RESOLUTION NO. 2026-33

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF TUCUMCARI, NEW MEXICO, ESTABLISHING AND PLEDGING AN ANNUAL FUNDING COMMITMENT FOR SOLID WASTE FINANCIAL ASSURANCE FOR CLOSURE, POST-CLOSURE CARE, PHASE I/PHASE II ASSESSMENTS, CORRECTIVE ACTION, AND/OR DEVELOPMENT OF A NEW DISPOSAL CELL COSTS FOR THE CITY OF TUCUMCARI LANDFILL

WHEREAS, the City of Tucumcari owns and operates the City of Tucumcari Landfill and is responsible for maintaining adequate financial assurance in accordance with applicable federal and state laws, regulations, permits, and requirements of the New Mexico Environment Department;

WHEREAS, the post-closure care period of the City of Tucumcari Landfill is expected to be at least thirty (30) years;

WHEREAS, financial assurance is necessary to ensure that funds will be available for facility closure, post-closure care, Phase I/Phase II assessments, corrective action obligations, and/or development of a new disposal cell, as approved and allowed by the applicable regulatory authority;

WHEREAS, as of September 2, 2026, the City has a financial assurance account balance of TWO HUNDRED SEVENTY-EIGHT THOUSAND FOUR HUNDRED DOLLARS AND EIGHTY-FOUR CENTS ($278,400.84);

WHEREAS, the City has identified an additional funding need of THREE MILLION FIVE HUNDRED TEN THOUSAND ONE HUNDRED FIFTEEN DOLLARS ($3,510,115.00) to be accumulated through annual deposits over a period of twenty (20) years;

WHEREAS, an annual deposit of ONE HUNDRED SEVENTY-FIVE THOUSAND FIVE HUNDRED FIVE DOLLARS AND SEVENTY-FIVE CENTS ($175,505.75) for twenty (20) years will total $3,510,115.00 and, when combined with the current account balance of $278,400.84, will produce a projected financial assurance balance of $3,788,515.84, excluding interest, investment earnings, authorized expenditures, and regulatory adjustments; and

WHEREAS, the City Commission finds that establishing this long-term funding commitment is prudent, necessary, and in the best interests of the public health, safety, welfare, and environmental protection of the City and its residents.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF TUCUMCARI, NEW MEXICO:

Section 1. The City Commission hereby establishes and pledges a twenty-year funding commitment for the City's solid waste financial assurance obligations.

Section 2. Beginning with Fiscal Year 2026-2027, and continuing for twenty (20) consecutive fiscal years, the City shall budget, appropriate, and transfer not less than $175,505.75 each fiscal year into a separately identified and restricted financial assurance account or other financial assurance mechanism approved by the New Mexico Environment Department.

Section 3. The annual deposits authorized by this Resolution are intended to accumulate an additional $3,510,115.00. Together with the account balance of $278,400.84 as of September 2, 2026, the projected total financial assurance amount is $3,788,515.84, before accounting for interest, investment earnings, authorized expenditures, changes in cost estimates, or regulatory adjustments.

Section 4. Money held under this Resolution shall be restricted for lawful solid waste financial assurance purposes, including facility closure, post-closure care, Phase I/Phase II assessments, corrective action obligations, and/or the development of a new disposal cell, as authorized by the City

Commission and permitted by applicable law and regulatory requirements. These funds shall not be used for unrelated purposes.

Section 5. The City Manager and Finance Director are authorized and directed to include the annual funding commitment in each proposed City budget, make the required transfers, maintain appropriate accounting records, and provide documentation to the City Commission and applicable regulatory agencies upon request.

Section 6. The Finance Director shall review the account at least annually and shall report the balance, deposits, earnings, expenditures, and any change in the required financial assurance amount. If regulatory cost estimates or requirements change, the City Manager shall present any recommended adjustment to the City Commission for consideration.

Section 7. This Resolution expresses the continuing financial commitment and policy of the City of Tucumcari. Each annual City budget shall provide for the deposit required by this Resolution in accordance with applicable law and the City's lawful budgeting and appropriation procedures.

Section 8. If any section, paragraph, clause, or provision of this Resolution is held invalid or unenforceable, the remaining provisions shall continue in full force and effect.

Section 9. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED, AND ADOPTED by the City Commission of the City of Tucumcari, New Mexico, this 22 day of Sept, 2026.

Marcella Willis, Mayor

Angelica M. Gray, City Clerk