



LEGAL COMMITTEE MEETING AGENDA  
**Thursday, June 27, 2019 at 4:00 PM**  
City Hall Conference Room  
425 N. Richardson, Roswell, NM 88201

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Chair: Judy Stubbs, Ward 3  
Vice Chair: Barry Foster, Ward 5  
Members: George Peterson, Ward 4  
Savino Sanchez, Ward 4  
Staff Liason: Aaron Holloman

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CALL TO ORDER

ROLL CALL

APPROVAL OF AGENDA

APPROVAL OF MINUTES

Approval of the minutes from the Legal Committee meeting on **May 23, 2019**. *(page 3)*

REGULAR ITEMS

1. To recommend to full Council that the following RIAC agreements to existing leases be placed on the Consent agenda for approval: *(page 6)*
  - (A) EAN Holdings, LLC - Consider approval to authorize EAN Holdings, LLC, a Delaware Limited Liability Corporation, to renew their current lease agreement on counter space in Building No. 1 and 10 parking slots on the east side of the Terminal. *(page 9)*
  - (B) J&S Mechanical, LLC - Consider approval to authorize J&S Mechanical, LLC, a New Mexico Limited Liability Corporation, to renew their current lease agreement on Building No. 61 and the fenced area surrounding the building. *(page 10)*
  - (C) HomeTech Improvements, LLC - Consider approval to authorize HomeTech Improvements, LLC, a New Mexico Limited Liability Corporation, a new lease agreement for an office space in Building No. 1. *(page 12)*
  
2. Leprino Foods Company Industrial Revenue Bond Documentation - Consider and review Bond Ordinance and attendant documentation for issuance of Leprino Food Company industrial revenue bonds. *(page 14)*

CHAIR COMMENTS, REPORTS, ANNOUNCEMENTS

PUBLIC PARTICIPATION

ADJOURN

Notice of this meeting has been given to the public in compliance with Sections 10-15-1 through 10-15-4 NMSA 1978 and Resolution 19-37.

NOTICE OF POTENTIAL QUORUM – A quorum of the City Council may or may not attend, but there will not be debate by the City Council. The Council, acting as attendees to an informational presentation, will not be discussing public business and no action will be taken.

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 Human Resources at 575-624-6700 at least one 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 at 575-624-6700 if a summary or other type of accessible format is needed.

Printed and posted: **Monday, June 24, 2019**

**Regular Meeting of the Legal Committee  
Held in the Conference Room at City Hall  
May 23, 2019**

Notice of this meeting was given to the public in compliance with Section 10-15-1 through 10-15-4 NMSA and Resolution 19-37.

**ROLL CALL**

The meeting convened at 4:04 p.m. with Chair Stubbs presiding, Councilors Peterson, and Foster present. Councilor Sanchez was absent.

Staff present: Mark Bleth, Scott Stark, Juan Fuentes, Joe Neeb, Mike Matthews, Sharon Coll, and Aaron Holloman.

Guests present: Alison Penn and Larry Connolly.

**APPROVAL OF AGENDA**

Councilor Foster moved to approve the May 23, 2019, Legal Committee meeting agenda to include Item No. 5, Award of RFP 19-04, from the Addendum posted on May 20, 2019. Councilor Peterson was the second. A voice vote was 3-0, and the motion passed.

**APPROVAL OF MINUTES**

Councilor Foster moved to approve the April 30, 2019 Legal Committee minutes. Councilor Peterson was the second. A voice vote was 3-0, and the motion passed.

**REGULAR ITEMS**

1. RIAC agreements-

- A. Veterinarians Outlet of NM – Mark Bleth stated that Veterinarians Outlet of NM leases a portion of the building for the purpose of soaps, sanitizers, and detergents associated with the dairy industry. 9,753 square feet. New rent amount is \$1,607 monthly; \$19,284 annually. Rent adjustment is 2.55%. Term is through June 30, 2020. Councilor Foster moved to send to full City Council on the consent agenda recommendation with Councilor Peterson as the second. A voice vote was 3-0, and the motion passed.
- B. Walker Aviation Museum Foundation – Mark Bleth stated that Walker Aviation Museum Foundation leases the office space for the purpose of operating a museum associated with the former Walker Air Force Base. 930 square feet. New rent amount is \$158 monthly; \$1,896 annually. Rent adjustment is 2.60%. Walker Aviation Museum Foundation has been a customer since July 2010. Term is through June 30, 2020. Councilor Foster moved to send to full City Council on the consent agenda recommendation with Councilor Peterson as

the second. A voice vote was 3-0, and the motion passed.

C. David L. Partain – Mark Bleth stated that David L. Partain leases the building for the purpose of aircraft storage and maintenance. 1,175 square feet. New rent amount is \$193 monthly; \$2,316 annually. Rent adjustment is 2.66%. David L. Partain has been a customer since July 2002. The Term is through June 30, 2020. Councilor Foster moved to send to full City Council on the consent agenda recommendation with Councilor Peterson as the second. A voice vote was 3-0, and the motion passed.

D. Daniels Welding Service, LLC – Mark Bleth stated that (D) Daniels Welding Service, LLC, leases the building for the purpose of operating a welding service. 1,462 square feet. Monthly rent amount is \$300; \$3,600 annually. The Term is through June 30, 2020. This item had been tabled at the April 30, 2019 Legal Committee Meeting. Mr. Bleth explained that the rationale for the rent came from looking at another “sister” site. Considering the amount of electrical upgrades the tenant was undergoing, they believed \$100 increase over sister site was justified and adequate rent. Councilor Foster moved to send to full City Council on the consent agenda recommendation with Councilor Peterson as the second. A voice vote was 3-0, and the motion passed.

2. Res. 19-XX Authorizing Mayor to accept FAA Funds – Mr. Stark stated that this is an annual resolution passed in order to allow the City apply for and receive grants for FAA funds. Councilor Foster moved to recommend approval to full City Council agenda recommendation with Councilor Peterson as the second. A voice vote was 3-0, and the motion passed.

3. Res. 19-XX Authorizing Manager to accept NM Aviation Funds - Mr. Stark stated that this is similar to the previous one allowing the City apply for and receive grants for FAA funds. Councilor Foster moved to recommend approval to full City Council agenda recommendation with Councilor Peterson as the second. A voice vote was 3-0, and the motion passed.

4. Scope of Services for RFP 19-005: Spring River Zoo Seasonal Events – Mr. Holloman presented this RFP as seeking proposals to hold events at the Spring River Zoo. The Scope provides for evaluations based on several categories including past experience, event plan, and cost. The RFP would allow the City Manager to enter negotiations with any event that scored 80 points or more, but does not preclude other events. Councilor Foster stated that he believed that the recommendation should be for anyone receiving 50% of the points to enter negotiations. After further discussion Councilor Foster moved to recommend approval of RFP 19-005 subject to the following changes:

- Page 27 Paragraph 6: Change to “any proposal receiving 50% of all possible points or greater”

- Page 28 – “Cost”: Change to “An offeror who proposes to provide the City with a plan where the City would break even may be awarded no more than half of the possible points.”
- Page 29 Paragraph B: Remove bullet point items.

Councilor Peterson was the second. A voice vote was 3-0, and the motion passed.

5. RFP 19-04 Award Recommendation – Scott Stark stated that this had been presented at a previous committee and at council to request proposals for Air Service Development Consulting Services. After evaluation the Committee was asked to consider adopting the evaluation committee’s recommendation of awarding the agreement to Mead & Hunt. Councilor Foster moved to recommend award to Council, and Councilor Peterson was the second. A voice vote was 3-0, and the motion passed.

**CHAIR COMMENTS, REPORTS, ANNOUNCEMENTS**

None

**PUBLIC PARTICIPATION**

None

**ADJOURN**

The meeting adjourned at 4:55 pm.



**AGENDA ITEM NO. 1– ABSTRACT**  
**LEGAL COMMITTEE MEETING**  
**Thursday, June 27, 2019 at 4:00 PM**  
City Hall Conference Room  
425 N. Richardson, Roswell, NM 88201

<p><b><u>RIAC LEASES:</u></b> (A) EAN Holdings, LLC (B) J&amp;S Mechanical, LLC (C) HomeTech Improvements, LLC</p>
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**ACTION REQUESTED:**

(A) Consider approval to authorize EAN Holdings, LLC, a Delaware Limited Liability Corporation, to renew their current lease agreement on counter space in Building No. 1 and 10 parking slots on the east side of the Terminal.

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**BACKGROUND:**

(A) EAN Holdings, LLC, leases the counter space and 10 parking slots for the purpose of operating a car rental agency. 128 square feet. EAN Holdings, LLC, has been a customer since May 2012.

Initiated by: Scott Stark/Mark Bleth

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**FINANCIAL CONSIDERATION:**

(A) EAN Holdings, LLC, new rent amount is \$2,034 monthly; \$24,408 annually. Rent adjustment is 9% and monthly gross revenue increased from 7.5% to 8%. Term: August 1, 2019 through July 31, 2024.

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**LEGAL REVIEW:**

The City Attorney has reviewed the leases.

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**BOARD and/or  
COMMITTEE ACTION:**

The Legal Committee is scheduled to meet on Thursday, June 27, 2019.

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**STAFF  
RECOMMENDATION:**

(A) Consider approval of a five year lease with EAN Holdings, LLC. of 10 parking spots and counter space in Building No. 1 consisting of 128 ft.<sup>2</sup> at the RIAC, for \$24,408 annually payable in 12 monthly installments of \$2,034, to be placed on the consent agenda subject to all other terms and conditions of the lease.

<b>ACTION REQUESTED:</b>	(B) Consider approval to authorize J&S Mechanical, LLC, a New Mexico Limited Liability Corporation, to renew their current lease agreement on Building No. 61 and the fenced area surrounding the building.
<b>BACKGROUND:</b>	(B) J&S Mechanical, LLC, leases the building for the purpose of storage. 1,425 square feet. J&S Mechanical, LLC, has been a customer since August 2018.  Initiated by: Scott Stark/Mark Bleth
<b>FINANCIAL CONSIDERATION:</b>	(B) J&S Mechanical, LLC, new rent amount is \$350 monthly; \$4,200 annually. Rent adjustment is 35%. Tenant has agreed to add an \$8,500 HVAC unit to the building within 120 days of the start of the lease. Term: August 1, 2019 through July 31, 2022.
<b>LEGAL REVIEW:</b>	The City Attorney has reviewed the leases.
<b>BOARD and/or COMMITTEE ACTION:</b>	The Legal Committee is scheduled to meet on Thursday, June 27, 2019.
<b>STAFF RECOMMENDATION:</b>	(B) Consider approval of a three year lease with J&S Mechanical, LLC of Building No. 61 consisting of 1,425 ft. <sup>2</sup> at the RIAC, for \$4,200 annually payable in 12 monthly installments of \$350, to be placed on the consent agenda subject to all other terms and conditions of the lease.

<b>ACTION REQUESTED:</b>	(C) Consider approval to authorize HomeTech Improvements, LLC, a New Mexico Limited Liability Corporation, a new lease agreement for an office space in Building No. 1.
<b>BACKGROUND:</b>	(C) HomeTech Improvements, LLC, leases the office space for the purpose of a business office. 100 square feet.  Initiated by: Scott Stark/Mark Bleth
<b>FINANCIAL CONSIDERATION:</b>	(C) HomeTech Improvements, LLC, rent amount is \$100 monthly; \$1,200 annually. Term: August 1, 2019 through July 31, 2020.
<b>LEGAL REVIEW:</b>	The City Attorney has reviewed the leases.
<b>BOARD and/or COMMITTEE ACTION:</b>	The Legal Committee is scheduled to meet on Thursday, June 27, 2019.
<b>STAFF RECOMMENDATION:</b>	(C) Consider approval of a one year lease with HomeTech Improvements, LLC of office space in Building No. 1 consisting of 100 ft. <sup>2</sup> at the RIAC, for \$1,200 annually payable in 12 monthly installments of \$100, to be placed on the consent agenda subject to all other terms and conditions of the lease.



## LEASE AGREEMENT

THIS LEASE executed in Roswell, New Mexico on this 11<sup>th</sup> day of July, 2019 by and between the CITY OF ROSWELL, NEW MEXICO, a municipal corporation, hereinafter "Landlord", and EAN HOLDINGS, LLC, a Delaware Limited Liability Corporation, hereinafter "Tenant".

WHEREAS Landlord has agreed to lease to Tenant the real property described below, together with the improvements thereon, in Chaves County New Mexico, and Tenant has agreed to lease said real property and improvements from Landlord;

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

1. GRANTING CLAUSE AND PREMISES. For the term, at the rent and otherwise upon the terms, provisions and conditions contained herein, Landlord hereby lets and leases unto Tenant the surface only to the following real property, together with all improvements located thereon:

**Counter space in Building No. 1 consisting of 128 square feet, more or less, and 10 parking slots on the East side of the Terminal located at the Roswell International Air Center, identified on a plat attached hereto and made a part hereof, identified and listed as Exhibit "A" (Premises).**

2. TERM. The Lease term is for five (5) years, commencing on August 1, 2019 and ending July 31, 2024 unless sooner terminated by provision hereof.

3. RENT. Tenant agrees to pay to Landlord as rent the sum of Twenty Four Thousand, Four Hundred Eight Dollars and No Cent (\$24,408.00), payable in 12 monthly installments of \$2,034.00 or eight percent (8%) of monthly gross revenue, (time and mileage charges), whichever is greater. Thereafter the rent above shall increase by 3% or CPI-Urban all cities average, whichever is greater, rounded to the nearest dollar for each year of the lease. Rent and other fees are due on the first day of each month. If Tenant fails to pay all rent and other fees due for any month by the tenth calendar day of the month that said rent and fees are due, Tenant shall pay to Landlord an additional 2% finance charge, as a penalty, each month until the full amount of that month's rent is paid. This penalty shall be immediately payable without limiting Landlord in the exercise of any other right or remedy to which it may be entitled by reason of Tenant's failure to pay rent when due. All rent shall be paid to Landlord without abatement, reduction or set off of any kind except as herein specifically provided.

4. SECURITY DEPOSIT. Tenant has paid \$2034.00 in advance as security for Tenant's full and faithful performance of all terms of this lease. This amount shall be used by Landlord at the termination of this Lease Agreement toward a. payment for rent or penalties due Landlord, b. reimbursement of the costs of cleaning and repairing damages (beyond normal wear and tear) to the Premises and c. the cost of removal of any hazardous material not properly disposed of by Tenant. Landlord shall be the sole and reasonable judge of all cleaning and

THIS LEASE executed in Roswell, New Mexico on this 11<sup>th</sup> day of July, 2019 by and between the CITY OF ROSWELL, NEW MEXICO, a municipal corporation, hereinafter designated "Landlord", and J & S MECHANICAL, A New Mexico Limited Liability Corporation, hereinafter designated as "Tenant".

WHEREAS Landlord has agreed to lease to Tenant the real property described below, together with the improvements thereon, in Chaves County New Mexico, and Tenant has agreed to lease said real property and improvements from Landlord;

NOW THEREFORE, in consideration of the mutual covenants and agreements contained herein, the parties agree as follows

Building No. 61 consisting of 1425 square feet, more or less and the fenced area surrounding the building, located at the Roswell International Air Center, identified on a plat attached hereto and made a part hereof, identified and listed as Exhibit "A" (Premises).

1. GRANTING CLAUSE AND PREMISES. For the term, at the rent and otherwise upon the terms, provisions and conditions contained herein, Landlord hereby lets and leases unto Tenant the surface only to the following real property, together with all improvements located thereon:

2. TERM. The Lease term is for three (3) years, commencing on August 1, 2019 and ending July 31, 2022 unless sooner terminated by provision hereof.

3. RENT. Tenant agrees to pay to Landlord as rent the sum of Four Thousand Two Hundred Dollars and No Cents (\$4,200.00), payable in 12 monthly installments of \$350.00. Each year thereafter rent will be increased by 3% or the latest 12 month percentage change in CPI-U, (Consumer Price Index-U, U.S. City Average) whichever is greater. Rent and other fees are due on the first day of each month. If Tenant fails to pay all rent and other fees due for any month by the tenth calendar day of the month that said rent and fees are due, Tenant shall pay to Landlord an additional 2% finance charge, as a penalty, each month until the full amount of that month's rent is paid. This penalty shall be immediately payable without limiting Landlord in the exercise of any other right or remedy to which it may be entitled by reason of Tenant's failure to pay rent when due. All rent shall be paid to Landlord without abatement, reduction or set off of any kind except as herein specifically provided.

4. SECURITY DEPOSIT. Tenant has paid \$260.00 in advance as security for Tenant's full and faithful performance of all terms of this lease. This amount shall be used by Landlord at the termination of this Lease Agreement toward a. payment for rent or penalties due Landlord, b. reimbursement of the costs of cleaning and repairing damages (beyond normal wear and tear) to the Premises and c. the cost of removal of any hazardous material not properly disposed of by Tenant. Landlord shall be the sole and reasonable judge of all cleaning and repairs required for the Premises and the amounts needed for these purposes. Upon termination or expiration of this Lease the security deposit shall first be applied to necessary cleaning and removal, repairs and the remaining balance, if any, may then be applied to rentals and penalties then owing to Landlord. Any refund of the security deposit due Tenant will be delivered or mailed in accordance with Paragraph 26 of this Agreement within 60 days after the termination of this Lease Agreement.

5. CONDITION OF PREMISES. Tenant has inspected Premises and accepts the Premises in its present condition "as is". Tenant acknowledges that any requirements for accessibility and/or public accommodation(s)

# EXHIBIT "A"



# EXHIBIT "A"

THIS LEASE executed in Roswell, New Mexico on this 11<sup>th</sup> day of July, 2019 by and between the CITY OF ROSWELL, NEW MEXICO, a municipal corporation, hereinafter "Landlord", and HOMETECH IMPROVEMENTS LLC, a New Mexico limited liability corporation, hereinafter "Tenant".

WHEREAS Landlord has agreed to lease to Tenant the real property described below, together with the improvements thereon, in Chaves County New Mexico, and Tenant has agreed to lease said real property and improvements from Landlord;

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

1. GRANTING CLAUSE AND PREMISES. For the term, at the rent and otherwise upon the terms, provisions and conditions contained herein, Landlord hereby lets and leases unto Tenant the surface only to the following real property, together with all improvements located thereon:

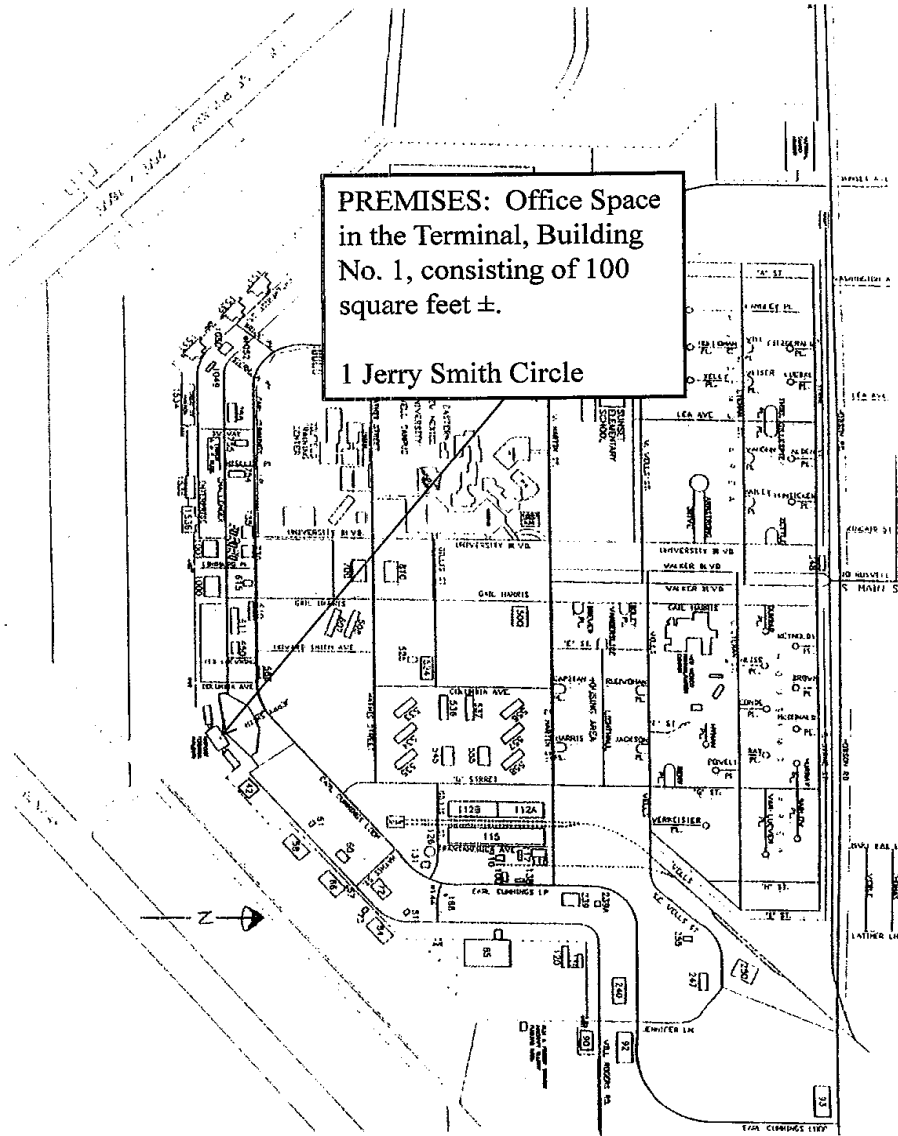
Office space in Building No. 1, the Terminal, consisting of 100 square feet, more or less, located at the Roswell International Air Center, identified on a plat attached hereto and made a part hereof, identified and listed as Exhibit "A" (Premises).

2. TERM. The Lease term is for one (1) year commencing on August 1, 2019 and ending July 31, 2020 unless sooner terminated by provision hereof.

3. RENT. Tenant agrees to pay to Landlord as rent the sum of One Thousand, Two Hundred Dollars and No Cents (\$1,200.00), payable in 12 monthly installments of \$100.00. Rent and other fees are due on the first day of each month. If Tenant fails to pay all rent and other fees due for any month by the tenth calendar day of the month that said rent and fees are due, Tenant shall pay to Landlord an additional 2% finance charge, as a penalty, each month until the full amount of that month's rent is paid. This penalty shall be immediately payable without limiting Landlord in the exercise of any other right or remedy to which it may be entitled by reason of Tenant's failure to pay rent when due. All rent shall be paid to Landlord without abatement, reduction or set off of any kind except as herein specifically provided.

4. SECURITY DEPOSIT. Tenant shall pay \$100.00 in advance as security for Tenant's full and faithful performance of all terms of this lease. This amount shall be used by Landlord at the termination of this Lease Agreement toward a. payment for rent or penalties due Landlord, b. reimbursement of the costs of cleaning and repairing damages (beyond normal wear and tear) to the Premises and c. the cost of removal of any hazardous material not properly disposed of by Tenant. Landlord shall be the sole and reasonable judge of all cleaning and repairs required for the Premises and the amounts needed for these purposes. Upon termination or expiration of this Lease the security deposit shall first be applied to necessary cleaning and removal, repairs and the remaining balance, if any, may then be applied to rentals and penalties then owing to Landlord. Any refund of the security deposit due Tenant will be delivered or mailed in accordance with Paragraph 26 of this Agreement within 60 days after the termination of this Lease Agreement.

# EXHIBIT "A"



# EXHIBIT "A"



**AGENDA ITEM NO. 2– ABSTRACT**  
**LEGAL COMMITTEE MEETING**  
**Thursday, June 27, 2019 at 4:00 PM**  
City Hall Conference Room  
425 N. Richardson, Roswell, NM 88201

Leprino Foods Company Industrial  
Revenue Bond Documentation

**ACTION REQUESTED:** Consider and review Bond Ordinance and attendant documentation for issuance of Leprino Food Company industrial revenue bonds.

**BACKGROUND:** **Initiated by: Leprino Foods, Inc./Joe Neeb**

Industrial Revenue Bonds are a mechanism by which the City can take legal title to property in order to fund bonds to provide tax benefits to further capital improvements by a private company thereby providing for local economic development. The City has issued several IRBs for Leprino Foods Company in the past. This series of bonds will fund upgrades to the current facility.

At the June 13, 2019 City Council meeting, the Council approved the inducement resolution signifying the City’s intent to issue the bonds. The Bond Ordinance, is the actual legal and financial mechanism to issue the bonds. The committee is asked to review these documents prior to the public hearing on the ordinance at the July 11, 2019 meeting.

*Following the City Council meeting on June 13, 2019, the interested parties are still finalizing the relevant documents to address some of the issues raised at the meeting and receive final input from all parties. Once those documents are in a final version they will be provided to the Committee members.*

**FINANCIAL CONSIDERATION:** n/a

**LEGAL REVIEW:** The City Attorney is involved in the legal review of these documents.

**BOARD and/or COMMITTEE ACTION:** The Legal Committee is scheduled to meet on Thursday, June 27, 2019.

**STAFF RECOMMENDATION:** Consider and review Bond Ordinance and attendant documentation for issuance of Leprino Food Company industrial revenue bonds.