

RESOLUTION NO. 1805

A RESOLUTION OF THE CITY OF ROSWELL, NEW MEXICO; APPROVING THE FORMATION OF THE ROSWELL WATER DEVELOPMENT CORPORATION; DECLARING THE ACQUISITION OF CERTAIN PROPERTIES AND WATER RIGHTS BY SAID CORPORATION TO BE FOR THE BENEFIT OF THE PEOPLE OF ROSWELL AND THE SURROUNDING AREA AND ESSENTIAL FOR THE CONTINUED AVAILABILITY OF WATER; APPROVING THE FORM OF CONTRACT PROPOSED TO BE ENTERED INTO BY SAID CORPORATION, WHEREBY SAID CORPORATION, AT THE CITY'S REQUEST, WILL ACQUIRE AND OPERATE THE PROPERTIES; APPROVING THE FORM OF LEASE AGREEMENT TO BE ENTERED INTO BY AND BETWEEN THE CITY AND THE CORPORATION FOR THE PROPERTIES; AND EXPRESSING THE INTENT OF THE CITY TO ACCEPT SUCH PROPERTIES WHEN FREE OF ALL LIENS AND CLAIMS.

WHEREAS, it is hereby determined and declared that for the benefit of the people of the City of Roswell, New Mexico, and of the surrounding area, for the increase of their commerce, welfare and prosperity, and for the improvement of their health and living conditions, it is essential that they have access to adequate sources of water; and

WHEREAS, it is hereby determined that the acquisition in or near Roswell of water, land and the appurtenant water rights is essential to the residents of the City and the surrounding area, the increase of their commerce, welfare and prosperity and the improvement of their health and living conditions; and

WHEREAS, some interested citizens of the City of Roswell have organized a not-for-profit corporation, hereinafter referred to as "the corporation," which is known as "Roswell Water Development Corporation," under the laws of the State of New Mexico for the purposes of acquiring certain real property, together with the appurtenant water rights, in or near the City, and

operating and maintaining the properties hereinafter referred to as "the water properties," on a not-for-profit basis for the purpose of insuring adequate water for the residents of the City and the surrounding area and the improvement of their health and living conditions; and

WHEREAS, there has been presented to the Council the certificate of incorporation and the by-laws of the corporation, which provides that, upon retirement of the indebtedness of the corporation hereafter described, the corporation will tender all right, title and interest of the corporation in the water properties to the City of Roswell, New Mexico, without consideration; and

WHEREAS, there has also been presented to the Council the form of the contract which the corporation proposes to enter into in order to finance the cost of acquiring the water properties, and the Lease Agreement pursuant to which the City will lease the water properties from the Corporation; and

WHEREAS, the Council has reviewed the articles of incorporation, by-laws and purchase agreement and finds nothing therein objectionable to the City, and has reviewed the lease agreement and finds it to be a proper instrument to be entered into by the City.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF ROSWELL, NEW MEXICO, that:

1. The formation of the corporation is hereby approved, including its Articles of Incorporation, its By-Laws, and the membership thereof, subject to Section 4 hereof.

2. The form of contract to be entered into to finance the acquisition of the water properties by the corporation are hereby approved, subject to Section 4 hereof.

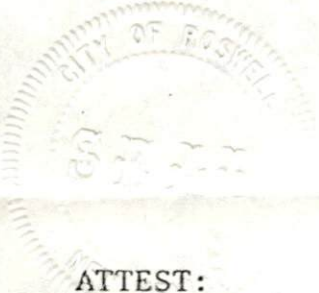
3. The formation of the corporation and its acquisition of the water properties are hereby determined and declared to be for the benefit of the people of the City and for the improvement of their health and living conditions, and essential for the continued ability of said citizens to receive water.

4. It is expressly stated that the obligations of the corporation are not a debt or liability of the City of Roswell, nor a charge against the City's taxing ability.

5. The City presently agrees to accept the water properties as a gift, free of any liens or claims of any kind or nature whatsoever, at the time the corporation tenders it to the City.

6. The form, terms and provisions of the Lease Agreement, dated April 1, 1981 (the "Lease") be and they hereby are in all respects approved and that the Mayor and City Clerk be and they hereby are authorized, empowered and directed to execute, acknowledge and deliver the Lease in the name and upon behalf of the City, and that from and after execution of the Lease, the officers, agents and employees of the City are authorized to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Lease.

PASSED, APPROVED AND ADOPTED this 31st day of March, 1981.



R C Stiles  
Mayor

ATTEST:

David L. Carter  
City Clerk