alvarez: No.

Member Hammer: But they both agree there is no opponents? I don't have an issue with this. Its not creating and obstacle to a easement or alley way. I think this is an odd shape any way so might as well make them more accessible and usable really.

Carrie Marrow Applicant: She gets a drive way and I get a fence.

Proponents:

No Proponents.

Opponents:

No Opponents.

Chairman Sisney closed the public hearing.

Member Hammer made a motion to recommend approval to the City Commission for a Summary Plat Amendment at 310 and 316 E Third Ave. Member Luchini seconded the motion. Roll call vote was taken. Motion carried unanimously.

c) Public Hearing/Discussion/Action: Conditional Use Permit at 818 N Magnolia – Request for Shipping Container

Assistant City Manager Alvarez: The applicant is requesting a conditional use permit to allow an existing shipping container to remain and 818 N Magnolia. The container is being used as an accessory storage structure on the residential property and the city code requires the conditional use permit for shipping containers located with in residential zones. The container was placed after the shipping container ordinance became affective but the property owner advised staff that they were unaware that we had the requirement for a conditional use permit. Rather than proceeding directly with enforcement the staff has worked with the owner to submit the appropriate application and bring the property into compliance that way instead. The applicant is not requesting a variance or relief from the container. We are just following the process to bring them into compliance. The applicant is present.

Chairman Sisney: Mrs. Alvarez do you see a shipping container on this photo.

Assistant City Manager Alvarez: Potentially not but then again I don't go take arial photographs right before the meeting. These are taken prior. If you look on the site plan that the applicant has submitted that tells you where the shipping container is located. I take my arial view off the parcel map or google at whatever year that arial view was taken. That's just to give you an idea of the property area.

Chairman Sisney opened the public hearing.

Chairman Sisney: You haven't seen this photograph have you.

Vicky Nicholson Applicant: No.

Chairman Sisney: This container looks like its going to sit pretty much where that trailer is on this photograph.

Vicky Nicholson Applicant: Yes its. That trailer is gone. It sits 80 feet off that back fence and that's an alley way.

Member Hammer: Ms. Nicholson do you have the property here where this white truck is?

Vicky Nicholson Applicant: Yes, I own all the property.

Member Hammer: Is that white truck still there?

Vicky Nicholson Applicant: Yes, those are my buses I run a river business. That is what half the storage container is where I keep my tubes and rafts. The other half is where I have saws and equipment. Its double ended doors, single use, brand new and it doesn't look nasty.

Member Hammer: Are there any opponents or proponents.

Chairman Sisney: No.

Proponents:

No Proponents.

Opponents:

No Opponents.

Chairman Sisney closed the public hearing.

Member Luchini made a motion to recommend approval to the City Commission for a Conditional Use Permit at 818 N Magnolia – Request for Shipping Container. Member Hammer seconded the motion. Roll call vote was taken. Motion carried unanimously.

d) Public Hearing/Discussion/Action: Consider an application requesting the vacation of a public alley pursuant to Section 15-18 of the Truth or Consequences Municipal Code.

Assistant City Manager Alvarez: For general reference this is 1300 and 1400 North Silver Street area where the assisted living facility is. The applicant is requesting that we formally vacate the public alley within that block. The historical documentation that's submitted indicates that the alley was intended to be addressed as part of a property's 2004 transaction but the vacation was never completed and recorded. It looks like the alleyway actually goes right through the middle of the property and the current skilled nursing facility as well. The applicant's request is to formally complete the vacation process and clear up the existing record. The applicant is present.

Chairman Sisney: Does the city have any opposition to this?

Assistant City Manager Alvarez: No.

Chairman Sisney opened the public hearing.

Member Hammer: Does vacating the alley prevent any access in the properties around it?

Josh Ashbaugh: No. The entire block is owned by the same property owners.

Member Luchini: Just to clarify I did speak to attorney Rubin this morning regarding this issue thinking I might need to recuse myself. He was aware of the situation and he suggested that I don't need to.

Josh Ashbaugh Applicant: I would listen to his advice in my personal opinion I don't think you need to recuse yourself. Before we move on since you guys can make recommendations I'm going to ask of one. Usually when the city vacates streets and alleys they reserve of themselves easements and reversionary language in the covenants. I would ask that this board recommend that those not be put in the vacation instrument. There is an express electric line easement. I brought a copy it's not in the packet but I do have a copy for everyone. There is an express electric line easement. The alley again runs underneath the building and so I don't think it's really feasible to put utilities in it.

Member Hammer: But there is not utilities there now?

Josh Ashbaugh Applicant: As far as I know no.

Member Hammer: Just and easement?

Josh Ashbaugh Applicant: Its just an alley but normally when the city vacates an alley or street they reserve under them selves an easement. The reversionary language I really don't care for because it will revert back to the city. That would be the request I ask you guys to make. In the packet about mid way through there is a vacation of alley it does not affect this alley. I didn't put this packet together it was sent to me so I'm not sure why its in here to be honest but its exhibit D.

Assistant City Manager Alvarez: They have it because I'm mandated to provide them all the documents that you provide me.

Josh Ashbaugh Applicant: I figured that was the case. On the third page of that instrument they first full sentence begins with this transfer is done under the condition that. I'm basically asking for you guys to recommend that language and then the following one sentence paragraph not be included in the vacation.

Member Hammer: Can I read it out loud?

Josh Ashbaugh Applicant: Yes.

Member Hammer: It says this transfer is done under the condition that the grantees grant to the city a continuing right of access to the conveyed land for utility purposes including water and sewer. Is there any water or sewer under this?

Josh Ashbaugh Applicant: Not to my knowledge. There is a survey it's the highest form of survey we get unfortunately it's a plat size survey and when you reduce it down in size. I can probably if permissible send a digital copy of the survey. Do you have a digital copy Traci?

Assistant City Manager Alvarez: Whatever you sent me is included in the packet.

Josh Ashbaugh Applicant: Its hard to see and printed mine on a legal size and that's hard to see also.

Member Hammer: My understanding as a property owner is anything up to my property line the city is responsible for. Anything on my property I'm responsible for.

Assistant City Manager Alvarez: Unless you have an easement, correct.

Member Hammer: Unless you have an easement, and you have utilities going through like a water main right?

Assistant City Manager Alvarez: If we have easement we need access to that easement. I think regardless or not weather there is a main there. If it's a dedicated easement because we may have easements to connect for future use. Is that what you are asking?

Member Hammer: I guess what I want to know is there a water main under this that the city would need to access if something happened? I guess that would be my only reservation. If the city needed to get in here and fix something if the property owner is responsible for fixing it that's another thing but would the property owner give the city access or would closing this off prevent them from doing that? Would they just declare eminent domain or something like that to get access? I don't know what the law is around that.

Josh Ashbaugh Applicant: To answer the factual question to the best of my knowledge there isn't any water or sewer lines under the building that the city would be responsible for maintaining. I can not sat that with 100% certainty. I'm looking at the survey its addressed unfortunately it doesn't tell us much but on the utility information on the survey it does say on the location of the utilities shown hereon are from observed evidence of above ground appurtenances only. They surveyor was not provided with underground plans or surface ground markings to determine the location of any subterranean uses.

Member Hammer: Is the city opposed to this or the city attorney? Has he raised any concerns?

Assistant City Manager Alvarez: No, he has semi reviewed it but then again he wouldn't review this stuff in depth until it comes as a recommendation from you guys and then he will review a 100 percent. He has really good open communication with Mr. Ashbaugh and so I think that communication can be had as far as you want the vacated wording to be.

Josh Ashbaugh Applicant: Yes, we can work on it.

Member Hammer: As a planning and zoning board member I don't have any objections to this. I think that if there was concerns it will come up in a later stage in front of the city.

Proponents:

No Proponents.

Opponents:

No Opponents.

Chairman Sisney closed the public hearing.

Member Luchini made a motion to recommend approval to the City Commission for a Consider an application requesting the vacation of a public alley pursuant to Section 15-18 of the Truth or Consequences Municipal Code. Member Hammer seconded the motion. Roll call vote was taken. Motion carried unanimously.

5. NEW BUSINESS:

a. Discussion/Action: Re-Appointment of Member Esther Luchini

Chairman Sisney made a motion to recommend approval to the City Commission for Re-Appointment of Member Esther Luchini to serve on the Planning and Zoning Commission. Member Hammer seconded the motion. Roll call vote was taken. Motion carried unanimously.

b. Discussion/Action: Re-Appointment of Member Susan Buhler

Member Hammer made a motion to recommend approval to the City Commission for Re-Appointment of Member Susan Buhler to serve on the Planning and Zoning Commission. Member Luchini seconded the motion. Roll call vote was taken. Motion carried unanimously.

c. Discussion/Action: Re-Appointment of Member Chris Sisney

Member Luchini made a motion to recommend approval to the City Commission for Re-Appointment of Member Chris Sisney to serve on the Planning and Zoning Commission. Member Hammer seconded the motion. Roll call vote was taken. Motion carried unanimously.

d. Discussion/Action: Re-Appointment of Member Molly Hammer

Chairman Sisney made a motion to recommend approval to the City Commission for Re-Appointment of Member Molly Hammer to serve on the Planning and Zoning Commission. Member Luchini seconded the motion. Roll call vote was taken. Motion carried unanimously.

e. Discussion/Action: Re-organization of Chairman and Vice-Chairman

Chairman Sisney made a motion to recommend table this item until the next meeting. Member Hammer seconded the motion. Roll call vote was taken. Motion carried unanimously.

6. REPORTS FROM THE BOARD:

No Reports from the Board

7. REPORTS FROM STAFF:

No Reports from Staff

8. ADJOURNMENT:

Chairman Sisney adjourned the meeting at 5:05 p.m.

PASSED AND APPROVED ON THIS 14th DAY OF SEPTEMBER, 2026.

Chris Sisney, Chairman
Planning & Zoning Board



CITY OF TRUTH OR CONSEQUENCES

AGENDA REQUEST FORM

MEETING DATE: August 28, 2026

Agenda Item #: F.3

SUBJECT: Discussion/Action: Conditional Use Permit and Variance Requests for Parcel 2878573667187.

DEPARTMENT: Community Development

DATE SUBMITTED: August 19, 2026

SUBMITTED BY: Traci Alvarez

WHO WILL PRESENT THE ITEM: Traci Alvarez

Summary/Background:

Applicant is requesting a CUP with three associated variance requests to establish a secure towing and impound facility on the property. Public Hearing was held at the P & Z Meeting on 8-11-26 – Board unanimously recommended approval with the conditions that applicant is respectful of their neighbors with regards to light pollutions and noise also with the understanding that we will renew the conditional use permit every year

Recommendation:

Consider P & Z Recommendation and make final determination

Attachments:

- P & Z Agenda Packet
- Draft Minutes

Fiscal Impact (Finance): Choose an item.

Legal Review (City Attorney): Choose an item.

[Click here to enter text.](#)

Approved For Submittal By: ☐ Department Director

Reviewed by: ☐ City Clerk ☐ Finance ☐ Legal ☐ Other: [Click here to enter text.](#)

Final Approval: ☐ City Manager

CITY CLERK'S USE ONLY - COMMISSION ACTION TAKEN

Resolution No. [Click here to enter text.](#) Ordinance No. -

Continued To: - Referred To: -

☐ Approved ☐ Denied ☐ Other: -

File Name: CC Agendas 8-28-26



CITY OF TRUTH OR CONSEQUENCES
PLANNING AND ZONING COMMISSION ACTION FORM
DATE: 8-10-2026

ITEM: Public Hearing/Discussion/Action: Conditional Use Permit and Variance Requests for parcel # 2878573667187

BACKGROUND:

Applicant is requesting approval of a **Conditional Use Permit** together with three associated **variance requests** to establish a secure towing and impound facility on property located at **1903 S. Broadway Street, Unit B**, within the C-1 General Commercial District. The proposed operation includes an enclosed impound yard for vehicles towed or impounded by local law enforcement agencies, perimeter security fencing, site lighting, surfacing improvements, and construction of an office building for customer service and retrieval of impounded vehicles.

The applicant currently performs towing and impound services for Sierra County and transports impounded vehicles to an existing secured yard in Anthony, New Mexico. Approval of this request would allow impounded vehicles to remain within Truth or Consequences, reducing travel time and expense for vehicle owners while providing a local secure storage facility. The applicant states that towing operations may occur twenty-four (24) hours per day due to law enforcement response requirements.

The application requests:

- **Conditional Use Permit** pursuant to Section 11-9-7(D)(22) to allow storage of wrecked or dismantled vehicles and parts as an accessory use associated with a wrecker service operation.
- **Variance No. 1:** Permit storage of customer-owned impounded vehicles pending legal disposition.
- **Variance No. 2:** Permit storage of more than five (5) wrecked or impounded vehicles on the site.
- **Variance No. 3:** Permit construction of an approximately 550-square-foot office building in lieu of the minimum 800-square-foot commercial building requirement.

The property is located within the **C-1 General Commercial District**.

- Section 11-9-7(D)(22) permits the storage of wrecked or dismantled vehicles and parts as a conditional accessory use to a vehicle repair establishment or body shop, subject to specific operational limitations. Section 11-9-7(D)(26) further recognizes wrecker services in accordance with those same storage provisions.
- The applicant's proposed use generally meets the intent of providing a commercial towing and impound operation but requests relief from specific operational standards established within the ordinance.

Requested Variances

- Variance No. 1 - The ordinance allows outdoor storage only for customer vehicles being repaired and returned to the customer.
The applicant requests authorization to store impounded vehicles owned by private individuals while legal notification periods, law enforcement holds, abandoned vehicle processing, or other statutory requirements are completed. These vehicles are not being stored for repair but for lawful impound purposes.
- Variance No. 2 - The ordinance limits exterior storage to five (5) wrecked vehicles.
The applicant requests approval to exceed this limitation because impound operations performed under contracts with the Truth or Consequences Police Department, Sierra County Sheriff's Office, and New Mexico State Police require significantly greater storage capacity than contemplated for a traditional repair facility.
- Variance No. 3 - The applicant proposes construction of an approximately 550-square-foot office building to serve as a customer reception and vehicle release office.
The City's commercial development standards generally require a minimum building size of approximately 800 square feet. The applicant indicates the proposed office will adequately serve the intended use while minimizing unnecessary construction costs and site impacts.

SUPPORT INFORMATION:

- Site Plan
- Scope of work from applicant
- Letters of Support
- Public Hearing Notice
- Applicable Code

In considering all requests, the Planning and Zoning Commission shall review applicable plans and determine whether the request will:

1. Impair an adequate supply of light and air to adjacent property;
2. Unreasonably increase the traffic in public streets;
3. Increase the danger of fire or endanger the public safety;
4. Deter the orderly and phased growth and development of the community;
5. Unreasonably impair established property values within the surrounding area;
6. In any other respect impair the public health, safety and general welfare of the City; or
7. Constitute a spot zone and therefore adversely affect adjacent property values.

All actions or recommendations by the Planning and Zoning Commission shall be based on Findings of Facts as to the impacts of the proposal, using the criteria listed in numbers 1 through 7, above. The Planning and Zoning Commission shall review each of the above listed factors and accord each factor the necessary weight on a case-by-case basis in making its determination.

Name of Drafter: Traci Alvarez	: Assistant City Manager	
E-mail: talvarez@torcnm.gov	Phone: 575-952-0565	

From: [Ready Rigs Towing](#)
To: [Alvarez, Traci](#)
Subject: description of business
Date: Thursday, July 2, 2026 12:14:45 PM

Hello, Traci

This is Humberto Valenzuela with Ready Rigs Towing. We would like to develop 1903 S. Broadway St. # B into a wrecker storage facility to store vehicles that get impounded by T or C PD, Sierra County Sheriffs, and State Police. We've already got the rotation contract with Sierra County and are currently doing impounds, but having vehicles towed to Anthony, NM to our secured impound yard. If approved with the development in 1903 S. Broadway St. #B we are able to keep the vehicles in town , saving customers time and money. In this property we like to fence in the whole property to have secure and lit locational for vehicles being stored, also we like to put a per- fabricate building / office so customers could retrieve their vehicle. Some of these vehicles will be stored a little over 90 days while we process the paperwork for unclaimed vehicles. After we get all the paperwork completed vehicles will be transported to Anthony, NM or be sold. While on rotation this location will have tow trucks coming and leaving at all times (24/7) due not knowing when we may need to assist law enforcement. On this property I would level it and clear all the bushes and weed growing on the property and lay some screening or milings.

Thank you,

Humberto Valenzuela





Truth or Consequences Police Department

Luis A. Tavizon, Chief

507 McAdoo Street
T or C, NM 87901

Phone: 575-894-1204
Fax: 575-894-6287

Professionalism, Respect, and Integrity



07/31/2026

To whom it may concern:

On behalf of the Truth or Consequences Police Department, we would like to extend our support of Ready Rigs Towing to establish a dedicated towing facility in our area. As one of our acting "on call" towing resources, this facility could reduce call out response time as well as provide a local facility for the owners to retrieve their property. With local resources, efficiency and customer service will improve and potentially be a more viable fiscal option for the community that could improve GRT funds.

Thank you for your consideration in the implementation of a local towing storage facility as the TCPD fully supports the project.

Respectfully,

A handwritten signature in blue ink that reads "Deanna Knull".

Deanna Knull
Executive Assistant



Sierra County Sheriff's Office

855 Van Patten Street

Truth or Consequences, N.M. 87901

Sheriff Joshua Baker

Undersheriff Joel Trejo

(575) 894-9150 Phone

(575) 894-7938 Fax

August 3, 2026

To Whom It May Concern:

On behalf of the Sierra County Sheriff's Office, I am writing in support of Ready Rigs Towing and its applications for the business permits and licenses necessary to provide towing services within Sierra County.

The Sheriff's Office regularly requires towing and vehicle-recovery services in connection with traffic crashes, disabled and abandoned vehicles, arrests, vehicle impoundments, roadway hazards, and other public-safety incidents. Sierra County covers a large geographic area, and the availability of dependable towing companies is essential to ensuring timely responses, reopening roadways, protecting property, and reducing hazards to motorists and emergency personnel.

Sierra County law enforcement is currently in need of additional qualified towing services. The establishment of Ready Rigs Towing would increase local towing capacity and provide another resource to support law enforcement agencies, residents, motorists, and businesses throughout the county.

The Sierra County Sheriff's Office respectfully supports Ready Rigs Towing's efforts to obtain the required business permits and begin operations, provided the company satisfies all applicable federal, state, and local licensing, insurance, safety, equipment, and operational requirements. This letter expresses support for the availability of additional towing services and does not guarantee placement on any law-enforcement rotation list, contractual relationship, or future assignment of towing calls.

Thank you for your consideration of Ready Rigs Towing's permit applications. Please contact the Sierra County Sheriff's Office if additional information is needed.

Respectfully,

A handwritten signature in blue ink, appearing to read "Joshua Baker", is written over the word "Respectfully,".

Joshua Baker

Sheriff

Sierra County Sheriff's Office

July 30, 2026

Letter of Recommendation for Ready Rigs Towing

To Whom It May Concern,

I am pleased to provide this letter of recommendation in strong support of Ready Rigs Towing's request to establish a tow yard within our county.

Ready Rigs has consistently demonstrated professionalism, reliability, and a strong commitment to providing prompt, dependable towing services. Their team has built a reputation for responding quickly, handling vehicles with care, and maintaining excellent communication with both customers and law enforcement personnel.

At present, the company operates from a location outside of our county, which can result in longer response times when services are needed. Establishing a tow yard within our county would significantly improve response times, allowing officers to return to service more quickly and reducing the amount of time they spend waiting on vehicle removals. This increased efficiency would benefit not only law enforcement agencies but also the public by helping clear roadways faster, reducing traffic delays, and improving overall public safety.

Having Ready Rigs maintain a local tow yard would provide our county with a dependable towing resource that is readily available when needed. Their proven reliability, professionalism, and commitment to quality service make them an excellent partner for assisting local law enforcement with accident scenes, vehicle impounds, abandoned vehicles, disabled motorists, lockouts, jump starts, fuel delivery, and other emergency situations.

I have every confidence that Ready Rigs will continue to uphold the highest standards of service and will be a valuable asset to our county. I strongly support their request to establish a tow yard locally and believe it will greatly benefit our community, our law enforcement officers, and the citizens they serve.

Thank you for your time and consideration of this request. If additional information is needed, please do not hesitate to contact me.

Sincerely,

Candy Torrez, Deputy Director



Sierra County Regional Dispatch Authority
575-894-7111
ctorrez@sierraco.org

PO Box 1603
Truth or Consequences, NM 87901

August 6, 2026

Planning and Zoning Board
City of Truth or Consequences

Delivery via Email: talvarez@torcnm.gov

Re: 1901A S. Broadway – Letter of Support

Dear Planning and Zoning Board Members:

I am writing as the owner of the commercial property adjacent to the subject property to express my support for the variance request that will be considered at the August 10 Planning and Zoning Board meeting.

I believe these variances will facilitate the productive use of a commercial property that has otherwise remained vacant and underutilized. Investment in commercial properties such as this contributes to the continued revitalization of our community and encourages additional private investment in the surrounding area.

My family is also working to establish an auto restoration business nearby, and we believe automotive-related businesses can complement one another and contribute to the long-term success of this commercial area. In our opinion, allowing reasonable variances to support improvements to the property and the storage of vehicles is consistent with the character and future potential of this commercial area.

For these reasons, I respectfully encourage the Planning and Zoning Commission to approve the requested variances.

Thank you for your consideration and for your service to our community.

Respectfully,

A handwritten signature in blue ink, appearing to read "Kari Fresquez", with a stylized flourish at the end.

Kari Fresquez, Owner
1901B S. Broadway

*Rolf Hechler
Mayor*

*Destiny Mitchell
Mayor Pro-Tem*

*Amanda Forrister
Commissioner*



*505 Sims St.
Truth or Consequences, New Mexico 87901
P: 575-894-6673
www.torcnm.gov*

*Ingo Hoepfner
Commissioner*

*Chaz M. Glines
Commissioner*

*Gary Whitehead
City Manager*

NOTICE OF PUBLIC HEARING

NOTICE is hereby given that the City of Truth or Consequences Planning & Zoning Commission will hold a Public Hearing during their regular scheduled meeting on Monday, August 10, 2026, to receive input regarding the following:

Public Hearing/Discussion/Action: Conditional Use Permit for parcel # 2878573667187. The applicant located at parcel # 2878573667187 is requesting approval of a Conditional Use Permit pursuant to Section 11-9-7(D)(22) of the City Code to allow the storage of wrecked or dismantled vehicles and parts as an accessory use associated with a wrecker service operation.

The applicant is also requesting the following variances:

1. A variance from Section 11-9-7(D)(22)(b) to allow the outdoor storage of vehicles owned by private customers, including impounded vehicles, which may remain on site pending disposition in accordance with applicable law.
2. A variance from Section 11-9-7(D)(22)(d) to permit the outdoor storage of more than five (5) wrecked or impounded vehicles at any one time.
3. A variance from the minimum commercial building size requirements to allow construction of an approximately 550-square-foot office building in lieu of the required minimum 800 square feet

The proposed development consists of a secure towing and impound yard, including perimeter fencing, lighting, surfacing improvements, and an office building for customer access and retrieval of impounded vehicles.

Please contact Traci Alvarez at (575) 952-0565 or by email at talvarez@torcnm.gov, if you have any questions regarding this Public Hearing.

The meeting will be held in the City Commission Chambers, 405 W. Third, Truth or Consequences, New Mexico starting at 4:00 p.m.

The agenda may be obtained on Friday, August 7, 2026, on the city website calendar at www.torcnm.gov; by contacting the City Clerk's Office at 575-894-6673; or by email to: torcclerk@torcnm.gov.

/s/ Angela A. Torres, CMC, City Clerk

Publish on the following date: Sentinel – Thursday, July 23, 2026

Sec. 11-9-7. C-1 General Commercial District.

- A. **PURPOSE.** The intent of the C-1 District is to provide for certain commercial/retail uses which serve both transient and local trade. The District is intended for areas surrounding major arterial or collector streets where a wide range of automobile-related service facilities, convenience goods and personal services are desirable and appropriate as a land use.
- B. **DEVELOPMENT STANDARDS.** Development standards and other requirements are provided in Articles X through XIV of this Code.
- C. **C-1 PERMITTED USES.**

• Accountant Office	• Arts and Crafts Studio
• Advertising Services	• Auditoriums
• Animal Hospital and Clinic	• Automobile Parking Lot
• Auto and Camper Sales, Service and Rental	• Gasoline Pumps
• Automotive Equipment	• Gasoline Stations
• Bakery	• Gift Shop
• Banking and Financial Institution	• Glass Cutting and Finishing
• Barber Shop and Beauty Parlor	• Golf Course
• Bathhouse or Spa	• Grocery Store
• Bicycle Sales and Service	• Gymnasium
• Boat and RV Storage	• Hardware Store
• Bookstores and Stationery Shops	• Heavy Equipment Sales
• Building and Other Construction-Contractor: office only	• Hobby Shop
• Business Service Establishment	• Hospital or Overnight Clinic
• Butcher Shop and Meat Sales	• Hotel and Motel
• Catering	• Household Appliance Sales and Service and Repair
• Cigarette and Cigar Shop	• Insurance Services
• Clinic	• Institutions, Public and Quasi-Public
• Clothing Store and Apparel Shop	• Jewelry Store
• Coffee Shop	• Kennel, Commercial
• Columbarium	• Laboratory (medical, dental or engineering)
• Community Center or Public Office Building	• Liquor Store - Taverns and Package Stores
• Convenience Store	• Pet Shop or Grooming Parlor
• Convention or Exhibition Hall	• Photographic Studio and Supply Store
• Country Club	• Plant Nursery
• Dance Hall or Music Academy	• Plumbing and Heating Shop
• Dentist Office	• Pool and Billiard Room
• Department Store	• Post Office
• Dressmaking Shop	• Private Club or Lounge
• Drugstore	• Public Park, Playground and Recreational
• Dry-cleaning and Steam cleaning Establishment	• Radio, Television Broadcasting Studios, Music Store
• Electrical Shop and Electricians	• Real Estate Services
• Farm Machinery	• Restaurant
• Farm and Ranch Products and Supplies	• Retail Sales
• Fast Food Sales including Drive-In Sales	• Roofing and Sheet Metal Shop

• Firewood Sales	• Shoe Repair
• Florist Shop	• Show and Sales Room for Business Products
• Food Store	• Skating Rink
• Frozen Food Locker	• Sporting Goods Store
• Funeral Home, Mortuary (including crematorium)	• Tailoring
• Furniture and Home Furnishings	• Taverns and Cocktail Lounges
• Taxicab Transportation	• Travel Agency
• Telephone Exchange Station	• Upholstery
• Telegraph and Messenger Service	• Variety Store
• Tire Sales and Service	• Warehousing and Storage
• Title and Abstracting Services	• Watch and Clock Sales and Service

D. **PERMITTED USES—WITH CONDITIONS.** The following C-1 uses are permitted in accordance with stated conditions and upon approval by the Planning and Zoning Commission.

1. Adult Entertainment Uses: Uses such as adult bookstores, adult movie theaters, and adult news racks, as defined in Article 8 of this Code, shall be permitted provided such use is located a minimum of three hundred (300) feet from a property line of any:
 - a. School;
 - b. Church;
 - c. Public park or recreational facility;
 - d. Residential District;
 - e. Another adult entertainment facility.

There shall be no public display visible outside of the building. In addition, display of adult pictures of other materials within a grocery store, bookstore, or other retail or wholesale store shall be concealed from public view.

2. Amusement Park or Enterprise: Subject to any other provisions and requirements of the Municipal Code. Temporary amusement enterprises are prohibited within three hundred (300) feet of any residential zoning District. Permanent amusement enterprises are prohibited within five hundred (500) feet of any residential zoning District.
3. Automobile Body and Repair Shop: Not permitted within one hundred (100) feet of any residential District.
4. Bank Drive-up Windows: Stacking lane(s) of one hundred eighty (180) feet by ten (10) feet for each drive-up must be provided and designed to insure that no bank traffic backs onto the street giving access. Banks must be located on a collector or arterial streets as shown on the City Street Plan.
5. Bowling Alley: Subject to approval of site and related plans. Bowling alleys are prohibited within three hundred (300) feet of any residential zoning District.
6. Bus or Motor Freight Terminal: Only when located on an arterial street as designated on the City Street Plan.
7. Car Washes: There shall be no run-off onto neighboring properties or streets resulting from the use. Any discharge into public liquid waste disposal systems shall be approved by the administrator of the system prior to approval of the business. If the subject property is not served by a public waste disposal system, approval from the New Mexico Environmental Department shall be required.

-
8. Child Care Center, Nursery or Similar Use: Play areas shall be in accord with State licensing requirements and enclosed by a solid wall or fence five (5) feet in height.
 9. Christmas Tree Sales: Temporary, not prior to November 15, provided lots are cleaned and removed by December 31.
 10. Church: Only when located on an arterial or collector street as designated on the City Street Plan.
 11. Construction or Contractor's Yard: Yard shall be maintained in a neat and orderly fashion and enclosed by a fence at least six (6) feet in height except that the height shall be limited to three (3) feet above street curb within a clear site triangle as defined in this Code.
 12. Drive-In Theater: Subject to approval of site and related plans.
 13. Firewood Sales: No more than twenty (20) cords stored on site.
 14. Flea Market: Subject to any other requirements of the Municipal Code.
 15. Furniture Assembly (Accessory Use): Permitted only as an incidental or accessory use to retail sales. Maximum floor area for assembly shall not exceed three thousand (3,000) square feet, not exceed thirty percent (30%) of the total business floor area, and shall be within the same building.
 16. Gas Pressure Control Stations: (Public or Private Utility.)
 17. Heavy Equipment Repair (Accessory Use): Permitted only as an incidental or accessory use to heavy equipment sales. Floor area for repair shall not exceed three thousand (3,000) square feet and not exceed thirty percent (30%) of the total gross floor area. Welding is permitted only in conjunction with repair and shall not be used for the purpose of heavy equipment assembly.
 18. Miniature Golf Course: Subject to approval of site and related plans. Not permitted within one hundred (100) feet of any residential District.
 19. Mini Storage Units: Units shall not be used for commercial sales of products, merchandise, service or repair. (This does not preclude a business from using storage units solely for storage of commercial or business related items provide that the actual commercial operation or business is conducted elsewhere, and there is no external evidence of the business at the storage unit.)
 20. School, Public, Private or Trade: Sites shall be located on an arterial or collector street as shown on the City Street Plan.
 21. Shopping Center: Providing site, drainage, and related plans for the entire development are approved.
 22. Storage of Wrecked or Dismantled Vehicles and Parts (Accessory Use): The storage of wrecked and dismantled vehicles and parts thereof shall be permitted only as an incidental accessory use to a vehicle repair establishment or a body shop:
 - a. Storage shall be within an enclosed building or within a sight-obscuring fence at least six (6) feet in height;
 - b. Vehicles and parts stored at the exterior of the building shall be owned by customers of the business and such storage shall be only for the purpose of repair and return to customer;
 - c. Exterior storage of vehicles shall not remain on the premises for a period exceeding three (3) months;
 - d. A maximum of five (5) wrecked vehicles may be stored at the building exterior during any one time;
 - e. Exterior storage shall be a minimum of one hundred (100) feet from a residential District.

-
23. Swimming Pools: Permitted only when a protective fence four (4) feet in height is provided around the yard, lot or pool area. The pool shall be no closer than five (5) feet from any property line, and approval from all utilities is required to insure overhead safety.
 24. Television and Radio Towers and all Other Free Standing Towers (Public and Private Uses): Towers shall have manufacturer's specifications to withstand a 75 mph wind and shall be constructed to meet New Mexico Building Code standards.
 25. Welding (Accessory Use): Welding shall be permitted only as an incidental or accessory use necessary for the repair of vehicles or equipment permitted in the C-1 District. Welding uses shall be approved by the Fire Department and shall be in accord with any other provisions of the Municipal Code.
 26. Wrecker Service: In accord with storage of wrecked vehicle provisions of Item D.22 of this Section.
- E. *SPECIAL USES FOR C-1 DISTRICT.* The following uses require approval of the City Commission. Specific conditions and provisions for special use may be referred to in Article V.
1. Dwelling Unit: Special Use Permits are required for dwellings within the C-1 District upon lots or other parcels located directly adjacent to Broadway Avenue, Main Street or Date Street. Dwellings elsewhere within the C-1 District are permitted by right. Manufactured Homes (MH's) are permitted within the C-1 District subject to the provisions stated herein and in Articles 11 and 14.
 2. Apartments ten (10) unit minimum)
 3. Concrete Sales and Ready Mix
 4. Correctional Facilities and Institutions
 5. Heavy Equipment Repair and Service
 6. Kennel (Commercial)
 7. Manufactured Home Park or Subdivision: Subject to the provisions of Articles 11 and 14.
 8. Propane or Liquefied Petroleum Gas Distribution Point: Up to two thousand (2,000) gallons, not be located within three hundred thirty (330) feet of any residential zoning district, or within the area bounded by Date, Main and Austin Streets.
 9. Racetrack
 10. Residential Vehicle Park
 11. Recycle Purchase Center
 12. Stadium: Baseball, Football, Soccer or Track.
 13. Townhouses (R-2 Development Standards apply)
 14. Welding Shop

**CITY OF TRUTH OR CONSEQUENCES
PLANNING & ZONING COMMISSION
MINUTES
MONDAY, AUGUST 10, 2026**

REGULAR MEETING

Regular meeting of the Planning & Zoning Commission of the City of Truth or Consequences, New Mexico to be held in the City Commission Chambers, 405 W. Third, Truth or Consequences, New Mexico, on Monday, August 10, 2026 at 4:00 p.m.

INTRODUCTION:

ROLL CALL:

Chris Sisney, Chairman
Susan Buhler, Vice Chairman Absent
Esther Luchini, Member
Lisa Kent, Member Absent
Molly Hammer, Member

ALSO PRESENT:

Traci Alvarez, Assistant City Manager
Katy Martinez, Deputy Clerk

1. APPROVAL OF AGENDA:

Member Luchini made a motion to approve the agenda. Member Hammer seconded the motion. Motion carried unanimously.

2. APPROVAL OF MINUTES:

a) July 13, 2026.

Member Luchini made a motion to approve the minutes. Member Hammer seconded the motion. Motion carried unanimously.

3. COMMENTS FROM THE PUBLIC (3 Minute Rule Applies)

There were no comments from the public.

Deputy Clerk Martinez swore in the participants for the public hearings.

4. PUBLIC HEARINGS (5 Minute Rule Applies)

a) Public Hearing/Discussion/Action: Conditional Use Permit and Variances request for parcel # 2878573667187

Assistant City Manager Alvarez: The applicant is requesting approval to establish a secure towing and vehicle impound facility at right now we have it addressed as 1903 South Broadway B. That address is subject to change just simply because we are in the process of going through a street renaming in that area. The property and location will remain the same. That is zoned C1 for general commercial. The proposed development includes a fenced and lighted impound yard, site surfacing improvements and approximately a 550 square foot office building for customer service and vehicle retrieval. The applicant currently provides towing for and impound services in the area but transports the impounded vehicles to their secured facility in Anthony New Mexico. They are not doing private towing. They are towing only for our law enforcement agencies at this time. The proposed facility would allow those vehicles to remain locally because law enforcement towing can occur any time tow trucks may enter or leave the property 24 hours a day. The applicant is requesting the conditional use permit for storage of wrecked or dismantled vehicles associated with the wrecker service along with 3 requested variances. They would also like to allow storage of privately owned or impounded vehicles while legal disposition or required processing is completed. They would like to allow for more than 5 vehicles to be stored outdoors and allow an approximately 550 square foot office building instead of the 800 square foot office minimum in our development standards. Your packet also includes letters of support for the project including the support from all the law enforcement, public safety entities and from an adjacent commercial property owner as well.

Chairman Sisney: Can we ask for a limit on the maximum time a vehicle can be on the lot?

Assistant City Manager Alvarez: Potentially and I think the applicant would be happy to speak on that as it is not his full-time salvage yard and that there is a time frame that he may have to have them on there by if I understand correctly for law enforcement. But if he looks like something that is going to have to go to auction or go through a longer process I believe his intent is then to haul them to his main yard in Anthony.

Chairman Sisney: I have another concern. I would like to mention the lighting not be obtrusive to the neighbors.

Member Hammer: I have a comment on that. Are we even authorized to put in conditions like that. Its either a yes or a no for us we don't actually.

Assistant City Manager Alvarez: I think that you can make some recommendations and when it goes up City Commission they can review those with the attorney and decide which ones would be allowed. But all lighting has to go by the night sky. As far as what you might find offensive versus somebody else that based on an opinion. You guys can make recommendations of conditions of approval and then our City Commission can review those and they can either agree with it or not agree with it and potentially send it back to you guys for another recommendation or they can make a decision at that time.

Member Hammer: So I am clear we have a conditional use permit which is renewal able after 1 year each year correct.

Assistant City Manager Alvarez: Could you repeat that?

Member Hammer: There are 4 application request? There is a conditional use permit and there is 3 variances?

Assistant City Manager Alvarez: Yes ma'am.

Member Hammer: The conditional use permit from my understanding it has to be renewed and approved every year. It has to come before this board is that correct?

Assistant City Manager Alvarez: I would have to review the code off the top of my head I can't remember it. I knew one of them either special use or conditional use I just can't remember.

Member Hammer: I think special use has an expiration date and conditional use is a year. Variance is permanent for that property.

Assistant City Manager Alvarez: Like I said I'm not going to confirm any of that without reviewing the code and I do apologize we are shorthanded in my office so I didn't bring my codes with me.

Member Hammer: I didn't bring my either. I just want to understand what we are recommending here. Because there has been some confusion. I have a question about the building size and the construction of 550 square feet from the normal minimum required for

the zone of 800 square feet. Are there other buildings in this commercial area that are outside of the normal that have variances?

Assistant City Manager Alvarez: I can't answer because I didn't look at the outside area. The properties that are right adjacent to the undeveloped. Our City Manager has a property up there that was used for towing services it has a very small building on it. Size-wise I couldn't tell you if it's 800 or less. The other property is still in process of submitting their documents for the building.

Member Hammer: I don't have an issue with that as long as the setbacks are minded. The size doesn't bother me because we are going to smaller size like tiny homes and so forth all though that hasn't been confirmed in our ordinance yet but I don't have a problem with that as long as the setbacks are being minded.

Assistant City Manager Alvarez: They have to meet the setbacks regardless yes.

Deputy Clerk Martinez: A conditional use permit is reviewed annually.

Member Luchini: These vehicles are not only impounded vehicles that are temporary housed there that may be claimed later?

Assistant City Manager Alvarez: What I would really like is for you guys to be able to ask the applicant these questions because he could better answer them.

Humberto Valenzuela, Applicant: The vehicles are currently not there right now. Is that what you were asking?

Member Luchini: Well let me start with this. I went to look at the property, and what I saw – difficult to find a posted address – there is a storage yard there now, is that it or is it just –

Humberto Valenzuela, Applicant: No, it's next to that property.

Member Luchini: To the East?

Humberto Valenzuela Applicant: To the left.

Member Luchini: So, it's close to that drainage?

Assistant City Manager Alvarez: The property that you're speaking of that has the vehicles currently on it, that's the property you guys approved at a previous meeting, it was a Conditional Use Permit for Kari Fresquez, for theirs. That came through you guys and you approved it.

Member Hammer: Okay.

Member Luchini: So these are not just impounded vehicles, but possibly long-term storage wreckage yard? Dismantled vehicles and parts, and accessory use? So if I needed a part for my '57 Chevy?

Humberto Valenzuela, Applicant: No, we wouldn't sell any parts there, it's strictly storage and it will be there for about 90-120 days while we process the paperwork. If the owners come and retrieve their vehicles, whatever doesn't get retrieved and we end up getting all the paperwork, we'll end up transporting them back down to Anthony to sell at auction.

Assistant City Manager Alvarez: I believe what you're referencing is the way it's worded in our code. So that is word-for-word out of our code.

Member Luchini: Okay.

Assistant City Manager Alvarez: If I could request the applicant, just to briefly explain what your business is, like you came to me to explain.

Humberto Valenzuela, Applicant: We currently are doing impounds for the City, Sheriffs, and state police, but we've been picking them up and taking them directly to Anthony, and people have to drive over there to pick up their vehicles. We're just trying to save them time and money, because we charge by the mile. Keeping it here would allow there to be a location where they could retrieve their vehicles, we would have a place here to sort, and we would be able to respond quicker if I have somebody here permanently to respond to the police calls.

Member Hammer: I see here you're not only doing impounding for the city or the county, but you are also providing a service to others? Like if I was broken down, I could call you, and you could tow my car?

Humberto Valenzuela, Applicant: At the moment, we're not. But maybe if we end up having somebody here permanently, we probably will serve. But for the impound yard, it's strictly for impounded vehicles. No private property impounds or any of that.

Member Hammer: Okay.

Assistant City Manager Alvarez: They're on a rotation service. We have 2 other local tow companies, sometimes they're not available as well. Our law enforcement rotates on a weekly basis, I believe, is that correct?

Humberto Valenzuela, Applicant: Yes, ma'am.

Assistant City Manager Alvarez: So when they're called or they're on their weekly rotation, this would give them a local base. But like I said, if a vehicle was impounded and the person wasn't going to be getting the vehicle back, what's your plan?

Humberto Valenzuela, Applicant: We will submit paperwork, end up getting the title, and then transfer the vehicle back down to Anthony to sell over there.

Member Hammer: To be auctioned?

Humberto Valenzuela, Applicant: Yes, to be auctioned.

Member Hammer: How big of a rig can you tow? Can you tow RV's?

Humberto Valenzuela, Applicant: Yes, we can do RV's, semi's –

Member Hammer: Larger vehicles? I know that was a limitation recently, they were trying to tow an abandoned RV.

Humberto Valenzuela, Applicant: Yeah, we do RV's. For the Police Department, we've done RV's, they're not far from where the yard is, and we picked it up for them because they couldn't find anybody. We've done a couple 18-wheelers that rolled over between the '69 and '71, a burnt unit that was on the '78, we picked that one up as well.

Member Hammer: But you're taking that to Anthony?

Humberto Valenzuela, Applicant: Yeah, we're taking those to Anthony. For an example, with the one that burned down here, we had to take it to our yard and prepare it for long-term transport because it was unstable and it was still filled with produce, etc. But yes, we took it back down to Anthony.

Chairman Sisney: What would be a condition where a car would stay over 120 days, and is there any chance it's just going to sit on that lot for a year?

Humberto Valenzuela, Applicant: No, the only way is if we don't get the title and paperwork for it. Sometimes we've had trouble when they're stolen vehicles and all the VIN numbers are scratched and nobody can get us a VIN number, we end up just crushing those vehicles. But they stay longer than 120 days. But anything for this yard, if it stays 120 days, we will transport it to our other yard and take care of it over there.

Member Hammer: I see a lot of support here, and letters. Is there any opposition that you know of?

Assistant City Manager Alvarez: I think the Chairman has the list of anyone who wants to speak.

Chairman Sisney: There is 1.

Assistant City Manager Alvarez: You'll need to open the public hearing and ask for the proponents and opponents.

Member Hammer: I'm finished with questions if you guys are. Thank you.

Humberto Valenzuela Applicant: Thank you.

Chairman Sisney opened the public hearing.

Proponents:

No Proponents.

Opponents:

Ken Oliver

Ken Oliver, Opponent: I'm right across from them on the arroyo, and already, I've had so many issues over there. The constant thing of trash, they have monstrous – I even have pictures of it – but really big piles of trash on their side, it's in the arroyo, it's in my yard, they went down there with a bobcat into the arroyo for some reason, they were removing vegetation. That made it worse, more trash in there, they've thrown tires in the arroyo, there are tires now in

the arroyo, and all kinds of trash everywhere, piles of trash. They run big rigs all night long, just sitting there idling while they're talking, I've had them from 9:00pm until 1:30am until I go out there and yell at them. I've had confrontations with them a few times because of it, I tell them, "Hey it's 10:00pm it's supposed to be quiet." After that, but it didn't matter. They say, "Oh well we're leaving." Well it's 11:30pm now, and then it's 1:30am, it's always later, later, later. Big rigs would run, and the light's flashing for hours and hours and hours through the night. My bedroom is right there, my home is right across the arroyo from them. Sometimes there are 2 diesels idling at the same time. I know everybody is chasing the same dollar, we're a small town, and they have to make their bucks, and make their money somehow, I get it. I understand that, and I'm willing to be lenient about that, but enough is enough when they're blatant that they have no consideration whatsoever, and they show that they just don't care. The way the property is right now, with all the piles of trash and everything, I don't see it getting any better, when they only have a few cars of their own there, and this is the kind of mess that's there already, what's going to happen when they have 20 cars there or 30 cars there? This is just a few cars and they have mountains of trash, it doesn't make any sense. That's a big concern for me, I'm constantly picking up stuff in my yard on my property that came from their property. The arroyo's always got trash or something from their property in it as well. Like I said, if they're just starting and there are only a few cars, what's going to happen when there's 20-30 cars?

Assistant City Manager Alvarez: I just want to show the speaker the map. Can you show me where you're located at?

Ken Oliver, Opponent: I'd be [just to the left of the blue box on page 11 of the packet]

Assistant City Manager Alvarez: So currently, there's nothing on this property [within the blue box] and the one to the right of that has quite a few vehicles listed on it.

Ken Oliver, Opponent: There are a lot of vehicles [within the blue box] that have been there for the longest time, and I didn't know if they had approval on that either.

Assistant City Manager Alvarez: [The owners of the adjacent property] did go through, I know that.

Ken Oliver, Opponent: Well they came to me and made me get rid of my vehicles that were on my property because they weren't registered, I was still fixing them. But they were neat and they weren't an eyesore or in the way, nobody complained, but Code Enforcement showed up there because of a death in the neighborhood, they didn't have anybody else to respond so he

was there, he had time on his hands, so he wrote me up and was fining me \$500 for each month that the vehicles were there. So I had to literally give the vehicles away because I couldn't afford the storage, because they wanted a minimum of \$480 a month to store them, and I couldn't do that. So I was forced to get rid of my vehicles, and meanwhile, when I look out my kitchen window, I'm looking at mountains of trash, I'm looking at vehicles everywhere. Like I said, the main thing for me is the cleanup, there is trash everywhere, even in the arroyo. There is no reason to have bad tires and stuff thrown in the arroyo, it wasn't there before. Also, like I said, the noise factor, and the blatant lack of care. When I would go out there and confront him at 10:30pm and they just leave trucks running and lights flashing until 1:30am.

Member Luchini: What kind of trucks?

Ken Oliver, Opponent: Big rigs.

Member Luchini: Like a tow truck?

Ken Oliver, Opponent: Yeah, big tow trucks.

Member Hammer: I have a couple follow-up questions. They might be more for Ms. Alvarez or the company. Thank you for your input. Where is the access point on this map, in and out?

Assistant City Manager Alvarez: The property owner has an access easement in this lower property [on the bottom right portion of the map on page 11 of the packet].

Member Hammer: So they come in here?

Assistant City Manager Alvarez: Yep, they come in right there.

Member Hammer: Not through [the top area]?

Assistant City Manager Alvarez: I would like to request for the applicant to be able to come up and speak regarding anything they may or may not be doing over at the property, or anything as far as towing vehicles.

Member Luchini: I have a question. I was able to peek through into your area here, and is it cleaned up now?

Humberto Valenzuela, Applicant: We've never thrown any trash in the arroyo or any of that.

Member Luchini: Is it scraped or bladed to be able to park anything on it, or does it still need to be prepared?

Humberto Valenzuela, Applicant: It still needs to be prepared. There is an elevated area I would like to prepare, to make it level, so there would be a little bit of scraping.

Member Luchini: But you're not storing anything, are you?

Humberto Valenzuela, Applicant: No, I have nothing there. There is a pile of dirt there, and it's going to get removed.

Member Luchini: To the arroyo, it won't intrude into the arroyo or anything, the cleanup?

Humberto Valenzuela, Applicant: No.

Member Luchini: And this will be fenced-off, right? With a solid fence?

Humberto Valenzuela, Applicant: Yes, ma'am.

Member Hammer: Even along the arroyo?

Humberto Valenzuela, Applicant: Yeah, along the arroyo, but not in the arroyo, even though the property's kind of in the arroyo, it would be on the elevated area, and we'll fence it off.

Member Hammer: And are you applying for a business license also?

Humberto Valenzuela, Applicant: We do have a business license already.

Member Hammer: Will you have a dumpster on-site?

Humberto Valenzuela, Applicant: We can.

Member Hammer: If you're towing, usually the car is locked, but there might be issues or a truck bed that has stuff in the back, and we have high winds here that can blow all over the place. I'm sure this arroyo is not the only place that has issues. In listening to your neighbor, I do want to address that obviously, we all want good neighbor and clean neighbors, with

regards to noise complaints or visual pollution. I would ask that you guys abide by that if you're going in and out, because that would bother me, too.

Humberto Valenzuela, Applicant: Yes. We don't keep our trucks running, diesel is so expensive, there is no reason to keep them running all night.

Assistant City Manager Alvarez: If I could just ask a couple questions, too, have you towed any vehicles at all over to this lot?

Humberto Valenzuela, Applicant: We have, temporarily, while we wait for another truck to get back. But they're there for like a day or 2, not even a day, a few hours. But lately, since I started talking to you, we have not kept any vehicles there, we have been taking them directly to Anthony.

Assistant City Manager Alvarez: And have you done any of the property clearing or grubbing or anything?

Humberto Valenzuela, Applicant: I did clear some bushes on one of the corners, and I wasn't aware that I needed a permit until I spoke with you about the bushes, I stopped everything else.

Member Hammer: And what are your hours of operation? Is it pretty much 24-hours?

Humberto Valenzuela, Applicant: The yard is from 8am-5pm, but the towing and bringing in the vehicles is 24/7. I don't know when we're going to get calls from the state, Sheriffs, or Police Department. We do have to respond to them, and trucks will be there. They would have to go in and drop off the vehicle.

Member Luchin: Which one of these adjacent was Mr. Oliver? The number parcel ending in 10206?

Assistant City Manager Alvarez: [Near the parcel ending in 0221]

Member Hammer: And this person here didn't respond?

Assistant City Manager Alvarez: No. All certified mail letters were sent and received.

Chairman Sisney: Mr. Valenzuela, normally if somebody in the neighborhood objects or opposes, I usually go with them. But I think this is a good service to the people here in town.

Although everything here is commercial, there are residents really close to you. I just hope you go out of your way to make them happy. Quiet hours are pretty much from 10:00pm to 7:00am. The lights, once you get in your yard, you probably don't need to have them on.

Humberto Valenzuela, Applicant: We don't have the lights on because we're only supposed to have our amber lights on while we're on-scene recovering the vehicle. When transporting back, our lights are off even until we get to the yard.

Chairman Sisney: I hope you can work out something with your neighbor.

Member Luchini: The fence adjacent to him, again, I ask that that's a solid, metal fence?

Humberto Valenzuela, Applicant: Yes.

Member Luchini: If you did have loose truck trash, it should stop it from blowing out.

Chairman Sisney: Were you putting up a steel fence, not a game fence?

Humberto Valenzuela, Applicant: I'll put a paneled fence, especially on that wall, and I'll try to get it all around.

Chairman Sisney: I think you want to do the right thing, and I think you did it. I hope that you can keep this man in consideration, also.

Humberto Valenzuela, Applicant: We will, I'll try to work it out for him. He did come at one time and yelled at us, and the truck was leaving when he yelled at us. That was one time, and that was when we were working that big accident on the '70 with a trailer.

Chairman Sisney: Hopefully you guys can work together and get along.

Member Luchini: I agree. I wouldn't want to live next to a wrecking yard or tow yard. That's why I feel that if you do – Isn't that required? A solid metal fence around –

Member Hammer: A privacy fence.

Assistant City Manager Alvarez: Yes.

Humberto Valenzuela, Applicant: We'll put up a metal fence around it. For the lighting, we'll try to keep it all in our yard. PRC does require us to have a lighted storage facility for the vehicles.

Chairman Sisney: Thank you. I also want to let you know that the people in this town really love the quiet and the darkness, and we're just trying to keep everybody happy.

Humberto Valenzuela, Applicant: Yes, sir.

Assistant City Manager Alvarez: Before the board considers a motion, please remember to close the public hearing.

Chairman Sisney: There were a couple of letters, do we read those?

Assistant City Manager Alvarez: Those are the letters of support. No, I don't think so. They're just part of the supporting documents.

Chairman Sisney closed the public hearing.

Member Luchini: The only other thing I'm a little leery about is the size of the building. Trying to stick to this 800 square foot minimum for a building.

Chairman Sisney: In one of the letters, it mentions that it's a prefab. So it's not like we can just ask him to change the specs.

Member Hammer: And is that for an office or a residence?

Humberto Valenzuela, Applicant: Office.

Member Hammer: Will someone be there 24/7?

Humberto Valenzuela, Applicant: No.

Member Hammer: Your accessible just by cell phone on the truck pretty much. That is your office most of the time? I support this with some pretty major conditions. Mr. Oliver had his opinion and I with member Luchini that the noise and the light pollution I would want to have that managed if I was going to approve this. Also with the understanding that this a yearly renewal the conditional use permit and if we meet again in a year and if there are complaints we need to consider those and there be a risk that you might not get approved again. If there

was a big opposition. I like that you are bringing the business to town I do think we need that. You have a lot of support here with your neighbors and law enforcement.

Member Luchini: I agree.

Chairman Sisney: I would like to hear a motion with the stipulations included.

Member Hammer made a motion to recommend approval to the City Commission for a Conditional Use Permit and Variance Requests for parcel # 2878573667187 with the conditions that applicant is respectful of their neighbors with regards to light pollutions and noise also with the understanding that we will renew the conditional use permit every year. Chairman Sisney seconded the motion. Roll call vote was taken. Motion carried unanimously.

b) Public Hearing/Discussion/Action: Summary Plat Amendment at 310 and 316 E Third Ave.

Assistant City Manager Alvarez: The applicant is requesting a summary plat amendment through the alternate summary procedure. The purpose is to adjust the existing property lines between 310 and 316 east Third Avenue. Both properties are zoned C-1 for commercial. It involves lots 8,9 and 10 of block 66. The request does not create any additional lot or new subdivision it only changes the boundaries between the existing tracks. I have reviewed the application and survey and it meets all the requirements for the alternate summary procedure. The applicants are present to answer any questions. To further help identify I'll show you guys on the map.

Member Hammer: Is that an alley way or is it just the property?

Assistant City Manager Alvarez: No it's not an alley.

Member Hammer: The same person owns the whole property?

Assistant City Manager Alvarez: No it's different owners.

Member Hammer: Two different property owners and the property owners are amendable to that change?

Assistant City Manager Alvarez: Yes. It will equal out the property lines.

Member Hammer: Are both property owners present?

Assistant City Manager Alvarez: Just one.

Chairman Sisney opened the public hearing.

Carrie Marrow Applicant: I'm at 310 E Third.

Member Hammer: Are you in the white roof or the other one?

Carrie Marrow Applicant: I'm the other one.

Member Hammer: And this person is here or no?

Assistant City Manager Alvarez: No.

Member Hammer: But they both agree there is no opponents? I don't have an issue with this. Its not creating and obstacle to a easement or alley way. I think this is an odd shape any way so might as well make them more accessible and usable really.

Carrie Marrow Applicant: She gets a drive way and I get a fence.

Proponents:

No Proponents.

Opponents:

No Opponents.

Chairman Sisney closed the public hearing.

Member Hammer made a motion to recommend approval to the City Commission for a Summary Plat Amendment at 310 and 316 E Third Ave. Member Luchini seconded the motion. Roll call vote was taken. Motion carried unanimously.

c) Public Hearing/Discussion/Action: Conditional Use Permit at 818 N Magnolia – Request for Shipping Container

Assistant City Manager Alvarez: The applicant is requesting a conditional use permit to allow an existing shipping container to remain and 818 N Magnolia. The container is being used as an accessory storage structure on the residential property and the city code requires the conditional use permit for shipping containers located with in residential zones. The container was placed after the shipping container ordinance became affective but the property owner advised staff that they were unaware that we had the requirement for a conditional use permit. Rather than proceeding directly with enforcement the staff has worked with the owner to submit the appropriate application and bring the property into compliance that way instead. The applicant is not requesting a variance or relief from the container. We are just following the process to bring them into compliance. The applicant is present.

Chairman Sisney: Mrs. Alvarez do you see a shipping container on this photo.

Assistant City Manager Alvarez: Potentially not but then again I don't go take arial photographs right before the meeting. These are taken prior. If you look on the site plan that the applicant has submitted that tells you where the shipping container is located. I take my arial view off the parcel map or google at whatever year that arial view was taken. That's just to give you an idea of the property area.

Chairman Sisney opened the public hearing.

Chairman Sisney: You haven't seen this photograph have you.

Vicky Nicholson Applicant: No.

Chairman Sisney: This container looks like its going to sit pretty much where that trailer is on this photograph.

Vicky Nicholson Applicant: Yes its. That trailer is gone. It sits 80 feet off that back fence and that's an alley way.

Member Hammer: Ms. Nicholson do you have the property here where this white truck is?

Vicky Nicholson Applicant: Yes, I own all the property.

Member Hammer: Is that white truck still there?

Vicky Nicholson Applicant: Yes, those are my buses I run a river business. That is what half the storage container is where I keep my tubes and rafts. The other half is where I have saws and equipment. Its double ended doors, single use, brand new and it doesn't look nasty.

Member Hammer: Are there any opponents or proponents.

Chairman Sisney: No.

Proponents:

No Proponents.

Opponents:

No Opponents.

Chairman Sisney closed the public hearing.

Member Luchini made a motion to recommend approval to the City Commission for a Conditional Use Permit at 818 N Magnolia – Request for Shipping Container. Member Hammer seconded the motion. Roll call vote was taken. Motion carried unanimously.

d) Public Hearing/Discussion/Action: Consider an application requesting the vacation of a public alley pursuant to Section 15-18 of the Truth or Consequences Municipal Code.

Assistant City Manager Alvarez: For general reference this is 1300 and 1400 North Silver Street area where the assisted living facility is. The applicant is requesting that we formally vacate the public alley within that block. The historical documentation that's submitted indicates that the alley was intended to be addressed as part of a property's 2004 transaction but the vacation was never completed and recorded. It looks like the alleyway actually goes right through the middle of the property and the current skilled nursing facility as well. The applicant's request is to formally complete the vacation process and clear up the existing record. The applicant is present.

Chairman Sisney: Does the city have any opposition to this?

Assistant City Manager Alvarez: No.

Chairman Sisney opened the public hearing.

Member Hammer: Does vacating the alley prevent any access in the properties around it?

Josh Ashbaugh: No. The entire block is owned by the same property owners.

Member Luchini: Just to clarify I did speak to attorney Rubin this morning regarding this issue thinking I might need to recuse myself. He was aware of the situation and he suggested that I don't need to.

Josh Ashbaugh Applicant: I would listen to his advice in my personal opinion I don't think you need to recuse yourself. Before we move on since you guys can make recommendations I'm going to ask of one. Usually when the city vacates streets and alleys they reserve of themselves easements and reversionary language in the covenants. I would ask that this board recommend that those not be put in the vacation instrument. There is an express electric line easement. I brought a copy it's not in the packet but I do have a copy for everyone. There is an express electric line easement. The alley again runs underneath the building and so I don't think it's really feasible to put utilities in it.

Member Hammer: But there is not utilities there now?

Josh Ashbaugh Applicant: As far as I know no.

Member Hammer: Just and easement?

Josh Ashbaugh Applicant: Its just an alley but normally when the city vacates an alley or street they reserve under them selves an easement. The reversionary language I really don't care for because it will revert back to the city. That would be the request I ask you guys to make. In the packet about mid way through there is a vacation of alley it does not affect this alley. I didn't put this packet together it was sent to me so I'm not sure why its in here to be honest but its exhibit D.

Assistant City Manager Alvarez: They have it because I'm mandated to provide them all the documents that you provide me.

Josh Ashbaugh Applicant: I figured that was the case. On the third page of that instrument they first full sentence begins with this transfer is done under the condition that. I'm basically asking for you guys to recommend that language and then the following one sentence paragraph not be included in the vacation.

Member Hammer: Can I read it out loud?

Josh Ashbaugh Applicant: Yes.

Member Hammer: It says this transfer is done under the condition that the grantees grant to the city a continuing right of access to the conveyed land for utility purposes including water and sewer. Is there any water or sewer under this?

Josh Ashbaugh Applicant: Not to my knowledge. There is a survey it's the highest form of survey we get unfortunately it's a plat size survey and when you reduce it down in size. I can probably if permissible send a digital copy of the survey. Do you have a digital copy Traci?

Assistant City Manager Alvarez: Whatever you sent me is included in the packet.

Josh Ashbaugh Applicant: Its hard to see and printed mine on a legal size and that's hard to see also.

Member Hammer: My understanding as a property owner is anything up to my property line the city is responsible for. Anything on my property I'm responsible for.

Assistant City Manager Alvarez: Unless you have an easement, correct.

Member Hammer: Unless you have an easement, and you have utilities going through like a water main right?

Assistant City Manager Alvarez: If we have easement we need access to that easement. I think regardless or not weather there is a main there. If it's a dedicated easement because we may have easements to connect for future use. Is that what you are asking?

Member Hammer: I guess what I want to know is there a water main under this that the city would need to access if something happened? I guess that would be my only reservation. If the city needed to get in here and fix something if the property owner is responsible for fixing it that's another thing but would the property owner give the city access or would closing this off prevent them from doing that? Would they just declare eminent domain or something like that to get access? I don't know what the law is around that.

Josh Ashbaugh Applicant: To answer the factual question to the best of my knowledge there isn't any water or sewer lines under the building that the city would be responsible for maintaining. I can not sat that with 100% certainty. I'm looking at the survey its addressed unfortunately it doesn't tell us much but on the utility information on the survey it does say on the location of the utilities shown hereon are from observed evidence of above ground appurtenances only. They surveyor was not provided with underground plans or surface ground markings to determine the location of any subterranean uses.

Member Hammer: Is the city opposed to this or the city attorney? Has he raised any concerns?

Assistant City Manager Alvarez: No, he has semi reviewed it but then again he wouldn't review this stuff in depth until it comes as a recommendation from you guys and then he will review a 100 percent. He has really good open communication with Mr. Ashbaugh and so I think that communication can be had as far as you want the vacated wording to be.

Josh Ashbaugh Applicant: Yes, we can work on it.

Member Hammer: As a planning and zoning board member I don't have any objections to this. I think that if there was concerns it will come up in a later stage in front of the city.

Proponents:

No Proponents.

Opponents:

No Opponents.

Chairman Sisney closed the public hearing.

Member Luchini made a motion to recommend approval to the City Commission for a Consider an application requesting the vacation of a public alley pursuant to Section 15-18 of the Truth or Consequences Municipal Code. Member Hammer seconded the motion. Roll call vote was taken. Motion carried unanimously.

5. NEW BUSINESS:

a. Discussion/Action: Re-Appointment of Member Esther Luchini

Chairman Sisney made a motion to recommend approval to the City Commission for Re-Appointment of Member Esther Luchini to serve on the Planning and Zoning Commission. Member Hammer seconded the motion. Roll call vote was taken. Motion carried unanimously.

b. Discussion/Action: Re-Appointment of Member Susan Buhler

Member Hammer made a motion to recommend approval to the City Commission for Re-Appointment of Member Susan Buhler to serve on the Planning and Zoning Commission. Member Luchini seconded the motion. Roll call vote was taken. Motion carried unanimously.

c. Discussion/Action: Re-Appointment of Member Chris Sisney

Member Luchini made a motion to recommend approval to the City Commission for Re-Appointment of Member Chris Sisney to serve on the Planning and Zoning Commission. Member Hammer seconded the motion. Roll call vote was taken. Motion carried unanimously.

d. Discussion/Action: Re-Appointment of Member Molly Hammer

Chairman Sisney made a motion to recommend approval to the City Commission for Re-Appointment of Member Molly Hammer to serve on the Planning and Zoning Commission. Member Luchini seconded the motion. Roll call vote was taken. Motion carried unanimously.

e. Discussion/Action: Re-organization of Chairman and Vice-Chairman

Chairman Sisney made a motion to recommend table this item until the next meeting. Member Hammer seconded the motion. Roll call vote was taken. Motion carried unanimously.

6. REPORTS FROM THE BOARD:

No Reports from the Board

7. REPORTS FROM STAFF:

No Reports from Staff

8. ADJOURNMENT:

Chairman Sisney adjourned the meeting at 5:05 p.m.

PASSED AND APPROVED ON THIS 14th DAY OF SEPTEMBER, 2026.

Chris Sisney, Chairman
Planning & Zoning Board



CITY OF TRUTH OR CONSEQUENCES

AGENDA REQUEST FORM

MEETING DATE: August 28, 2026

Agenda Item #: F.4

SUBJECT: Discussion/Action: Request to vacate the public alley located within Block 4 of the Smith Terrace Subdivision.

DEPARTMENT: Community Development

DATE SUBMITTED: August 19, 2026

SUBMITTED BY: Traci Alvarez

WHO WILL PRESENT THE ITEM: Traci Alvarez

Summary/Background:

Applicant submitted a request to vacate the public alley way. Public Hearing was held at the P & Z Meeting on 8-11-26 – Board recommended approval unanimously

Recommendation:

Consider P & Z Recommendation and make final determination

Attachments:

- P & Z Agenda Packet
- Draft Minutes

Fiscal Impact (Finance): Choose an item.

Legal Review (City Attorney): Choose an item.

[Click here to enter text.](#)

Approved For Submittal By: ☐ Department Director

Reviewed by: ☐ City Clerk ☐ Finance ☐ Legal ☐ Other: [Click here to enter text.](#)

Final Approval: ☐ City Manager

CITY CLERK'S USE ONLY - COMMISSION ACTION TAKEN

Resolution No. [Click here to enter text.](#) Ordinance No. -

Continued To: - Referred To: -

☐ Approved ☐ Denied ☐ Other: -

File Name: CC agendas 8-28-26



CITY OF TRUTH OR CONSEQUENCES
PLANNING AND ZONING COMMISSION ACTION FORM
DATE: 8-10-2026

ITEM: Public Hearing/Discussion/Action: Request to vacate the public alley located within Block 4 of the Smith Terrace Subdivision

BACKGROUND:

Applicant is requesting to vacate the public alley located within **Block 4 of the Smith Terrace Subdivision** at **1300 North Silver Street**.

The property is owned by **1300 N. Silver Street NM, LLC** and **1400 N. Silver Street NM, LLC** and is currently operated as a skilled nursing facility. The applicants have submitted a request to vacate the alley that runs through the middle of the building. According to the information provided, the alley was intended to be vacated as part of property transactions completed in 2004, but the vacation was never finalized or recorded. They are requesting that the City complete that process.

The applicant included historical documentation showing:

- The original 1951 subdivision plat that created the alley.
- Previous alley vacations in nearby blocks.
- A 1999 quitclaim deed for the adjacent Block 5 alley.
- A 2004 warranty deed conveying Block 4 that specifically referenced the alley as being **subject to City approval of vacation**.
- A 2004 boundary survey that also anticipated the alley being vacated.

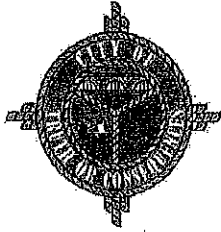
The ALTA survey included with the application confirms that the existing building occupies the area where the alley is located and identifies the alley as "vacated" based on the 2004 boundary survey, although no recorded City action was ever completed.

City departments, including Water/Wastewater, Streets, Planning & Zoning, and the Electric Department, reviewed the request and indicated approval.

SUPPORT INFORMATION:

Applicant Submittals – including survey/plat information
Applicable Code

Name of Drafter: Traci Alvarez	: Assistant City Manager	
E-mail: talvarez@torcnm.gov	Phone: 575-952-0565	



CITY OF TRUTH OR CONSEQUENCES

505 Sims Street, Truth or Consequences, New Mexico

Phone: 575-894-6673 ext. 353 Fax: 575-894-6690

REQUEST FOR VACATION APPLICATION

Date of Application 6-8-2026

Comes now the undersigned and hereby requests the City of Truth or Consequences, New Mexico to consider vacation of the following described property:

Alley running through 1300 N. Silver St.

REASON FOR VACATION: See attached "Support for Application to Vacate Alley"

Applicant Name: 1300 N Silver Street NM LLC & 1400 N Silver Street NM LLC Telephone No.: (323) 739-1377

Address: 4525 Wilshire Blvd. Ste 210

City: Los Angeles

State: CA

Zip Code: 90010

E-mail Address: liz@vistapacificinc.com

Applicants Signature: [Signature]

TO BE COMPLETED BY THE CITY OF TRUTH OR CONSEQUENCES

Reviewed By:

Electric Department: ☒ Approved

☐ Disapproved

Date 6/16/2026

Water/Wastewater: ☒ Approved

☐ Disapproved

Date 6/16/26

Streets Department: ☒ Approved

☐ Disapproved

Date 6/18/26

Planning/Zoning: ☒ Approved

☐ Disapproved

Date 6/19/26

Utility Review Comments: _____

Support for Application to Vacate Alley

Owner: 1300 N Silver Street NM LLC
1400 N Silver Street NM LLC

Property Address: 1300 N. Silver Street
Truth or Consequences, NM 87901

Reason for Vacation:

1300 N Silver Street NM, LLC and 1400 N Silver Street NM, LLC together own commercial real property located in Truth or Consequences that is currently being used as a skilled nursing facility (see Aerial photo attached as **Exhibit A**). As the attached ALTA Survey shows (see ALTA Survey dated 6/17/2024 attached as **Exhibit B**), an alley runs through the building located at 1300 N. Silver Street (the "Alley"). According to land title records, the Alley was supposed to have been vacated back in 2004, but the vacation evidently was never completed. Included with this application are the following documents, which support the intent to vacate the Alley. Consistent with the original intent of all parties, including the City of T or C, 1300 N Silver Street NM, LLC asks the City to: 1) issue the final approval to vacate the Alley located within the boundaries of Block 4; and 2) record the documents necessary to complete the vacation process.

EXHIBIT #	DOCUMENT	DISCUSSION
C	Plat 35-A (filed 5/23/1951)	On or about April 28, 1950, this Plat created the alleys between the lots located within 9 blocks, including the subject Block 4.
D	Vacation of Alley (61/115)	On or about July 22, 1998, the City of T or C recorded a "Vacation of Alley" that vacated the alleys in Blocks 6, 7, 8, and 9.
E	Quitclaim Deed (72/486)	On or about May 26, 1999, the City of T or C recorded a QCD vacated the alley located on Block 5 and Barton Street, which ran between Blocks 4 and 5. The skilled nursing home facility occupies buildings located on both Block 4 and on Block 5.
F	Warranty Deed (101/3653)	On or about March 12, 2004, Edwin E. Martin Medical Associates, Inc. recorded a WD conveying Block 4 to Sierra Health Care, Inc, which included title to the alley "Subject to approval of vacation by City of T or C."
G	Plat (1/4080)	On or about December 30, 2004, a Boundary Survey Plat was recorded for Block 4, again showing the anticipated vacation of the Alley.

Filed 5/23/51
 Plat # 35-A

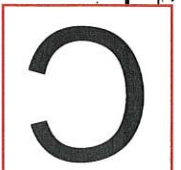
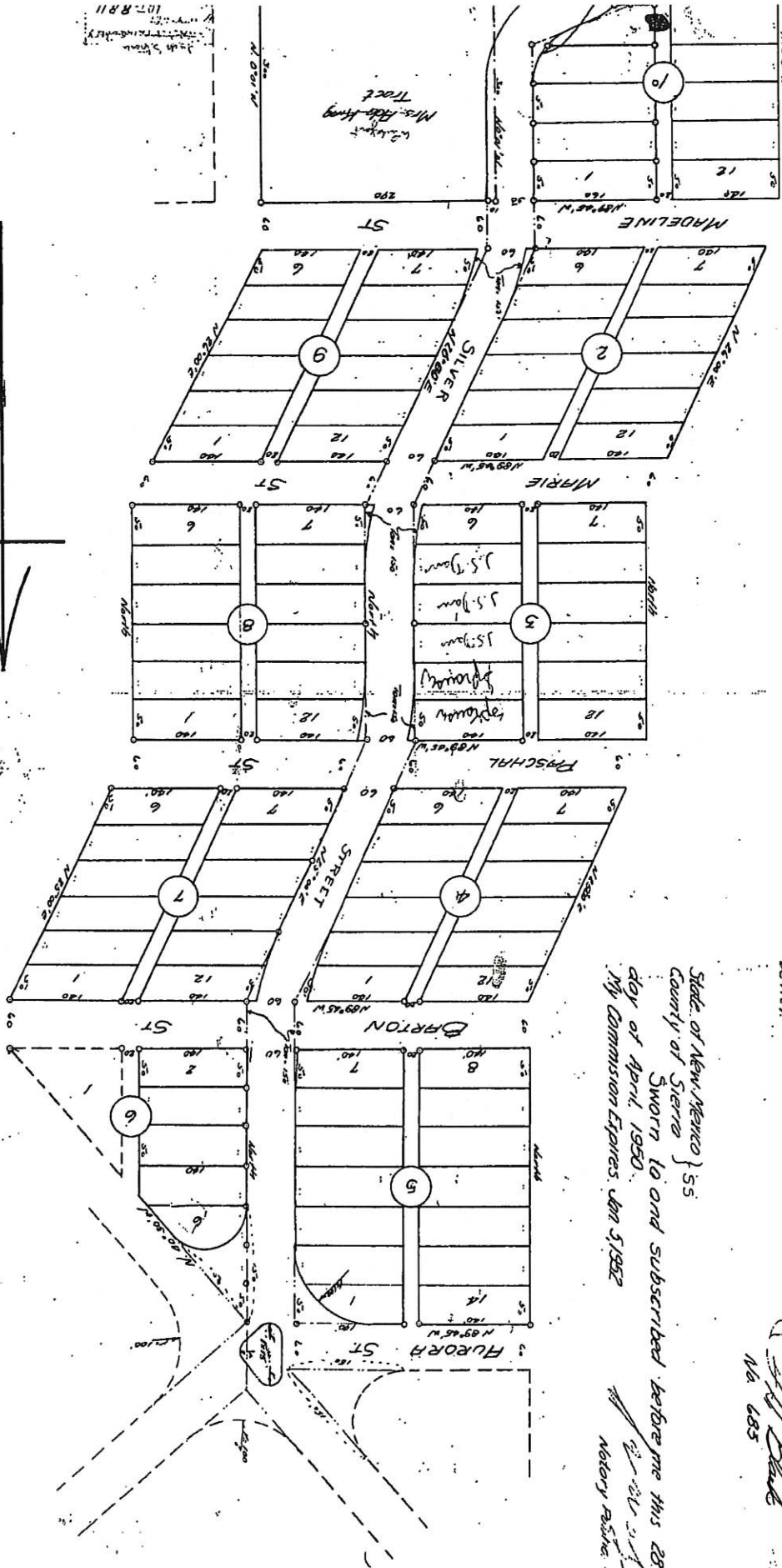
CERTIFICATE

I, F.H. Black, do hereby certify that I am the land surveyor who prepared this plat from field notes of surveys made by me, and that the dimensions and bearings shown hereon are true and correct to the best of my knowledge and belief.

D. F.H. Black
 No. 685

State of New Mexico } ss
 County of Sierra
 Sworn to and subscribed before me this 28th
 day of April, 1950.
 My Commission Expires Jan 3, 1952

Notary Public



NMLT 66211

SIERRA COUNTY
SHELLY TRUJILLO, COUNTY CLERK
202300454
Book 140 Page 772
1 of 3
03/01/2023 04:19:03 PM
BY TERESA

SPECIAL WARRANTY DEED

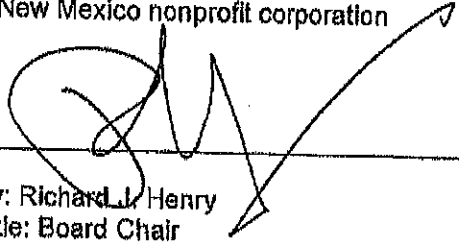
Sierra Health Care, Inc., a New Mexico nonprofit corporation, grants to 1300 N Silver Street NM LLC, a Delaware limited liability company, and 1400 N Silver Street NM LLC, a Delaware limited liability company, both having an address at c/o Vista Pacific 4525 Wilshire Blvd., Ste 210 Los Angeles, CA 90010, the following described real estate located in Sierra County, New Mexico, more particularly described on Exhibit "A" attached hereto.

Subject to patents, easements, reservations, restrictions and covenants of record and taxes for the year 2023 and thereafter.

With Special Warranty Covenants.

Dated: Feb 24, 2023

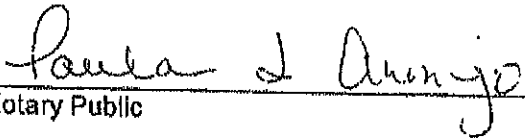
Sierra Health Care, Inc.,
a New Mexico nonprofit corporation


By: Richard J. Henry
Title: Board Chair

STATE OF NEW MEXICO

COUNTY OF

This instrument was acknowledged before me on
Feb 24, 2023, by Richard J. Henry


Notary Public

My commission expires:

STATE OF NEW MEXICO
NOTARY PUBLIC
PAULA J. ARMIJO
COMMISSION # 1080146
COMMISSION EXPIRES 03/13/2024

Law Office of Joshua R. Ashbaugh

411 E. Third Avenue, Suite 5
Truth or Consequences, NM 87901
jra@ashbaughco.com

Phone: 914-610-0932

Fax: 575-894-6578

March 4, 2026

1400 N Silver Street NM, LLC
1300 N Silver Street NM, LLC
c/o Vista Pacific
4525 Wilshire Blvd, Suite 210
Los Angeles, CA 90010

RE: Vacation of Alley

Dear Sir or Madam:

Greetings. This letter will confirm the scope and terms of my engagement.

I have agreed to act on behalf of 1300 N Silver Street NM, LLC, and 1400 N Silver Street NM, LLC, each a Delaware limited liability company, (the "Company").

I will undertake the following work on behalf of the Company:

1. Attempt to obtain a vacation from the City of Truth or Consequences, New Mexico (the "City") for the alley running through Block 4, Smith Terrace Subdivision, Truth or Consequences, New Mexico;
2. Prepare and record any documents associated with the aforementioned; and
3. Attend and represent the Company at any meetings of the Planning and Zoning Commission and/or the City Commission;

You agree to pay \$180 plus New Mexico gross receipts tax (\$195.08 total) per hour for my services. I will use my best efforts to round to the nearest minute, but in no event will rounding be more than 1/10 of an hour (i.e. 6 minutes).

You further agree to pay for all costs whatsoever associated with this matter. I am willing to cover the costs and be reimbursed by you.

You will appreciate I can make no guarantee of a successful conclusion in this matter.

I am required to disclose to you that I do not carry malpractice insurance.

Law Office of Joshua R. Ashbaugh

411 E. Third Avenue, Suite 5
Truth or Consequences, NM 87901
jra@ashbaughco.com

Phone: 914-610-0932

Fax: 575-894-6578

You hereby direct and authorize me to perform the aforementioned tasks and appoint me as a representative of the Company to act on behalf thereof for the matters expressly outlined in this letter and matters reasonably related to the same.

You acknowledge and affirm that you have authority to bind the Company to the matters contained in this letter.

You acknowledge that a person authorized to legally bind the Company may be required to execute instruments relating to the scope of this letter and hereby agree to execute such documents upon presentation and request.

If this letter fairly states our agreement, please so indicate by signing and returning it or a copy of it to me. You may return the fully executed letter via electronic mail to jra@ashbaughco.com.

Sincerely,



Joshua R. Ashbaugh
March 4, 2026

Accepted:
1300 N Silver Street NM, LLC
1400 N Silver Street NM, LLC



By: Elizabeth Hagins
Its Authorized Signatory

Date: 06/04/2026

EXHIBIT "A"

A certain tract of land situate within Section 34, Township 13 South, Range 4 West, NMPM, City of Truth or Consequences, Sierra County, New Mexico and being more particularly described as follows:

All of Lots 1-12, inclusive, Block 4 Smith Terrace Subdivision, City of Truth or Consequences, New Mexico, as shown on the plat filed in the Office of the County Clerk, Sierra County, New Mexico, on May 23, 1951.

ALSO: That alley situate within said Block 4, lying between Lots 1-6 on the east 7-12 on the west. Subject to approval of vacation by City of T or C.

AND

A tract of land situate in the SE 1/4 SE 1/4 SW 1/4 of Section 27 and the NE 1/4 NE 1/4 NW 1/4 of Section 34, Township 13 South, Range 4 West, NMPM, being Block 5, and Barton Street (vacated), of the Smith Terrace Addition Subdivision, in Truth or Consequences, Sierra County, New Mexico and more particularly described as follows, to-wit:

Beginning at Corner 1, the NW Corner, said Corner being the NW Corner of Block 5, of the Smith Terrace Addition, whence the SW Corner of Section 27 bears S. 80° 01' W, a distance of 2369.6 feet;

Thence, Due South, a distance of 410.00 feet to Corner 2, said Corner being the NW Corner of Block 4;

Thence, S. 89° 45' 00" E, a distance of 300.00 feet to Corner 3, said Corner being the NE Corner of Block 4;

Thence, Due North, a distance of 410.00 feet to Corner 4, said Corner being the NE Corner of Block 5;

Thence, N. 89° 45' 00" W, a distance of 300.00 feet to Corner 1, the place of beginning.

AND

All that portion of Barton Street between Blocks 4 and 5, Smith Terrace Addition to the City of Truth or Consequences, Sierra County, New Mexico, and all of the alley and dedicated rights of way lying within the following described tract of land:

A tract of land in the SE 1/4 SE 1/4 SE 1/4 of Section 27 and the NE 1/4 NE 1/4 NW 1/4 of Section 34, Township 13 South, Range 4 West, NMPM, being Block 5 and Barton Street (vacated), of the Smith Terrace Addition Subdivision, in Truth or Consequences, Sierra County, New Mexico, and more particularly described as follows, to-wit:

Beginning at Corner 1, the NW Corner, said Corner being the NW Corner of Block 5 of the Smith Terrace Addition, whence the SW Corner of Section 27 bears S. 80° 01' W, a distance of 23389.6 feet;

Thence, DUE SOUTH, a distance of 410.0 feet to Corner 2, said Corner being the NW Corner of Block 4;

Thence, S. 89° 45' E, a distance of 300.0 feet to Corner 3, the SE Corner, said Corner being the NE Corner of Block 4;

Thence, DUE NORTH, a distance of 410.0 feet to Corner 4, the NE Corner, said Corner being the NE Corner of Block 5;

Thence, N. 89° 45' W, a distance of 300.0 feet to Corner 1, the place of beginning.



SIERRA COUNTY
SHELLY TRUJILLO, COUNTY CLERK
202300454
Book 140 Page 774
3 of 3
03/01/2023 04:19:03 PM
BY TERESA



VACATION OF ALLEY

WHEREAS, there is on file a map of the Townsite of Truth or Consequences, Sierra County, New Mexico, setting forth the alleys of said townsite;

WHEREAS, the City Commission is advised that a certain alley serves no public benefit, the same being described as follows:

That certain alley between Lots 1 through 5 of Block 6, Lots 1 through 12 of Block 7, Lots 1 through 12 of Block 8, and Lots 1 through 12 of Block 9, of Smith Terrace, a subdivision in the City of Truth or Consequences, New Mexico.

WHEREAS, the Commission is advised that FRANK B. LUCHINI and CORINA M. LUCHINI, husband and wife, being the owners of Lots 1 through 5 of Block 6, Smith Terrace shall receive the all of said alley which is contiguous to the eastern and western borders of Lots 1 through 5; that FRANK B. LUCHINI and CORINA M. LUCHINI, husband and wife, as the owners of Lots 1 through 6 and Lots 8 through 12 of Block 7 shall receive the east ½ portion of said alley which is contiguous to the western border of Lots 1 through 6 and shall receive the west ½ portion of said alley which is contiguous to the eastern border of Lots 8 through 12; that FRANK B. LUCHINI and CORINA M. LUCHINI, husband and wife, as the owners of Lots 1 through 12 of Block 9 shall receive all of said alley which is contiguous to Lots 1 through 12; that JOHN V. MONROE and MILDRED F.

MONROE, husband and wife, as the owners of Lot 7 of Block 7 shall receive the west $\frac{1}{2}$ portion of said alley which is contiguous to the eastern border of Lot 7; that FRANK B. LUCHINI and CORINA M. LUCHINI, husband and wife, as owners of Lots 1 through 12 of Block 8 shall receive all of said alley which is contiguous to the eastern and western borders of Lots 1 through 12; that the same is not useful for street or utility purposes, the vacation will not adversely affect the interest of persons on contiguous land or persons within the City, and with the consent of said owners ought to be vacated under the condition that grantees give to the City of Truth or Consequences the continuing right to access for utility purposes including water and sewer, and

WHEREAS, no utilities will be lost to the City of Truth or Consequences or the public by vacating the same.

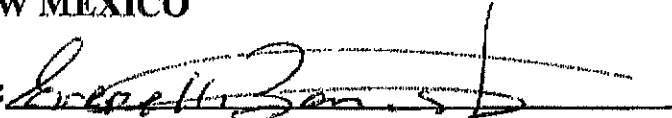
NOW, THEREFORE, the City Commission of Truth or Consequences, New Mexico, does hereby vacate the above-described alley in Truth or Consequences, Sierra County, New Mexico; and does transfer and quitclaim the public interest and right in and to the premises so vacated to FRANK B. LUCHINI and CORINA M. LUCHINI, husband and wife, and JOHN V. MONROE and MILDRED F. MONROE, husband and wife, of the specific portions described above; the County Clerk is directed to mark the original plat with the words "vacated" and refer on the plat to the

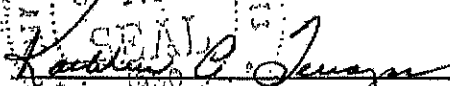
volume and page on which the statement of vacation is recorded. This transfer is done under the condition that the grantees grant to the City the continuing right of access to the conveyed land for utility purposes including water and sewer.

In the event the grantees fail to fully comply with any of the above restrictions, the property shall immediately revert back to the City of Truth or Consequences.

WITNESS its hand and seal this 22nd day of July, 1998.

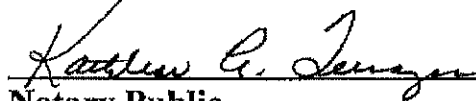
CITY OF TRUTH OR CONSEQUENCES,
NEW MEXICO

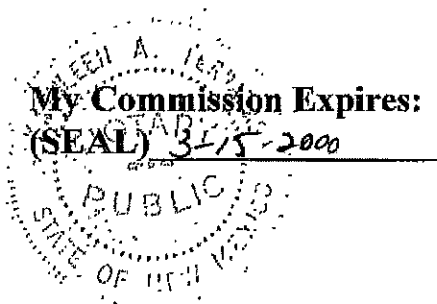
BY: 
EVERETT BANISTER -Mayor


ATTEST:

KATHLEEN TERRAZAS, City Clerk

STATE OF NEW MEXICO |
:SS.
COUNTY OF SIERRA |

The foregoing instrument was acknowledged before me this 22nd day of July, 1998, by EVERETT BANISTER, Mayor of the City of Truth or Consequences, New Mexico, on behalf of the City Commission.


Notary Public

My Commission Expires:
(SEAL) 3-15-2000


William Enlow
P.O. Box 272
Jacc, NM 87701

Miscellaneous Book 61
Page 118

050216

STATE OF NEW MEXICO } ss
County of Sierra

I HEREBY CERTIFY that this
Instrument was filed for record on the
17th day of December A.D., 19 98
at 12:14 o'clock P. M. and duly
recorded in book 61 page 115-118
of Miscellaneous records.
Fees \$ 13.00
Lupe A. Carrero
County Clerk, Sierra County, N. Mex.
By Alvin H. Woolf
Deputy

E

QUITCLAIM DEED

WARRANTY DEED BOOK 72
PAGE 486

F

City of Truth or Consequences, New Mexico, a public body corporate and politic duly organized and existing as a municipal corporation under the laws and constitution of the State of New Mexico, for consideration paid, grant to Sierra Health Care, Inc. whose address is 1400 N. Silver St., Truth or Consequences, New Mexico 87901, the following described real estate in Sierra County, New Mexico:

A tract of land situate in the SE1/4SE1/4SW1/4 of Section 27 and the NE1/4NE1/4NW1/4 of Section 34, Township 13 South, Range 4 West, NMPM, being Block 5, and Barton Street <vacated>, of the Smith Terrace Addition Subdivision, in Truth or Consequences, Sierra County, New Mexico and more particularly described as follows, to-wit: Beginning at Corner 1, the NW Corner, said Corner being the NW Corner of Block 5 of the Smith Terrace Addition, whence the SW Corner of Section 27 bears S. 80 01' W, a distance of 2369.6 feet;

Thence, Due South, a distance of 410.00 feet to Corner 2, said Corner being the NW Corner of Block 4;

Thence, S. 89 45'00" E, a distance of 300.00 feet to Corner 3, said Corner being the NE Corner of Block 4;

Thence, Due North, a distance of 410.00 feet to Corner 4, said Corner being the NE Corner of Block 5;

Thence, N. 89 45'00" W, a distance of 300.00 feet to Corner 1, the place of beginning.

AND

All that portion of Barton Street between Blocks 4 and 5, Smith Terrace Addition to the City of Truth or Consequences, Sierra County, New Mexico, and all of the alley and dedicated rights of way lying within the following described tract of land:

A tract of land in the SE1/4SE1/4SW1/4 of Section 27 and the NE1/4NE1/4NW1/4 of Section 34, Township 13 South, Range 4 West, N.M.P.M., being Block 5 and Barton St. (vacated), of the Smith Terrace Addition Subdivision, in Truth or Consequences, Sierra County, New Mexico, and more particularly described as follows, to-wit: beginning at Corner 1, the NW Corner, said corner being the NW Corner of Block 5 of the Smith Terrace Addition, whence the SW Corner of Section 27 bears S. 80 01' W, a distance of 2369.6 feet;

thence, DUE SOUTH, a distance of 410.0 feet to Corner 2, said corner being the NW Corner of Block 4;

thence, S. 89 45' E, a distance of 300.0 feet to Corner 3, the SE Corner, said corner being the NE Corner of Block 4;

thence, DUE NORTH, a distance of 410.0 feet to Corner 4, the NE Corner, said corner being the NE Corner of Block 5;

thence, N. 89 45' W, a distance of 300.0 feet to Corner 1, the place of beginning.

Witness my hand and seal — this 26th day of May, 19 99.

City of Truth or Consequences

Eugene B. Sanister (Seal)

(Seal)

ACKNOWLEDGEMENT FOR CORPORATION

STATE OF New Mexico)

COUNTY OF Sierra) ss.

This instrument was acknowledged before me on May
26 19 99.

by Eugene B. Sanister
(Name of Officer)

Mayor of City of Truth or Consequences
(Title of Officer) (Corporation Acknowledgment)

a municipal corporation, on behalf of said corporation.
(State of Incorporation)

My commission expires: 3-15-2000

(Seal) Kathleen G. Sanister
Notary Public

FOR RECORDER'S USE ONLY

STATE OF NEW MEXICO } ss
County of Sierra

I HEREBY CERTIFY that this
instrument was filed for record on the
27th day of May A.D., 19 99
at 10:24 o'clock A. M. and duly
recorded in book 72 page 486
of Warranty Deed records.

Fees \$ 8.00

Rosa A. Carrero

County Clerk, Sierra County, N. Mex.

By Conna Green

Deputy



Book 101
Page 3653

WARRANTY DEED

Edwin E. Martin Medical Associates, Inc., for consideration paid, grant to Sierra Health Care Center whose address is 1400 Silver St., T or C, NM 87901 the following described real estate in Sierra County, New Mexico:

A certain tract of land situate within Section 34, Township 13 South, Range 4 West, NMPM, City of Truth or Consequences, Sierra County, New Mexico and being more particularly described as follows:

All of Lots 1-12, inclusive, Block 4, Smith Terrace Subdivision, City of Truth or Consequences, New Mexico, as shown on the plat filed in the Office of the County Clerk, Sierra County, New Mexico, on May 23, 1951.

ALSO: That alley situate within said Block 4, lying between Lots 1-6 on the east and 7-12 on the west. Subject to approval of vacation by City of T or C.

SUBJECT TO: Restrictions, Reservations and Easements of record.

with warranty covenants.

Witness _____ hand(s) and seal this 12th day of March 2004

Edwin E. Martin Medical Associates, Inc.

Robert E. Martin
By President

(Seal)

(Seal)

ACKNOWLEDGMENT FOR NATURAL PERSONS

STATE OF

COUNTY OF

This instrument was acknowledged before me on _____, by Edwin E. Martin Medical Associates, Inc..

My Commission Expires: _____

Notary Public

ACKNOWLEDGMENT FOR CORPORATION

STATE OF New Mexico

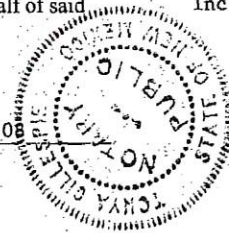
COUNTY OF Sierra

This Instrument was Acknowledged before me on
03/12/04, by Robert E. Martin
President of Edwin E. Martin Medical Associates
_____, corporation, on behalf of said Inc.

corporation.

Tonya Gillespie
Notary Public
My Commission Expires: 02/25/08

STATE OF NEW MEXICO } SS County of Sierra
I HEREBY CERTIFY that this instrument was filed for record on the <u>18th</u> day of <u>Oct</u> A.D. 20 <u>04</u> at <u>3:29</u> o'clock <u>P</u> .M. and duly recorded in book <u>101</u> page <u>3653</u> Fee \$ <u>9.00</u> <u>Janice A. Spangham</u> County Clerk, Sierra County, N.M. By <u>Frances Duffington</u> Deputy



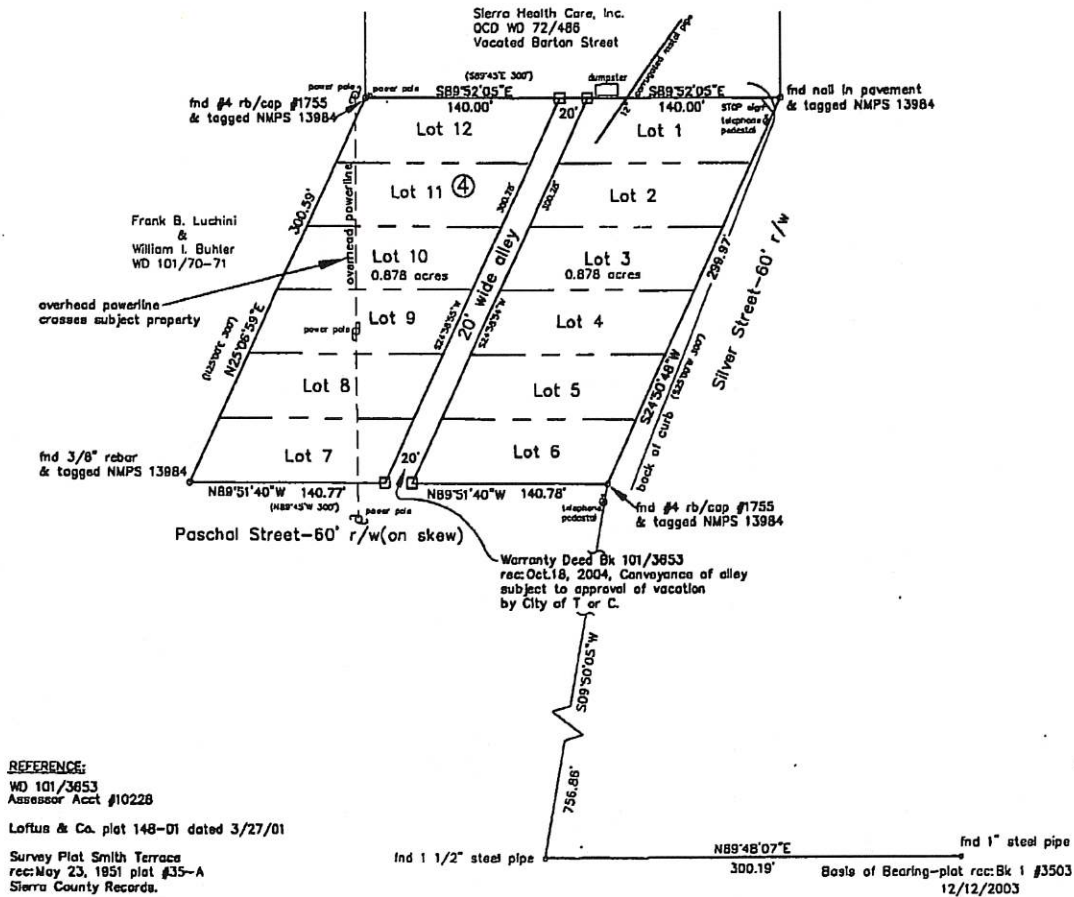
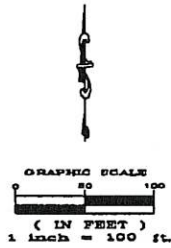
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Plat of Survey Book

Page 14080

BOUNDARY SURVEY PLAT

Lots 1 thru 12 (inclusive), Block 4, Smith Terrace Subdivision,
Truth or Consequences, Sierra County, New Mexico



SURVEYORS CERTIFICATE

I, Jeff L. Richter, New Mexico Licensed Surveyor No. 13984, do hereby certify that this Boundary Survey, NMLS 13984, was made on the ground upon which it is shown, and that I am responsible for this survey; that I am responsible for this survey; that this survey meets the Minimum Standards for Surveying in New Mexico; and that it is true and correct to the best of my knowledge and belief. I further certify that this survey is not a subdivision or subdivision as defined in the New Mexico Subdivision Act and that this instrument is a Boundary Survey Plat of an existing tract or tracts.

Jeff L. Richter Dec. 29, 2004
Jeff L. Richter N.M.R.P.S. #13984 Date

STATE OF NEW MEXICO } SS
County of Sierra

I HEREBY CERTIFY that this instrument was filed for record on the 30th day of Dec. A.D., 2004 at 1:05 o'clock P.M. and duly recorded in book 1 page 14080 of the County Clerk, Sierra County, N.Mex. By Denise Greer Deputy

RICHTER LAND SURVEYING
614 BROADWAY, P.O. BOX 1648
TRUTH OR CONSEQUENCES, NM 87901
505 894-2348

DATE: 12/29/2004 04086
INDEXING INFORMATION FOR COUNTY CLERK
Sierra Health Care, Inc.
Sec 34, T13S, R4W
Smith Terrace Subdivision

Rolf Hechler
Mayor

Destiny Mitchell
Mayor Pro-Tem

Amanda Forrister
Commissioner



505 Sims St.
Truth or Consequences, New Mexico 87901
P: 575-894-6673
www.torcnm.gov

Ingo Hoepfner
Commissioner

Chaz M. Glines
Commissioner

Gary Whitehead
City Manager

NOTICE OF PUBLIC HEARING

NOTICE is hereby given that the City of Truth or Consequences Planning & Zoning Commission will hold a Public Hearing during their regular scheduled meeting on Monday, August 10, 2026, to receive input regarding the following:

Public Hearing/Discussion/Action: Consider an application requesting the vacation of a public alley pursuant to Section 15-18 of the Truth or Consequences Municipal Code.

Request:

The applicants have requested that the City vacate the public alley located within Block 4 of the Smith Terrace Subdivision, generally described as the alley running between Lots 1 through 6 and Lots 7 through 12, located at 1300 North Silver Street

The meeting will be held in the City Commission Chambers, 405 W. Third, Truth or Consequences, New Mexico starting at 4:00 p.m.

Should you have any questions regarding this Public Hearing, please contact Traci Alvarez at (575) 952-0565 or by email at talvarez@torcnm.org.

The agenda may be obtained on Friday, August 7, 2026 on the city website calendar at www.torcnm.org; by contacting the City Clerk's Office at 575-894-6673; or by email to: torcclerk@torcnm.gov.

/s/ Angela A. Torres, CMC, City Clerk

Publish on the following date:

- Sentinel– Thursday, July 23, 2026

Sec. 15-18. Vacation of plats.

- A. *Purpose of vacation of plat:* A vacation of plat occurs when part or all of a filed subdivision plat is eliminated.
- B. *Cause:* All of or any part of a final plat filed with the County Clerk may be vacated if:
1. The owners of record of the land proposed to be vacated sign an acknowledged statement declaring their wish that the plat or portion of a plat be vacated; or
 2. The City Commission finds that the plat's approval was obtained by misrepresentation or fraud and orders a statement of vacation to be prepared.
- C. *Processes of vacation:* Vacations of plat that result in the decrease in the number of lots by not more than one lot may be processed using the Alternate Summary Process.
- D. *Statement of vacation:*
1. The vacation of all or a portion of a final plat by the owners of land within a subdivision may be initiated by submittal to the City's Zoning Administrator of the statement of vacation bearing the acknowledged signatures of all owners of record of property within the subdivided land to be vacated.
 2. The vacation of all or a portion of a final plat by the owners of land within a subdivision may also be initiated by a vote of a majority of the City Commission.
 3. Statements of vacation shall be accompanied by a list of the names of all owners of record of property within and contiguous to the subdivided land to be vacated, and shall also be accompanied by acknowledged statements by the authorized representatives of all utility companies that have easements within the area proposed for vacation, which statements shall state the utilities' agreement to or opposition to such vacation insofar as it affects their rights to use dedicated easements in the subdivision.
- E. *Scheduling and notification:* Within 60 days of receiving a statement of vacation and the appropriate review fee, the City Commission shall approve or deny the vacation, subject to the following:
1. Action shall be taken in a public meeting;
 2. At least 15 days prior to the meeting, notice of public hearing shall have been transmitted by first class mail to all owners of private property contiguous to or within 300 feet of the land to be vacated, and to all utilities with easements within or adjacent to the land proposed for vacation.
- F. *Action:* In approving conditionally approving or denying a vacation, the City Commission shall determine if the vacation is in the best interests of the public well-being, and whether any person is adversely affected by the vacation.
- G. *Right to retain roadways and utility easements:* The City Commission may require that dedicated roads within the area proposed for vacation remain dedicated, and may require that the rights of any utility existing before the vacation not be affected by the vacation.
- H. *Filing:* The City Commission's decision shall be filed in the records of the County Clerk of Sierra County by the applicant who shall also pay all required fees. When a vacation is approved, The County Clerk shall mark the final plat with the words "vacated" and shall refer on the final plat to the volume and page on which the statement of vacation is recorded. When a plat is partially vacated, both the City Commission's decision and the plat showing the partial vacation shall be filed in the records of the County Clerk of Sierra County. The County Clerk shall mark the final plat with the words "partially vacated" and shall refer on the final plat to both the volume and page on which the statement of vacation is filed, and the volume and page of the plat showing the area vacated.

(Ord. No. 555, 5-23-06)

**CITY OF TRUTH OR CONSEQUENCES
PLANNING & ZONING COMMISSION
MINUTES
MONDAY, AUGUST 10, 2026**

REGULAR MEETING

Regular meeting of the Planning & Zoning Commission of the City of Truth or Consequences, New Mexico to be held in the City Commission Chambers, 405 W. Third, Truth or Consequences, New Mexico, on Monday, August 10, 2026 at 4:00 p.m.

INTRODUCTION:

ROLL CALL:

Chris Sisney, Chairman
Susan Buhler, Vice Chairman Absent
Esther Luchini, Member
Lisa Kent, Member Absent
Molly Hammer, Member

ALSO PRESENT:

Traci Alvarez, Assistant City Manager
Katy Martinez, Deputy Clerk

1. APPROVAL OF AGENDA:

Member Luchini made a motion to approve the agenda. Member Hammer seconded the motion. Motion carried unanimously.

2. APPROVAL OF MINUTES:

a) July 13, 2026.

Member Luchini made a motion to approve the minutes. Member Hammer seconded the motion. Motion carried unanimously.

3. COMMENTS FROM THE PUBLIC (3 Minute Rule Applies)

There were no comments from the public.

Deputy Clerk Martinez swore in the participants for the public hearings.

4. PUBLIC HEARINGS (5 Minute Rule Applies)

**a) Public Hearing/Discussion/Action: Conditional Use Permit and Variances
request for parcel # 2878573667187**

Assistant City Manager Alvarez: The applicant is requesting approval to establish a secure towing and vehicle impound facility at right now we have it addressed as 1903 South Broadway B. That address is subject to change just simply because we are in the process of going through a street renaming in that area. The property and location will remain the same. That is zoned C1 for general commercial. The proposed development includes a fenced and lighted impound yard, site surfacing improvements and approximately a 550 square foot office building for customer service and vehicle retrieval. The applicant currently provides towing for and impound services in the area but transports the impounded vehicles to their secured facility in Anthony New Mexico. They are not doing private towing. They are towing only for our law enforcement agencies at this time. The proposed facility would allow those vehicles to remain locally because law enforcement towing can occur any time tow trucks may enter or leave the property 24 hours a day. The applicant is requesting the conditional use permit for storage of wrecked or dismantled vehicles associated with the wrecker service along with 3 requested variances. They would also like to allow storage of privately owned or impounded vehicles while legal disposition or required processing is completed. They would like to allow for more than 5 vehicles to be stored outdoors and allow an approximately 550 square foot office building instead of the 800 square foot office minimum in our development standards. Your packet also includes letters of support for the project including the support from all the law enforcement, public safety entities and from an adjacent commercial property owner as well.

Chairman Sisney: Can we ask for a limit on the maximum time a vehicle can be on the lot?

Assistant City Manager Alvarez: Potentially and I think the applicant would be happy to speak on that as it is not his full-time salvage yard and that there is a time frame that he may have to have them on there by if I understand correctly for law enforcement. But if he looks like something that is going to have to go to auction or go through a longer process I believe his intent is then to haul them to his main yard in Anthony.

Chairman Sisney: I have another concern. I would like to mention the lighting not be obtrusive to the neighbors.

Member Hammer: I have a comment on that. Are we even authorized to put in conditions like that. Its either a yes or a no for us we don't actually.

Assistant City Manager Alvarez: I think that you can make some recommendations and when it goes up City Commission they can review those with the attorney and decide which ones would be allowed. But all lighting has to go by the night sky. As far as what you might find offensive versus somebody else that based on an opinion. You guys can make recommendations of conditions of approval and then our City Commission can review those and they can either agree with it or not agree with it and potentially send it back to you guys for another recommendation or they can make a decision at that time.

Member Hammer: So I am clear we have a conditional use permit which is renewal able after 1 year each year correct.

Assistant City Manager Alvarez: Could you repeat that?

Member Hammer: There are 4 application request? There is a conditional use permit and there is 3 variances?

Assistant City Manager Alvarez: Yes ma'am.

Member Hammer: The conditional use permit from my understanding it has to be renewed and approved every year. It has to come before this board is that correct?

Assistant City Manager Alvarez: I would have to review the code off the top of my head I can't remember it. I knew one of them either special use or conditional use I just can't remember.

Member Hammer: I think special use has an expiration date and conditional use is a year. Variance is permanent for that property.

Assistant City Manager Alvarez: Like I said I'm not going to confirm any of that without reviewing the code and I do apologize we are shorthanded in my office so I didn't bring my codes with me.

Member Hammer: I didn't bring my either. I just want to understand what we are recommending here. Because there has been some confusion. I have a question about the building size and the construction of 550 square feet from the normal minimum required for

the zone of 800 square feet. Are there other buildings in this commercial area that are outside of the normal that have variances?

Assistant City Manager Alvarez: I can't answer because I didn't look at the outside area. The properties that are right adjacent to the undeveloped. Our City Manager has a property up there that was used for towing services it has a very small building on it. Size-wise I couldn't tell you if it's 800 or less. The other property is still in process of submitting their documents for the building.

Member Hammer: I don't have an issue with that as long as the setbacks are minded. The size doesn't bother me because we are going to smaller size like tiny homes and so forth all though that hasn't been confirmed in our ordinance yet but I don't have a problem with that as long as the setbacks are being minded.

Assistant City Manager Alvarez: They have to meet the setbacks regardless yes.

Deputy Clerk Martinez: A conditional use permit is reviewed annually.

Member Luchini: These vehicles are not only impounded vehicles that are temporary housed there that may be claimed later?

Assistant City Manager Alvarez: What I would really like is for you guys to be able to ask the applicant these questions because he could better answer them.

Humberto Valenzuela, Applicant: The vehicles are currently not there right now. Is that what you were asking?

Member Luchini: Well let me start with this. I went to look at the property, and what I saw – difficult to find a posted address – there is a storage yard there now, is that it or is it just –

Humberto Valenzuela, Applicant: No, it's next to that property.

Member Luchini: To the East?

Humberto Valenzuela Applicant: To the left.

Member Luchini: So, it's close to that drainage?

Assistant City Manager Alvarez: The property that you're speaking of that has the vehicles currently on it, that's the property you guys approved at a previous meeting, it was a Conditional Use Permit for Kari Fresquez, for theirs. That came through you guys and you approved it.

Member Hammer: Okay.

Member Luchini: So these are not just impounded vehicles, but possibly long-term storage wreckage yard? Dismantled vehicles and parts, and accessory use? So if I needed a part for my '57 Chevy?

Humberto Valenzuela, Applicant: No, we wouldn't sell any parts there, it's strictly storage and it will be there for about 90-120 days while we process the paperwork. If the owners come and retrieve their vehicles, whatever doesn't get retrieved and we end up getting all the paperwork, we'll end up transporting them back down to Anthony to sell at auction.

Assistant City Manager Alvarez: I believe what you're referencing is the way it's worded in our code. So that is word-for-word out of our code.

Member Luchini: Okay.

Assistant City Manager Alvarez: If I could request the applicant, just to briefly explain what your business is, like you came to me to explain.

Humberto Valenzuela, Applicant: We currently are doing impounds for the City, Sheriffs, and state police, but we've been picking them up and taking them directly to Anthony, and people have to drive over there to pick up their vehicles. We're just trying to save them time and money, because we charge by the mile. Keeping it here would allow there to be a location where they could retrieve their vehicles, we would have a place here to sort, and we would be able to respond quicker if I have somebody here permanently to respond to the police calls.

Member Hammer: I see here you're not only doing impounding for the city or the county, but you are also providing a service to others? Like if I was broken down, I could call you, and you could tow my car?

Humberto Valenzuela, Applicant: At the moment, we're not. But maybe if we end up having somebody here permanently, we probably will serve. But for the impound yard, it's strictly for impounded vehicles. No private property impounds or any of that.

Member Hammer: Okay.

Assistant City Manager Alvarez: They're on a rotation service. We have 2 other local tow companies, sometimes they're not available as well. Our law enforcement rotates on a weekly basis, I believe, is that correct?

Humberto Valenzuela, Applicant: Yes, ma'am.

Assistant City Manager Alvarez: So when they're called or they're on their weekly rotation, this would give them a local base. But like I said, if a vehicle was impounded and the person wasn't going to be getting the vehicle back, what's your plan?

Humberto Valenzuela, Applicant: We will submit paperwork, end up getting the title, and then transfer the vehicle back down to Anthony to sell over there.

Member Hammer: To be auctioned?

Humberto Valenzuela, Applicant: Yes, to be auctioned.

Member Hammer: How big of a rig can you tow? Can you tow RV's?

Humberto Valenzuela, Applicant: Yes, we can do RV's, semi's --

Member Hammer: Larger vehicles? I know that was a limitation recently, they were trying to tow an abandoned RV.

Humberto Valenzuela, Applicant: Yeah, we do RV's. For the Police Department, we've done RV's, they're not far from where the yard is, and we picked it up for them because they couldn't find anybody. We've done a couple 18-wheelers that rolled over between the '69 and '71, a burnt unit that was on the '78, we picked that one up as well.

Member Hammer: But you're taking that to Anthony?

Humberto Valenzuela, Applicant: Yeah, we're taking those to Anthony. For an example, with the one that burned down here, we had to take it to our yard and prepare it for long-term transport because it was unstable and it was still filled with produce, etc. But yes, we took it back down to Anthony.

Chairman Sisney: What would be a condition where a car would stay over 120 days, and is there any chance it's just going to sit on that lot for a year?

Humberto Valenzuela, Applicant: No, the only way is if we don't get the title and paperwork for it. Sometimes we've had trouble when they're stolen vehicles and all the VIN numbers are scratched and nobody can get us a VIN number, we end up just crushing those vehicles. But they stay longer than 120 days. But anything for this yard, if it stays 120 days, we will transport it to our other yard and take care of it over there.

Member Hammer: I see a lot of support here, and letters. Is there any opposition that you know of?

Assistant City Manager Alvarez: I think the Chairman has the list of anyone who wants to speak.

Chairman Sisney: There is 1.

Assistant City Manager Alvarez: You'll need to open the public hearing and ask for the proponents and opponents.

Member Hammer: I'm finished with questions if you guys are. Thank you.

Humberto Valenzuela Applicant: Thank you.

Chairman Sisney opened the public hearing.

Proponents:

No Proponents.

Opponents:

Ken Oliver

Ken Oliver, Opponent: I'm right across from them on the arroyo, and already, I've had so many issues over there. The constant thing of trash, they have monstrous – I even have pictures of it – but really big piles of trash on their side, it's in the arroyo, it's in my yard, they went down there with a bobcat into the arroyo for some reason, they were removing vegetation. That made it worse, more trash in there, they've thrown tires in the arroyo, there are tires now in

the arroyo, and all kinds of trash everywhere, piles of trash. They run big rigs all night long, just sitting there idling while they're talking, I've had them from 9:00pm until 1:30am until I go out there and yell at them. I've had confrontations with them a few times because of it, I tell them, "Hey it's 10:00pm it's supposed to be quiet." After that, but it didn't matter. They say, "Oh well we're leaving." Well it's 11:30pm now, and then it's 1:30am, it's always later, later, later. Big rigs would run, and the light's flashing for hours and hours and hours through the night. My bedroom is right there, my home is right across the arroyo from them. Sometimes there are 2 diesels idling at the same time. I know everybody is chasing the same dollar, we're a small town, and they have to make their bucks, and make their money somehow, I get it. I understand that, and I'm willing to be lenient about that, but enough is enough when they're blatant that they have no consideration whatsoever, and they show that they just don't care. The way the property is right now, with all the piles of trash and everything, I don't see it getting any better, when they only have a few cars of their own there, and this is the kind of mess that's there already, what's going to happen when they have 20 cars there or 30 cars there? This is just a few cars and they have mountains of trash, it doesn't make any sense. That's a big concern for me, I'm constantly picking up stuff in my yard on my property that came from their property. The arroyo's always got trash or something from their property in it as well. Like I said, if they're just starting and there are only a few cars, what's going to happen when there's 20-30 cars?

Assistant City Manager Alvarez: I just want to show the speaker the map. Can you show me where you're located at?

Ken Oliver, Opponent: I'd be [just to the left of the blue box on page 11 of the packet]

Assistant City Manager Alvarez: So currently, there's nothing on this property [within the blue box] and the one to the right of that has quite a few vehicles listed on it.

Ken Oliver, Opponent: There are a lot of vehicles [within the blue box] that have been there for the longest time, and I didn't know if they had approval on that either.

Assistant City Manager Alvarez: [The owners of the adjacent property] did go through, I know that.

Ken Oliver, Opponent: Well they came to me and made me get rid of my vehicles that were on my property because they weren't registered, I was still fixing them. But they were neat and they weren't an eyesore or in the way, nobody complained, but Code Enforcement showed up there because of a death in the neighborhood, they didn't have anybody else to respond so he

was there, he had time on his hands, so he wrote me up and was fining me \$500 for each month that the vehicles were there. So I had to literally give the vehicles away because I couldn't afford the storage, because they wanted a minimum of \$480 a month to store them, and I couldn't do that. So I was forced to get rid of my vehicles, and meanwhile, when I look out my kitchen window, I'm looking at mountains of trash, I'm looking at vehicles everywhere. Like I said, the main thing for me is the cleanup, there is trash everywhere, even in the arroyo. There is no reason to have bad tires and stuff thrown in the arroyo, it wasn't there before. Also, like I said, the noise factor, and the blatant lack of care. When I would go out there and confront him at 10:30pm and they just leave trucks running and lights flashing until 1:30am.

Member Luchini: What kind of trucks?

Ken Oliver, Opponent: Big rigs.

Member Luchini: Like a tow truck?

Ken Oliver, Opponent: Yeah, big tow trucks.

Member Hammer: I have a couple follow-up questions. They might be more for Ms. Alvarez or the company. Thank you for your input. Where is the access point on this map, in and out?

Assistant City Manager Alvarez: The property owner has an access easement in this lower property [on the bottom right portion of the map on page 11 of the packet].

Member Hammer: So they come in here?

Assistant City Manager Alvarez: Yep, they come in right there.

Member Hammer: Not through [the top area]?

Assistant City Manager Alvarez: I would like to request for the applicant to be able to come up and speak regarding anything they may or may not be doing over at the property, or anything as far as towing vehicles.

Member Luchini: I have a question. I was able to peek through into your area here, and is it cleaned up now?

Humberto Valenzuela, Applicant: We've never thrown any trash in the arroyo or any of that.

Member Luchini: Is it scraped or bladed to be able to park anything on it, or does it still need to be prepared?

Humberto Valenzuela, Applicant: It still needs to be prepared. There is an elevated area I would like to prepare, to make it level, so there would be a little bit of scraping.

Member Luchini: But you're not storing anything, are you?

Humberto Valenzuela, Applicant: No, I have nothing there. There is a pile of dirt there, and it's going to get removed.

Member Luchini: To the arroyo, it won't intrude into the arroyo or anything, the cleanup?

Humberto Valenzuela, Applicant: No.

Member Luchini: And this will be fenced-off, right? With a solid fence?

Humberto Valenzuela, Applicant: Yes, ma'am.

Member Hammer: Even along the arroyo?

Humberto Valenzuela, Applicant: Yeah, along the arroyo, but not in the arroyo, even though the property's kind of in the arroyo, it would be on the elevated area, and we'll fence it off.

Member Hammer: And are you applying for a business license also?

Humberto Valenzuela, Applicant: We do have a business license already.

Member Hammer: Will you have a dumpster on-site?

Humberto Valenzuela, Applicant: We can.

Member Hammer: If you're towing, usually the car is locked, but there might be issues or a truck bed that has stuff in the back, and we have high winds here that can blow all over the place. I'm sure this arroyo is not the only place that has issues. In listening to your neighbor, I do want to address that obviously, we all want good neighbor and clean neighbors, with

regards to noise complaints or visual pollution. I would ask that you guys abide by that if you're going in and out, because that would bother me, too.

Humberto Valenzuela, Applicant: Yes. We don't keep our trucks running, diesel is so expensive, there is no reason to keep them running all night.

Assistant City Manager Alvarez: If I could just ask a couple questions, too, have you towed any vehicles at all over to this lot?

Humberto Valenzuela, Applicant: We have, temporarily, while we wait for another truck to get back. But they're there for like a day or 2, not even a day, a few hours. But lately, since I started talking to you, we have not kept any vehicles there, we have been taking them directly to Anthony.

Assistant City Manager Alvarez: And have you done any of the property clearing or grubbing or anything?

Humberto Valenzuela, Applicant: I did clear some bushes on one of the corners, and I wasn't aware that I needed a permit until I spoke with you about the bushes, I stopped everything else.

Member Hammer: And what are your hours of operation? Is it pretty much 24-hours?

Humberto Valenzuela, Applicant: The yard is from 8am-5pm, but the towing and bringing in the vehicles is 24/7. I don't know when we're going to get calls from the state, Sheriffs, or Police Department. We do have to respond to them, and trucks will be there. They would have to go in and drop off the vehicle.

Member Luchin: Which one of these adjacent was Mr. Oliver? The number parcel ending in 10206?

Assistant City Manager Alvarez: [Near the parcel ending in 0221]

Member Hammer: And this person here didn't respond?

Assistant City Manager Alvarez: No. All certified mail letters were sent and received.

Chairman Sisney: Mr. Valenzuela, normally if somebody in the neighborhood objects or opposes, I usually go with them. But I think this is a good service to the people here in town.

Although everything here is commercial, there are residents really close to you. I just hope you go out of your way to make them happy. Quiet hours are pretty much from 10:00pm to 7:00am. The lights, once you get in your yard, you probably don't need to have them on.

Humberto Valenzuela, Applicant: We don't have the lights on because we're only supposed to have our amber lights on while we're on-scene recovering the vehicle. When transporting back, our lights are off even until we get to the yard.

Chairman Sisney: I hope you can work out something with your neighbor.

Member Luchini: The fence adjacent to him, again, I ask that that's a solid, metal fence?

Humberto Valenzuela, Applicant: Yes.

Member Luchini: If you did have loose truck trash, it should stop it from blowing out.

Chairman Sisney: Were you putting up a steel fence, not a game fence?

Humberto Valenzuela, Applicant: I'll put a paneled fence, especially on that wall, and I'll try to get it all around.

Chairman Sisney: I think you want to do the right thing, and I think you did it. I hope that you can keep this man in consideration, also.

Humberto Valenzuela, Applicant: We will, I'll try to work it out for him. He did come at one time and yelled at us, and the truck was leaving when he yelled at us. That was one time, and that was when we were working that big accident on the '70 with a trailer.

Chairman Sisney: Hopefully you guys can work together and get along.

Member Luchini: I agree. I wouldn't want to live next to a wrecking yard or tow yard. That's why I feel that if you do – Isn't that required? A solid metal fence around –

Member Hammer: A privacy fence.

Assistant City Manager Alvarez: Yes.

Humberto Valenzuela, Applicant: We'll put up a metal fence around it. For the lighting, we'll try to keep it all in our yard. PRC does require us to have a lighted storage facility for the vehicles.

Chairman Sisney: Thank you. I also want to let you know that the people in this town really love the quiet and the darkness, and we're just trying to keep everybody happy.

Humberto Valenzuela, Applicant: Yes, sir.

Assistant City Manager Alvarez: Before the board considers a motion, please remember to close the public hearing.

Chairman Sisney: There were a couple of letters, do we read those?

Assistant City Manager Alvarez: Those are the letters of support. No, I don't think so. They're just part of the supporting documents.

Chairman Sisney closed the public hearing.

Member Luchini: The only other thing I'm a little leery about is the size of the building. Trying to stick to this 800 square foot minimum for a building.

Chairman Sisney: In one of the letters, it mentions that it's a prefab. So it's not like we can just ask him to change the specs.

Member Hammer: And is that for an office or a residence?

Humberto Valenzuela, Applicant: Office.

Member Hammer: Will someone be there 24/7?

Humberto Valenzuela, Applicant: No.

Member Hammer: Your accessible just by cell phone on the truck pretty much. That is your office most of the time? I support this with some pretty major conditions. Mr. Oliver had his opinion and I with member Luchini that the noise and the light pollution I would want to have that managed if I was going to approve this. Also with the understanding that this a yearly renewal the conditional use permit and if we meet again in a year and if there are complaints we need to consider those and there be a risk that you might not get approved again. If there

was a big opposition. I like that you are bringing the business to town I do think we need that. You have a lot of support here with your neighbors and law enforcement.

Member Luchini: I agree.

Chairman Sisney: I would like to hear a motion with the stipulations included.

Member Hammer made a motion to recommend approval to the City Commission for a Conditional Use Permit and Variance Requests for parcel # 2878573667187 with the conditions that applicant is respectful of their neighbors with regards to light pollutions and noise also with the understanding that we will renew the conditional use permit every year. Chairman Sisney seconded the motion. Roll call vote was taken. Motion carried unanimously.

b) Public Hearing/Discussion/Action: Summary Plat Amendment at 310 and 316 E Third Ave.

Assistant City Manager Alvarez: The applicant is requesting a summary plat amendment through the alternate summary procedure. The purpose is to adjust the existing property lines between 310 and 316 east Third Avenue. Both properties are zoned C-1 for commercial. It involves lots 8,9 and 10 of block 66. The request does not create any additional lot or new subdivision it only changes the boundaries between the existing tracks. I have reviewed the application and survey and it meets all the requirements for the alternate summary procedure. The applicants are present to answer any questions. To further help identify I'll show you guys on the map.

Member Hammer: Is that an alley way or is it just the property?

Assistant City Manager Alvarez: No it's not an alley.

Member Hammer: The same person owns the whole property?

Assistant City Manager Alvarez: No it's different owners.

Member Hammer: Two different property owners and the property owners are amenable to that change?

Assistant City Manager Alvarez: Yes. It will equal out the property lines.

Member Hammer: Are both property owners present?

Assistant City Manager Alvarez: Just one.

Chairman Sisney opened the public hearing.

Carrie Marrow Applicant: I'm at 310 E Third.

Member Hammer: Are you in the white roof or the other one?

Carrie Marrow Applicant: I'm the other one.

Member Hammer: And this person is here or no?

Assistant City Manager Alvarez: No.

Member Hammer: But they both agree there is no opponents? I don't have an issue with this. Its not creating and obstacle to a easement or alley way. I think this is an odd shape any way so might as well make them more accessible and usable really.

Carrie Marrow Applicant: She gets a drive way and I get a fence.

Proponents:

No Proponents.

Opponents:

No Opponents.

Chairman Sisney closed the public hearing.

Member Hammer made a motion to recommend approval to the City Commission for a Summary Plat Amendment at 310 and 316 E Third Ave. Member Luchini seconded the motion. Roll call vote was taken. Motion carried unanimously.

c) Public Hearing/Discussion/Action: Conditional Use Permit at 818 N Magnolia – Request for Shipping Container

Assistant City Manager Alvarez: The applicant is requesting a conditional use permit to allow an existing shipping container to remain and 818 N Magnolia. The container is being used as an accessory storage structure on the residential property and the city code requires the conditional use permit for shipping containers located with in residential zones. The container was placed after the shipping container ordinance became affective but the property owner advised staff that they were unaware that we had the requirement for a conditional use permit. Rather than proceeding directly with enforcement the staff has worked with the owner to submit the appropriate application and bring the property into compliance that way instead. The applicant is not requesting a variance or relief from the container. We are just following the process to bring them into compliance. The applicant is present.

Chairman Sisney: Mrs. Alvarez do you see a shipping container on this photo.

Assistant City Manager Alvarez: Potentially not but then again I don't go take arial photographs right before the meeting. These are taken prior. If you look on the site plan that the applicant has submitted that tells you where the shipping container is located. I take my arial view off the parcel map or google at whatever year that arial view was taken. That's just to give you an idea of the property area.

Chairman Sisney opened the public hearing.

Chairman Sisney: You haven't seen this photograph have you.

Vicky Nicholson Applicant: No.

Chairman Sisney: This container looks like its going to sit pretty much where that trailer is on this photograph.

Vicky Nicholson Applicant: Yes its. That trailer is gone. It sits 80 feet off that back fence and that's an alley way.

Member Hammer: Ms. Nicholson do you have the property here where this white truck is?

Vicky Nicholson Applicant: Yes, I own all the property.

Member Hammer: Is that white truck still there?

Vicky Nicholson Applicant: Yes, those are my buses I run a river business. That is what half the storage container is where I keep my tubes and rafts. The other half is where I have saws and equipment. Its double ended doors, single use, brand new and it doesn't look nasty.

Member Hammer: Are there any opponents or proponents.

Chairman Sisney: No.

Proponents:

No Proponents.

Opponents:

No Opponents.

Chairman Sisney closed the public hearing.

Member Luchini made a motion to recommend approval to the City Commission for a Conditional Use Permit at 818 N Magnolia – Request for Shipping Container. Member Hammer seconded the motion. Roll call vote was taken. Motion carried unanimously.

d) Public Hearing/Discussion/Action: Consider an application requesting the vacation of a public alley pursuant to Section 15-18 of the Truth or Consequences Municipal Code.

Assistant City Manager Alvarez: For general reference this is 1300 and 1400 North Silver Street area where the assisted living facility is. The applicant is requesting that we formally vacate the public alley within that block. The historical documentation that's submitted indicates that the alley was intended to be addressed as part of a property's 2004 transaction but the vacation was never completed and recorded. It looks like the alleyway actually goes right through the middle of the property and the current skilled nursing facility as well. The applicant's request is to formally complete the vacation process and clear up the existing record. The applicant is present.

Chairman Sisney: Does the city have any opposition to this?

Assistant City Manager Alvarez: No.

Chairman Sisney opened the public hearing.

Member Hammer: Does vacating the alley prevent any access in the properties around it?

Josh Ashbaugh: No. The entire block is owned by the same property owners.

Member Luchini: Just to clarify I did speak to attorney Rubin this morning regarding this issue thinking I might need to recuse myself. He was aware of the situation and he suggested that I don't need to.

Josh Ashbaugh Applicant: I would listen to his advice in my personal opinion I don't think you need to recuse yourself. Before we move on since you guys can make recommendations I'm going to ask of one. Usually when the city vacates streets and alleys they reserve of themselves easements and reversionary language in the covenants. I would ask that this board recommend that those not be put in the vacation instrument. There is an express electric line easement. I brought a copy it's not in the packet but I do have a copy for everyone. There is an express electric line easement. The alley again runs underneath the building and so I don't think it's really feasible to put utilities in it.

Member Hammer: But there is not utilities there now?

Josh Ashbaugh Applicant: As far as I know no.

Member Hammer: Just and easement?

Josh Ashbaugh Applicant: Its just an alley but normally when the city vacates an alley or street they reserve under them selves an easement. The reversionary language I really don't care for because it will revert back to the city. That would be the request I ask you guys to make. In the packet about mid way through there is a vacation of alley it does not affect this alley. I didn't put this packet together it was sent to me so I'm not sure why its in here to be honest but its exhibit D.

Assistant City Manager Alvarez: They have it because I'm mandated to provide them all the documents that you provide me.

Josh Ashbaugh Applicant: I figured that was the case. On the third page of that instrument they first full sentence begins with this transfer is done under the condition that. I'm basically asking for you guys to recommend that language and then the following one sentence paragraph not be included in the vacation.

Member Hammer: Can I read it out loud?

Josh Ashbaugh Applicant: Yes.

Member Hammer: It says this transfer is done under the condition that the grantees grant to the city a continuing right of access to the conveyed land for utility purposes including water and sewer. Is there any water or sewer under this?

Josh Ashbaugh Applicant: Not to my knowledge. There is a survey it's the highest form of survey we get unfortunately it's a plat size survey and when you reduce it down in size. I can probably if permissible send a digital copy of the survey. Do you have a digital copy Traci?

Assistant City Manager Alvarez: Whatever you sent me is included in the packet.

Josh Ashbaugh Applicant: Its hard to see and printed mine on a legal size and that's hard to see also.

Member Hammer: My understanding as a property owner is anything up to my property line the city is responsible for. Anything on my property I'm responsible for.

Assistant City Manager Alvarez: Unless you have an easement, correct.

Member Hammer: Unless you have an easement, and you have utilities going through like a water main right?

Assistant City Manager Alvarez: If we have easement we need access to that easement. I think regardless or not weather there is a main there. If it's a dedicated easement because we may have easements to connect for future use. Is that what you are asking?

Member Hammer: I guess what I want to know is there a water main under this that the city would need to access if something happened? I guess that would be my only reservation. If the city needed to get in here and fix something if the property owner is responsible for fixing it that's another thing but would the property owner give the city access or would closing this off prevent them from doing that? Would they just declare eminent domain or something like that to get access? I don't know what the law is around that.

Josh Ashbaugh Applicant: To answer the factual question to the best of my knowledge there isn't any water or sewer lines under the building that the city would be responsible for maintaining. I can not sat that with 100% certainty. I'm looking at the survey its addressed unfortunately it doesn't tell us much but on the utility information on the survey it does say on the location of the utilities shown hereon are from observed evidence of above ground appurtenances only. They surveyor was not provided with underground plans or surface ground markings to determine the location of any subterranean uses.

Member Hammer: Is the city opposed to this or the city attorney? Has he raised any concerns?

Assistant City Manager Alvarez: No, he has semi reviewed it but then again he wouldn't review this stuff in depth until it comes as a recommendation from you guys and then he will review a 100 percent. He has really good open communication with Mr. Ashbaugh and so I think that communication can be had as far as you want the vacated wording to be.

Josh Ashbaugh Applicant: Yes, we can work on it.

Member Hammer: As a planning and zoning board member I don't have any objections to this. I think that if there was concerns it will come up in a later stage in front of the city.

Proponents:

No Proponents.

Opponents:

No Opponents.

Chairman Sisney closed the public hearing.

Member Luchini made a motion to recommend approval to the City Commission for a Consider an application requesting the vacation of a public alley pursuant to Section 15-18 of the Truth or Consequences Municipal Code. Member Hammer seconded the motion. Roll call vote was taken. Motion carried unanimously.

5. NEW BUSINESS:

a. Discussion/Action: Re-Appointment of Member Esther Luchini

Chairman Sisney made a motion to recommend approval to the City Commission for Re-Appointment of Member Esther Luchini to serve on the Planning and Zoning Commission. Member Hammer seconded the motion. Roll call vote was taken. Motion carried unanimously.

b. Discussion/Action: Re-Appointment of Member Susan Buhler

Member Hammer made a motion to recommend approval to the City Commission for Re-Appointment of Member Susan Buhler to serve on the Planning and Zoning Commission. Member Luchini seconded the motion. Roll call vote was taken. Motion carried unanimously.

c. Discussion/Action: Re-Appointment of Member Chris Sisney

Member Luchini made a motion to recommend approval to the City Commission for Re-Appointment of Member Chris Sisney to serve on the Planning and Zoning Commission. Member Hammer seconded the motion. Roll call vote was taken. Motion carried unanimously.

d. Discussion/Action: Re-Appointment of Member Molly Hammer

Chairman Sisney made a motion to recommend approval to the City Commission for Re-Appointment of Member Molly Hammer to serve on the Planning and Zoning Commission. Member Luchini seconded the motion. Roll call vote was taken. Motion carried unanimously.

e. Discussion/Action: Re-organization of Chairman and Vice-Chairman

Chairman Sisney made a motion to recommend table this item until the next meeting. Member Hammer seconded the motion. Roll call vote was taken. Motion carried unanimously.

6. REPORTS FROM THE BOARD:

No Reports from the Board

7. REPORTS FROM STAFF:

No Reports from Staff

8. ADJOURNMENT:

Chairman Sisney adjourned the meeting at 5:05 p.m.

PASSED AND APPROVED ON THIS 14th DAY OF SEPTEMBER, 2026.

Chris Sisney, Chairman
Planning & Zoning Board



CITY OF TRUTH OR CONSEQUENCES

AGENDA REQUEST FORM

MEETING DATE: August 28, 2026

Agenda Item #: F.5

SUBJECT: Discussion/Action: Summary Plat Amendment 310-316 E Third

DEPARTMENT: Community Development

DATE SUBMITTED: August 19, 2026

SUBMITTED BY: Traci Alvarez

WHO WILL PRESENT THE ITEM: Traci Alvarez

Summary/Background:

Applicant submitted Summary Plat amendment to adjust the property lines between 310 – 316 E Third Ave. Public Hearing was held at the P & Z Meeting on 8-11-26 – Board recommended approval unanimously

Recommendation:

Consider P & Z Recommendation and make final determination

Attachments:

- P & Z Agenda Packet
- Draft Minutes

Fiscal Impact (Finance): Choose an item.

Legal Review (City Attorney): Choose an item.

[Click here to enter text.](#)

Approved For Submittal By: ☐ Department Director

Reviewed by: ☐ City Clerk ☐ Finance ☐ Legal ☐ Other: [Click here to enter text.](#)

Final Approval: ☐ City Manager

CITY CLERK'S USE ONLY - COMMISSION ACTION TAKEN

Resolution No. [Click here to enter text.](#) Ordinance No. -

Continued To: - Referred To: -

☐ Approved ☐ Denied ☐ Other: -

File Name: CC agendas 8-28-26



CITY OF TRUTH OR CONSEQUENCES
PLANNING AND ZONING COMMISSION ACTION FORM
DATE: 8-10-2026

ITEM:

Public Hearing/Discussion/Action – Summary Plat Amendment 310-316 E Third

BACKGROUND:

The applicant is requesting a **Summary Plat Amendment** using the **Alternate Summary Procedure** to adjust the property lines between **310 and 316 E. Third Avenue**. The properties are zoned **C-1 (Commercial)** and include **Lots 8, 9, and 10, Block 66, Original Townsite of Hot Springs**. The request does not create any new lots or a new subdivision it simply changes the existing tract boundaries. The application has been reviewed and appears to meet the requirements of the City's subdivision regulations for the Alternate Summary Procedure.

In considering all requests, the Planning and Zoning Commission shall review applicable plans and determine whether the request will:

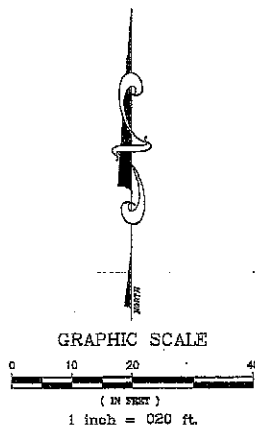
1. Impair an adequate supply of light and air to adjacent property;
2. Unreasonably increase the traffic in public streets;
3. Increase the danger of fire or endanger the public safety;
4. Deter the orderly and phased growth and development of the community;
5. Unreasonably impair established property values within the surrounding area;
6. In any other respect impair the public health, safety and general welfare of the City; or
7. Constitute a spot zone and therefore adversely affect adjacent property values.

All actions or recommendations by the Planning and Zoning Commission shall be based on Findings of Facts as to the impacts of the proposal, using the criteria listed in numbers 1 through 7, above. The Planning and Zoning Commission shall review each of the above listed factors and accord each factor the necessary weight on a case-by-case basis in making its determination.

SUPPORT INFORMATION:

- Summary Plat Survey
- Parcel Map
- Public Hearing Notice

Name of Drafter: Traci Alvarez	: Assistant City Manager	
E-mail: talvarez@torcnm.gov	Phone: 575-952-0565	



Notes:

These tracts are subject to easements, restrictions and reservations of record

The tracts shown herein are located within the boundaries of Flood Zone X, "area determined to be outside 500-year flood plain"

The herein described tract boundaries were altered under the City of Truth or Consequences Subdivision Codes, Ordinance Number 555, adopted May 23, 2006, (Chapter 15, Section 15, Alternate Summary Procedure)

Use drawing scale to determine measurements when not labeled

Reference:

Account No. 5165
Book 145, Pages 1992, (Warranty Deed)
UPC 290-353-366-8322

Account No. 214
Book 146, Pages 986-989, (Notice of Real Estate Contract)
UPC 290-361-366-8316

Plot of Survey Book 1, Page 3625, (Boundary Survey Plat)

National Flood Insurance Program, Flood Insurance Rate Map for the City of Truth or Consequences, Sierra County, New Mexico, Community-Federal No. 330273 2003 C, (map revised July 16, 1996)

City of Truth or Consequences Subdivision Codes, Ordinance Number 555, (adopted May 23, 2006)

Legend:

round 5/8" rebar w/surround stamped "NPLS 12/24" ○

round 5/8" rebar w/aluminum tag stamped "NPLS 12/25" □

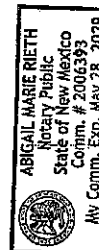
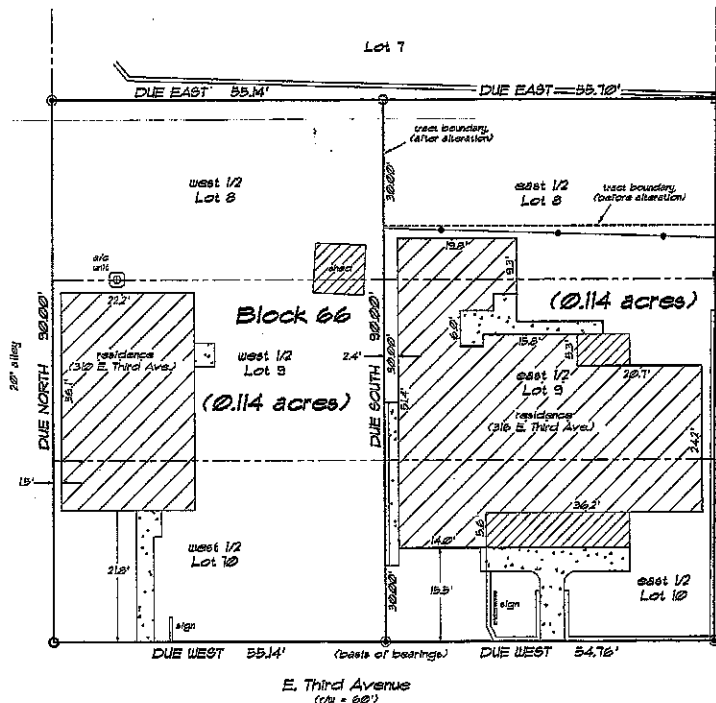
set 1/2" rebar w/surround stamped "NPLS 12/25" ○

chain link fence ————

block wall ————

ALTERNATE SUMMARY PROCEDURE-SUMMARY PLAT

of the alteration of tract boundaries
in Lots 8, 9 and 10, Block 66, Original Townsite of Hot Springs,
in the City of Truth or Consequences, Sierra County,
New Mexico



ACKNOWLEDGMENT

We, the undersigned owners of the herein described property do hereby acknowledge, with our free consent, and in accordance with our address and desires, the alteration of tract boundaries as shown on this plat.

Tiffany Y. Howard
STATE OF NEW MEXICO
COUNTY OF SIERRA

The foregoing instrument was acknowledged before me this 11th day of June, 2026 by Tiffany Y. Howard

Abigail Marie Rieth
Notary Public

My Commission Expires: May 28, 2029

Kaitlin Garcia
Kaitlin Garcia

STATE OF NEW MEXICO
COUNTY OF SIERRA

The foregoing instrument was acknowledged before me this 14th day of May, 2026 by Kaitlin Garcia

Christa Bianca Turpen
Notary Public

My Commission Expires: October 19, 2026

CHRISTA BIANCA TURPEN
Notary Public - State of New Mexico
Commission # 1122552
My Comm. Expires October 19, 2026

March 16, 2026

Chaparral Surveying, LLC
Professional Land Surveying

P.O. Box 629 Elephant Butte, New Mexico 87739

CERTIFICATE

This is to certify that I as a registered Professional Land Surveyor, that this plat is prepared from notes of field surveys made by me or under my supervision, that said surveys and this plat are true and correct to the best of my knowledge and belief.

I further certify that this survey is not a land division or subdivision as defined in the New Mexico Subdivision Act and that this is the alteration of tract boundaries of an existing tract or tracts.

This plat meets the minimum requirements of the Standards of Land Surveying in New Mexico.

David M. Ginn
New Mexico Professional Surveyor
License Number 2280

INDEXING INFORMATION FOR COUNTY CLERK
Tiffany Y. Howard (5169)
Kaitlin Garcia (214)
Original Townsite of Hot Springs
Section 33, Tship. 13 South, Rge. 4 West

The City of Truth or Consequences does hereby acknowledge the alteration of tract boundaries as shown on this plat.

Mayor: _____ Date: _____



2903533668822

2903673668316

Rolf Hechler
Mayor

Destiny Mitchell
Mayor Pro-Tem

Amanda Forrister
Commissioner



505 Sims St.
Truth or Consequences, New Mexico 87901
P: 575-894-6673
www.torcnm.gov

Ingo Hoeppe
Commissioner

Chaz M. Glines
Commissioner

Gary Whitehead
City Manager

NOTICE OF PUBLIC HEARING

NOTICE is hereby given that the City of Truth or Consequences Planning & Zoning Commission will hold a Public Hearing during their regular scheduled meeting on Monday, August 10, 2026, to receive input regarding the following:

Public Hearing/Discussion/Action: Summary Plat Amendment at 310 and 316 E Third Ave. The applicant wishes to divide the parcel as per Sec. 15-15 (Alternate Summary Procedure)

The meeting will be held in the City Commission Chambers, 405 W. Third, Truth or Consequences, New Mexico starting at 4:00 p.m.

Should you have any questions regarding this Public Hearing, please contact Traci Alvarez at (575) 952-0565 or by email at talvarez@torcnm.org.

The agenda may be obtained on Friday, August 7, 2026 on the city website calendar at www.torcnm.org; by contacting the City Clerk's Office at 575-894-6673; or by email to: torcclerk@torcnm.gov.

/s/ Angela A. Torres, CMC, City Clerk

Publish on the following date:

- Sentinel– Thursday, July 23, 2026

**CITY OF TRUTH OR CONSEQUENCES
PLANNING & ZONING COMMISSION
MINUTES
MONDAY, AUGUST 10, 2026**

REGULAR MEETING

Regular meeting of the Planning & Zoning Commission of the City of Truth or Consequences, New Mexico to be held in the City Commission Chambers, 405 W. Third, Truth or Consequences, New Mexico, on Monday, August 10, 2026 at 4:00 p.m.

INTRODUCTION:

ROLL CALL:

Chris Sisney, Chairman
Susan Buhler, Vice Chairman Absent
Esther Luchini, Member
Lisa Kent, Member Absent
Molly Hammer, Member

ALSO PRESENT:

Traci Alvarez, Assistant City Manager
Katy Martinez, Deputy Clerk

1. APPROVAL OF AGENDA:

Member Luchini made a motion to approve the agenda. Member Hammer seconded the motion. Motion carried unanimously.

2. APPROVAL OF MINUTES:

a) July 13, 2026.

Member Luchini made a motion to approve the minutes. Member Hammer seconded the motion. Motion carried unanimously.

3. COMMENTS FROM THE PUBLIC (3 Minute Rule Applies)

There were no comments from the public.

Deputy Clerk Martinez swore in the participants for the public hearings.

4. PUBLIC HEARINGS (5 Minute Rule Applies)

**a) Public Hearing/Discussion/Action: Conditional Use Permit and Variances
request for parcel # 2878573667187**

Assistant City Manager Alvarez: The applicant is requesting approval to establish a secure towing and vehicle impound facility at right now we have it addressed as 1903 South Broadway B. That address is subject to change just simply because we are in the process of going through a street renaming in that area. The property and location will remain the same. That is zoned C1 for general commercial. The proposed development includes a fenced and lighted impound yard, site surfacing improvements and approximately a 550 square foot office building for customer service and vehicle retrieval. The applicant currently provides towing for and impound services in the area but transports the impounded vehicles to their secured facility in Anthony New Mexico. They are not doing private towing. They are towing only for our law enforcement agencies at this time. The proposed facility would allow those vehicles to remain locally because law enforcement towing can occur any time tow trucks may enter or leave the property 24 hours a day. The applicant is requesting the conditional use permit for storage of wrecked or dismantled vehicles associated with the wrecker service along with 3 requested variances. They would also like to allow storage of privately owned or impounded vehicles while legal disposition or required processing is completed. They would like to allow for more than 5 vehicles to be stored outdoors and allow an approximately 550 square foot office building instead of the 800 square foot office minimum in our development standards. Your packet also includes letters of support for the project including the support from all the law enforcement, public safety entities and from an adjacent commercial property owner as well.

Chairman Sisney: Can we ask for a limit on the maximum time a vehicle can be on the lot?

Assistant City Manager Alvarez: Potentially and I think the applicant would be happy to speak on that as it is not his full-time salvage yard and that there is a time frame that he may have to have them on there by if I understand correctly for law enforcement. But if he looks like something that is going to have to go to auction or go through a longer process I believe his intent is then to haul them to his main yard in Anthony.

Chairman Sisney: I have another concern. I would like to mention the lighting not be obtrusive to the neighbors.

Member Hammer: I have a comment on that. Are we even authorized to put in conditions like that. Its either a yes or a no for us we don't actually.

Assistant City Manager Alvarez: I think that you can make some recommendations and when it goes up City Commission they can review those with the attorney and decide which ones would be allowed. But all lighting has to go by the night sky. As far as what you might find offensive versus somebody else that based on an opinion. You guys can make recommendations of conditions of approval and then our City Commission can review those and they can either agree with it or not agree with it and potentially send it back to you guys for another recommendation or they can make a decision at that time.

Member Hammer: So I am clear we have a conditional use permit which is renewal able after 1 year each year correct.

Assistant City Manager Alvarez: Could you repeat that?

Member Hammer: There are 4 application request? There is a conditional use permit and there is 3 variances?

Assistant City Manager Alvarez: Yes ma'am.

Member Hammer: The conditional use permit from my understanding it has to be renewed and approved every year. It has to come before this board is that correct?

Assistant City Manager Alvarez: I would have to review the code off the top of my head I can't remember it. I knew one of them either special use or conditional use I just can't remember.

Member Hammer: I think special use has an expiration date and conditional use is a year. Variance is permanent for that property.

Assistant City Manager Alvarez: Like I said I'm not going to confirm any of that without reviewing the code and I do apologize we are shorthanded in my office so I didn't bring my codes with me.

Member Hammer: I didn't bring my either. I just want to understand what we are recommending here. Because there has been some confusion. I have a question about the building size and the construction of 550 square feet from the normal minimum required for

the zone of 800 square feet. Are there other buildings in this commercial area that are outside of the normal that have variances?

Assistant City Manager Alvarez: I can't answer because I didn't look at the outside area. The properties that are right adjacent to the undeveloped. Our City Manager has a property up there that was used for towing services it has a very small building on it. Size-wise I couldn't tell you if it's 800 or less. The other property is still in process of submitting their documents for the building.

Member Hammer: I don't have an issue with that as long as the setbacks are minded. The size doesn't bother me because we are going to smaller size like tiny homes and so forth all though that hasn't been confirmed in our ordinance yet but I don't have a problem with that as long as the setbacks are being minded.

Assistant City Manager Alvarez: They have to meet the setbacks regardless yes.

Deputy Clerk Martinez: A conditional use permit is reviewed annually.

Member Luchini: These vehicles are not only impounded vehicles that are temporary housed there that may be claimed later?

Assistant City Manager Alvarez: What I would really like is for you guys to be able to ask the applicant these questions because he could better answer them.

Humberto Valenzuela, Applicant: The vehicles are currently not there right now. Is that what you were asking?

Member Luchini: Well let me start with this. I went to look at the property, and what I saw – difficult to find a posted address – there is a storage yard there now, is that it or is it just –

Humberto Valenzuela, Applicant: No, it's next to that property.

Member Luchini: To the East?

Humberto Valenzuela Applicant: To the left.

Member Luchini: So, it's close to that drainage?

Assistant City Manager Alvarez: The property that you're speaking of that has the vehicles currently on it, that's the property you guys approved at a previous meeting, it was a Conditional Use Permit for Kari Fresquez, for theirs. That came through you guys and you approved it.

Member Hammer: Okay.

Member Luchini: So these are not just impounded vehicles, but possibly long-term storage wreckage yard? Dismantled vehicles and parts, and accessory use? So if I needed a part for my '57 Chevy?

Humberto Valenzuela, Applicant: No, we wouldn't sell any parts there, it's strictly storage and it will be there for about 90-120 days while we process the paperwork. If the owners come and retrieve their vehicles, whatever doesn't get retrieved and we end up getting all the paperwork, we'll end up transporting them back down to Anthony to sell at auction.

Assistant City Manager Alvarez: I believe what you're referencing is the way it's worded in our code. So that is word-for-word out of our code.

Member Luchini: Okay.

Assistant City Manager Alvarez: If I could request the applicant, just to briefly explain what your business is, like you came to me to explain.

Humberto Valenzuela, Applicant: We currently are doing impounds for the City, Sheriffs, and state police, but we've been picking them up and taking them directly to Anthony, and people have to drive over there to pick up their vehicles. We're just trying to save them time and money, because we charge by the mile. Keeping it here would allow there to be a location where they could retrieve their vehicles, we would have a place here to sort, and we would be able to respond quicker if I have somebody here permanently to respond to the police calls.

Member Hammer: I see here you're not only doing impounding for the city or the county, but you are also providing a service to others? Like if I was broken down, I could call you, and you could tow my car?

Humberto Valenzuela, Applicant: At the moment, we're not. But maybe if we end up having somebody here permanently, we probably will serve. But for the impound yard, it's strictly for impounded vehicles. No private property impounds or any of that.

Member Hammer: Okay.

Assistant City Manager Alvarez: They're on a rotation service. We have 2 other local tow companies, sometimes they're not available as well. Our law enforcement rotates on a weekly basis, I believe, is that correct?

Humberto Valenzuela, Applicant: Yes, ma'am.

Assistant City Manager Alvarez: So when they're called or they're on their weekly rotation, this would give them a local base. But like I said, if a vehicle was impounded and the person wasn't going to be getting the vehicle back, what's your plan?

Humberto Valenzuela, Applicant: We will submit paperwork, end up getting the title, and then transfer the vehicle back down to Anthony to sell over there.

Member Hammer: To be auctioned?

Humberto Valenzuela, Applicant: Yes, to be auctioned.

Member Hammer: How big of a rig can you tow? Can you tow RV's?

Humberto Valenzuela, Applicant: Yes, we can do RV's, semi's –

Member Hammer: Larger vehicles? I know that was a limitation recently, they were trying to tow an abandoned RV.

Humberto Valenzuela, Applicant: Yeah, we do RV's. For the Police Department, we've done RV's, they're not far from where the yard is, and we picked it up for them because they couldn't find anybody. We've done a couple 18-wheelers that rolled over between the '69 and '71, a burnt unit that was on the '78, we picked that one up as well.

Member Hammer: But you're taking that to Anthony?

Humberto Valenzuela, Applicant: Yeah, we're taking those to Anthony. For an example, with the one that burned down here, we had to take it to our yard and prepare it for long-term transport because it was unstable and it was still filled with produce, etc. But yes, we took it back down to Anthony.

Chairman Sisney: What would be a condition where a car would stay over 120 days, and is there any chance it's just going to sit on that lot for a year?

Humberto Valenzuela, Applicant: No, the only way is if we don't get the title and paperwork for it. Sometimes we've had trouble when they're stolen vehicles and all the VIN numbers are scratched and nobody can get us a VIN number, we end up just crushing those vehicles. But they stay longer than 120 days. But anything for this yard, if it stays 120 days, we will transport it to our other yard and take care of it over there.

Member Hammer: I see a lot of support here, and letters. Is there any opposition that you know of?

Assistant City Manager Alvarez: I think the Chairman has the list of anyone who wants to speak.

Chairman Sisney: There is 1.

Assistant City Manager Alvarez: You'll need to open the public hearing and ask for the proponents and opponents.

Member Hammer: I'm finished with questions if you guys are. Thank you.

Humberto Valenzuela Applicant: Thank you.

Chairman Sisney opened the public hearing.

Proponents:

No Proponents.

Opponents:

Ken Oliver

Ken Oliver, Opponent: I'm right across from them on the arroyo, and already, I've had so many issues over there. The constant thing of trash, they have monstrous – I even have pictures of it – but really big piles of trash on their side, it's in the arroyo, it's in my yard, they went down there with a bobcat into the arroyo for some reason, they were removing vegetation. That made it worse, more trash in there, they've thrown tires in the arroyo, there are tires now in

the arroyo, and all kinds of trash everywhere, piles of trash. They run big rigs all night long, just sitting there idling while they're talking, I've had them from 9:00pm until 1:30am until I go out there and yell at them. I've had confrontations with them a few times because of it, I tell them, "Hey it's 10:00pm it's supposed to be quiet." After that, but it didn't matter. They say, "Oh well we're leaving." Well it's 11:30pm now, and then it's 1:30am, it's always later, later, later. Big rigs would run, and the light's flashing for hours and hours and hours through the night. My bedroom is right there, my home is right across the arroyo from them. Sometimes there are 2 diesels idling at the same time. I know everybody is chasing the same dollar, we're a small town, and they have to make their bucks, and make their money somehow, I get it. I understand that, and I'm willing to be lenient about that, but enough is enough when they're blatant that they have no consideration whatsoever, and they show that they just don't care. The way the property is right now, with all the piles of trash and everything, I don't see it getting any better, when they only have a few cars of their own there, and this is the kind of mess that's there already, what's going to happen when they have 20 cars there or 30 cars there? This is just a few cars and they have mountains of trash, it doesn't make any sense. That's a big concern for me, I'm constantly picking up stuff in my yard on my property that came from their property. The arroyo's always got trash or something from their property in it as well. Like I said, if they're just starting and there are only a few cars, what's going to happen when there's 20-30 cars?

Assistant City Manager Alvarez: I just want to show the speaker the map. Can you show me where you're located at?

Ken Oliver, Opponent: I'd be [just to the left of the blue box on page 11 of the packet]

Assistant City Manager Alvarez: So currently, there's nothing on this property [within the blue box] and the one to the right of that has quite a few vehicles listed on it.

Ken Oliver, Opponent: There are a lot of vehicles [within the blue box] that have been there for the longest time, and I didn't know if they had approval on that either.

Assistant City Manager Alvarez: [The owners of the adjacent property] did go through, I know that.

Ken Oliver, Opponent: Well they came to me and made me get rid of my vehicles that were on my property because they weren't registered, I was still fixing them. But they were neat and they weren't an eyesore or in the way, nobody complained, but Code Enforcement showed up there because of a death in the neighborhood, they didn't have anybody else to respond so he

was there, he had time on his hands, so he wrote me up and was fining me \$500 for each month that the vehicles were there. So I had to literally give the vehicles away because I couldn't afford the storage, because they wanted a minimum of \$480 a month to store them, and I couldn't do that. So I was forced to get rid of my vehicles, and meanwhile, when I look out my kitchen window, I'm looking at mountains of trash, I'm looking at vehicles everywhere. Like I said, the main thing for me is the cleanup, there is trash everywhere, even in the arroyo. There is no reason to have bad tires and stuff thrown in the arroyo, it wasn't there before. Also, like I said, the noise factor, and the blatant lack of care. When I would go out there and confront him at 10:30pm and they just leave trucks running and lights flashing until 1:30am.

Member Luchini: What kind of trucks?

Ken Oliver, Opponent: Big rigs.

Member Luchini: Like a tow truck?

Ken Oliver, Opponent: Yeah, big tow trucks.

Member Hammer: I have a couple follow-up questions. They might be more for Ms. Alvarez or the company. Thank you for your input. Where is the access point on this map, in and out?

Assistant City Manager Alvarez: The property owner has an access easement in this lower property [on the bottom right portion of the map on page 11 of the packet].

Member Hammer: So they come in here?

Assistant City Manager Alvarez: Yep, they come in right there.

Member Hammer: Not through [the top area]?

Assistant City Manager Alvarez: I would like to request for the applicant to be able to come up and speak regarding anything they may or may not be doing over at the property, or anything as far as towing vehicles.

Member Luchini: I have a question. I was able to peek through into your area here, and is it cleaned up now?

Humberto Valenzuela, Applicant: We've never thrown any trash in the arroyo or any of that.

Member Luchini: Is it scraped or bladed to be able to park anything on it, or does it still need to be prepared?

Humberto Valenzuela, Applicant: It still needs to be prepared. There is an elevated area I would like to prepare, to make it level, so there would be a little bit of scraping.

Member Luchini: But you're not storing anything, are you?

Humberto Valenzuela, Applicant: No, I have nothing there. There is a pile of dirt there, and it's going to get removed.

Member Luchini: To the arroyo, it won't intrude into the arroyo or anything, the cleanup?

Humberto Valenzuela, Applicant: No.

Member Luchini: And this will be fenced-off, right? With a solid fence?

Humberto Valenzuela, Applicant: Yes, ma'am.

Member Hammer: Even along the arroyo?

Humberto Valenzuela, Applicant: Yeah, along the arroyo, but not in the arroyo, even though the property's kind of in the arroyo, it would be on the elevated area, and we'll fence it off.

Member Hammer: And are you applying for a business license also?

Humberto Valenzuela, Applicant: We do have a business license already.

Member Hammer: Will you have a dumpster on-site?

Humberto Valenzuela, Applicant: We can.

Member Hammer: If you're towing, usually the car is locked, but there might be issues or a truck bed that has stuff in the back, and we have high winds here that can blow all over the place. I'm sure this arroyo is not the only place that has issues. In listening to your neighbor, I do want to address that obviously, we all want good neighbor and clean neighbors, with

regards to noise complaints or visual pollution. I would ask that you guys abide by that if you're going in and out, because that would bother me, too.

Humberto Valenzuela, Applicant: Yes. We don't keep our trucks running, diesel is so expensive, there is no reason to keep them running all night.

Assistant City Manager Alvarez: If I could just ask a couple questions, too, have you towed any vehicles at all over to this lot?

Humberto Valenzuela, Applicant: We have, temporarily, while we wait for another truck to get back. But they're there for like a day or 2, not even a day, a few hours. But lately, since I started talking to you, we have not kept any vehicles there, we have been taking them directly to Anthony.

Assistant City Manager Alvarez: And have you done any of the property clearing or grubbing or anything?

Humberto Valenzuela, Applicant: I did clear some bushes on one of the corners, and I wasn't aware that I needed a permit until I spoke with you about the bushes, I stopped everything else.

Member Hammer: And what are your hours of operation? Is it pretty much 24-hours?

Humberto Valenzuela, Applicant: The yard is from 8am-5pm, but the towing and bringing in the vehicles is 24/7. I don't know when we're going to get calls from the state, Sheriffs, or Police Department. We do have to respond to them, and trucks will be there. They would have to go in and drop off the vehicle.

Member Luchin: Which one of these adjacent was Mr. Oliver? The number parcel ending in 10206?

Assistant City Manager Alvarez: [Near the parcel ending in 0221]

Member Hammer: And this person here didn't respond?

Assistant City Manager Alvarez: No. All certified mail letters were sent and received.

Chairman Sisney: Mr. Valenzuela, normally if somebody in the neighborhood objects or opposes, I usually go with them. But I think this is a good service to the people here in town.

Although everything here is commercial, there are residents really close to you. I just hope you go out of your way to make them happy. Quiet hours are pretty much from 10:00pm to 7:00am. The lights, once you get in your yard, you probably don't need to have them on.

Humberto Valenzuela, Applicant: We don't have the lights on because we're only supposed to have our amber lights on while we're on-scene recovering the vehicle. When transporting back, our lights are off even until we get to the yard.

Chairman Sisney: I hope you can work out something with your neighbor.

Member Luchini: The fence adjacent to him, again, I ask that that's a solid, metal fence?

Humberto Valenzuela, Applicant: Yes.

Member Luchini: If you did have loose truck trash, it should stop it from blowing out.

Chairman Sisney: Were you putting up a steel fence, not a game fence?

Humberto Valenzuela, Applicant: I'll put a paneled fence, especially on that wall, and I'll try to get it all around.

Chairman Sisney: I think you want to do the right thing, and I think you did it. I hope that you can keep this man in consideration, also.

Humberto Valenzuela, Applicant: We will, I'll try to work it out for him. He did come at one time and yelled at us, and the truck was leaving when he yelled at us. That was one time, and that was when we were working that big accident on the '70 with a trailer.

Chairman Sisney: Hopefully you guys can work together and get along.

Member Luchini: I agree. I wouldn't want to live next to a wrecking yard or tow yard. That's why I feel that if you do – Isn't that required? A solid metal fence around –

Member Hammer: A privacy fence.

Assistant City Manager Alvarez: Yes.

Humberto Valenzuela, Applicant: We'll put up a metal fence around it. For the lighting, we'll try to keep it all in our yard. PRC does require us to have a lighted storage facility for the vehicles.

Chairman Sisney: Thank you. I also want to let you know that the people in this town really love the quiet and the darkness, and we're just trying to keep everybody happy.

Humberto Valenzuela, Applicant: Yes, sir.

Assistant City Manager Alvarez: Before the board considers a motion, please remember to close the public hearing.

Chairman Sisney: There were a couple of letters, do we read those?

Assistant City Manager Alvarez: Those are the letters of support. No, I don't think so. They're just part of the supporting documents.

Chairman Sisney closed the public hearing.

Member Luchini: The only other thing I'm a little leery about is the size of the building. Trying to stick to this 800 square foot minimum for a building.

Chairman Sisney: In one of the letters, it mentions that it's a prefab. So it's not like we can just ask him to change the specs.

Member Hammer: And is that for an office or a residence?

Humberto Valenzuela, Applicant: Office.

Member Hammer: Will someone be there 24/7?

Humberto Valenzuela, Applicant: No.

Member Hammer: Your accessible just by cell phone on the truck pretty much. That is your office most of the time? I support this with some pretty major conditions. Mr. Oliver had his opinion and I with member Luchini that the noise and the light pollution I would want to have that managed if I was going to approve this. Also with the understanding that this a yearly renewal the conditional use permit and if we meet again in a year and if there are complaints we need to consider those and there be a risk that you might not get approved again. If there

was a big opposition. I like that you are bringing the business to town I do think we need that. You have a lot of support here with your neighbors and law enforcement.

Member Luchini: I agree.

Chairman Sisney: I would like to hear a motion with the stipulations included.

Member Hammer made a motion to recommend approval to the City Commission for a Conditional Use Permit and Variance Requests for parcel # 2878573667187 with the conditions that applicant is respectful of their neighbors with regards to light pollutions and noise also with the understanding that we will renew the conditional use permit every year. Chairman Sisney seconded the motion. Roll call vote was taken. Motion carried unanimously.

b) Public Hearing/Discussion/Action: Summary Plat Amendment at 310 and 316 E Third Ave.

Assistant City Manager Alvarez: The applicant is requesting a summary plat amendment through the alternate summary procedure. The purpose is to adjust the existing property lines between 310 and 316 east Third Avenue. Both properties are zoned C-1 for commercial. It involves lots 8,9 and 10 of block 66. The request does not create any additional lot or new subdivision it only changes the boundaries between the existing tracks. I have reviewed the application and survey and it meets all the requirements for the alternate summary procedure. The applicants are present to answer any questions. To further help identify ill show you guys on the map.

Member Hammer: Is that an alley way or is it just the property?

Assistant City Manager Alvarez: No its not an alley.

Member Hammer: The same person owns the whole property?

Assistant City Manager Alvarez: No its different owners.

Member Hammer: Two different property owners and the property owners are amendable to that change?

Assistant City Manager Alvarez: Yes. It will equal out the property lines.

Member Hammer: Are both property owners present?

Assistant City Manager Alvarez: Just one.

Chairman Sisney opened the public hearing.

Carrie Marrow Applicant: I'm at 310 E Third.

Member Hammer: Are you in the white roof or the other one?

Carrie Marrow Applicant: I'm the other one.

Member Hammer: And this person is here or no?

Assistant City Manager Alvarez: No.

Member Hammer: But they both agree there is no opponents? I don't have an issue with this. Its not creating and obstacle to a easement or alley way. I think this is an odd shape any way so might as well make them more accessible and usable really.

Carrie Marrow Applicant: She gets a drive way and I get a fence.

Proponents:

No Proponents.

Opponents:

No Opponents.

Chairman Sisney closed the public hearing.

Member Hammer made a motion to recommend approval to the City Commission for a Summary Plat Amendment at 310 and 316 E Third Ave. Member Luchini seconded the motion. Roll call vote was taken. Motion carried unanimously.

c) Public Hearing/Discussion/Action: Conditional Use Permit at 818 N Magnolia – Request for Shipping Container

Assistant City Manager Alvarez: The applicant is requesting a conditional use permit to allow an existing shipping container to remain and 818 N Magnolia. The container is being used as an accessory storage structure on the residential property and the city code requires the conditional use permit for shipping containers located with in residential zones. The container was placed after the shipping container ordinance became affective but the property owner advised staff that they were unaware that we had the requirement for a conditional use permit. Rather than proceeding directly with enforcement the staff has worked with the owner to submit the appropriate application and bring the property into compliance that way instead. The applicant is not requesting a variance or relief from the container. We are just following the process to bring them into compliance. The applicant is present.

Chairman Sisney: Mrs. Alvarez do you see a shipping container on this photo.

Assistant City Manager Alvarez: Potentially not but then again I don't go take arial photographs right before the meeting. These are taken prior. If you look on the site plan that the applicant has submitted that tells you where the shipping container is located. I take my arial view off the parcel map or google at whatever year that arial view was taken. That's just to give you an idea of the property area.

Chairman Sisney opened the public hearing.

Chairman Sisney: You haven't seen this photograph have you.

Vicky Nicholson Applicant: No.

Chairman Sisney: This container looks like its going to sit pretty much where that trailer is on this photograph.

Vicky Nicholson Applicant: Yes its. That trailer is gone. It sits 80 feet off that back fence and that's an alley way.

Member Hammer: Ms. Nicholson do you have the property here where this white truck is?

Vicky Nicholson Applicant: Yes, I own all the property.

Member Hammer: Is that white truck still there?

Vicky Nicholson Applicant: Yes, those are my buses I run a river business. That is what half the storage container is where I keep my tubes and rafts. The other half is where I have saws and equipment. Its double ended doors, single use, brand new and it doesn't look nasty.

Member Hammer: Are there any opponents or proponents.

Chairman Sisney: No.

Proponents:

No Proponents.

Opponents:

No Opponents.

Chairman Sisney closed the public hearing.

Member Luchini made a motion to recommend approval to the City Commission for a Conditional Use Permit at 818 N Magnolia – Request for Shipping Container. Member Hammer seconded the motion. Roll call vote was taken. Motion carried unanimously.

d) Public Hearing/Discussion/Action: Consider an application requesting the vacation of a public alley pursuant to Section 15-18 of the Truth or Consequences Municipal Code.

Assistant City Manager Alvarez: For general reference this is 1300 and 1400 North Silver Street area where the assisted living facility is. The applicant is requesting that we formally vacate the public alley within that block. The historical documentation that's submitted indicates that the alley was intended to be addressed as part of a property's 2004 transaction but the vacation was never completed and recorded. It looks like the alleyway actually goes right through the middle of the property and the current skilled nursing facility as well. The applicant's request is to formally complete the vacation process and clear up the existing record. The applicant is present.

Chairman Sisney: Does the city have any opposition to this?

Assistant City Manager Alvarez: No.

Chairman Sisney opened the public hearing.

Member Hammer: Does vacating the alley prevent any access in the properties around it?

Josh Ashbaugh: No. The entire block is owned by the same property owners.

Member Luchini: Just to clarify I did speak to attorney Rubin this morning regarding this issue thinking I might need to recuse myself. He was aware of the situation and he suggested that I don't need to.

Josh Ashbaugh Applicant: I would listen to his advice in my personal opinion I don't think you need to recuse yourself. Before we move on since you guys can make recommendations I'm going to ask of one. Usually when the city vacates streets and alleys they reserve of themselves easements and reversionary language in the covenants. I would ask that this board recommend that those not be put in the vacation instrument. There is an express electric line easement. I brought a copy it's not in the packet but I do have a copy for everyone. There is an express electric line easement. The alley again runs underneath the building and so I don't think it's really feasible to put utilities in it.

Member Hammer: But there is not utilities there now?

Josh Ashbaugh Applicant: As far as I know no.

Member Hammer: Just and easement?

Josh Ashbaugh Applicant: Its just an alley but normally when the city vacates an alley or street they reserve under them selves an easement. The reversionary language I really don't care for because it will revert back to the city. That would be the request I ask you guys to make. In the packet about mid way through there is a vacation of alley it does not affect this alley. I didn't put this packet together it was sent to me so I'm not sure why its in here to be honest but its exhibit D.

Assistant City Manager Alvarez: They have it because I'm mandated to provide them all the documents that you provide me.

Josh Ashbaugh Applicant: I figured that was the case. On the third page of that instrument they first full sentence begins with this transfer is done under the condition that. I'm basically asking for you guys to recommend that language and then the following one sentence paragraph not be included in the vacation.

Member Hammer: Can I read it out loud?

Josh Ashbaugh Applicant: Yes.

Member Hammer: It says this transfer is done under the condition that the grantees grant to the city a continuing right of access to the conveyed land for utility purposes including water and sewer. Is there any water or sewer under this?

Josh Ashbaugh Applicant: Not to my knowledge. There is a survey it's the highest form of survey we get unfortunately it's a plat size survey and when you reduce it down in size. I can probably if permissible send a digital copy of the survey. Do you have a digital copy Traci?

Assistant City Manager Alvarez: Whatever you sent me is included in the packet.

Josh Ashbaugh Applicant: Its hard to see and printed mine on a legal size and that's hard to see also.

Member Hammer: My understanding as a property owner is anything up to my property line the city is responsible for. Anything on my property I'm responsible for.

Assistant City Manager Alvarez: Unless you have an easement, correct.

Member Hammer: Unless you have an easement, and you have utilities going through like a water main right?

Assistant City Manager Alvarez: If we have easement we need access to that easement. I think regardless or not weather there is a main there. If it's a dedicated easement because we may have easements to connect for future use. Is that what you are asking?

Member Hammer: I guess what I want to know is there a water main under this that the city would need to access if something happened? I guess that would be my only reservation. If the city needed to get in here and fix something if the property owner is responsible for fixing it that's another thing but would the property owner give the city access or would closing this off prevent them from doing that? Would they just declare eminent domain or something like that to get access? I don't know what the law is around that.

Josh Ashbaugh Applicant: To answer the factual question to the best of my knowledge there isn't any water or sewer lines under the building that the city would be responsible for maintaining. I can not sat that with 100% certainty. I'm looking at the survey its addressed unfortunately it doesn't tell us much but on the utility information on the survey it does say on the location of the utilities shown hereon are from observed evidence of above ground appurtenances only. They surveyor was not provided with underground plans or surface ground markings to determine the location of any subterranean uses.

Member Hammer: Is the city opposed to this or the city attorney? Has he raised any concerns?

Assistant City Manager Alvarez: No, he has semi reviewed it but then again he wouldn't review this stuff in depth until it comes as a recommendation from you guys and then he will review a 100 percent. He has really good open communication with Mr. Ashbaugh and so I think that communication can be had as far as you want the vacated wording to be.

Josh Ashbaugh Applicant: Yes, we can work on it.

Member Hammer: As a planning and zoning board member I don't have any objections to this. I think that if there was concerns it will come up in a later stage in front of the city.

Proponents:

No Proponents.

Opponents:

No Opponents.

Chairman Sisney closed the public hearing.

Member Luchini made a motion to recommend approval to the City Commission for a Consider an application requesting the vacation of a public alley pursuant to Section 15-18 of the Truth or Consequences Municipal Code. Member Hammer seconded the motion. Roll call vote was taken. Motion carried unanimously.

5. NEW BUSINESS:

a. Discussion/Action: Re-Appointment of Member Esther Luchini

Chairman Sisney made a motion to recommend approval to the City Commission for Re-Appointment of Member Esther Luchini to serve on the Planning and Zoning Commission. Member Hammer seconded the motion. Roll call vote was taken. Motion carried unanimously.

b. Discussion/Action: Re-Appointment of Member Susan Buhler

Member Hammer made a motion to recommend approval to the City Commission for Re-Appointment of Member Susan Buhler to serve on the Planning and Zoning Commission. Member Luchini seconded the motion. Roll call vote was taken. Motion carried unanimously.

c. Discussion/Action: Re-Appointment of Member Chris Sisney

Member Luchini made a motion to recommend approval to the City Commission for Re-Appointment of Member Chris Sisney to serve on the Planning and Zoning Commission. Member Hammer seconded the motion. Roll call vote was taken. Motion carried unanimously.

d. Discussion/Action: Re-Appointment of Member Molly Hammer

Chairman Sisney made a motion to recommend approval to the City Commission for Re-Appointment of Member Molly Hammer to serve on the Planning and Zoning Commission. Member Luchini seconded the motion. Roll call vote was taken. Motion carried unanimously.

e. Discussion/Action: Re-organization of Chairman and Vice-Chairman

Chairman Sisney made a motion to recommend table this item until the next meeting. Member Hammer seconded the motion. Roll call vote was taken. Motion carried unanimously.

6. REPORTS FROM THE BOARD:

No Reports from the Board

7. REPORTS FROM STAFF:

No Reports from Staff

8. ADJOURNMENT:

Chairman Sisney adjourned the meeting at 5:05 p.m.

PASSED AND APPROVED ON THIS 14th DAY OF SEPTEMBER, 2026.

Chris Sisney, Chairman
Planning & Zoning Board



CITY OF TRUTH OR CONSEQUENCES

AGENDA REQUEST FORM

MEETING DATE: August 28, 2026

Agenda Item #: F.6

SUBJECT: Discussion/Action: Memorandum of Understanding between the City of Truth or Consequences and Sierra County to develop a Riverwalk Trail along the Rio Grande at Ralph Edwards Park.

DEPARTMENT: Community Services

DATE SUBMITTED: August 20, 2026

SUBMITTED BY: O.J. Hechler

WHO WILL PRESENT THE ITEM: O.J. Hechler, Community Service Director

Summary/Background: The City is applying for Trails+ Grant funding to develop the Rio Grande Riverwalk Trail at Ralph Edwards Park, in partnership with Sierra County. If awarded, the City will manage construction, ensure regulatory compliance, administer grant funds, and report to the New Mexico Outdoor Recreation Division, while Sierra County will assist with promotion, community outreach, and technical support. The accompanying MOU is effective from the date funds are awarded through estimated project completion (one year) and may be terminated by either party without cause upon written notice.

Recommendation:

Approval

Attachments:

- Memorandum of Understanding

Fiscal Impact (Finance): N/A

\$0.00

Legal Review (City Attorney): N/A

[Click here to enter text.](#)

Approved For Submittal By: ☐ Department Director

Reviewed by: ☐ City Clerk ☐ Finance ☐ Legal ☐ Other: [Click here to enter text.](#)

Final Approval: ☐ City Manager

CITY CLERK'S USE ONLY - COMMISSION ACTION TAKEN

Resolution No. - Ordinance No. -

Continued To: - Referred To: -

☐ Approved ☐ Denied ☐ Other: -

File Name: CC Agendas 8-28-26

Memorandum of Understanding

City of Truth or Consequences

AND

Sierra County

This document describes the agreed-upon responsibilities and expectations between the City of Truth or Consequences (Lead Organization) and Sierra County (Partner) for the successful completion of a Riverwalk Trail along the Rio Grande, located in Ralph Edwards Park in Truth or Consequences, New Mexico. The purpose of this project is to expand access to the outdoors, offer recreational opportunities to promote healthy lifestyles, support economic growth and job creation, and promote New Mexico's natural and cultural resources.

The City is seeking to enhance and connect its existing riverfront recreational assets by developing the Rio Grande Riverwalk adjacent to Ralph Edwards Park. Ralph Edwards Park has recently received significant improvements, including new recreational amenities and a floating dock to provide access to the Rio Grande. The proposed Riverwalk would connect these improvements to the river corridor and create a cohesive destination for walking, recreation, wildlife observation, birdwatching, and environmental education.

Interpretive signage highlighting native wildlife, birds, vegetation, and the Rio Grande ecosystem would further enhance the experience and provide educational opportunities for residents and visitors. Additional amenities include wayfinding signage and viewing/rest areas. The project will improve access to the river, strengthen connectivity within the community's recreational network, promote healthy outdoor activity, and enhance the City's ability to attract visitors interested in nature-based recreation and tourism.

The City of Truth or Consequences is partnering with Sierra County on this project. The project holds special significance because it advances specific goals and priorities identified in the Truth or Consequences Master Plan (2014) and the Turtleback Trails Network Concept Plan (2023).

RESPONSIBILITIES AND EXPECTATIONS

For this project, the City of Truth or Consequences serves as the "lead" organization. As the lead organization, the City is responsible for the following:

- Ensuring the program activities and finances of the Riverwalk Trail are in compliance with local, state, and federal regulations and requirements
- Managing construction of the trail in accordance with all local, state, and federal standards

- Distributing and accounting for all grant funds
- Keeping the County updated on progress and important milestones
- Designating a point of contact for communications regarding The project
- Reporting the required activities and accomplishments to the New Mexico Outdoor Recreation Division (ORD)

Under this Agreement, Sierra County agrees to:

- Promote the completed project through social media channels and other marketing efforts
- Attend and participate in any opening or celebratory events, such as a ribbon-cutting ceremony
- Be available for technical assistance as needed
- Designate a point of contact for communications regarding The Project
- Reach out to countywide groups and organizations that would have an interest in The Project, such as outdoor groups, youth clubs, and local Chambers of Commerce

TIME PERIOD

This Memorandum of Understanding shall remain in place from the date funds are awarded through project completion (estimated to be one year).

TERMINATION

This Agreement may be terminated in whole or in part by either party without cause. Written notice of termination shall be given to both the City of Truth or Consequences and Sierra County and shall be sent via certified or registered mail with return receipt requested. Failure to honor any of the obligations stated above may also result in the termination of this Agreement.

Signatures of authorized agency representatives:

City of Truth or Consequences

Sierra County



City of Truth or Consequences

AGENDA REQUEST FORM

MEETING DATE: August 28, 2026

Agenda Item #: F.7a

SUBJECT: Approval of Purchase Requisitions over \$60,000
DEPARTMENT: Procurement
DATE SUBMITTED: August 24, 2026
SUBMITTED BY: Carlos Miyagishima, Chief Procurement Officer
WHO WILL PRESENT THE ITEM: Carlos Miyagishima, Chief Procurement Officer

Summary/Background:

Per Resolution No 46 20/27 Execution of Contracts; Grant Agreements; Memoranda of Understanding; Joint Powers Agreements; Settlement Agreements; Purchases (Contract and Purchases Over \$60,000).

Recommendation:

Approval Recommended by Chief Procurement Officer. Please see the attached purchase item list.

Attachments:

- HGACBuy Contract No.: SW04-26
- Submitting Change Order to add the remaining \$200,000, to PO 35541-R1.
- A4 Storm Sweeper

Fiscal Impact (Finance): Yes

- **\$200,000.00**
 - HGACBuy Contract No.: SW04-26

Legal Review (City Attorney): N/A

None.

Approved For Submittal By: ☒ Department Director

Reviewed by: ☒ City Clerk ☒ Finance ☐ Legal ☒ Other: Carlos Miyagishima, Chief Procurement Officer

Final Approval: ☒ City Manager

CITY CLERK'S USE ONLY - COMMISSION ACTION TAKEN

Resolution No. [Click here to enter text.](#) Ordinance No. [Click here to enter text.](#)

Continued To: [Click here to enter a date.](#) Referred To: [Click here to enter text.](#)

☐ Approved ☐ Denied ☐ Other: [Click here to enter text.](#)

File Name: CC agendas 8-28-26

*Rolf Hechler
Mayor*

*Destiny Mitchell
Mayor Pro-Tem*

*Amanda Forrister
Commissioner*



*505 Sims St.
Truth or Consequences, New Mexico 87901
P: 575-894-6673
www.torcnm.gov*

*Ingo Hoepfner
Commissioner*

*Chaz M. Glines
Commissioner*

*Gary Whitehead
City Manager*

August 24, 2026

To City Mayor, Pro-Tern and Commissioners.

RE: A4 STORM SWEEPER

The Procurement Department along with Street Department was awarded HGACBuy Contract No.: SW04-26. This is for the purchase of the street sweeper, which has a total cost of \$239,414. Currently we only have \$39,414.00 accounted for with the Street Department, but now we would like to do a change order to add the remaining \$200,000.00 to complete the purchase. As you may know, this was presented earlier (please see attached documents), but I am requesting approval for the change order.

Please, review the attached documents and approve the requested procurement. Thank you.

\$200,000.00

HGACBuy Contract No.: SW04-26

Regards,

Carlos Miyagishima
Chief Procurement Officer

Commission Approved: Yes ☐ No ☐ Tabled ☐

Date of Approval/Denied/Tabled : _____

Notes : _____ Purchase Order: #83541-R1

PROCUREMENTS \$60,000 AND OVER

2026-27 Fiscal Year

COMMISSION MEETING 08/26/2026

Number	Vendor Name	Description	Requested By	Department	Total Amount	Procurement Type
A.	Texan Waste Equipment Inc.	A4 Street Sweeper	Carlos Miyagishima	Procurement	\$200,000.00	HGACBuy Contract No.: SW04-26
B.						
C.						
D.						
			TOTAL		\$200,000.00	

ATTEST:

Angela Torres, Clerk-Treasurer Date

Rolf Hechler, Mayor Date

New Street Sweeper

WG

Whitehead, Gary

To: Anglin, Brenden; Miyagishima, Carlos

Cc: Holguin, Jocelyn; Alvarez, Traci; Easley, Bo; Munoz, Johanna

 Follow up. Start by Thursday, July 30, 2026. Due by Thursday, July 30, 2026.



Req approval - commission 5-27-26.pdf

175 KB

 Reply

 Reply All

 Forward



Thu 7/30/2026 1:06 PM

Hello Brenden and Carlos,

The new street was approved by the commission on May 27th of this year. The commission did approve the full purchase price of \$239,414. During the application process with NMFA, I was advised to have the vendor request funds for the amount financed (\$200,000). That is the process I proposed, and a PO has been issued accordingly,

requested Traci reach out to NMFA for guidance on necessary documents to submit in front of the request for funding. The new advisor with NMFA has suggested that the city issue a PO for the entire amount to the vendor and request for loan proceeds to recapture the funds.

Brenden has information that the street sweeper should be available in August. I would recommend that we close the current PO for the amount of \$39,414 and reissue a new PO to the vendor for the total amount of \$239,414. (Approved by commission see attachment). Then, Traci can request loan fund proceeds to replace the funds used. Street fund (216) will be used for the purchase.

Thank you all for the work.

Gary Whitehead

City Manager

101 McAdoo

Albuquerque, NM 87901

505-894-6681

505-740-7649 Cell



REQUISITION

Requisition #: 96404

Date: 05/13/2026

Vendor #: 9155

ISSUED TO: TEXAN WASTE EQUIPMENT INC DBA HEIL OF
Attn: CHRISTIAN CASTANEDA
9545 PLAZA CIRCLE
EL PASO, TX 79927-

SHIP TO: STREET
211 South Ash Street
Truth or Consequences, NM 87901

ITEM	UNITS DESCRIPTION	PROJECT #	PRICE GL ACCOUNT NUMBER	AMOUNT
1	0 A4 SCHWARZE AIR STREET SWEEPER		0.00 216-4503-80845	39,414.00
PO Description: A4 STORM SWEEPER				
Detailed Description:				
SCHWARZE A4 STORM REGENERATIVE AIR STREET SWEEPER				
STREET				

Authorized By: _____

SUBTOTAL:	39,414.00
TOTAL TAX:	0.00
SHIPPING:	0.00
TOTAL	39,414.00

PROCUREMENTS \$60,000 AND OVER

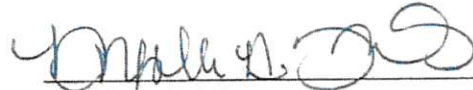
2025-26 Fiscal Year

COMMISSION MEETING 05/20/2026

Number	Vendor Name	Description	Requested By	Department	Total Amount	Procurement Type
A.	TEXAN WASTE EQUIPMENT INC (DBA HEIL OF TEXAS)	A4 SCHWARZE AIR STREET SWEEPER	Carlos Miyagishima	Procurement	\$200,000.00	HGACBuy Contract No.: SW04-26
					\$ 39,414.00	Muni Street Fund
TOTAL					\$ 239,414.00	

ATTEST:




Angela Torres, Clerk-Treasurer

5/27/26
Date


Rolf Hechler, Mayor

5/27/26
Date

Rolf Hechler
Mayor

Destiny Mitchell
Mayor Pro-Tem

Amanda Forrister
Commissioner



505 Sims St.
Truth or Consequences, New Mexico 87901
P: 575-894-6673
www.torcnm.gov

Ingo Hoeppepner
Commissioner

Chaz M. Glines
Commissioner

Gary Whitehead
City Manager

May 20, 2026

To City Mayor, Pro-Tern and Commissioners,

RE: A4 STORM SWEEPER

The Procurement Department along with Street Department was awarded HGACBuy Contract No.: SW04-26. This is for the purchase of the street sweeper, which has a total cost of \$239,414. Of which, \$39,414 will be paid for with the Muni Street fund.

I will defer to Gary Whitehead the City Manager. Thank you.

Please, review the attached documents and approve the requested procurement. Thank you.

\$ 39,414.00

Muni Street Fund: 216-4503

Regards,

Carlos Miyagishima
Chief Procurement Officer

Commission Approved: Yes ☒ No ☐ Tabled ☐

Date of Approval/ Denied/Tabled: 5/27/24

Notes: _____ Requisition #96404



City of Truth or Consequences

AGENDA REQUEST FORM

MEETING DATE: August 28, 2026

Agenda Item #: F.76

SUBJECT: Approval of Purchase Requisitions over \$60,000
DEPARTMENT: Procurement
DATE SUBMITTED: August 24, 2026
SUBMITTED BY: Carlos Miyagishima, Chief Procurement Officer
WHO WILL PRESENT THE ITEM: Carlos Miyagishima, Chief Procurement Officer

Summary/Background:

Per Resolution No 46 20/27 Execution of Contracts; Grant Agreements; Memoranda of Understanding; Joint Powers Agreements; Settlement Agreements; Purchases (Contract and Purchases Over \$60,000).

Recommendation:

Approval Recommended by Chief Procurement Officer. Please see the attached purchase item list.

Attachments:

- USDA-RD Funding
- Change Order Increase for PO 81131-R2, to cover the remaining engineering services, including biddings, construction admin., and constructions observation.
- Water System Performance Improvements Phase 2 (WSPI-2) Project

Fiscal Impact (Finance): Yes

- \$ 459,996.25

Legal Review (City Attorney): N/A

None.

Approved For Submittal By: ☒ Department Director

Reviewed by: ☒ City Clerk ☒ Finance ☐ Legal ☒ Other: Carlos Miyagishima, Chief Procurement Officer

Final Approval: ☒ City Manager

CITY CLERK'S USE ONLY - COMMISSION ACTION TAKEN

Resolution No. [Click here to enter text.](#) Ordinance No. [Click here to enter text.](#)

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File Name: CC agendas 8-28-26

*Rolf Hechler
Mayor*

*Destiny Mitchell
Mayor Pro-Tem*

*Amanda Forrister
Commissioner*



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*Ingo Hoepfner
Commissioner*

*Chaz M. Glines
Commissioner*

*Gary Whitehead
City Manager*

August 6, 2026

To City Mayor, Pro-Tern and Commissioners.

RE: WATER SYSTEM PERFORMANCE IMPROVEMENTS PHASE 2 (WSPI-2)

The Procurement Department along with the Water/Waste Water and Community Development Department are requesting an approval amount of \$459,996.25. They are utilizing USDA-Rural Development Funding. This Change Order Increase is for the PO 81131-R2, and it is to cover the remaining engineering services, including biddings, construction administration, and constructions observation.

Here is the breakdown:

The requested increase is:

Engineering services: \$419,889.66

Additional GRT: \$40,106.59

Total PO Increase: **\$459,996.25**

(The GRT amount has been adjusted to the applicable 8.375% rate)

I will defer to Traci Alvarez, thank you.

\$459,996.25

USDA-Rural Development Funding

Regards,

Carlos Miyagishima
Chief Procurement Officer

Commission Approved: Yes ☐ No ☐ Tabled ☐

Date of Approval/Denied/Tabled: _____

Notes : _____ Purchase Order: #81131-R2

PROCUREMENTS \$60,000 AND OVER

2026-27 Fiscal Year

COMMISSION MEETING 08/26/2026

Number	Vendor Name	Description	Requested By	Department	Total Amount	Procurement Type
A.	Wilson & Company INC	WSPI-2	Carlos Miyagishima	Procurement	\$459,996.25	USDA-RD
B.					Change Order	
C.						
D.						
			TOTAL		\$459,996.25	

ATTEST:

Angela Torres, Clerk-Treasurer Date

Rolf Hechler, Mayor Date

**CITY OF TRUTH OR CONSEQUENCES**

505 Sims St.

Truth or Consequences, NM 87901

PH: (575) 894-6673

FAX: (575) 894-0363

PURCHASE ORDER**PO Number:** 81131**Date:** 11/20/2024**Requisition #:** 93283**Vendor #:** 7982**ISSUED TO:** WILSON & COMPANY INC ENGINEER & ARCHITECTS
4401 MASTHEAD ST NE SUITE 150
ALBUQUERQUE, NM 87109-**SHIP TO:** City of Truth or Consequences
505 Sims St.
Truth or Consequences, NM 87901

ITEM	UNITS	VENDOR PART #	DESCRIPTION	GL ACCT #	PROJ ACCT #	PRICE	AMOUNT
1	0		WSPI - 2 ENGINEERING AGREEMENT USDA WATE	321-7042-80860		0.00	1,065,983.36
APPROVED BY COMMISSION 10-23-2024							
USDA WSPI-2 WATER PROJECT							
RFP 23-24-005 CONTRACT#2024-09-001							

Chief Purchasing Officer

Date: 11/20/24

Director of Finance:

Requisition approved electronically.

City Manager:

Requisition approved electronically.

SUBTOTAL:	988,165.34
TOTAL TAX:	77,818.02
SHIPPING:	0.00
TOTAL	1,065,983.36

1. Send INVOICE to Accounts Payable, address as noted above.
2. Prepay all transportation charges, and attach receipted freight bill to invoice.
3. Show our Purchase Order number on all invoices, Bills of Lading, Packages, etc.
4. This order must NOT be filled in greater or lesser quantities than shown without our written permission.
5. This order is issued with the understanding that if material is not according to our specifications, same will be returned at seller's expense.
6. The right is reserved to cancel this order if not filled within a reasonable length of time.
7. The City is exempt from all federal excise and state tax - ID# 01-405755-007

Asst. City Manager

Juni Alvarez 11-20-24



City of Truth or Consequences

AGENDA REQUEST FORM

MEETING DATE: August 28, 2026

Agenda Item #: F.8

SUBJECT: Re-appointment of Chris Sisney to serve a 2-year term on the Planning & Zoning Commission.

DEPARTMENT: Clerk's Office

DATE SUBMITTED: August 21, 2026

SUBMITTED BY: Angela A. Torres, City Clerk

WHO WILL PRESENT THE ITEM: City Clerk Torres

Summary/Background:

Chris Sisney is a current member of the Planning & Zoning Advisory Board. His term expired in July. The Board unanimously voted to recommend re-appointing Mr. Sisney to serve another 2 year term on the board.

Recommendation:

Re-appoint Chris Sisney to serve another 2-year term on the Planning & Zoning Advisory Board.

Attachments:

-
- Board Member application.

Fiscal Impact (Finance): No

-

Legal Review (City Attorney): N/A

-

Approved For Submittal By: ☒ Department Director

Reviewed by: ☒ City Clerk ☐ Finance ☐ Legal ☐ Other: Click here to enter text.

Final Approval: ☐ City Manager

CITY CLERK'S USE ONLY - COMMISSION ACTION TAKEN

Resolution No. - Ordinance No. -

Continued To: - Referred To: -

☐ Approved ☐ Denied ☐ Other: -

File Name: CC Agendas 8-28-2026



City of Truth or Consequences

City Boards Application

Name: CHRIS SISNEY Address: 952 YEATER
Phone: 740-5802 Email: CSISNEY@EARTHLINK.NET

I am interested in serving as a member of one the following Boards:

- ☐ Airport Advisory Board ☐ Public Arts Advisory Board ☐ Recreation/Golf Course Advisory Board
☐ Public Utility Advisory Board ☐ Library Advisory Board ☐ Impact Fee Board
☐ Lodger's Tax Advisory Board ☒ Planning & Zoning Commission
☐ Other: _____

My qualifications are:

CURRENT MEMBER
I wish to RENEW my TERM.

I hereby certify that my appointment to this board neither creates, nor should create, any conflict of interest for myself or the Board. I further confirm that any possible conflict of interest that may arise will be reported to the Board and the City Clerk.

Signature: _____

Date: 10/26/26



City of Truth or Consequences

AGENDA REQUEST FORM

MEETING DATE: August 28, 2026

Agenda Item #: F.9

SUBJECT: Re-appointment of Esther Luchini to serve a 2-year term on the Planning & Zoning Commission.

DEPARTMENT: Clerk's Office

DATE SUBMITTED: August 21, 2026

SUBMITTED BY: Angela A. Torres, City Clerk

WHO WILL PRESENT THE ITEM: City Clerk Torres

Summary/Background:

Esther Luchini is a current member of the Planning & Zoning Advisory Board. Her term expired in July. The Board unanimously voted to recommend re-appointing Esther Luchini to serve another 2 year term on the board.

Recommendation:

Re-appoint Esther Luchini to serve another 2-year term on the Planning & Zoning Advisory Board.

Attachments:

-
- Board Member application.

Fiscal Impact (Finance): No

-

Legal Review (City Attorney): N/A

-

Approved For Submittal By: ☒ Department Director

Reviewed by: ☒ City Clerk ☐ Finance ☐ Legal ☐ Other: Click here to enter text.

Final Approval: ☐ City Manager

CITY CLERK'S USE ONLY - COMMISSION ACTION TAKEN

Resolution No. - Ordinance No. -

Continued To: - Referred To: -

☐ Approved ☐ Denied ☐ Other: -

File Name: CC Agendas 8-28-2026



City of Truth or Consequences

City Boards Application

Name: Esther Luchini Address: 80 Dove Lane Montezello NM 87939
Phone: 575.740.7372 Email: esluchini@yahoo.com

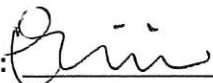
I am interested in serving as a member of one the following Boards:

- ☐ Airport Advisory Board ☐ Public Arts Advisory Board ☐ Recreation/Golf Course Advisory Board
☐ Public Utility Advisory Board ☐ Library Advisory Board ☐ Impact Fee Board
☐ Lodger's Tax Advisory Board ☒ Planning & Zoning Commission
☐ Other: _____

My qualifications are:

- Current member of Commission and wish to
continue

I hereby certify that my appointment to this board neither creates, nor should create, any conflict of interest for myself or the Board. I further confirm that any possible conflict of interest that may arise will be reported to the Board and the City Clerk.

Signature:  Date: 8 June 2024



City of Truth or Consequences

AGENDA REQUEST FORM

MEETING DATE: August 28, 2026

Agenda Item #: F.10

SUBJECT: Re-appointment of Susan Buhler to serve a 2-year term on the Planning & Zoning Commission.

DEPARTMENT: Clerk's Office

DATE SUBMITTED: August 21, 2026

SUBMITTED BY: Angela A. Torres, City Clerk

WHO WILL PRESENT THE ITEM: City Clerk Torres

Summary/Background:

Susan Buhler is a current member of the Planning & Zoning Advisory Board. Her term expired in July. The Board unanimously voted to recommend re-appointing Susan Buhler to serve another 2 year term on the board.

Recommendation:

Re-appoint Susan Buhler to serve another 2-year term on the Planning & Zoning Advisory Board.

Attachments:

-
- Board Member application.

Fiscal Impact (Finance): No

-

Legal Review (City Attorney): N/A

-

Approved For Submittal By: ☒ Department Director

Reviewed by: ☒ City Clerk ☐ Finance ☐ Legal ☐ Other: Click here to enter text.

Final Approval: ☐ City Manager

CITY CLERK'S USE ONLY - COMMISSION ACTION TAKEN

Resolution No. - Ordinance No. -

Continued To: - Referred To: -

☐ Approved ☐ Denied ☐ Other: -

File Name: CC Agendas 8-28-2026



City of Truth or Consequences

City Boards Application

Name: Susan E. Buhler Address: P.O. Box 71 Torrey, N.M. 87901
Phone: 281-615-9654 Email: SuzyJet@outlook.com

I am interested in serving as a member of one the following Boards:

- ☐ Airport Advisory Board ☐ Public Arts Advisory Board ☐ Recreation/Golf Course Advisory Board
☐ Public Utility Advisory Board ☐ Library Advisory Board ☐ Impact Fee Board
☐ Lodger's Tax Advisory Board ☒ Planning & Zoning Commission
☐ Other: _____

My qualifications are:

I am re-applying for a position on the
Planning and Zoning Commission Board.
Since July 2022 I have served on the
commission and it is my desire to serve
another term.

Thank you,

Susan E. Buhler

I hereby certify that my appointment to this board neither creates, nor should create, any conflict of interest for myself or the Board. I further confirm that any possible conflict of interest that may arise will be reported to the Board and the City Clerk.

Signature: Susan E. Buhler Date: 6-16-26



City of Truth or Consequences

AGENDA REQUEST FORM

MEETING DATE: August 28, 2026

Agenda Item #: F.11

SUBJECT: Re-appointment of Molly Hammer to serve a 2-year term on the Planning & Zoning Commission.

DEPARTMENT: Clerk's Office

DATE SUBMITTED: August 21, 2026

SUBMITTED BY: Angela A. Torres, City Clerk

WHO WILL PRESENT THE ITEM: City Clerk Torres

Summary/Background:

Molly Hammer is a current member of the Planning & Zoning Advisory Board. Her term expired in July. The Board unanimously voted to recommend re-appointing Molly Hammer to serve another 2 year term on the board.

Recommendation:

Re-appoint Molly Hammer to serve another 2-year term on the Planning & Zoning Advisory Board.

Attachments:

-
- Board Member application.

Fiscal Impact (Finance): No

-

Legal Review (City Attorney): N/A

-

Approved For Submittal By: ☒ Department Director

Reviewed by: ☒ City Clerk ☐ Finance ☐ Legal ☐ Other: Click here to enter text.

Final Approval: ☐ City Manager

CITY CLERK'S USE ONLY - COMMISSION ACTION TAKEN

Resolution No. - Ordinance No. -

Continued To: - Referred To: -

☐ Approved ☐ Denied ☐ Other: -

File Name: CC Agendas 8-28-2026



City of Truth or Consequences

City Boards Application

Name: Molly Hammer Address: 780 West 4th Ave, T or C Phone: 415-902-2212

Email: emhammer@gmail.com

I am interested in serving as a member of one the following Boards:

☐ Airport Advisory Board ☐ Public Arts Advisory Board ☐ Recreation/Golf Course Advisory Board

☐ Public Utility Advisory Board ☐ Library Advisory Board ☐ Impact Fee Board

☐ Lodger's Tax Advisory Board ☐ X Planning & Zoning Commission

☐ Other: _____

My qualifications are: _____ I have lived in Truth or Consequences for over ten years and currently serve on the Planning & Zoning Commission. Professionally, I am a Director of Global Supply Chain where I oversee vendor management, systems, and process design. I also own and manage residential rental properties in T or C giving me firsthand experience with the city's zoning from an owner's perspective. I bring strong analytical skills, attention to procedural detail and a commitment to balancing growth with the character and quality of life of our community. _____

_____ I hereby certify that my appointment to this board neither creates, nor should create, any conflict of interest for myself or the Board. I further confirm that any possible conflict of interest that may arise will be reported _____ to _____ the _____ Board _____ and _____ the _____ City _____ Clerk.

M Hammer _____ 6/30/2020 _____



City of Truth or Consequences

AGENDA REQUEST FORM

MEETING DATE: August 28, 2026

Agenda Item #: F.12a

SUBJECT: Approval of Purchase Requisitions over \$60,000
DEPARTMENT: Procurement
DATE SUBMITTED: August 24, 2026
SUBMITTED BY: Carlos Miyagishima, Chief Procurement Officer
WHO WILL PRESENT THE ITEM: Carlos Miyagishima, Chief Procurement Officer

Summary/Background:

Per Resolution No 46 20/27 Execution of Contracts; Grant Agreements; Memoranda of Understanding; Joint Powers Agreements; Settlement Agreements; Purchases (Contract and Purchases Over \$60,000).

Recommendation:

Approval Recommended by Chief Procurement Officer. Please see the attached purchase item list.

Attachments:

- NMFA PLANNING GRANT PROJECT PG-7043
- EFFLUENT WATER REUSE PER

Fiscal Impact (Finance): Yes

- \$ 75,000.00

Legal Review (City Attorney): N/A

None.

Approved For Submittal By: ☒ Department Director

Reviewed by: ☒ City Clerk ☒ Finance ☐ Legal ☒ Other: Carlos Miyagishima, Chief Procurement Officer

Final Approval: ☒ City Manager

CITY CLERK'S USE ONLY - COMMISSION ACTION TAKEN

Resolution No. [Click here to enter text.](#) Ordinance No. [Click here to enter text.](#)

Continued To: [Click here to enter a date.](#) Referred To: [Click here to enter text.](#)

☐ Approved ☐ Denied ☐ Other: [Click here to enter text.](#)

File Name: CC agendas 8-28-26

Rolf Hechler
Mayor

Destiny Mitchell
Mayor Pro-Tem

Amanda Forrister
Commissioner



505 Sims St.
Truth or Consequences, New Mexico 87901
P: 575-894-6673
www.torcnm.gov

Ingo Hoeppe
Commissioner

Chaz M. Glines
Commissioner

Gary Whitehead
City Manager

August 24, 2026

To City Mayor, Pro-Tern and Commissioners.

RE: A4 STORM SWEEPER

The Procurement Department along with Street Department has an RFP 23-24-005 – On Call Engineering Services – BH-2024-09-001 Effluent Water Reuse Preliminary Engineering Report, of \$75,000.00. In which they have received an NMFA Planning Grant Project PG-7043.

For further details, I will refer to Traci Alvarez. Thank you.

\$75,000.00

HGACBuy Contract No.: SW04-26

Regards,

Carlos Miyagishima
Chief Procurement Officer

Commission Approved: Yes ☐ No ☐ Tabled ☐

Date of Approval/Denied/Tabled : _____

Notes : _____ Requisition: #96963

PROCUREMENTS \$60,000 AND OVER

2026-27 Fiscal Year

COMMISSION MEETING 08/26/2026

Number	Vendor Name	Description	Requested By	Department	Total Amount	Procurement Type
A.	Bohannon Huston Inc.	Effluent Water Reuse PER	Carlos Miyagishima	Procurement	\$75,000.00	NMFA PLANNING GRANT PROJECT PG-7043
B.						
C.						
D.						
TOTAL					\$75,000.00	

ATTEST:

Angela Torres, Clerk-Treasurer

Date

Rolf Hechler, Mayor

Date



REQUISITION

Requisition #: 96963

Date: 08/19/2026

Vendor #: 8243

ISSUED TO: BOHANNAN HUSTON INC
7500 JEFFERSON ST. NE
ALBUQUERQUE, NM 87109-

SHIP TO: City of Truth or Consequences
505 Sims St.
Truth or Consequences, NM 87901

ITEM	UNITS DESCRIPTION	PROJECT #	PRICE GL ACCOUNT NUMBER	AMOUNT
1	0 EFFLUENT WATER REUSE PER		0.00 360-7074-48598	75,000.00
PO Description: EFFLUENT REUSE PER				
Detailed Description:				
ON HOLD PENDING ADDITIONAL GL LINE ITEM				
ON HOLD PENDING COMMISSION APPROVAL				
RFP 23-24-005 - ON CALL ENG SERVICES - BH-2024-09-001				
EFFLUENT WATER REUSE PRELIMINARY ENGINEERING REPORT				
INMEA PLANNING GRANT PROJECT PG-7043				
Authorized By: _____				SUBTOTAL: 75,000.00
				TOTAL TAX: 0.00
				SHIPPING: 0.00
				TOTAL 75,000.00

PROFESSIONAL MULTIPLE ON CALL ENGINEER AND ARCHITECT SERVICES

CONTRACT #2024-09-001

THIS AGREEMENT is made and entered into by and between City, hereinafter referred to as the "City " and **BOHANNAN HUSTON**, (Contractor), hereinafter referred to as the "Engineer and Architect", and is effective as of the date set forth below upon which it is executed by the Mayor, Mayor Pro-Tem and Board of City Commissioners.

WHEREAS, the City issued a Request for Proposals (RFP) to provide On-Call Engineer and Architect Services under RFP NO. 23-24-005; and

WHEREAS, the Engineer and Architect submitted its original proposal and was selected under RFP NO. 23-24-005; and

WHEREAS, the City desires to engage the Engineer and Architect to render certain Engineer and Architect services, as needed, and the Engineer and Architect is willing to provide such services and to enter into this Master Professional Engineer and Architect Design Services Agreement; and

WHEREAS, this Master Agreement including all Exhibits and any subsequently awarded Task Orders for Professional Services form the Contract Documents and are all as fully a part of the Contract as if attached to this Agreement; and

WHEREAS, the Engineer and Architect was selected to provide and perform such Engineer and Architect Services as provided for within this Agreement; and

NOW, THEREFORE, in consideration of the premises and mutual obligations herein, the parties hereto do mutually agree as follows:

IT IS AGREED BETWEEN THE PARTIES:

1. Scope of Work.

The Engineer and Architect hereby agrees to perform professional Engineer and Architect Design services relevant to each project assigned in accordance with the terms and conditions set forth herein.

Individual project assignments will be made by Task Orders, which are individual amendments to this contract and outline the scope of work, period of performance and compensation.

The City agrees to compensate the Engineer and Architect as set forth in Article 2 of this Agreement.

2. Compensation.

A. The City shall pay the Engineer and Architect in full payment for services satisfactorily performed under the individual Task Orders based on the schedule of payments contained in the individual task order. In no event will the Engineer and Architect be paid any amount in excess of the specified total amount payable in the individual task order without the task order being amended in writing.

B. Payment is subject to availability of funds pursuant to the Appropriations Paragraph set forth below and to any negotiations between the parties from year to year pursuant to Article 1, Scope of Work.

C. Engineer and Architect must submit a detailed statement accounting for all services performed, as specified in the individual task order. If the City finds that the services are not acceptable, within 15 days after the date of receipt of written notice from the Engineer and Architect that payment is requested, it shall provide the Engineer and Architect a letter of exception explaining the defect or objection to the services, and outlining steps the Engineer and Architect may take to provide remedial action. The City will continue to pay Engineer and Architect for any undisputed amounts pursuant to Article 2(A). Upon certification by the City that the services have been received and accepted, payment shall be tendered to the Engineer and Architect within thirty days after the date of acceptance. If payment is made by mail, the payment shall be deemed tendered on the date it is postmarked. However, the City shall not incur late charges, interest, or penalties for failure to make payment within the time specified herein.

D. The payment of taxes due for any money received under this Agreement shall be the Engineer and Architect's sole responsibility and shall be reported under the Engineer and Architect Federal and State tax identification number(s).

3. Term.

This Agreement is for one (1) year from the date of approval by the City of T or C, Mayor, Mayor Pro-Tem and Board of City Commissioners. This Contract will automatically renew on an annual basis, for up to three (3) additional one (1) year terms unless terminated pursuant to Article 4 (Termination for Convenience), Article 5 (Termination for Cause), or Article 6 (Appropriations). In accordance with Section 13-1-150 NMSA 1978, no term for a professional services contract, including extensions and renewals, shall exceed four years, except as set forth in Section 13-1-150 NMSA 1978.

4. Termination For Convenience.

A. Termination. This Agreement may be terminated by either of the parties hereto upon written notice delivered to the other party at least thirty (30) days prior to the intended date of termination. Except as otherwise allowed or provided under this Agreement, the City's sole liability upon such termination shall be to pay for acceptable work ordered and performed prior to the Engineer and Architect's receipt of the notice of termination, if the City is the terminating party, or the Engineer and Architect's sending of the notice of termination, if the Engineer and Architect is the terminating party; provided, however, that a notice of termination shall not nullify or otherwise affect either party's liability for pre-termination defaults under or

breaches of this Agreement. The Engineer and Architect shall submit an invoice for such work within thirty (30) days of receiving or sending the notice of termination. Notwithstanding the foregoing, this Agreement may be terminated immediately upon written notice to the Engineer and Architect if the Engineer and Architect becomes unable to perform the services contracted for, as determined by the City or if, during the term of this Agreement, the Engineer and Architect or any of its officers or employees is indicted for fraud, embezzlement or other crime due to misuse of government funds or due to the Appropriations paragraph herein.

THIS PROVISION IS NOT EXCLUSIVE AND DOES NOT WAIVE THE CITY 'S OTHER LEGAL RIGHTS AND REMEDIES CAUSED BY THE ENGINEER AND ARCHITECT'S DEFAULT/BREACH OF THIS AGREEMENT.

B Termination Management. Immediately upon receipt by either the City or the Engineer and Architect of notice of termination of this Agreement, the Engineer and Architect shall: 1) not incur any further obligations for salaries, services or any other expenditure of funds under this Agreement without written approval of the City ; 2) comply with all directives issued by the City in the notice of termination as to the performance of work under this Agreement; and 3) take such action as the City shall direct for the protection, preservation, retention or transfer of all property titled to the City and records generated under this Agreement. Any non-expendable personal property or equipment provided to or purchased by the Engineer and Architect with contract funds shall become property of the City upon termination and shall be submitted to the City as soon as practicable.

5. Termination For Cause.

A. City may by written notice terminate this Agreement in whole or in part for Engineer and Architect 's default if the Engineer and Architect fails to comply with the provisions of this Agreement or fails to make progress so as to endanger performance and does not cure such failure within a reasonable period of time. In such event, City may otherwise secure the materials, supplies or services ordered, and Engineer and Architect shall be liable for damages suffered by City thereby, including incidental and consequential damages. If after notice of termination, City determines Engineer and Architect w a s not in default, or if Engineer and Architect 's default is due to failure of City, termination shall be deemed for the convenience of City. The rights and remedies of City provided in this paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement as used in this paragraph, the word "Engineer and Architect" includes Engineer and Architect 's sub-suppliers at any tier.

B. In the event a termination for cause notice is issued by the City , the Engineer and Architect shall: 1) not incur any further obligations for salaries, services or any other expenditure of funds under this Agreement without written approval of the City ; 2) comply with all directives issued by the City in the notice of termination as to the performance of work under this Agreement; and 3) take such action as the City shall direct for the protection, preservation, retention or transfer of all property titled to the City and records generated under this Agreement. Any non-expendable personal property or equipment provided to or purchased by the Engineer and Architect with contract funds shall become property of the City upon termination and shall be submitted to the City as soon as practicable.

6. Appropriations.

The terms of this Agreement are contingent upon sufficient appropriations and authorization being made by the Board of City Commissioners for the performance of each task order assigned under this Agreement. If sufficient appropriations and authorization are not made by the Board of City Commissioners, this Agreement shall terminate immediately upon written notice being given by the City to the Engineer and Architect. The City's decision as to whether sufficient appropriations are available shall be accepted by the Engineer and Architect and shall be final. If the City proposes an amendment to the Agreement to unilaterally reduce funding, the Engineer and Architect shall have the option to terminate the Agreement or to agree to the reduced funding, within thirty (30) days of receipt of the proposed amendment.

7. Status of Engineer and Architect.

The Engineer and Architect and its employees are independent Engineer and Architects performing professional services for the City and are not employees of the City of T or C. The Engineer and Architect and its employees shall not accrue leave, retirement, insurance, bonding, use of City vehicles, or any other benefits afforded to employees of the City of T or C as a result of this Agreement. The Engineer and Architect acknowledges that all sums received hereunder are reportable by the Engineer and Architect for tax purposes, including without limitation, self-employment and business income tax. The Engineer and Architect agrees not to purport to bind the City of T or C unless the Engineer and Architect has express written authority to do so, and then only within the strict limits of that authority.

8. Assignment.

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

9. Subcontracting.

The Engineer and Architect shall not subcontract any portion of the services to be performed under this Agreement without the prior written approval of the City. Subcontractors listed in an approved task order constitute approval of the City. No such subcontract shall relieve the Engineer and Architect from its obligations and liabilities under this Agreement, nor shall any subcontract obligate direct payment from the City. In all cases, the Engineer and Architect is solely responsible for fulfillment of this Agreement.

10. Release.

Final payment of the amounts due under each task order issued under this Agreement shall operate as a release of the procuring agency of the City, its officers and employees, and the City of T or C from all liabilities, claims and obligations whatsoever arising from or under this Agreement.

11. Confidentiality.

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

12. Product of Service -- Copyright.

All materials developed or acquired by the Engineer and Architect under this Agreement shall become the property of the City of T or C and shall be delivered to the City no later than the termination date of this Agreement. Nothing developed or produced, in whole or in part, by the Engineer and Architect under this Agreement shall be the subject of an application for copyright or other claim of ownership by or on behalf of the Engineer and Architect.

13. Conflict of Interest; Governmental Conduct Act.

A. The Engineer and Architect represents and acknowledges that it presently has no interest and, during the term of this Agreement, shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance or services required under the Agreement.

B. The Engineer and Architect further represents and acknowledges that it has complied with, and, during the term of this Agreement, will continue to comply with, and that this Agreement complies with all applicable provisions of the Governmental Conduct Act, Chapter 10, Article 16 NMSA 1978. Without in anyway limiting the generality of the foregoing, the Engineer and Architect specifically represents and acknowledges that:

1) in accordance with Section 10-16-4.3 NMSA 1978, the Engineer and Architect does not employ, has not employed, and will not employ during the term of this Agreement any City employee while such employee was or is employed by the City and participating directly or indirectly in the City's contracting process.

2) this Agreement complies with Section 10-16-7(B) NMSA 1978 because (i) the Engineer and Architect is not a public officer or employee of the City; (ii) the Engineer and Architect is not a member of the family of a public officer or employee of the City; (iii) the Engineer and Architect is not a business in which a public officer or employee or the family of a public officer or employee has a substantial interest; or (iv) if the Engineer and Architect is a public officer or employee of the City, a member of the family of a public officer or employee of the City, or a business in which a public officer or employee of the City or the family of a public officer or employee of the City has a substantial interest, public notice was given as required by Section 10-16-7(B) NMSA 1978 and this Agreement was awarded pursuant to a competitive process;

3) in accordance with Section 10-16-8(C) NMSA 1978, (i) the Engineer and Architect is not, and has not been represented by, a person who has been a public officer or employee of the City within the preceding year and whose official act directly resulted in this Agreement and (ii) the Engineer and Architect is not, and has not been assisted in any way regarding this transaction by, a former public officer or employee of the City whose official act, while in City employment, directly resulted in the City's making this Agreement;

4) in accordance with Section 10-16-13 NMSA 1978, the Engineer and Architect has not directly participated in the preparation of specifications, qualifications or evaluation

criteria for this Agreement, or any procurement related to this Agreement; and

5) in accordance with Section 10-16-3 and Section 10-16-13.3 NMSA 1978, the Engineer and Architect has not contributed, and during the term of this Agreement shall not contribute, anything of value to a public officer or employee of the City.

C. Engineer and Architect's representations and acknowledgements in Paragraphs A and B of this Article 13 are material representations of fact upon which the City relied when this Agreement was entered into by the parties. Engineer and Architect shall provide immediate written notice to the City if, at any time during the term of this Agreement, Engineer and Architect learns that Engineer and Architect's representations and acknowledgements in Paragraphs A and B of this Article 13 were erroneous on the effective date of this Agreement or have become erroneous by reason of new or changed circumstances. If it is later determined that Engineer and Architect's representations and acknowledgements in Paragraphs A and B of this Article 13 were erroneous on the effective date of this Agreement or have become erroneous by reason of new or changed circumstances, in addition to other remedies available to the City and notwithstanding anything in the Agreement to the contrary, the City may immediately terminate the Agreement.

D. All terms defined in the Governmental Conduct Act have the same meaning in this Article 13(B).

14. Amendment.

This Agreement shall not be altered, changed or amended except by instrument in writing executed by the parties hereto and all other required signatories. Executed task orders are amendments to this agreement.

15. Merger.

This Agreement incorporates all the Agreements, covenants and understandings between the parties hereto concerning the subject matter hereof, and all such covenants, Agreements and understandings have been merged into this written Agreement. No prior Agreement or understanding, oral or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Agreement.

16. Penalties for Violation of Law.

The Procurement Code, Sections 13-1-28 through 13-1-199, NMSA 1978, imposes civil and criminal penalties for its violation. In addition, the New Mexico criminal statutes impose felony penalties for illegal bribes, gratuities and kickbacks.

17. Equal Opportunity Compliance.

The Engineer and Architect agrees to abide by all federal, state and City laws and rules and regulations, pertaining to equal employment opportunity. In accordance with all such laws, the Engineer and Architect assures that no person in the United States shall, on the grounds of race, religion, color, national origin, ancestry, sex, age, physical or mental handicap, or serious medical condition, spousal affiliation, sexual orientation or gender identity, be excluded from employment with or participation in, be denied the benefits of, or be otherwise subjected to

discrimination under any program or activity performed under this Agreement. If Engineer and Architect is found not to be in compliance with these requirements during the life of this Agreement, Engineer and Architect agrees to take appropriate steps to correct these deficiencies.

18. Applicable Law.

In any action, suit or legal dispute arising from this Agreement, the Engineer and Architect agrees that the laws of the State of New Mexico shall govern, and that venue will lie in the Seventh Judicial District Court in Sierra County. By execution of this Agreement, Engineer and Architect acknowledges and agrees to the jurisdiction of the courts of the State of New Mexico over any and all lawsuits arising under or out of any term of this Agreement.

19. Workers Compensation.

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

20. Records and Financial Audit.

The Engineer and Architect shall maintain detailed time and expenditure records that indicate the date; time, nature and cost of services rendered during the Agreement's term and effect and retain them for a period of three (3) years from the date of final payment under this Agreement. The records shall be subject to inspection by the City, the City's auditor, the New Mexico Department of Finance and Administration and the New Mexico State Auditor. The City shall have the right to audit billings both before and after payment. Payment under this Agreement shall not foreclose the right of the City to recover excessive or illegal payments

21. Disclaimer and Hold Harmless.

City of T or C shall not be liable to the Engineer and Architect, or the Engineer and Architect's successors, heirs, administrators, or assigns, for any loss, damage, or injury, whether to Engineer and Architect's person or property, occurring in connection with Engineer and Architect's performance of Engineer and Architect's duties according to this Agreement. Engineer and Architect shall hold City of T or C harmless from all loss, damage, and injury, including court costs and reasonable attorney fees, incurred by the City of T or C in connection with the performance by Engineer and Architect of Engineer and Architect's duties according to this Agreement.

22. Indemnification.

Engineer and Architect shall shield (except for claims against professional liability insurance), indemnify and hold harmless the City, its Commissioners, and employees from damages and expenses, including reasonable attorney fees, arising or alleged to have arisen out of any negligent act of Contractor or anyone directly or indirectly employed by Contractor, or arising in any from the activities of or services by the Contractor under this Contract. Notwithstanding the foregoing, Contractor shall have no obligation to indemnify, defend or hold harmless the City, its Commissioners, employees or agents from or against any claims or actions arising from the gross negligence, reckless disregard for the safety of others or willful misconduct of the City, its Commissioners, employees or agents. Contractor shall safeguard all

claims and litigation. The City shall have the right to choose its own legal counsel.

23. Invalid Term or Condition.

If any term or condition of this Agreement shall be held invalid or unenforceable, the remainder of this Agreement shall not be affected and shall be valid and enforceable.

24. Enforcement of Agreement.

A party's failure to require strict performance of any provision of this Agreement shall not waive or diminish that party's right thereafter to demand strict compliance with that or any other provision. No waiver by a party of any of its rights under this Agreement shall be effective unless expressed in writing, and no effective waiver by a party of any of its rights shall be effective to waive any other rights.

25. Authority.

If Engineer and Architect is other than a person, the individual(s) signing this Agreement on behalf of Engineer and Architect represents and acknowledges that he or she has the power and authority to bind Engineer and Architect, and that no further action, resolution, or approval from Engineer and Architect is necessary to enter into a binding contract.

26. Lobbying.

No federal appropriated funds can be paid or will be paid, by or on behalf of the Engineer and Architect, or any person for influencing or attempting to influence an officer or employee of any City, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, or the making of any Federal grant, the making of any federal loan, the entering into of any cooperative agreement, or modification of any Federal contract, grant, loan, or cooperative agreement. If any funds other than federal appropriated funds have been paid or will be paid to any person influencing or attempting to influence an officer or employee of any City, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection of this federal contract, grant, loan, or cooperative agreement, the ENGINEER AND ARCHITECT shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

27. Approval of Engineer and Architect Personnel.

Personnel proposed in the Engineer and Architect's written proposal to the City are considered material to any work performed under this Agreement. No changes of personnel will be made by the Engineer and Architect without prior written consent of the procuring agency of the City. Replacement of any Engineer and Architect personnel, if approved, shall be with personnel of equal ability, experience and qualifications. The Engineer and Architect will be responsible for any expenses incurred in familiarizing the replacement personnel to insure their being productive to the project immediately upon receiving assignments. Approval of replacement personnel shall not be unreasonably withheld. The procuring agency of the City shall retain the right to request the removal of any of the Engineer and Architect's personnel at any time.

28. Survival.

The agreement Articles titled "Patent, Copyright, Trademark, and Trade Secret Indemnification" and "Indemnification" shall survive the expiration of this agreement. Software licenses, leases, maintenance and any other unexpired agreements that were entered into under the terms and conditions of this agreement shall survive this agreement.

29. Succession.

This agreement shall extend to and be binding upon the successors and assigns of the parties.

30. Force Majeure.

A party shall be excused from performance under this agreement for any period that the party is prevented from performing as a result of an act of God, strike, war, civil disturbance, epidemic, or court order, provided that the party has prudently and promptly acted to take any and all steps that are within the party's control to ensure performance. Subject to this provision, such non-performance shall not be deemed a default or a ground for termination.

31. Mediation.

In the event a dispute arises as to the rights and obligations among the parties hereto, the parties agree to attempt to resolve the dispute through mediation as a condition precedent to seeking legal and equitable remedies. The parties agree to evenly split the costs of any such mediation services. The parties shall mutually agree upon the choice of mediator. In the event the parties have not agreed upon a mediator within twenty (20) days of written notice to the other regarding the dispute, then a list of seven potential mediators will be obtained from the New Mexico Association of Counties and the parties shall utilize a striking process until a mediator is agreed upon.

32. Notice to Proceed.

It is expressly understood that this Agreement is not binding upon the City until it is executed by the Board of City Commissioners after voting on the contract at a public meeting. The Engineer and Architect is not to proceed with its obligations under the Agreement until the Engineer and Architect has received a fully signed copy of the Agreement. Further, each individual task order must be fully executed prior to proceeding with any work.

33. Attorney's Fees.

In the event this Agreement results in dispute, mediation, litigation, or settlement between the parties to this Agreement, the prevailing party of such action shall NOT be entitled to an award of attorneys' fees and court costs.

34. Cooperation.

All parties hereto will fully cooperate with the other and their respective counsel, accountant, and agents in connection with any steps required to be taken under this Agreement.

35. Incorporation and Order of Precedence.

Request for Proposals RFP NO. 23-24-005 and the Engineer and Architect's proposal are incorporated by reference into this agreement and are made a part of this agreement. In the event

of any conflict among these documents, the following order of precedence shall apply:

1. Any contract amendment(s), in reverse chronological order; then
2. this contract itself; then
3. the Request for Proposals; then
4. the executed task orders with the scope of work, timeframe for completion, and compensation, in reverse chronological order; then
5. the Engineer and Architect 's proposal.

36. Patent, Copyright, Trademark and Trade Secret Indemnification.

A. The Engineer and Architect shall defend, at its own expense, the City of T or C against any claim that any product or service provided under this agreement infringes any patent, copyright or trademark in the United States or Puerto Rico, and shall pay all costs, damages and reasonable attorneys' fees that a court finally awards as a result of any such claim. In addition, if any third party obtains a judgment against the City of T or C based upon the Engineer and Architect 's trade secret infringement relating to any product or service provided under this agreement, the Engineer and Architect agrees to reimburse the City of T or C for all costs, attorneys' fees and the amount of the judgment. To qualify for such defense and/or payment, the City of T or C shall:

- i. gives the Engineer and Architect prompt written notice of any claim;
- ii. allow the Engineer and Architect to control the defense or settlement of the claim; and
- iii. cooperate with the Engineer and Architect in a reasonable way to facilitate the defense or settlement of the claim.

B. If any product or service becomes, or in the Engineer and Architect 's opinion is likely to become the subject of a claim of infringement, the Engineer and Architect shall at its option and expense:

- i. provides a procuring agency of the City the right to continue using the product or service;
- ii. replace or modify the product or service so that it becomes non-infringing; or
- iii. accept the return of the product or service and refund an amount equal to the depreciated value of the returned product or service, less the unpaid portion of the purchase price and any other amounts, which are due to the Engineer and Architect. The Engineer and Architect 's obligation will be void as to any product or service modified by the procuring agency of the City to the extent such modification is the cause of the claim.

37. Professional Liability Insurance.

Engineer and Architect agrees to maintain in full force throughout the duration of the Agreement a liability insurance policy with a minimum coverage of: Comprehensive General Liability - \$1,000,000 per occurrence, \$2,000,000 General Aggregate; Professional liability-

\$1,000,000 per occurrence, \$2,000,000 Annual Aggregate. Occurrence type, if available; if not "Claims Made" type with a minimum of a six (6) year tail. The City will be provided an updated certificate of insurance on an annual basis.

38. Compliance With Laws

In providing the scope of services outlined herein, the Engineer and Architect and the City shall comply with all applicable laws, ordinances, and codes of the Federal, State, and local governments, in effect during Engineering and Architect's performance of their services.

39. Construction and Severability

If any part of this Agreement is held to be invalid or unenforceable, such holding will not affect the validity or enforceability of any other part of this Agreement so long as the remainder of the Agreement is reasonably capable of completion.

41. Entire Agreement

This Agreement contains the entire agreement of the parties and supersedes any and all other agreements or understandings, oral or written, whether previous to the execution hereof or contemporaneous herewith.

MAYOR, MAYOR PRO-TEM, BOARD OF CITY COMMISSIONERS

42. Notices.

Any notice required to be given to either party by this Agreement shall be in writing and shall be delivered in person, by courier service or by U.S. mail, either first class or certified, return receipt requested, postage prepaid, as follows:

To: City of T or C

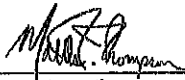
Leianandra Guerra, Chief Procurement Officer
505 Sims
Truth or Consequences, NM 87901

To the Engineer-Architect: BOHANNAN HUSTON

Printed Name: Mathew R. Thompson, Senior VP

Address: BOHANNAN HUSTAN
425 South Telshor Boulevard Suite C-103
Las Cruces, NM 88011

By:



Date: October 14, 2024

Mathew R. Thompson, Senior Vice President

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date of signature by the County Chief Procurement Officer below:

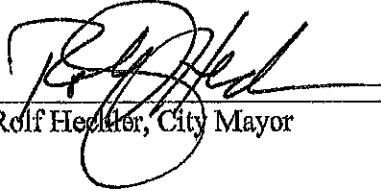
By:


For Angie Gonzales, City Manager

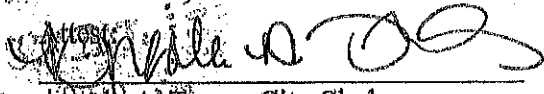
Date: 10-17-24

MAYOR, MAYOR PRO-TEM, BOARD OF CITY COMMISSIONERS

APPROVED, ADOPTED AND PASSED on this 9th day of October 2024

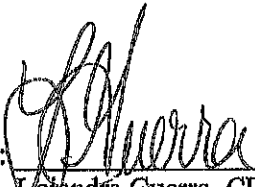


Rolf Hecker, City Mayor

Angela A. Torres, City Clerk

City Chief Procurement Officer:

By:  _____ Date: 10/17/2024
Leticia Guerra, CPO
City of T or C

Truth or Consequences, City of
Wastewater Preliminary Engineering Report
Local Government Planning Fund

Application No. PG-7043

A. Executive Summary

Applicant: Truth or Consequences, City of	Board Date: 2/26/2026
NMFA Analyst: Susan Rodriguez	Project: Wastewater Preliminary Engineering Report
Compliance with NMFA Policies: Yes	Amount: \$75,000
Recommendation: Approval	

B. PROJECT AND APPLICANT CRITERIA

Project Scope:

The City of Truth or Consequences (T or C) has applied to the LGPF to fund a Preliminary Engineering Report. This report will help the City evaluate the best options to improve and expand treated effluent water from the wastewater treatment plant for reuse purposes. The PER will further determine infrastructure needs and system demands for distributing treated effluent for City use at various new locations and expanded use. The City plans to use this document in applying for future Water Trust and Colonias Infrastructure funding.

Grant Structure

Project Amount	\$100,000
Local Match Requirement	\$25,000
Grant Amount	\$75,000

Entity Profile

Applicant Profile		Percentage of State		Award Calculations		
Entity MHI	\$29,142	% State MHI	43%	MHI Award	100%	\$100,000
Local Burden Rate	0.38	Local Burden Ratio	79%	Local Burden Award	0%	\$0
Grant Waivers						
Local Match Waiver	0%		\$0			
Reason for Waiver:						
Grant Award						
Project Amount	\$100,000	Cash Available for Project	\$25,000			
Unmet Need	\$75,000	Maximum Grant Amount	\$75,000			

System Profile:

Number of Certified Operators	7	Number of Connections	2,900
Document Preparer	Wilson & Company	Document Reviewer	ERG

Local Government Planning Fund

Project Number	Planning Document	Closing Date	Project Status	Grant Amount
PG-2963	Comprehensive Plan w/ LEDA	6/19/2015	Closed	\$50,000.00
PG-2656	Preliminary Engineering Report	1/18/2013	Closed	\$50,000.00
PG-3313	Water Conservation Plan	12/2/2016	Closed	\$35,615.56
PG-5239	Asset Management Plan	12/2/2022	Closed	\$50,000.00
PG-5240	Economic Feasibility Study	2/18/2022	Closed	\$50,000.00
PG-7043	Wastewater Preliminary Engineering Report		Pending	\$75,000.00
Total				\$310,615.56

C. Readiness to Proceed

Final approval of this project is based on the submission of certain readiness to proceed items. The following have been submitted to NMFA:

1. NMFA Application;
2. NMFA Application Resolution;
3. Most current Audit, Approved Final Budget, Supplemental information; and
4. Open Meetings Act Resolution

Prior to funding of this application, NMFA will require the entity to submit or meet the following criteria:

1. Executed Professional Services Agreement within five months of board approval;
2. Submittal of the planning document for approval within one year of board approval;
3. Close the grant agreement within 18 months of board approval; and
4. Any additional information requested by the NMFA.



NEW MEXICO
FINANCE AUTHORITY

February 26, 2026

City of Truth or Consequences
505 Sims Street
Truth of Consequences, NM 87901
Attn: Tracy Alvarez, talvarez@torcnm.org

Re: NMFA Project No. PG-7043, Preliminary Engineering Report

The Board of Directors of the NMFA met to review your application for an LGPF grant for a Preliminary Engineering Report. The City received conditional approval by NMFA for a grant for 100% of the application request, up to \$75,000.

You will have **18 months** from **February 26, 2026** to complete the plan, obtain approval, and close on the grant. The following conditions and deadlines are suggested as a guide to keep the project on track and close the grant by the expiration date of **August 26, 2027**.

1. Submission of the contract for services to NMFA within 5 months: **July 26, 2026**
2. Submission of the plan within 16 months: **June 26, 2027**
3. Close on the grant within 18 months: **August 26, 2027**

The Preliminary Engineering Report must adhere to the United States Department of Agriculture, Rural Utilities Service, Bulletin 1780-2. You will submit the PER to LGPF@nmfa.net for review and approval. Once the plan is approved, we will start the closing process and additional information will be required from you.

Feel free to contact me with questions at (505) 992-9658 or email me at LGPF@nmfa.net.

Sincerely yours,

Mary L. Finney

Mary L. Finney
Lead Program Administrator

Cc: Ashley Martinez, Ashley.martinez@wilsonco.com

July 29, 2026

Traci Alvarez, Assistant City Manager
City of Truth or Consequences
505 Sims Street
Truth or Consequences, NM 87901

RE: City of TorC Effluent Reuse System PER
On-Call Engineering Services Agreement # 2024-09-01 - Task Order #4

Dear Ms. Alvarez:

Bohannon Huston, Inc., (BHI) is pleased to provide the attached task order proposal for the development of an Effluent Reuse System Preliminary Engineering Report (PER) for the City of Truth or Consequences' (City) review and consideration. The scope of work includes the development of a PER in accordance with USDA-RD RUS Bulletin 1780-2 to document the existing condition of components associated with the Effluent Reuse System, develop feasible alternatives, and provide a recommendation for improvements to address current issues and meet long-term system goals and expectations. Please let us know if you would like to meet and discuss any element of this scope in detail or if there are any additional items you would like us to take into consideration as part of the project scope.

If acceptable, please return the executed task order and purchase order which will be considered the effective notice to proceed. If you have any questions, please contact me directly at 575-532-8670. Thank you for the opportunity and we look forward to working with you on these critical tasks for the City.

Sincerely,



J. Alfredo Holguin, PE
Senior Project Manager

Enclosures

EXHIBIT A

SCOPE OF SERVICES AND FEE SCHEDULE

ON-CALL ENGINEERING SERVICES AGREEMENT # 2024-09-01

TASK ORDER #4

PROJECT: EFFLUENT REUSE SYSTEM PRELIMINARY ENGINEERING REPORT

This scope of services for the City of Truth or Consequences is for work associated with the development of an Effluent Reuse System Preliminary Engineering Report (PER) and defines the work, deliverables, and related fees for each project work task. Individual tasks are described in detail below.

Throughout this document the terminology "OWNER" refers to the City of Truth or Consequences, and "ENGINEER" refers to Bohannon Huston, Inc.

A. PROJECT UNDERSTANDING & SCOPE DESCRIPTION

1. Requested Scope of Services: The City's existing effluent reuse system is utilized to supplement groundwater pumping sources for irrigation of the Louis Armijo Park Complex, the City's Golf Course and as a source of water for construction purposes. A large portion of the effluent system components have been in use since the system was commissioned over 20 years ago and have reached the end of their useful life. The project scope includes a field condition assessment of all major system components including the effluent storage pond, Louis Armijo pump system, transmission booster station, golf course storage pond and golf course pump station as part of the system condition characterization. Potential system expansions to serve Family Park and the City Cemetery will also be evaluated as part of the alternatives considered. BHI will prepare a Preliminary Engineering Report (PER) following RUS Bulletin 1780-2 (Sept. 2025) to evaluate operating parameters for conformance with discharge permit reuse requirements and develop alternatives to address current issues and recommend capital improvements necessary for the City to continue protecting, managing, and conserving water sources that are essential for public health, our ecosystems, and the environment.

The project's engineering services are broken down specific work tasks identified below in the work task outline:

PLANNING SERVICES:

Task 1 – Project Management and Communication

Task 2 – Preliminary Engineering Report

B. PLANNING SERVICES:

TASK 1: PROJECT MANAGEMENT AND COORDINATION

Objective: Provide effective communications, coordination, meetings, and project management for the Project throughout the planning phase.

Approach: ENGINEER will conduct an initial Project Kick-off Meeting with the OWNER and other stakeholders to obtain additional Project information, to obtain OWNER input, and to develop critical success factors for planning and implementation of the Project. As part of this meeting, OWNER goals and constraints will be identified to assist the ENGINEER in screening and evaluation of preliminary planning alternatives in order to upgrade the facilities while continuing to maintain operation. Subsequent planning phase meetings with OWNER staff and operations team members will be conducted, as required, to complete the Project deliverables.

The ENGINEER and OWNER will have regular conference calls and email communications to keep the OWNER informed of the Project's progress and obtain additional input from the OWNER. The ENGINEER will provide a monthly progress report that summarizes the work completed since the last report, work to be completed during the next period, budget status, issues and concerns, and schedule status. The ENGINEER shall attend one meeting per month to update OWNER staff on the current status of specific planning activities and get input needed to maintain the planning phase schedule.

Other Project management responsibilities to be completed under this task include management of subcontracts, project accounting, scheduling and budget tracking, and maintenance of project files.

Assumptions:

1. An initial kick-off meeting will be held at the OWNER's or BHI's offices with OWNER staff, ENGINEER's project manager and project engineer, and other stakeholders that may be identified by the OWNER.

Deliverables:

1. Kick-off meeting agenda and meeting minutes
2. Monthly progress reports – delivered via e-mail
3. Regular conference meeting minutes
4. Monthly invoices for ENGINEER's services

TASK 2: PRELIMINARY ENGINEERING REPORT

Objective: Develop a Preliminary Engineering Report (PER) following RUS Bulletin 1780-2 (Sept. 2025) to evaluate alternatives for repairs and recommend capital improvements necessary for the Owner to continue its stewardship of critical water resources.

Approach: ENGINEER will conduct a field assessment of known problem areas and critical system components including the effluent storage lagoon, Louis Armijo pump system, transmission booster station, golf course storage lagoon and golf course pump station within the existing reuse system to characterize the condition of the components. Field conditions confirmation of the reuse transmission and distribution piping will also be included, where observable and identifiable, supplemented by operations institutional knowledge.

Develop the planning document in accordance with the outline established RUS Bulletin 1780-2 for the PER:

Section	Subsection
1) Project Planning	a. Location b. Environmental Resources Present c. Population Trends d. Community Engagement
2) Existing Facilities	a. Location Map b. History c. Condition of Existing Facilities d. Financial Status of any Existing Facilities e. Water/Energy/Waste Audits
3) Need for Project	a. Health, Sanitation, and Security b. Aging Infrastructure c. Reasonable Growth
4) Alternatives Considered	a. Description b. Design Criteria c. Map d. Environmental Impacts e. Land Requirements f. Potential Construction Problems g. Sustainability Considerations i. Water and Energy Efficiency ii. Green Infrastructure h. Cost Estimates
5) Selection of an Alternative	a. Life Cycle Cost Analysis b. Non-Monetary Factors
6) Proposed Project (Recommended Alternative)	b. Preliminary Project Design c. Project Schedule d. Permit Requirements e. Sustainability Considerations i. Water and Energy Efficiency ii. Green Infrastructure f. Total Project Cost Estimate (Engineer's Opinion of Probable Cost) g. Annual Operating Budget

Section	Subsection
	i. Annual Income ii. Annual O&M Costs iii. Debt Repayments iv. Reserves
7) Conclusions and Recommendations	a. Final Recommendations Summary

ENGINEER will meet with OWNER staff to present the findings from the field conditions verification and the recommended alternatives. Comments received will be documented and incorporated into the final PER and Recommendations for Improvements.

Assumptions:

1. Two alternatives for each reuse system component to include the Louis Armijo Storage Pond & Transmission Booster Station, Armijo Park Pump Station, Golf Course Storage Pond & Pump Station, Extension to the Cemetery & Family Park, and a No Construction alternative will be considered.
2. No public meetings, advertisements or publishing will be required.
3. No CCTV or unmanned inspections will be carried out to assess the condition of lagoon liners, pipelines and/or other system components that are paved over, substantially buried and/or are otherwise inaccessible using standard hand tools.
4. OWNER operations staff to provide institutional knowledge of these component conditions.
5. OWNER will provide all available record drawings, GIS files, etc. of Effluent system, storage lagoons, pump stations, and transmission lines.
6. OWNER to provide available documentation of existing permits and private easements related to the existing reuse system in the planning area.
7. OWNER will provide layout and demand information of any proposed reuse locations within the planning area to be included as part of the expansion evaluations.
8. Historical average day, peak day, and peak hour wastewater effluent flows will be calculated from historical Discharge Monitoring Reports (DMR's). DMR's for the previous 3-years will be needed. This information will be evaluated to assess longer term historical trends and will provide the basis for developing available demand factors.

Deliverables:

1. Draft PER document in Adobe PDF
2. Preliminary Draft Report review meeting summarized minutes of action items and comments.
3. Final PER document in Adobe PDF and one (1) paper bound copy.

C. SERVICE FEES

Compensation for the services of Engineer (including direct costs, markups, and cost of subcontracted services) will be outlined below. All amounts shown are exclusive of New Mexico Gross Receipts Tax.

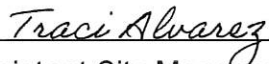
Invoicing will be based on the percentage complete of task or cumulative completion of subtasks associated with the work under the task. All amounts shown below are lump sum except tasks indicated to be time and materials not-to-exceed (T&M NTE). Lump sum amounts shown include all direct costs, markups, and cost of subcontracted services associated with the task. Changes to these amounts will only be accomplished by written amendment to this scope and approved by the Owner.

TASK DESCRIPTION	TASK FEE
Task 1: Project Management and Coordination (Lump Sum)	\$5,700
Task 2: Preliminary Engineering Report (Lump Sum)	\$93,200
TOTAL PROJECT FEE	\$98,900

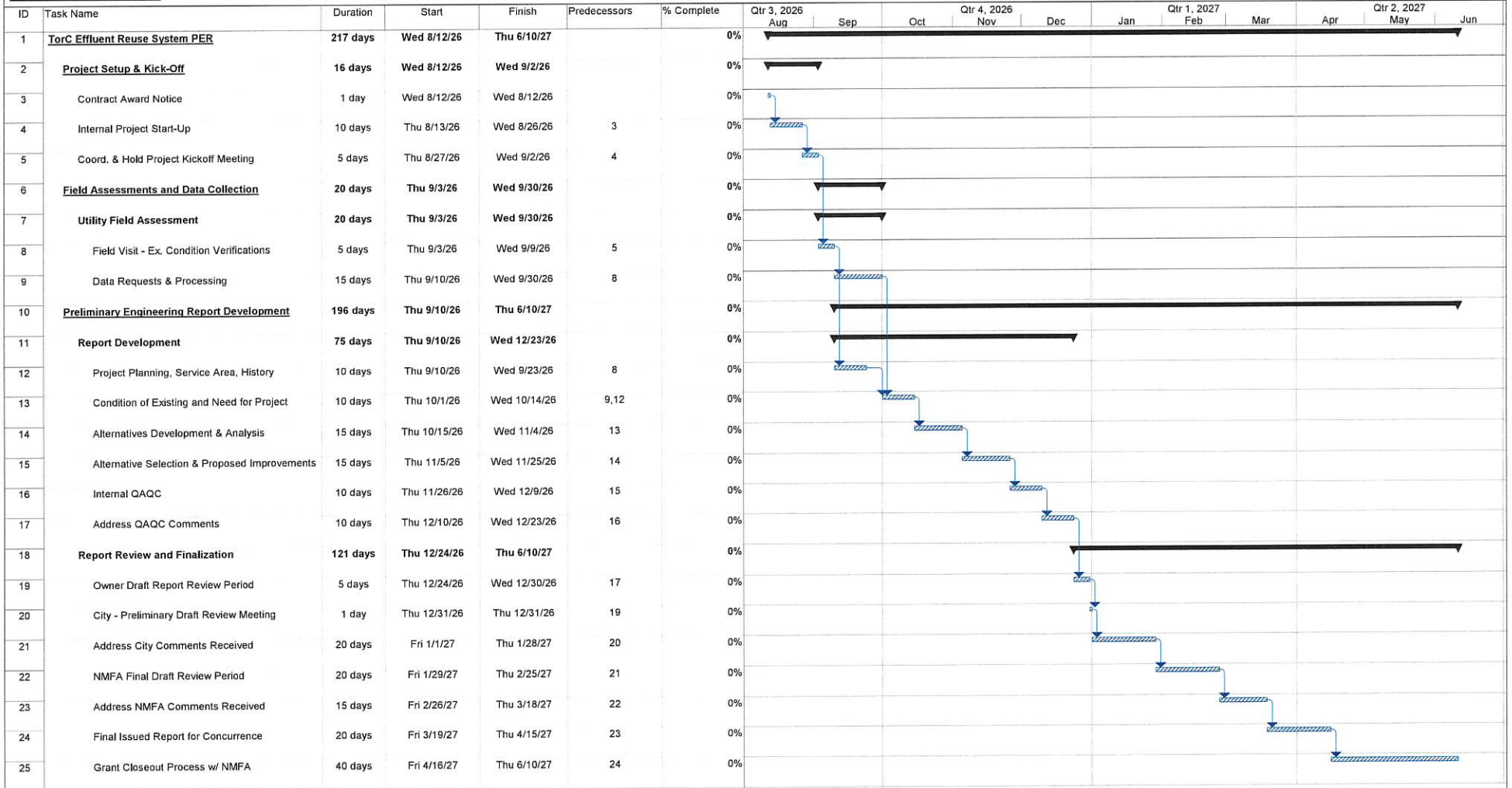
D. PROJECT SCHEDULE

The time period for the performance of BHI's services is approximately 8 months from the receipt of notice to proceed per the attached detailed schedule.

Engineer: Bohannon Huston, Inc.
Signature: 
Title: Senior Vice President
Date: 7/29/2026

Client: City of Truth or Consequences
Signature: 
Title: Assistant City Manager
Date: 8/19/2026

PROJECT SCHEDULE



City of TorC Effluent Reuse System PER	Task		Project Summary		Inactive Task		Duration-only		Finish-only		
	Split		External Tasks		Inactive Milestone		Manual Summary Rollup		Progress		
	Milestone		External Milestone		Inactive Summary		Manual Summary		Deadline		
	Summary		Inactive Task		Manual Task		Start-only				



CITY OF TRUTH OR CONSEQUENCES

AGENDA REQUEST FORM

MEETING DATE: August 28, 2026

Agenda Item #: G.1

SUBJECT: Discussion/Action: Approval of Resolution 15 26/27 Authorizing NMFA Colonias Infrastructure Project Fund Loan/Grant Agreement CIF-7113 for Marie Street Improvements

DEPARTMENT: Community Development

DATE SUBMITTED: August 21, 2026

SUBMITTED BY: Traci Alvarez

WHO WILL PRESENT THE ITEM: Traci Alvarez; Assistant City Manager

Summary/Background:

The City of Truth or Consequences was awarded \$1,363,637 through the Colonias Infrastructure Project Fund for the Marie Street Improvements Project. The project funding includes a grant of \$1,227,273 and a loan of \$136,364, for a total NMFA Loan/Grant Agreement amount of \$1,363,637. In addition, the city is required to provide a cash match of \$136,364, bringing the total available project funding to \$1,500,001. Funding will be used for the design and construction of improvements to Marie Street, including roadway rehabilitation, curb and gutter, drainage, safety, and ADA compliance improvements. The project area extends approximately 0.84 miles along Marie Street from Palo Verde Street to North Date Street

Recommendation:

Approve Resolution 15 26/27 authorizing execution and delivery of the NMFA Colonias Infrastructure Project Fund Loan/Grant Agreement No. CIF-7113 in the total amount of \$1,363,637 for the Marie Street Improvements Project

Attachments:

- Loan/Grant Agreement Documents
-

Fiscal Impact (Finance): Yes

Legal Review (City Attorney): Yes

[Click here to enter text.](#)

Approved For Submittal By: ☐ Department Director

Reviewed by: ☐ City Clerk ☐ Finance ☐ Legal ☐ Other: [Click here to enter text.](#)

Final Approval: ☐ City Manager

CITY CLERK'S USE ONLY - COMMISSION ACTION TAKEN

Resolution No. [Click here to enter text.](#) Ordinance No. -

Continued To: - Referred To: -

☐ Approved ☐ Denied ☐ Other: -

File Name: CC agendas 8-28-26

CITY OF TRUTH OR CONSEQUENCES,
SIERRA COUNTY, NEW MEXICO
RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A COLONIAS INFRASTRUCTURE PROJECT FUND LOAN/GRANT AGREEMENT ("AGREEMENT" OR "LOAN/GRANT AGREEMENT") BY AND BETWEEN THE NEW MEXICO FINANCE AUTHORITY ("NMFA," OR "LENDER/GRANTOR") AND THE CITY OF TRUTH OR CONSEQUENCES SIERRA COUNTY, NEW MEXICO ("BORROWER/GRANTEE"), , IN THE TOTAL AMOUNT OF ONE MILLION THREE HUNDRED SIXTY-THREE THOUSAND SIX HUNDRED THIRTY-SEVEN DOLLARS (\$1,363,637), EVIDENCING AN OBLIGATION OF THE BORROWER/GRANTEE TO UTILIZE THE LOAN/GRANT AMOUNT SOLELY FOR THE PURPOSE OF FINANCING THE COSTS OF DESIGN AND CONSTRUCTION TO REHABILITATE CURB AND GUTTER, DRAINAGE AND ROADWAY WITH SAFETY, ADA COMPLIANCE IMPROVEMENTS , AND SOLELY IN THE MANNER DESCRIBED IN THE LOAN/GRANT AGREEMENT; PROVIDING FOR THE PLEDGE AND PAYMENT OF THE ADMINISTRATIVE FEE AND LOAN AMOUNT OF ONE HUNDRED THIRTY-SIX THOUSAND THREE HUNDRED SIXTY-FOUR DOLLARS (\$136,364) SOLELY FROM THE BORROWER/GRANTEE'S ORDINANCE NO. 389 ADOPTED ON MARCH 26, 1992, AS AMENDED BY ORDINANCE NO. 472 ADOPTED ON MARCH 13, 2000, WITH AN EFFECTIVE DATE OF JULY 1, 2000, IMPOSING A ONE-EIGHTH OF ONE PERCENT (0.125%) INCREMENT OF THE MUNICIPAL INFRASTRUCTURE GROSS RECEIPTS TAX WHICH THE BORROWER/GRANTEE PLEDGES TO THE PAYMENT OF THE LOAN PAYMENTS, WHICH MUNICIPAL GROSS RECEIPTS TAX HAS BEEN DE-EARMARKED AND IS NOW ENFORCEABLE UNDER NMSA 1978, § 7-19D-9, AS AMENDED S AND ACCEPTANCE OF A GRANT AMOUNT OF ONE MILLION TWO HUNDRED TWENTY-SEVEN THOUSAND TWO HUNDRED SEVENTY-THREE DOLLARS (\$1,227,273); CERTIFYING THAT THE LOAN/GRANT AMOUNT, TOGETHER WITH OTHER FUNDS AVAILABLE TO THE BORROWER/GRANTEE, IS SUFFICIENT TO COMPLETE THE PROJECT; APPROVING THE FORM OF AND OTHER DETAILS CONCERNING THE LOAN/GRANT AGREEMENT; RATIFYING ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT WITH THIS RESOLUTION; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN/GRANT AGREEMENT.

Capitalized terms used in the following preambles have the same meaning as defined in this Resolution unless the context requires otherwise.

WHEREAS, the Colonias Infrastructure Board ("CIB") is a public body duly organized and created under and pursuant to the laws of the State of New Mexico (the "State"), particularly

the Colonias Infrastructure Act, NMSA 1978, §§ 6-30-1 through 6-30-8, as amended, (the “Colonias Infrastructure Act” or the “Act”); and

WHEREAS, the NMFA is a public body politic and corporate, separate and apart from the State, constituting a governmental instrumentality, duly organized and created under and pursuant to the laws of the State, particularly NMSA 1978, §§ 6-21-1, through 6-21-31, as amended (the “NMFA Act”); and

WHEREAS, the Borrower/Grantee is a Political Subdivision of the State, being a legally and regularly created, established, organized and existing incorporated municipality under the general laws of the State and more specifically, Municipal Code NMSA 1978, §§ 3-1-1 through 3-66-11; and

WHEREAS, the Act creates the Colonias Infrastructure Project Fund (the “Fund”) in the NMFA, to be administered by the NMFA to originate grants or loans to Qualified Entities for Qualified Projects recommended by the CIB; and

WHEREAS, the Borrower/Grantee is a community that is a Colonia within the meaning of Act; and

WHEREAS, the Borrower/Grantee submitted an application dated February 3, 2026, for the Project; and

WHEREAS, the CIB has determined that the Project is a Qualified Project and that the Borrower/Grantee is a Qualified Entity under the Board Rules; and

WHEREAS, the CIB on May 14, 2026, recommended to the NMFA that the Borrower/Grantee receive financial assistance from the Fund in the form of the Loan/Grant, and the CIB has recommended that the NMFA enter into and administer the Loan/Grant Agreement; and

WHEREAS, the NMFA approved the Loan/Grant Amount from the Fund to the Borrower/Grantee on June 25, 2026; and

WHEREAS, the Borrower/Grantee has determined that it is in the best interests of the Borrower/Grantee that the Borrower/Grantee enter into an Agreement with the Lender/Grantor to borrow one hundred thirty-six thousand three hundred sixty-four dollars (\$136,364) from the Lender/Grantor and to accept a grant in the amount of one million two hundred twenty-seven thousand two hundred seventy-three dollars (\$1,227,273) from the Lender/Grantor to finance the costs of the Project, more particularly described in the Term Sheet; and

WHEREAS, the Governing Body has determined and hereby determines that the Project may be financed with amounts granted and loaned pursuant to the Loan/Grant Agreement, that the Loan/Grant Amount, together with the Local Match, as provided by the Borrower/Grantee’s Resolution No. 07 26/27 adopted on July 22, 2026 and other moneys available to the Borrower/Grantee, is sufficient to complete the Project, and that it is in the best interest of the Borrower/Grantee and the constituent public they serve that the Loan/Grant Agreement be

executed and delivered and that the funding of the Project take place by executing and delivering the Loan/Grant Agreement; and

WHEREAS, the Governing Body has determined that it may lawfully enter into the Loan/Grant Agreement, accept the Loan/Grant Amount and be bound to the obligations and by the restrictions thereunder; and

WHEREAS, the Loan/Grant Agreement shall not constitute a general obligation of the Borrower/Grantee, the CIB or the NMFA or a debt or pledge of the full faith and credit of the Borrower/Grantee, the CIB, the NMFA or the State; and

WHEREAS, there have been presented to the Governing Body and there presently are on file with the City Clerk this Resolution and the form of the Loan/Grant Agreement which is incorporated by reference and considered to be a part hereof; and

WHEREAS, the Governing Body hereby determines that the Local Match is now available to the Borrower/Grantee to complete the Project; and

WHEREAS, all required authorizations, consents and approvals in connection with (i) the use of the Loan/Grant Amount for the purposes described, and according to the restrictions set forth, in the Loan/Grant Agreement; (ii) the availability of other moneys necessary and sufficient, together with the Loan/Grant Amount, to complete the Project; and (iii) the authorization, execution and delivery of the Loan/Grant Agreement which are required to have been obtained by the date of this Resolution, have been obtained or are reasonably expected to be obtained.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF CITY OF TRUTH OR CONSEQUENCES, SIERRA COUNTY, NEW MEXICO:

Section 1. Definitions. Capitalized terms defined in the foregoing recitals shall have the same meaning when used in this Resolution unless the context clearly requires otherwise. Capitalized terms not defined in the recitals and defined in this Article I shall have the same meaning when used in this Resolution including the foregoing recitals, unless the context clearly requires otherwise. Capitalized terms not defined herein shall have the meaning given them by the Loan/Grant Agreement.

“Administrative Fee” or “Administrative Fee Component” means the 0.25% annual fee payable to the NMFA calculated on the amount of the outstanding principal balance, as shown on Exhibit C attached hereto.

“Agreement” or “Loan/Grant Agreement” means the Loan/Grant Agreement and any amendments or supplements thereto, including the Exhibits attached thereto.

“Authorized Officers” means, any one or more of the Mayor, the City Manager, and City Clerk of the Borrower/Grantee.

“Closing Date” means the date of execution of the Loan/Grant Agreement by the Borrower/Grantee and the NMFA.

“Colonia” or “Colonias” means a Colonia as defined in the Act, and more particularly in NMSA 1978, § 6-30-3(C), as amended, and particularly the Colonia of Truth or Consequences.

“Colonias Infrastructure Project Fund” or “Fund” means the fund of the same name created pursuant to the Act and held and administered by the NMFA.

“Conditions” has the meaning given to that term in the Loan/Grant Agreement.

“Completion Date” means the date of final payment of the cost of the Project.

“Eligible Fiscal Agent Fees” means fees and costs incurred by a fiscal agent for the administration of Project funds, including the collection and reporting of Project information as required by the Loan/Grant Agreement, in an amount not exceeding five percent (5%) of the Loan/Grant Amount.

“Eligible Items” means eligible Project costs for which loans/grants may be made pursuant to Title 2, Chapter 91, Part 2 NMAC, the Board Rules and applicable Policies, and includes costs of acquiring and completing the Project, and, without limitation, Eligible Legal Costs, Eligible Fiscal Agent Fees and Eligible Project Management Fees.

“Eligible Legal Costs” means legal fees and costs for services rendered by legal counsel on behalf of the Borrower/Grantee for transaction of the Project and those directly associated with the qualified project, in an amount not exceeding ten percent (10%) of the Loan/Grant Amount, but does not include adjudication services.

“Eligible Project Management Fees” means the fees and costs associated with the planning, implementation and technical oversight of the project management costs for services rendered to the Borrower/Grantee for the transaction of the Project and those directly associated with the Project, in an amount up to ten percent (10%) of the Loan/Grant Amount.

“Fiscal Year” means the period commencing on July 1 of each calendar year and ending on the last day of June of the next succeeding calendar year, or any other twelve-month period which any appropriate authority may hereafter establish for the Borrower/Grantee as its fiscal year.

“Generally Accepted Accounting Principles” means the officially established accounting principles applicable to the Borrower/Grantee consisting of the statements, determinations and other official pronouncements of the Government Accounting Standards Board, Financial Accounting Standards Board, Federal Accounting Standards Board or other principle-setting body acceptable to the NMFA establishing accounting principles applicable to the Borrower/Grantee.

“Governing Body” means the City Commission of the Borrower/Grantee, or any future successor governing body of the Borrower/Grantee.

“Grant” or “Grant Amount” means the amount provided to the Borrower/Grantee as a grant pursuant to the Loan/Grant Agreement for the purpose of funding the Project and shall equal 90% of the amount disbursed during the Interim Period not to exceed one million two hundred twenty-seven thousand two hundred seventy-three dollars (\$1,227,273) .

“Herein,” “hereby,” “hereunder,” “hereof,” “hereinabove” and “hereafter” refer to this entire Resolution and not solely to the particular section or paragraph of this Resolution in which such word is used.

“Loan” or “Loan Amount” means 10% of the amount disbursed to the Borrower/Grantee during the Interim Period for the purpose of funding the Project including the Local Match, and shall not equal more than one hundred thirty-six thousand three hundred sixty-four dollars (\$136,364).

“Loan/Grant” or “Loan/Grant Amount” means the combined amount distributed to the Borrower/Grantee during the Interim Period as the Grant Amount and borrowed by the Borrower/Grantee as the Loan Amount pursuant to the Loan/Grant Agreement for the purpose of funding the Project and shall not equal more than one million three hundred sixty-three thousand six hundred thirty-seven dollars (\$1,363,637).

“Loan Payments” means, collectively, the Principal Component (defined in the Loan/Grant Agreement), Administrative Fee and interest, if any, to be paid by the Borrower/Grantee as payment of the Loan/Grant Agreement as shown on Exhibit “C” to the Loan/Grant Agreement.

“Local Match” means the amount determined pursuant to the Policies to be provided by the Borrower/Grantee which includes the total value of the soft or hard match (each as defined in the Policies) which, in combination with the Loan/Grant Amount and other monies available to the Borrower/Grantee, is sufficient to complete the Project. The Local Match is one hundred thirty-six thousand three hundred sixty-four dollars (\$136,364).

“NMAC” means the New Mexico Administrative Code.

“NMSA 1978” means the New Mexico Statutes Annotated, 1978 Compilation, as amended and supplemented from time to time.

“Pledged Revenues” means the revenues received by the Borrower/Grantee pursuant to the Tax Ordinance which the Borrower/Grantee pledges to the payment of the Loan Payments pursuant to this Resolution and the Loan/Grant Agreement and described in the Term Sheet.

“Policies” means the Colonias Infrastructure Project Fund Project Selection and Management Policies, approved by the CIB.

“Political Subdivision of the State” means a municipality, a county, water and sanitation district, an association organized and existing pursuant to the Sanitary Projects Act, NMSA 1978, § 3-29-1 through § 3-29-21, as amended, or any other entity recognized by statute as a political subdivision of the State.

“Project” means the project described in the Term Sheet.

“Project Account” means the book account, if any, established by the NMFA in the name of the Borrower/Grantee for purposes of tracking expenditure of the Loan/Grant Amount by the Borrower/Grantee to pay for the costs of the Project, as shown in the Term Sheet, which account shall be kept separate and apart from all other accounts of the NMFA.

“Qualified Entity” means a county, municipality, or other entity recognized as a Political Subdivision of the State pursuant to NMSA 1978, § 6-30-3(F), as amended.

“Qualified Project” means a capital outlay project recommended by the CIB to the NMFA for financial assistance that is primarily intended to develop Colonias infrastructure. A Qualified Project may include a water system, a wastewater system, solid waste disposal facilities, flood and drainage control, roads or housing infrastructure pursuant to NMSA 1978, § 6-30-3(G), as amended, but does not include general operation and maintenance, equipment, housing allowance payments or mortgage subsidies.

“Resolution” means this Resolution as it may be supplemented or amended from time to time.

“Rules” means Review and Selection of Colonias Infrastructure Projects, New Mexico Colonias Infrastructure Board, Sections 2.91.2.1 through 2.91.2.18 NMAC.

“State” means the State of New Mexico.

“Tax Ordinance” means the Borrower/Grantee’s Ordinance No. 389 adopted on March 26, 1992,, with and effective date of July 1, 1992, as amended by Ordinance No. 472 adopted on March 13, 2000, with an effective date of July 1, 2000, imposing a Municipal Infrastructure Gross Receipts Tax of one-eighth of one percent (0.125%) which Municipal Infrastructure Gross Receipts Tax has been de-earmarked and is now enforceable under NMSA 1978, § [7-19D-9], as amended, which the Borrower/Grantee pledges to the payment of the Loan Payments pursuant to this Agreement and the Resolution, as described in the Term Sheet.

“Term Sheet” means Exhibit “A” attached to the Loan/Grant Agreement.

“Useful Life” means the period during which the Project is expected to be usable for the purpose for which it was acquired and constructed, which is twenty (20) years.

Section 2. Ratification. All action heretofore taken (not inconsistent with the provisions of this Resolution) by the Borrower/Grantee and officers of the Borrower/Grantee directed toward the acquisition and completion of the Project, the pledge of the Pledged Revenues to payment of amounts due under the Loan/Grant Agreement, and the execution and delivery of the Loan/Grant Agreement shall be, and the same hereby is, ratified, approved and confirmed.

Section 3. Authorization of the Project and the Loan/Grant Agreement. The acquisition and completion of the Project and the method of funding the Project through execution and delivery of the Loan/Grant Agreement and the other documents related to the transaction are hereby authorized and ordered. The Project is for the benefit and use of the Borrower/Grantee and the public it serves.

Section 4. Findings. The Governing Body hereby declares that it has considered all relevant information and data and hereby makes the following findings:

A. The Project is needed to meet the needs of the Borrower/Grantee and the public it serves.

B. Moneys available and on hand for the Project from all sources other than the Loan/Grant are not sufficient to defray the cost of acquiring and completing the Project but, together with the Loan/Grant Amount, are sufficient to complete the Project.

C. The Project and the execution and delivery of the Loan/Grant Agreement pursuant to the Act to provide funds for the financing of the Project are necessary, convenient and in furtherance of the governmental purposes of the Borrower/Grantee, and in the interest of the public health, safety, and welfare of the constituent public served by the Borrower/Grantee.

D. The Borrower/Grantee will acquire and complete the Project with the proceeds of the Loan/Grant, the Local Match and other amounts available to the Borrower/Grantee, and except as otherwise expressly provided by the Loan/Grant Agreement, will utilize, operate and maintain the Project for the duration of its Useful Life.

E. Together with the Loan/Grant Amount, and other amounts available to the Borrower/Grantee, the Local Match is now available to the Borrower/Grantee, and in combination with the Loan/Grant Amount, will be sufficient to complete the Project.

F. The Lender/Grantor shall maintain on behalf of the Borrower/Grantee a separate Project Account as a book account only on behalf of the Borrower/Grantee and financial records in accordance with Generally Accepted Accounting Principles during the construction or implementation of the Project.

G. The Borrower/Grantee has acquired proper title to, easements, rights-of-way, permits or the requisite access needed by legal conveyances such as right-of-way, easements, deeds, permits on the real property upon or through which the Project will be conducted or will acquire any necessary titles or access rights by exercise of its power of eminent domain if it is determined that additional right-of-way is needed.

Section 5. Loan/Grant Agreement—Authorization and Detail.

A. Authorization. This Resolution has been adopted by the affirmative vote of at least a majority of all of the members of the Governing Body. For the purpose of protecting the public health, conserving the property, and protecting the general welfare and prosperity of the public served by the Borrower/Grantee and acquiring and completing the Project, it is hereby declared necessary that the Borrower/Grantee execute and deliver the Loan/Grant Agreement evidencing the Borrower/Grantee's acceptance of the Grant Amount of one million two hundred twenty-seven thousand two hundred seventy-three dollars (\$1,227,273) and borrowing the Loan Amount of one hundred thirty-six thousand three hundred sixty-four dollars (\$136,364) to be utilized solely for Eligible Items necessary to complete the Project, and solely in the manner and according to the restrictions set forth in the Loan/Grant Agreement, the execution and delivery of which is hereby authorized. The Borrower/Grantee shall use the Loan/Grant Amount to finance the acquisition and completion of the Project.

B. Detail. The Loan/Grant Agreement shall be in substantially the form of the Loan/Grant Agreement presented at the meeting of the Governing Body at which this Resolution was adopted. The Grant shall be in the amount of one million two hundred twenty-seven thousand

two hundred seventy-three dollars (\$1,227,273) and the Loan shall be in the amount of one hundred thirty-six thousand three hundred sixty-four dollars (\$136,364). Interest on the Loan Amount shall be zero percent (0%) per annum of the unpaid principal balance of the Loan Amount.

Section 6. Approval of the Loan/Grant Agreement. The form of the Loan/Grant Agreement, as presented at the meeting of the Governing Body, at which this Resolution was adopted, is hereby approved. Authorized Officers are hereby individually authorized to execute, acknowledge and deliver the Loan/Grant Agreement with such changes, insertions and omissions as may be approved by such individual Authorized Officers who are hereby authorized to attest the Loan/Grant Agreement. The execution of the Loan/Grant Agreement shall be conclusive evidence of such approval.

Section 7. Security. The Loan Amount and Administrative Fee shall be solely secured by the pledge of the Pledged Revenues herein made and as set forth in the Loan/Grant Agreement.

Section 8. Disposition of Proceeds; Completion of the Project.

A. Project Account. The Borrower/Grantee hereby consents to creation of the Project Account by the NMFA and further approves of the deposit or crediting of a portion of the Loan/Grant Amount to pay expenses. Until the Completion Date, the amount of the Loan/Grant credited to the Project Account shall be used and paid out solely for Eligible Items necessary to acquire and complete the Project in compliance with applicable law and the provisions of the Loan/Grant Agreement.

B. Completion of the Project. The Borrower/Grantee shall proceed to complete the Project with all due diligence. Upon the Completion Date, the Borrower/Grantee shall execute a certificate stating that completion of and payment for the Project has been completed. Following the Completion Date or the earlier expiration of the time allowed for disbursement of Loan/Grant funds as provided in the Loan/Grant Agreement, any balance remaining in the Project Account shall be transferred and deposited into the Colonias Infrastructure Project Fund or otherwise distributed as provided in the Loan/Grant Agreement.

C. CIB and NMFA Not Responsible. Borrower/Grantee shall apply the funds derived from the Loan/Grant Agreement as provided therein, and in particular Article V of the Loan/Grant Agreement. Neither the CIB nor the NMFA shall in any manner be responsible for the application or disposal by the Borrower/Grantee or by its officers of the funds derived from the Loan/Grant Agreement or of any other funds held by or made available to the Borrower/Grantee in connection with the Project. Lender/Grantor shall not be liable for the refusal or failure of any other agency of the State to transfer any portion of the Loan/Grant Amount in its possession, custody and control to the NMFA for disbursement to the Borrower/Grantee, or to honor any request for such transfer or disbursement of the Loan/Grant Amount.

Section 9. Payment of Loan Amount and Administrative Fee. Pursuant to the Loan/Grant Agreement, the Borrower/Grantee shall pay the Loan Amount and Administrative Fee directly from the Pledged Revenues to the NMFA as provided in the Loan/Grant Agreement in an amount sufficient to pay principal and other amounts due under the Loan/Grant Agreement and to

cure any deficiencies in the payment of the Loan Amount, the Administrative Fee and any other amounts due under the Loan/Grant Agreement.

Section 10. Lien on Pledged Revenues. Pursuant to the Loan/Grant Agreement, the Loan/Grant Agreement constitutes an irrevocable lien (but not an exclusive lien) upon the Pledged Revenues to the extent of the Loan Amount and Administrative Fee, the priority of which is consistent with that shown on the Term Sheet.

Section 11. Authorized Officers. Authorized Officers are hereby individually authorized and directed to execute and deliver any and all papers, instruments, opinions, affidavits and other documents and to do and cause to be done any and all acts and things necessary or proper for carrying out this Resolution, the Loan/Grant Agreement and all other transactions contemplated hereby and thereby. Authorized Officers are hereby individually authorized to do all acts and things required of them by this Resolution and the Loan/Grant Agreement for the full, punctual and complete performance of all the terms, covenants and agreements contained in this Resolution and the Loan/Grant Agreement including but not limited to, the execution and delivery of closing documents in connection with the execution and delivery of the Loan/Grant Agreement.

Section 12. Amendment of Resolution. This Resolution after its adoption may be amended without receipt by the Borrower/Grantee of any additional consideration, but only with the prior written consent of the NMFA.

Section 13. Resolution Irrepealable. After the Loan/Grant Agreement has been executed and delivered, this Resolution shall be and remain irrepealable until all obligations due under the Loan/Grant Agreement shall be fully discharged, as herein provided.

Section 14. Severability Clause. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 15. Repealer Clause. All bylaws, orders, ordinances, resolutions, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any bylaw, order, resolution or ordinance, or part thereof, heretofore repealed.

Section 16. Effective Date. Upon due adoption of this Resolution, it shall be recorded in the book of the Borrower/Grantee kept for that purpose, authenticated by the signatures of the Mayor and City Clerk of the Borrower/Grantee, and this Resolution shall be in full force and effect thereafter, in accordance with law; provided, however, that if recording is not required for the effectiveness of this Resolution, this Resolution shall be effective upon adoption of this Resolution by the Governing Body.

Section 17. General Summary for Publication. Pursuant to the general laws of the State, the title and a general summary of the subject matter contained in this Resolution shall be published in substantially the following form:

[Remainder of page intentionally left blank.]

[Form of Notice of Adoption of Resolution for Publication]

CITY OF TRUTH OR CONSEQUENCES,
SIERRA COUNTY, NEW MEXICO
Notice of Adoption of Resolution

Notice is hereby given of the title and of a general summary of the subject matter contained in Resolution No. _____, duly adopted and approved by the City Commission of City of Truth or Consequences on August 28, 2026. A complete copy of the Resolution is available for public inspection during normal and regular business hours in the office of the City Clerk, at City Hall 505 Sims Street, Truth or Consequences, NM 87901.

The title of the Resolution is:

CITY OF TRUTH OR CONSEQUENCES,
SIERRA COUNTY, NEW MEXICO
RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A COLONIAS INFRASTRUCTURE PROJECT FUND LOAN/GRANT AGREEMENT ("AGREEMENT" OR "LOAN/GRANT AGREEMENT") BY AND BETWEEN THE NEW MEXICO FINANCE AUTHORITY ("NMFA," OR "LENDER/GRANTOR") AND THE CITY OF TRUTH OR CONSEQUENCES SIERRA COUNTY, NEW MEXICO ("BORROWER/GRANTEE"), , IN THE TOTAL AMOUNT OF ONE MILLION THREE HUNDRED SIXTY-THREE THOUSAND SIX HUNDRED THIRTY-SEVEN DOLLARS (\$1,363,637), EVIDENCING AN OBLIGATION OF THE BORROWER/GRANTEE TO UTILIZE THE LOAN/GRANT AMOUNT SOLELY FOR THE PURPOSE OF FINANCING THE COSTS OF DESIGN AND CONSTRUCTION TO REHABILITATE A CURB AND GUTTER, DRAINAGE AND ROADWAY WITH SAFETY, ADA COMPLIANCE IMPROVEMENTS , AND SOLELY IN THE MANNER DESCRIBED IN THE LOAN/GRANT AGREEMENT; PROVIDING FOR THE PLEDGE AND PAYMENT OF THE ADMINISTRATIVE FEE AND LOAN AMOUNT OF ONE HUNDRED THIRTY-SIX THOUSAND THREE HUNDRED SIXTY-FOUR DOLLARS (\$136,364) SOLELY FROM THE BORROWER/GRANTEE'S ORDINANCE NO. 389 ADOPTED ON MARCH 26, 1992, AS AMENDED BY ORDINANCE NO. 472 ADOPTED ON MARCH 13, 2000, WITH AN EFFECTIVE DATE OF JULY 1, 2000, IMPOSING A ONE-EIGHTH OF ONE PERCENT (0.125%) INCREMENT OF THE MUNICIPAL INFRASTRUCTURE GROSS RECEIPTS TAX WHICH THE BORROWER/GRANTEE PLEDGES TO THE PAYMENT OF THE LOAN PAYMENTS, WHICH MUNICIPAL GROSS RECEIPTS TAX HAS BEEN DE-EARMARKED AND IS NOW ENFORCEABLE UNDER NMSA 1978, § 7-19D-9, AS AMENDED S AND ACCEPTANCE OF A GRANT AMOUNT OF ONE MILLION TWO HUNDRED TWENTY-SEVEN THOUSAND TWO HUNDRED SEVENTY-THREE DOLLARS (\$1,227,273); CERTIFYING THAT THE LOAN/GRANT AMOUNT, TOGETHER WITH

OTHER FUNDS AVAILABLE TO THE BORROWER/GRANTEE, IS SUFFICIENT TO COMPLETE THE PROJECT; APPROVING THE FORM OF AND OTHER DETAILS CONCERNING THE LOAN/GRANT AGREEMENT; RATIFYING ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT WITH THIS RESOLUTION; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN/GRANT AGREEMENT.

A general summary of the subject matter of the Resolution is contained in its title. This notice constitutes compliance with NMSA 1978, § 6-14-6, as amended.

[End of Form of Notice of Adoption for Publication]

PASSED, APPROVED AND ADOPTED THIS 28TH DAY OF AUGUST, 2026.

CITY OF TRUTH OR CONSEQUENCES,
SIERRA COUNTY, NEW MEXICO

By _____
Rolf Hechler, Mayor

(SEAL)

ATTEST:

By _____
Angela Torres, City Clerk

[Remainder of page intentionally left blank.]

Governing Body Member _____ then moved adoption of the foregoing Resolution, duly seconded by Governing Body Member _____.

The motion to adopt the Resolution, upon being put to a vote, was passed and adopted on the following recorded vote:

Those Voting Aye: _____

Those Voting Nay: _____

Those Absent: _____

_____ () Members of the Governing Body having voted in favor of the motion, the Mayor declared the motion carried and the Resolution adopted, whereupon the Mayor and City Clerk signed the Resolution upon the records of the minutes of the Governing Body.

[Remainder of page intentionally left blank.]

After consideration of matters not relating to the Resolution, the meeting upon motion duly made, seconded and carried, was adjourned.

CITY OF TRUTH OR CONSEQUENCES,
SIERRA COUNTY, NEW MEXICO

By _____
Rolf Hechler, Mayor

(SEAL)

ATTEST:

By _____
Angela Torres, City Clerk

[Remainder of page intentionally left blank.]

STATE OF NEW MEXICO

)
) ss.
)

COUNTY OF SIERRA

I, Angela Torres, the duly qualified and acting City Clerk of the City of Truth or Consequences, New Mexico (the "Borrower/Grantee"), do hereby certify:

1. The foregoing pages are a true, perfect, and complete copy of the record of the proceedings of the City Commission of the Borrower/Grantee (the "Governing Body"), had and taken at a duly called regular meeting held at the Commission Chambers 405 West Third Street, Truth or Consequences, NM 87901, on August 28, 2026 at the hour of 9:00 a.m., insofar as the same relate to the adoption of Resolution No. _____ and the execution and delivery of the proposed Loan/Grant Agreement, a copy of which is set forth in the official records of the proceedings of the Governing Body kept in my office. None of the action taken has been rescinded, repealed, or modified.

2. The proceedings were duly had and taken as therein shown, the meeting therein was duly held, and the persons therein named were present at said meeting, as therein shown.

3. Notice of the meeting was given in compliance with the permitted methods of giving notice of meetings of the Governing Body as required by the State Open Meetings Act, NMSA 1978, § 10-15-1, as amended, including the Borrower/Grantee's Open Meetings Resolution No. 01 26/27, adopted and approved on July 8, 2026, in effect on the date of the meeting.

IN WITNESS WHEREOF, I have hereunto set my hand this 9th day of October, 2026.

CITY OF TRUTH OR CONSEQUENCES,
SIERRA COUNTY, NEW MEXICO

By _____
Angela Torres, City Clerk

(SEAL)

EXHIBIT "A"

Notice of Meeting, Meeting Agenda, Minutes and
Affidavit of Publication of Notice of Adoption of Resolution



NEW MEXICO
FINANCE AUTHORITY

June 30, 2026

Via Email

City of Truth or Consequences
Attn: Gary Whitehead, City Manager
505 Sims Street
Truth or Consequences, NM 87901
gwhitehead@torcnm.gov

RE: Colonias Infrastructure Project No. CIF-7113; Roads/Drainage Infrastructure;
Marie Street Improvements

Dear Mr. Whitehead:

The Board of Directors of the New Mexico Finance Authority ("NMFA") met on June 25, 2026, to approve the final terms, structure, and conditions of Colonias Infrastructure Funding in the amount of \$1,363,637 to City of Truth or Consequences ("City") for its Roads/Drainage Infrastructure Project. This action is a result of the Colonias Infrastructure Board recommendations approved on May 14, 2026.

The approved funding structure consists of a 10% loan in the amount of \$136,364, and a 90% grant in the amount of \$1,227,273. The loan component is a 20-year term at a net effective interest rate of .25% (0% interest rate with an administrative fee component of ¼ of 1%). The loan and grant are to be used by the City to design and construct roadway, curb and gutter, drainage and ADA compliance improvements.

To secure the funding agreement for the award, the City must submit the following Readiness to Proceed items **no later than October 31, 2026**, by email only to Colonias@nmfa.net.

SUBMISSION OF READINESS TO PROCEED ITEMS

This funding is conditional, and the City must submit the following Readiness to Proceed ("RTP") items, as applicable, before the loan/grant agreement can be scheduled to close:

1. A monthly draw-down schedule of project expenditures, including Month and Year;
2. Verification of match in the amount of \$136,364;
3. Verification of complete and approved plans/specification prior to disbursement of construction funds;
4. Verification that right-of-way, easements, and permits have been secured;
5. Updated Open Meetings Act Resolution (7/9/2026);
6. All contingencies must be satisfied **no later than October 31, 2026**; and
7. Any additional information requested by the Colonias Infrastructure Board or the NMFA Board.

Compliance with the RTP process is required to secure the funding for this project. To prevent

any delays in securing the funding, please begin preparing the RTP information upon receipt of this notice. When all the RTP criteria have been submitted, outside counsel for NMFA will draft the funding agreement and will contact the City directly for closing arrangements.

As part of the technical oversight of Colonias Infrastructure Funds, the City may be required to submit project documentation (design and construction plans, contracts, bids, etc.), for review and/or approval.

Please contact me at Colonias@nmfa.net or (505) 992-9688 if you have any questions regarding the RTP information.

Sincerely,

Sharon J. Romero

Sharon J. Romero
Lead Program Administrator

cc: Tracy Alvarez, City of TorC, talvarez@torcnm.org
Jocelyn Holguin, City of TorC, jholguin@torcnm.gov
Gary Whitehead, City of TorC, gwhitehead@torcnm.gov
Christie Soulsby, Wilson & Co., christie.soulsby@wilsonco.com
Ashley Martinez, Wilson & Co., Ashley.martinez@wilsonco.com

\$1,363,637

COLONIAS INFRASTRUCTURE PROJECT FUND
LOAN/GRANT AGREEMENT

Dated

October 9, 2026

By and Between the

NEW MEXICO FINANCE AUTHORITY,
as Lender/Grantor

and the

CITY OF TRUTH OR CONSEQUENCES,
Sierra County, New Mexico,
as Borrower/Grantee.

COLONIAS INFRASTRUCTURE PROJECT FUND
LOAN/GRANT AGREEMENT

THIS LOAN/GRANT AGREEMENT (the "Agreement" or "Loan/Grant Agreement") dated October 9, 2026, is entered into by and between the NEW MEXICO FINANCE AUTHORITY (the "NMFA" or "Lender/Grantor"), and the CITY OF TRUTH OR CONSEQUENCES in Sierra County, New Mexico, (the "Borrower/Grantee") (the "Colonia").

W I T N E S S E T H:

WHEREAS, the NMFA is a public body politic and corporate, separate and apart from the State of New Mexico (the "State"), constituting a governmental instrumentality, duly organized and created under and pursuant to the laws of the State, particularly NMSA 1978, §§ 6-21-1 through 6-21-31, as amended (the "NMFA Act"); and

WHEREAS, the Colonias Infrastructure Act, NMSA 1978, §§ 6-30-1 through 6-30-8, as amended (the "Colonias Infrastructure Act" or the "Act") creates the Colonias Infrastructure Project Fund (the "Fund") in the NMFA, to be administered by the NMFA to originate grants or loans to Qualified Entities for Qualified Projects recommended by the Colonias Infrastructure Board (the "CIB"); and

WHEREAS, the Borrower/Grantee is a Political Subdivision of the State, being a legally and regularly created, established, organized and existing incorporated municipality under the general laws of the State and more specifically, the Municipal Code, NMSA 1978, §§ 3-1-1 through 3-66-11, as amended; and

WHEREAS, the Borrower/Grantee is a community that is a Colonia within the meaning of the Act; and

WHEREAS, the Borrower/Grantee is authorized to impose by ordinance a Municipal Infrastructure Gross Receipts Tax pursuant to NMSA 1978, § 7-19D-9, as amended; and

WHEREAS, the Borrower/Grantee has imposed by the Tax Ordinance a one-eighth of one percent (0.125%) increment of Municipal Infrastructure Gross Receipts Tax on the gross receipts of all persons engaging in business within the Borrower/Grantee which constitutes the Pledged Revenues; and

WHEREAS, pursuant to the Act, Board Rules and the Policies, the CIB authorizes the NMFA to make loans/grants to Qualified Entities from the Fund for recommended Qualified Projects; and

WHEREAS, the Borrower/Grantee submitted an application dated March 3, 2026 for the Project; and

WHEREAS, the CIB has determined that the Project is a Qualified Project and that the Borrower/Grantee is a Qualified Entity under the Board Rules; and

WHEREAS, the CIB on May 14, 2026, recommended to the NMFA that the Borrower/Grantee receive financial assistance from the Fund in the form of the Loan/Grant, and the CIB has recommended that the NMFA enter into and administer this Agreement; and

WHEREAS, the NMFA approved the Loan/Grant Amount from the Fund to the Borrower/Grantee on June 25, 2026; and

WHEREAS, pursuant to the Board Rules and the Policies, the Borrower/Grantee will receive ten percent (10%) of its funding as a loan, in order to ensure the long-term solvency of the Fund by providing annual streams of revenue available to fund additional Qualified Projects; and

WHEREAS, the Borrower/Grantee is willing to pledge the Pledged Revenues to the payment of the Loan and Administrative Fee and grant a subordinate lien (but not an exclusive subordinate lien) to the NMFA on the Pledged Revenues on parity with the Parity Subordinate Obligations and subordinate to the lien on the Pledged Revenues of Senior Obligations provided that the lien on the Pledged Revenues of any future loans from the NMFA to the Borrower/Grantee pursuant to the Act or the Water Project Finance Act, NMSA 1978, §§ 72-4A-1 through 72-4A-11, as amended, shall be on a parity with this Loan/Grant; and

WHEREAS, the obligation of the Borrower/Grantee under this Agreement shall constitute a special, limited obligation of the Borrower/Grantee, limited to the Pledged Revenues, and shall not constitute a general obligation or other indebtedness of the Borrower/Grantee or a charge upon the general credit or ad valorem taxing power of the Borrower/Grantee, or the State; and

WHEREAS, the execution, performance, and delivery of this Agreement have been authorized, approved, and directed by the Governing Body pursuant to the Resolution; and

WHEREAS, the execution and performance of this Agreement have been authorized, approved, and directed by all necessary and appropriate action of the CIB and the NMFA and their respective officers.

NOW, THEREFORE, for and in consideration of the premises and the mutual promises and covenants herein contained, the parties hereto agree:

ARTICLE I DEFINITIONS

Capitalized terms defined in the foregoing recitals shall have the same meaning when used in this Agreement unless the context clearly requires otherwise. Capitalized terms not defined in the recitals and defined in this Article I shall have the same meaning when used in this Agreement including the foregoing recitals, unless the context clearly requires otherwise.

“Administrative Fee” or “Administrative Fee Component” means the 0.25% annual fee payable to the NMFA calculated on the amount of the outstanding principal balance, as shown on Exhibit C attached hereto.

“Agreement” or “Loan/Grant Agreement” means this Loan/Grant Agreement and any amendments or supplements hereto, including the Exhibits attached thereto.

“Agreement Term” means the term of this Agreement as provided under Article III of this Agreement.

“Application” means the Colonias Infrastructure Project Fund Application for Funding dated March 3, 2026, of the Borrower/Grantee and pursuant to which the Borrower/Grantee requested funding for the Project.

“Authorized Officers” means, with respect to the Borrower/Grantee, any one or more of the Mayor, City Manager and City Clerk thereof; and with respect to the NMFA, the Chair, Vice-Chair and Secretary of the Board of Directors and the Chief Executive Officer or any other officer or employee of the NMFA designated in writing by an Authorized Officer.

“Board Rules” means Review and Selection of Colonias Infrastructure Projects, New Mexico Colonias Infrastructure Board, Sections 2.91.2.1 through 2.91.2.18 NMAC.

“Closing Date” means the date of execution of this Agreement by the Borrower/Grantee and the NMFA.

“Colonia” or “Colonias” means a Colonia as defined in the Act, and more particularly in NMSA 1978, § 6-30-3(C), as amended, and particularly the Colonia of City of Truth or Consequences.

“Conditions” means (1) all readiness to proceed requirements established for the Loan/Grant by the NMFA and the CIB; (2) all requirements set forth in the Term Sheet; (3) all requirements outlined in Section 2.1(p) and Section 5.1; (4) a determination that the disbursement applied for does not exceed any limitation upon the amount payable for any Eligible Item pursuant to the Act, the Board Rules, and the Policies; and (5) the plans and specifications for the Project have been approved by all entities required by the CIB or the NMFA in their sole discretion to approve such plans and specifications.

“Department of Finance and Administration” or “DFA” means the department of finance and administration of the State.

“Eligible Fiscal Agent Fees” means fees and costs incurred by a fiscal agent for the administration of Project funds, including the collection and reporting of Project information as required by this Agreement in an amount not exceeding five percent (5%) of the Loan/Grant Amount.

“Eligible Items” means eligible Project costs for which loans/grants may be made pursuant to Title 2, Chapter 91, Part 2 NMAC, the Board Rules and applicable Policies, and includes costs of acquiring and completing the Project, and, without limitation, Eligible Legal Costs, Eligible Fiscal Agent Fees, and Eligible Project Management Fees.

“Eligible Legal Costs” means legal fees and costs for services rendered by legal counsel on behalf of the Borrower/Grantee for transaction of the Project and those directly associated with the Qualified Project in an amount not exceeding ten percent (10%) of the Loan/Grant Amount, but does not include adjudication services.

“Eligible Project Management Fees” means the fees and costs associated with the planning, implementation and technical oversight of the project management costs for services rendered to the Borrower/Grantee for the transaction of the Project and those directly associated with the Project in an amount up to ten percent (10%) of the Loan/Grant Amount.

“Event of Default” means one or more events of default as defined in Section 9.1 of this Agreement.

“Final Debt Service Schedule” means the schedule of Loan Payments due on this Agreement following the Final Requisition, as determined on the basis of the Loan Amount and Administrative Fee.

“Final Requisition” means the final requisition of moneys to be submitted by the Borrower/Grantee, which shall be submitted by the Borrower/Grantee on or before the expiration of the Interim Period as provided in Section 4.4 of this Agreement.

“Fiscal Year” means the period commencing on July 1 of each calendar year and ending on the last day of June of the next succeeding calendar year, or any other twelve-month period which any appropriate authority may hereafter establish for the Borrower/Grantee as its fiscal year.

“Force Majeure” means acts of God and natural disasters; strikes or labor disputes; war, civil strife or other violence; an order of any kind of the Government of the United States or of the State or civil or military authority or any court of competent jurisdiction; or any other act or condition that was beyond the reasonable control of, without fault or negligence of, or not reasonably foreseeable by the party claiming the Force Majeure event; except for (i) general economic conditions; or (ii) an inability of a party claiming the Force Majeure event to pay any debts when due.

“Generally Accepted Accounting Principles” means the officially established accounting principles applicable to the Borrower/Grantee consisting of the statements, determinations and other official pronouncements of the Government Accounting Standards Board, Financial Accounting Standards Board, Federal Accounting Standards Board or other principle-setting body acceptable to the NMFA establishing accounting principles applicable to the Borrower/Grantee.

“Governing Body” means the City Commission of the Borrower/Grantee, or any future successor governing body of the Borrower/Grantee.

“Grant” or “Grant Amount” means the amount provided to the Borrower/Grantee as a grant pursuant to this Agreement for the purpose of funding the Project and shall equal 90% of the amount disbursed during the Interim Period not to exceed one million two hundred twenty-seven thousand two hundred seventy-three dollars (\$1,227,273).

“Hardship Waiver” means a determination by the NMFA pursuant to Section 4.1(a)(ii) herein that the annual principal payment by the Borrower/Grantee should be forgiven because such payment would cause undue hardship for the Borrower/Grantee or the public it serves.

"Herein," "hereby," "hereunder," "hereof," "hereinabove" and "hereafter" refer to this entire Agreement and not solely to the particular section or paragraph of this Loan/Grant Agreement in which such word is used.

"Interest Component" means the portion of each Loan Payment paid as interest on this Agreement, if any, as shown on Exhibit "C" hereto.

"Interim Debt Service Schedule" means the anticipated schedule of Loan Payments due on this Agreement following the Final Requisition, assuming disbursement of the entire Loan Amount within twenty-four (24) months of the Closing Date. The Interim Debt Service Schedule is attached hereto as Exhibit "C".

"Interim Period" means the period no greater than twenty-four (24) months, unless a longer period is approved by the NMFA as provided in Section 4.4 of this Agreement, beginning on the Closing Date, during which the NMFA will disburse moneys to the Borrower/Grantee to pay costs of the Project.

"Loan" or "Loan Amount" means 10% of the amount disbursed to the Borrower/Grantee as a loan during the Interim Period for the purpose of funding the Project, including the Local Match, and shall not equal more than one hundred thirty-six thousand three hundred sixty-four dollars (\$136,364).

"Loan/Grant" or "Loan/Grant Amount" means the combined amount distributed to the Borrower/Grantee during the Interim Period partially as the Grant Amount and partially borrowed by the Borrower/Grantee as the Loan Amount pursuant to this Agreement for the purpose of funding the Project and shall not equal more than one million three hundred sixty-three thousand six hundred thirty-seven dollars (\$1,363,637).

"Loan Payments" means, collectively, the Principal Component, Administrative Fee and interest, if any, to be paid by the Borrower/Grantee as payment of this Agreement as shown on Exhibit "C" hereto.

"Local Match" means the amount determined pursuant to the Policies to be provided by the Borrower/Grantee which includes the total value of the soft or hard match (each as defined in the Policies) which, in combination with the Loan/Grant Amount and other monies available to the Borrower/Grantee, is sufficient to complete the Project. The Local Match is one hundred thirty-six thousand three hundred sixty-four dollars (\$136,364).

"NMAC" means the New Mexico Administrative Code.

"NMSA 1978" means the New Mexico Statutes Annotated, 1978 Compilation, as amended and supplemented from time to time.

"Parity Subordinate Obligations" means this Agreement, and any other obligations, now outstanding or hereafter issued or incurred, payable from or secured by a lien or pledge of the Pledged Revenues and issued with a lien on the Pledged Revenues on parity with this Agreement and subordinate to Senior Obligations, as shown on the Term Sheet.

“Pledged Revenues” means the revenues received by the Borrower/Grantee pursuant to the Tax Ordinance which the Borrower/Grantee pledges to the payment of the Loan Payments pursuant to the Resolution and this Loan/Grant Agreement and described in the Term Sheet.

“Policies” means the Colonias Infrastructure Project Fund Project Selection and Management Policies, approved by the CIB.

“Political Subdivision of the State” means a municipality, a county, water and sanitation district, an association organized and existing pursuant to the Sanitary Projects Act, NMSA 1978, § 3-29-1 through § 3-29-21, as amended, or any other entity recognized by statute as a political subdivision of the State.

“Principal Component” means the portion of each Loan Payment paid as principal on this Agreement as shown on Exhibit “C” attached hereto.

“Project” means the project(s) described on the Term Sheet.

“Project Account” means the book account, if any, established by the NMFA in the name of the Borrower/Grantee for purposes of tracking expenditure of the Loan/Grant Amount by the Borrower/Grantee to pay for the costs of the Project, which shall be kept separate and apart from all other accounts of the NMFA.

“Qualified Entity” means a county, municipality, or other entity recognized as a Political Subdivision of the State pursuant to NMSA 1978, § 6-30-3(F), as amended.

“Qualified Project” means a capital outlay project recommended by the CIB to the NMFA for financial assistance that is primarily intended to develop Colonias infrastructure. A Qualified Project may include a water system, a wastewater system, solid waste disposal facilities, flood and drainage control, roads or housing infrastructure pursuant to NMSA 1978, § 6-30-3(G), as amended, but does not include general operation and maintenance, equipment, housing allowance payments or mortgage subsidies.

“Resolution” means the Borrower/Grantee Resolution No. _____ adopted by the Governing Body on August 28, 2026, authorizing the acceptance of the Loan/Grant, approving this Agreement and pledging the Pledged Revenues to the payment of the Loan Payments as shown on the Term Sheet.

“Senior Obligations” means the senior obligations now outstanding or hereafter issued with a superior lien on the Pledged Revenues to Parity Subordinate Obligations, and meeting the requirements of this Agreement applicable to the issuance of Senior Obligations, including any such obligations shown on the Term Sheet.

“State” means the State of New Mexico.

“Tax Ordinance” means the Borrower/Grantee’s Ordinance No. 389 adopted on March 26, 1992, with an effective date of July 1, 1992, as amended by Ordinance No. 472 adopted on March 13, 2000, with an effective date of July 1, 2000, imposing a Municipal Infrastructure Gross Receipts Tax of one-eighth of one percent (0.125%), which Municipal Infrastructure Gross

Receipts Tax has been de-earmarked and is now enforceable under NMSA 1978, § 7-19D-9, as amended, which the Borrower/Grantee pledges to the payment of the Loan Payments pursuant to this Agreement and the Resolution, as described in the Term Sheet.

“Term Sheet” means Exhibit “A” attached to this Agreement.

“Useful Life” means the period during which the Project is expected to be usable for the purpose for which it was acquired and constructed, which is twenty (20) years.

ARTICLE II REPRESENTATIONS, COVENANTS AND WARRANTIES OF THE BORROWER/GRANTEE

Section 2.1 Representations, Covenants and Warranties of the Borrower/Grantee: The Borrower/Grantee represents, covenants and warrants for the benefit of the NMFA as follows:

(a) Binding Nature of Covenants; Enforceability. All representations, covenants, stipulations, obligations and agreements of the Borrower/Grantee contained in this Agreement shall be deemed to be the representations, covenants, stipulations, obligations and agreements of the Borrower/Grantee to the full extent authorized or permitted by law, and such representations, covenants, stipulations, obligations and agreements shall be binding upon the Borrower/Grantee and its successors and enforceable in accordance with their terms, and upon any board or body to which any powers or duties affecting such representations, covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law.

(b) Authorization of the Agreement. The Borrower/Grantee is a Qualified Entity as defined in the Act and the Board Rules. Pursuant to the laws of the State and in particular, the laws governing its creation and existence, as amended and supplemented from time to time, the Borrower/Grantee is authorized to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder. The Borrower/Grantee has duly authorized and approved its acceptance of the Loan/Grant and the execution and delivery of this Agreement and the other documents related to the transaction described in this Agreement, and this Agreement and the other documents related to the transaction to which the Borrower/Grantee is a party constitute legal, valid and binding special obligations of the Borrower/Grantee enforceable against the Borrower/Grantee in accordance with their respective terms.

(c) Necessity of Project. The completion and operation of the Project under the terms and Conditions provided in this Agreement are necessary, convenient, and in furtherance of the governmental purposes of the Borrower/Grantee and are in the best interest of the Borrower/Grantee and the constituent public the Borrower/Grantee serves.

(d) Useful Life. The Agreement Term is not greater than the Useful Life of the Project, and in any event shall not exceed twenty (20) years.

(e) Nature and Use of Agreement Proceeds. The Borrower/Grantee acknowledges that the proceeds of the Loan/Grant Amount shall be distributed pro rata as the Loan Amount and Grant Amount. The Borrower/Grantee shall apply the proceeds of the Loan/Grant solely to Eligible Items that will facilitate the completion of the Project and shall not use the

Loan/Grant proceeds for any other purpose. The Loan/Grant Amount, together with the Local Match and other moneys reasonably expected to be available to the Borrower/Grantee, is sufficient to complete the Project in its entirety.

(f) Lien. The Loan Payments constitute an irrevocable lien on the distribution on the Pledged Revenues, the priority of which is consistent with that shown on the Term Sheet.

(g) Payment of Loan Amount and Administrative Fee. The Borrower/Grantee shall promptly pay the Loan Payments as provided in this Agreement, except when a Hardship Waiver is obtained pursuant to Section 4.1(a)(ii) of this Agreement. The Loan Payments shall be payable solely from Pledged Revenues and nothing in this Agreement shall be construed as obligating the Borrower/Grantee to make the Loan Payments from any general or other fund of the Borrower/Grantee other than the Pledged Revenues; however, nothing in this Agreement shall be construed as prohibiting the Borrower/Grantee in its sole and absolute discretion, from making such payments from any moneys which may be lawfully used, and which are legally available, for that purpose.

(h) No Breach or Default Caused by Agreement. Neither the execution and delivery of this Agreement and the other documents related to the transaction, nor the fulfillment of or compliance with the terms and Conditions in this Agreement and the other documents related to the transaction, nor the consummation of the transactions contemplated herein and therein, conflicts with or results in a breach of terms, conditions or provisions of any restriction or any agreement or instrument to which the Borrower/Grantee is a party or by which the Borrower/Grantee is bound, or any laws, ordinances, governmental rules or regulations or court or other governmental orders to which the Borrower/Grantee or its properties are subject, or constitutes a default under any of the foregoing.

(i) Irrevocable Enactments. While this Agreement remains outstanding and unpaid, any ordinance, resolution or other enactment of the Governing Body applying the Pledged Revenues for payment of this Agreement, including the Resolution, shall be irrevocable until the Project has been fully acquired and completed, and the Loan Amount, including all principal, the Administrative Fee and interest, if any, that has been repaid, or provision made for payment thereof, shall not be subject to amendment or modification in any manner which would result in any use of the proceeds of this Agreement in a manner not permitted or contemplated by the terms hereof. The Borrower/Grantee shall not impair the rights of the NMFA or of any holders of bonds or other obligations payable from the Pledged Revenues while this Agreement is outstanding.

(j) No Litigation. To the knowledge of the Borrower/Grantee, no litigation or proceeding is pending or threatened against the Borrower/Grantee or any other person affecting the right of the Borrower/Grantee to execute or deliver this Agreement and the other documents related to the transaction or to comply with its obligations under this Agreement and the other documents related to the transaction.

(k) Agency Approval. Neither the execution and delivery of this Agreement and the other documents related to the transaction by the Borrower/Grantee nor compliance by the Borrower/Grantee with the obligations under this Agreement and the other documents related to

the transaction, requires the approval of any regulatory body, or any other entity, which approval has not been obtained or which is not reasonably expected to be obtained.

(l) No Event of Default. No event has occurred and no condition exists which, with the giving of notice or the passage of time or upon the execution and delivery of this Agreement or the other documents related to the transaction, would constitute an Event of Default on the part of the Borrower/Grantee under this Agreement and the other documents related to the transaction.

(m) Pledged Revenues Not Budgeted. The portion of the Pledged Revenues necessary to pay the Loan Payments, as and when due, is not needed or budgeted to pay current or future Project-related expenses of the Borrower/Grantee.

(n) Borrower/Grantee's Existence. The Borrower/Grantee will maintain its legal identity and existence so long as this Agreement remains outstanding unless another Political Subdivision of the State, State agency, or other entity by operation of law succeeds to the liabilities, rights and duties of the Borrower/Grantee under this Agreement without adversely affecting to any substantial degree the privileges and rights of the CIB and NMFA.

(o) Budgeting of Pledged Revenues. The Pledged Revenues will be sufficient to make the Loan Payments, as and when due. The Borrower/Grantee will adequately budget for the Loan Payments and other amounts payable by the Borrower/Grantee under this Agreement.

(p) Use of Project; Continuing Covenant. During the Agreement Term, the Borrower/Grantee will at all times use the Project for the benefit of the Borrower/Grantee and the public it serves. "The Borrower/Grantee shall not sell, lease, mortgage, pledge, relocate or otherwise dispose of or transfer the Project, or any part of the Project; so long as this Loan/Grant Agreement is outstanding; provided, however, that if the Project is a joint project of the Borrower/Grantee and other Qualified Entities (as defined by the Act), the Borrower/Grantee and the other Qualified Entities may, with the express written approval of the NMFA and not otherwise, enter into an agreement allocating ownership and operational and maintenance responsibilities for the Project during the term of the Agreement. Any such agreement shall provide that the NMFA shall have the power to enforce the terms of this Agreement, without qualification, as to each and every Qualified Entity (as defined by the Act) other than the Borrower/Grantee, owning or operating any portion of the Project during the term of the Agreement. The Borrower/Grantee will operate and maintain the Project, so that it will function properly over its Useful Life.

(q) Expected Coverage Ratio. The Pledged Revenues are reasonably expected to equal or exceed—one hundred percent (100%) from the Fiscal Year in which the Closing Date occurs and, on an ongoing basis during each Fiscal Year of the Agreement Term—one hundred percent (100%) of the maximum annual principal and interest due on all outstanding obligations of the Borrower/Grantee payable from the Pledged Revenues.

(r) Right to Inspect. The NMFA shall have the right to inspect at all reasonable times all records, accounts and data relating to the Project and to inspect the Project and all properties comprising the Project, and the Borrower/Grantee shall supply such records, accounts,

and data as requested by the NMFA, within thirty (30) days of receipt of such request, written or oral.

(s) Pledged Tax Revenues Covenants. The Governing Body has duly adopted the Tax Ordinance imposing a one-eighth of one percent (0.125%) of a Municipal Infrastructure Gross Receipts Tax, which constitutes the Pledged Revenues. The Tax Ordinance has not been repealed or superseded and is in full force and effect.

(t) Records and Reporting. The Borrower/Grantee shall maintain financial records in accordance with Generally Accepted Accounting Principles throughout the Agreement Term, and in the event that the State Audit Act, NMSA 1978, §§ 12-6-1 through 12-6-14 does not apply, conduct an audit of the Project's financial records if requested by the CIB or the NMFA and provide any and all other information and access to the Project as requested by the CIB or the NMFA

(u) Acquisition and Completion. The Borrower/Grantee shall proceed expeditiously to complete the Project and shall commence the Project in a commercially reasonable timeframe following the Closing Date. Further, the Borrower/Grantee hereby agrees that in order to effectuate the purposes of this Agreement and to acquire and complete the Project it shall take such steps as are necessary and appropriate to acquire, complete, operate and maintain the Project lawfully and efficiently in accord with all applicable laws, ordinances, resolutions and regulations relating to the acquisition, operation, maintenance and completion of the Project and use of the Loan/Grant proceeds. The Project shall be designed so as to incorporate the available technologies and operational design for water use efficiency. The plans and specifications shall be approved by all entities required by the CIB or NMFA in their sole discretion to approve such plans and specifications prior to the disbursement of any part of the Loan/Grant Amount for construction of the Project, and the Project shall be constructed and completed substantially in accordance with the approved plans and specifications. No Loan/Grant funds shall be used for items not constituting Eligible Items. The Borrower/Grantee shall exercise its power of eminent domain, if needed to comply with this paragraph 2.1(u) and paragraph 5.1(b).

(v) Use of Loan/Grant Proceeds for Construction; Other Qualified Entities. The Borrower/Grantee shall operate and maintain the Project in good operating condition and repair at all times during the Useful Life of the Project, so that the Project will function properly over the Useful Life of the Project; provided, that if any portion of the Project will be constructed, installed, located, completed or extended on real property owned by a Qualified Entity (as defined by the Act) other than the Borrower/Grantee, the Borrower/Grantee may, prior to any use of the Loan/Grant funds for the Project on such real property, obtain the written agreement of such other Qualified Entity to perform these obligations with respect to such real property (and the portion of the Project to be constructed, installed, located, completed or extended on such real property), which written agreement shall be subject to approval by the NMFA and shall include an express statement by such other Qualified Entity that the NMFA is a third party beneficiary of such written agreement.

(w) Local Match. The Local Match is legally available for the Project, has been applied or set aside by the Borrower/Grantee solely for the purposes of the Project and sufficient evidence of the Local Match, as provided by the Borrower/Grantee's Resolution No. 07 26/27

adopted July 22, 2026has been provided and will be continued to be provided as part of the Borrower/Grantee's quarterly reporting as outlined in Section 7.1 and as otherwise requested by the NMFA.

(x) Audit Requirement. During the Agreement Term the Borrower/Grantee shall comply with the requirements of the State Audit Act, NMSA 1978, §§ 12-6-1 through 12-6-14, as amended, and upon request, provide the NMFA with a copy of any review or audit, report of agreed upon procedures, or any other document prepared pursuant to or required by the State Audit Act.

(y) Executive Order 2013-006 Requirements. The Borrower/Grantee has and will meet the requirements of Executive Order 2013-006 prior to the first disbursement of any portion of the Loan/Grant Amount, the Conditions and the readiness to proceed requirements established for the Loan/Grant by the NMFA and the CIB.

(z) Additional Debt. Prior to entering into additional indebtedness secured by a lien on the Pledged Revenues that is senior to or on parity with this Agreement, the Borrower/Grantee will seek the written consent of the NMFA, which consent will not be unreasonably withheld. Prior to entering into additional indebtedness secured by a lien on the Pledged Revenue subordinate to this Agreement or a lien on any revenues of the Borrower/Grantee other than the Pledged Revenues, the Borrower/Grantee will notify the NMFA in writing of such indebtedness.

(aa) Other Liens. Other than as provided in the Term Sheet, there are no liens or encumbrances of any nature, whatsoever, on or against the Pledged Revenues.

ARTICLE III AGREEMENT TERM

The Agreement Term shall commence on the Closing Date and shall terminate upon the earliest of the following events: (a) submission and acceptance of a completed Form of Certificate of Completion, Exhibit "D", and repayment of the Loan Amount, the Administrative Fee and interest, if any, or (b) the exercise by the NMFA to terminate the Agreement pursuant to an Event of Default as outlined in Section IX of this Agreement.

ARTICLE IV LOAN/GRANT TO THE BORROWER/GRANTEE; INVESTMENT OF MONEYS

Section 4.1 Loan and Grant to the Borrower/Grantee.

(a) Loan to the Borrower/Grantee. The NMFA hereby lends to the Borrower/Grantee and the Borrower/Grantee hereby borrows from and agrees to pay to the order of the NMFA, an amount equal to the Loan Amount, with the principal amount of the Loan Amount being payable as provided by Article VI and Exhibit "C" of this Agreement. The Loan Amount shall be pre-payable by the Borrower/Grantee at the conclusion of the Interim Period without penalty.

(i) Subordinate Nature of Loan Amount Obligation. The obligation of the Borrower/Grantee to make the Loan Payments shall be subordinate to all Senior Obligations secured by the Pledged Revenues and shall be on parity with any Parity Subordinate Obligations existing on the Closing Date and, further, that may in the future be secured by the Pledged Revenues. The obligation of the Borrower/Grantee to make the Loan Payments shall be on parity with any other obligation, present or future, of the Borrower/Grantee to repay a loan provided by the NMFA pursuant to the Act or the Water Project Finance Act, NMSA 1978, §§ 72-4A-1 through 72-4A-11, as amended.

(ii) Administrative Fee. The Borrower/Grantee shall, on an annual basis beginning on the first payment date following the completion of the Project or exhaustion of all Loan/Grant Amounts as set out in Section 4.4 hereof, pay to the Lender/Grantor the Administrative Fee, taking into account both payments made by the Borrower/Grantee and Hardship Waivers granted to the Borrower/Grantee as provided by this Agreement. Any such Administrative Fee payment shall be due irrespective of whether or not a Hardship Waiver is granted to the Borrower/Grantee for the principal payment otherwise due on June 1 of the applicable year or any other year.

(iii) Hardship Waivers of Payment. Each year while any portion of the Loan Amount remains outstanding, if a Borrower/Grantee has encountered an unforeseeable hardship, the Borrower/Grantee may apply in writing on or before April 1st to the NMFA for forgiveness of the annual Loan Payment coming due on June 1 of the same year. The Borrower/Grantee shall submit its application to the NMFA for a determination by the NMFA, in cooperation with DFA, and shall submit sufficient documentation of the existence of the unforeseeable hardship as is reasonably required by the NMFA, in cooperation with DFA, to make a determination. The Borrower/Grantee shall promptly respond to additional requests for information from the NMFA or DFA. Such application for a Hardship Waiver shall be executed by the Authorized Officers of the Borrower/Grantee. The NMFA shall communicate the decision to the Borrower/Grantee in writing. In the event of a determination of unforeseeable hardship, the Loan Payment otherwise due on June 1 of that year shall be forgiven. If no unforeseeable hardship is found to exist, the Loan Payment shall remain outstanding and due and payable in accordance with the terms of this Agreement.

(iv) Constitutional and Statutory Debt Limitations. No provision of this Agreement shall be construed or interpreted as creating a general obligation or other indebtedness of the CIB, the NMFA, the State or the Borrower/Grantee within the meaning of any constitutional or statutory debt limitation.

(b) Grant to the Borrower/Grantee. The CIB has granted to the Borrower/Grantee and the Borrower/Grantee hereby accepts from the NMFA and the CIB an amount equal to the Grant Amount subject to the terms of this Agreement.

(c) Project Account. The NMFA may establish and maintain the Project Account as a book account only, on behalf of the Borrower/Grantee, which account shall be kept separate and apart from all other accounts of the NMFA.

Section 4.2 Investment of Borrower/Grantee's Accounts. Money on deposit in the Borrower/Grantee's accounts created hereunder and held by the NMFA may be invested by the NMFA for the credit of the Fund.

Section 4.3 Loan/Grant Amount Does Not Exceed Total Cost. The sum of the Grant Amount, the Loan Amount, and the Local Match (and as set forth on the Term Sheet) does not exceed the cost of the Project, which, along with other moneys reasonably expected to be available to the Borrower/Grantee, is sufficient to complete the Project.

Section 4.4 Final Requisition. The Final Requisition shall be submitted by the Borrower/Grantee within the Interim Period. The Interim Period may be extended only as approved in writing by an Authorized Officer of the NMFA, based on the Borrower/Grantee's demonstration, to the reasonable satisfaction of the Authorized Officer of the NMFA, that unanticipated circumstances resulted in delaying the acquisition and completion of the Project, and submission of the Borrower/Grantee's Final Requisition.

ARTICLE V LOAN/GRANT AMOUNT DISBURSEMENT CONDITIONS

Section 5.1 Conditions Precedent to Disbursement of Loan/Grant Amount. Prior to the payment of any requisition of the Loan/Grant Amount or any portion thereof by the NMFA from the Fund, the following conditions shall be satisfied:

(a) The NMFA shall have determined that the Borrower/Grantee has met the Conditions established for the Loan/Grant; and

(b) Prior to disbursement of any portion of the Loan/Grant Amount for installation or construction, the plans and specifications for the Project shall have been approved by all entities required by the CIB or the NMFA in their sole discretion to approve such plans and specifications and the Borrower/Grantee shall have provided written assurance addressed to the NMFA and signed by an attorney (or shall have provided a title insurance policy) that the Borrower/Grantee (1) is the owner in fee simple of the lands needed for the facilities to be designed constructed, installed, repaired, or enlarged with the proceeds of the Loan/Grant, or that the Borrower/Grantee (2) has acquired and presently holds continuous and adequate rights-of-way, proper title to, easements, rights-of-way, or permits by purchase or dedication, by right of use or adverse possession, or by legal conveyances such as right-of-way or easement deeds, permits, other instruments or (3) will acquire any necessary titles or access rights, including acquisition by the exercise of the power of eminent domain, if necessary, on the real property upon or through which the Project is to be designed, installed, constructed, located, completed or extended; and

(c) The Borrower/Grantee shall be in compliance with the provisions of this Agreement; and

(d) No Event of Default has occurred; and

(e) The Borrower/Grantee shall have provided any other information requested by the NMFA in its absolute discretion including documentation sufficient to make a determination

whether any requested disbursement is for payment of Eligible Items and is fully consistent with the Act, the Board Rules, and the Policies, as applicable.

Section 5.2 Accounting for Amounts Credited to the Project Account. So long as Section 5.1 has been complied with and all Conditions to the disbursement of the Loan/Grant Amount have been satisfied (including approval of all plans and specifications), upon receipt by the NMFA of a requisition substantially in the form of Exhibit "B" attached hereto signed by an Authorized Officer of the Borrower/Grantee, supported by certification by the Borrower/Grantee's project architect, engineer, or such other authorized representative of the Borrower/Grantee that the amount of the disbursement request represents the progress of design, installation, construction, acquisition or other Project-related activities accomplished as of the date of the disbursement request, the NMFA shall seek funds sufficient to satisfy the request and, upon receipt of those funds disburse from the Fund, amounts which together are sufficient to pay the requisition in full or that portion approved by the NMFA in its sole discretion. The certification provided pursuant to this Section 5.2 in support of the requisition must be acceptable in form and substance to the NMFA. The Borrower/Grantee shall provide such records or access to the Project as the NMFA, and, at its request, the CIB, in the discretion of each, may request in connection with the approval of the Borrower/Grantee's requisition requests made hereunder.

Section 5.3 Acknowledgment and Non-liability for Funding Interruption. The Borrower/Grantee hereby acknowledges that the NMFA and the CIB may be required to seek or request funds to satisfy the request outlined in Section 5.2 from an agency, instrumentality or other Political Subdivision of the State and that the NMFA and the CIB may have no control or authority over those entities. The Borrower/Grantee hereby agrees to waive on behalf of itself and indemnify and hold the NMFA and the CIB harmless from any and all third party claims, liability or damage that may or could be caused as a result of a delay or denial of funds related to or arising from the procedure described above or any other mechanism necessary or required to request, secure or process funds.

Section 5.4 No Disbursement for Prior Expenditures Except upon Approval. No disbursement shall be made from the Fund, of the Loan/Grant Amount, or any portion thereof, without the approval of the NMFA to reimburse any expenditure made prior to the approval date of the award by the NMFA Board.

Section 5.5 Completion of Disbursement of Loan/Grant Funds. Upon completion of the Project an Authorized Officer of the Borrower/Grantee shall deliver a certificate to the NMFA, substantially in the form of Exhibit "E" attached hereto, stating that, to his or her knowledge, that the Project has been completed. No portion of the Loan/Grant Amount shall be disbursed after the expiration of the Interim Period.

Section 5.6 Application of Project Account Subsequent to Disbursement of Loan/Grant Amount; Termination of Pledge. Upon the first to occur of either (a) completion of the disbursement of the Loan/Grant Amount as signified by delivery of the completion certificate contemplated in Section 5.5 hereof; or (b) the earlier expiration of the time allowed for disbursements of Loan/Grant funds as provided in Section 5.5 hereof, the NMFA shall transfer the amounts remaining on deposit in the Project Account, if any, to such other fund permitted by law.

Upon such entry, the pledge of the Project Account, if any, established in this Agreement shall terminate.

ARTICLE VI LOAN PAYMENTS BY THE BORROWER/GRANTEE

Section 6.1 Loan to the Borrower/Grantee; Payment Obligations Limited to Pledged Revenues; Pledge of Pledged Revenues. The NMFA hereby lends to the Borrower/Grantee and the Borrower/Grantee hereby borrows from the NMFA an amount not to exceed the Loan Amount. The Borrower/Grantee promises to pay, but solely from the sources pledged herein, the Loan Payments and other amounts owed by the Borrower/Grantee as herein provided. Subject to any outstanding Senior Obligations and Parity Subordinate Obligations, the Borrower/Grantee does hereby grant a security interest in and a subordinate lien (but not an exclusive subordinate lien) on the Pledged Revenues on parity with the Parity Subordinate Obligations and subordinate to the lien on the Pledged Revenues of the Senior Obligations and does hereby convey, assign and pledge unto the NMFA and unto its successors in trust forever all right, title and interest of the Borrower/Grantee in and to (i) the Pledged Revenues to the extent required to pay the Loan Payments, and other amounts owed by the Borrower/Grantee as herein provided, subject to and subordinate to all Senior Obligations pledges of the Pledged Revenues existing on the Closing Date and, further, that may exist in the future (provided that the pledge of the Pledged Revenues herein shall be on a parity with any other pledge of the Pledged Revenues by the Borrower/Grantee to repay any obligations issued by the NMFA pursuant to the Act or the Water Project Finance Act); (ii) the Loan/Grant Amount including the Project Account; and (iii) all other rights hereinafter granted, for the securing of the Borrower/Grantee's obligations under this Agreement, including payment of the Loan Payments and other amounts owed by the Borrower/Grantee as herein provided, however, that if the Borrower/Grantee, its successors or assigns, shall pay, or cause to be paid, all Loan Payments at the time and in the manner contemplated by this Agreement, and shall pay all other amounts due or to become due under this Agreement in accordance with its terms and provisions then, upon such final payment, this Agreement and the rights created thereby shall terminate; otherwise, this Agreement shall remain in full force and effect.

The schedule of Loan Payments, assuming the disbursement of the entire Loan/Grant Amount within twenty-four (24) months after the Closing Date, identified as the Interim Debt Service Schedule, is attached to this Agreement as Exhibit "C". Within thirty (30) days after the Final Requisition is made, the NMFA shall provide a Final Debt Service Schedule, reflecting the amount of the Loan/Grant Amount actually disbursed to the Borrower/Grantee pursuant to this Agreement. Such Final Debt Service Schedule shall supersede the schedule attached hereto as Exhibit "C".

The pledge of the Pledged Revenues and the lien thereon shall be effective upon the Closing Date. The Borrower/Grantee and the NMFA acknowledge and agree that the obligations of the Borrower/Grantee hereunder are limited to the Pledged Revenues; and that this Agreement with respect to the Loan Amount and other amounts owed by the Borrower/Grantee as herein provided, and that the Agreement shall constitute a special, limited obligation of the Borrower/Grantee. No provision of this Agreement shall be construed or interpreted as creating a general obligation or other indebtedness of the Borrower/Grantee or the State within the meaning of any constitutional or statutory debt limitation. No provision of this Agreement shall be construed to pledge or to create a lien on any class or source of Borrower/Grantee moneys other

than the Pledged Revenues, nor shall any provision of this Agreement restrict the future issuance of any bonds or obligations payable from any class or source of Borrower/Grantee moneys other than the Pledged Revenues. In addition, to the extent not required for the payment of obligations of the Borrower/Grantee hereunder, the Pledged Revenues may be utilized by the Borrower/Grantee for any other purposes permitted by law.

Section 6.2 Deposit of Payments of Loan Amount to Colonias Infrastructure Project Fund. All Loan Payments made by the Borrower/Grantee to the NMFA to repay the Loan Amount and interest thereon, if any, shall be deposited into the Colonias Infrastructure Project Fund.

Section 6.3 Manner of Payment. The Loan Amount and Administrative Fee shall be payable by the Borrower/Grantee to the NMFA in annual installments of principal payable on June 1 after expiration of the Interim Period and continuing through the expiration of the last Loan Payment due as outlined in the Final Debt Service Schedule. All payments of the Borrower/Grantee hereunder shall be paid in lawful money of the United States of America to the NMFA at the address designated in Section 10.1 of this Agreement. The obligation of the Borrower/Grantee to make payments hereunder, from and to the extent of the available Pledged Revenues, shall be absolute and unconditional in all events, except as expressly provided hereunder. Notwithstanding any dispute between the Borrower/Grantee and the NMFA, any vendor or any other person, the Borrower/Grantee shall make all deposits hereunder, from and to the extent of the available Pledged Revenues, when due and shall not withhold any deposit hereunder pending final resolution of such dispute, nor shall the Borrower/Grantee assert any right of set-off or counterclaim against its obligation to make such deposits required hereunder.

Section 6.4 Borrower/Grantee May Budget for Payments. The Borrower/Grantee may, in its sole discretion, but without obligation and subject to the Constitution of the State, governing laws, and its budgetary requirements, make available properly budgeted and legally available funds to make the Loan Payments and other amounts owed by the Borrower/Grantee hereunder; provided, however, the Borrower/Grantee has not covenanted and cannot covenant to make such funds available and has not pledged any of such funds for such purpose.

Section 6.5 NMFA's Release of Lien and Further Assurances. Upon payment in full of the Loan Amount, Administrative Fee and other amounts owed by the Borrower/Grantee as herein provided in this Agreement and upon written request from the Borrower/Grantee, the NMFA agrees to execute a release of lien and to give such further assurances as are reasonably necessary to ensure that the NMFA no longer holds or maintains any lien or claim against the Pledged Revenues.

ARTICLE VII ADMINISTRATION

Section 7.1 Borrower/Grantee Reporting to the NMFA. The Borrower/Grantee shall provide the NMFA with a quarterly written report substantially in the form of Exhibit "D" attached hereto, or other report format as designated by the NMFA, and signed by an Authorized Officer of the Borrower/Grantee. The first quarterly report shall be due on December 31, 2026, and subsequent reports shall be due on each March 31, June 30, September 30 and December 31 thereafter until the report date next following final distribution of the Loan/Grant funds. The

description of the status of the Project in each quarterly report shall include, among other information, (a) a comparison of actual and anticipated requests for distributions of Loan/Grant funds as of the report date with those anticipated as of the Closing Date, (b) a description of actual and anticipated changes in the cost estimates for the Project as of the report date compared with those anticipated as of the Closing Date, and (c) a description of the percentage of completion of the Project.

Section 7.2 Application of Project Account Subsequent to Disbursement of Loan/Grant Funds. Upon the completion of the Project as signified by delivery of the completion certificate required by Section 5.5 hereof, the NMFA shall determine, by reference to the Project Account, if any, whether any portion of the authorized Loan/Grant Amount remains unexpended. If any of the Loan/Grant Amount remains unexpended, the funds shall be transferred by the NMFA to the appropriate account or fund in accordance with applicable law and the Borrower/Grantee shall have no right to access the funds.

Section 7.3 Further Assurances and Corrective Instruments. The NMFA and the Borrower/Grantee agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Project or of the Pledged Revenues and carrying out the intention hereof.

Section 7.4 Representatives of the NMFA or of the Borrower/Grantee. Whenever under the provisions hereof the approval of the NMFA or the Borrower/Grantee is required, or the Borrower/Grantee, or the NMFA is required to take some action at the request of any of them, such approval or such request shall be given for the NMFA or for the Borrower/Grantee, by an Authorized Officer of the NMFA or the Borrower/Grantee, as the case may be, and any party hereto shall be authorized to act on any such approval or request.

Section 7.5 Selection of Contractors. All contractors providing services or materials in connection with the Project shall be selected in accordance with applicable provisions of the New Mexico Procurement Code, NMSA 1978, §§ 13-1-28 through 13-1-199, as amended, or, if the Borrower/Grantee is not subject to the New Mexico Procurement Code, shall be selected in accordance with a documented procurement process duly authorized and established pursuant to laws and regulations applicable to the Borrower/Grantee.

Section 7.6 Required Contract Provisions. The Borrower/Grantee shall require the following provisions in any contract or subcontract executed in connection with the Project to which the Borrower/Grantee is a party:

(a) There shall be no discrimination against any employee or applicant for employment because of race, color, creed, sex, religion, sexual preference, ancestry or national origin;

(b) Any contractor or subcontractor providing construction services in connection with the Project shall post a performance and payment bond in accordance with the requirements of NMSA 1978, § 13-4-18, as amended; and

(c) Any contractor or subcontractor providing construction services in connection with the Project shall comply with the prevailing wage laws in accordance with the requirements of NMSA 1978, § 13-4-11, as amended.

Section 7.7 Little Miller Act. To the extent NMSA 1978, § 13-4-1 et seq., (the "Little Miller Act") is applicable to the Project, the Borrower/Grantee shall comply with the requirements of the Little Miller Act. If bonding requirements of the Little Miller Act are not applicable to the Project, the Borrower/Grantee will require that the contractor to whom is given any contract for construction appertaining to the Project supply a performance bond or bonds satisfactory to the Borrower/Grantee. Any sum or sums derived from said performance bond or bonds shall be used within six (6) months after such receipt for the completion of said construction, and if not so used within such period, shall be used as authorized by law.

ARTICLE VIII

INSURANCE; NON-LIABILITY OF THE NMFA AND CIB

Section 8.1 Insurance. The Borrower/Grantee shall carry general liability insurance or participate in the State's risk-management program and, to the extent allowed by the New Mexico Tort Claims Act, NMSA 1978, §§ 41-4-1 through 41-4-30, as amended, shall and hereby agrees to name the NMFA as additional insureds with respect to all claims, by or on behalf of any person, firm, corporation or other legal entity arising from the acquisition, completion or implementation of the Project or otherwise during the Agreement Term; provided, that if any portion of the Project will be constructed, located, completed or extended on real property owned by a Qualified Entity (as defined by the Act) other than the Borrower/Grantee, the Borrower/Grantee may obtain the written agreement of such other Qualified Entity to perform these insurance/risk-management program requirements for Borrower/Grantee with respect to such real property (and the portion of the Project to be constructed, located, completed or extended on such real property), which written agreement shall include an express statement by such other Qualified Entity that the NMFA is a third party beneficiary of such written agreement.

Section 8.2 Non-Liability of the NMFA and the CIB.

(a) The NMFA and the CIB shall not be liable in any manner for the Project, Borrower/Grantee's use of the Loan/Grant, the acquisition, implementation, construction, installation, ownership, operation or maintenance of the Project, or any failure to act properly by the Borrower/Grantee or any other owner or operator of the Project.

(b) The NMFA and the CIB shall not be liable for the refusal or failure of any other agency of the State to transfer any portion of the Loan/Grant Amount in its possession, custody and control to the NMFA for disbursement to the Borrower/Grantee, or to honor any request for such transfer or disbursement of the Loan/Grant Amount.

(c) To the extent permitted by law, the Borrower/Grantee shall and hereby agrees to indemnify and save the NMFA and the CIB harmless against and from all claims, by or on behalf of any person, firm, corporation, or other legal entity, arising from the acquisition or operation of the Project during the Agreement Term, from: (i) any act of negligence or other misconduct of the Borrower/Grantee, or breach of any covenant or warranty by the

Borrower/Grantee hereunder; and (ii) the incurrence of any cost or expense in connection with the acquisition or operation of the Project in excess of the Loan/Grant Agreement proceeds and interest on the investment thereof. The Borrower/Grantee shall indemnify and save the NMFA and the CIB harmless, from and to the extent of the available Pledged Revenues, from any such claim arising as aforesaid from (i) or (ii) above, or in connection with any action or proceeding brought thereon and, upon notice from the NMFA or the CIB, shall defend the NMFA or the CIB, as applicable, in any such action or proceeding.

ARTICLE IX EVENTS OF DEFAULT AND REMEDIES

Section 9.1 Events of Default Defined. Any one of the following shall be an "Event of Default" under this Agreement:

(a) Failure by the Borrower/Grantee to pay any amount required to be paid under this Agreement on the date on which it is due and payable; or

(b) Failure by the Borrower/Grantee to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Agreement for a period of thirty (30) days after written notice, specifying such failure and requesting that it be remedied, is given to the Borrower/Grantee by the NMFA, unless the NMFA shall agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice can be wholly cured within a period of time not materially detrimental to the rights of the NMFA but cannot be cured within the applicable thirty (30) day period, the NMFA will not unreasonably withhold their consent to an extension of such time if corrective action is instituted by the Borrower/Grantee within the applicable period and diligently pursued until the failure is corrected; and provided, further, that if by reason of Force Majeure the Borrower/Grantee is unable to carry out the agreements on its part herein contained, the Borrower/Grantee shall not be deemed in default under this paragraph 9.1(b) during the continuance of such inability (but Force Majeure shall not excuse any other Event of Default); or

(c) Any warranty, representation or other statement by or on behalf of the Borrower/Grantee contained in this Agreement or in any instrument furnished in compliance with or in reference to this Agreement is determined to be false or misleading in any material respect in the sole discretion of the NMFA; or

(d) A petition is filed against the Borrower/Grantee under any bankruptcy, moratorium, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, and is not dismissed within thirty (30) days after such filing, but the NMFA shall have the right to intervene in the proceedings prior to the expiration of such thirty (30) days to protect their interests; or

(e) The Borrower/Grantee files a petition in voluntary bankruptcy or seeking relief under any provision of any bankruptcy, moratorium, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, or consents to the filing of any petition against it under any such law; or

(f) The Borrower/Grantee admits insolvency or bankruptcy or its inability to pay its debt as they become due or is generally not paying its debt as such debt become due, or becomes insolvent or bankrupt or makes an assignment for the benefit of creditors, or a custodian (including, without limitation, a receiver, liquidator or trustee) of the Borrower/Grantee for any of its property is appointed by court order or takes possession thereof and such order remains in effect or such possession continues for more than thirty (30) days, but the NMFA shall have the right to intervene in the proceedings prior to the expiration of such thirty (30) days to protect their interests; or

(g) Default by the Borrower/Grantee in performance or observance of any covenant contained in any other loan agreement, document or instrument of any type whatsoever evidencing or securing obligations of the Borrower/Grantee to the NMFA.

Section 9.2 Limitations on Remedies. A judgment requiring payment of money entered against the Borrower/Grantee shall be paid only from available Pledged Revenues unless the Borrower/Grantee in its sole discretion pays the judgment from other available funds.

Section 9.3 Remedies on Default. Whenever any Event of Default has occurred and is continuing, and subject to Section 9.4 hereof, the NMFA may take whatever of the following actions may appear necessary or desirable to enforce performance of any agreement of the Borrower/Grantee in this Agreement:

(a) File a mandamus proceeding or other action or proceeding or suit at law or in equity to compel the Borrower/Grantee to perform or carry out its duties under the law and the agreements and covenants required to be performed by it contained herein;

(b) Terminate this Agreement;

(c) Cease disbursing any further amounts from the Project Account;

(d) Demand that the Borrower/Grantee immediately repay the Loan/Grant Amount or any portion thereof if such funds were not utilized in accordance with this Agreement;

(e) File a suit in equity to enjoin any acts or things which are unlawful or violate the rights of the NMFA;

(f) Intervene in judicial proceedings that affect this Agreement or the Pledged Revenues;

(g) Cause the Borrower/Grantee to account as if it were the trustee of an express trust for all of the Pledged Revenues; or

(h) Take whatever other action at law or in equity may appear necessary or desirable to collect amounts then due and thereafter to become due under this Agreement or to enforce any other of their rights hereunder.

The Borrower/Grantee shall be responsible for reimbursing the NMFA for any and all fees and costs incurred in enforcing the terms of this Agreement.

Section 9.4 No Remedy Exclusive. No remedy herein conferred upon or reserved to the NMFA is intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Borrower/Grantee or the NMFA to exercise any remedy reserved in this Article IX, it shall not be necessary to give any notice, other than such notice as may be required in this Article IX.

Section 9.5 Waivers of Events of Default. The NMFA may, in its discretion, waive any Event of Default hereunder and the consequences of any such Event of Default; provided, however, all expenses of the NMFA in connection with such Event of Default shall have been paid or provided for. Such waiver shall be effective only if made by a written statement of waiver issued by the NMFA. In case of any such waiver or rescission, or in case any proceeding taken by the NMFA on account of any such Event of Default shall have been discontinued or abandoned or determined adversely, then and in every such case, the NMFA shall be restored to its former position and rights hereunder, but no such waiver or rescission shall extend to any subsequent or other Event of Default, or impair any right consequent thereon.

Section 9.6 No Additional Waiver Implied by One Waiver. In the event that any agreement contained herein should be breached by either party and thereafter waived by the other party, such waiver shall be in writing and limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section 9.7 Agreement to Pay Attorneys' Fees and Expenses. In the event that the Borrower/Grantee shall default under any of the provisions hereof, and the NMFA shall employ attorneys or incur other expenses for the collection of payments hereunder, or the enforcement of performance or observance of any obligation or agreement on the part of the Borrower/Grantee herein contained, the Borrower/Grantee agrees that it shall, on demand therefor, pay to the NMFA the fees of such attorneys and such other expenses so incurred, to the extent such attorneys' fees and expenses may be determined to be reasonable by a court of competent jurisdiction; provided, however, that the obligation of the Borrower/Grantee under this Section shall be limited to expenditures from and to the extent of the available Pledged Revenues.

ARTICLE X MISCELLANEOUS

Section 10.1 Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered as follows:

If to the Borrower/Grantee, to:

City of Truth or Consequences
Attn.: City Manager
505 Sims Street
Truth or Consequences, New Mexico, 87901

If to the NMFA, to:

New Mexico Finance Authority
Attn.: Chief Executive Officer
810 W. San Mateo Road
Santa Fe, New Mexico 87505

The Borrower/Grantee or the NMFA may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 10.2 Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon the NMFA and the Borrower/Grantee and their respective successors and assigns, if any.

Section 10.3 Integration. This Agreement and any other agreements, certifications and commitments entered into between the NMFA and the Borrower/Grantee on the Effective Date constitute the entire agreement of the parties regarding the Loan/Grant and the funding of the Project through the Loan/Grant as of the Effective Date, and the terms of this Agreement supersede any prior applications, discussions, understandings or agreements between or among the parties in connection with the Loan/Grant, to the extent such prior applications, discussions, understandings or agreements are inconsistent with this Agreement.

Section 10.4 Amendments. This Agreement may be amended only with the written consent of all of the parties to this Agreement. The consent of the NMFA for amendments not affecting the terms of payment of the loan component of this Agreement may be given by an Authorized Officer of the NMFA. The execution of any such consent by an Authorized Officer of the NMFA shall constitute his or her determination that such amendment does not affect the terms of payment of the loan component of this Agreement.

Section 10.5 No Liability of Individual Officers, Directors or Trustees. No recourse under or upon any obligation, covenant or agreement contained in this Agreement shall be had against any member, employee, director or officer, as such, past, present or future, of the NMFA or the CIB, or against any officer, employee, director or member of the Borrower/Grantee, past, present or future, as an individual so long as such individual was acting in good faith. Any and all personal liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any such officer, employee, director or member of the Borrower/Grantee, the CIB or of the NMFA is hereby expressly waived and released by the Borrower/Grantee, the CIB and the NMFA as a condition of and in consideration for the execution of this Agreement.

Section 10.6 Severability. In the event that any provision of this Agreement, other than the obligation of the Borrower/Grantee to make the Loan Payments, shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 10.7 Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 10.8 Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New Mexico. Pursuant to NMSA 1978, § 6-21-26, as amended, the venue for any proceedings or any other action or procedure against the NMFA shall be in Santa Fe County.

Section 10.9 Captions. The captions or headings herein are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

Section 10.10 Application of Act and Board Rules. The NMFA and the Borrower/Grantee expressly acknowledge that this Agreement is governed by provisions and requirements of the Act and the Board Rules, as amended and supplemented, and all applicable provisions and requirements of the Act and the Board Rules are incorporated into this Agreement by reference.

Section 10.11 CONSENT TO JURISDICTION. THE BORROWER/GRANTEE IRREVOCABLY AGREE[S] THAT ALL ACTIONS OR PROCEEDINGS IN ANY WAY ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE DOCUMENTS SIGNED IN CONNECTION WITH THIS TRANSACTION WILL BE LITIGATED IN THE FIRST JUDICIAL DISTRICT COURT, SANTA FE COUNTY, NEW MEXICO, PURSUANT TO NMSA 1978, § 6-21-26.

[Signature pages follow.]

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the NMFA, has executed this Agreement, which was approved by the CIB on May 14, 2026, and by the NMFA's Board of Directors on June 25, 2026, in its corporate name by its duly Authorized Officer; and the Borrower/Grantee has caused this Agreement to be executed and attested by duly Authorized Officers thereof. All of the above are effective as of the date first above written.

NMFA:

NEW MEXICO FINANCE AUTHORITY

By _____
Marquita D. Russel, Chief Executive Officer

Prepared for Execution by Officers of the
New Mexico Finance Authority:

VIRTUE & NAJJAR, PC

By _____
Carla R. Najjar

Approved for Execution by Officers of the
New Mexico Finance Authority:

By _____
Mark Chaiken, General Counsel

BORROWER/GRANTEE:

CITY OF TRUTH OR CONSEQUENCES,
SIERRA COUNTY, NEW MEXICO

By _____
Rolf Hechler, Mayor

(SEAL)

By _____
Angela Torres, City Clerk

EXHIBIT "A"

TERM SHEET

\$1,363,637 COLONIAS INFRASTRUCTURE PROJECT LOAN/GRANT TO THE CITY OF TRUTH OR CONSEQUENCES, SIERRA COUNTY, NEW MEXICO

Project Description:	The Project is infrastructure development in accordance with the Act consisting of improvements to roads, flood and drainage control, but does not include general operation and maintenance, equipment, housing allowance payments or mortgage subsidies and is more specifically described as financing the design and construction to rehabilitate a curb and gutter, drainage and roadway with safety, ADA compliance improvements and shall include such other related work and revisions necessary to complete the Project.
Grant Amount:	\$1,227,273
Loan Amount:	\$136,364
Administrative Fee:	0.25%
Interest Component:	0%
Pledged Revenues:	Revenues received by the Borrower/Grantee's under the Tax Ordinance, being revenues of the Borrower/Grantee's Ordinance No. 389 adopted on March 26, 1992, with and effective date of July 1, 1992, as amended by Ordinance No. 472 adopted on March 13, 2000, with an effective date of July 1, 2000, imposing a Municipal Infrastructure Gross Receipts Tax of one-eighth of one percent (0.125%) which Municipal Infrastructure Gross Receipts Tax has been de-earmarked and is now enforceable under NMSA 1978, § 7-19D-9, as amended, which the Borrower/Grantee pledges to the payment of the Loan Payments pledged to the payment of the Loan Amount and Administrative Fee pursuant to the Resolution and this Loan/Grant Agreement
Outstanding Senior Obligations for Pledged Revenues:	None
Outstanding Other Subordinate Obligations for Pledged Revenues:	NMFA Loan CIF-6441, matures 2046; NMFA Loan CIF-6442, matures 2046; NMFA Loan WPF-6323,

matures 2046; NMFA Loan WPF-6621, matures 2047; NMFA Loan CIF-6738, matures 2037; NMFA Loan WPF-6947, matures 2047

Outstanding Parity Subordinate
Obligations for Pledged Revenues:

None

Authorizing Legislation:

Borrower/Grantee Resolution No. _____ adopted
August 28, 2026

Local Match:

\$136,364 as calculated pursuant to Section 2.3 of the
Policies

Closing Date:

October 9, 2026

Project Account Deposit:

\$1,363,637

Conditions to be satisfied prior to first disbursement of the Loan/Grant Amount:

Delivery to NMFA of (i) a copy of the agenda of the meeting of the Governing Body at which the Resolution was adopted and at which this Agreement, the Resolution and all other Loan/Grant documents were authorized by the Governing Body (the "Meeting"), certified as a true and correct copy by the City Clerk of the Borrower/Grantee, (ii) a copy of the minutes or record of proceedings of the Meeting, approved and signed by the Mayor and attested to by the City Clerk of the Borrower/Grantee, and (iii) a copy of the notice of meeting for the Meeting evidencing compliance with the Borrower/Grantee's Open Meetings standards in effect on the date of the Meeting.

Other Conditions applicable to the Loan/Grant:

Verification of complete and approved plans/specification prior to disbursement of construction funds; and all conditions defined in the Agreement.

EXHIBIT "B"
FORM OF REQUISITION
(Colonias Infrastructure Project Fund)

RE: \$1,363,637 Loan/Grant Agreement by and between the New Mexico Finance Authority and the City of Truth or Consequences, New Mexico, as Borrower/Grantee (the "Agreement" or "Loan/Grant Agreement").

Loan/Grant No. CIF-7113

Closing Date: October 9, 2026

TO: NEW MEXICO FINANCE AUTHORITY, colonias@nmfa.net

You are hereby authorized to disburse from the Project Account – City of Truth or Consequences with regard to the above-referenced Agreement, the following:

I. PAYMENT INFORMATION

REQUISITION NO. _____ PAYMENT AMOUNT: \$ _____

PAYEE'S NAME: _____

PAYEE'S ADDRESS: _____

II. REQUISITION INFORMATION (complete for all payments)

- *Attach proof of expenditures (cancelled check, wire transfer receipt, bank ledger, etc.).*
- *List all Vendors, Payment Purposes, or Eligible Item Categories below or attach separate page or spreadsheet if needed.*

Vendor Name _____

Total Amount \$ _____ Invoice No.(s) _____

Purpose of Payment _____

Eligible Item Category _____

Vendor Name _____

Total Amount \$ _____ Invoice No.(s) _____

Purpose of Payment _____

Eligible Item Category _____

Vendor Name _____

Total Amount \$ _____ Invoice No.(s) _____

Purpose of Payment _____

Eligible Item Category _____

III. WIRING INFORMATION:

BANK NAME:	
------------	--

ABA ROUTING NUMBER:	
ACCOUNT NUMBER:	

IV. MATCH INFORMATION

AMOUNT OF LOCAL MATCH EXPENDED SINCE LAST REQUISITION: \$ _____

Attach proof of expenditures for hard match (detailed invoices, cancelled checks, wire transfer receipt, bank statement, etc.) and written certification of type and value of any soft match.

AMOUNT OF LOCAL MATCH EXPENDED TO DATE: \$ _____

TOTAL REQUIRED MATCH: \$136,364

V. VERIFICATION AND AUTHORIZATION

Each obligation, item of cost or expense mentioned herein is for a loan/grant made by the NMFA pursuant to the Colonias Infrastructure Act to the Borrower/Grantee within the State of New Mexico, is due and payable, has not been the subject of any previous requisition and is a proper charge against the Project Account – City of Truth or Consequences, New Mexico. All representations contained in the Agreement, the related closing documents remain true and correct, and the Borrower/Grantee is not in breach of any of the covenants contained therein.

The proceeds of the Loan/Grant are to be used to pay the costs of Eligible Items, as defined in the Agreement. Eligible Items include (1) planning, designing, construction, improving or expanding a qualified project; (2) developing engineering feasibility reports for Qualified Projects; (3) inspecting construction of Qualified Projects; (4) providing professional services; (5) completing environmental assessments or archeological clearances and other surveys for Qualified Projects; (6) acquiring land, water rights, easements or rights-of-way; (7) eligible legal costs and eligible fiscal agent fees associated with development of Qualified Projects, within limits set by the Colonias Infrastructure Board ("CIB").

All construction and all installation of equipment with proceeds of the Loan/Grant has or will be used in accordance with plans and/or specifications approved by all entities required by the CIB and the New Mexico Finance Authority in their sole discretion to approve such plans and specifications, has or will be acquired in compliance with applicable procurement laws and regulations and has or will be inspected and approved in accordance with applicable laws and regulations.

Capitalized terms used herein, are used as defined or used in the Loan/Grant Agreement.

DATE: _____

AUTHORIZED OFFICER

(As Provided in the Loan/Grant Agreement)

Print Name: _____

Print Title: _____

EXHIBIT "C"

PAYMENT PROVISIONS OF THE LOAN

The Loan Amount and Administrative Fee shall be payable by the Borrower/Grantee to the NMFA in twenty (20) annual installments of principal pursuant to the attached debt service schedule, beginning June 1, [2029] and ending June 1, [2048]. The Loan Amount and Administrative Fee shall be pre-payable upon expiration of the Interim Period without penalty.

**[ATTACH FINAL DEBT SERVICE SCHEDULE AND INTERIM DEBT SERVICE
SCHEDULE]**

COLONIAS INFRASTRUCTURE PROJECT FUND STATUS REPORT
PREPARED FOR THE
NEW MEXICO FINANCE AUTHORITY

****All fields must be completed***

EXHIBIT "E"

FORM OF CERTIFICATE OF COMPLETION

RE: \$1,363,637 Loan/Grant Agreement by and between the NMFA and the City of Truth or Consequences, New Mexico, as Borrower/Grantee (the "Agreement" or "Loan/Grant Agreement")

Loan/Grant No. CIF-7113

Closing Date: October 9, 2026

TO: NEW MEXICO FINANCE AUTHORITY, colonias@nmfa.net

I, _____, the _____ of the
[Name] [Title or position]

Borrower/Grantee, hereby certify as follows:

1. The project described in the Agreement (the "Project"), or the applicable phase of the project if funding was for a phased Project, was completed and placed in service on _____, 20__.

2. The total cost of the Project was \$ _____.

3. Cost of the Project paid from the Loan/Grant Amount was \$ _____.

4. The portion of the Loan/Grant Amount unexpended for the Project is \$ _____.

5. The Project was completed and is and shall be used consistent with and subject to the covenants set forth in the Agreement.

This certificate shall not be deemed to prejudice or affect any rights of or against third parties which exist at the date of this certificate or which may subsequently come into being.

CITY OF TRUTH OR CONSEQUENCES,
SIERRA COUNTY, NEW MEXICO

By: _____

Its: _____

EXHIBIT "F"

DOCUMENTS

1. Open Meetings Act Resolution No. 01 26/27 adopted by the Borrower/Grantee on July 8, 2026
2. Resolution No. _____ adopted on August 28, 2026, Notice of Meeting, Meeting Agenda, Minutes and Affidavit of Publication of Notice of Adoption of Resolution in the Sierra County Sentinel.
3. Loan/Grant Agreement
4. General and No Litigation Certificate of the Borrower/Grantee
5. Delivery, Deposit and Cross-Receipt Certificate
6. Right-of-Way Certificate of Borrower/Grantee
7. Final Opinion of Counsel for the Borrower/Grantee
8. Approving Opinion of Virtue & Najjar, PC, Loan/Grant Counsel to the NMFA
9. NMFA Application and Project Approval (informational only)

6. There is no reason within our knowledge and belief after due investigation, why the Borrower/Grantee may not enter into the Loan/Grant Agreement with the New Mexico Finance Authority, as authorized by the Resolution.

7. No material adverse change has occurred, nor has any development occurred involving a prospective material and adverse change in, or affecting the affairs, business, financial condition, results of operations, prospects, or properties of the Borrower/Grantee since the date of the Resolution.

8. To the best of our knowledge and belief after due investigation, none of the events of default referred to in Article IX of the Loan/Grant Agreement has occurred.

9. There is no threatened action, suit, proceeding, inquiry or investigation against the Borrower/Grantee, at law or in equity, by or before any court, public board or body, nor to our knowledge is there any basis therefor, affecting the existence of the Borrower/Grantee or the titles of its officials to their respective offices, or seeking to prohibit, restrain or enjoin the pledge of the Pledged Revenues to pay the principal, interest or administrative fees on the Loan/Grant Agreement, or in any way materially adversely affecting or questioning (a) the use of the proceeds of the Loan/Grant Agreement for the Project and to pay certain expenses as described therein, (b) the validity or enforceability of the Loan/Grant Agreement or any proceedings of the Borrower/Grantee taken with respect to the Resolution or the Loan/Grant Agreement (c) the execution and delivery of the Loan/Grant Agreement, or (d) the power of the Borrower/Grantee to carry out the transactions contemplated by the Resolution and the Loan/Grant Agreement. No referendum petition or request for an election has been filed with respect to the Resolution or Loan Agreement under the provisions the laws, bylaws, rules, regulations or other governance document of the Borrower/Grantee or the State with respect to the Resolution or the Loan/Grant Agreement.

10. The Borrower/Grantee has complied with all the covenants and satisfied all the conditions on its part to be performed or satisfied at or prior to the date hereof, and the representations and warranties of the Borrower/Grantee contained in the Loan/Grant Agreement and in the Resolution are true and correct as of the date hereof.

11. The Borrower/Grantee is not in default and has not been in default within the ten (10) years immediately preceding the date of this Certificate, in the payment of principal of, premium, if any, or interest on any bonds, notes or other obligations which it has issued, assumed or guaranteed as to payment of principal, premium, if any, or interest.

12. To our knowledge and belief after due investigation, neither the Mayor, the City Clerk, any member of the Governing Body of the Borrower/Grantee, nor any other officer, employee or other agent of the Borrower/Grantee is interested (except in the performance of his or her official rights, privileges, powers and duties), directly or indirectly, in the profits of any contract, or job for work, or services to be performed and appertaining to the Project.

13. Regular meetings of the Borrower/Grantee's Governing Body and the meeting at which the Resolution was adopted have been held at Commission Chambers, 405 West Third Street, Truth or Consequences, NM, 87901, the principal meeting place of the Borrower/Grantee.

14. The Borrower/Grantee's Governing Body has no rules of procedure which would invalidate or make ineffective the Resolution or other action taken by the Borrower/Grantee's Governing Body in connection with the Loan/Grant Agreement. The Open Meetings Act Resolution adopted and approved by the Governing Body on July 8, 2026, establishes notice

standards for meetings of the Governing Body. The Open Meetings Act Resolution has not been amended or repealed. All action of the Governing Body with respect to the Resolution and the Loan/Grant Agreement was taken at meetings held in compliance with the Open Meetings Act Resolution No. 01 26/27 which resolution was effective on July 8, 2026, and has not been amended, repealed or rescinded.

15. The Borrower/Grantee is in compliance with the requirements of the State Audit Act, NMSA 1978, §§ 12-6-1 through 12-6-14, as amended.

16. The Tax Ordinance has been duly signed and adopted in accordance with all applicable laws and has not been repealed, rescinded, revoked, modified, amended or supplemented in any manner, except as stated therein.

17. The Mayor and the City Clerk, on the date of the signing of the Loan/Grant Agreement and on the date of this Certificate, are the duly chosen, qualified and acting officers of the Borrower/Grantee authorized to execute the Loan/Grant Agreement.

18. This Certificate is for the benefit of the NMFA and the Colonias Infrastructure Board.

19. This Certificate may be executed in counterparts.

[Signature page follows.]

[Remainder of page intentionally left blank.]

WITNESS our signatures and the seal of the Borrower/Grantee this 9th day of October, 2026.

CITY OF TRUTH OR CONSEQUENCES
SIERRA COUNTY, NEW MEXICO

By _____
Rolf Hechler, Mayor

(SEAL)

By _____
Angela A. Torres, City Clerk

\$1,363,637
CITY OF TRUTH OR CONSEQUENCES,
SIERRA COUNTY, NEW MEXICO
COLONIAS INFRASTRUCTURE PROJECT FUND LOAN/GRANT
NO. CIF-7113

STATE OF NEW MEXICO)
) ss. DELIVERY, DEPOSIT AND
COUNTY OF SIERRA) CROSS-RECEIPT CERTIFICATE

IT IS HEREBY CERTIFIED by the undersigned, the duly chosen, qualified and acting Mayor and City Clerk of the City of Truth or Consequences, Sierra County, New Mexico (the "Borrower/Grantee"):

1. On the date of this Certificate, the Borrower/Grantee executed and delivered, or caused to be executed and delivered, a Loan/Grant Agreement between the Borrower/Grantee and the New Mexico Finance Authority (the "NMFA" or "Lender/Grantor"), in the aggregate principal amount of one million three hundred sixty-three thousand six hundred thirty-seven dollars (\$1,363,637) (the "Loan/Grant Agreement"), as authorized by Borrower/Grantee Resolution No. _____ (the "Resolution") adopted on August 28, 2026 relating to the execution and delivery of the Loan/Grant Agreement. The Grant Amount equals one million two hundred twenty-seven thousand two hundred seventy-three dollars (\$1,227,273) and the Loan Amount equals one hundred thirty-six thousand three hundred sixty-four dollars (\$136,364), as such terms are defined in the Loan/Grant Agreement.

2. The undersigned acknowledge that the Loan/Grant Amount, as defined in the Loan/Grant Agreement, is available for disbursement to the Borrower/Grantee pursuant to the terms of Section 5.2 of the Loan/Grant Agreement upon transmission of payment requisitions to the NMFA in substantially the form attached as Exhibit "B" to the Loan/Grant Agreement, with supporting documentation as provided in the Loan/Grant Agreement, and will be used as set forth in the Resolution and the Loan/Grant Agreement.

WITNESS our hands this 9th day of October, 2026.

CITY OF TRUTH OR CONSEQUENCES,
SIERRA COUNTY, NEW MEXICO

By _____
Rolf Hechler, Mayor

(SEAL)

By _____
Angela A. Torres, City Clerk

STATE OF NEW MEXICO

)

) ss

COUNTY OF SANTA FE

)

It is hereby certified by the undersigned, a duly qualified and acting official of the New Mexico Finance Authority, that, the undersigned has on the date of this Certificate, received the Loan/Grant Agreement for Project No. CIF-7113 from the City of Truth or Consequences, Sierra County, New Mexico.

NEW MEXICO FINANCE AUTHORITY

By

Marquita D. Russel, Chief Executive Officer

\$1,363,637
CITY OF TRUTH OR CONSEQUENCES,
SIERRA COUNTY, NEW MEXICO
COLONIAS INFRASTRUCTURE PROJECT FUND LOAN/GRANT
NO. CIF-7113

RIGHT-OF-WAY CERTIFICATE

The undersigned on behalf of the City of Truth or Consequences (the "Borrower/Grantee"), a municipality in the County of Sierra and the State of New Mexico, hereby certifies:

1. That the Borrower/Grantee is the owner in fee simple of the lands where the facilities will be designed, constructed, installed, repaired with the proceeds of the above-referenced Loan/Grant made by the New Mexico Finance Authority (the "Project"), or that the Borrower/Grantee has acquired and presently holds continuous and adequate easements, rights-of-way, permits or requisite access on lands owned by others that are needed for the Project, whether public or private, and such omissions, defects, or restrictions as may exist will in no substantial way or manner endanger the value or the operation of the Project.
2. That the Borrower/Grantee has acquired all necessary permits, franchises, and authorizations or other instruments by whatsoever name designated, from public utilities and public bodies, commissions, or agencies authorizing the construction, operation, and maintenance of the facilities upon, along or across streets, roads, highways, and utility corridors prior to disbursement of any portion of the Loan/Grant Amount for installation or construction.
3. That the attached map shows the location of all lands and rights-of-way needed for the Project, which lands and rights-of-way the Borrower/Grantee has acquired and now holds by purchase or dedication, by right of use or adverse possession, eminent domain or by legal conveyances such as right-of-way or easement deeds, permits, or other instruments.

[Signature page follows.]

IN WITNESS WHEREOF, the undersigned has executed this Certificate on behalf of the City of Truth or Consequences as of this 9th day of October, 2026.

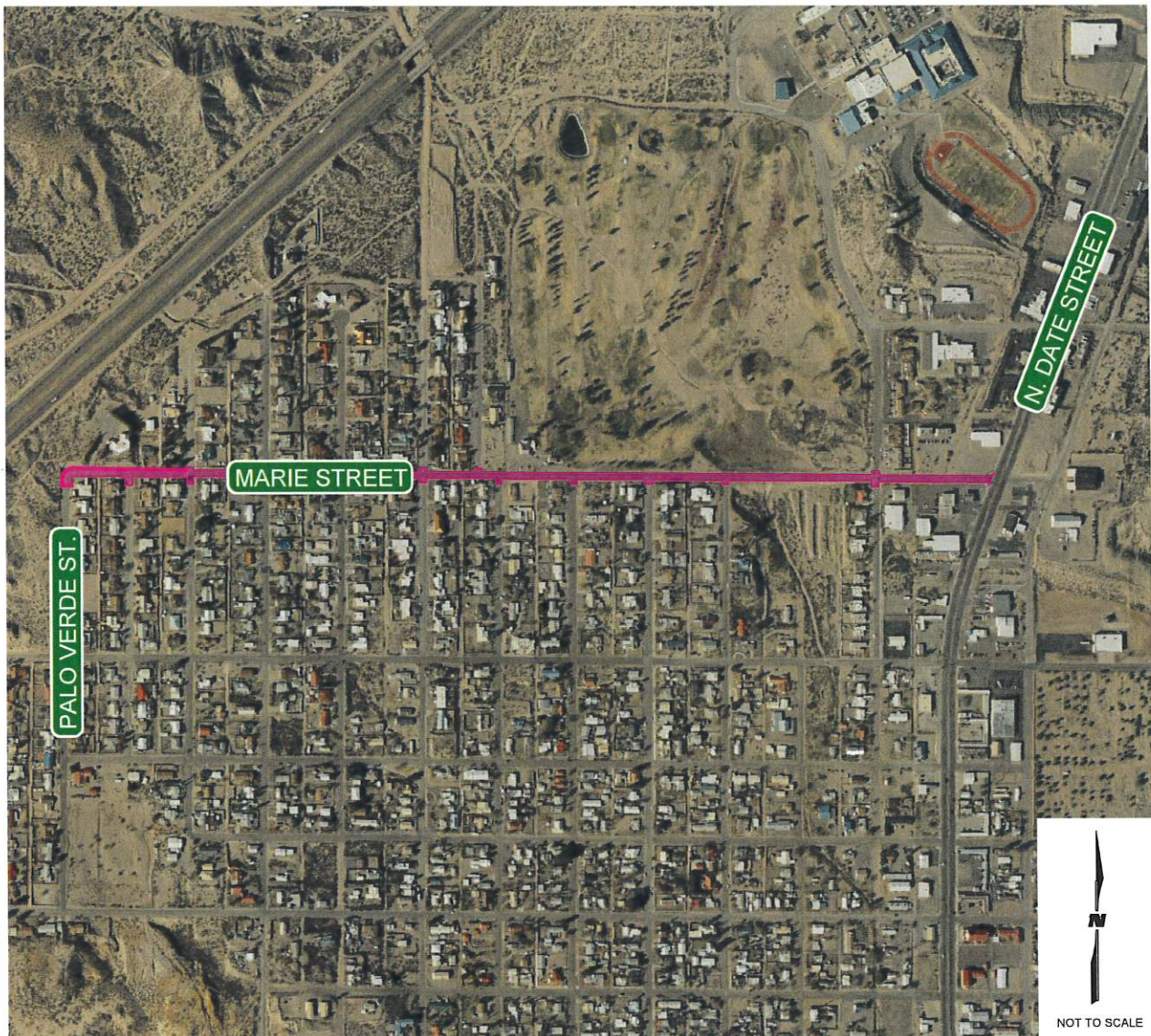
James F. Rubin, Esq.
314 Main Ave.
Truth or Consequences, NM 87901
Attorney for the Borrower/Grantee

CITY OF TRUTH OR CONSEQUENCES
NMFA COLONIAS INFRASTRUCTURE FUND 2026
PROJECT LOCATION MAP

PROJECT AREA- CITY OF TRUTH OR CONSEQUENCES

MARIE STREET

TERMINI - 0.84 MILES BOUNDED BY PALO VERDE ST. AND N. DATE STREET



TRUTH OR CONSEQUENCES, NEW MEXICO
MAP OF PROJECT AREA

NOT TO SCALE



**WILSON
& COMPANY**

4115 White Sage Arc
Las Cruces, NM 88011
PH (575) 527-9257
FAX (575) 527-9258

[COUNSEL LETTERHEAD]

FINAL OPINION OF COUNSEL

To: New Mexico Finance Authority
810 W. San Mateo Road
Santa Fe, New Mexico 87505

Re: City of Truth or Consequences, Sierra County, New Mexico
\$1,363,637 Loan/Grant No. CIF-7113

Ladies and Gentlemen:

I am an attorney representing the City of Truth or Consequences, New Mexico (the "Borrower/Grantee") in connection with the above-referenced Loan/Grant. I am licensed to practice law and in good standing in the State of New Mexico. I provide this opinion in my role as counsel to the Borrower/Grantee, understanding that the New Mexico Finance Authority ("NMFA" or "Lender/Grantor") and the New Mexico Colonias Infrastructure Board ("CIB") are relying on this opinion letter and but for this opinion letter, the Loan/Grant would not be approved.

Capitalized terms used in this Opinion have the same meaning as defined in Resolution No. _____ adopted by the Governing Body of the Borrower/Grantee on August 28, 2026 (the "Resolution") unless otherwise defined in this Opinion or the context requires otherwise.

I hereby certify that I have examined:

- (1) The City of Truth or Consequences Colonias Infrastructure Project Fund Application dated February 3, 2026, the New Mexico Colonias Infrastructure Board Approval dated May 14, 2026, and the NMFA Board Approval dated June 25, 2026, for Loan/Grant No. CIF-7113 (the "Application" and the "Approval," respectively), relating to the Project.
- (2) The statutes creating or authorizing the creation of the Borrower/Grantee.
- (3) The Annual Open Meetings Act Resolution or resolutions of the Borrower/Grantee in effect on August 28, 2026, and on October 9, 2026.
- (4) The proceedings of the Governing Body (including all agendas, minutes, resolutions, ordinances and publications) which authorize the Loan/Grant application, the Project development, the budget for the Project, and the contracts with the various Project professionals including but not limited to architects, engineers, planners and contractors.

- (5) Proceedings of the Borrower/Grantee from the date of the Application to the date of this Opinion, including, without limiting the generality of the foregoing, the legal action of the Borrower/Grantee relating to (a) the selection of its Mayor, City Commissioners, and City Clerk; (b) the adoption of the Borrower/Grantee's Annual Open Meetings Act Resolution or resolutions; (c) the adoption of ordinances or resolutions governing the operation of the Project; (d) the plans and specifications for the Project; (e) cost estimates for the Project; (f) the adoption of ordinances, resolutions and regulations for the furnishing of service to customers; (g) the proposed operating budget for services to be provided, in whole or in part, by means of the Project; (h) the proposal to finance the Project, in whole or in part, with a Loan/Grant made by the CIB, acting through the NMFA; (i) the Resolution authorizing the Authorized Officers of the Borrower/Grantee to execute necessary documents to obtain the Loan/Grant for the Project; (j) all necessary approvals for the Project from federal, State or local authorities; and (k) the execution and delivery of the Loan/Grant Agreement evidencing such Loan/Grant
- (6) The Resolution and the Loan/Grant Agreement providing that the Lender/Grantor on behalf of the Borrower/Grantee shall maintain a book Project Account on behalf of the Borrower/Grantee and shall cause the disbursement of the Loan/Grant Amount as provided in Article IV of the Loan/Grant Agreement.
- (7) The records and files of all offices in which there might be recorded, filed, or indexed, any liens of any nature whatsoever, affecting the title to any real property to be acquired with the Loan/Grant proceeds, or on which will be located any Project property to be acquired with the Loan/Grant proceeds.
- (8) The Borrower/Grantee's Ordinance No. 389, adopted by the Borrower/Grantee on March 26, 1992, with an effective date of July 1, 1992, as amended by Ordinance No. 472 adopted on March 13, 2000, with an effective date of July 1, 2000, and imposing a one-eighth of one percent ((0.125%) increment of municipal infrastructure gross receipts tax, which taxes have been de-earmarked and are now enforceable under NMSA 1978, § 7-19D-9 and the receipts of which are pledged to secure the Loan/Grant ("Tax Ordinance").

Based upon my examination of the foregoing, it is my opinion that:

- A. The Borrower/Grantee is a duly organized and existing incorporated municipality under the laws of the State of New Mexico.
- B. The Borrower/Grantee is a community that is a Colonia within the meaning of the Colonias Infrastructure Act.

- C. The ordinances, resolutions, rules and regulations governing the operation of the Project have been duly adopted and are now in full force and effect.
- D. The Authorized Officers of the Borrower/Grantee were duly and validly elected or appointed and are empowered to act for the Borrower/Grantee.
- E. The Borrower/Grantee has full legal right and authority:
 - (1) to conduct, design, acquire, construct, install and complete the Project;
 - (2) to execute and deliver Loan/Grant documents including those identified above;
 - (3) to perform all acts required by such Loan/Grant documents to be done by it;
 - (4) to own, operate and maintain the Project during its Useful Life; and
 - (5) carry out and consummate the transactions contemplated by the Resolution and the Loan/Grant Agreement.
- F. All proceedings of the Borrower/Grantee, its elected and appointed officers, and employees, required or necessary to be taken in connection with the authorization of the actions specified above have been duly taken and all such authorizations are presently in full force and effect.
- G. The Resolution has been duly signed and adopted in accordance with all applicable laws and has not been repealed, rescinded, revoked, modified, amended or supplemented in any manner except as set forth in the Resolution. The Resolution constitutes valid and sufficient legal authority for the Borrower/Grantee to carry out and enforce the provisions of the Loan/Grant Agreement.
- H. The Resolution is a valid and binding special limited obligation of the Borrower/Grantee enforceable in accordance with its terms and creates a lien on and pledges the revenues of the Tax Ordinance of the Borrower/Grantee, as described in the Loan/Grant Agreement (the "Pledged Revenues") which it purports to create.
- I. The Loan/Grant Agreement is a valid and binding special, limited obligation of the Borrower/Grantee, enforceable in accordance with its terms and provisions and the terms and provisions of the Resolution.
- J. No event will result from the execution and delivery of the Loan/Grant Agreement that constitutes a default or an event of default under either the Loan/Grant Agreement or the Resolution, and no event of default and no default under the Loan/Grant Agreement or the Resolution has occurred and is continuing on the date of this Opinion.

- K. The Borrower/Grantee has duly authorized and approved the consummation by it of all transactions and has complied with all requirements and satisfied all Conditions, which are required by the Loan/Grant Agreement to have been authorized, approved, performed or consummated by the Borrower/Grantee at or prior to the date of this Opinion. The Borrower/Grantee has full legal right, power and authority to carry out and consummate the transactions contemplated by the Resolution, and the Loan/Grant Agreement.
- L. All approvals, consents and orders of any governmental authority having jurisdiction in the matter which would constitute a condition precedent to the enforceability of the Loan/Grant Agreement or any of the actions required to be taken by the Resolution or the Loan/Grant Agreement to the date of this Opinion have been obtained and are in full force and effect.
- M. Neither the Borrower/Grantee's adoption of the Resolution nor any action contemplated by or pursuant to the Resolution, or the Loan/Grant Agreement does or will conflict with, or constitutes a breach by the Borrower/Grantee of, or default by the Borrower/Grantee under any law, court decree or order, governmental regulation, rule or order, ordinance, resolution, agreement, indenture, mortgage or other instrument to which the Borrower/Grantee is subject or by which it is bound.
- N. There is no actual or threatened action, suit, proceeding, inquiry or investigation against the Borrower/Grantee, at law or in equity, by or before any court, public board or body, nor to my knowledge, is there any basis therefore, affecting the existence of the Borrower/Grantee or the titles of its officials to their respective offices, or in any way materially adversely affecting or questioning (a) the territorial jurisdiction of the Borrower/Grantee, (b) the use of the proceeds of the Loan/Grant Agreement for the Project and to pay certain costs of the NMFA and the CIB associated with the administration of the Colonias Infrastructure Project Fund, (c) the validity or enforceability of the Loan/Grant Agreement or any proceedings of the Borrower/Grantee with respect to the Resolution or the Loan/Grant Agreement, (d) the execution and delivery of the Loan/Grant Agreement, (e) the authority of the Borrower/Grantee to repay the Loan Amount and Administrative Fee, or (f) the power of the Borrower/Grantee to carry out the transactions contemplated by the Resolution and the Loan/Grant Agreement .
- O. There are no recorded liens of any nature whatsoever affecting the title to any real property upon which the Project will be located.
- P. No legal proceedings have been instituted or are pending, and to my knowledge none are threatened, whether or not the Borrower/Grantee is named as a party in such proceedings, which would affect the Borrower/Grantee's interest in the real property upon which the Project to be designed with the proceeds of the Loan/Grant will be located, and there are no judgments against the Borrower/Grantee or liens against any property of the Borrower/Grantee that would impair the Borrower/Grantee's ability to complete the Project.

- Q. The Borrower/Grantee has acquired as legally bound to acquire pursuant to the Loan/Grant Agreement, all of the necessary land rights, easements or rights-of-way for the Project to permit the design, construction, installation, operation and maintenance of the Project. The Borrower/Grantee has the power of eminent domain and is legally required by Section 2.1(u) and Section 5.1(b) of the Loan/Grant Agreement to exercise such power for the purpose of acquiring proper title to, easements, rights-of-way or permits on the real property on which the Project will be conducted.
- R. The Borrower/Grantee has complied with all of the requirements of the New Mexico Procurement Code, NMSA 1978, §§ 13-1-28 through 13-1-199, as amended, applicable to the Project on or prior to the date of this opinion letter.
- S. The Tax Ordinance has been duly signed and adopted in accordance with all applicable laws and has not been repealed, rescinded, revoked, modified, amended or supplemented in any manner except as noted herein.

[Signature page follows.]

[Remainder of page intentionally left blank.]

Dated this 9th day of October, 2026.

James F. Rubin, Esq.
314 Main Avenue
Truth or Consequences, NM 87901
Attorney for the Borrower/Grantee

AUGUST 2026						
M	T	W	T	F	S	S
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31						

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OCTOBER 2026						
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**NEW MEXICO FINANCE AUTHORITY
FINANCING SCHEDULE & DISTRIBUTION LIST**

**CITY OF TRUTH OR CONSEQUENCES
SIERRA COUNTY, NEW MEXICO**

\$1,363,637
(\$1,227,273 Grant/ \$136,364 Loan)
Project No. CIF-7113

Prepared: July 29, 2026

Revised: August 4, 2026

DATE	ACTION	PARTIES
Tuesday, February 3, 2026	Application received by NMFA	Borrower/Grantee
Thursday, May 14, 2026	Colonias Infrastructure Board Approval	CIB
Thursday, June 25, 2026	NMFA Board Approval	NMFA
Friday, July 31, 2026	Distribute draft Financing Schedule for review and comment by NMFA, Borrower/Grantee and Borrower/Grantee's counsel	V&N
Tuesday, August 4, 2026	Comments due on draft Financing Schedule	NMFA, Borrower/Grantee, Borrower/Grantee's counsel
Friday, August 7, 2026	Distribute Financing Schedule, draft Loan/Grant Agreement, Resolution and draft closing documents for review and comment by NMFA, Borrower/Grantee and Borrower/Grantee's counsel	V&N
Friday, August 14, 2026	Comments due on drafts of Loan/Grant Agreement, Resolution and draft closing documents from NMFA Borrower/Grantee and Borrower/Grantee's counsel	NMFA, Borrower/Grantee, Borrower/Grantee's counsel
Friday, August 14, 2026	Interim Debt Service Schedule Due to V&N with confirmation that no additional outstanding debt has been incurred other than shown in Staff Report	NMFA

DATE	ACTION	PARTIES
Friday, August 21, 2026	All documents in final form distributed to Borrower/Grantee for signature with a copy to the NMFA	V&N
Friday, August 28, 2026	Governing Body adopts Resolution at 9:00 a.m.	Borrower/Grantee
Tuesday, September 1, 2026	Submit notice of adoption to the <i>Sierra County Sentinel</i> by 12:00 p.m.	V&N
Thursday, September 3, 2026	Publication of notice of adoption in the <i>Sierra County Sentinel</i>	Legal newspaper for Borrower/Grantee,
Friday, September 4, 2026	Closing documents signed by Borrower/Grantee and delivered to closing counsel	Borrower/Grantee
Thursday, October 1, 2026	Delivery of closing documents forwarded to NMFA in electronic form for signature before 5:00 p.m.	V&N
Monday, October 5, 2026	Thirty-day limitations period ends	
Wednesday, October 7, 2026	NMFA signs Loan/Grant Agreement	NMFA
Friday, October 9, 2026	Closing by email	All
Two weeks after receipt of all documents	Transcripts distributed (for loan/grant)	V&N

DISTRIBUTION LIST

BORROWER/GRANTEE

City of Truth or Consequences
505 Sims St.
Truth or Consequences, New Mexico, 87901

Jocelyn Holguin, Finance Director
Email: jholguin@torcnm.gov
Phone: (575) 894-6673

Traci Alvarez, Assistant City Manager
Email: talvarez@torcnm.gov
Phone: (575) 952-0565

Gary Whitehead, City Manager
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Phone: (575) 894-6681

Angela A. Torres, CMC City Clerk/Treasurer
Email: aatorres@torcnm.gov
Phone: (575) 894-6673

NEW MEXICO FINANCE AUTHORITY

New Mexico Finance Authority (NMFA)
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Phone: (505) 992-9648

Charlotte Larragoite, Paralegal
and Compliance Assistant
Email: clarragoite@nmfa.net

Leslie J. Medina,
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BORROWER/GRANTEE'S COUNSEL:

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Email: jrubin@zianet.com

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Email: mmoore@virtuelaw.com
Phone: (505) 983-6101 ext. 8

Luanna Salazar, Client Relationship Manager
Email: lsalazar@nmfa.net

NEWSPAPER

Sierra County Sentinel
217 E. Third Street,
Truth or Consequences, NM 87901
Phone: (575) 894-3088
Email: sentinelofficemgr@gmail.com

(Publication Deadline: Tuesday by 12:00 p.m.
Published weekly on Thursday) confirmed by
Kimmy Neeley – Office Mgr. 7/31



CITY OF TRUTH OR CONSEQUENCES

AGENDA REQUEST FORM

MEETING DATE: August 28, 2026

Agenda Item #: G.2

SUBJECT: Discussion/Action: Resolution No. 16 26/27 Authorizing City Staff to Submit an Application to Water Trust Board for Design Services for a Water System Improvements Project

DEPARTMENT: Community Development

DATE SUBMITTED: August 17, 2026

SUBMITTED BY: Traci Alvarez

WHO WILL PRESENT THE ITEM: Traci Alvarez – Assistant City Manager

Summary/Background:

City Commission was updated on a submission of a Notice of Intent to Apply for Funding at their meeting on 8-12-2026 (supporting documents included in the applicable Commission Meeting Packet). WTB requires a Resolution as part of the application submission. This round of design only funding is 100% grant and requires an existing completed planning document.

The City's proposed application will request approximately \$2.368 million for engineering design services for water system improvements, including approximately 31,100 linear feet of waterline replacements, replacement of Well No. 2, and design of an additional groundwater well to improve system reliability, redundancy, water quality, and long-term infrastructure resilience. The estimated total project cost, including construction, is approximately \$25 million if the City is awarded design funding and the project advances to construction.

Applications are due September 17th with recommendation of awards around November 18th

Recommendation:

Approve Resolution 16 26/27 Authorizing Staff to Submit an Application to WTB for Water System Design Services

Attachments:

- Resolution 16 26/27
-

Fiscal Impact (Finance): TBD

Funding will be determined by Notice of Award

Legal Review (City Attorney): Choose an item.

[Click here to enter text.](#)

Approved For Submittal By: ☐ Department Director

Reviewed by: ☐ City Clerk ☐ Finance ☐ Legal ☐ Other: [Click here to enter text.](#)

Final Approval: ☐ City Manager

CITY CLERK'S USE ONLY - COMMISSION ACTION TAKEN

Resolution No. [Click here to enter text.](#) Ordinance No. -

Continued To: - Referred To: -

☐ Approved ☐ Denied ☐ Other: -

File Name: CC agendas 8-28-26

RESOLUTION NO. 16 26/27

A RESOLUTION BY THE CITY COMMISSION, THE GOVERNING BODY OF THE CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO, WHEREBY THE CITY COMMISSION INSTRUCTS CITY STAFF TO SUBMIT AN APPLICATION FOR THE FUNDS THROUGH THE WATER TRUST BOARD FOR DESIGN SERVICES FOR THE WATER SYSTEM IMPROVEMENTS PROJECT.

WHEREAS, the City of Truth or Consequences ("Governmental Unit") is a qualified entity, and the City Commission ("Government Body") has the authority to authorize public projects for the benefit of the Governmental Unit; and

WHEREAS, the Water Trust Board ("Board") has instituted a program for the financing of projects and has developed an application procedure whereby the Governing Body may submit an application ("Application") for financial assistance from the Board for public projects; and

WHEREAS, the Governing Body recommends that an application be filed with the Water Trust Board for design services for the Water System Improvements project.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION, THE GOVERNING BODY OF THE CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO, that the filing of an application to the New Mexico Water Trust Board for funding in the 2027 Water Project Fund funding cycle is hereby authorized. The project type falls under Water Storage, Conveyance, and Delivery. It proposes improvements to the water system, including approximately 31,000 linear feet of waterline replacement, replacement of Well No. 2, and an additional well to enhance the City's water system reliability, improve water quality, and support long-term infrastructure resilience. The financial assistance requested is in the amount of \$2,368,000.

1. That all action (not consistent with the provision hereof) heretofore taken by the Governing Body and the officers and employees thereof directed toward the Application and the Project, and the same is hereby ratified, approved, and confirmed.
2. That the Application authorized by the Governing Body be and the same is hereby approved and confirmed.
3. That the officers and employees of the Governing Body are hereby directed and requested to submit the completed Application to the Board for its review and are further authorized to take such other action as may be requested by the Board in its consideration and review of the Application and to further proceed with arrangements for financing the Project.
4. All acts and resolutions in conflict with this resolution are hereby rescinded, annulled, and repealed.
5. This resolution shall take effect immediately upon its adoption.

PASSED, APPROVED, AND ADOPTED this 28th day of August 2026.

Rolf Hechler, Mayor

ATTEST:

Angela Torres, City Clerk-Treasurer



City of Truth or Consequences

AGENDA REQUEST FORM

MEETING DATE: August 28, 2026

Agenda Item #: G.3

SUBJECT: Resolution No. 17 26/27 Adopting guidelines for the City of Truth or Consequences Lodgers Tax Grant Program.

DEPARTMENT: Clerk's Office

DATE SUBMITTED: August 21, 2026

SUBMITTED BY: Angela A. Torres, City Clerk

WHO WILL PRESENT THE ITEM: City Manager Whitehead

Summary/Background:

The City has developed Lodgers' Tax Program guidelines that align with the City Code, applicable state statutes, and established operating procedures. These guidelines will provide clear direction to Lodgers' Tax recipients while promoting consistent and effective program administration.

Recommendation:

Approval of Resolution and guidelines.

Attachments:

-
- Resolution No 17 26/27/LT guidelines.

Fiscal Impact (Finance): No

-

Legal Review (City Attorney): N/A

-

Approved For Submittal By: ☒ Department Director

Reviewed by: ☒ City Clerk ☐ Finance ☐ Legal ☐ Other: Click here to enter text.

Final Approval: ☐ City Manager

CITY CLERK'S USE ONLY - COMMISSION ACTION TAKEN

Resolution No. - Ordinance No. -

Continued To: - Referred To: -

☐ Approved ☐ Denied ☐ Other: -

File Name: CC Agendas 8-28-2026

CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO
RESOLUTION NO. 17 26/27

**A RESOLUTION ADOPTING GUIDELINES FOR THE CITY OF TRUTH OR
CONSEQUENCES LODGERS' TAX GRANT PROGRAM**

WHEREAS, the City of Truth or Consequences ("City") imposes and administers an occupancy tax pursuant to the New Mexico Lodgers' Tax Act, NMSA 1978, Sections 3-38-13 through 3-38-25, and the Truth or Consequences City Code; and

WHEREAS, Lodgers' Tax revenues must be used only for purposes authorized by law, including advertising, publicizing, and promoting tourist-related attractions, facilities, and events; eligible tourist-related facilities, attractions, and transportation systems; authorized tourism services; administration; and other lawful purposes; and

WHEREAS, the Lodgers' Tax Advisory Board advises the City Commission regarding expenditures for tourism promotion, while the City Commission retains final authority over awards, contracts, and expenditures; and

WHEREAS, the City Commission desires to establish consistent, transparent, and legally defensible standards for application review, award, contracting, reimbursement, reporting, branding, recordkeeping, and compliance, using the City's Lodgers' Tax Operating Handbook as the governing administrative guide.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF TRUTH OR CONSEQUENCES, NEW MEXICO:

SECTION 1. ADOPTION. The City Commission hereby adopts the Lodgers' Tax Grant Program Guidelines set forth in the City's Lodgers' Tax Operating Handbook, as maintained by the City and as summarized in this Resolution, for administration of all City Lodgers' Tax grants and funded agreements.

SECTION 2. PURPOSE AND FUNDING STANDARD. The Program shall support tourism by attracting and retaining visitors to Truth or Consequences, with particular emphasis on overnight visitation. Every proposed expenditure must be directly connected to tourism promotion, a tourist-related facility, attraction, event, transportation system, or another purpose authorized by the Lodgers' Tax Act and City ordinance, and shall not merely subsidize general organizational or municipal operations. Of the available funds, one percent (1%) shall be eligible for administration, one percent (1%) shall be allocated to the Public Arts Advisory Board, and one percent (1%) shall be used for the Convention Center, in each case subject to applicable law, City ordinance, and approved appropriations.

SECTION 3. ELIGIBLE APPLICANTS AND APPLICATIONS. Applicants shall submit the City's completed and signed application, a tourism-related scope of work, a detailed budget, authorized contact information, applicable organizational and financial documentation, and any additional materials required by the City. Incomplete applications may be rejected unless the City expressly

permits a cure period. Applications may be accepted during the fiscal year subject to published procedures, deadlines, available appropriations, and City Commission approval.

SECTION 4. REVIEW CRITERIA. Staff shall review applications for completeness and legal eligibility before referral to the Lodgers' Tax Advisory Board. Recommendations shall consider: statutory eligibility; demonstrated tourism and visitor benefit; likelihood of encouraging overnight stays; connection to advertising, promotion, or another authorized use; measurable outcomes; specificity and reasonableness of the budget; capacity to manage public funds; prior compliance; and alignment with City tourism priorities.

SECTION 5. AWARD AND AGREEMENT. The Advisory Board shall make recommendations to the City Commission. The City Commission may approve, deny, modify, or condition a recommendation. No award is final until approved by the City Commission and documented in a written grant agreement or contract identifying the recipient, amount, term, approved scope of work, budget, reimbursement process, reporting duties, record-retention and inspection requirements, deadlines, default remedies, repayment obligations, and authorized signatories.

SECTION 6. ALLOWABLE COSTS AND SCOPE CONTROL. Funds may be expended only for the approved scope of work and lawful purposes. Eligible expenditures may include approved tourism advertising and media placement; promotional printing and distribution; digital content, website, photography, and public-relations services; tourism conferences, trade shows, and sales missions; eligible event promotion and tourism-driven event support; authorized facility, attraction, or transportation costs; and reasonable administrative costs incurred directly for an authorized purpose. Costs outside the approved scope, costs incurred before City Commission approval, items produced for sale, unrelated general overhead, and expenses primarily benefiting local operations are ineligible unless specifically authorized by law and approved by the City. Assets purchased with Lodgers' Tax proceeds shall become City property when required by the agreement or City policy.

SECTION 7. ADVERTISING AND BRANDING. Funded advertising shall be designed to attract out-of-area visitors and encourage overnight stays. The City may require geographic targeting outside Sierra County. Public-facing materials paid in whole or in part with Lodgers' Tax funds shall use the City-approved Lodgers' Tax logo and/or acknowledgment language when required by the agreement or handbook. Recipients shall provide appropriate proofs, including scripts, tear sheets, screenshots, placement confirmations, invoices, or samples.

SECTION 8. REIMBURSEMENT AND DOCUMENTATION. Awards shall generally be administered on a reimbursement basis. Reimbursement requires a timely written request on the City's required form, an eligible and approved expense, invoice or receipt, proof of payment, evidence of performance or placement when applicable, and any explanation needed to reconcile differing amounts. No reimbursement shall exceed the approved award or the documented eligible cost. Untimely, unsupported, ineligible, or out-of-scope requests may be denied.

SECTION 9. REPORTING, RECORDS, AND AUDIT. Recipients shall provide work and spending reports at least every ninety days, or on the schedule stated in the agreement, including reports of no

activity when applicable. Recipients shall maintain complete and accurate financial and performance records in a separate account when required by law, preserve supporting documentation for the required retention period, and make records available to the City for inspection or audit. Failure to report or maintain required records may affect reimbursement, result in repayment, or affect future funding eligibility.

SECTION 10. ADMINISTRATION AND COMPLIANCE. The City Manager or designee shall oversee the Program; the City Clerk shall support filing, deadlines, forms, official records, submission intake, and reporting administration; and Finance staff shall support payment processing and account tracking. The City may withhold or deny reimbursement, terminate an agreement, require repayment, or impose other lawful remedies for noncompliance. A recipient may request reconsideration of a denied reimbursement through the Advisory Board and, when applicable, the City Commission, but reconsideration does not create an entitlement to payment.

SECTION 11. HANDBOOK ADMINISTRATION. The City Manager or designee may approve non-substantive administrative revisions to forms, schedules, contact information, and internal procedures consistent with this Resolution, the Lodgers' Tax Act, City ordinance, and approved appropriations. Any material change to eligibility, award authority, legal obligations, or substantive funding policy shall be presented to the City Commission for approval.

SECTION 12. CONTROLLING AUTHORITY. This Resolution and the Handbook shall be read in harmony with applicable federal and state law, the Lodgers' Tax Act, City ordinance, the approved City budget, and each executed agreement. If a conflict exists, the higher legal authority or more restrictive lawful requirement shall control.

SECTION 13. SEVERABILITY. If any section, paragraph, clause, or provision of this Resolution is held invalid or unenforceable, the remaining provisions shall remain in full force and effect.

SECTION 14. EFFECTIVE DATE. This Resolution shall take effect immediately upon adoption and shall apply to Lodgers' Tax grant cycles, awards, and agreements initiated or renewed thereafter.

PASSED, APPROVED, AND ADOPTED by the City Commission of the City of Truth or Consequences, New Mexico, this 28th day of August 2026.

Rolf Hechler, Mayor

ATTEST:

Angela A. Torres, CMC, City Clerk

LODGERS' TAX OPERATING HANDBOOK

CITY OF TRUTH OR CONSEQUENCES



July 1, 2026

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Chapter 1

Section 3-38-13 - Short Title

Statutory Text

3-38-13. SHORT TITLE. --Sections 3-38-13 through 3-38-25 NMSA 1978 may be cited as the "Lodgers' Tax Act".

Truth or Consequences City Code

Sec. 7-196. - Title of article.

This article shall be known as and may be cited as "The Lodgers' Tax Ordinance."

(Ord. No. 442, § 1, 8-12-96)

Sec. 7-197. - Purpose of article.

The purpose of this article is to impose a tax which will be borne by persons using commercial lodging accommodations which tax will provide revenues for the purpose of advertising, publicizing and promoting tourist-related attractions, facilities and events, and acquiring, establishing and operating tourist-related facilities, attractions or transportation systems, as authorized in section 17 of this article.

(Ord. No. 442, § 2, 8-12-96)

Sec. 7-206. - Reserved.

Editor's note - Ord. No. 444, § 2, adopted March 10, 1997, repealed the provisions of former § 7-206, which pertained to criminal penalties, as derived from Ord. No. 442, § 11, adopted August 12, 1996.

Chapter 2

Section 3-38-14 - Definitions

Statutory Text

As used in the Lodgers' Tax Act [3-38-13 to 3-38-25 NMSA 1978]:

- A. "gross taxable rent" means the total amount of rent paid for lodging, not including the state gross receipts tax or local sales taxes;
- B. "lodging" means the transaction of furnishing rooms or other accommodations by a vendor to a vendee who for rent uses, possesses or has the right to use or possess the rooms or other units of accommodations in or at a taxable premises;
- C. "lodgings" means the rooms or other accommodations furnished by a vendor to a vendee by a taxable service of lodging;
- D. "occupancy tax" means the tax on lodging authorized by the Lodgers' Tax Act;
- E. "person" means a corporation, firm, other body corporate, partnership, association or individual. "Person" includes an executor, administrator, trustee, receiver or other representative appointed according to law and acting in a representative capacity. "Person" does not include the United States of America, the state of New Mexico, any corporation, department, instrumentality or agency of the federal government or the state government or any political subdivision of the state;
- F. "rent" means the consideration received by a vendor in money, credits, property or other consideration valued in money for lodgings subject to an occupancy tax authorized in the Lodgers' Tax Act;
- G. "taxable premises" means a hotel, motel or other premises used for lodging that is not the vendee's household or primary residence;
- H. "temporary lodging" means lodgings for the purpose of housing a vendee within proximity of the vendee's employment or job location;
- I. "tourist" means a person who travels for the purpose of business, pleasure or culture to a municipality or county imposing an occupancy tax;
- J. "tourist-related events" means events that are planned for, promoted to and attended by tourists;
- K. "tourist-related facilities and attractions" means facilities and attractions that are intended to be used by or visited by tourists;

Truth or Consequences City Code

Sec. 7-198. - Definitions.

As used in this article:

Board means the advisory board established herein to make recommendations to the governing body, keep minutes of its proceedings and submit its recommendations, correspondence and other pertinent documents to the governing body;

City clerk means the City Clerk of Truth or Consequences, New Mexico;

Gross taxable rent means the total amount of rent paid for lodging, not including the state gross receipts tax or local sales taxes.

Lodging means the transaction of furnishing rooms or other accommodations by a vendor to a vendee who for a rent uses, possesses, or has the right to use or possess any room or other units of accommodation in or at a taxable premises.

Lodgings means the rooms or other accommodations furnished by a vendor to a vendee by the taxable service of lodgings.

Occupancy tax means the tax on lodging, authorized by the Lodgers' Tax Act.

Person means a corporation, firm, other body corporate, partnership, association, or individual. Person includes an executor, administrator, trustee, receiver or other representative appointed according to law and acting in a representative capacity, but does not include the United States of America, the State of New Mexico, any corporation, department, instrumentality, or agency of the federal government, the state government, or any political subdivision of the state.

Rent means the consideration received by a vendor in money, credits, property, or other consideration valued in money for lodgings subject to any occupancy tax authorized in the Lodgers' Tax Act.

Taxable premises means a hotel, apartment, apartment hotel, apartment house, lodge, lodginghouse, roominghouse, motor hotel, guest house, guest ranch, ranch resort, guest resort, mobile home, motor court, auto court, auto camp, trailer court, trailer camp, trailer park, tourist camp, cabin, or other premises for lodging.

Tourist means a person who travels for the purpose of business, pleasure or culture to a municipality or county imposing an occupancy tax;

Tourist-related events means events that are planned for, promoted to and attended by tourists;

Tourist-related facilities and attractions means facilities and attractions that are intended to be used by or visited by tourists;

Tourist-related transportation systems means transportation systems that provide transportation for tourists to and from tourist-related facilities, attractions and events;

Vendee means a natural person to whom lodgings are furnished in the exercise of the taxable service of lodging; and

Vendor means a person furnishing lodgings in the exercise of the taxable service of lodging.

Chapter 3

Section 3-38-15 - Authorization of Tax; Limitations on Use of Proceeds

Statutory Text

3-38-15. AUTHORIZATION OF TAX--LIMITATIONS ON USE OF PROCEEDS.--

A. A municipality may impose by ordinance an occupancy tax for revenues on lodging within the municipality, and the board of county commissioners of a county may impose by ordinance an occupancy tax for revenues on lodging within that part of the county outside of the incorporated limits of a municipality.

B. The occupancy tax shall not exceed five percent of the gross taxable rent.

C. Every vendor who is furnishing any lodgings within a municipality or county is exercising a taxable privilege.

D. The following portions of the proceeds from the occupancy tax that are collected based on the first thirty days a vendee rents lodgings in taxable premises shall be used only for advertising, publicizing and promoting tourist-related facilities and attractions and tourist-related events:

(1) if the municipality or county imposes an occupancy tax of no more than two percent, not less than one-fourth of the proceeds shall be used for those purposes;

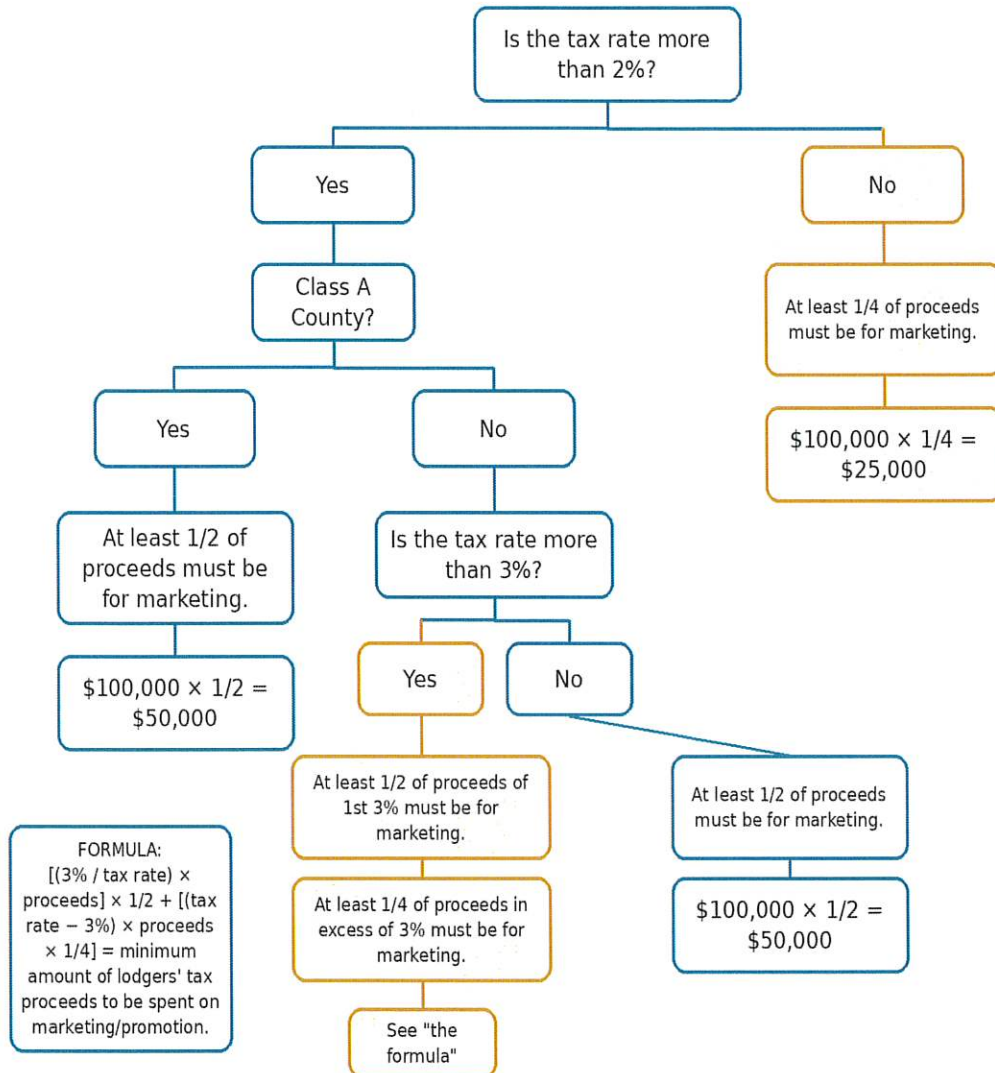
(2) if the occupancy tax imposed is more than two percent and the municipality is not located in a class A county or the county is not a class A county, not less than one-half of the proceeds from the first three percent of the occupancy tax and not less than one-fourth of the proceeds from the occupancy tax in excess of three percent shall be used for those purposes; and

(3) if the occupancy tax imposed is more than two percent and the municipality is located in a class A county or the county is a class A county, not less than one-half of the proceeds from the occupancy tax shall be used for those purposes.

E. The proceeds from the occupancy tax that are collected based on the first thirty days a vendee rents lodgings in taxable premises in excess of the amount required to be used for advertising, publicizing and promoting tourist-related facilities and attractions and tourist-related events may be used for any purpose authorized in Section 3-38-21 NMSA 1978.

F. The proceeds from the occupancy tax that are required to be used to advertise, publicize and promote tourist-related facilities and attractions and tourist-related events shall be used within two years of the close of the fiscal year in which they were collected and shall not be accumulated beyond that date or used for any other purpose.

Figure 2. Lodgers' Tax Restriction Rate Formula and Flowchart



After calculating the absolute minimum amount of lodgers' tax proceeds that must be spent on marketing and promotion, it is important to note that spending as much lodgers' tax funding as possible on marketing and promotion is generally the strongest tool to grow tourism, increase visitation, increase visitor spending, and support jobs.

Truth or Consequences City Code

Sec. 7-199. - Imposition of tax.

There is hereby imposed an occupancy tax of five percent of gross taxable rent for lodging within the municipality paid to vendors.

(Ord. No. 442, § 4, 8-12-96)

Chapter 4

Section 3-38-16 - Exemptions

Statutory Text

3-38-16. EXEMPTIONS.--The occupancy tax shall not apply:

A. if a vendee:

(1) has been a permanent resident of the taxable premises for a period of at least thirty consecutive days, unless those premises are temporary lodging; or

(2) enters into or has entered into a written agreement for lodgings at the taxable premises for a period of at least thirty consecutive days, unless those premises are temporary lodging;

B. if the rent paid by a vendee is less than two dollars (\$2.00) a day;

C. to lodging accommodations at institutions of the federal government, the state or any political subdivision thereof;

D. to lodging accommodations at religious, charitable, educational or philanthropic institutions, including accommodations at summer camps operated by such institutions;

E. to clinics, hospitals or other medical facilities; or

F. to privately owned and operated convalescent homes or homes for the aged, infirm, indigent or chronically ill.

Truth or Consequences City Code

Sec. 7-201. - Exemptions.

The occupancy tax shall not apply:

(1) If a vendee:

a. Has been a permanent resident of the taxable premises for a period of at least 30 consecutive days; or

b. Enters into or has entered into a written agreement for lodgings at the taxable premises for a period of at least 30 consecutive days;

(2) If the rent paid by the vendee is less than \$2.00 a day;

(3) To lodging accommodations at institutions of the federal government, the state or any political subdivision thereof;

(4) To lodging accommodations at religious, charitable, educational or philanthropic institutions, including without limitation such accommodations at summer camps operated by such institutions;

(5) To clinics, hospitals or other medical facilities;

(6) To privately-owned and operated convalescent homes, or homes for the aged, infirm, indigent or chronically ill; or

(7) If the taxable premises does not have at least three rooms or three other units of accommodation for lodging.

(Ord. No. 442, § 6, 8-12-96; Ord. No. 720, § 1, 11-17-21)

Chapter 5

Section 3-38-17 - Collection of Taxes

Statutory Text

3-38-17. COLLECTION OF TAXES.--

A. Every vendor providing lodgings in a municipality or county imposing an occupancy tax shall collect the proceeds thereof on behalf of the municipality or county and shall act as a trustee therefor.

B. The tax shall be collected from vendees in accordance with the ordinance imposing the tax and shall be charged separately from the rent fixed by the vendor for the lodgings.

Truth or Consequences City Code

Sec. 7-200. - Licensing.

(a) No vendor shall engage in the business of providing lodging in the Municipality of Truth or Consequences who has first not obtained a license as provided in this section.

(b) Applicants for a vendor's license shall submit an application to the City Clerk stating:

(1) The name of the vendor, including identification of any person, as defined in this article, who owns or operates, or both owns and operates a place of lodging and the name or trade names under which the vendor proposes to do business and the post office address thereof;

(2) A description of the facilities, including the number of rooms and the usual schedule of rates therefor;

(3) A description of other facilities provided by vendor or others to users of the lodgings such as restaurant, bar, cleaning, laundry, courtesy car or others, and a statement identifying the license issued, to whom issued, the authority issuing, and the period for which issued. If applicable, also the identification number provided by the Bureau of Revenue of the State of New Mexico;

(4) The nature of the business of the vendor and to what extent, if any, his business is exempt from the lodgers' tax;

(5) Other information reasonably necessary to effect a determination of eligibility for such license.

(c) The City Clerk shall review applications for license within ten days of receipt thereof, and grant the license in due course if the applicant is doing business subject to the lodgers' tax.

(d) An applicant who is dissatisfied with the decision of the City Clerk may appeal the decision to the governing body by written notice to the City Clerk of such appeal to be made within 15 days of the date of the decision of the City Clerk on the application. The matter shall be referred to the governing body for hearing at a regular or special meeting in the usual course of business. The decision of the governing body made thereof shall be expressed in writing and be communicated in the same manner as the decision of the City Clerk is transmitted. The action of the governing body shall be deemed final.

(e) If the governing body finds for the applicant, the City Clerk shall issue the appropriate license or other notice conforming to the decision made by the governing body.

(Ord. No. 442, § 5, 8-12-96)

Sec. 7-202. - Collection of the tax and reporting procedures.

- (a) Every vendor providing lodgings shall collect the tax thereon on behalf of the Municipality and shall act as a trustee therefor.
- (b) The tax shall be collected from vendees and shall be charged separately from the rent fixed by the vendor for the lodgings.
- (c) Each vendor licensed under this article shall be liable to the Municipality of Truth or Consequences tax provided herein on the rent paid for lodging at his respective place of business.
- (d) Each vendor shall make a report by the twenty-fifth day of each month, on forms provided by the City Clerk, of the receipts for lodging in the preceding calendar month, and shall submit the proceeds of the lodgers' tax to the Municipality and include sufficient information to enable the Municipality to audit the reports and shall be verified on oath by the vendor.
- (e) For transactions where a vendor uses a marketplace provider to facilitate the sale of lodgings, the City may use a "marketplace provider" as follows:
- (1) Definition: A marketplace provider means any person who facilitates a retail sale by a vendor by listing or advertising for sale or furnishing by the vendor, in any manner, rooms, lodging, or other accommodations through agreements or arrangements with 3rd parties.
- (2) Marketplace providers shall be responsible for collecting all applicable lodgers taxes and remitting the same to the City. The marketplace provider shall be considered an agent of the vendor for purposes of lodgers tax collections and remittance responsibilities as set forth in this section.
- (3) A marketplace provider operating exclusively on the internet, who operates in compliance with subsection (2) above, shall be presumed to be in compliance with this section, except that the marketplace provider remains responsible for compliance with the administrative penalty provisions described in this section.
- (Ord. No. 442, § 7, 8-12-96; Ord. No. 741, § 1, 10-26-22)

Chapter 6

Section 3-38-17.1 - Audit of Vendors

Statutory Text

3-38-17.1. AUDIT OF VENDORS.--

The governing body of any municipality or county collecting over two hundred fifty thousand dollars (\$250,000) in occupancy tax proceeds shall select for annual random audits one or more vendors to verify the amount of gross rent subject to the occupancy tax and to ensure that the full amount of occupancy tax on that rent is collected. The governing body of any municipality or county collecting less than two hundred fifty thousand dollars (\$250,000) in receipts, per annum, of occupancy tax proceeds shall conduct random audits to verify full payment of occupancy tax receipts. Copies of audits completed shall be filed annually with the local government division of the department of finance and administration.

Truth or Consequences City Code

Sec. 7-203. - Duties of the vendor.

Vendor shall maintain adequate records of facilities subject to the tax and of proceeds received for the use thereof. Such records shall be maintained in Truth or Consequences, New Mexico, and shall be open to the inspection of the Municipality during reasonable hours and shall be retained for three years.

(Ord. No. 442, § 8, 8-12-96)

Sec. 7-207. - Refunds and credits.

If any person believes he has made payment of any Lodgers' Tax in excess of that for which he was liable, he may claim a refund thereof by directing to the City Clerk, no later than 90 days from the date payment was made, a written claim for refund. Every claim for refund shall state the nature of the person's complaint and the affirmative relief requested. The City Clerk shall allow the claim in whole or in part or may deny it. Refunds of tax and interest erroneously paid and amounting to \$100.00 or more may be made only with the approval of the Governing Body.

(Ord. No. 442, § 12, 8-12-96)

Sec. 7-208. - Vendor audits.

The Governing Body shall conduct random audits to verify full payment of occupancy tax receipts.

(a) The Governing Body shall determine each year the number of vendors within the Municipality to audit.

(b) The audit(s) may be performed by the City Clerk or by any other designee of the Governing Body. A copy of the audit(s) shall be filed annually with the Local Government Division of the Department of Finance and Administration.

(Ord. No. 442, § 13, 8-12-96)

Sec. 7-210. - Confidentiality of return and audit.

It is unlawful for any employee of the Municipality of Truth or Consequences to reveal to any individual other than another employee of the Municipality of Truth or Consequences any information contained in the return or audit of any taxpayer, including vendors subject to the Lodgers' Tax Act, except to a court of competent jurisdiction in response to an order thereof in an action relating to taxes to which the Municipality of Truth or Consequences is a party, and in which information sought is material to the inquiry; to the taxpayer himself or to his authorized representative; and in such manner, for statistical purposes, the information revealed is not identified as applicable to any individual taxpayer.

(Ord. No. 442, § 15, 8-12-96)

Chapter 7

Section 3-38-17.2 - Financial Reporting

Statutory Text

3-38-17.2. FINANCIAL REPORTING.--

A. The governing body of any municipality or county imposing and collecting an occupancy tax shall furnish to the advisory board that portion of any proposed budget, report or audit filed or received by the governing body pursuant to either Chapter 6, Article 6 NMSA 1978 or the Audit Act [12-6-1 to 12-6-14 NMSA 1978] that relates to the expenditure of occupancy tax funds within ten days of the filing or receipt of such proposed budget, report or audit by the local governing body.

B. The governing body of any municipality or county imposing and collecting an occupancy tax shall report to the local government division of the department of finance and administration on a quarterly basis any expenditure of occupancy tax funds pursuant to Sections 3-38-15 and 3-38-21 NMSA 1978 and shall furnish a copy of this report to the advisory board when it is filed with the division.

Truth or Consequences City Code

Sec. 7-203. - Duties of the vendor.

Vendor shall maintain adequate records of facilities subject to the tax and of proceeds received for the use thereof. Such records shall be maintained in Truth or Consequences, New Mexico, and shall be open to the inspection of the Municipality during reasonable hours and shall be retained for three years.

(Ord. No. 442, § 8, 8-12-96)

Sec. 7-209. - Financial reporting.

(a) The Governing Body shall furnish to the Advisory Board that portion of any proposed budget, report or audit filed or received by the Governing Body pursuant to either Chapter 6, Article 6 NMSA 1978 or the Audit Act that relates to expenditure of occupancy tax funds within ten days of the filing or receipt of such proposed budget, report or audit by the Governing Body.

(b) The Governing Body shall report to the Local Government Division of the Department of Finance and Administration on a quarterly basis any expenditure of occupancy tax funds pursuant to sections 3-38-15 and 3-38-21 NMSA 1978 and shall furnish a copy of this report to the Advisory Board when it is filed with the Division.

(Ord. No. 442, § 14, 8-12-96)

Chapter 8

Section 3-38-17.3 - Enforcement

Statutory Text

3-38-17.3. ENFORCEMENT.--

A. An action to enforce the Lodgers' Tax Act [3-38-13 to 3-38-25 NMSA 1978] may be brought by:

- (1) the attorney general or the district attorney in the county of jurisdiction; or
- (2) a vendor who is collecting the proceeds of an occupancy tax in the county of jurisdiction.

B. A district court may issue a writ of mandamus or order an injunction or other appropriate remedy to enforce the provisions of the Lodgers' Tax Act.

C. The court shall award costs and reasonable attorneys' fees to the prevailing party in a court action to enforce the provisions of the Lodgers' Tax Act.

Truth or Consequences City Code

Sec. 7-204. - Enforcement.

(a) An action to enforce the Lodgers' Tax Act may be brought by:

- (1) the attorney general or the district attorney in the county of jurisdiction; or
- (2) a vendor who is collecting the proceeds of an occupancy tax in the county of jurisdiction.

(b) A district court may issue a writ of mandamus or order an injunction or other appropriate remedy to enforce the provisions of the Lodgers' Tax Act.

(c) The court shall award costs and reasonable attorneys' fees to the prevailing party in a court action to enforce the provisions of the Lodgers' Tax Act.

(Ord. No. 442, § 9, 8-12-96)

Chapter 9

Section 3-38-18 - Collection of Delinquencies

Statutory Text

3-38-18. COLLECTION OF DELINQUENCIES.--

A. The governing body of the municipality or county shall, by ordinance, provide that a vendor is liable for the payment of the proceeds of any occupancy tax that the vendor failed to remit to the municipality or county, due to the vendor's failure to collect the tax or otherwise, and shall provide for a civil penalty for any such failure in an amount equal to the greater of ten percent of the amount that was not duly remitted to the municipality or county or one hundred dollars (\$100).

B. The municipality or county may bring an action in law or equity in the district court for the collection of any amounts due, including without limitation penalties thereon, interest on the unpaid principal at a rate of not exceeding one percent a month, the costs of collection and reasonable attorneys' fees incurred in connection therewith.

Truth or Consequences City Code

Sec. 7-205. - Failure to make return; computation, criminal and civil penalties; notice; collection of delinquencies; occupancy tax is a lien.

(a) Every vendor providing lodging within the City shall be required to pay the proceeds of the requisite occupancy tax and to account properly for any lodging and tax proceeds pertaining thereto. Any vendor who violates this section shall be subject to the penalties described in Chapter 1, Article I, § 1-10 of this Code.

(b) In addition to the criminal penalties referred to in § 7-205(a) above, every vendor is civilly liable for the payment of proceeds of any occupancy tax that the vendor failed to remit to the City, whether due to its failure to collect the tax or otherwise. The vendor shall be liable for the tax, plus a civil penalty equal to the greater of ten percent of the amount not remitted, or \$100.00. The City Clerk shall give the delinquent vendor written notice of the delinquency, which notice shall be mailed to the vendor's local address.

(c) If payments are not received within 15 days of the mailing of the notice, the City may bring an action in law, or equity, in the district court for the collection of any amounts due, including, without limitation, penalties thereon, interest on the unpaid principal at a rate not exceeding one percent a month. If the City attempts collection through an attorney, or the City Attorney, for any purpose with regard to this article, the vendor shall be liable to the City for all costs, fees paid to the attorney or City Attorney, and all other expenses incurred in connection therewith.

(d) The occupancy tax imposed by the City constitutes a lien in favor of the City upon the personal and real property of the vendor providing lodgings. The lien may be enforced as provided in NMSA §§ 3-36-1 through 3-36-7 (1978). Priority of the lien shall be determined from the date of filing.

(e) Under process or order of court, no person, or entity, shall sell the property of a vendor without first ascertaining from the City Clerk, or City Treasurer, the amount of any occupancy tax due the City. Any occupancy tax due the City shall be paid from the proceeds of such a sale before payment is made to the judgment creditor, or any other person or entity with a claim on the proceeds of the sale.

(Ord. No. 442, § 10, 8-12-96; Ord. No. 569, 4-10-07)

Chapter 10

Section 3-38-18.1 - Lien for Occupancy Tax; Payment; Certificate of Liens

Statutory Text

3-38-18.1. LIEN FOR OCCUPANCY TAX--PAYMENT--CERTIFICATE OF LIENS.--

- A. The occupancy tax imposed by a municipality or county constitutes a lien in favor of that municipality or county upon the personal and real property of the vendor providing lodgings in that municipality or county. The lien may be enforced as provided in Sections 3-36-1 through 3-36-7 NMSA 1978. Priority of the lien shall be determined from the date of filing.
- B. Under process or order of court, no person shall sell the property of any vendor without first ascertaining from the clerk or treasurer of the municipality or county in which the vendor is located the amount of any occupancy tax due the municipality or county. Any occupancy tax due the municipality or county shall be paid from the proceeds of the sale before payment is made to the judgment creditor or any other person with a claim on the sale proceeds.
- C. The clerk or treasurer of the municipality or county shall furnish to any person applying for such a certificate a certificate showing the amount of all liens in the records of the municipality or county against any vendor pursuant to Chapter 3, Article 38 NMSA 1978.

Truth or Consequences City Code

Sec. 7-205. - Failure to make return; computation, criminal and civil penalties; notice; collection of delinquencies; occupancy tax is a lien.

- (a) Every vendor providing lodging within the City shall be required to pay the proceeds of the requisite occupancy tax and to account properly for any lodging and tax proceeds pertaining thereto. Any vendor who violates this section shall be subject to the penalties described in Chapter 1, Article I, § 1-10 of this Code.
- (b) In addition to the criminal penalties referred to in § 7-205(a) above, every vendor is civilly liable for the payment of proceeds of any occupancy tax that the vendor failed to remit to the City, whether due to its failure to collect the tax or otherwise. The vendor shall be liable for the tax, plus a civil penalty equal to the greater of ten percent of the amount not remitted, or \$100.00. The City Clerk shall give the delinquent vendor written notice of the delinquency, which notice shall be mailed to the vendor's local address.
- (c) If payments are not received within 15 days of the mailing of the notice, the City may bring an action in law, or equity, in the district court for the collection of any amounts due, including, without limitation, penalties thereon, interest on the unpaid principal at a rate not exceeding one percent a month. If the City attempts collection through an attorney, or the City Attorney, for any purpose with regard to this article, the vendor shall be liable to the City for all costs, fees paid to the attorney or City Attorney, and all other expenses incurred in connection therewith.
- (d) The occupancy tax imposed by the City constitutes a lien in favor of the City upon the personal and real property of the vendor providing lodgings. The lien may be enforced as provided in NMSA §§ 3-36-1 through 3-36-7 (1978). Priority of the lien shall be determined from the date of filing.
- (e) Under process or order of court, no person, or entity, shall sell the property of a vendor without first ascertaining from the City Clerk, or City Treasurer, the amount of any occupancy tax due the City. Any occupancy tax due the City shall be paid from the proceeds of such a sale before payment is made to the judgment creditor, or any other person or entity with a claim on the proceeds of the sale.

(Ord. No. 442, § 10, 8-12-96; Ord. No. 569, 4-10-07)

Chapter 11

Section 3-38-19 - Penalties

Statutory Text

3-38-19. PENALTIES.--

The governing body of the municipality or county shall, by ordinance, provide for penalties by creating a misdemeanor and imposing a fine of not more than five hundred dollars (\$500) or imprisonment for not more than ninety days or both for a violation by any person of the provisions of the occupancy tax ordinance for a failure to pay the tax, to remit the proceeds thereof to the municipality or county or to account properly for any lodging and the tax proceeds pertaining thereto.

Chapter 12

Section 3-38-20 - Ordinance Requirements

Statutory Text

3-38-20. ORDINANCE REQUIREMENTS.--

The ordinance imposing an occupancy tax or any ordinance amendatory thereof or supplemental thereto, except as limited by or otherwise provided in the Lodgers' Tax Act [3-38-13 to 3-38-25 NMSA 1978], shall:

- A. provide a procedure for licensing each vendor and for refusing a vendor a license after an opportunity has been given to the vendor of a public hearing thereon by the governing body of the municipality or county, as the case may be;
- B. state the rate or other amount of the occupancy tax; the times, place and method for the payment of the occupancy tax proceeds to the municipality or county; the accounts and other records to be maintained in connection with the occupancy tax; a procedure for making refunds and resolving disputes relating to the occupancy tax, including exemptions pertaining thereto; the procedure for preservation and destruction of records and their inspection and investigation; vendor audit requirements; applicable civil and criminal penalties; and a procedure of liens, distraint and sales to satisfy such liens; and
- C. provide other rights, privileges, powers, immunities and other details relating to any such vendor licenses, the collection of the occupancy tax and the remittance of the proceeds thereof to the municipality or county.

Chapter 13

Section 3-38-21 - Eligible Uses of Tax Proceeds

Statutory Text

3-38-21. ELIGIBLE USES OF TAX PROCEEDS.--

A. Subject to the limitations contained in Section 3-38-15 NMSA 1978, a municipality or county imposing an occupancy tax may use the proceeds from the occupancy tax that are collected based on the first thirty days a vendee rents lodgings in taxable premises to defray costs of:

- (1) collecting and otherwise administering the occupancy tax, including the performance of audits required by the Lodgers' Tax Act [3-38-13 to 3-38-25 NMSA 1978] pursuant to guidelines issued by the department of finance and administration;
- (2) establishing, operating, purchasing, constructing, otherwise acquiring, reconstructing, extending, improving, equipping, furnishing or acquiring real property or any interest in real property for the site or grounds for tourist-related facilities and attractions or tourist-related transportation systems of the municipality, the county in which the municipality is located or the county;
- (3) the principal of and interest on any prior redemption premiums due in connection with and any other charges pertaining to revenue bonds authorized by Section 3-38-23 or 3-38-24 NMSA 1978;
- (4) advertising, publicizing and promoting tourist-related attractions, facilities and events of the municipality or county and tourist-related facilities, attractions and events within the area;
- (5) providing police and fire protection and sanitation service for tourist-related facilities, attractions and events located in the respective municipality or county;
- (6) providing a required minimum revenue guarantee for air service to the municipality or county to increase the ability of tourists to easily access the municipality's or county's tourist-related facilities, attractions and events; or
- (7) any combination of the foregoing purposes or transactions stated in this section, but for no other municipal or county purpose.

B. A municipality or county imposing an occupancy tax may use the proceeds from the occupancy tax that are collected based on the thirty-first and subsequent days a vendee rents lodgings in taxable premises for any municipality or county purpose; provided that the use is stated in the ordinance imposing the tax.

C. As used in this section, "minimum revenue guarantee" is the amount of money guaranteed by a municipality or county to be earned by an airline providing air services to and from that municipality or county, which is the difference between the minimum flight charge revenue specified in the contract between the municipality or county and the airline and the amount of actual flight charge revenue received by the airline that is less than that contractual amount.

Local Meaning for Truth or Consequences

Best Practices and Recommended Use Categories for Lodgers' Tax Funds

1. Marketing, Advertising, and Promotion

Statutory requirement.

Because Truth or Consequences currently reports a **5% Lodgers' Tax**, this category should be treated as the City's first mandatory spending obligation from the first-thirty-day Lodgers' Tax proceeds. Under current law, when a municipality imposes more than 2%, **not less than one-third of those proceeds** must be used only for **advertising, publicizing, and promoting tourist-related attractions, facilities, and events**. Those required promotional dollars must be used **within two years** of the close of the fiscal year in which they were collected.

Lodgers' Tax funds in this category may be used for tourism promotion efforts such as:

- Advertising campaigns
- Digital marketing
- Website promotion
- Social media promotion
- Visitor guides, maps, and brochures
- Publicizing events, facilities, and attractions
- Destination branding
- Cooperative tourism marketing
- Promotional contracts with tourism organizations
- Targeted campaigns intended to increase overnight stays

Best practice:

Each fiscal year, the city should calculate the **minimum promotional amount first**, reserve that amount, and then build the remaining Lodgers' Tax budget around it. The safest and strongest uses in this category are those that clearly target **out-of-town visitors**, encourage **overnight stays**, and can be measured through room night data, attendance, web traffic, event bookings, or other tourism metrics.

2. Tourism Facilities and Attractions

After satisfying the required promotional spending, Lodgers' Tax proceeds from the first thirty days may be used to defray costs of establishing, operating, purchasing, constructing, reconstructing, extending, improving, maintaining, equipping, furnishing, or acquiring real property for **tourist-related facilities and attractions** and for **quality-of-life-related facilities**. Current law defines quality-of-life-related facilities as facilities whose primary purpose is providing infrastructure for **parks, zoos, and sport or exercise programs**.

For handbook purposes, examples the city may consider in this category include:

- Visitor centers
- Event centers
- Museums and interpretive spaces
- Tourism-oriented public spaces
- Recreational attractions
- Trailheads and tourism wayfinding improvements
- Sports and tournament facilities
- Golf course improvements tied to visitor play and destination use
- Tennis or pickleball courts used for tournaments or visitor recreation
- Sports fields or competition venues

- Public amenities that are part of the visitor experience

This does **not** mean every recreational expense is automatically eligible; it means those facilities may be appropriate when they are being used to attract or serve visitors rather than merely support ordinary local use.

Best practice:

Before approving funds in this category, the file should answer three questions:

1. Does the facility help attract visitors?
2. Does it improve the visitor experience or support tourism activity?
3. Can the City explain how the improvement connects to overnight stays, destination use, tournaments, hosted events, or other non-local visits?

3. Convention and Event Infrastructure

The Convention Center Financing Act defines a **convention center** to include a **civic center or convention center** with rentable public space intended to increase tourism. T or C's own reporting form separately identifies **Lodgers' Tax** and **Convention** reporting, and the City's budget shows a distinct revenue line for a **1% convention center fee**. That means T or C already has a separate civic/convention-center-related funding source in place in addition to Lodgers' Tax revenues.

For handbook purposes, readers should understand that the City may have **two different but related revenue streams** available for civic or convention-center-related needs:

- **Lodgers' Tax revenues**, where the proposed use fits the Lodgers' Tax Act; and
- The City's separate **1% convention center fee**, which is already implemented and may support authorized civic/convention center purposes in addition to Lodgers' Tax dollars.

Under the Convention Center Financing Act, convention center fee revenues are dedicated to uses such as:

- Land acquisition
- Design
- Construction
- Equipping and furnishing
- Landscaping
- Operation and maintenance
- Bond or debt-related payments
- Limited administration tied to the fee

Those uses are separate from, and may be layered with, eligible Lodgers' Tax uses when a project legitimately serves both purposes.

Best practice:

For any civic center or event infrastructure project, the handbook should require staff to identify the funding source **up front**:

- What portion is proposed from Lodgers' Tax?
- What portion is proposed from the 1% convention center fee?
- What legal purpose supports each funding source?
- Is the project tourism-related, convention-related, or both?

4. Tourism-Supporting Events and Activities

Current law allows Lodgers' Tax proceeds to be used for **advertising, publicizing, and promoting tourist-related events**, and also for providing **police, fire protection, and sanitation service** for tourist-related facilities, attractions, and events. The law defines tourist-related events as events that are **planned for, promoted to, and attended by tourists**.

For handbook guidance, this category should include events that are expected to place **"heads in beds"** and increase visitor spending in T or C. Practical examples of event-related items that the board may review include:

- Event marketing and promotion
- Entertainment and performer costs
- Stage rental
- Sound, lighting, and AV support
- Fencing, barricades, and crowd-control setup
- Tent, table, and chair rentals
- Portable restrooms and handwashing stations
- Cleanup and sanitation support
- Event signage and visitor wayfinding
- Security and safety support
- Police overtime or fire safety presence tied to the event
- Event equipment rentals necessary to host the activity

These are best viewed as **screening examples**, not automatic approvals. Each cost should still be tied to an authorized Lodgers' Tax purpose and backed by a clear tourism rationale. *All assets purchased with Lodgers Tax proceeds will become City property and can be used upon request by an organization.*

Best practice:

Every event funding request should include:

- a description of the event;
- the expected audience;
- whether overnight stays are expected;
- the specific costs requested;
- the tourism reason for each requested cost; and
- a post-event reporting requirement showing results.

The stronger the connection to non-local visitors and lodging activity, the stronger the funding decision.

5. Partnerships and Tourism Promotion Organizations

New Mexico law allows a municipality to **contract for the management of programs and activities** funded with occupancy tax revenue. The governing body must require **at least quarterly reports**, the funds must be kept in a **separate account**, and the contractor must maintain complete and accurate financial records. Administrative costs may be charged only when they are incurred **directly for the authorized purpose**.

This category may include partnerships with entities such as:

- Destination marketing organizations
- Chambers of commerce
- Main Street or downtown organizations
- Tourism nonprofits
- Arts or cultural organizations
- Event-management partners
- Regional visitor-promotion partners

Best practice:

Any outside organization receiving Lodgers' Tax funds should have a written agreement that clearly states:

- the tourism purpose;
- the deliverables;
- the budget;
- the reporting schedule;
- the recordkeeping requirements; and
- the performance expectations.

The contract should focus on outcomes such as promotion delivered, events hosted, visitors attracted, room nights generated, or other measurable public benefit.

6. Administrative and Program Management Costs

Lodgers' Tax funds may be used for **collecting and otherwise administering** the tax, including required audits and financial reporting. Current law also requires the governing body to provide financial information to the advisory board and to file quarterly expenditure reports with the Department of Finance and Administration.

Examples of appropriate handbook items in this category may include:

- Tax collection oversight
- Audit costs
- Financial tracking
- Required reporting
- Recordkeeping
- Staff time directly tied to Lodgers' Tax program administration
- Support costs directly related to carrying out an authorized Lodgers' Tax purpose

Best practice:

Administrative use should remain **reasonable, documented, and directly tied** to the Lodgers' Tax program. The City should avoid treating Lodgers' Tax as a backdoor source for unrelated general operations. When staff time or support costs are charged, the file should show exactly how that time or expense was connected to an authorized tourism purpose.

7. Public Safety and Service Support for Tourism Activity

Current law expressly allows Lodgers' Tax proceeds to be used for **police and fire protection and sanitation service** for tourist-related facilities, attractions, and events. This is one of the clearest statutory bases for charging tourism-related city service costs to Lodgers' Tax when those costs arise because of tourism activity.

Examples for handbook guidance may include:

- Police overtime for major visitor events
- Fire safety staffing tied to tourism events
- Sanitation and cleanup for visitor events
- Dumpster or solid waste support for tourism-related events
- City service support required because of unusual tourism demand
- Site control, safety, and post-event cleanup tied to a visitor activity

Best practice:

The key distinction is whether the cost is **incremental and tourism-driven**. Lodgers' Tax should generally support the extra cost created by a tourism event or attraction, not the ordinary baseline operating costs the City would incur anyway.

8. Cultural, Arts, and Visitor Experience Investments

Cultural and arts-related spending can fit within Lodgers' Tax uses when it falls into one of the authorized categories above — especially when it functions as a **tourist-related facility**, **tourist-related attraction**, or **tourist-related event**. The legal test is not whether something is “arts-related”; the test is whether it is **intended to be used by or visited by tourists** or is **planned for, promoted to, and attended by tourists**.

For handbook purposes, readers may consider examples such as:

- Cultural facilities
- Visitor-facing arts spaces
- Museum or interpretive programming
- Arts festivals
- Heritage and cultural events
- Tourism-oriented public art tied to visitor experience
- Cultural programming marketed to outside visitors
- Nonprofit cultural partnerships that help drive tourism

Best practice:

This category is strongest when the City can show that the cultural investment is part of the destination experience of T or C and is expected to bring in outside visitors, encourage overnight stays, or strengthen the community's tourism identity.

Truth or Consequences City Code

Sec. 7-212. - Eligible uses of lodger's tax proceeds.

(a) The Municipality may use the proceeds from the tax to defray the costs of:

- (1) collecting and otherwise administering the tax, including the performance of audits required by the Lodgers' Tax Act pursuant to guidelines issued by the Department of Finance and Administration;
- (2) establishing, operating, purchasing, constructing, otherwise acquiring, reconstructing, extending, improving, equipping, furnishing or acquiring real property or any interest in real property for the site or grounds for tourist-related facilities, attractions or transportation systems of the Municipality, the county in which the Municipality is located or the county;
- (3) the principal of and interest on any prior redemption premiums due in connection with and any other charges pertaining to revenue bonds authorized by section 3-38-23 or 3-38-24 NMSA 1978;
- (4) advertising, publicizing and promoting tourist-related attractions, facilities and events of the Municipality or county and tourist facilities or attractions within the area;

(5) providing police and fire protection and sanitation service for tourist-related events, facilities and attractions located in the Municipality; or

(6) any combination of the foregoing purposes or transactions stated in this section, but for no other municipal purpose.

(Ord. No. 442, § 17, 8-12-96)

Chapter 14

Section 3-38-21.1 - Contracting for Services

Statutory Text

3-38-21.1. CONTRACTING FOR SERVICES.--

A. The governing body of a municipality or county may contract for the management of programs and activities funded with revenue from the tax authorized in Section 3-38-15 NMSA 1978. The governing body shall require periodic reports to the governing body, at least quarterly, listing the expenditures for those periods. Within ten days of receiving the reports, the governing body shall furnish copies of them to the advisory board. Funds provided to the contracting person or governmental agency shall be maintained in a separate account established for that purpose and shall not be commingled with any other money.

B. A person or governmental agency with whom a municipality contracts under this section to conduct an activity authorized by Section 3-38-21 NMSA 1978 shall maintain complete and accurate financial records of each expenditure of the tax revenue made and upon request of the governing body of the municipality or county shall make such records available for inspection.

C. The occupancy tax revenue spent for a purpose authorized by the Lodgers' Tax Act [3-38-13 to 3-38-25 NMSA 1978] may be spent for day-to-day operations, supplies, salaries, office rental, travel expenses and other administrative costs only if those administrative costs are incurred directly for that purpose.

D. A person or governmental agency with whom a local governmental body contracts under this section may subcontract with the approval of the governing body of the municipality or county. A subcontractor shall be subject to the same terms and conditions as the contractor regarding separate financial accounts, periodic reports and inspection of records.

Chapter 15

Section 3-38-22 - Advisory Boards Created; Duties

Statutory Text

3-38-22. ADVISORY BOARDS CREATED; DUTIES.--

A. The mayor of every municipality that imposes an occupancy tax pursuant to the Lodgers' Tax Act [3-38-13 to 3-38-25 NMSA 1978] shall appoint a five-member advisory board that consists of two members who are owners or operators of lodgings subject to the occupancy tax within the municipality, two members who are owners or operators of industries located within the municipality that primarily provide services or products to tourists and one member who is a resident of the municipality and represents the general public.

B. The chairman of every county commission that imposes an occupancy tax pursuant to the Lodgers' Tax Act shall appoint a five-member advisory board that consists of two members who are owners or operators of lodgings subject to the occupancy tax within the unincorporated area of the county, two members who are owners or operators of industries located within the unincorporated area of the county that primarily provide services or products to tourists and one member who is a resident of the unincorporated area of the county who represents the general public.

C. Members of the boards created under Subsections A and B of this section shall serve at the pleasure of the respective appointing authorities. The boards shall advise the respective governing bodies on the expenditure of funds authorized by Section 3-38-15 NMSA 1978 for advertising, publicizing and promoting tourist attractions and facilities in the respective counties and municipalities.

Truth or Consequences City Code

Sec. 7-211. - Administration of lodgers' tax monies collected.

The governing body or their designee shall administer the lodgers' tax monies collected. The City Commission shall appoint a five-member advisory board that consists of two members who are owners or operators of lodgings subject to the occupancy tax within the Municipality, two members who are owners or operators of industries located within the Municipality that primarily provide services or products to tourists and one member who is a resident of the Municipality and represents the general public. The board shall advise the governing body on expenditure of funds authorized under section 7-212 of this article for advertising, publicizing and promoting tourist attractions and facilities in the municipality and surrounding area.

(Ord. No. 442, § 16, 8-12-96; Ord. No. 673, § 1, 7-26-16)

Chapter 16

Section 3-38-23 - Revenue Bonds

Statutory Text

3-38-23. REVENUE BONDS.--

A. Revenue bonds may be issued at any time or from time to time by a municipality or county to defray wholly or in part the costs of any one, all or any combination of purposes authorized in Paragraphs (2) through (5) of Subsection A of Section 3-38-21 NMSA 1978.

B. The revenue bonds may be payable from and such payment may be secured by a pledge of and lien on the revenues derived from:

(1) the proceeds of the occupancy tax of the municipality or county after the deduction of those amounts required to be expended pursuant to Subsection D of Section 3-38-15 NMSA 1978 and the administration costs pertaining to the occupancy tax in an amount not to exceed ten percent of the occupancy tax receipts collected by the municipality or county in any fiscal year, excluding from the computation of such costs the administration costs ultimately recovered from delinquent vendors by civil action as penalties, costs of collection and attorney fees but not as interest on unpaid principal;

(2) the tourist-related facilities and attractions or tourist-related transportation systems to which the bonds pertain, after provision is made for the payment of the operation and maintenance expenses of the tourist-related facilities and attractions or tourist-related transportation systems; or

(3) a combination of such net revenues from both sources designated in Paragraphs (1) and (2) of this subsection.

C. The bonds shall bear interest at a rate as authorized in the Public Securities Act [6-14-1 to 6-14-3 NMSA 1978], and the first interest payment may be for any period authorized in the Public Securities Act.

D. Except as otherwise provided in the Lodgers' Tax Act [3-38-13 to 3-38-25 NMSA 1978], revenue bonds authorized in the Lodgers' Tax Act shall be issued in accordance with the provisions of Sections 3-31-2 through 3-31-6 NMSA 1978.

- Would the pledge constrain future tourism spending flexibility?

Chapter 17

Section 3-38-24 - Refunding Bonds

Statutory Text

3-38-24. REFUNDING BONDS.--

A. Any municipality or county having issued revenue bonds as authorized in the Lodgers' Tax Act [3-38-13 to 3-38-25 NMSA 1978] may issue refunding revenue bonds payable from pledged revenues therein authorized for the payment of revenue bonds at the time of the refunding or at the time of the issuance of the bonds being refunded as the governing body of the municipality or county may determine, notwithstanding the revenue sources or the pledge of such revenues or both are thereby modified.

B. Refunding bonds may be issued for the purpose of refinancing, paying and discharging all or any part of such outstanding bonds of any one or more or all outstanding issues:

(1) for the acceleration, deceleration or other modification of the payment of such obligations, including without limitation any capitalization of any interest thereon in arrears or about to become due for any period not exceeding one year from the date of the refunding bonds;

(2) for the purpose of reducing interest costs or effecting other economies;

(3) for the purpose of modifying or eliminating restrictive contractual limitations pertaining to the issuance of additional bonds, otherwise concerning the outstanding bonds, or to any facilities relating thereto; or

(4) for any combination of the foregoing purposes.

C. The interest on any bond refunded shall not be increased to any rate in excess of the rate authorized in the Public Securities Act [6-14-1 to 6-14-3 NMSA 1978] and shall be paid as authorized in that act.

D. Bonds for refunding any bonds for any other purpose permitted by the Lodgers' Tax Act may be issued separately or issued in combination in one series or more.

E. Except as otherwise provided in the Lodgers' Tax Act, refunding bonds authorized in the Lodgers' Tax Act shall be issued in accordance with the provisions of Sections 3-31-10 and 3-31-11 NMSA 1978.

Chapter 18

Section 3-38-25 - Maintaining Revenue Dedication

Statutory Text

3-38-25. MAINTAINING REVENUE DEDICATION.--

If a municipality or county has dedicated any amount of revenue attributable to a tax imposed pursuant to the Lodgers' Tax Act [3-38-13 to 3-38-25 NMSA 1978], the municipality or county shall continue to dedicate the same amount of revenue attributable to the tax until the ordinance dedicating the revenue expires, the term of the dedication expires, the governing body acts to change the dedication or, in the case of bonded indebtedness, the debt is fully discharged or otherwise provided for in full.

Chapter 19

Lodgers' Tax Operating Manual

Administrative Procedures for Application, Award, Contracting, Reimbursement, Reporting, and Compliance

19.1 Purpose

This Chapter establishes the operating procedures used by the City of Truth or Consequences to administer Lodgers' Tax funds in a consistent, transparent, and legally defensible manner. This Chapter is intended to serve as the working administrative guide for City staff, the Lodgers' Tax Advisory Board, applicants, contractors, and the City Commission.

This operating manual is designed to implement the Lodgers' Tax Act, the City's Lodgers' Tax Ordinance, adopted City policy, and the City's annual or periodic allocation process. It is intended to ensure that all Lodgers' Tax expenditures are reviewed, approved, documented, reimbursed, and reported in a manner consistent with the law and with the tourism purpose of the fund.

19.2 Guiding Operating Principle

The primary purpose of Lodgers' Tax funding is to support tourism by attracting and retaining visitors to Truth or Consequences, with particular emphasis on overnight visitation. The strongest and most supportable use of Lodgers' Tax dollars is for advertising, publicizing, and promoting tourist-related attractions, facilities, and events, along with other uses specifically authorized by law.

All parties involved in the administration of Lodgers' Tax funds shall evaluate proposed expenditures using the following operating standard:

Would a reasonable reviewer conclude that the proposed use is directly connected to tourism promotion, a tourist-related facility, attraction, event, or another use clearly authorized by law, and not merely a general operating cost of an organization or the City?

19.3 Administrative Roles

A. City Commission. The City Commission retains final authority for Lodgers' Tax allocations, contracts, and expenditure approvals as required by law and City policy.

B. Lodgers' Tax Advisory Board. The Lodgers' Tax Advisory Board reviews applications, considers requests, evaluates tourism benefit, and makes recommendations to the City Commission regarding proposed allocations and funding priorities. Applicants should be invited to both the Advisory Board meeting and the Commission meeting where allocations are considered.

C. ~~City Manager or designee (Clerk).~~ The City Manager or Designee ~~Clerk's~~ Office shall provide administrative oversight of the Lodgers' Tax program, including review of reimbursement requests, compliance oversight, and coordination with the ~~Clerk's Office~~ and Finance.

D. City Clerk. The City Clerk's Office shall assist with official filing, deadline tracking, forms, records, and processing support, including submission intake and quarterly reporting administration.

E. Finance Staff or Designee. Finance staff or other designated staff shall assist with payment processing, account tracking, reporting, and records review as assigned.

F. Contractor or Funding Recipient. Each funding recipient is responsible for complying with the grant agreement, approved scope of work, reimbursement requirements, deadlines, and recordkeeping obligations.

19.4 Annual Funding Cycle

A. Notice of Funding Availability. The annual application cycle should normally begin in March or April, using public notice methods such as the City website and local newspapers. The application cycle is available throughout the course of the fiscal year.

B. Application Period. Applications shall be accepted during the officially published application window. The City may establish and publish the opening date, submission deadline, required forms, documentation checklist, and any required applicant meeting or orientation. Applications may be accepted throughout the fiscal year. However, applications received after March may not receive the full amount requested due to available funding limitations.

C. Deadline. Applications for ~~annual~~ funding must be completed and submitted by the published deadline. The deadline is final for ~~annual~~ applications unless the city expressly authorizes a different process. Additional applications may be considered on a case-by-case basis upon request.

D. Review and Recommendation. Applications shall be reviewed for completeness by staff and then forwarded to the Lodgers' Tax Advisory Board for recommendation. After the Board's recommendation, the City Commission shall review applications and determine allocations at a regular Commission meeting.

19.5 Application Requirements

To be eligible for consideration, an applicant shall submit a complete application packet. At a minimum, the following items should be required:

1. A fully completed and signed application.
2. Proof of nonprofit status, if required by City policy, including IRS documentation and Office of the Secretary of State documentation or online verification.
3. The applicant's prior year audit report or, if no audit exists, an internal or informal financial statement.
4. A proposed tourism-related scope of work.
5. A proposed budget identifying the intended use of Lodgers' Tax funds.
6. Contact information for the organization's authorized representative.
7. Any additional documentation required by the City.

The City may reject incomplete applications. The handbook should state clearly that an application missing required documentation is not eligible for funding consideration unless the City expressly authorizes a cure period.

19.6 Application Evaluation Standards

All applications should be evaluated using both legal eligibility and practical tourism value. At a minimum, the following questions should be considered:

1. Is the request authorized by the Lodgers' Tax Act and City ordinance?

2. Does the request clearly support tourism or visitor activity?
3. Is the request likely to promote overnight stays?
4. Is the request tied to advertising, publicizing, and promoting, or another legally authorized use?
5. Can the tourism benefit be described and documented?
6. Is the budget specific and reasonable?
7. Does the applicant demonstrate the capacity to manage public funds and comply with reimbursement requirements?
8. Does the request align with the City's Lodgers' Tax priorities?

19.7 Award and Allocation Process

After reviewing applications, the Lodgers' Tax Advisory Board shall forward recommendations to the City Commission. The City Commission may approve, deny, modify, or condition any recommendation.

Funding approval should identify the recipient name, approved amount, funding purpose, approved scope of work, funding term, and any special conditions. No award shall be considered final until approved by the City Commission and documented through the City's required agreement process.

19.8 Grant Agreement Requirements

Every award should be governed by a written grant agreement or contract that includes, at minimum:

1. The legal name of the contractor or recipient.
2. The approved funding amount.
3. The term of the agreement.
4. The approved scope of work as an exhibit.
5. A statement that Lodgers' Tax funds may be spent only in the approved manner.
6. Reimbursement procedures.
7. Reporting requirements.
8. Record retention requirements.
9. Audit and inspection rights.
10. Deadline requirements.
11. Default and repayment provisions.
12. Signature authority provisions.

Each contractor shall designate a representative and an alternate to serve as the point of contact and authorized representative to spend funds. That representative may be called upon to attend Lodgers' Tax meetings or meet with City staff regarding activities or submittals.

19.9 Scope of Work Control

The approved application and budget shall become the controlling Scope of Work for expenditure review. No reimbursement shall be made for costs outside the approved scope of work unless formally amended or otherwise approved by the City.

The purpose of this rule is straightforward: approved funds may only be spent in the manner approved. If an organization wishes to modify its budget categories, media plan, or project scope, it should submit a written request before incurring the cost whenever possible.

19.10 Advertising and Promotion Standards

A. Core Tourism Standard. Advertising and promotion funded with Lodgers' Tax should be designed to attract out-of-area visitors to Truth or Consequences and encourage overnight stays.

B. Geographic Targeting. As a matter of City operating policy, the City may require that a substantial majority of paid advertising be directed outside Sierra County unless a different mix is justified in writing and approved. The current clerk process materials reflect a 75 percent outside-Sierra-County expectation for paid advertising.

C. Required Acknowledgment. Where practical and appropriate, advertisements funded in whole or in part with Lodgers' Tax should acknowledge City support. For example, radio ads should include the phrase 'Paid in part by Truth or Consequences Lodgers' Tax.'

D. Documentation. Advertising reimbursements must be supported by documentation showing that the ad actually ran or was produced, such as scripts, tear sheets, screenshots, placement confirmations, invoices, and similar records.

E. Band Promotion Responsibility. Any band hired using Lodgers' Tax funding shall be responsible for planning, coordinating, and carrying out its own advertising and promotion. City approval or funding does not obligate the City or applicant to promote the band or its performance.

19.11 Reimbursement System

A. Reimbursement Method. Lodgers' Tax funding should generally operate on a reimbursement basis unless the City expressly authorizes a different payment structure.

B. City Review. The City determines which expenditures are allowable and whether they are in compliance with the purpose of the contract. If determined to be an eligible purchase, the City will reimburse the contractor.

C. Rejected Requests. Rejected payments may be submitted to the Lodgers' Tax Advisory Board for consideration and recommendation for submission to the City Commission.

D. Standard Rule. No reimbursement shall be made unless the expense is within the approved scope of work, is legally eligible, is properly documented, is timely submitted, and is approved through the City's review process.

E. No reimbursement shall have a sponsorship with a value greater than the amount awarded by lodgers tax.

19.12 Reimbursement Submission Requirements

The handbook should require the following submission standards:

1. All invoices must be presented to the City Clerks Office for review and approval.

2. All funds must be spent and invoices submitted by the published final deadline.
3. Under the current operating practice reflected in the clerk materials, invoices are to be turned in to the City Clerk's Office no later than the last business day in May.
4. Invoices submitted after the deadline will not be paid unless the City formally authorizes an exception.
5. For advertisements or publications, the contractor must provide an electronic or printed tear sheet or similar proof of placement or publication.
6. If invoice amounts, checks, or reimbursement forms do not match, the request must include a written explanation.
7. Requests must be submitted in writing on the City's required form.

19.13 Examples of Eligible Costs

Eligible costs may include, when properly approved and documented:

1. Media placement for print, electronic, web, internet, outdoor, kiosk, billboard, and similar advertising.
2. Printing and distribution of promotional materials such as brochures, posters, media packets, and visitor materials.
3. Conference registration fees and booth rental when clearly tied to the organization's tourism marketing plan.
4. Video or digital promotional production that supports tourism marketing and is not produced for sale.
5. Mailing lists for targeted tourism marketing.
6. Sales missions and trade show participation when part of a destination marketing plan.
7. Production costs for ads, brochures, website development, website hosting, photography, rendered art, typesetting, and similar promotional content.
8. Fulfillment shipping costs related to visitor information requests.
9. Public relations services related to tourism promotion.
10. Promotional items, if allowed by City policy and limited appropriately, when used as tourism promotion tools and not for resale.

11. Entertainment with good online and digital presents.

19.14 Examples of Ineligible Costs

Ineligible costs generally include:

1. Advertising agency commissions, unless expressly authorized by law and contract.
2. General office supplies and envelopes.
3. Telephone and general communication expenses not specifically tied to an eligible activity.

4. Salaries, overhead, meals, beverages, taxes, and similar administrative costs unless they are directly authorized and directly incurred for the approved purpose under law.
5. Items produced for sale.
6. Equipment purchases and furnishings, unless specifically allowable under a separate authorized facility or improvement category and approved by the City.
7. Any cost not included in the approved scope of work.
8. Any cost that primarily benefits local operations rather than tourism.
9. Any expenditures accrued prior City Commission approval.

19.15 Contractor Responsibilities

Each contractor or recipient shall be responsible for:

1. Keeping a running balance of awarded, spent, and remaining Lodgers' Tax funds.
2. Assigning a signatory authority and responsible financial representative.
3. Signing all reimbursement requests and payment forms.
4. Using the City's required reimbursement forms.
5. Providing the proper remit-to mailing information.
6. Maintaining complete records for all expenditures.
7. Cooperating with City requests for information, clarification, or attendance at meetings.
8. Using funds only for the approved purpose.
10. If the recipient is a band, independently planning, coordinating, and carrying out all advertising and promotion for its funded performance or activity.
11. Returning any disallowed or improperly paid amount if required.

19.16 Quarterly Work and Spending Reports

~~Contractors shall submit quarterly work and spending reports as part of ongoing grant compliance. These reports are used to gauge activity, document progress, and ensure compliance with the grant agreement.~~

~~Reports are due by the fifteenth day of the month following the close of each quarter. The quarter schedule should be administered as follows:~~

- ~~1. First quarter: July, August, and September; report due by October 15.~~
- ~~2. Second quarter: October, November, and December; report due by January 15.~~
- ~~3. Third quarter: January, February, and March; report due by April 15.~~
- ~~4. Fourth quarter: April, May, and June; report due by July 15.~~

Contractors shall submit 90 day in person work and spending reports as part of ongoing grant compliance. These reports are used to gauge activity, document progress, and ensure compliance with the grant agreement.

Reports may be submitted by email to torcclerk@torcnm.gov. A report must be submitted even if no work has been done, together with an explanation of why work has not begun or why no activity occurred during the reporting period.

Failure to report may affect future grant funding requests, including when there has been no activity. Contractors are expected to submit all required reports by the due date and remain in compliance throughout the funding cycle.

19.17 Recordkeeping and Audit Readiness

Every funded organization shall maintain complete records sufficient to demonstrate what was purchased, when it was purchased, how much was paid, how it was paid, how the purchase matched the approved scope of work, and what tourism purpose the expenditure served.

Records should include invoices, receipts, proofs of payment, advertisements, scripts, tear sheets, screenshots, contracts, attendance records, quarterly reports, and any other supporting material relevant to the expenditure.

19.18 Appeals and Special Review

If a reimbursement request is denied, the contractor may request further review through the Lodgers' Tax Advisory Board process and, where applicable, City Commission review, consistent with City procedure.

An appeal is not an automatic right to payment. It is a request for reconsideration based on the record, the agreement, and the law.

19.19 Year-End Closeout

At the end of each funding cycle, all reimbursement requests must be submitted by the published final deadline, all supporting documentation must be complete, unused balances shall expire unless otherwise authorized by the City, the City shall reconcile payments against awards, and recipients may be required to submit a final report summarizing activities, outcomes, and tourism benefit.

19.20 Operating Rule of Construction

This Chapter shall be read in harmony with the Lodgers' Tax Act, the City's Lodgers' Tax Ordinance, the applicable resolution or allocation action of the City Commission, the grant agreement, and all other handbook provisions.

If any provision of this Chapter conflicts with state law, City ordinance, or the executed agreement, the higher authority shall control.

Chapter 20

Lodgers' Tax Branding Standards

20.1 Purpose

This Chapter establishes the official branding standards for the Truth or Consequences Lodgers' Tax program. The purpose of this section is to ensure that advertising, promotional materials, and other public-facing deliverables funded in whole or in part with Lodgers' Tax dollars carry a consistent visual identity and clear acknowledgment of program support.

20.2 Branding Objective

The Lodgers' Tax brand is intended to create a recognizable public connection between funded tourism activities and the City's visitor promotion effort. The brand should be used in a way that supports consistency, professionalism, and public awareness that Lodgers' Tax revenues are being used to promote Truth or Consequences as a tourism destination.

20.3 Approved Lodgers' Tax Brand Mark

The official Lodgers' Tax brand mark shall be the logo approved by the City for Lodgers' Tax allocation purposes. The approved logo shall be obtained from the City Clerk's Office and used only in its authorized form.



20.4 Required Use of Brand

Print media, television advertisements, billboards, radio advertisements, and online advertisements paid for from Lodgers' Tax monies shall include the approved Lodgers' Tax logo and/or the approved acknowledgment phrase. This requirement applies to contractor advertising and other funded promotional materials unless a specific exception is approved by the City.

20.5 Required Acknowledgment Language

Where the logo is not used, or where additional sponsor acknowledgment is appropriate, the following phrase shall be used:

Paid in part by Truth or Consequences Lodgers' Tax. *There is no legal reference to a required branding or label to identify lodgers tax.*

20.6 Logo Control and Distribution

The City Clerk's Office shall serve as the official source for the Lodgers' Tax branding logo. Contractors, grant recipients, and funded partners shall request the approved file from the City Clerk's Office and shall not recreate, alter, or substitute unofficial versions of the logo. The branding sheet directs users to the City Clerk's Office at torcclerk@torcnm.gov for branding coordination.

20.7 Branding Use Standards

The Lodgers' Tax logo shall be used in a clear and professional manner. Unless otherwise approved by the City:

1. the logo shall not be stretched, condensed, distorted, or rearranged;
2. the logo colors and basic design shall not be altered;
3. the logo shall not be placed in a way that makes it unreadable or obscures its appearance;
4. the logo shall be placed where it is reasonably visible to the public in the normal viewing experience of the ad, publication, or promotional piece; and
5. the logo shall be used only in connection with Lodgers' Tax-funded activities, promotions, or acknowledgments.

20.8 Small-Item Exception

Exceptions may be made regarding use of the branding logo on small promotional items where size or production limitations make the logo impractical, including items such as small pens or small key rings. Any such exception should be approved in advance by the City and documented in the project file.

20.9 Administrative Review

As part of reimbursement review or contract compliance, the City may require a contractor or funding recipient to submit copies, screenshots, proofs, mockups, or samples showing use of the required logo or acknowledgment language before payment is approved.

20.10 Noncompliance

Failure to use the required branding, when applicable, may be treated as a contract compliance issue and may affect reimbursement, future funding consideration, or both, unless the City determines that an exception was justified or that the omission was minor and promptly corrected.



CITY OF TRUTH OR CONSEQUENCES

AGENDA REQUEST FORM

MEETING DATE: August 28, 2026

Agenda Item #: G.4

SUBJECT: Resolution Declaring a Local Disaster Emergency

DEPARTMENT: Governing Body

DATE SUBMITTED: August 21, 2026

SUBMITTED BY: Johanna Muñoz, Executive Assistant

WHO WILL PRESENT THE ITEM: Mayor Rolf Hechler

Summary/Background:

Elephant Butte Reservoir has declined to approximately 1.4% of conservation storage capacity, severely impacting the City's tourism-based economy, public safety, and recreational access. Sierra County and the City of Elephant Butte have adopted similar disaster declarations. This resolution declares a Local Disaster Emergency for the City and requests state and federal assistance.

Recommendation: Approval of Resolution declaring a Local Disaster Emergency due to historically low water levels at Elephant Butte Reservoir.

Attachments:

- Resolution Declaring a Local Disaster Emergency

-

Fiscal Impact (Finance): No

-

Legal Review (City Attorney): Choose an item.

-

Approved For Submittal By: ☐ Department Director

Reviewed by: ☐ City Clerk ☐ Finance ☒ Legal ☒ Other: City Manager

Final Approval: ☐ City Manager

CITY CLERK'S USE ONLY - COMMISSION ACTION TAKEN

Resolution No. [Click here to enter text.](#) Ordinance No. -

Continued To: - Referred To: -

☐ Approved ☐ Denied ☐ Other: -

File Name: CC agendas 8-28-26



CITY OF TRUTH OR CONSEQUENCES
RESOLUTION NO. 18 26/27

**DECLARING A LOCAL DISASTER EMERGENCY DUE TO THE HISTORICALLY
LOW WATER LEVELS AT ELEPHANT BUTTE RESERVOIR**

WHEREAS, the City Commission of the City of Truth or Consequences met upon notice of a duly noticed regular City Commission Meeting on August 28, 2026, at 9 A.M. in the City of Truth or Consequences Commission Chambers at, 405 West 3rd Street, Truth or Consequences, NM 87901; and

WHEREAS, pursuant to NMSA 1978, Section 3-18-1, a municipality is established as a body politic and corporate, and its powers are exercised by its City Commission; and,

WHEREAS, NMSA 1978, Section 3-18-1 grants cities those powers necessary and proper to preserve the public health, safety, prosperity, comfort, and welfare of their inhabitants; and,

WHEREAS, the All-Hazard Emergency Management Act, NMSA 1978, Sections 12-10-1 through 12-10-10, authorizes local governments to declare local disaster emergencies whenever the occurrence or imminent threat of widespread or severe damage, injury, loss of life, property damage, or economic disruption exceeds local capabilities; and,

WHEREAS, the City Commission of the City of Truth or Consequences recognizes that Elephant Butte Reservoir serves as a major economic, recreational, environmental, and cultural resource for the region; and,

WHEREAS, the local economy of Truth or Consequences benefits substantially from tourism, outdoor recreation, lodging, restaurants, retail commerce, and related business activity generated by visitors to Elephant Butte Reservoir and Elephant Butte Lake State Park; and,

WHEREAS, historically low water levels at Elephant Butte Reservoir have significantly reduced recreational opportunities and access to reservoir resources; and,

WHEREAS, these conditions have caused or are expected to cause substantial economic impacts to local businesses, reductions in tourism-related revenues, decreased gross receipts tax collections, and adverse impacts to employment within the City; and,

WHEREAS, declining reservoir levels have exposed debris, hazardous materials, abandoned structures, and other public safety concerns requiring assessment, mitigation, and potential cleanup efforts; and,

WHEREAS, continued deterioration of reservoir conditions threatens the economic well-being of residents, businesses, and local governments throughout the region; and,

WHEREAS, the City Commission finds that these extraordinary circumstances exceed the City's ability to effectively address the impacts without assistance from state and federal agencies;

NOW, THEREFORE, BE IT RESOLVED that the City Commission of the City of Truth or Consequences hereby declares that the historically low water levels of Elephant Butte Reservoir constitute a Local Disaster Emergency affecting the economy, welfare, public safety, and quality of life of the City and its residents.

BE IT FURTHER RESOLVED that the City authorizes the use of available municipal personnel, resources, and equipment as necessary to respond to and mitigate impacts associated with this disaster.

BE IT FURTHER RESOLVED that the City requests the Governor of the State of New Mexico recognize this disaster emergency and make available all applicable state assistance, technical support, infrastructure funding, economic recovery resources, and emergency management assistance.

BE IT FURTHER RESOLVED that the City supports requests for available federal assistance and funding to address economic recovery, tourism impacts, environmental restoration, public safety concerns, and infrastructure needs associated with the declining reservoir levels.

BE IT FURTHER RESOLVED that the City specifically requests assistance for:

- Economic recovery programs for local businesses affected by reduced tourism and recreation activity;
- Tourism promotion and recovery initiatives;
- Removal of hazardous debris and protection of public safety;
- Assessment and restoration of recreation-related infrastructure;
- Infrastructure improvements supporting economic diversification and visitor access;
- Technical assistance and grant funding from state and federal agencies; and
- Any other available resources necessary to protect the public welfare and economic stability of the City.

PASSED, APPROVED, AND ADOPTED this ____ day of _____, 2026.

CITY OF TRUTH OR CONSEQUENCES

Rolf Hechler, Mayor

ATTEST:

Angela Torres, City Clerk



Sierra
County
New Mexico

Sierra County Economic & Tourism Indicators

2023–2026

About the Data

Total GRT

NM TRD RP-500 entity-level Total Distributed.
January–June 2023–2026.

Industry GRT

NM TRD RP-500 industry Recipient Due.
January–June for tourism-sensitive categories.

Lodgers' Tax

Receipt/posting month for TorC, Sierra County and Williamsburg.
Elephant Butte uses its reported Period/Year field.

Reservoir

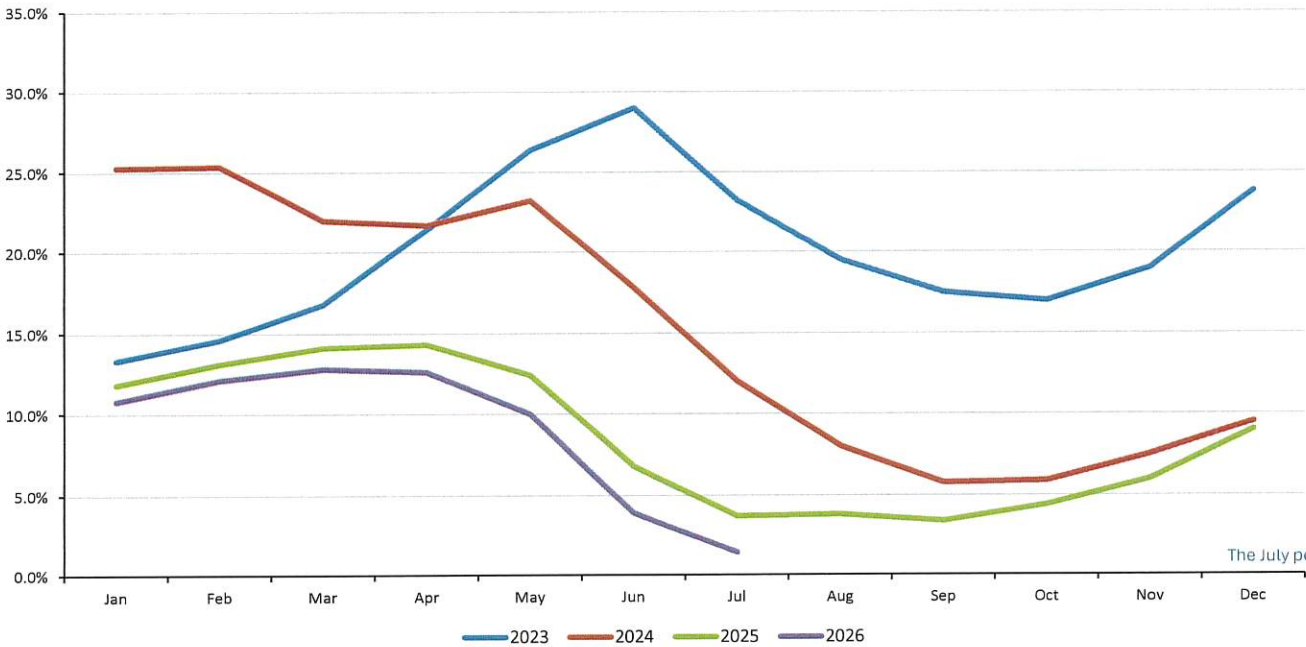
End-of-month percent full.
Monthly series through July 2026.

Labor & Visitation

Labor: NMDWS/BLS LAUS, January–June 2026. | State Park visitation: selected major-holiday visitor counts reported by State Parks and local/news sources.

Elephant Butte Reservoir: Percent Full

Monthly end-of-month percent full. 2026 series now includes validated June 30 and July 31 readings.



1.4%

July 31, 2026

2026 fell from 10.0% full at the end of May to 3.9% on June 30 and 1.4% on July 31.

The July point is now part of the monthly series, so the chart and callout use the same

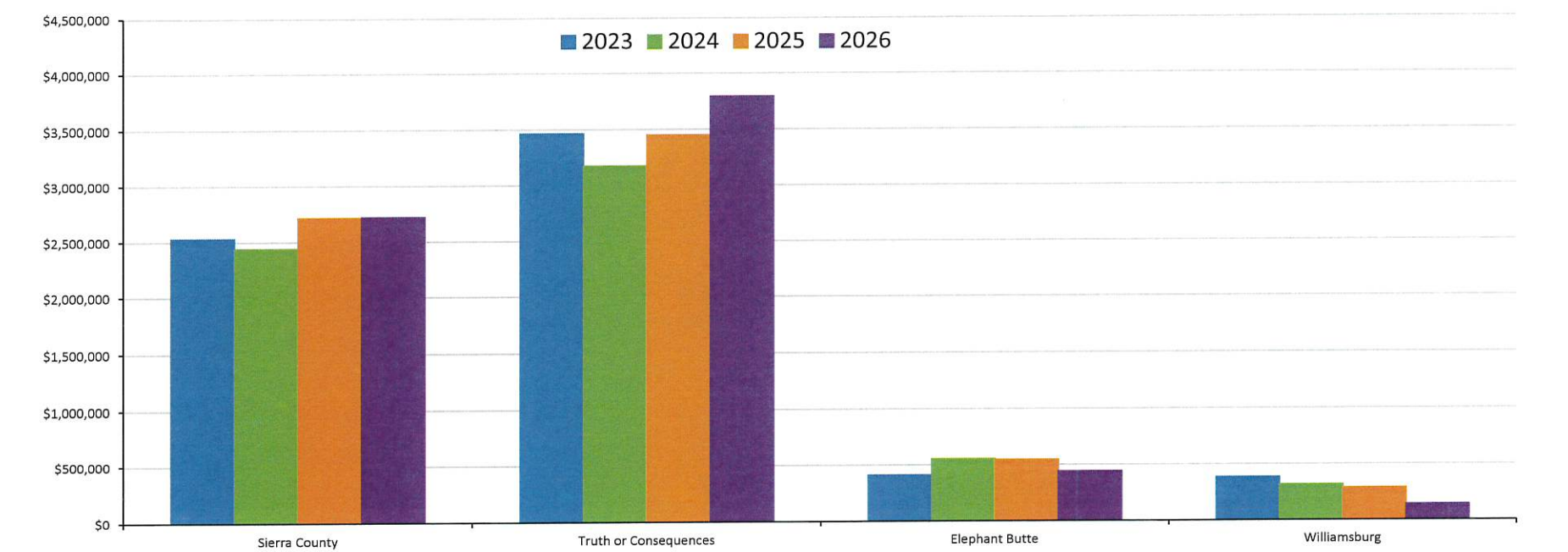
Elephant Butte: Major Holiday Visitation

Available holiday visitor counts show that Elephant Butte continues to draw large crowds, while comparable 2026 holidays show lower visitation.



Regional Total GRT by Entity

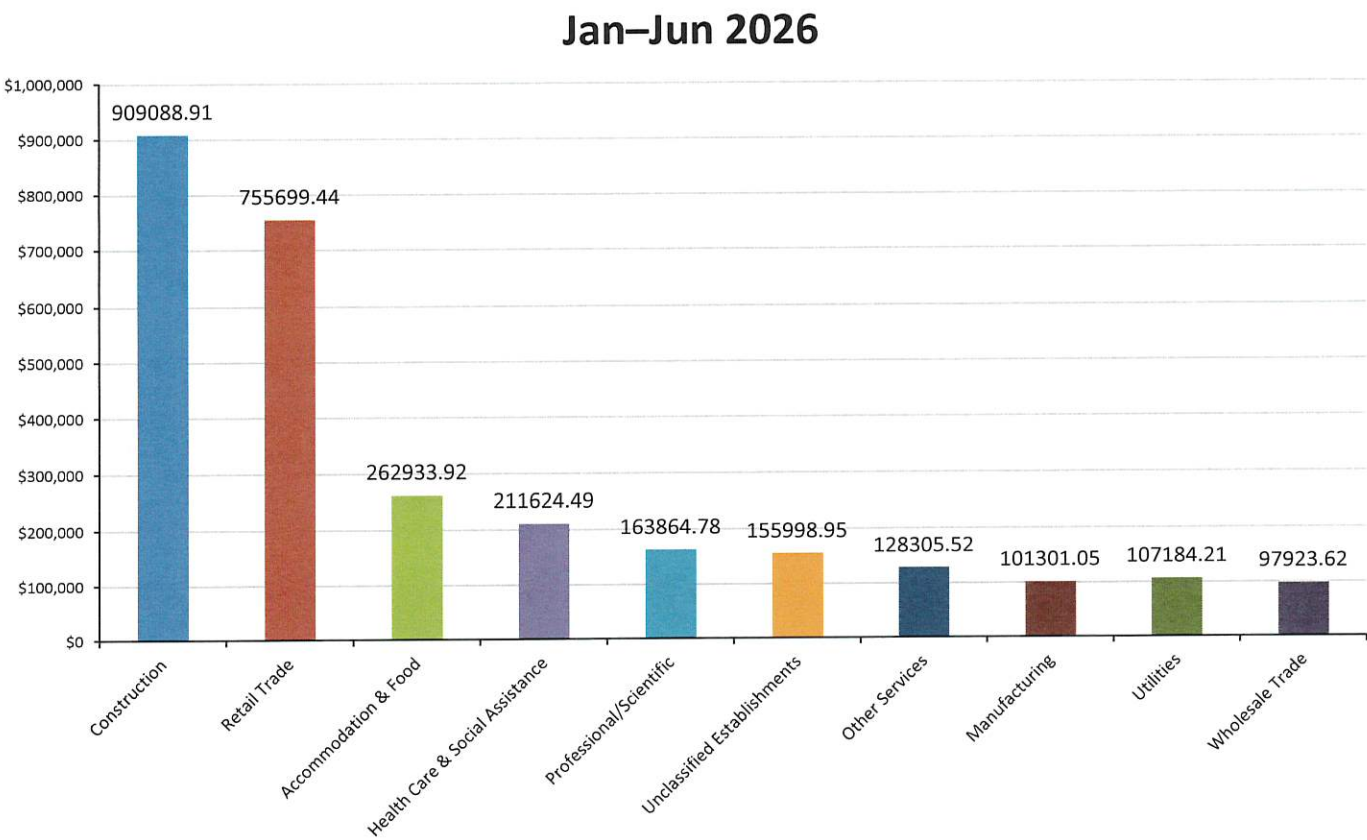
January–June total GRT distributed to each local government. Same six-month window for 2023–2026.



Source: NM TRD RP-500, entity-level Total Distributed.

Sierra County: Full GRT Picture

January–June 2026 industry distribution. This is Sierra County jurisdiction only, not the municipalities.



\$909,089

Construction, Jan–Jun 2026

Why look beyond total GRT?

Construction and other sectors can support overall governmental GRT even when visitor-sensitive sectors are moving differently. Total GRT does not describe every business sector.

What Is Included in Tourism-Sensitive GRT?

Broad industry categories used as indicators of visitor-related activity. They are not tourism-only revenue.

Accommodation & Food Services

- Hotels, motels, inns and lodging
- Restaurants and food service
- Fast food, coffee shops and bars

Strong visitor-spending indicator, but residents spend here too.

Arts, Entertainment & Recreation

- Marinas and recreation businesses
- Sports/recreation facilities
- Attractions and entertainment

Smaller category, but closely tied to recreation and leisure.

Retail Trade

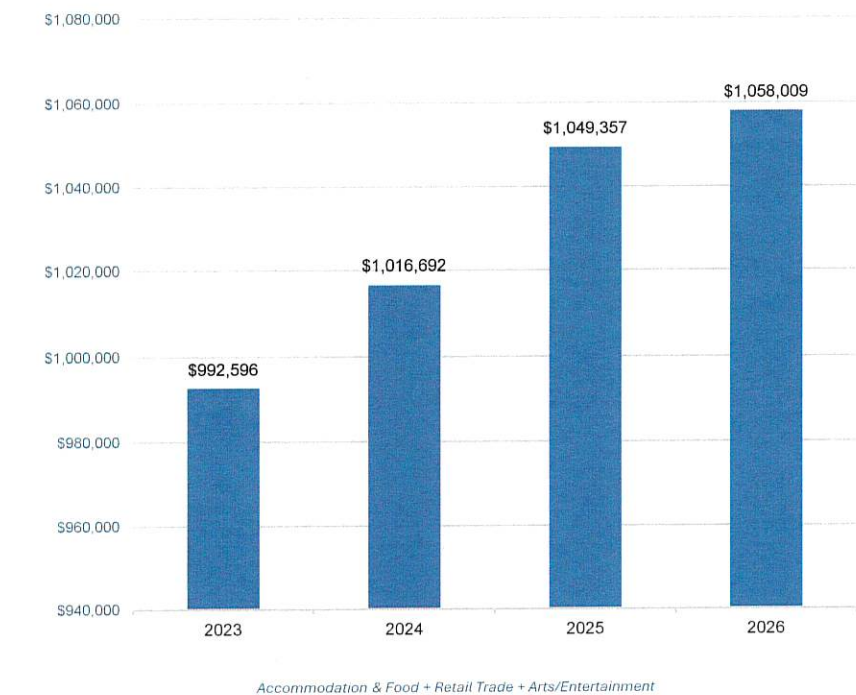
- Grocery and convenience stores
- Sporting/recreation-related retail
- General merchandise and other stores

Tourism-sensitive, not tourism-specific.

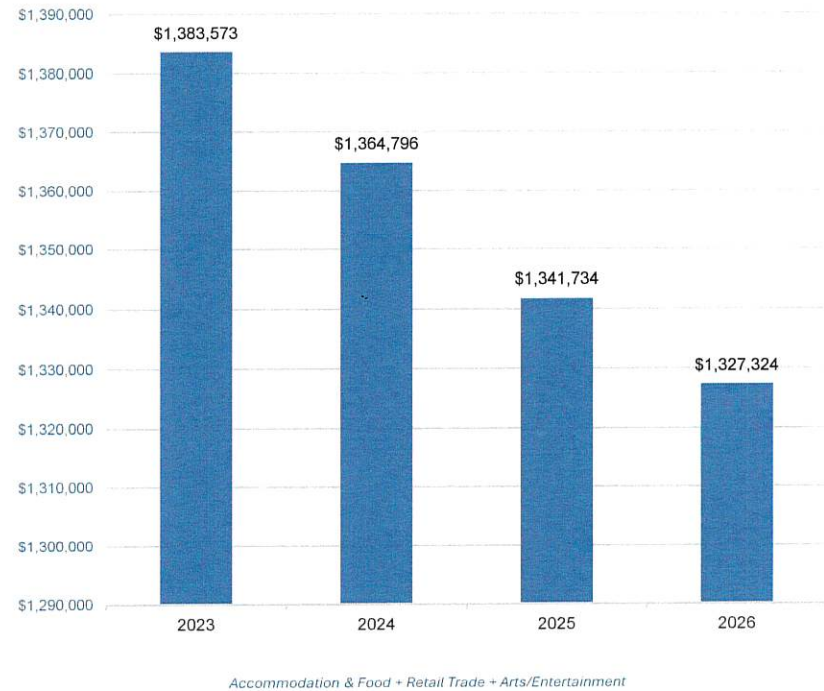
Tourism-Sensitive GRT Year-over-Year

January–June totals, 2023–2026. Each chart shows the combined total of Accommodation/Food, Retail Trade, and Arts/Entertainment.

Sierra County



Truth or Consequences

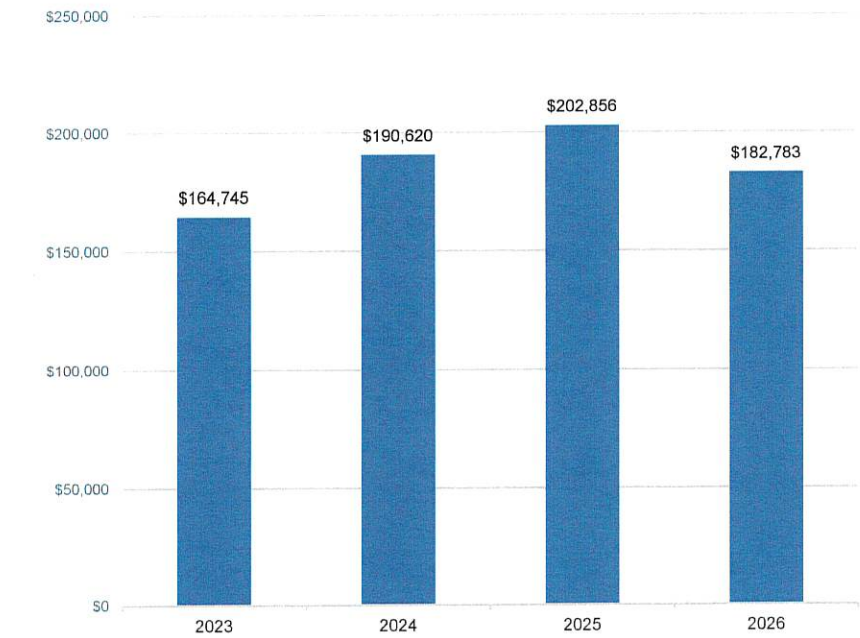


Source: NM TRD RP-500 GRT-INDUSTRY, Recipient Due; Jan–Jun business activity months. Suppressed values are excluded, not treated as zero.

Tourism-Sensitive GRT Year-over-Year

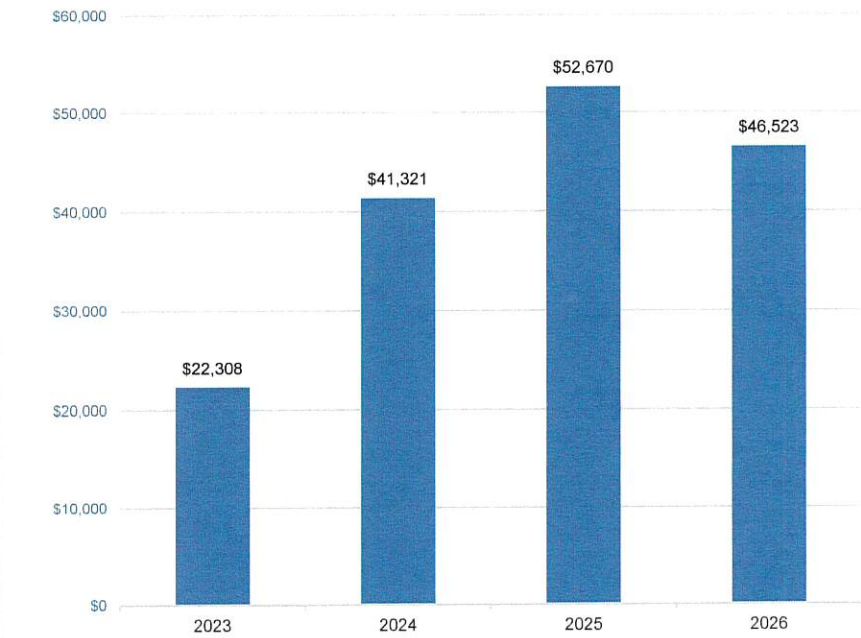
January–June totals, 2023–2026. Smaller jurisdictions are shown separately so the scale is readable.

Elephant Butte



Tourism-sensitive GRT total, Jan–Jun business activity months

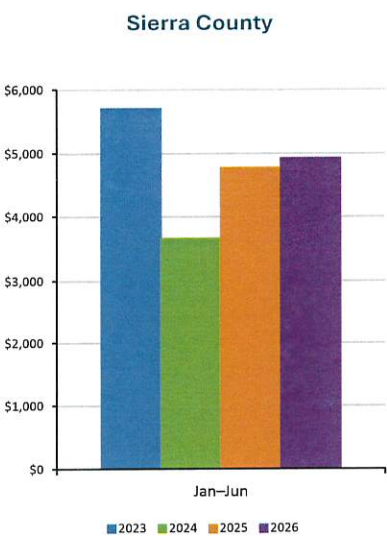
Williamsburg



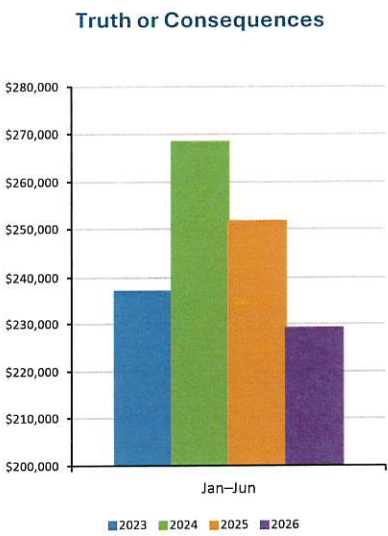
Suppressed industry values are excluded, not treated as zero

Lodgers' Tax Trends Across Sierra County

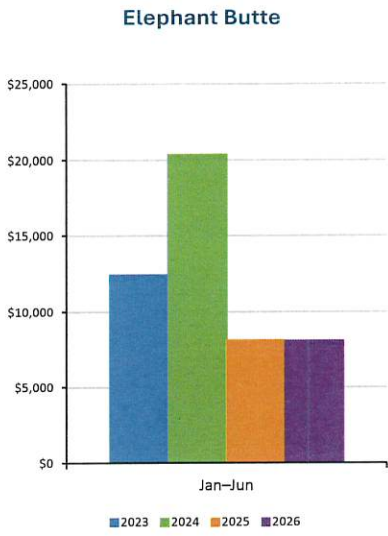
January–June totals, 2023–2026.



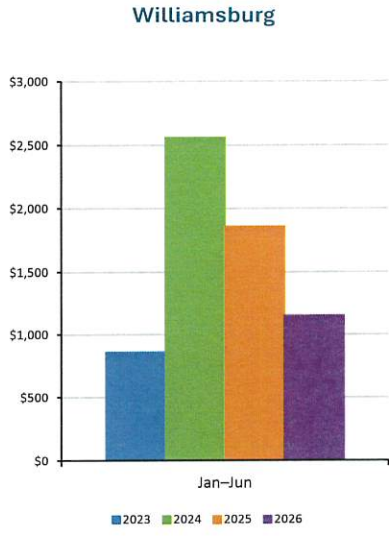
2024 → 2026: +\$1,279 (+35.0%)



2024 → 2026: -\$39,354 (-14.7%)



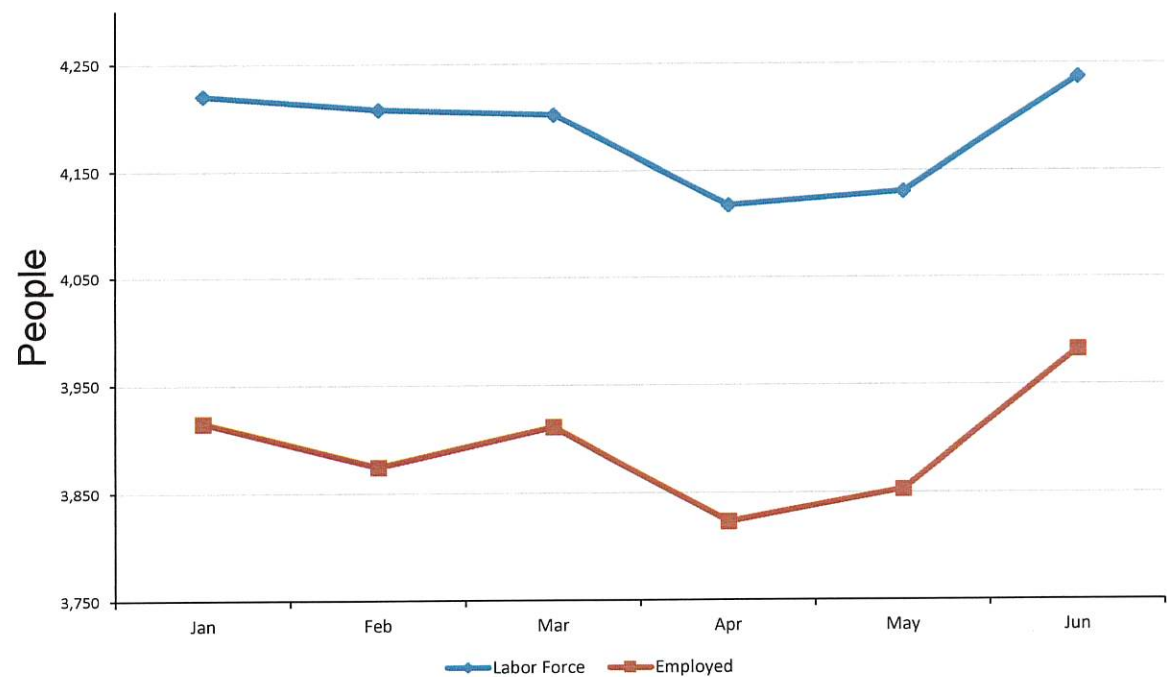
2024 → 2026: -\$12,310 (-60.4%)



2024 → 2026: -\$1,409 (-55.1%)

Sierra County Labor Market: January–June 2026

Monthly LAUS counts, not seasonally adjusted. Labor Force = Employed + Unemployed.



Unemployment rate declined from a February peak of 7.9% to 6.0% in June.

June 2026 snapshot

Labor force	Employed	Unemployed
4,237	3,982	255
Unemployment rate: 6.0%		

January → June change

Labor force	+17
Employed	+67
Unemployed	-50
Rate: 7.2% → 6.0%	

Key read: The labor market showed early-2026 stress, but June improved: labor force and employment increased while unemployment declined.

What the Data Show

- 1 Overall governmental GRT remains relatively strong, supported in part by Construction, even while some visitor-sensitive indicators show weakness.
- 2 Lodgers' Tax shows the clearest weakness: Jan–Jun 2026 is 14.7% below 2024 in TorC and 60.4% below 2024 in Elephant Butte.
- 3 Tourism-sensitive GRT is mixed by entity and industry; broad Retail Trade is an indicator of visitor activity, not tourism-only spending.
- 4 Labor conditions weakened early in 2026 but improved by June. Reservoir levels provide important context, but these indicators do not establish causation.

Next step: continue updating GRT, Lodgers' Tax, labor-market, State Park visitation and business-license indicators as new data become available.