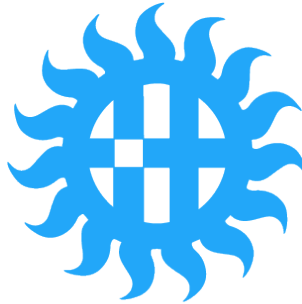


CITY COUNCIL AGENDA

Monday, May 18, 2026 at 1:00 PM

Council Chambers



CITY OF LAS CRUCES

Mayor
Eric Enriquez

Mayor Pro Tem
John Munoz

Councilors
Cassie McClure
William Mattiace
Michael Harris
Johana Bencomo
Becky Corran

CITY HALL
P.O. BOX 20000
LAS CRUCES, NM 88004

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CONSENT AGENDA

Minutes and Items on the Consent Agenda Are Considered Routine Items and Will Be Voted on with One Motion Unless a Councilor Requests That a Specific Item Be Removed. There Will Be No Discussion.

Page

1. OPENING CEREMONIES

- 1.1. Pledge of Allegiance - Councilor Harris.
- 1.2. Presentation of Certificates of Appreciation/Proclamations - Councilor Harris.
- 1.3. Departmental Highlights.
- 1.4. Pets of the Week.

2. CONFLICT OF INTEREST INQUIRY BY MAYOR AS REQUIRED BY LCMC SECTION 2-27 (E)(2)

3. PUBLIC PARTICIPATION

4. ACCEPTANCE OF AGENDA

5. CITY COUNCIL MINUTES

- 5.1. Work Session of April 13, 2026. 4 - 29
[Work Session - Apr 13 2026 - Minutes - Pdf](#)
- 5.2. Regular City Council Meeting of April 20, 2026. 30 - 48

6. RESOLUTION(S) AND/OR ORDINANCE(S) FOR CONSENT AGENDA

- 6.1. RESOLUTION NO. 26-140: A RESOLUTION AUTHORIZING THE CITY OF LAS CRUCES TO ENTER INTO AN EXISTING CONTRACT PURCHASE AGREEMENT FOR MATERIALS TESTING SERVICES ON AN AS-NEEDED BASIS WITH GEO-TEST, INC. OF LAS CRUCES, NEW MEXICO, IN AN ANNUAL NOT-TO-EXCEED AMOUNT OF \$300,000, SUBJECT TO ANNUAL BUDGET APPROPRIATIONS (PROCUREMENT NO. 25-26-106). 49 - 100

This resolution will approve material testing services on various projects to ensure the safety, reliability, and performance of materials and products through evaluation of properties and behavior under various conditions.

[Resolution No. 26-140 - Pdf](#)

- 6.2. RESOLUTION NO. 26-141: A RESOLUTION AUTHORIZING THE CITY OF LAS CRUCES TO ENTER INTO A PROFESSIONAL SERVICES AGREEMENT FOR INDEPENDENT LEGAL SERVICES WITH MARK GEMOETS DBA THE LAW OFFICE OF MARK GEMOETS IN AN AMOUNT NOT TO EXCEED \$140,000 ANNUALLY, SUBJECT TO APPROVED BUDGET APPROPRIATIONS (PROCUREMENT NO. 25-26-104). 101 - 112

This resolution will approve an agreement for a Public Defender position.

[Resolution No. 26-141 - Pdf](#)

7. RESOLUTION(S) AND/OR ORDINANCE(S) FOR DISCUSSION

- 7.1. RESOLUTION NO. 26-142: A RESOLUTION ADOPTING THE MUNICIPAL BUDGET FOR FISCAL YEAR 2026-2027 FOR THE CITY OF LAS CRUCES, NEW MEXICO ON MAY 18, 2026. 113 - 176

This resolution will approve the Fiscal Year 2026-2027 budget to be filed with the State of New Mexico Department of Finance and Administration by June 1, 2026 for approval as required by State Law (NMSA 1978 Chapter 6, Article 6).

[Resolution No. 26-142 - Pdf](#)

- 7.2. RESOLUTION NO. 26-143: A RESOLUTION APPROVING THE CAPITAL IMPROVEMENTS PROGRAM (CIP) FOR FISCAL YEAR 2027 THROUGH FISCAL YEAR 2032. 177 - 193

This resolution will approve the Capital Improvements Program (CIP) six-year program that identifies the infrastructure and capital funding, and funding needs in various categories.

[Resolution No. 26-143 - Pdf](#)

8. BOARD APPOINTMENTS

9. NOTICE OF PROPOSED ORDINANCE(S)

- 1) There will be no public discussion.
- 2) A Councilor may ask staff for clarification on the proposed ordinance(s).

- 9.1. COUNCIL BILL NO. 26-022; ORDINANCE NO. 3114: AN ORDINANCE AMENDING SECTION 2-1313 - APPRAISALS OF THE LAS CRUCES MUNICIPAL CODE. 194 - 199

This ordinance will approve the extension of the allowable timeframe from six (6) months to twelve (12) months for appraisals.

[Ordinance No. 3114 - Pdf](#)

- 9.2. COUNCIL BILL NO. 26-023; ORDINANCE NO. 3115: AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A WATER PROJECT FUND SUBORDINATE LIEN LOAN/GRANT AGREEMENT BY AND BETWEEN THE NEW MEXICO FINANCE AUTHORITY ("NMFA") AND THE CITY OF LAS CRUCES (THE "BORROWER/GRANTEE"), IN THE TOTAL AMOUNT OF \$1,969,331, INCLUDING A GRANT IN THE AMOUNT OF \$1,772,398, AND A LOAN IN THE AMOUNT OF \$196,933 EVIDENCING AN OBLIGATION OF THE BORROWER/GRANTEE TO UTILIZE THE LOAN/GRANT AMOUNT SOLELY FOR THE PURPOSE OF FINANCING THE COSTS OF DESIGNING, CONSTRUCTING AND REPAIRING LAS ALTURAS DEL SOL WATER STORAGE TANK AND BOOSTER STATION, AND SOLELY IN THE MANNER DESCRIBED IN THE LOAN/GRANT AGREEMENT; PROVIDING FOR THE SUPER SUBORDINATE LIEN PLEDGE AND PAYMENT OF THE LOAN AMOUNT AND AN ADMINISTRATIVE FEE SOLELY FROM THE NET SYSTEM REVENUES OF THE JOINT WATER, WASTEWATER, AND GAS UTILITY SYSTEM OF THE BORROWER/GRANTEE; 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 ORDINANCE; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN/GRANT AGREEMENT. 200 - 265

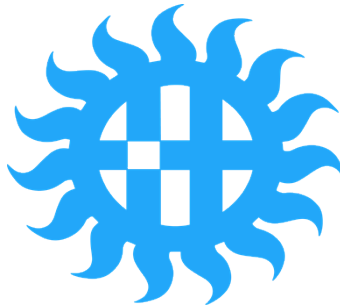
This ordinance will approve the execution and delivery of the loan agreement between the City and NMFA to finance the cost of designing, constructing and repairing Las Alturas Del Sol Water Storage Tank.

[Ordinance No. 3115 - Pdf](#)

10. CITY COUNCIL MEMBER BOARD REPORTS AND COMMENT

11. CITY MANAGER REPORT

12. ADJOURNMENT



MINUTES

Work Session

Monday, April 13, 2026 @ 1:00 PM

City Council Chambers, City Hall

PRESENT: City Councilor Johana Bencomo, City Councilor Becky Corran, Mayor Eric Enriquez, City Councilor Cassie McClure, City Councilor William Mattiace, Mayor Pro Tem John Munoz, and City Councilor Michael Harris

ABSENT:

1. READ CLOSED MEETING STATEMENT

1.1

The Las Cruces City Council met in closed session and only discussed those limited items as stated in the posted notice:

1. To discuss bargaining strategy preliminary to collective bargaining negotiations between the policy making body and a bargaining unit, which is closed pursuant to NMSA 1978, Section 10-15-1H(5).
2. To discuss pending litigation regarding Brandon Barron, et. al.,v. City of Las Cruces, et. al., D-307-cv-2023-02217, which is closed pursuant to NMSA 1978, Section 10-15-1H(5).
3. To discuss items brought by Housing, Parks and Recreation, and Public Works, for the purchase, acquisition or disposal of real property or water rights by the public body, which is closed pursuant to the NMSA 1978, Section 10-15-1H(8).
4. To discuss pending or threatened litigation regarding 828 Productions, LLC v. the City of Las Cruces D-307-cv-2026-00658, which is closed pursuant to NMSA 1978, Section 10-15-1H(7).
5. To discuss City of Las Cruces v. Alameda Land Investment Corporation, Cause No. D-307-2025-2028, which is closed pursuant to NMSA 1978, Section 10-15-1H(7).

2. AGENDA ITEM

2.1 MUNICIPAL COURT UPDATE.

Anthony Filosa, Municipal Court Judge I gave the overhead presentation.

Councilor Corran said I just want to thank you for sending in all the data that you all sent last week, thank you for that. I didn't completely understand the Public Defender question or what you said about Public Defender. You said you support it leaving the budget and going to the City Attorney's Office, I am guessing? Can you talk a little bit more about what you meant when you said that?

Judge Anthony Filosa said it is currently under our budget. It has been there for a long time. It is variable in that we don't know how many cases are going to be filed. We don't know how many folks are going to request an attorney. We don't know how many folks are going to be determined to be indigent that get an appointed attorney that we have. So, it is hard for us to budget. I just personally feel that it shouldn't be the court's responsibility to make sure that we have recruit Defense Attorneys to take the cases in the Municipal Court and worry about budgeting or moving things around based off the need of the indigent counsels. So, I would support moving it away from the Municipal Court budget and housed somewhere else within the city budget. That is just my request.

Brad Douglas, City Attorney said currently it is my understanding the agreement for a full-time Public Defender will come before the governing body in June. I wouldn't necessarily have a problem with it, well I would have a problem with it being housed in the City Attorney's Office because I don't want there to be that perceived conflict of interest and so our City Clerk has graciously offered to house that agreement within her department. So that is where that one and any subsequent agreements will reside.

Councilor Corran said thank you and then they would be kind of an independent operator I understand. Independent of Municipal Court hierarchy and the prosecuting hierarchy that the City Attorney's Office.

Councilor Bencomo asked right now you do have a budget and out of that you pay these private attorneys who sort of take on this role? Is that correct?

Judge Anthony Filosa said that is correct.

Councilor Bencomo said yes, we were over here whispering that it would make no sense for this person to be under Brad's office. I think that would be a pretty big conflict of interest, so thank you so much City Clerk. That is really important and I hope that works with your speaking and saying that this is what makes the most sense. Late last year Councilor Corran and I worked on updating our welcoming city resolution and I learned a lot through that process working with the City Attorney's Office about what we can tell you to do and what not to do, which is nothing. We can't tell you to do anything and it was a really good learning process but I am glad to hear

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that you talk about one of the pieces that we had talked about in the welcoming city resolution was the opportunity for remote accessibilities and so you are offering that to folks if an attorney asks because someone maybe is afraid because of their immigration status or whatever you are able to provide that for them?

Judge Anthony Filosa said yes, we do provide remote. Essentially all traffic cases. Someone could receive a traffic ticket or citation and come to the or contact the Municipal Court and request a telephonic arraignment. We facilitate that and then all hearings on the traffic cases are handled remotely and then any other types of cases generally require a request to the court for remote appearances and then that would be up to myself or Judge DeRossit, which ever Judge is hearing the case will determine whether or not it is appropriate for remote appearance.

Councilor Bencomo said in terms of the SOS Court, I just really want to thank you for being open to that suggestion from us a couple of years ago. I feel really strongly about providing alternatives to detention. By no means do I have the expectation that this program is to be perfect right out the gate but I just really appreciate your court's willingness to be open to that and I know that sometimes things are tricky between this governing body and the court but I want to hear from you and your Case Manager on what is working and what is not working and how can we be supportive, I really care about that and so whatever we can do to help you make improvements and those kinds of things and I think that is really important for us to hear from you and I welcome that.

Judge Anthony Filosa said we greatly appreciate the support that the council has given to the Municipal Court in the last couple of years. None of the things I have talked about would not have been possible but for you all, this governing body listening to some of the ideas that I had and supporting those so thank you.

Councilor Bencomo asked around the TIDD, I am wondering Chris if you can answer this, just curious for things like some of the more capital needs that the Judge mentioned up here like vehicle? Is that something the TIDD could help cover?

Chris Faivre, Director Community Development asked can you say the last part again, you said capital?

Councilor Bencomo asked Judge will you go back to your needs slide? So, for example the vehicle for Municipal Court or technology improvements, like those kinds of more, you know they are not programmatic they are like these tangible things? Can we have discussion about TIDD funds being able to cover some of these things?

Chris Faivre said yes, I think that we can definitely have a discussion and if you like I can include that in a future TIDD board meeting. I believe April 27th will be the next one, if you like I can put that on the agenda and then we could discuss.

Councilor Bencomo said I think that would be important just given the court's location and there is funds in the TIDD that could go a long way to supporting the court. I would appreciate that.

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Councilor Mattiace asked can I get an idea of where your revenue streams come from? Do you have a breakdown?

Judge Anthony Filosa said I believe it all comes from the general fund.

Councilor Mattiace said 100% from the general fund. I bring that up because you have quite a lot of needs here and now the vacancies that are empty, that is already budgeted. You are just having difficulty filling them? When will they be filled?

Judge Anthony Filosa said we are in the process of filling those vacancies. They are relatively recent vacancies. What we have kind of experienced over my last couple of years at the Municipal Court is we bring folks in at the Court Clerk position, entry level, we train them, development them, invest in them, we get them to where they need and they either potentially move on to a different city department or to the State Courthouse, which offers a little bit better pay. So, we are constantly and we are trying to figure out ways internally to retain folks, but we are constantly in a training/development type phase, so we are trying to fill those immediately.

Councilor Mattiace asked you have two judges and in how many years have we had just two judges going from let's say ten years ago? Was it two judges then?

Judge Anthony Filosa said I am not sure exactly.

Councilor Mattiace said it seems to me that a 114,000 population and looking at your case numbers. Do you go home at night?

Judge Anthony Filosa said we go home at night, but we are there early. We handle our court hearings start up at 7:30 in the morning. So, we are there early.

Councilor Mattiace said my feeling is not only some of the capital infrastructure needs, technology needs, and the remote does a good job but I think with the population today I would suggest that maybe this council would consider actually another judge. That is the way I feel with your presentation so thank you very much for it.

Councilor Corran asked when you say there is no alternate judge, does that mean we should update our code to add an alternate judge in that? I see this reference and if so, I know that you probably don't like to tell us what to do but if you are now is your time and we are happy to hear it and we will follow up in doing so.

Judge Anthony Filosa said that specific reference to the Municipal Code talks about an alternate judge being used in situations when neither the full time judges are available or on leave, we are incapacitated, absent and I think it states the Municipal Judge Conference so I am just like I indicated Judge DeRossit and I are there all the time for the most part and we stagger our time off so the court is generally there is one of us there but in a situation where we both have to recuse off of a case for whatever reason there would be no alternate judge to hear that case and so that specific ordinance deals with that sort of situation. So, I have no position on it. That

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hasn't come up yet and we stagger our time off so generally the court is able to function.

Councilor Corran said I just wanted to make sure that I didn't miss, if you were requesting something of us that I was missing. I appreciate you clarifying. It is just a matter of finding that person and that is something you all do internally, right? Appointing the alternate judge? I don't think that is something that we have ever done.

Judge Anthony Filosa said I believe under the ordinance it says the Mayor with the advice and consent of the Council would make that appointment. So, it is not the Municipal Court's appointment to make.

Councilor Bencomo said just to follow up on that. In the past since I have been here, I know that there used to be several alternate judges and so I don't know what happened to those, if people just retire or whatever but if we need to appoint them I don't know maybe we work with the City Clerk to put that out. I know that we appoint, we also appoint Municipal Judge I and II until you have to go to an election. That is the only caveat here is there is a difference between alternate judges, and I don't know if we wanted or by the City Charter, we would need to create a whole new third position full time because then there is elections involved and things like that. The alternate judges, those don't go through elections they are just appointed there to fill in any vacancies. I just wanted to add that little bit of context. Mayor and Christine, if we can go and recruit people, I think that we can do that.

Councilor Munoz said thank you Judge Filosa for your service and your patience and your staff's patience with the working conditions that you are in currently. Couple of questions on your numbers, thanks for sharing numbers, thanks for sharing the overall numbers. We are aware of the increase with the misdemeanors and that is concerning. There are some positive trends I see the weddings. I like that. It shows that more people are in love and getting together so please continue that good work. So, when I look at animal services complaints and control there is a considerable drop from year after year after year there is a drop and this might be more of question for law enforcement, but I want to see if you have a perspective on that? Same thing for codes? Codes for example started 591 and then ended up last year at about 265 or something to that effect. Do you have perspective or any insights on that other than law enforcement?

Judge Anthony Filosa said I apologize but I don't. We just handle, we don't know why cases are being filed or why they aren't. We just handle the cases as they come in.

Councilor Mattiace said on the idea of alternate judges because full time, it is complicated elections and budget. What does an alternate judge earn? Is there a set amount of money that is put out by the Clerk's Office when we apply for an alternate judge or do you do it?

Judge Anthony Filosa said I believe it is in the ordinance and I looked at it this morning before coming over here. I believe it says by resolution passed by the council. As to their pay I know that there was one because there was use of alternate

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judges recently and those were able to pay them.

Councilor Mattiace said the reason I bring that up may be that we are not attracting. Maybe we don't have 7/8 alternate judges just waiting to jump in and help because maybe we need to look at that compensation. If it is 5 years old, 10 years old, costs have increased and maybe it would be more attractive if maybe the compensation was greater. It is just an idea.

Mayor Enriquez said this is a great presentation so that we can address some of those things as we discuss the alternative judge and the technology, the vehicles, see how we can generate some resources there for you, some funding and the Public Defender sounds like it is already in the works and is going to be done and of course we don't want to lose sight of the long term, the building. We know that is a huge issue we are always looking at it and see what we can do and get it in our capital outlay to get you a new home because the second floor is not really where it should be but I am glad that you and your staff were able to do the best with it and as you said the numbers even increased. So, I just want to thank you for all that you do and for providing justice for our community.

2.2 FISCAL YEAR 2026-2027 BUDGET REVIEW & PUBLIC HEARING.

Lesley Doyle, Finance Director gave the overhead presentation.

Councilor Harris said on slide 9 you said longevity for employees. Can you define what that is?

Lesley Doyle said I can't speak specifically, I don't know if HR is here. I do know that we have policy that says that if you have been here for so long then you would get an increase.

Councilor Harris said on slide 14. I just wanted to say I am happy to see this line go down. On slide 15, on the fleet, I was wondering how many of these, it looks like we have one Hybrid vehicle. Are we having serious conversations about electric/hybrid vehicles, whether we need giant F250s and stuff? I know this is all departments and they have their own needs but looking towards operating expenses which half of what we are talking about. How are we looking at our fleet and the operating sustainability of it?

Lesley Doyle said I would have to get some information from Mercedes, I am not entirely sure how she is approaching that.

Councilor Harris said 27, on our options. So, I just wanted to clarify that when we are saying vacancy savings, that means we are not talking about laying people off who already work here? These are positions that are budgeted but they are vacant, nobody is currently in them, and we will just decide that they will not be filled?

Lesley Doyle said that is correct.

Councilor Harris said I guess my thoughts on this is that on our final options and these

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are my thoughts is if we just cut operations then it seems that we will have more people with less to do because their tools have been cut. Likewise, if we just cut one or the other seems like we are solving the situation for next year, but we are kicking everything down the road a little bit and not really setting us up for to be in a sustainable place. It does seem like positions are vacant, things are still getting done with those vacant positions obviously it is not ideal and then when it comes to insurance increases and general wage increases and stuff, I completely understand cost of living is going up too and obviously it is for each department to decide what their own internal needs are but a question that I have been asking myself or lots of people are asking is would I rather have 2% more money next year or an extra hand? You know to work beside me. I think to me it seems like we probably need to do both things from just a financial sustainability perspective. So those are my thoughts.

Councilor Corran said I appreciate you flushing this out more and I know you won't name some of the things but I would say that you know insurance prices as a function of our investments in our personnel are enormously volatile and frankly infuriating expense if I can just name something that is a variable that you don't control that is dramatically affecting this and will keep affecting us. So, I am going to name a villain in that understanding of what those things are and I have no regrets about increasing our staff salaries or our contributions to insurance. I just know that is something that we are now experiencing the consequences of. So, I just want to be clear from my perspective I think I can be convinced to any of the more conservative versions of this that are presented because I also am discomfited by that red and green graph. If you just want to put that up that can lord over us. All of these still include 2% increase for staff, class and comp, whatever sort of outlined in that plan and potential CBA discussions. Those are all kind of still part of whatever we decide here those three things are on the table period. Is that my understanding of these three proposals or four proposals?

Lesley Doyle said yes, they are all on the table with whatever direction you give us to go.

Councilor Corran said I just wanted to say that I am really glad that we are still including salary increase even if it is negligible in the scheme of how expensive things are. I just really want to say that whatever we decide I am sure we will keep having this discussion going but I would really like to say that I want that to stay, and I want to be part of this conversation. I think Councilor Harris is right, it is sort of a hypothetical, but it is not exactly a hypothetical. It is like a real thing that we have to figure out moving forward and so for me that is a really important variable that I appreciate you including in this and maintaining as part of not putting that thing that we are trying to do to invest in the human beings that work here, not putting that on the table is something that is not necessarily negotiable so thank you and I just curious to hear what other folks thoughts are in this conversation going forward but I want to speak to that 2%, keeping it.

Councilor Munoz said you mentioned or I saw some overtime reporting on our expenditures. One of the things I would like to look at and I get the not filling positions and having vacancies, but I also want to make sure that in this grand scheme of

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things we are actually netting a win out of this. If we don't fill positions and we increase the overtime or keep the overtime as is I don't think we are going to move the needle forward, right? Mathematically and also, it goes to work life balance, right? If we are overworking the current employees we have with missing vacancies, that is also concerning for quality and quality of life as well. So, I am assuming that departments then are looking at their scheduling. They are looking at their overtime and managing that as well.

Lesley Doyle said yes that is actually something that they have been looking at for quite some time. It is not just new to this budget but something that we have asked them to look at for quite a while now.

Councilor Munoz said the other piece that you touched on here is I want to look at touching reserves. I know that cities have ratings. I am curious to see what our rating is and maybe just explain it and share that with everybody else and why the rating is so important to a municipality and what it does for us long term?

Lesley Doyle said essentially the rating is just like a credit score like any individual would get and the better the rating the less it cost to incur debt. You are going to pay a lower interest rate, the better rating that you have.

Councilor Munoz said I appreciate all the work. I know that there is a lot of moving parts here and you are helping us squeeze water from the turnup or crock or whatever that is, so thank you.

Councilor Bencomo said this is important. I think you should keep this up here, but I appreciated the big context you provided in terms of how did we get here and if you could go to those slides for a little bit because for me it just feels really important. These couple of slides to me show that we got here because we made a serious investment in our greatest asset, which is our people with salary increases, with 80/20 insurance split. You know when I first came on this was one of the things Fire and the Blue-Collar Union talked about most was this 80/20. Like how little they were taking home after insurance benefits, right? We made that investment in our people and to me that feels like something that is really important. You know that also that \$15 minimum wage, some people were making \$12 an hour like that is not appropriate for a city like us to be paying poverty wages like that and like all of these things to me feel, it's like this super hard place to be in then, right? Because then you create that other graph, right? As we keep forward, obviously it is not sustainable. But I did want to point that out. To me it feels like these are sort of the things that come with living in capitals. What I did also want to add though for me obviously in the options you provided that there is really only one options which is for both and the only request that I have, actually I have a question before I say anything on the vacancy savings, does that include adding the benefits, that is like salaries and benefits projected?

Lesley Doyle said yes, that is true. What I would say is that the jobs or the vacancies that are vacant when we pulled this in January is going to look a little bit different now because there are jobs that have been filled and things like that but ultimately the 7.8 million would be our goal.

Councilor Bencomo said what I was going to say about the operating, I just want to make sure it is consistent across all departments. You know there was part at the Budget Retreat there was a presentation made about going back to fiscal year 2025. Some departments were excluded from that, some weren't. I just think that moving forward it has to be consistent amongst all departments because I don't think, I believe us as elected, as administrators we should not be placing a hierarchy on departments, right? Like which department is more important? At the end of the day this city, it's a puzzle and it only functions if every piece is there and so I just think that is my request as we move forward and I know this is an easy place to be but I am just so glad that we have really competent staff that we have really great finance folks and that can make this happen. I just have one last question before I forget. Slide 17, I think. Off the top of your head do you have the portions for the other entities here and if you don't that is okay, I think in the future I would like to see that be shown for us.

Lesley Doyle asked what other entities?

Councilor Bencomo said this is the Las Cruces portion for these three. I am assuming that the county has a portion?

Lesley Doyle said for Animal Services it is the same. We split it. For MVRDA it is slightly lower than us. I can get you that information, but I don't have it.

Councilor Bencomo said just because it is a little bit of a conversation we had last week when it came to the driving track in terms of like who put in what and I think Councilor Corran I think actually mentioned a little bit of the tension there so I think we have patterns here that we have already established and I just think it is important to show what they have historically looked like. My last request is that we haven't had a specific time allocated to talk about Telshor Fund. That would just be my request if that could happen. I guess the Telshor Fund doesn't necessarily have to have the deadline that the budget does, but I do think we should have a specific conversation about Telshor.

Councilor Mattiace asked how long have you been doing this with the City of Las Cruces? Is it a year yet?

Lesley Doyle said it is just over a year that I have been with the city,

Councilor Mattiace said it is a very difficult position, and Ikani I want to thank you for being so tough. I appreciate option 4 because I don't think there is any other course really to go down and I am glad on the personnel. What I am worried about is not 27, 28, but like 2029. What will the city do with a zero Telshor Fund? I think it was just brought up. What happens when that Telshor Fund zeros out? You are preparing for increases in the insurance. You are preparing probably for increases in PERA and when the Telshor Fund is zero there is quite a lot of departments that will not be able to tap income, but they still need to get those services and those employees paid. Are we preparing for 2029 or are we just going to worry about 2027?

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Lesley Doyle said I am worried about all of it. That said we looked, we modeled out to 28 and as far as the Telshor Fund, we don't actually pay any salaries from the Telshor.

Councilor Mattiace said I know you don't pay salaries but what I am saying is when you know you have 4 or 5 million for your department from an entity then you are going to provide the project because you know that you are going to have \$5 or \$6 million available to you and when that goes away will there be a curtailment in preparing those projects? Where do you find that money?

Lesley Doyle said I don't know when Telshor is expected to go away.

Councilor Mattiace asked what is the balance in it now?

Lesley Doyle said it is about \$44 million.

Councilor Mattiace asked what was the balance in it let's say 5 years ago?

Lesley Doyle said I can tell you in 22 that it was \$33 million. So, we have had some interest.

Councilor Mattiace asked and then 5 years ago?

Lesley Doyle said I only have in front of me till 22 but I can get you that information.

Councilor Mattiace said I remember seeing figures of 64 and higher. That is my thought. Option 4 is my call.

Councilor Corran said I did have a question, and it was related to the Telshor Fund also and I agree. I think we just need to have a separate conversation about that but the \$600,000. was that listed as new. Is that different from the usual \$600,000 that is the kind of the interest-based grants that we issue or not?

Lesley Doyle said that is the same.

Councilor Corran said I am in for doubling it. I would be all about that but I didn't think that was part of what you were representing. That was my only question and I think it is one the next one. I just wanted to check in and make sure. That one or all of these are the same as last budget year? I know one is. That is the one we talk about the most.

Lesley Doyle said they are all the same.

Mayor Enriquez said difficult presentation. Thank you, I appreciate knowing how we got here. I think there was, but I didn't see it, maybe I missed it on the \$15 an hour minimum wage. Was that included? Yea, that was another thing that took place. I remember the class and comp, the insurance pick up and the \$15 minimum wage. It

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is always tough when you see the expenditures greater than the revenues, but we have to do something. We have to make some adjustments, and I would be also in favor of the vacancies and the operating costs but like everything else there is always exceptions. There is always exceptions. That is the starting point. That is what we have to look at. That is what we have to address if it is a vacancy. Clearly if it is not needed, if it hasn't been then we shouldn't be moving forward with that at this time and then looking at the operating cost. I think looking back one of the things that we learned during Covid was some of the things that how were we going to conduct business and what was vital to the community, what was absolutely needed, and what wasn't and I think we need to go back and review some of those things as an organization and say what can we do? What can we do different? How can we reduce costs? How can we do things that we can manage and still get ahead? But again, like I said, there is always an exception to the rules so if that vacancy has been vacant and is needed then that is going to be the City Manager and the directors' calls to see what those exceptions are and the same way with cutting back on the operating costs. So that is where I am at at this point, definitely looking at the cutbacks but there are exceptions to the rules.

Lesley Doyle asked I am to understand that the next step for us is to work with the departments to look at those vacancies and the \$8 million cuts and do you want us to come back to you one more time before budget for a Work Session? What is the direction there?

Lucas Herndon, Member of the Public said cutting operations based on the graphics that were presented today effects Parks & Rec and I believe it was Utilities the most which I find disparaging to this community that has repeatedly and loudly called for more investment in these community assets. I also couldn't help but notice that there is a line item at one point in one of the early slides that listed liability payments at \$6.5 million and judging from the history and record of the Police Department of this city I imagine that a good amount of money comes from liability based on the times that they have committed crimes and cities had to pay for those crimes and it is worth noting that \$6.5 million is only about a half a million dollars different than the proposal to freeze hiring. So, the city is at a position where we have to choose as to whether we hire for our budgeted staff allotments for all of our departments or paying for the crimes of our cops. Something to consider on decisions moving forward.

Juan Garcia, Member of the Public said listening to the budget discussion and I would love to hear of how we can increase our revenues perhaps in a "more welcoming new business ordinance" would help. At the last council meeting it was full of smiles, distractions and dog whistles. Who doesn't love parks and rec centers? I am all for green spaces. I have nothing against parks. I have spent plenty of time with my son and am a fan of the library but per the city page Las Cruces has 90 parks ranging from small neighborhoods, pocket parks to larger destination spaces. There is 1,500 acres of park land, over 100 acres of athletic fields and 37 miles of multi-purpose trails. Could we use more parks, maybe? Rec centers, sure. Could we do a better job keeping them safe and maintained, definitely. So why the sudden shift in tactics from the Las Cruces anti-police group? They have gone from calling police murderers, even though I just heard it again here to cheering for more rec facilities. In my opinion attacking and trying to defund the police was too blatant so now they are pushing a

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“noble cause”, to move money away from public safety. Some of the council are using the same playbook. Public safety ends up with less funding meanwhile the city’s crime problem keeps growing. The anti-police crowd still gets what they want. We can’t afford to decrease our funds for public safety. Look around you. Why aren’t new businesses coming to Las Cruces? Why are we trying to push away new businesses? Because they don’t want it here because in part the crime problem.

Jovanny Hernandez, Member of the Public said first I would like to recall that I don’t think there is a city in the United States that has ever reduced its police budget ever. So that is not a concern. I don’t think this council will do that. The police budget will remain the same and probably grow as it is one to do. That being said, remembering some of the comments made earlier, I would like to remind us all of some of the things that our police get up to in particular with an individual whose name Tony Valenzuela. On February 29, 2020, Las Cruces Police stopped a vehicle with two women sitting in the front and Tony Valenzuela sitting in the back. The cops made Tony get out of the vehicle and Tony ran. Like so many people in the United States LCPD hunted him for a parole violation. He had experienced much police brutality in his lifetime. Officer Christopher Smelser chased after Tony, tased him and put him in a vascular choke hold until he passed out and died. All in the matter of less than three minutes. You can hear Officer Smelser telling Tony I am going to f-ing choke you out bro, while choking him to death in a few seconds later saying to the onlooking cops, ya he is out, after you can hear Tony snoring and taking his last breaths. Smelser and his partner handcuffed Tony’s dead body and left him on the ground for 12 hours. Tony’s sister Valerie found out that her brother was brutally murdered by LCPD through a friend who happened to walk by the scene a few hours later. When Valerie called LCPD, they refused to give her any information. Enraged that her brother was killed by police, Valerie began protesting for justice for Tony. Judge Driggers who put a gag order on Valerie, meaning that if she continued protesting and putting her brother’s name in the public eye, she would face consequences. He sided that Smelser was afraid for his life during this trial after he killed somebody. During this trial Judge Driggers dismissed Smelser’s murder charge citing there wasn’t enough evidence even though there is obvious body cam footage of Smelser killing Tony. Smelser was then given \$225,000 by the City of Las Cruces to settle that Tort Claim.

Fred Huff, Member of the Public asked the big question in my mind is what is the city supposed to do for us as government? In my mind they should be providing public safety, good streets, good infrastructure, and things to make our quality of life correct. I am sorry but I don’t think it is your job, the city’s job to provide entertainment. Mr. Herndon and his group, they got the Organ Peaks National Monument, that is thousands of acres that people can go out there in our public lands and entertain themselves. We don’t need more parks. You have heard how many parks and trails Mr. Garcia just mentioned. It’s astounding and when I saw these budget figures at Parks & Recreation was right up there with the police and Public Works, it is like why? You should be focusing on the quality of life. Most of these streets I drive down it’s like how many centuries ago were these things paved? This is what we need to improve our city and in fact Burn Lake which you all know I am called the Burn Lake guy. I mean the restrooms over there, the nice big expensive restrooms they are gated shut because they can’t be maintained. Why do we need more parks when we can’t even take care of the ones we have. So, let’s focus on public safety and infrastructure and

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making a good quality of life. It is not your job to entertain us.

Councilor Bencomo said I don't need another Work Session. Personally, I feel that Lesley and the team has laid out a path forward for the budget but that is just my suggestion. Remind us the deadline, when do we have to have it approved by?

Lesley Doyle said we are adopting on May 18th. The last day of April. We have to get it the designer and available for public.

Mayor Enriquez said I believe the budget gets approved in May. I would be in agreement too. I think we can move forward from here.

Councilor Munoz asked point of clarification, that is option 4 that we are talking about? Yes. I just wanted to make sure we are all on the same page. I think we are all kind of in agreement and have consensus.

2.3 CAPITAL IMPROVEMENTS PROGRAM (CIP) FY27 REVIEW AND PUBLIC HEARING.

Cynthia Alamillo, CIP Manager gave the overhead presentation.

Councilor Harris asked am I right in saying that roughly a quarter of CIP is for streets, street related projects sounds like over the next five years?

Cynthia Alamillo said for the next fiscal year, here we have the breakdown. Right now, the highest number of projects is in Public Works. Right now, it is street reconstruction. It is also a few traffic calming issues, like the HAWK system. We also have, Facilities recently joined Public Works so that has been also part of that. On the hand you see that the other department that has the higher volume of projects is Utilities and Parks & Rec but then when you look at the value of those it is kind of proportionate. You can have smaller projects because some of them can be, Public Works also has the chip seal program which is an annual one, so it is a smaller one. But when we go to the other end with the street reconstructions will be more significant.

Councilor Harris asked on slide 9, Resiliency, what is that between Non-Profit and Parks?

Cynthia Alamillo said Resiliency is a category where we want to identify and recognize projects that can help us once they are implemented, they can be sustainable by themselves. So, for example, let me quickly note one project. Right now, Resiliency does not have a lot of projects. So, for example, we have the fleet electric vehicle chargers that will help us in the long term. We also have a couple of drainage infrastructure improvement projects, and we also added the South Fork Moreno Water Retention Pond.

Councilor Harris said that segue is kind of where I was going that when we are thinking about these CIP projects what I want to make sure we are thinking about is the next 5 years like when we build a capital thing it costs money now and it also

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costs money forever. So especially when we are talking about widening Lohman. Unless we are talking about widening it to add a dedicated bus lane or something in it. We are adding \$1 million a mile per lane for any street in maintenance and those are recurring costs that we just have to keep paying. We do need to think carefully as we develop about not just mindlessly doing the old model that cities have always done and Las Cruces is definitely one of them, well we have more development over here so we just need to add another lane to the road or whatever because those decisions are very expensive. As we put infrastructure on the ground and in the ground it cost money forever. I just want to make sure that we are thinking about that and I appreciate the Resiliency projects a lot.

2.4 NATURAL GAS INFRASTRUCTURE IN NEW AND EXISTING DEVELOPMENT.

Chris Faivre, Community Development Director gave the overhead presentation.

Adrienne Widmer, Utilities Director continued the overhead presentation.

Jenny Hernander, Sustainability Officer continued the overhead presentation.

Natalie Green, Neighborhood and Housing Revitalization Manager continued the overhead presentation.

Councilor Harris said first I want to emphasize the point that these asks are not to discontinue the gas utility in the foreseeable future, right?

Chris Faivre said correct.

Councilor Harris said as was mentioned in the slide infrastructure that we put in the ground today has a 40/50-year life span. We are going to have a gas utility for 50 years. Nothing massive is going to change there probably. The main thing that we are here to talk about is whether for new development we want to continue to force developers to put in natural gas extensions into their development even though people who are buying the houses and as in this case represented by the developer who might think I can sell all these houses and people will want to buy them if they are all electric. So even when the market has spoken the code says that we must add natural gas lines that we have to maintain eventually, right? So, I am correct that that is what we are asking. We are talking about maybe going and either providing waivers which I understand we have done in the past to developers who don't want to put in gas or directing you all to maybe amend the code?

Chris Faivre said that is correct.

Councilor Harris said I think it is pretty much a no brainer at this point in history that it does not make sense to extend natural gas infrastructure beyond what we already got. We have a pretty vast system. It works pretty well. The people who maintain it do an excellent job at maintaining it. We have to fight outside people who damage it, which is another item I will bring up later. They have done an excellent job keeping everybody safe in those regards. The technological tide has turned, and it just doesn't

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make economic sense to build a new house with gas utilities. At this point it is a personal choice. If you really want a gas stove, I like my gas stove, it's fun to cook on but I pay an enormous premium in utility cost to have that luxury. Everybody has a little handout that I prepared a little late last night. I try to run these numbers to kind of remind myself of this and what I did last night was kind of look at the cost of water heating in particular because that is the only thing that you use gas for year-round. This year's heating season was incredibly short. Next year's is going to shorter. Maybe we won't ever have a heating season after that. We are at this point in technology worldwide where the cheapest and most accessible frankly way to build a new place is to do it with electric utilities with electric appliances. Maybe if the upfront cost is a little higher but the upfront cost of the latest in gas appliances is even higher. The latest houses that were built, one that a family member just moved into they have condensing in gas water heaters in them, which is the latest and greatest technology. The developer I think did a great job. Since they have gas, they put in what would be the most and highest end and least expensive to run appliances in there and they are less than half as efficient. They are four times less efficient to run than an equivalently priced electric water heater that uses all modern technology. I think the tide has turned. Developers are starting to see that this is not an economically useful thing to put in. It is very expensive to add the lines, that passes cost on to homeowners. If the cost to run a gas line into the new development per house is 3,000 bucks or 4,000 or 5,000 or whatever it is, you can just take that and put it into the slightly higher upfront cost of the electric appliances and then you are done forever. It is also worth noting that the industrial uses, we do have a new tenant in the Industrial Park who is using gas which is fine, it is not a new gas line. That is using infrastructure we already have leveraging the investments we have already made. Fine for an industrial use. I think based on what they are doing they would have a really hard time doing that job with electric furnaces, but any residence has a really easy time heating and cooking and heating water with electricity. So that is kind of my thought in a nut shell and part of when I was running these numbers and using my own electric bills and gas bills one thing that I noticed and I was actually, I knew this vaguely but when I actually did it I was quite surprised at how much the cost of the gas infrastructure actually dominates the cost since you're not heating year round here or even for a very long season the majority of the cost of my gas service is paying to keep the pipes in the ground maintained. It is the access fee, it's what you pay. The usage cost are really coming down. If we were having this conversation 20 years ago it would be completely different, but the technology is there and I think this is the path forward.

Councilor Mattiace said I am going to start out with maybe all this AI information that I gathered and I will just go to why I think we probably have to have a gas, electric or all the energy sources. But I found out that traditional sources of electricity for example to provide the electric power your energy loss using natural gas, electricity generated is only 44%, using coal, again electricity generated 32% and using nuclear energy generated 33%. So again, if the electric company uses quite and wastes a lot of energy to buy that electric source whether it is to homes or a company in the Industrial Park. My other discussion, maybe Adrienne, could answer this. How much of the Enterprise Fund actually supports the general fund? Do we have a number on that?

Adrienne Widmer said I can't tell you specifically what gas itself is paying. I know in

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the franchise fees it is almost \$400,000. Last year it was \$400,000. So as the utility grows the franchise fees will go up. If the business dwindles, then obviously the franchise fees will go down. In a mix with that there is other fees like for instance gas pays taxes and PILT as well.

Councilor Mattiace said Natalie, I appreciate your page 15. It seems like natural gas is more reliable and consistent compared to electric utilities. What I am trying to get at is when we build these homes, I would like to see the City of Las Cruces the residents have a choice. I would like to see those lines available, so if they choose electricity fine or if they choose solar, nitrogen cells or natural gas. That is what I would like to see that the Enterprise Fund, our utility enterprise, has all the components that they have right now, gas, water, wastewater, and trash. So, I would not like to see that if we just discontinue laying lines in every subdivision that we build in the future we know what the outcome of a business is when it doesn't grow. If it doesn't grow it dies. I would like to see that be available.

Councilor Corran said I just want to bring up a couple of things, first from the district where the all electric homes are selling like hotcakes. There are many market-based things that we could talk about but I don't think those are necessarily something that we should discuss. Although of course electricity would win in all of those domains as well but I think my understanding when I joined council there were a number of discussions about whether or not we were going to new electric gas lines and whether we would take on debt related to those, that new infrastructure and it was really clear consensus a number of times on council that that is the way we were going is not to require new electric gas lines and in fact to emphasize choice of folks who are developing areas to be able to not put down gas infrastructure and my sense is that I still the consensus of council I just think if we need to bring a resolution forward to make that really clear, that consensus has existed for my five years on council and several years before that but I don't know that it is necessary that we have new ordinances related to this that we need to vote on or we just need to reup that is not the intention of us and the energy transition plan is under way but the transition is away from gas, right? That is implied in the energy transition plan that we have been working on for some time. So, I think that is part of this conversation and I will be happy when that comes forward and we have more formal things but, in the meantime, I understand the consensus of council throughout the past however many years as we don't want to require our natural gas lines especially for new developments, so new infrastructure. Just as a note, just gas rehab and unfunded CIP years 2.8 million per year is gas rehab so this would add however much that would add to that proportionally over time we can imagine the degradation of the assets that are not being used as only increasing so I just hope we can either move forward just so that everyone is clear that requirement I think we understand that requirement to be something that developers don't have to add gas lines but I am happy to bring it forward to a resolution to. I would be happy to be seeing that as a resolution and I think it would be a good step, that part of the energy transition plan doesn't have to be debated any further.

Councilor Bencomo said I would have to say that I am pretty disappointed that we are having this conversation to be very frank. I think the consensus has existed for some time and the energy transition plan which while many folks freak out about it because

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it is potentially implying that we are getting rid of natural gas lines. That is not true whatsoever, and I think what is disappointing to me about is that we are in a time frame where that is almost ready to be finished and I would love to see what that will yield. What kind of information that will yield for the health, safety for not only our gas utility line as a business but for the health and safety for our community particularly low income people and we can talk about markets, we can talk about that, you know and I am not going to talk about because I think this particular slide actually is missing all kinds of information. Like for example the large disparities in health outcomes in low-income neighborhoods because of natural gas. Also, the consistency I would argue is not actually real. A few years ago people in our community had insane gas bills because a pipeline broke in Eastern New Mexico and that increased the pressure to the natural gas lines we had. Not to mention Storm Uri. All of these things that I don't actually believe make natural gas reliable or consistent. I also find it odd that we are talking new subdivisions. If a new subdivision is all electric and you are someone who is trying to go buy a house you have a choice not to buy that home, just like you have a choice not to buy that home because it is not near a park whatever reason but it doesn't seem like a lot of people are not buying those homes. It seems like a lot of people are buying those homes which they had a choice to whether they bought it or not given that they were all electric homes. So, I also know that our gas on all of our line items and Adrienne correct me if I am wrong all of our utility line items are budgeted to maximum capacity, right? So, we have to on any given day we have to make sure that we can provide that natural gas that water, whatever to the peak level, correct?

Adrienne Widmer said it depends. So yes and no. We have someone, Mario Puentes, our Gas System Analyst and he looks at what the future is going to look like, and he orders gas for that, which has a completely different graph dimension which is opposite of water so in the winter it is high and in the summer, it is low and so that has been consistent. When there are weird things that happen that you brought up Uri or the line break those particular things it does make it a little temporarily more expensive but the demand itself is very reasonable and that is why we hedge a certain amount within the system that we say we are going to buy it whether we are going to use it or not.

Councilor Bencomo said since I have been on the Utilities that has been my understanding, that we plan for peak level usage on any of the line items so the more we build the more we will have to live up to that peak. Meanwhile though as the market says gas is dwindling. More people who can afford it are moving off of gas utilities and toward electric and if we continue to build towards and budget towards meeting that peak of the gas utilities the less people that are off of it, the people who cannot afford to get off of gas utilities will have to bear the burden of the cost of maintaining gas utility. We know those things to be true and fact. I also love my gas stove. I have talked about this forever. But the reality is that we are moving towards, this isn't about today. This isn't about just today, this is about the future, the future generation 10, 20, 30, 50 years from now and what is the kind of infrastructure that we are leaving them and what are we building towards and I think to me this is a matter of responsibility not just whether someone has an option or not to hookup to electric or gas and if developers are saying it is worth it to build all electric subdivisions I think that we need to make sure that we continue to respect that.

Mayor Enriquez said why we are here is because in the past there was consensus. I won't say that I totally agree with that in moving forward so coming to this is because there is a lot of questions and concerns, a lot of builders is it gas, is it electric and we are not clear and what we want is the clarity. I am in favor of the first one, in changing the code and leave it up to the developer. They can decide whether they want gas or they want electricity, whatever they decide and that is it. When it comes to the extension honestly I would look at saying we need to serve our customers that want gas and to extend those lines but at the same time earlier we just had our presentation with looking at the option of vacancies and operations and so if that is something that we don't want to go into the direction of extending the gas then that is something maybe we should sell it off to private. There has been a private company that has been interested for two years now and why we are here today is because what I heard was Utilities was the board had hired a consultant and the consultant was going to come and give us the pros and cons to gas and electric or what direction we should go and here we are months later and no results from that. I don't even know where that consultant presentation is at. So that is why we need to have that clarity is like how are we going to move that forward and I would be in favor of having the option and I bring another option to the table if we aren't going to extend the gas that could cut down on some of our operating cost and we just sell it and let a private handle the gas. That is what I would be looking at.

Chris Faivre said so if we are having a discussion about potentially changing the language of the code I would point out a couple of things, one under the language here it says if applicable to the development which I think gives us some latitude to determine which developments some of these standards would apply to. The other thing I did want to bring up was there is a connection between the adequate public facilities and some of the new zoning that came through with Realize. So specifically, if you are zoning in the NH-3 which is a more higher density and also has larger commercial capacity. If you eliminate say the gas into NH-3 areas and potentially you could limit some of the commercial development that may depend on that gas utility for their operations. So, if we are going to have that discussion then I would say that maybe we have that discussion as it relates to NH-1 where it is primarily just going to be single family homes. There is still some commercial development that can go in there as well. Maybe not as impactful but the larger you get with NH-2, NH-3 you are going to see your larger commercial development and not having that option could be an issue so if you are going in and zoning new areas saying all NH-2 or NH-3, those decisions of the infrastructure could eventually have impacts on the commercial development that could happen down the road so I would say maybe we look at limiting specifically where we are wanting to have limitations on natural gas only specifically to some of those higher NH-2 and NH-3 zonings.

Mayor Enriquez said that is a good point because one of those also for us is our Industrial Park in that area. We have an abundance of gas, and we are limited electricity, so we have got to work that out as well but giving the developers that option in certain areas for sure.

Councilor Harris said that is what I was going to say. I think the consensus is that we want to give developers the choice and not force people to put in stuff that they don't

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want to or that they don't think that the markets not going to bear. I agree.

John Moscato, Member of the Public said five years ago the Metro Verde development came forward with an amendment to their concept plan and one of the major public benefits in that document was going all electric for development in that remaining 1,000+ acres. Since then, there has been more than 1,000 home sites developed, hundreds of homes all electric. None of those home buyers have been disenfranchised. That is a silly comment. They have chosen to buy all electric homes. They had options throughout the city. Thousands of homes are sold every year. All of these homebuyers have the opportunity to choose all electric or a home with natural gas. They chose all electric. I think that is a path forward for the city that is reasonable, so people have a choice. As the code this section, notwithstanding with Mr. Faivre said about the development code substantial completion, substantial completion refers to completing the permitted construction drawings for that for that particular development if the construction drawings don't include gas and substantial completion does not pertain to gas. That is very clear from the wording of the code itself. There is also a section in 34.4 B, which specifically discusses adequate public improvements required, and you can look at that list that includes water, wastewater roadways, streets, everything. No mention of gas whatsoever in the particular section that pertains to adequate public improvements required. That was passed by this council less than a year ago. Why would you change that now? Also, this council recently approved the technical manuals. In the technical manual under utility improvements, utility improvements, it says specifically gas, if the subdivider desires to install a natural gas system within the subdivision the system must meet or exceed city specifications. If the developer chooses. So why would this council even consider taking a step backward and do exactly the opposite of what has been the successful pattern of development and homebuilding and then you have the issue of affordability. You know there was a slide that said well it is higher infrastructure. It is much higher infrastructure cost. You are looking at \$3/\$4/\$5,000 per home because of installing natural gas. That increases prices significant number of home buyers out of the market. It makes home affordability more difficult. It makes home attainability more difficult. We have an upcoming development called Mesa Vista which we will be bringing forward to council in the near future. We have been working with the land office to meet an affordable attainable housing commitment. That commitment is going to be much more difficult to achieve with increased development costs, increased housing costs because it is not just the developer, it is the developer passes it along to the homebuilder, the homebuilder passes it on the homebuyer. So, it is across the board and increases and I don't see why council would take a step backward at this point, especially given that fact that I think that if you read the code correctly you will understand that there really doesn't need to be any change in code. You simply need to follow the code as it is written.

Brad Douglas, City Attorney said I think I would say that I agree and disagree with Mr. Moscato's reading and interpretation of the code as currently written because portions of Chapter 37, in which I see that you have reviewed carefully refer to natural gas utilities. Whereas other portions of the code refer to and I should have brought my reading glasses, essential public improvements and services and then there is an earlier reference to a different part of the code, there is a referral to Chapter 38 which is not helpful because it simply refers you back to Chapter 37. So what I think what i

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would recommend at this time is subject to change is to simply to clean up that code and make it consistent and easier to understand because I am not embarrassed to say that I am the third attorney in my office that reviewed the code and we did read what you read and so for consistency's sake, for clarity's sake I think I would recommend modification of the code to be consistent.

Don Kurtz, Member of the Public said I live on Missouri Avenue and just on the point of confusion that you are talking about. If the confusion is resolved, I think what I hear the council saying is that it needs to be resolved in terms of giving developers the right to choose which they use. If we didn't and I ask this question of AI just today, ChatGPT, we would be the only city in the country that they could find that had that kind of rule that would require natural gas. It simply isn't the way this is handled throughout the country. Councilor Mattiace mentioned the importance of the contribution of utilities to the general fund. That cannot be the reason that we keep our utilities going and make people use gas is because it helps the general fund, which will just go directly to that. This idea of reliability and I just want to mention this, it is a misconception. People imagine that if the electricity goes out, they will still be sitting with their furnace and everything, no because the electricity runs the furnace the HVAC system, etcetera. So, it really is not a backup. It is like belt and suspenders, and the suspenders cost you hundreds and hundreds of thousands of dollars and don't even work, right? So once the electricity goes down the gas is essentially gone too unless you are talking about huddling around the oven. I think the final thing I would like to say is the councilors and the Mayor I would hesitate to put my confidence in the energy transition planning that is being done in Utilities right now because there is a lot of difficulty in that plan and it is explicitly not addressed the problem of diminishing gas. It has addressed everything, but that and I think you need to pay real attention to that and at any rate I would not put my faith in that and I would use your own good judgement.

Rico Gonzales, Member of the Public said I am with El Paso Electric. Just a couple of points of clarification on what was stated. We have not had a controlled outage in decades or blackout or a brownout. We are in Texas and in New Mexico, either one or two in most reliable utilities. We work both well with Adrienne and Jenny in terms of the context of this conversation today. Programs that are moving forward in our current rate case we have new rate design programs for low-income credits for electricity. We have a large load credit or large load tariff that would allow for if a large load came into the city that it would be paid for by that large load. We have a plan to phase in any rate increases if we see them. We also have a whole house rate for EV owners meaning that if they have an EV, they get a discounted rate on the off-peak times. We have time abuse rates. In terms of economic development, we do have plans for building a new 345 KV line from Afton to Airport Sub and anytime we want to get going on building that arroyo to Airport I will be the first one buying the t-shirt and knocking on the doors. Inside of our integrated resource plan we have some very innovative demand side resource programs that are already in Texas. It is a little bit easier to do stuff in Texas but we are bringing them here to New Mexico and then our advance meters allow for us to on earlier to outages, turning on and off energy and allows I think very important conversations in that people have with their own electric use. To the line losses I am going to check on that, but we are right now at over 70% carbon free energy in Las Cruces you are using every single time you flip on a light. It

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is over 70% clean energy. That is from nuclear and from renewable and as we grow these all electric homes we really do at El Paso Electric want to start diversifying how people are using energy, their own relationships with energy, moving people over to non-peak hours, getting off the peak and with that I just want to say thank you for the time.

Leslie Graham, Member of the Public said I am the General Manager for Zia Natural Gas, and I just wanted to come and speak in favor of natural gas. We have a vested interest throughout the state to make sure the people understand what a great product this is to use. It is truly really the most efficient to burn energy in your home. You do receive significant line losses burning natural gas in power plants. I was amazed just listening just a few months ago about the Project Jupiter presentation. We are going to have to bring on several natural gas power plants just to power that project. Why not use natural gas in the home. You have to burn three times as much in the power plant versus what you have to burn in the home in order to get the same amount of energy use. It is also a cheap option, and it is there. We don't have rolling blackouts. We have natural gas there, it's always there. I also want to point out that it was an interesting comment that we get feedback at Zia Natural Gas about developers being frustrated because they can't get natural gas within their subdivisions, so they are going to electric because they are struggling to get it hooked up. I work well with the city and the city has done a great job and so I know that they are working hard, and I know that they are also frustrated trying to figure out how to expand natural gas into different subdivisions and so I do want to say that. Developers are getting fairly frustrated in turning to all electric in order to get their projects finished and so it may not always be that that is what people want, that is just what they are getting. Finally, I do believe as a citizen that people should have that choice and so I do want to continue to encourage you to fund, to look at, and to work with natural gas.

Councilor Corran said I just want to clarify that I think that we have talked about consensus and we have it or not to Brad's point, clarifying the code to make it optional so that people building new arterials and new developments have the option to not extend gas lines to that area, I would just ask unless you have a sense of the consensus I just want to make sure that we are clear on the majority of council's sort of orientation here and so I am hoping that we can clarify as Brad suggested then bring it forward as a new resolution to make sure that the code allows the option.

Councilor Harris said that is my thought and I will add that I agree. Sounds like from Mr. Moscato's point of view the code does say that and does give the option but there sounds like there is some ambiguity in the wording and so we want to make sure that that ambiguity is resolved.

Mayor Enriquez asked I think we are clear on the code but as far as extending or was the second question is what are we going to do with that? That really is the question for I believe this council.

Adrienne Widmer said one of the reasons that has been brought up because our service area if you go back to the very first of the, that one here. That is our service

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area. That is way bigger than the city of Las Cruces and so we have had people that are just north of town off of El Camino Real requesting natural gas and so essentially we have told each one of those if you want natural gas then you all need to get together and you need to give us some money. That is a low to moderate income area. It is outside of the city limits. Right now, they are on propane which is extremely expensive. In addition to that I think that is where we get a little confused because our service area is so large when it comes to extensions. It is up to whoever wants the extension to go ahead and pay that bill and we do have some. They come in and they say they want the natural gas, and we will take a look at it and we will tell them how much it will cost, and we will also go ahead and extend that line. They say okay and we will extend the line so just to make that as a clarification that we are a regional provider not just the city of Las Cruces provider.

Councilor Harris said thank you for that clarification. As far as I am concerned if someone wants to pay the cost that it costs, they could get it. It doesn't compute to me that anyone would actually do that outside of a large industrial user because if they are going to pay enormous expense to get a natural gas line extended to their location depending on how far it is they could just get the latest and greatest fanciest electric heat pumps and never worry about it again. I am not opposed to if someone wants to pay the full cost that is fine, but I don't think it is appropriate for the city to subsidize that in any way or go into debt for it or expect existing rate payers to subsidize it either.

Councilor Mattiace said I think you have the same circumstances if I am not mistaken. You have a few users that are just paying for the installation and the natural gas even in Talavera. I don't know how many people, but it is a small number but they have made the choice that they want natural gas and you provided the service.

Adrienne Widmer said yes, people in the Talavera area have reached out and they are requesting natural gas, and we tell them how much it is going to cost to extend the line to their property, and they have installed it and then we provide the service.

Councilor Mattiace asked you provide natural gas? I mean you distribute the natural gas to Picacho Hills as well, correct? That is our gas and you make some pennies on providing that, right?

Adrienne Widmer said actually we have an agreement with Zia Natural Gas, and they have areas that we transport their gas to them, and we charge them for that. We do not sell them the gas we transport it.

Councilor Mattiace said that is excellent and that is what an enterprise system is all about and you provide and that is my point today that I am trying to say is that if people want a choice and they need it, if they want to move into a certain area they still are disenfranchised if they went over to Mountain View and basically Mr. Moscato says go get a house somewhere else but not in this area. I would like to see it available 100% for people to choose where they want to live, how they want to live, whether they want a gas oven and they want those mountain views and they want to live in Metro Verde and Metro Vista and that is what I would like to see. I would like to

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see government not be so determined on what you cannot have. I think people need the right to have your full service.

Councilor Bencomo said that is what Realize was. That is an important note to make about the importance of Realize. I am curious about extensions right now. What are the requests for extensions?

Adrienne Widmer said that is an excellent choice. If someone comes in and they say that they want to have gas, we are essentially telling them, well you front the money.

Councilor Bencomo asked who is asking? How many requests?

Adrienne Widmer said over the last few years we have had quite a few. I can certainly get those statistics for you.

Councilor Bencomo said I would like to see that. Where the request are coming from? Are they coming from new subdivisions?

Adrienne Widmer said I think the majority. We have had a few in the new subdivisions that are all electric and I can ask staff if they kept track of that. I don't know that they are keeping those statistics, but I said that was probably a good thing for us to start counting. I know that we have had some in the all electric areas that they are wondering well why can't I get natural gas? We have had developers bring that up as well. I can ask staff to come up with a list on statistics on that if you would like.

Councilor Bencomo asked right now if someone submits for a new subdivision and they say I want to build for both, are they able to?

Chris Faivre asked you mean both as in gas and electric? Certainly.

Councilor Bencomo said they can?

Chris Faivre asked to provide both, is that what you are saying?

Councilor Bencomo asked so right now if a new subdivision wants to provide natural gas they are able to?

Chris Faivre said correct.

Councilor Bencomo said people are telling me that developers are having a hard time and I am not sure why that would be if the issue here is communication, then we should get better at that. Communicating people's options and you know I don't know maybe we should communicate to realtors about ensuring that when they are selling a home they are telling people that this is the option here that you have consent to choose whether you want to buy that home or not. I think my thing about with extensions and having us you know sort of build out extensions every time someone requests it is if that person isn't paying for that but then the rest of the customer base

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to have to subsidize it. Who paid for the Talavera extensions?

Adrienne Widmer said everybody did. We obtained bonds to actually do that and that was after a majority of that subdivision supposedly wanted it.

Councilor Bencomo said arguably Talavera I wouldn't consider low to medium income level. So, I think there is serious equities issues when it comes to that that we need to consider in the long term. So ya, I think the extension to me feels a lot more complicated and if there is confusion out there about what new subdivisions that developers can do or not, we need to get clear on that. In fact, I think government forcing developers to provide gas lines is quite the opposite of what my colleague here is saying. So, it seems like we need to just clarify that developers have the option to build whatever kind of energy they want to use and with extension, I think I am personally opposed to that, but it seems that perhaps we need more information to make those decisions. I don't think those decisions should be made so flippantly I think those are long-term conversations to be having.

Adrienne Widmer said I am thinking there may be a little confusion on the distinction between a developer and a developer. A developer of a subdivision builds all the infrastructure, they sell lots and then a builder comes and builds. It is the builders who have been complaining to us not the actual developer because the developer builds it and then sells the lots and a builder is the one that actually hey, I am selling a lot, do you want to build a house.

Councilor Bencomo asked maybe the code doesn't apply differently to developers and builders, right?

Chris Faivre said I think what Adrienne is trying to say is once a developer comes in and develops an area and now has gone with let's say electric only in this example. When the home builders come in to actually build homes to sell out at that point in time if that infrastructure doesn't exist there, they are limited to just building an electric home and we have heard that before, so the distinction is between a home builder and the developer who is developing the actual subdivision.

Councilor Harris said to me that disagreement sounds like that is something that is between the builders and developers.

Mayor Enriquez said I believe that was what Mr. Douglas was saying let's clean it up so that there is no confusion there. So, I think we are all in consensus with that. With the extension I think it is what Adrienne had said if they are willing to pay for it then that is where I am on that, if they want that. I don't know if we need to go further or bring up more Work Sessions or data. Does anybody know on that consultant is going to come in with a study?

Adrienne Widmer said we are expecting them to be done sometime in July. We will find out what they say and as part of that is they are looking for us to transition off of natural gas into a different business model so that we don't fire all of our employees or lay them off. We teach them new skills, and they provide some kind of service

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whether it is renewable natural gas or solar. That is one of the things that they are looking at, is to come up with different business models to actually take a look at it and how to transition the natural gas and energy line of business into a different business model which would be multiple types of potential energy uses.

Mayor Enriquez said I guess we will see that when it comes at that time and they can present and we will go from there but definitely clean-up for sure.

Chris Faivre said just to clarify a couple of points. I don't think we would do this via resolution. I think we would just come back with a clean-up of the code so that would be an ordinance. We could potentially do another Work Session if you want to have more conversation about it. My question leaving here would simply be, are we looking at making that option across all residential zoning so NH-1, NH-2, NH-3 or only specific to your lower densities that are going to be primarily single-family homes? So that would be helpful to know so that we can figure out how to make that adjustment into the code.

Mayor Enriquez said I would be in favor of not limiting ourselves with the commercial.

Councilor Harris said thinking about the types of businesses that would be limited coming in there you are really only talking about restaurants.

Chris Faivre said not necessarily. I think there could be a variety of commercial that could probably need to have access to natural gas and other things that may need for within their store so given the way that we updated the zoning and really tried to integrate the commercial and residential into those same zoning types I would be very hesitant to just come out and say something that ten years down the road we may have eliminated the potential for certain types of commercial because we didn't have that infrastructure installed at the beginning. So if it is a conversation about primarily single family neighborhoods, your NH-1s, that would be fine but I think NH-2 and above starts to be a little limiting when we look at commercial development down the road and as we think back to when Sonoma Ranch was put in and the housing came in first and now we are 25 years on and we are starting to see that commercial really come in you can see a similar situation in some of these other areas where the commercial wouldn't come in until the residential was there to support it but if the infrastructure is not there to support the commercial I just don't know what that situation could look like 25 years from now.

Councilor Harris said it is hard to say that in 25 years we probably won't have restaurants cooking on gas honestly with the way that technology is going but I think the co-change that we are talking about is just to give developers flexibility and if developers are predicting that in this lot people probably won't ever want gas and they'll be able to sell the lots on later without that and we shouldn't limit them. I am in favor of flexibility for developers. I don't want to limit our commercial choices either, but I don't see how we would be terribly by just making it flexible.

Councilor Corran said I agree. I think any zoning class should have the option to not have including mixed use and up through to NH-3 so I would say no. I think we already have hundreds of vacant commercial buildings that I am sure have gas so

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that is clearly not the variable that makes a difference in whether or not that someone goes into a commercial space from what I can tell so I would think that is not something that would limit commercial development so I would say that in NH-1 through NH-3 from my perspective.

Councilor Bencomo said I agree with that and the last thing I will say on extensions, so yes then someone could pay for it themselves to get extended but the maintenance on that will be on the city for the rest of time, the maintenance cost.

3. ADJOURNMENT

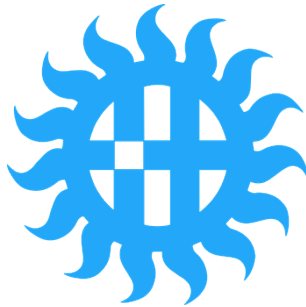
3.1

City Councilor Johana Bencomo moved, seconded by City Councilor Michael Harris, to adjourn at 4:23 p.m.

RESULT:	Carried
MOVER:	City Councilor Johana Bencomo
SECONDER:	City Councilor Michael Harris
AYES:	City Councilor Johana Bencomo, City Councilor Becky Corran, Mayor Eric Enriquez, and City Councilor Michael Harris
ABSENT:	City Councilor Cassie McClure, City Councilor William Mattiace, and Mayor Pro Tem John Munoz

Mayor

City Clerk



MINUTES

City Council

Monday, April 20, 2026 @ 1:00 PM

City Council Chambers, City Hall

PRESENT: Mayor Eric Enriquez, City Councilor Cassie McClure, City Councilor William Mattiace, City Councilor Michael Harris, City Councilor Johana Bencomo, City Councilor Becky Corran, and Mayor Pro Tem John Munoz

ABSENT:

1. OPENING CEREMONIES

1.1 PLEDGE OF ALLEGIANCE - MAYOR ENRIQUEZ.

1.2 PRESENTATION OF CERTIFICATES OF APPRECIATION/PROCLAMATIONS - MAYOR ENRIQUEZ.

Mayor Enriquez recognized Casa de Peregrinos and Days for Girls.

Mayor Enriquez presented Robert Truelich with a proclamation for Kiwanis Club of Las Cruces 100th Anniversary Celebration.

Mayor Enriquez presented Angelica Calderon with a proclamation for Sexual Assault Awareness & Prevention Month.

Mayor Enriquez presented Jennifer Gorham and Cory Murphy with a proclamation for National Public Safety Telecommunication Week.

Mayor Enriquez presented Wendy Shipley with a proclamation for National Volunteer Month.

1.3 DEPARTMENTAL HIGHLIGHTS.

Community Development

Chris Faivre, Community Development Director gave the overhead presentation.

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Visit Las Cruces

Liz Vega, Event Manager gave the overhead presentation.

1.4 PETS OF THE WEEK.

Amelia Corrales, Animal Services of the Mesilla Valley presented Pets of the Week.

2. CONFLICT OF INTEREST INQUIRY BY MAYOR AS REQUIRED BY LCMC SECTION 2-27 (E)(2)

2.1

None.

3. PUBLIC PARTICIPATION

3.1

Jesus Fietze, Member of the Public said I am with the American Legion, Post 10 located on Madrid. We would like to extend an invitation to the Mayor and City Council for an event that we are hosting on Sunday, May 24th at 8 a.m. That event will take place at the St. Joseph Cemetery. That is the Sunday before Memorial Day. We will be placing flags at the gravesites of the Veterans. Those that would like to attend we would appreciate your participation and if you have any questions, you can reach me at 575-649-5407.

Michael Hays, Member of the Public said I am a non-Hispanic, white male resident of Las Cruces. I am an American citizen born in the United States of America to parents who were American citizens born in the United States. I possess an embossed birth certificate, a passport and a New Mexico Driver's License. I have no criminal record to serve as a pretext for an arrest as one of the worst of the worst. So, I think that I am okay, but I know that I am not okay with a militarized police department with its hostile deployment of LCPD officers with rifles at a Hispanic rally at Albert Johnson Park last June or with its new unusual links between the LCPD and federal law enforcement agencies. My particular concern has been Chief Story's request to City Council that it seek \$500,000 in state funding to purchase five SWAT vehicles. By not asking for rationale for this request, Council failed to exercise due diligence in approving his request. I asked Chief Story for his reasoning or reason for it, he did not respond. I have asked several elected officials to seek his rationale for me and at least one has tried to get it, but I have received nothing from them. Since the LCPD has resisted non-public requests for his rationale I make a public request to Chief Story. What was the rationale for your request for not only SWAT vehicles but for five of them? I reserve the remaining time of my speech for your answer, Chief Story. If I cannot get it now, I ask that council get it and make it public.

Mayor Enriquez said at this time it is public participation, there is no discussion on any of those items, Clerk has your information and we will get back to you.

Brandi Arguello, Member of the Public said I am here on behalf of South Central Solid Waste Authority. We provide recycling services and solid waste services to the area and as our community continues to grow, we are expanding our services and our infrastructure to keep pace with the needs of a rapidly growing community. I would

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like to extend in hopes of full transparency in keeping the community involved and informed of the movements of South Central Solid Waste Authority, we would like to invite you all to a community information meeting to be held on Thursday, April 30th at 6 p.m., at the DACC East Mesa Campus in the DASR Building in the commons room. It is a great opportunity for people to get information on our growth, specifically our expansion into the East Mesa area, a secondary transfer station off of Holman Road. The plans will be presented, questions will be received and leadership of SCSWA and will be there to answer questions in real time. I have a few flyers, informational flyers for the City Clerk for all of you. All of that information is readily available on our website, www.scswa.net. You can always call us on 575-528-3800 and all of this information is on our social media.

Dorreen White, Member of the Public said I was here a few weeks ago. I presented a packet to the council and I learned something today that when I presented the civil restraining order, it should have been Dona Ana and Otero and both got dismissed and I am still a victim of a cell phone, 1,300 miles away, being trafficked to every law enforcement agency that wants to violate me nightly whether it be a cyber mini, that cell phone or the chips and cameras in my body. So, I presented it to the Mayor for you to have a discussion or something but the stuff inside of me is killing me. The fact is that they can't take the chips out. They can't take the cameras out and they can't take out what is inside of me and I need your support. As far as a volunteer I would like to volunteer for the Police Department. Mayor Enriquez, you said you would follow up with me, and I sent you a card recently following our last discussion that we had to follow through that to see what you were going to do, and it is crazy. I am up all night. I know this cyber security stuff is in the future, and it is hard to believe that a person could get violated by a chip or cell phone 1,300 miles away. I have lived in the city of Las Cruces. I like the city of Las Cruces. I got illegally evicted, a whole bunch of stuff there. It wasn't failure to pay rent, or behavior or anything like that. I put 21 years in the military, 11 in civil service, and I should not be a victim of this crime, the Department of Public Safety in the State of Missouri and I call it the Project and I would like for somebody to pass an ordinance, injunction or some kind of law on my behalf to prevent this from happening. Like they gave me a death sentence and anything that I can do to substantiate this knowledge that it will support what I am saying here and eventually somebody will act on it. I can go sue them and get a default judgement but that isn't going to make them responsible for their, they could give me money, I am going to die but it is not going to make these people responsible for the laws that they broke against me and continue to break against me for ten years.

Lynn Moorner, Member of the Public said last meeting I provided clear evidence of the city's lack of proper notice to property owners with galvanized piping, notice required by the federal Lead and Copper Rule. I characterized it as one way the city is attempting to naturalize its findings after the fact that the city has galvanized pipes. Today I am providing evidence of a second method which shows the Utility Department has betrayed all trust. There is strong evidence that a significant number of inspection reports have been fabricated. The city recently provided inspection reports for 36 properties that now say that galvanized pipes do not exist here. Handout 1, which includes two examples of false inspection reports shows that in each case several months after an inspection report documented galvanized piping,

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another inspection report was generated most bearing a different inspector's name that records no presence of galvanized piping. I will provide copies of both reports for all 36 properties to anyone who is interested. No galvanized piping at all at any of the 83 properties has been replaced according to reported responses to several IPRA requests. No documents have been produced showing replacement of any galvanized piping and inventory records say the piping is galvanized. It is unbelievable that 36 inspections or 43% by 9 different inspectors would have misidentified galvanized piping. The Las Cruces Utilities' must explain why the new reports don't constitute falsification of records. That one inspector came up with most of the falsified inspection reports is suspicious especially since his name is on 11 of the original reports. Strange that he would precipitously change his mind about what the pipe material is. It smells like someone higher in the department instructed him to create dozens of bogus reports which now claim that none of the properties has galvanized piping including 11 he previously found conclusively to have galvanized pipes. Most of the changes in the bogus inspection reports make no sense in addition to galvanized turning into plastic, copper turns into plastic. The second inspection report for Fairacres Elementary magically turns galvanized into plain steel which virtually never exists in Las Cruces without galvanization according to plumbers. A motive may be that denying the existence of galvanized piping preserves more than a \$15 million fund to spend on things other than pipe replacement which was touted as the core reason for needing the money. Handout 2 records the Utilities Director statement that all the money could be spent on projects that have nothing to do with pipe replacement. She said they wouldn't do that, but it appeared she changed her mind. For those troubled by children drinking water from galvanized piping at a public school or troubled by falsification of records, now is the time for you to come off the bench.

Liz Rodriguez-Johnson, Member of the Public said at the October 6, 2025, meeting the council ratified an application for \$15 million to the New Mexico Finance Authority prepared by Utilities' staff. A key part of that funding application was the city's commitment to prioritize disadvantaged folks in the city's inspection and replacement of lead and galvanized piping which is hazardous to public health. This is an update on what city records reveal about whether Utilities personnel are carrying out that promise. Our assessment used 2 measures which yielded similar results. The first examined all inspections carried out citywide during the first week of each month occurring after the City Council's ratification of the funding application. Beginning the week of November 2nd through 8th, 2025 and continuing the first week of each succeeding month through March 2026, we examined the inspection reports and the estimated property valuations for each property inspected during those five weeks. Analysis showed that of the 183 inspections conducted only 31 or 17% were for disadvantaged properties. Public records indicate that the median estimated value for the 152 non-disadvantaged properties the city inspected is roughly \$40,000 higher than for the disadvantaged properties. The second measure examined twenty blocks in the downtown area in the vicinity of Mesquite and San Pedro Streets where the oldest properties in Las Cruces are located. All of the 194 properties in this 20-block area are classified as disadvantaged. Inspection reports show that Utilities personnel have inspected only 40 properties or 21%. This occurred from January to September 2025. City records did not show that any of the remaining 154 disadvantaged properties have been inspected. Taken together these measures clearly show that Utilities personnel are not in fact prioritizing disadvantaged properties despite their

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commitment to the state made to receive \$15 million in funding in which the city must repay only a quarter. Instead, Utilities personnel are prioritizing the other 80% of properties across the city which are not disadvantaged and generally have much higher estimated values. The city must carry out its promise to actually prioritize disadvantaged properties. It is the only moral and legal option. Handout A and B document more properties with estimated values of less than \$200,000. Handout C shows another 300 mobile homes that Utilities personnel have ignored and left off the map. They should all be inspected immediately. Those interested in documentation regarding any of these issues need only to ask.

Yoli Diaz, Member of the Public said I came before you at the last council meeting and I thanked you for filing the lawsuit against Memorial Medical Center. When I think about Memorial Medical Center's Year 2014 cost cutting decisions I think about the people harmed. I think about lives put at risk. Lives that were forever changed and lives that were lost. I think about the woman who died because she was not treated when she needed care. I think about her 8-year-old son crying in the background when his father called me from Mesilla Valley Hospice, La Posada to say that this young mother died. I heard her young 8-year-old son crying, no, no, no. Unable to be comforted. I think about the woman who had so much faith, who truly believed she would beat cancer, but she did not get the treatment she needed it when she needed it at Memorial Medical Center. She died and her only teenage daughter was left without her. I think about the young mother of two school-aged children who said she went at least a year without the treatment she needed when she spoke. When a doctor warned that her untreated condition could leave her blind, I did everything I could to get her to UNM because Memorial Medical Center did not give her an appointment. I could not accept the reality of those children facing a future with a mother who was blind or worse. I think about the people Memorial Medical Center has stated that they do not have the ability to treat at all. Like the 32-year-old single mother with the 13-year-old son that now continues to have barriers for her needed treatment. I pray the solutions I have helped her with worked because the last thing I want to learn is that 13-year-old boy is left without his mother. I think about the residents who were required to make substantial upfront or full payments just to receive care. Others were told that they needed to obtain health insurance before they could even schedule an appointment. You have heard some of these stories in the national news, but many others like these never made headlines. I know them, I helped them. What about the people I didn't know about? Memorial Medical Center policies did not protect access, they were barriers that denied access. Do not be distracted by Memorial Medical Center's polished statements that attempt to obscure these truths. The path forward is clear. First the lawsuit, second termination of Life Point, third, securing a new operator. One that is genuinely committed to the health, safety and dignity of this community. You have taken this path before, you can take it again but this time you must stand firm with greater clarity. Stronger evidence and unwavering commitment to accountability and transparency.

Vic Villalobos, Member of the Public said I feel like I kind of miss the boat a little bit on this has been kind of crazy, busy, work but I want to just kind of talk about something that I think has been kind of top of mind for everybody around here lately. Given my nearly 30 years of being part of a search and rescue team you know I have had the opportunity to work with local law enforcement, federal agents, state agencies. I work

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with fire departments; I have worked with all kinds of different agencies and the one thing that we all agree upon to make ourselves better that you never hear us not say is we need less training. We need less training opportunities and we need less places to train. The only way that we can become better at what we do is through training and training facilities and things that offer that to us. I am not sure when the narrative for some of the city council became to defund the police. I get that we need more parks, we need housing, we need these things but not at the cost of public safety, and I have a little problem, we heard Ken Binkley here a few meetings back talk about them when we were sold the whole GRT it was for public safety which we all agree upon but now it seems like public safety it just seems like everybody keeps adding I their own idea of what public safety is and I think that you are forgetting what the core of that is truly fire and police so, I know that some funds were removed from the Police Department and the Fire Department for the training facility and I think there has been a lot of talk about police cars and things like that. Until you walk in their shoes you really have no idea what they need and all the things that they are doing to make it better. It is response time, it is training those officers. It is getting people to you quicker and I think we can all 100% agree that our police department from the upper management on down is doing a tremendous job with what they have here. I think we still see a lot of crime if you are on Valley and Picacho and that area but we also see the response getting better and having qualified officers that are training and have that kind of qualification and the ability to get better and I think that is really where that money needs to be going so s and I hope you guys really take that to heart because in the end training makes us all better.

Juan Garcia, Member of the Public said this Op Ed was in the Las Cruces Sun Sunday, yesterday, it was written by Chief Story and I think it is worth sharing. "Technology has rapidly evolved in the past 19 years of my policing career. As technology has advanced, law enforcement is leveraging new tools to keep communities safe. Criminals are very effective at using technology to victimize people and defeat our efforts to catch and prosecute them. Police departments must keep pace. License plate readers, LPRs specifically has been a hot topic recently. These cameras capture and read license plates enabling law enforcement to quickly search for vehicles that are stolen. Linked to human trafficking or involved in other criminal activity. LPR technology also integrates with Amber or Silver Alerts alerting law enforcement in real time when a vehicle associated with an alert passes a camera. In Las Cruces we have used this technology to help solve everything from homicides to victims to missing person cases. Our ability to locate and recover stolen vehicles has improved significantly since we implemented LPRs in 2021. Just recently the first clue of an attempted kidnapping on NMSU's campus came from an LPR. Because of this technology the NMSU Police Department arrested the suspect the following day. While LPRs do not provide continuous tracking to identify who is behind the wheel they are one of the few tools available that can quickly surface actionable vehicle information in the moments it is needed most. This tool is just one piece of the puzzle, but it is a critical one. Guard rails are important, exist in both department policy and state law but the value of LPRs far outweighs reasonable privacy concerns. LPRs allow law enforcement to obtain justice for victims and in some cases prevent them from becoming victims in the first place". And now some political hypocrisy when residents push back against Realize Las Cruces, a few council members openly mocked their worries about neighborhood safety tossing around, "not in my backyard",

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like an insult. Now fast forward to last month, CBP announces it might open a new station in Las Cruces and suddenly on April 3rd Councilor Corran tells the journal you will never hear me say not in my backyard ever except today.

Steve Montanez, Member of the Public said the last time I addressed this council my focus was on 2025 capital outlay, some of the priorities that were listed. I just wanted to kind of follow up on the 2026 capital outlay projects that were granted to Las Cruces. I say this because one of these days somebody is going to have to really sit me down and explain to me the rhetoric or the narrative behind and the hostility towards the Las Cruces Police Department. Here we go, 1.7 million to Branigan Library improvements, 72,000 for the for the Las Cruces Fire Station improvement, 100,000 for the Real Time Crime Center upgrade, 200,000 for Las Cruces affordable housing, 434 this is for Community of Hope, 3 mill Rio Grande Prep, 900,000 to Las Cruces Women's Improvement Association Building, 1 million to storm water retention, 3 million to Las Cruces Apodaca Park improvements and 2 million to dedicate to the proposed track for officer training. There is going to be some objections to police cars that are proposed today. I would really like anybody just to talk to a police officer. One of the officers that I talked to recently and when I met with him he explained to me the air conditioner was not working. He does not complain about it. He doesn't take it anywhere else. He has a fan that he plugs in to try and assist. Just imagine in this temperature sitting in a vehicle without an air conditioner that is not working properly. These are the things that these officers, they put themselves through. They don't really talk about but they really do rely on this body and our state officials to really come through with the funds necessary to do their jobs effectively, God forbid do their jobs comfortably every once in a while. Councilor Harris, pulling \$1 million away from the Las Cruces Police, it's not going to be that effective. This track is going to get finished whether it is done through capital outlay, whether it is done through federal grants or whether it is done through this city budget process. However, I believe that was really a way for you to report back to the progressive special interest groups that you somehow won, that this was somehow a win. This isn't just towards you, this is towards the three of you that you somehow felt that you won something by taking that away. I do guarantee you the way this city comes together these officers will get the support they need and once again 1.7 million Branigan is being taken care of. I assure you that and it will continue to be.

Leslie Woods, Member of the Public said Thursday, May 7th, 2026, is designated by the American Humanist Association as a National Day of Reason. A group of us hold a ceremony to celebrate and commemorate reason and the separation of church and state at noon that day here in front of City Hall. I quote Jamie Raskin, "Reason provides vital hope today for confronting the environmental crisis of today including civilization emergencies of climate change for advancing civil liberties for all including the rights of the LGBTQIA individuals, access to all reproductive health care such as in vitro fertilization, contraception and abortion and for cultivating the rule of law democratic institutions, justice and peace among nations". Americans' founders insisted on the primacy of reason and the knowledge of public health and drafted the constitution to prevent official establishment of religion and to protect freedom of thought, speech and inquiry into civil society. James Madison, author of the First Amendment and fourth President of the United States stated, "The advancement and diffusion of knowledge is the only guardian of true liberty and knowledge will forever

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govern ignorance and a people who mean to be their own governors must arm themselves with the power knowledge gives". I am here today to invite everyone to please join us on Thursday, May 7th at 12 noon here in front of Civil Hall to celebrate reason and its foundational role in the declaration and development of our nation. We will have speakers, snacks, drinks, and of course fun and friendship.

Haley Walker, Member of the Public said I am an organizer for Pro Choice Las Cruces. Mr. Mayor, we do not agree on the subject of abortion. I think a woman has a right to decide what is best for herself to control her body and her reproduction, you don't agree. You think a woman does not have the right to decide to get an abortion. We both have equal rights to our opinion, we have the right to agree. I am a citizen of Las Cruces, you are the Mayor of Las Cruces. I speak for only myself. You, Mr. Mayor are recognized as head of our city government and for all ceremonial purposes you speak for our city. Like it or not your voice has weight because of your office. That trust comes with responsibilities. Mr. Mayor I understand that your participation at the Southwest Right to Life event on March 14th at the site of the women's health center now under construction was an endorsement of their boycott against contractors and suppliers building the center but for the fact that you are the Mayor and appear to support the boycott you would not have been invited as speaker. Mr. Mayor you have no right to use your office to obstruct the construction of this facility. We, the people of this community have a constitution, laws, and elected officials who make laws and courts who interpret them. They have all affirmed a woman's right to choose. Your religion does not authorize you to forbid our lawful rights. Obstructing the construction of abortion facility is obstructing a woman's right to an abortion. Your support of the boycott is a slap in the face of any woman seeking an abortion in Las Cruces. Your religion grants you no privilege. Your religion is not our law. If you cannot reconcile your religion to your duties to the people who elected you then you should resign. I am alarmed that the city is not concerned about the harassment of medical patients at the facilities in your city and instead you are supporting those groups. We have to have volunteers, an army of women that are retired and have been fighting this fight for too long just to walk these patients, medical patients from their cars to the door because of the tactics of intimidation. That should be more of a concern than supporting these people. They are medical patients. Mr. Mayor renounce this boycott, tell us your religion does not define our rights. Please, Mr. Mayor, tell us you do not support the boycott.

Jim Hoerst, Member of the Public said I am here to speak on behalf of the Day of Reason coming up May 7th, a few weeks from now. We hold these truths to be self-evident that all men are created equal endowed by their creator with certain inalienable rights among them life, liberty and the pursuit of happiness. Our founders identified religion as a threat to liberty. That is why they drafted the first amendment. That is why they separated church from state because they had centuries of experience with religion interfering with liberty. So, our founders sought to take away political power from clergy and from church and from religion and by subjecting or by designating religion and separate from government. What they wanted to do is institute reason as the basis of government. We have freedom because we have applied our reason to our experience. Our founders listened to enlightened like John Locke and many others who identified natural rights. Rights given to men by their nature. We don't need a government to tell us we have freedom of speech. We know

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we have freedom of speech. All we need is governments that recognize it. We don't need a government to tell us we have the right to believe whatever we want or don't want to believe about God. We don't need a government to tell us that. We know that from birth. So, the government doesn't give us our freedoms, we give our government the authority to enforce our freedoms. The problem is that when we all don't understand the words separation of church and state the same. For many the words separation of church and state just means that the church gets to do whatever it wants to do. That's not the case.

Luke Keith, Member of the Public said I am the Chair of the Veterans Advisory Board and I wanted to take this opportunity to come up and introduce myself formally to all of you and look forward to working with all of you in the future I hope noticeably on the park and whatnot but also on what our Veteran organizations are doing. We are doing a lot for the community, and I think it is great and I think that is why I do what I do. I am a member of the VFW 3242 down on Mesquite and the little things that we have done for some people have been a way for it to fill my glass so that is why I like doing it. I look forward to working with all of you.

Lucas Herndon, Member of the Public said I came here today with a simple question. What kind of Las Cruces do we want to build together? You will be voting today to approve the amended budget. Some has been said about that already and I am not saying that public safety doesn't matter because it does. I am here to ask that when one department commands the largest share of our resources are we investing wisely in anything else that makes community safe strong and whole because safety isn't about policing. Safety is about well-lit parks where families can gather. Safety is about libraries where young people have somewhere to go. Safety is about streets that don't flood, recreation centers that keep our youth engaged and community spaces where neighbors become family. In November 2024, voters approved the gross receipts tax because they said yes to investing in our shared future. They wanted their dollars going to parks, streets, infrastructure and vital community improvements and just two weeks ago the council approved most of those missions but let me clear we cannot continue to grow police budgets while our shared spaces crumbled, we cannot prioritize community wellbeing while the largest portion of our general goes to one department year after year. When we fund parks, we fund mental health. When we fund libraries, we fund education. When we fund recreation centers, we fund crime prevention. These aren't alternatives to public safety they are the foundation of it. I am asking this council to commit to a different path forward. Cap and reduce the police budget. Redirect future increases to shared community infrastructure, parks, libraries, recreation centers and streets and measure success not by how much we spend on policing but how many families have access to safe vibrant community spaces? Today the council will also vote to delay road projects while also voting to approve purchasing more police vehicles. Please ask yourselves what kind of message does that send to Las Cruces across the city. Let's build a city where every dollar reflects our commitment to family, community and fairness. Let's invest in the shared spaces that bring us together instead of continuing to grow budgets that separate us.

4. ACCEPTANCE OF AGENDA

City Councilor Michael Harris moved, seconded by City Councilor Becky

Corran, to accept the agenda as presented.

RESULT:	Carried
MOVER:	City Councilor Michael Harris
SECONDER:	City Councilor Becky Corran
AYES:	Mayor Eric Enriquez, City Councilor Cassie McClure, City Councilor Michael Harris, City Councilor Johana Bencomo, City Councilor Becky Corran, and Mayor Pro Tem John Munoz
ABSENT:	City Councilor William Mattiace

5. CITY COUNCIL MINUTES

5.1 REGULAR CITY COUNCIL MEETING OF MARCH 16, 2026.

5.2 WORK SESSION OF MARCH 23, 2026.

6. RESOLUTION(S) AND/OR ORDINANCE(S) FOR CONSENT AGENDA

6.1 RESOLUTION NO. 26-125: A RESOLUTION AUTHORIZING AN EXISTING CONTRACT PURCHASE AGREEMENT FOR THE PURCHASE OF BULK FUEL WITH RIO VALLEY BIOFUELS, LLC OF EL PASO, TEXAS VIA NEW MEXICO STATE PURCHASING DIVISION CONTRACT NO. 50-80500-25-17139 FOR A POSSIBLE TERM THROUGH JUNE 12, 2029 IN AN AMOUNT NOT TO EXCEED \$1,500,000 PLUS APPLICABLE TAXES ANNUALLY, SUBJECT TO ANNUAL RENEWALS AND APPROVED BUDGET APPROPRIATIONS (PROCUREMENT NO. 25-26-088).

6.2 RESOLUTION NO. 26-126: A RESOLUTION AUTHORIZING AN INCREASE IN THE ANNUAL EXPENDITURE LIMIT FOR WORK UNIFORMS, SHOES AND RELATED ITEMS WITH BAZAAR UNIFORMS AND MEN'S STORE, LLC OF EL PASO, TEXAS TO AN AMOUNT NOT TO EXCEED \$300,000 ANNUALLY, SUBJECT TO APPROVED BUDGET APPROPRIATIONS (PROCUREMENT NO. 24-25-078).

6.3 RESOLUTION NO. 26-127: A RESOLUTION AUTHORIZING THE CITY OF LAS CRUCES (CITY) TO FORMALLY REQUEST A ONE-YEAR TIME EXTENSION FROM JUNE 30, 2026, TO JUNE 30, 2027, FOR NEW MEXICO DEPARTMENT OF TRANSPORTATION (NMDOT) MUNICIPAL ARTERIAL PROGRAM (MAP) CONTROL NO. HW2L100582 SPRUCE/TELSHOR/TRIVIZ INTERSECTION IMPROVEMENTS.

6.4 RESOLUTION NO. 26-128: A RESOLUTION AUTHORIZING THE CITY OF LAS CRUCES (CITY) TO FORMALLY REQUEST A ONE-YEAR TIME EXTENSION FROM JUNE 30, 2026, TO JUNE 30, 2027, FOR NEW MEXICO DEPARTMENT OF TRANSPORTATION (NMDOT) MUNICIPAL ARTERIAL PROGRAM (MAP) CONTROL NO. HW2L100618 S. WALNUT ST. AND E. LOHMAN AVE. SIGNAL IMPROVEMENTS PROJECT.

6.5 RESOLUTION NO. 26-129: A RESOLUTION AUTHORIZING THE CITY OF LAS CRUCES (CITY) TO ACCEPT GRANT AWARDS FOR VARIOUS CITY DEPARTMENTS THROUGH AN AMENDMENT TO THE CITY'S ADOPTED FY2026 BUDGET.

6.6 RESOLUTION NO. 26-130: A RESOLUTION AUTHORIZING THE CITY OF

LAS CRUCES (CITY) TO ACCEPT VARIOUS BUDGET ADJUSTMENTS FOR VARIOUS CITY DEPARTMENTS THROUGH AN AMENDMENT TO THE CITY'S ADOPTED FISCAL YEAR (FY) 2025-26 BUDGET.

6.7 RESOLUTION NO. 26-131: A RESOLUTION AMENDING THE FY2026 - 2031 CAPITAL IMPROVEMENTS PROGRAM.

7. RESOLUTION(S) AND/OR ORDINANCE(S) FOR DISCUSSION

7.1 RESOLUTION NO. 26-132: A RESOLUTION AUTHORIZING AN UPDATE TO THE VEHICLE ACQUISITION PROGRAM.

Mercedes Tomayko, Management Analyst gave the overhead presentation.

Councilor Harris said this all seems relatively needed. I was out at the airport last week and I think that equipment is going to go a long way towards helping the airport out and maintaining the field. I have two questions on the Police vehicles specifically that one that Chief Story and I had talked about just kind of in general and another that was somewhat related, so the first one, I have noticed a trend, not in LCPD fortunately so I give them kudos for this but in surrounding departments of making the regular patrol are technically marked but it is like black-on-black logos. And I know one of the things that we have talked about is a big thing that helps deter crime is to have this visible presence and be out on the streets and everybody knows that we are there. So, when we are getting these vehicles I am hoping we are not going to try to mimic that trend and keep what we have been doing with our visible vehicles.

Jeremy Story, Police Chief said I am glad you asked that. It will allow me to address two things. One, all of these vehicles that we are talking about are marked police cars. However, there are some vehicles out there that have the more subdued markings which are the SWAT vehicles that we had mentioned earlier. Those are F150 that are marked police cars, but they have kind of the lighter decals. As opposed to other SWAT or tactical vehicles which tend to have no decals. We still wanted them to be marked but the vast majority of our fleet would be marked and we are using better decals now that are much higher visibility and don't fade with the sun exposure.

Councilor Harris asked a few years ago, maybe not a few but a while back there was some discussion and approval for the funding to get ballistic windshield retrofits on a number of units and are these new units going to come with these ballistic windshields? We had a problem in District 3 specifically where an officer was shot through his windshield, so I want to see if we are addressing that.

Chief Jeremy Story said these new vehicles will come with the ballistic windshields. We were able to actually switch vendors to save a lot of money and be able to get the windshields and still have a savings. I will say we have had three officers shot at, very near getting shot through windshields in the last 5 years or so. So, it is not a one-time thing.

Councilor Munoz asked the vehicle age again, could you share that with me and is that within standard or have we just kind of stretched that number a little but?

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Mercedes Tomayko said the age on the vehicles, they are ranging from manufactured years of 2012 through 2014. A lot of these will be the Dodge Chargers. So, we will be moving them out and for the amount of wear and tear that these vehicles get I think that this is stretching them out a little bit and this will also help us save money on maintenance costs because these vehicles are in a lot.

Councilor Bencomo said last week Municipal Court was here, Judge Filosa was here and they had a vehicle in their presentation in their budget request. Is that going to live separately from this program?

Mercedes Tomayko said they haven't alerted me to a purchase so at this time I do have one vehicle actually approved for 2027 for Municipal Court. It is actually in 2027 not in 2026.

Councilor Bencomo asked City Manager does that sound right? I just want to make sure that from last week's presentation that we have all the bases covered? Yes, everyone he is nodding his head yes.

City Councilor Becky Corran moved, seconded by City Councilor Michael Harris, to Approve Resolution No. 26-132.

RESULT:	Carried
MOVER:	City Councilor Becky Corran
SECONDER:	City Councilor Michael Harris
AYES:	Mayor Eric Enriquez, City Councilor Cassie McClure, City Councilor William Mattiace, City Councilor Michael Harris, City Councilor Johana Bencomo, City Councilor Becky Corran, and Mayor Pro Tem John Munoz

7.2 RESOLUTION NO. 26-133: A RESOLUTION TO AUTHORIZE THE CITY'S PARTICIPATION IN HOUSING NEW MEXICO'S REHAB 2 RENTAL PROGRAM, A RENTAL REHABILITATION PROGRAM FUNDED THROUGH HOUSING NEW MEXICO.

Kevin Wilson, Housing Development Specialist gave the overhead presentation.

Councilor Corran asked I was wondering if you could talk a little bit about single unit redevelopment versus multi-unit and if there are limits on people who have multiples units? Is it per unit or per individual landlord or can you talk a little bit more about that?

Kevin Wilson said there is a limit of \$25,000 per unit. Each landlord per property is limited to \$50,000 per unit but, New Mexico Housing has also indicated to us their flexibility in unique situations to look at specific properties that might need more investment than that. So, they are open to the possibility but also limiting the amount of debt that they put the landlords in.

Councilor Corran said that is what I wondered. I imagined buying 5 of whatever the thing is probably a little easier, so it is good to hear that there is some of that flexibility for folks who have small quad-plex and stuff like that.

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Councilor Mattiace asked do you have already specific addresses identified that need the rehabilitation so that when the funds become available?

Kevin Wilson said there are a number of properties that have been considered at this point and time. We have three voucher distributors here in the city of Las Cruces being the Housing Authority, La Casa and Mesilla Valley Community of Hope. They are the ones who are most witness to the needs and the conditions and the specific units, so we are taking advisement to them while also targeting our properties for specific MRA areas.

Councilor Mattiace asked would Natalie consider some recommendations from city council, you know I have some properties in District 2, and they are voucher occupied and they are in pretty bad shape?

Kevin Wilson said we are certainly open to any suggestions along the way and when funding does get released again from the state if it does then there is already a number of properties and landlord owners who are very interested in hopefully meeting with us and see what we can do. There are quite limited funds per each city. It has been kind of a pilot program for the state at this point in time.

Councilor Mattiace asked if the landlord doesn't comply to keep up with whatever the policies and rules are then they could be clawed back some of the funds if it comes to that? On the voucher participant is there a system in place responsibility and requirements for those that are in the facilities and who monitors the participants with the vouchers? How are they controlled if there is destruction of the property for the landlords?

Natalie Green, Housing & Neighborhood Revitalization Administrator said so voucher holders when they rent a facility, they usually have a lease or most programs mandate that is just a one year lease and those lease agreements will have the rules and requirements. The onus is on the landlord to enforce their lease agreements with their tenants.

Councilor Mattiace asked would you be as kind to as to send me a copy?

Natalie Green said I can send some sample leases.

Councilor Harris asked these inspections and standards, do they by chance require a certain level of air conditioning in units?

Kevin Wilson said if there is indeed an air conditioning unit on the property then the State of New Mexico's Renter Laws does require that that remain operational and it is concluded as one of the appliances of the lease. Does rental to rehab consider that? The program uses the Inspire, which is the new real estate inspection. It replaced HQS, Housing Quality Standards and again if there were an air conditioner in the unit it would have to be functional however at this point in time in the state of New Mexico there is no requirement for an air conditioning unit in any home.

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Councilor Harris asked are there requirements in other cities?

Kevin Wilson said I am sure there are, but I could not answer that with confidence.

Councilor Harris said just for public benefit, when we participate in this program the city doesn't assume any liability for these loans, these aren't city funds being expended? These are state funds that are just being routed through the city and then if anything goes wrong the city actually stands to benefit.

Kevin Wilson said you are exactly correct. We do not have collection obligations nor are we liable for any kind of default along the way. However, if the landlords do default then the remainder of the balance that they have to pay back does revert back to the city for affordable housing uses.

City Councilor Becky Corran moved, seconded by City Councilor Michael Harris, to Approve Resolution No. 26-133.

RESULT:	Carried
MOVER:	City Councilor Becky Corran
SECONDER:	City Councilor Michael Harris
AYES:	Mayor Eric Enriquez, City Councilor Cassie McClure, City Councilor William Mattiace, City Councilor Michael Harris, City Councilor Johana Bencomo, City Councilor Becky Corran, and Mayor Pro Tem John Munoz

7.3 RESOLUTION NO. 26-134: A RESOLUTION TO APPROVE A REAL ESTATE PURCHASE AGREEMENT BETWEEN THE CITY OF LAS CRUCES AND ANTHONY AND SYLVIA SMITH FOR THE PURCHASE OF A .979 ACRE PARCEL OF LAND LOCATED AT 911 W. AMADOR FOR THE PURCHASE PRICE OF SEVEN HUNDRED TWENTY THOUSAND DOLLARS (\$720,000) IN ACCORDANCE WITH PROVISIONS OF LCMC 1997, SECTION 2-1312.

Natalie Green, Housing & Neighborhood Revitalization Administrator gave the overhead presentation.

Mayor Pro Tem John Munoz moved, seconded by City Councilor Becky Corran, to Approve Resolution No. 26-134.

RESULT:	Carried
MOVER:	Mayor Pro Tem John Munoz
SECONDER:	City Councilor Becky Corran
AYES:	Mayor Eric Enriquez, City Councilor Cassie McClure, City Councilor William Mattiace, City Councilor Michael Harris, City Councilor Johana Bencomo, City Councilor Becky Corran, and Mayor Pro Tem John Munoz

8. BOARD APPOINTMENTS

8.1 COUNCILOR MUNOZ APPOINTS RANDI HIMELGRIN TO THE LIBRARY BOARD.

8.2 JAY BECERRA

City Councilor Michael Harris moved, seconded by City Councilor Becky

Corran, to appoint Jay Becerra to the Senior Programs Advisory Board.

RESULT:	Carried
MOVER:	City Councilor Michael Harris
SECONDER:	City Councilor Becky Corran
AYES:	Mayor Eric Enriquez, City Councilor Cassie McClure, City Councilor William Mattiace, City Councilor Michael Harris, City Councilor Johana Bencomo, City Councilor Becky Corran, and Mayor Pro Tem John Munoz

8.3 ADRIAN VESETH-NELSON

City Councilor Michael Harris moved, seconded by City Councilor Becky Corran, to appoint Adrian Veseth-Nelson to the Veterans Advisory Board.

RESULT:	Carried
MOVER:	City Councilor Michael Harris
SECONDER:	City Councilor Becky Corran
AYES:	Mayor Eric Enriquez, City Councilor Cassie McClure, City Councilor William Mattiace, City Councilor Michael Harris, City Councilor Johana Bencomo, City Councilor Becky Corran, and Mayor Pro Tem John Munoz

8.4 THOMAS CHAPIN

City Councilor Michael Harris moved, seconded by City Councilor Becky Corran, to appoint Thomas Chapin to the Veterans Advisory Board.

RESULT:	Carried
MOVER:	City Councilor Michael Harris
SECONDER:	City Councilor Becky Corran
AYES:	Mayor Eric Enriquez, City Councilor Cassie McClure, City Councilor William Mattiace, City Councilor Michael Harris, City Councilor Johana Bencomo, City Councilor Becky Corran, and Mayor Pro Tem John Munoz

9. NOTICE OF PROPOSED ORDINANCE(S)

- 1) There will be no public discussion.
- 2) A Councilor may ask staff for clarification on the proposed ordinance(s).

9.1 COUNCIL BILL NO. 26-019; ORDINANCE NO. 3111: AN ORDINANCE AUTHORIZING A REAL ESTATE PURCHASE AGREEMENT BETWEEN THE CITY OF LAS CRUCES AND CLS DEVELOPMENT PARTNERS, LLC FOR THE SALE OF APPROXIMATELY 15.30 ACRES OF MUNICIPALLY OWNED LAND WITHIN THE LAS CRUCES INNOVATION AND INDUSTRIAL PARK FOR THE PURCHASE PRICE OF FIVE HUNDRED SEVENTY-THREE THOUSAND SEVEN HUNDRED NINETY-TWO DOLLARS (\$573,792.00) IN ACCORDANCE WITH PROVISIONS OF LCMC 1997, SECTION 2-1312.

Council agreed to bring it forward.

9.2 COUNCIL BILL NO. 26-020; ORDINANCE NO. 3112: AN ORDINANCE TO AUTHORIZE THE CONVEYANCE OF A CITY-OWNED VACANT PARCEL OF LAND KNOWN AS THE SOUTH 75' OF LOTS 21, 22, 23, & 24, BLOCK 20, PALMER'S SUBDIVISION (AKA 705 N. 5TH STREET) TO NEW WIND INCORPORATED DBA CROSSTOWN MINISTRIES FOR THE DEVELOPMENT OF AFFORDABLE HOUSING AS AUTHORIZED UNDER THE STATE OF NEW MEXICO'S AFFORDABLE HOUSING ACT (THE ACT)

NMSA 1978 CHAPTER 104, IN CONJUNCTION WITH THE CITY OF LAS CRUCES AFFORDABLE HOUSING GENERAL OVERSIGHT ORDINANCE.

Council agreed to bring it forward.

9.3 COUNCIL BILL NO. 26-021; ORDINANCE NO. 3113: AN ORDINANCE TO AUTHORIZE THE CONVEYANCE OF FOUR CITY-OWNED VACANT PARCELS, LOCATED AT (1) 1262 N. TORNILLO STREET, (2) 1252 N. TORNILLO STREET, (3) 1242 N. TORNILLO STREET, AND (4) 1040 N. CAMPO STREET, TO TIERRA DEL SOL HOUSING CORPORATION FOR THE DEVELOPMENT OF SINGLE-FAMILY AFFORDABLE HOUSING UNDER THE STATE OF NEW MEXICO'S AFFORDABLE HOUSING ACT (THE ACT) NMSA 1978 CHAPTER 104, IN CONJUNCTION WITH THE CITY OF LAS CRUCES AFFORDABLE HOUSING GENERAL OVERSIGHT ORDINANCE.

Council agreed to bring it forward.

10. CITY COUNCIL MEMBER BOARD REPORTS AND COMMENT

10.1 COUNCILOR MCCLURE

None.

10.2 COUNCILOR MATTIACE

None.

10.3 COUNCILOR HARRIS

None.

10.4 COUNCILOR BENCOMO

I have one thank you. I wanted to thank Transit and Community of Hope actually for getting together and participating in a deescalation training and I just thought that was really great and love to see that kind of collaboration. So, thank you to both of you for doing that.

My other request is for City Manager and PIO. Two things in this. I think given the budget conversation last week I think that it is important that we have a coordinated message out there for our community and be really transparent about what is happening, why and the path moving forward also, I want to request some sort of coordinated messaging on the new GRT funds. Last week I did a media interview to sort of counter some really disappointing misinformation that a local conservative State Senator was providing the community with, and I think it is important to counter those types of things when there is a vacuum of information, things get misinterpreted and worse misrepresented. So, I think it is important that we talk about the new GRT funds, how they are going to be spent and why. Talk about the new GRT funds, they belong to the public not to any particular department, so there was truly no diverting of any funds it was just a vision that we all, sort of blank slate that we all came together to make our recommendations. I think that for most of us on the council certainly came that day ready to make compromises on the vision that we saw for the GRT. Some of us walked away, perhaps disappointed in some of the things but I think again

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that is what happens when you compromise, the whole thing was truly a win. The new GRT funds that the community gave us and approved and we owe it to people to do right by them and to provide accurate information and to ensure that we aren't just allowing misinformation to go abundant. I think the city has a responsibility to put out a message that is coordinated and that gets to as many folks as possible. Whether people choose to accept it or not is a different story but at least we are putting out factual and correct information for the public to absorb and respond to, and you know ask us questions about and hold us accountable for. So, thank you Ikani and PIO for listening to my recommendation.

10.5 COUNCILOR CORRAN

I wanted to give a quick shout out and point of reflection. Some of us went to the Museum's After Dark Adults Night at the Museum on Friday night which was really fun and interesting and next month is 90's night so I hope to see some of you all out there in your best 90's garb but the museums are also part of a pilot project with the Smithsonian as part of the network for understanding culture I guess and they asked a lot of interesting and critical questions about our cell phone use and I just wanted to really shout out that that was a really fun exercise and great to reflect on in community on Friday nights so gratitude to the Quality of Life museum's team for making that a fun and interesting evening and causing me to reflect on my cell phone use very critically.

The second thing that I wanted to note was the Mesa Vista Public meeting that will be happening tonight from 5 to 7 p.m. happening tonight at the Dona Ana College East Mesa, 2800 Sonoma Ranch Boulevard. I think in the auditorium, the same place the South Central Solid Waste meeting will be happening next week. I hope that folks will be able to join. This is a huge transformational project that I think it is really important that the community understands where we are headed in the Mesa Vista conversation so I hope that folks will join that meeting tonight if they can.

10.6 COUNCILOR MUNOZ

Along with Councilor Corran I hope to encourage folks to also attend the session at the DACC campus tonight. It should be very interesting. I know residents, it is transformational. There will be a lot of questions, and I appreciate the staff who will be there to answer those questions to ensure that we are completely educated as to what is happening.

I have been reflecting on the 13-year-old that passed away and I know that we have all been thinking about that. I know it's very difficult and I do not image and I don't want to imagine being the family of that 13-year-old and how that has affected our entire community and it continues to affect our community. So I am challenging myself and I would like to challenge others to do what we can to make a difference and it reminds me of the parable of the starfish after a really bad storm there were a lot of starfish stranded on the beach and there was a young lady that kept picking starfish and throwing back into the sea. A man sees her and just kind of shakes his head. She continues to throw the starfish in the sea. Man comes up to her and says, what are you doing? I am putting these back in the sea, they are stranded. How can you possibly make a difference? What does this change? She pauses for a minute, she

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thinks, she stops, she picks up another starfish throws it in the sea and says, made a difference for that one. So, whatever we can do when we go forward it's not this or that, maybe it is all of the above or just our coming together to prevent tragedies like this from happening in our community.

10.7 MAYOR ENRIQUEZ

To add to that there are things going and so I just want to say this weekend, on Saturday we had breakfast, a brunch for all of the volunteers. So, thank you Catrina and Wendy for putting that breakfast to show our appreciation to all of our volunteers and we did the proclamation earlier but there was breakfast for them to show the appreciation that we as a city have for them and also last night was a banquet for the Mayor's Top Teens. There was 24 students. They excelled in school activities, building their character and have gone through some kind of adversity that they have overcome and a lot of this is great for the community because there is limited city involvement. It is all volunteers and groups and sponsors that come together and that is what it takes, it takes a community to come together, and I appreciate Councilor Mattiace for starting that years ago. That was number 19 last night so thank you.

11. CITY MANAGER REPORT

11.1 IKANI TAUMOEPEAU

There was a public comment that had a question regarding our vehicles in PD, and I just wanted to read that and share a response. I believe the question was why the city was buying militarized SWAT vehicles? And here is the response, Council you can remember two years ago there were legislators in our region not necessarily in Las Cruces but in the region, that supported regional response, we have a contract with cities adjacent to us in our area because we have a bigger police department they respond regionally and so we have regional response and we have SWAT teams that will go out to other communities and this is why Senator Brantley, Senator Cervantes, and Representative Dow pitched in \$620,000 to this to support the acquisition of vehicles for regional response. This alleviates the burden on our funding mechanism. We had our fleet administrator, Mercedes who does a fantastic job who is in that right now as an interim and we appreciate all of her help but our VAF is limited in funding and so this was at a time when GRT was not identified and we didn't have allocations for that so we do appreciate our legislators always being willing to help but the purpose of it is it went to 8 F150 trucks. It was assigned and is assigned to members of SWAT teams for the purpose of regional response and call outs. So, I just wanted to make that clear and again 8 F150 trucks.

The last announcement that I have is there was another question that dealt with the appropriations and legislative update for 2026. That is perfect timing because next Monday we have Christine updating you council and the public on 2026 legislative updates. We received about \$20 million. Again, we appreciate our local legislators and our governor for that but more to come from our amazing City Clerk.

12. ADJOURNMENT

12.1

City Councilor Becky Corran moved, seconded by Mayor Pro Tem John Munoz, to adjourn at 3:03 p.m.

RESULT:	Carried
MOVER:	City Councilor Becky Corran
SECONDER:	Mayor Pro Tem John Munoz

Mayor

City Clerk



City Council Action and Executive Summary

Type of Action:
☒ Resolution
☐ Ordinance
☐ TIDD Resolution

District:	☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☒ N/A
1st Reading:	Adopted: May 18, 2026
Drafter:	Virginia Barela
	Department: Financial Services
Title:	A RESOLUTION AUTHORIZING THE CITY OF LAS CRUCES TO ENTER INTO AN EXISTING CONTRACT PURCHASE AGREEMENT FOR MATERIALS TESTING SERVICES ON AN AS-NEEDED BASIS WITH GEO-TEST, INC. OF LAS CRUCES, NEW MEXICO, IN AN ANNUAL NOT-TO-EXCEED AMOUNT OF \$300,000, SUBJECT TO ANNUAL BUDGET APPROPRIATIONS (PROCUREMENT NO. 25-26-106).

TYPE OF ACTION: ☒ Administrative ☐ Legislative ☐ Quasi-Judicial

PURPOSE(S) OF ACTION:
To award an Existing Contract Purchase Agreement for materials testing services.

BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:
The City of Las Cruces (City) requires material testing services for various budgeted projects. Materials testing services ensure the safety, reliability, and performance of materials and products through evaluation of properties and behavior under various conditions. This testing ensures product safety and quality; helps the City understand the material properties such as strength, elasticity, ductility, hardness, and fatigue limits; optimize design; prevent failures; meet regulatory compliance requirements; and analyze failures when they occur, ultimately helping to prevent failures and ensure compliance with standards.

Las Cruces Municipal Code, Chapter 24, Section 24-3(24) Authorized exemption, authorizes the City to utilize contracts from other entities. Utilization of these contracts allows for effective and cost-efficient procurement of goods and services to meet the City's operational needs.

Geo-Test, Inc. of Las Cruces, New Mexico offers materials testing services based on Doña Ana County Contract 26-238 through June 30, 2029. The City wishes to utilize this contract for materials testing service on an as-needed basis. The City's aggregate expenditures for these services will exceed the \$100,000 threshold requiring City Council approval. This Resolution requires approval from City Council to enter into an Existing Contract Purchase Agreement for materials testing services on an as-needed basis in an annual not-to-exceed amount of \$300,000, subject to approved budget appropriations.

SUPPORT INFORMATION:
[Exhibit "A" 25-26-106 Materials Testing Services](#)

PLAN(S):
None

COMMITTEE/BOARD REVIEW:

None

DOES THIS AMEND THE BUDGET?:

☐ Yes

☒ No

Does this action amend the Capital Improvement Plan (CIP)?

☐ Yes

☒ No

OPTIONS / ALTERNATIVES:

1. Vote "Yes"; this will approve the Resolution to authorize the City to enter into an Existing Contract Purchase Agreement for materials testing services on an as-needed basis with Geo-Test, Inc. of Las Cruces, NM in an annual not-to-exceed total of \$300,000, subject to approved budget appropriations.
2. Vote "No"; this will deny the Resolution, and City Council will need to provide staff with alternate direction.
3. Vote to "Amend"; this will modify the Resolution and advise staff of necessary adjustments as deemed appropriate.
4. Vote to "Table"; this will delay entering into an agreement for material testing services and prevent completion of budgeted projects.

RESOLUTION 26-140

A RESOLUTION AUTHORIZING THE CITY OF LAS CRUCES TO ENTER INTO AN EXISTING CONTRACT PURCHASE AGREEMENT FOR MATERIALS TESTING SERVICES ON AN AS-NEEDED BASIS WITH GEO-TEST, INC. OF LAS CRUCES, NEW MEXICO, IN AN ANNUAL NOT-TO-EXCEED AMOUNT OF \$300,000, SUBJECT TO ANNUAL BUDGET APPROPRIATIONS (PROCUREMENT NO. 25-26-106).

The City Council is informed that:

WHEREAS, the City of Las Cruces (City) requires material testing services for various budgeted projects; and

WHEREAS, materials testing services ensure the safety, reliability, and performance of materials and products through evaluation of properties and behavior under various conditions; and

WHEREAS, Las Cruces Municipal Code, Chapter 24, Section 24-3(24) authorizes the City to utilize contracts from other governing bodies; and

WHEREAS, Geo-Test, Inc. of Las Cruces, NM offers materials testing services based on Doña Ana County Contract 26-238 through June 30, 2029; and

WHEREAS, the City's aggregate expenditures for these services will exceed the \$100,000 threshold requiring City Council approval.

NOW, THEREFORE, Be it Resolved by the Governing Body of the City of Las Cruces:

(I)

THAT the Resolution authorizing the City to enter into an Existing Contract Purchase Agreement for materials testing services with Geo-Test, Inc. of Las Cruces, NM in an annual not-to-exceed amount of \$300,000, subject to approved budget appropriations, as shown in Exhibit "A" attached hereto and made part of this Resolution is approved.

(II)

THAT City staff is hereby authorized to do all deeds as necessary in the accomplishment of the herein above.

DONE AND APPROVED this day of

Agenda Item #6.1.

APPROVED

ATTEST:

Moved by:

Seconded by:

AYES

NAYS



CITY OF LAS CRUCES

EXISTING CONTRACT PURCHASE AGREEMENT

DOÑA ANA COUNTY CONTRACT NO. 26-238

MATERIALS TESTING

Pursuant to terms and conditions of Doña Ana County Contract No. 26-238 RFP No. 26-0008 dated October 21, 2025, between the Doña Ana County and Geo-Test, Inc (CONTRACTOR), as amended and incorporated herein by reference, the City of Las Cruces (CITY) and CONTRACTOR hereby agree on this ____ day of _____, 2026, as follows:

1. This Purchase Agreement is intended to be an Existing Contract Purchase Agreement in accordance with LCMC Chapter 24, Article I, Sec. 24-4 (24).
2. In a satisfactory and proper manner, the CONTRACTOR shall perform services pursuant to Doña Ana County Contract No. 26-238, as set forth in Attachment A, attached hereto and made a part of this Agreement.
3. The effective period of this Agreement shall coexist with Doña Ana County Contract No. 26-238.
4. In consideration for the satisfactory delivery of products, the CONTRACTOR shall be compensated pursuant to the cost terms of Doña Ana County Contract No. 26-238. Cost of services shall be paid by CITY within 30 days upon receipt of undisputed invoice.
5. Insurance
CONTRACTOR shall obtain and maintain at least the following insurance at its own cost and expense during the life of this Agreement, and shall require Subcontractors, if any, to maintain the same insurance during the life of the subcontracted work:
 - A. Professional Liability Insurance
 - i. \$1,000,000 per occurrence
 - B. General Liability Insurance
 - i. \$1,000,000 per occurrence / \$2,000,000 aggregate
 - ii. Coverage must include premises and operations, products and completed operations, and personal and advertising injury.
 - iii. The City of Las Cruces must be named as an Additional Insured for all coverages listed above on endorsements acceptable to the City.
 - iv. Coverage must be primary and non-contributory.
 - v. Coverage must be per project or per location.
 - vi. Coverage must be on an occurrence form.
 - vii. Subrogation must be waived.
 - C. Commercial Auto Liability
 - i. \$1,000,000 per occurrence
 - ii. Coverage must be for "owned, leased, hired, and non-owned autos" or "any autos."
 - D. Workers Compensation and Employers Liability

- i. Statutory Limits
- ii. Employer liability – \$1,000,000 each accident, \$1,000,000 each employee by disease, \$1,000,000 policy limit
- iii. Subrogation must be waived.

Endorsements for additional insured coverage and waivers of subrogation must be provided as a condition of this Agreement and shall be noted on the certificate.

CONTRACTOR shall furnish the CITY with a certificate(s) of insurance showing CONTRACTOR and Subcontractors, if any, have complied with this Article. The CONTRACTOR shall provide insurance certificates before work is to start on the project and shall provide the CITY thirty (30) days written notification of cancellation of such policies.

6. This Agreement and the rights and obligations of the parties shall be governed by and construed by the laws of the State of New Mexico applicable to Agreements between New Mexico parties made and performed in that state, without regard to conflicts of law principles. Venue shall be in the Third Judicial District, State of New Mexico. Contractor shall abide and be governed by all applicable state law, City of Las Cruces ordinances, and laws regarding the Contractor's services or any work done pursuant to this Agreement.
7. The Contractor shall defend, indemnify, and hold harmless the City, its officers, and employees from and against any and all losses suffered by the City, its officers, and employees, and any special claims, liabilities or penalties asserted against the City, resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor, subcontractor, subgrantee, or other agent of the Contractor. This covenant shall survive the termination of this Agreement.
8. That in the event any of the provisions of this Contract are violated by the Contractor or by any of his Subcontractors, the City may serve written notice upon the Contractor and, if a surety exists, upon the surety of its intention to terminate such Contract, such notices to contain the reasons for such intention to terminate the Contract; and, unless within ten (10) days after and satisfactory arrangement for correction be made, the Contract shall, upon the expiration of said ten (10) days, cease and terminate. On the event of any such termination, if a surety exists, the City shall immediately serve notice thereof upon the surety who shall have the right to take over and perform the Contract, provided, however, that if the surety does not commence performance thereof within thirty (30) days from the date of the mailing of such surety of notice of termination, the City may take over the work and prosecute the same to completion by the Contract for the account and at the expense of the Contractor, and the Contractor and his surety shall be liable to the City for any excess cost occasioned the City thereby; and in such event, the City may take possession of and utilize in completing the work, such materials, appliances, and plans as may be on the site of the work and necessary therefore. This Agreement may be terminated by either party hereto upon fifteen (15) calendar days written notice in the event of substantial failure by the other party to perform in accordance with the terms of this Agreement through no fault of the terminating party. This Agreement may also be terminated by the City, for its convenience or because the project has been permanently abandoned, but only upon fifteen (15) calendar days written notice to Contractor.

9. The terms of this Agreement are contingent on sufficient appropriations and authorization being made by the City for the performance of this Agreement. If sufficient appropriations and authorizations are not made by the City Council, this Agreement shall terminate upon written notice given by the City to Contractor. The City's decisions as to whether sufficient appropriations and authorizations exist shall be accepted by Contractor and shall be final.
10. Contractor will maintain records for five (5) years after the completion of the project, indicating dates, length of time, and services rendered. The City has the right to audit billings both before and after payment and contest any billing or portion thereof. Payment under this Agreement does not foreclose the City's right to recover excessive or illegal payments.
11. Contractor represents and warrants the following:
 - a. No Current or Prior Conflict of Interest. That Contractor has no business, professional, personal, or other interest, including, but not limited to, the representation of other clients, that would conflict in any manner or degree with the performance of its obligations under this Agreement.
 - b. Notice of Potential Conflict. If any such actual or potential conflict of interest arises under this Agreement, Contractor shall immediately inform the City in writing of such conflict.
 - c. Termination for Material Conflict. If, in the reasonable judgement of the City, such conflict poses a conflict to and with the performance of Contractor's obligations under this Agreement, or is otherwise a violation of the City's current policy or ordinances, then the City may terminate the Agreement immediately upon written notice to Contractor; such termination of the agreement shall be effective upon the receipt of such notice by Contractor.
12. The parties agree that each provision of this Agreement is severable and the invalidity or unenforceability of any one or more of the provisions of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and this Agreement shall be construed in all respects as if such invalid or unenforceable provisions were omitted.
13. In the event that a dispute arises between City and Contractor under this Agreement or as a result of breach of this Agreement, the parties agree to act in good faith to attempt to resolve the dispute.
14. **PURCHASE ORDER REQUIRED.** Contractor shall not perform any work or order any goods, materials, or parts unless and until the City of Las Cruces issues a written, authorized Purchase Order ("PO"). The PO is a condition precedent to payment. Any work performed or costs incurred without a valid PO are unauthorized, at Contractor's sole risk, and non-compensable by the City. Verbal or written direction from City personnel does not constitute authorization absent a PO. Contractor waives any claim for payment or damages for work performed without a PO. Violation of this section is a material breach and grounds for termination.

GEO-TEST, INC.

CITY OF LAS CRUCES

BY: _____
Name:
Title:

BY: _____
Alicia Hernandez
Purchasing Manager

Date

Date

APPROVED AS TO FORM

 for BD 04/14/2026

City Attorney

Attachment A

SCOPE

- A. This Agreement does not constitute any right to handle specific testing or any specific number of tests. The City may, at its sole discretion, assign or reassign materials testing, as it deems most expedient. The City will make work assignments on an as-needed basis. The City, when making materials testing work assignments, will take into account the type of work the material testers are capable of providing to the City as stated in their Technical Proposal, the jobs they have already performed or are currently performing for the City, the location of the proposed work as related to past work performed, and whether they can meet the project demands including the required response time and the cost of specific services. This process is based upon the City's need to obtain timely delivery of materials testing services for the City's permitted, construction, and maintenance operations. The City is concerned that a single source may not always be able to supply timely services to meet their needs.
- B. The selected material testers will be required to perform tests for the City as outlined in Exhibit "A." The following types of materials shall be tested as needed:
 - a. Soils
 - b. Aggregate
 - c. Bituminous Paving Materials
 - d. Portland Cement Concrete Materials
- C. The selected material testers will perform testing for the following types of projects:
 - a. Road Construction
 - b. Building Construction
 - c. Drainage Construction
 - d. Utilities Construction
 - e. Other Public and/or Private Improvements
- D. The material testers in responsible charge of the testing shall be Licensed Professional Engineers in the State of New Mexico with experience in the Materials Testing Field.
- E. A complete final typewritten draft of laboratory reports shall be submitted to the City's Representative, at the time an invoice for payment is submitted. An initial handwritten draft of the test results shall be submitted to the City's Representative at the time the materials are tested. All test results shall include the complete project name, project number, and permit number. The City reserves the right to require a typewritten report within **seventy-two (72) hours** of the completion of the test. All reports submitted must be signed and sealed by the Licensed Professional Engineer in charge of the work.
- F. The City Representative requesting services shall be notified verbally, immediately upon discovery of any apparent failure of any test or material(s) out of tolerance. These test results shall be reported to the City within **eight (8) hours** from the testing of the material, with the exception of Concrete Compressive Strengths and Soundness and LA Wear of aggregates. For morning samples of Bituminous Paving Mixtures T27; T-11; and T164 tests, the City will require test results within **four (4) hours** from the time of the sampling of the material. This verbal notification shall be followed by a written notification within **twenty-four (24) hours** of the completion of the test. Please note that this includes the appearance of low compressive strengths at the seven (7) day break for concrete tests.
- G. **Up to one (1) hour maximum response time** is allowed for field testing personnel to arrive at the worksite when requested by the City, between the hours of 7:00 A.M. and

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5:00 P.M., Monday through Friday. Any testing outside of these hours is considered off-hours.

- H. The City's intent is to provide a twenty-four (24) hour advanced alert notice for required testing services during off-hours (outside normal working hours, legal holidays, or weekends). A one-time daily mobilization fee will be paid for all work performed during off-hours. This fee is in addition to the normal testing fees.
- I. Testing technicians shall be on site with all equipment prepared and ready to perform the requested tests at the scheduled time and will not be required to standby longer than fifteen (15) minutes. The mentioned fifteen (15) minutes will be considered incidental to bid item. The City reserves the right to call another testing agency to provide a requested service if the technician is not on site with all equipment prepared to perform requested tests after fifteen (15) minutes of the scheduled time.
- J. The City reserves the right to remove a technician from a job site if the technician has not met the requirements set forth in this agreement and is not sufficiently certified for the test being performed, as described in Section IV, Item A-2 or if in the City's judgement the technician is not competent to conduct the test being performed. The City will require certification by the Technician Training and Certification Program (TTCP) for technicians within the first contract year. ACI certification can be substituted for TTCP on concrete testing, however TTCP testing procedures shall be followed in case of discrepancies.
- K. All tests conducted in the field and lab shall be completed by technicians who are certified in accordance with Section IV, Item A-2. A copy of all pertinent and current certifications shall be submitted with RFP and shall be available for the City's inspection throughout the duration of contract.
- L. Payment
 - a. All tests shall be done in accordance with the referenced testing procedures, or approved equivalent, at the unit prices negotiated within the contract.
 - b. The materials tester shall submit an invoice for each individual project, grouped by requestor, to the City's Requesting Department, or his/her designated representative, on the last working day of the month. This invoice shall include all work completed in accordance with the contract and shall be itemized on the invoice. Not later than twenty-one (21) calendar days after each correct and accepted monthly invoice is presented, the City will make payment to the materials tester on the basis of a duly certified and approved invoice for the work performed during the preceding calendar month.
 - c. The City will not process any payment in which work was completed more than sixty (60) calendar days prior to receipt of the invoice.
 - d. There will be no payment for stand-by, unless stand-by is requested and approved by the City prior to commencing work.
 - e. A daily mobilization fee will be paid in addition to normal testing fees for all work conducted off-hours, weekends, or holidays.
- M. Contract Award – Any agreement awarded as a result of this RFP shall be for Materials Testing Services, as needed, on an on-call basis.
- N. City Furnished Property – No labor or facilities will be furnished by the City.

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- O. Tester shall provide the City with a ninety (90) day notice of intent to cancel or refusal to renew the contract.

P. Insurance Requirements

The awarded firm(s) shall obtain and maintain insurance at its own cost and expense during the life of the Agreement, and shall require Subcontractors, if any, to maintain during the life of his subcontract:

1. Professional Liability
 - a. \$1,000,000 per occurrence
2. Commercial General Liability Insurance
 - a. \$1,000,000 per occurrence / \$2,000,000 aggregate
 - b. Coverage must include premises and operations, and personal and advertising injury.
 - c. The City must be named as an additional insured for all coverages listed above on endorsements acceptable to the City.
 - d. Coverage must be primary and non-contributory.
 - e. Coverage must be per project or per location.
 - f. Coverage must be on an occurrence form.
 - g. Subrogation must be waived.
3. Commercial Auto Liability
 - a. \$1,000,000 per occurrence
 - b. Coverage must be for "owned, leased, hired, and non-owned autos" or "any autos."
4. Workers' Compensation and Employers Liability
 - a. Statutory Limits
 - b. Employer liability – \$1,000,000 each accident, \$1,000,000 each employee by disease, \$1,000,000 policy limit
 - c. Subrogation must be waived.
5. The CONTRACTOR must immediately notify the CITY if insurance is canceled or not renewed.

The City must be named as additional insured – this coverage must be as broad as the coverage provided to the insured; coverage must be primary and non-contributory before any other insurance or self-insurance. A copy of the endorsement(s) for this coverage must be provided as a condition of this Agreement.

Waiver of Subrogation will apply and shall be noted on the certificate.

CONTRACTOR shall furnish the CITY with a certificate(s) of insurance showing CONTRACTOR and Subcontractors, if any, have complied with this Article. The CONTRACTOR shall provide insurance certificates before work is to start on the project and shall provide the CITY thirty (30) days written notification of cancellation of such policies.

COST PROPOSAL**Company Name:** Geo-Test, Inc.

Note: "N/A" shall be written as a unit cost if testing lab does not have required certifications to perform test.

TESTING OF SOILS			
ITEM	TEST PROCEDURE	TEST METHOD AASHTO/TTCP (or approved equivalent) Current Designation	UNIT COST \$/EA
S1	Sampling (Soils)	T-2	40.00
S2	Atterberg Limits (Liquid Limit, Plastic Limit, And Plasticity Index Of Soils)	T-89; T-90	60.00
S3	Permeability Of Fine Grained Soils (Constant Head Method)	T-215	250.00
S4	Particle Size Analysis Of Soils (Washed)	T-88	60.00
S5	Specific Gravity Of Soils	T-100	65.00
S6	Moisture Content Of Soils	T-265	30.00
S7	Moisture Density Relationship Of Soils. (Proctor)	T-99; T-180	150.00
S8	Density Of Soil In Place By The Rubber Balloon Method	T-205	n/a
S9	Density Of Soil In Place By The Sand Cone Method	T-191	60.00
S10	Density Of Soil In Place By Nuclear Methods	T-310	40.00
S11	Percolation Test	N.M.E.D.	300.00
S12	Soil Classification (To Include Sampling, Sieve Analysis And Atterberg Limits)	T-88, 89, & 90	160.00
S13	Unit Weight Of Undisturbed Soil	---	50.00
S14	Dry Preparation of Disturbed Soil and Soil Aggregate	R-58	30.00
S15	Wet Preparation of Disturbed Soil Samples for Test	T-146	30.00

S16	Soil Boring and Logs (Price Per Foot)		15.00
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TESTING OF AGGREGATES			
ITEM	TEST PROCEDURE	TEST METHOD AASHTO/TTCP (or approved equivalent) Current Designation	UNIT COST \$/EA
A1	Sampling (Aggregates)	T-2	40.00
A2	Depth Tests (Subgrade and/or Base coarse)		40.00
A3	Sieve Analysis Of Fine And Coarse Aggregates	T-27; T-11	60.00
A4	Specific Gravity And Absorption Of Fine Aggregate	T-84	80.00
A5	Specific Gravity And Absorption Of Coarse Aggregate	T-85	80.00
A6	Organic Impurities In Fine Aggregate	T-21	80.00
A7	Surface Moisture In Fine Aggregate	T-142	30.00
A8	Total Moisture Content Of Aggregate By Drying	T-255	30.00
A9	Unit Weight And Voids In Aggregate	T-19	50.00
A10	Sand Equivalent Value Of Soils And Fine Aggregate	T-176	65.00
A11	Soundness Of Aggregate By Use Of Magnesium Sulfate	T-104	275.00
A12	Soundness Of Aggregate By Use Of Sodium Sulfate	T-104	275.00
A13	Clay Lumps And Friable Particles In Aggregates	T-112	60.00
A14	Potential Reactivity Of Aggregate (Chemical Method) (ASTM)	C-289	n/a
A15	Los Angeles Abrasion For Small And Large Aggregate	T-96	225.00
A16	Complete Battery Of Tests For Base Coarse Materials To Include: Sampling And Depth Tests And Sieve Analysis Of Fine And Coarse Aggregates.	AS INDICATED UNDER ITEMS (A1 THRU A3) ABOVE	140.00
A17	Reducing Field Samples of Aggregate to Testing Size	T-248	30.00
A18	Uncompacted Void Content of Fine Aggregate	T-304	60.00

A19	Flat and Elongated Particles in coarse aggregate	NMDOT FE-1	60.00
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TESTING OF BITUMINOUS MATERIALS			
ITEM	TEST PROCEDURE	TEST METHOD AASHTO/TTCP (or approved equivalent) Current Designation	UNIT COST \$/EA
B1	Sampling (Bituminous Paving Mixtures)	T-168	40.00
B2	% Air Voids In Compacted Dense And Open Paving Mixtures	T-166 / T-209 / T-269	135.00
B3	Specific Gravity And Absorption Of Coarse Aggregate	T-85	80.00
B4	Specific Gravity And Absorption Of Fine Aggregate	T-84	80.00
B5	Resist. To Plastic Flow Of Bituminous Mix Using Marshall	T-245	50.00
B6	Briquette Molding And Unit Weight Only (Min 3 Briquettes)	T-166	100.00
B7	Density Of Bituminous Pvmt. In Place By Nuclear Methods	T-230	40.00
B8	Bulk Specific Gravity Of Compacted Mix Using SSD Specimens	T-166	45.00
B9	Complete Asphalt Mix Design By Marshall Method	T-245	2,500.00
B10	Fractured Face Count Of Aggregate	CITY SPECS.	40.00
B11	Quantitative Extraction Of Bitumen By Nuclear Method	T-287	n/a
B12	Quantitative Extraction Of Bitumen	T-164	n/a
B13	Mechanical Analysis Of Extracted Aggregate (Gradation)	T-30 / T-308	60.00
B14	Voids In Mineral Aggregate (VMA)	R-35	0.00
B15	Dust to Binder Ratio	R-35	0.00
B16	Determination of Asphalt Content of Hot Mix Asphalt (HMA) by Bidder Ignition	T-308	100.00
B17	Density of Hot Mix Asphalt (HMA) Specimens by Means of the SHRP Gyratory Compactor	T-312	200.00
B18	*Asphalt Coring 4" Dia. up to 4" Depth (Sawcut Edges)		150.00

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B19	*Asphalt Coring 4" Dia./Per Depth Greater Than 4" (Sawcut Edges)		25.00 / IN.
B20	*Asphalt Coring 6" Dia. up to 4" Depth (Sawcut Edges)		150.00
B21	*Asphalt Coring 6" Dia./Per Depth Greater Than 4" (Sawcut Edges)		25.00 / IN.
B22	*Asphalt Coring 8" Dia. up to 4" Depth (Sawcut Edges)		150.00
B23	*Asphalt Coring 8" Dia./Per Depth Greater Than 4" (Sawcut Edges)		25.00 / IN.
B24	*Asphalt Coring 10" Dia. up to 4" Depth (Sawcut Edges)		175.00
B25	*Asphalt Coring 10" Dia./Per Depth Greater Than 4" (Sawcut Edges)		25.00 / IN.
B26	*Asphalt Coring 12" Dia. up to 4" Depth (Sawcut Edges)		200.00
B27	*Asphalt Coring 12" Dia./Per Depth Greater Than 4" (Sawcut Edges)		25.00 / IN.
B28	Unit Weight Of Cored Specimens		45.00
B29	Complete Pvmt. Design Given ESAL. Includes (3) Borings To A Depth Of 3 Feet To Determine Existing Soil R-Value		2,500.00
B30	Additional Borings To Determine Soil R-Value (Cost Per Ft.)		125.00
B31	Theoretical Maximum Specific Gravity And Density	T-209	80.00
B32	Complete Battery Of Tests For Asphalt Concrete Surface Coarse Materials To Include: Sampling And Transportation Of Bituminous Materials, Briquette Molding (3 min.), Unit Weight Determination, Air Voids, Maximum Specific Gravity, (1) Quantitative Analysis Of Bitumen, (1) Mechanical Sieve Analysis Of Extracted Aggregate, Stability & Flow Determination, to include min. of 1 and max of 3 mat density cores --(Complete)	AS INDICATED UNDER ITEMS (B1 THRU B17) ABOVE	680.00
B33	Complete Battery Of Tests For Asphalt Concrete Surface Coarse Materials To Include: Sampling And Transportation Of Bituminous Materials, Briquette Molding (3 min.), Unit Weight Determination, Air Voids, Maximum Specific Gravity, (1) Quantitative Analysis Of Bitumen, (1) Mechanical Sieve Analysis Of Extracted Aggregate, Stability & Flow Determination, to include a min. of 3 and a max. of 6 in-Place Densities Of Bituminous Concrete By Nuclear Method--(Complete)	AS INDICATED UNDER ITEMS (B1 THRU B17) ABOVE	605.00

Agenda Item #6.1.

B34	Complete Battery of Tests For Super Pave Asphalt Surface Coarse Materials to Include: Sampling and Transportation of Bituminous Materials, Gyratory Compaction, Asphalt Content, Mechanical Sieve Analysis, Air Voids, Voids in Mineral Aggregate, Dust to Binder Ratio and shall include a min. of 1 and max of 3 mat density cores---Complete	AS INDICATED UNDER ITEMS (B1 THRU B17) ABOVE	730.00
B35	Complete Battery of Tests For Super Pave Asphalt Surface Coarse Materials to Include: Sampling and Transportation of Bituminous Materials, Gyratory Compaction, Asphalt Content, Mechanical Sieve Analysis, Air Voids, Voids in Mineral Aggregate, Dust to Binder Ratio and shall include a min. of 3 and max of 6 in-place Densities of Bituminous Concrete By Nuclear Method---Complete	AS INDICATED UNDER ITEMS (B1 THRU B17) ABOVE	655.00
B36	Pavement (10' Straightedge) Smoothness Test (Price per measurement)		40.00

*Location of cores shall be determined by City of Las Cruces and be representative samples of the entire road cross section.

TESTING OF CONCRETE MATERIALS			
ITEM	TEST PROCEDURE	TEST METHOD AASHTO/TTCP (or approved equivalent) Current Designation	UNIT COST \$/EA
C1	Compressive Strength Of Concrete Cylinders Complete Including: Sampling, Temperature, One (1) Slump Test, One (1) Air Entrainment Test, Preparation Of (4) Cylinders Retrieving Cylinders And Laboratory Curing, And Breaking And Reporting The Cylinders 1 @ 7 And 3 @ 28 Days As Per City Of Las Cruces Specifications	T-22, 23	300.00
C2	Air Entrainment Test	T-152	30.00
C3	Additional Slump Test	T-119	25.00
C4	Unit Weight	T-121	25.00
C5	Additional Cylinders 6" X 12"		25.00
C6	Same As C1 With 4" X 8" Cylinders		300.00
C7	Additional Cylinders 4" X 8"		25.00

TESTING OF CONCRETE INSTALLATIONS			
ITEM	TEST PROCEDURE	TEST METHOD AASHTO/TTCP (or approved equivalent) Current Designation	UNIT COST \$/EA
CC1	Field Coring Concrete 2" Dia. up to 4" Depth W/Sawcut Edges	T-24	135.00
CC2	Field Coring Concrete 2" Dia. Greater Than 4" Depth W/Sawcut Edges	T-24	30.00 / IN
CC3	Field Coring Concrete 4" Dia. up to 4" Depth W/Sawcut Edges	T-24	135.00
CC4	Field Coring Concrete 4" Dia. Greater Than 4" Depth W/Sawcut Edges	T-24	30.00 / IN
CC5	Field Coring Concrete 6" Dia. up to 4" Depth W/Sawcut Edges	T-24	160.00
CC6	Field Coring Concrete 6" Dia. Greater Than 4" Depth W/Sawcut Edges	T-24	30.00 / IN
CC7	Field Coring Concrete 8" Dia. up to 4" Depth W/Sawcut Edges	T-24	160.00
CC8	Field Coring Concrete 8" Dia. Greater Than 4" Depth W/Sawcut Edges	T-24	30.00 / IN
CC9	Field Coring Concrete 10" Dia. up to 4" Depth W/Sawcut Edges	T-24	185.00
CC10	Field Coring Concrete 10" Dia. Greater Than 4" Depth W/Sawcut Edges	T-24	30.00 / IN
CC11	Field Coring Concrete 12" Dia. up to 4" Depth W/Sawcut Edges	T-24	200.00
CC12	Field Coring Concrete 12" Dia. Greater Than 4" Depth W/Sawcut Edges	T-24	30.00 / IN
CC13	Curing, Preparation, And Breaking 2 Inch Cores	T-24	40.00
CC14	Curing, Preparation, And Breaking 4 Inch Cores	T-24	40.00
CC15	Curing, Preparation, And Breaking 6 Inch Cores	T-24	40.00
CC16	Curing, Preparation, And Breaking 8 Inch Cores	T-24	40.00
CC17	Curing, Preparation, And Breaking 12 Inch Cores	T-24	40.00

TESTING OF CONCRETE AGGREGATES			
ITEM	TEST PROCEDURE	TEST METHOD AASHTO/TTCP (or approved equivalent)	UNIT COST \$/EA

Agenda Item #6.1.

		Current Designation	
CM1	Concrete Mix Design ACI 211.1	T-2, 84, 85, 27	2,00.00
CM2	Additional Mix Design Using Same Aggregate Samples	T-152	1,500.00

TESTING OF MORTAR INSTALLATIONS			
ITEM	TEST PROCEDURE	TEST METHOD AASHTO/TTCP (or approved equivalent) Current Designation	UNIT COST \$/EA
MCI	Sampling And Making 6- 2" Cubes Complete	T-106, 127	80.00
MC2	Compressive Strength Of 6- 2" Mortar Cubes (Cure And Break). 2 For 7, 3 For 28 Day	T-106	150.00
MC3	Sampling And Making 4- 4"X8" Cylinders Complete (ASTM)	C-780	80.00
MC4	Compressive Strength Of 4- 4"X8" Cylinders (Cure And Break). 1 For 7, 3 For 28 Day (ASTM)	C-780	100.00

TRAVEL RATES (Travel Rates Include Mileage and Technician Time)		
ITEM	TYPE OF MILEAGE	UNIT COST \$/MILE
M1	Mileage Rates For Travel Outside City Limits Rate/Mile	1.25
M2	Mileage Rates For Sampling Batch Plants (Mileage Determined From Laboratory To Plant With Computer Generated Driving Routes)	2.50

PROFESSIONAL RATES			
ITEM	TYPE OF PROFESSION	HOURLY \$/EA	OVERTIME \$/EA
H1	Professional Engineer	195.00	292.50
H2	Expert Testimony	195.00	292.50
H3	Engineering Technologist	100.00	150.00
H4	Engineering Technician	80.00	120.00
H5	Administration	65.00	97.50

MISCELLANEOUS RATE			
ITEM	MISCELLANEOUS DESCRIPTION	TYPE OF METHOD (IF APPLICABLE)	UNIT COST \$/EA
MR1	Cancellation of Test by City, lab must be on site Section III-Scope	N/A	80.00
MR2	Mobilization Fee for Off-Hours (Daily Lump Sum)	N/A	380.00
MR3	Soil Resistivity	AASHTO T288 or equivalent	100.00
MR4	Soil pH	AASHTO T289 or equivalent	80.00

MISCELLANEOUS RATE			
ITEM	MISCELLANEOUS DESCRIPTION	TYPE OF METHOD (IF APPLICABLE)	UNIT COST \$/EA
MR5	Soil Sulfate	AASHTO T290 or equivalent	55.00
MR6	Soil Chloride	AASHTO T291 or equivalent	55.00
MR7	Soil Corrosivity Suite (Includes MR3, 4, 5, and 6)	See individual test.	290.00

End of Cost Proposal

DONA ANA COUNTY REQUEST FOR SIGNATURE

26-138

TO: Scott Andrews, County Manager **Contract/Grant No.** New
THRU: Management Level Reviewer
FROM: Justin Weaver/Patty Evans **Phone:** 575-647-7112
DATE: October 21, 2025
SUBJECT: Signature Request – Geo-Test, Inc Contract

Request

For the copy of the contract between Doña Ana County and Geo-Test, Inc. to be signed.

Financial Impact

The contract is for under \$150,000/year.

Background

Geo-Test, Inc does material testing services for more than one department of the County for County wide projects. They have been used previously with good results. The past contract with Geo-Test was DAC 22-102.

Recommendation

Please sign one copy of the contract with Geo-Test, Inc.

INTERNAL REVIEWS FOR PROCESSING

DEPARTMENT	Department please complete this section for Finance Review and Approval. Document Type: Contract ☒ Grant ☐ Other _____ Accounting String: _____ Req. or PO No. _____ Amount <u>\$150,000.00</u> Restricted Funds: Yes ☐ No ☐ Grant/State Appropriation No. _____	
FINANCE	Reviewed and Approved: <u>Daniel H</u>	Date: <u>10/21/25</u>
PURCHASING	Bid/RFP # <u>26-0008</u> Authority: BOCC date approved _____ NTE \$100K _____ NMSA Exemption _____ Reviewed and Approved: <u>Uddafungen</u>	Date: <u>10/21/25</u>
LEGAL	Reviewed and Approved :	Date:
REVIEWER NOTES:	<u>OK. P 10/22/2025</u>	

CONTRACT # 26-138
Effective Date: 10/21/2025

DOÑA ANA COUNTY CONTRACT FOR GOODS AND SERVICES

This Contract is entered into between Doña Ana County, hereinafter referred to as the "County," and "Contractor" described below, collectively the "Parties", to provide services on behalf of Doña Ana County.

Contractor Legal Name: Geo-Test, Inc.

Services Summary Description: Materials Testing Services

Initial Period of Performance shall be through: June 30, 2026

Pre-GRT, Total Annual Charges to this contract may not exceed: Indefinite Quantity

This Contract complies with New Mexico and County procurement requirements as follows:

- ☐ RFP # , ☐ Under 150,000/yr or ☐ BOCC approval date
- ☒ Bid # 26-0008, ☒ Under \$150,000/yr or ☐ BOCC approval date
- ☐ "Qualified" Professional Service, Under \$60,000 annually. Qualifications attached.
- ☐ Three Written Quotes under \$60,000 annually. ☐ Quotes under \$20,000 annually.
- ☐ Other: Revenue; non-financial MOA; or

No services shall be rendered nor shall any goods be provided until this contract has been executed by all parties, regardless of the indicated effective date.

NOTICES: All correspondence regarding this contract shall be sent to:

Doña Ana County Government	Contractor: Geo-Test, Inc.
Department: Facilities & Parks	ATTN: Patrick J. Byers, PE
ATTN: Robert Herrera	Title: President
Street: 845 N. Motel Blvd	Street: 3204 Richards Lane
City, State, Zip: Las Cruces, NM 88001	City, State, Zip: Santa Fe, NM 87507
Phone: 575-647-7106	Phone: 505-471-1101
Fax:	Fax:
Cell:	Cell: 505-269-2029
Email: roberthe@donaana.gov	Email: santafegeo@aol.com

ARTICLE 1 - SERVICES AND/OR GOODS TO BE PROVIDED: For RFP or Professional Services contracts, the Contractor shall provide services to the County on matters relating to the contractor's specialized areas of expertise as defined in this Contract and its referenced or incorporated Attachments. Negotiated fees are fixed for the first year. Price adjustments thereafter are subject to review and written determination on an individual contract basis.

For Sealed Bid / Indefinite Quantity contracts, the Contractor shall have the item(s) or service(s) available, as defined in this contract, on an "as ordered" basis. No funds are obligated under Sealed Bid / Indefinite Quantity contracts. Funds for Sealed Bid / Indefinite Quantity contracts are obligated by purchase orders on an "as needed" basis. Prices are fixed for the first year of a Sealed Bid / Indefinite Quantity contract. Thereafter, in the event of a product cost increase an escalation request will be reviewed by the County on an individual basis. Escalation requests are only to compensate for an actual cost increase and will not be considered for an increase in profit margin.

All Contractors shall secure and remain current on all insurances, licenses, permits, certificates, fees, etc., required for the performance of this contract.

ARTICLE 2 - CONTRACT DOCUMENTS: The Contract shall be comprised of this contract document, its Attachments and all documents referenced herein. As applicable, the Contract shall also include all Proposal or Bid documents, including the Contractor's responses, Reference Specifications, Special Conditions, Technical Specifications, Standard Details, any addenda thereto, and all negotiation records, all of which are incorporated herein and made a part of the Contract.

In instances where there exists a conflict between any of the Contract documents described above, this Contract plus attachments hereto, negotiation records, the County's solicitation documents, and the Contractor's response to the solicitation, in that order, shall control the interpretation of the parties' respective rights and obligations.

ARTICLE 3 - PERIOD OF PERFORMANCE: The period of performance of this Contract shall commence Effective Date or date of last signature, whichever is later, and continue through the Initial Period of Performance date detailed above. If stipulated in a formal Proposal or Bid solicitation by the County, this Contract may be renewed for up to three (3) additional years, not to exceed a total of four (4) years.

ARTICLE 4 - PLACE OF PERFORMANCE: The Contractor shall provide the required services or goods for Doña Ana County when and where appropriate or as required by the County.

ARTICLE 5 - COST AND PAYMENT: The Contractor shall be paid for services rendered satisfactorily per the negotiated fee(s) and payment schedules incorporated hereto in applicable attachments, including Attachments A and B. All payments will be in arrears. Payment shall be made within thirty (30) days upon receipt of a detailed invoice that shall include description of work completed or goods delivered pursuant to the deliverable(s) agreements and measures of attainment of this contract for the period covered by the invoice. The invoice submitted shall note the purchase order number and this Contract number and may be delivered to the Department contact specified in "Notices" above. The County shall pay to the Contractor the New Mexico Gross Receipts Tax on labor and services only as levied on the amounts invoiced and payable under this contract. The Contractor will pay the New Mexico Gross Receipts Tax levied on the amounts payable under this contract and remitted to them by Doña Ana County to the appropriate state agency.

ARTICLE 6 - AMENDMENTS: This Contract shall not be altered, changed, or amended except by written instrument signed by both parties.

ARTICLE 7 - ASSIGNMENT: The Contractor shall not assign nor delegate specific duties as part of this Contract nor transfer any interest nor assign any claims for money due or to become due under this Contract without the written consent of the County.

ARTICLE 8 - BINDING EFFECT OF CONTRACT: Both Parties agree that the terms of this Contract and any extension or renewal thereof shall extend to and be binding upon the administrators, assigns, successors, and transferees of the contracting parties.

ARTICLE 9 - COMPLIANCE WITH GOVERNING LAW: This Contract shall be construed in agreement with New Mexico law. The Contractor shall keep fully informed of and shall also comply with all applicable federal, state, and local laws, ordinances, and regulations and all orders and decrees of bodies or tribunals having any jurisdiction or authority, which in any manner affect those engaged or employed, or the work, or which in any way affect the conduct of the work. By way of illustration, but not of limitation, the Contractor shall comply with laws relating to employment eligibility including: the Immigration Reform and Control Act of 1986 (Public Law 99-603) and the Immigration Act of 1990 (Public Law 101-649) regarding employment verification and retention of verification forms for any individual(s) hired on or after November 6, 1986, that will perform any labor or services under this Contract. The Contractor shall comply with all federal statutes relating to non-discrimination including, but not limited to: Title VI and VII of the Civil Rights Act of 1964 (Public Law 88-352), which prohibits discrimination on the basis of race, color, or national origin; Title IX of the Education Amendments of 1972, as amended [20 U.S.C.A. Section 504 of the Rehabilitation Act of 1973 (Public Law 93-112)], which prohibits discrimination on the basis of handicap; the Age Discrimination in Employment Act of 1967 (Public Law 90-202), as amended; the Americans with Disabilities Act of 1990 (Public Law 101-336); and all amendments to each, and all requirements imposed by the regulations issued pursuant to these acts, especially 45 CFR Part 80 (relating to race, color, and national origin), 45 CFR Part 84 (relating to handicap), 45 CFR Part 86 (relating to sex), and 45 CFR Part 91 (relating to age).

ARTICLE 10 - CONFIDENTIAL INFORMATION: Any confidential information, not subject to disclosure under the Inspection of Public Records Act, given to or developed by the Contractor, its officers, directors, employees, agents, or sub-consultants in the performance of this Contract will be kept confidential and will not be made available to any individual, organization, or other entity by the Contractor without prior written approval of the County.

ARTICLE 11 - CONFLICT OF INTEREST: The Contractor warrants that it presently has no interest and shall not acquire any interest during the term of this Contract which would have the potential to conflict with the performance of the services required under this Contract. In the event such a conflict arises, it shall immediately be brought to the attention of the County and appropriate action acceptable to the County shall be taken. The Contractor's failure to inform the County of the existence of a potential conflict of interest constitutes default and shall be grounds for immediate termination of Contract by the County.

ARTICLE 12 - CONFLICTS OF LAW: If any provision of this contract conflicts with governing federal or state law or County ordinances, then that law or ordinance shall supersede the conflicting provision of this contract.

ARTICLE 13 - HIPAA COMPLIANCE: As applicable, the parties agree to comply with the provision of the Health Insurance Portability and Accountability Act of 1996, and related regulations, as amended ("HIPAA") in the event the Contractor receives patient records or information (Protected Health Information as defined by HIPAA).

ARTICLE 14 - INDEMNIFICATION AND HOLD HARMLESS AGREEMENT:

Non-Governmental Entity The Contractor shall hold harmless, indemnify and defend the County and its "public employees" as defined in the New Mexico Tort Claims Act, Sections 41-4-1 to 41-4-29, NMSA 1978, as amended, against and from any and all third party claims, losses, demands, judgments, damages, liabilities, lawsuits, expenses, attorneys fees, costs or actions of any kind resulting from or related to the Contractor's negligent, intentional acts, errors or omissions in the Contractor's performance under this contract. The Contractor's agreement to hold harmless, indemnify and defend shall not be affected or terminated by the cancellation, expiration of the term or any renewal or any other modification of the Contract for any reason and shall survive the cancellation, expiration of the term or any renewal or any other modification of this contract, acts, errors or omissions to act occurring during the term of this contract.

Governmental Entity: Neither party shall be responsible for liability incurred as a result of the other party's acts or omissions in connection with this Contract. Any liability incurred in connection with this Contract is subject to the immunities and limitations of the New Mexico Tort Claims Act, NMSA, 1978 § 41-4-1 et. seq. and its amendments, where applicable.

ARTICLE 15 - INDEPENDENT CONTRACTOR: Nothing in this Contract is intended or should be construed in any way to create or establish a partnership relationship between the Parties or to establish the Contractor as an agent, representative, or employee of the County for any purpose or any manner whatsoever. Contractor and its employees shall not accrue leave, retirement, insurance, or any other benefits afforded to employees of the County. Contractor is an independent contractor of the County. The Contractor, its officers, directors, employees, servants, agents, or representatives are not and shall not be deemed employees of the County and shall not bind the County in any respect.

ARTICLE 16 - INSURANCE: For the duration of the contract and until all work specified in the contract is completed, the Contractor shall maintain in effect current Certificates of all insurance as required below and comply with all limits, terms and conditions stipulated therein. The County shall be named as an additional insured as stipulated. Contractor's who are required to provide Certificate(s) of Insurance, must provide a new current Certificate(s) no less than annually. As applicable, work under this contract shall not commence until evidence of all required insurance is provided to the respective County Department for inclusion with this Contract. All insurance shall be written to conform to the requirements stipulated. Evidence of such insurance shall consist of a completed certificate of insurance, signed by the insurance agent for the Contractor and returned to the County attesting that all required insurance is in effect. If for any reason any material change occurs in the coverage during the course of the contract such change will not become effective until 30 days after the County has received written notice of such change.

Required Insurance: As specified in the **RFP, BID documents or Attachment A.**

Geo-Test, Inc.

ARTICLE 17 - KEY PERSONNEL: The Contractor shall identify all key personnel assigned to the performance of this Contract in Section II, Attachment H of this Contract. Contractor shall notify the County in writing of any changes to key personnel for inclusion in the official Contract File in the County Purchasing Department.

ARTICLE 18 - MEDIATION: In the event that a dispute arises with respect to any of the provisions contained in this Contract or any other matter affecting this contractual relationship between the County and the Contractor, the Parties agree that prior to filing any court action to enforce the Contract or rights under the Contract, they will use the services of a mediator. The mediator shall either be certified as a mediator or shall have experience as a mediator. The parties shall mutually agree upon the choice of mediator. In the event the Parties have not agreed to a mediator within three days of written notice to the other regarding the dispute, then a list of seven potential mediators will be obtained from the Court or other professional association, and the Parties shall use a striking process until a mediator is agreed upon. Each party shall be responsible for their respective mediation costs.

ARTICLE 19 - MERGER OF PRIOR CONTRACTS: This Contract incorporates all the conditions, contracts, agreements, and understandings of the Parties concerning the subject matter of this Contract. All such conditions, understandings, and agreements have been merged into this written Contract. No prior condition, contract, agreement, or understanding, verbal or otherwise, shall be valid or enforceable unless embodied in this Contract, either explicitly or by reference.

ARTICLE 20 - NON-APPROPRIATION: The County's obligation to make payment under the terms of this Contract is contingent upon its appropriation of sufficient funds to make those payments and the NM Department of Finance's (DFA) final approval of the County's budget. If the County does not appropriate sufficient funds or DFA does not approve the County's final budget, this Contract will terminate upon written notice of that effect to the Contractor. The County Board's determination that sufficient funds have not been appropriated, through Board of County Commissioners or DFA action, is firm, binding, and not subject to review.

ARTICLE 21 - NON-WAIVER OF RIGHTS: No failure of either party to exercise any power given to it hereunder or to insist upon strict compliance by the other party with its obligations hereunder, and no custom or practice of the parties at variance with the terms hereof, nor any payment under this Agreement shall constitute a waiver of either party's right to demand exact compliance with the terms hereof.

ARTICLE 22 - NOTICE TO PROCEED OR COMMENCEMENT OF WORK: It is expressly understood that this Contract is not binding upon the County until approved and signed by the County and, further, that the Contractor shall not proceed with its obligations until the Contract has been signed by all Parties.

ARTICLE 23 - PARAGRAPH HEADINGS: Paragraph headings are for convenience and reference and are not intended to limit the scope of any provision of this Contract.

ARTICLE 24 - PERSONAL LIABILITY: No elected or appointed official, employee, servant, agent, or law enforcement officer of the County shall be held personally liable under this Contract or any extension or renewal thereof because of its enforcement or attempted enforcement, provided they are acting within the course and scope of their employment or governmental duty and responsibility.

ARTICLE 25 - PROCUREMENT CODE: The Procurement Code, § 13-1-25 through § 13-1-199, NMSA 1978 as amended, imposes civil and criminal penalties for its violation. In addition, New Mexico Criminal Statutes impose felony penalties for illegal bribes, gratuities and kickbacks. Pursuant to the above, it is unlawful for any Contractor to engage in bribery, offering gratuities with the intent to solicit business, or offering or accepting kickbacks of any kind. All other similar act(s) of bribes, gratuities, and/or kickbacks are likewise prohibited.

ARTICLE 26 - PROPRIETARY INFORMATION: All documents, writings, electronic formats, drawings, designs, specifications, notes, project manuals, or related documents and other work developed in the performance of this Contract by the Contractor shall become the sole property of the County whether the activity for which they are developed is implemented or not. The Contractor shall provide the County with a complete set of all such proprietary information as requested by the County, but no later than the effective termination date of the contract. Contractor is strictly prohibited from reproducing, duplicating or printing any such proprietary information in any format for personal or monetary recognition, use or gain without the advance written permission of the County.

ARTICLE 27 - RECORD KEEPING AND AUDITS: The Contractor shall compile, maintain, and make available for inspection all records relating to the services to be provided under this Contract. These records shall be subject to inspection by the County or designated auditor. The County shall have the right to audit billings both before and after payment; payment under this Contract shall not foreclose the right of the County to be reimbursed any excessive or illegal payment amounts made to the Contractor during the term of this Contract. Pursuant to State of New Mexico General Records Retention requirements, Contractor will retain all original, source and supporting documents and records related to this contract for a minimum of six (6) years after the ending date of this contract.

ARTICLE 28 - RELEASE: The Contractor, upon final payment of amounts due under this Contract for work completed and accepted by the County, releases the County, its officers and employees from all liabilities, claims, and obligations whatsoever arising from or under this Contract. The Contractor agrees not to bind the County to any obligation not assumed in this Contract by the County, unless the Contractor has express written authority from the County Manager to do so, and then only within the limits of the expressed written authority.

ARTICLE 29 - SEVERABILITY: If any clause or provision of the Contract is held to be illegal, invalid, or unenforceable by a court of competent jurisdiction, then it is the intention of the parties hereto that the remainder of the Contract shall remain in full force and effect. However, in the event that either Party can no longer reasonably perform pursuant to the remaining Contract terms, or if the purpose of the Contract can no longer be carried out by either Party, the Contract may be voided and no damages shall accrue to either party.

ARTICLE 30 - SOVEREIGN IMMUNITY:

Non-Governmental Entity: By entering into this Contract, the County and its "public employees" as defined in the New Mexico Tort Claims Act, NMSA 1978, Sections 41-4-1 through 41-4-29, as amended, do not waive sovereign immunity, do not waive any defense, and do not waive any limitations of liability pursuant to law. No provision in this Contract modifies or waives any provision of the New Mexico Tort Claims Act, *supra*.

Governmental Entity: By entering into this Contract, the County and the Governmental Entity Contractor do not waive sovereign immunity, do not waive any defense and do not waive any limitations of liability pursuant to law. No provision in this Contract modifies or waives any provision of the New Mexico Tort Claims Act, supra.

ARTICLE 31 - SUBCONTRACTING: This Contract is based on the personal skills and reliability of the Contractor as known by the County at the time of execution of this Contract. The Contractor shall not subcontract out or hire any new employee to perform any portion of the services to be performed under this Contract without the prior written approval of the County Manager and inclusion of that written approval in the official Contract File in the County Purchasing Department. The written approval shall minimally include disclosure of the name of the individual(s) to be hired or contracted, a statement of the individual(s) qualifications and a justification of the request to hire or subcontract.

ARTICLE 32 - TERMINATION: Either party may terminate this contract for convenience, in whole or in part, by providing written notice to the other party thirty (30) days prior to termination. In the event of contract termination, the Contractor shall be paid for work completed to the date of termination. In no event shall the dollar amount to be paid upon termination exceed a total of the maximum contracted amount and any additional amount provided for by amendment(s).

- a. Where a Party to this Contract has committed a major breach that is capable of remedy, the Party who is not in breach may serve a written notice, with a fixed period in which to remedy the breach. The period given shall be determined at the sole discretion of the Party serving the notice but subject to a minimum period of two weeks.
- b. The County and Contractor shall have the right, such right being exercised at their absolute discretion, to terminate this Contract, in writing, if a major breach has been committed that can not be remedied. Further, the Parties may terminate this contract, in writing, if a breach has not been remedied to the reasonable satisfaction of the Party serving the notice of breach within the period specified in any such notice.

ARTICLE 33 - THIRD PARTY BENEFICIARY: It is agreed between the Parties executing this Contract that it is not intended by any of the provisions of this Contract to create on behalf of the public or any member thereof the status of third party beneficiary nor to authorize anyone not a party to the agreement to maintain a suit based upon this Contract.

ARTICLE 34 - WAIVER: Any waiver by the County of any breach of any covenant, term, condition, or agreement in this Contract to be kept and performed by Contractor shall not be deemed or considered as a continuing waiver and shall not operate to bar or prevent County from declaring a default for any succeeding breach either of the same covenant, term, condition, or agreement or another. All remedies afforded in this Contract shall be taken and construed as cumulative, that is, in addition to every other remedy provided herein or by law.

ARTICLE 35 - DUPLICATE ORIGINALS: This document shall be effective when signed by both parties below or in counterpart, and photocopy, facsimile, electronic or other copies shall have the same effect for all purposes of an ink-signed original.

SIGNATURES:

IN WITNESS WHEREOF, the parties have caused this instrument to be executed by their duly authorized representatives.

DOÑA ANA COUNTY:

CS
Scott Andrews
County Manager

Geo-Test, Inc.
Patrick J. Byers
Patrick J. Byers, PE
President

Date: 10-21-25

Date: Oct. 17, 2025

Contractor's NM Taxation and Revenue Department ID Number: _____

The following Attachments and Addenda have been reviewed and approved by the County Contract Officer or approved designee:

Document Name	Approved	Comments	Notes
Attachment A - Scope of Work	10/18/25		Required all Contracts
Attachment B - Cost per Unit Service			Required all Contracts
Attachment C - Contribution Disclosure			Required all Contracts
Attachment D - Related Party Disclosure			Required all Contracts
Attachment E - Debarment Certification			Required all Contracts
Attachment F - Non Collusion Affidavit			Required all Contracts
Attachment G - Insurance Certificates			By Attachment A Specifications
Attachment H - 1. Business License(s) 2. Professional Licenses 3. Staff Resumes			1. Required All Contracts 2. Required Licensed Professionals 3. Required all contracts
Attachment I - Procurement Method			Purchasing Dept. Determines
Attachment J - Other			Purchasing Dept. Determines

Section I, Appendix A

Title VI Plan Compliance

Title VI Policy Statement

Doña Ana County is committed to compliance with Title VI of the Civil Rights Act of 1964, 49 CFR, part 2, and all related regulations and directives. Doña Ana County assures that no person shall on the grounds of race, color, national origin, gender, age, or disability be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity under any Doña Ana County program, activity or service.

Prohibited discrimination may be intentional or unintentional. Seemingly neutral acts that have disparate impacts on individuals of a protected group and lack a substantial legitimate justification are a form of prohibited discrimination. Harassment and retaliation are also prohibited forms of discrimination.

Examples of prohibited types of discrimination based on race, color, national origin, sex, disability, or age include: Denial to an individual any service, financial aid, or other benefit; Distinctions in the quantity, quality, or manner in which a benefit is provided; Segregation or separate treatment; Restriction in the enjoyment of any advantages, privileges, or other benefits provided; Discrimination in any activities related to highway and infrastructure or facility built or repaired; and Discrimination in employment.

CONTRACTOR COMPLIANCE:

During the performance of this contract, the contractor, for itself, its assignees and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

- 1. Compliance with Regulations:** The contractor (hereinafter includes consultants) will comply with the Regulations relative to Non-discrimination in Federally-assisted programs of the U.S. Department of Transportation, Title 49, Code of Federal Regulations, Part 21, as they may be amended from time-to-time, (hereinafter referred to as the "Regulations"), which are herein incorporated by reference and made a part of this contract.
- 2. Non-discrimination:** The contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor will not participate either directly or indirectly in the discrimination prohibited by THE Acts and the Regulations, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of the 49 CFR Part 21.
- 3. Solicitations for Subcontracts, Including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier will be notified by the contractor of the contractor's obligations under this contract and the Acts and the Regulations relative to Non-discrimination on the grounds of race, color, or national origin.
- 4. Information and Reports:** The contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be

determined by the New Mexico Department of Transportation or the Federal Highway Administration to be pertinent to ascertain compliance with such Acts, Regulations, and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish this information, the contractor shall so certify to Doña Ana County or the Federal Highway Administration, as appropriate, and will set forth what efforts it has made to obtain the information.

5. **Sanctions for Noncompliance:** In the event of the contractor's non-compliance with the nondiscrimination provisions of this contract, Doña Ana County will impose such contract sanctions as it or the Federal Highway Administration may determine to be appropriate, including, but not limited to:
 - a. withholding payments to the contractor under the contract until the contractor complies; and/or
 - b. cancelling, terminating or suspending the contract, in whole or in part.
6. **Incorporation of Provisions:** The contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The contractor shall take such action with respect to any subcontract or procurement as Doña Ana County or the Federal Highway Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the contractor may request Doña Ana County to enter into any litigation to protect the interests of Doña Ana County. In addition, the contractor may request the United States to enter into the litigation to protect the interests of the United States.

CONTRACTOR COMPLIANCE WITH STATUTES AND AUTHORITIES:

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

Pertinent Non-Discrimination Authorities:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*, 78 stat. 252), (prohibits discrimination on the basis of race, color national origin); and 49 CFR Part 21.
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Federal-Aid Highway Act of 1973, {29 U.S.C. § 324 *et seq.*}, (prohibits discrimination on the basis of sex);
- Section 504 of the Rehabilitation Act of 1973, {29 U.S.C. § 794 *et seq.*}, as amended, {prohibits discrimination on the basis of disability}; and 49 CFR Part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 *et seq.*), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 U.S.C. § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);

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- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the program or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 - 12189) as implemented by Department of Transportation regulations at 49 C.F.R. parts 37 and 38;
- The Federal Aviation Administration's Non-discrimination statute (49 U.S.C. §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your program (70 Fed. Reg. at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (U.S.C. 1681 *et seq.*

SAMPLE - ATTACHMENT A

GEO-TEST, INC.

INSURANCE, SCOPE OF SERVICES, ADDITIONAL TERMS

I. INSURANCE

The contractor shall provide a current Certificate of Insurance (COI) documenting coverage specified below and naming the County as Additional Insured (AI). The Contractor is required to maintain a current COI on file with the County Purchasing Department for the life of this contract. This contract requires the following minimum insurance:

	Standard Insurance	Limits Not Less Than
X	Commercial General Liability (AI)	\$1,000,000/\$2,000,000
	Automobile Liability	\$1,000,000/\$1,000,000
X	Worker's Compensation as required by State Law	As required by Law
X	Other legally required of the employer or for the contractor's occupation / profession.	As required by Law
	Specialized Insurance	
	Professional Liability	\$1,000,000
	Garage Keeper's Liability	\$50,000
	Medical and Clinic Liability under the Federal Tort Claims Act (FTCA)	\$1,000,000
	Other / Specify:	

II. SCOPE OF SERVICES

Dofia Ana County government enhances the health, safety, and quality of life for all residents as determined by law and community interests. Services are provided through innovative leadership and teamwork in a fair, respectful and professional manner.

In support of this mission Dofia Ana County (County) is entering into this price agreement with Geo-Test, Inc. (Contractor) to provide material testing services upon demand for the County. Contractor shall provide all services in accordance with Contractor bid submitted in response to Invitation to Bid (ITB) 26-0008 both hereby incorporated by reference into this contract.

A. Description of Services or Specifications

Contractor shall provide material testing services upon demand for the County in accordance with the following specifications:

1. In the event any testing services contracted under this agreement are not completed on the date requested, it is agreed that the County shall have the right to terminate this agreement or to reduce the amount of work assigned to the materials Tester.

2. The Materials Tester shall comply with all federal, state and local laws and ordinances applicable to this work, including the current Civil Rights Act.
3. The County shall make work assignments on an as needed basis. Work assignments offered do not constitute a grant to the materials Tester of any right to handle any specific testing or any specific number of tests, the County may, at its sole discretion, assign or reassign testing as deemed expedient.
4. The County, at the time it makes testing assignments, will take into consideration the type of work the materials Tester is capable of performing, the jobs currently being performed by Materials Tester, the past work-related performance, and the cost to perform testing service listed in attachments B & C.
5. A one-hour (1) response time is required in response to field testing services requested by the County between the hours of 7:00 a.m. to 5:00 p.m., Monday through Friday.
6. Testing technicians will be on site and ready to perform the test at the time scheduled and will not be required to “stand by” longer than required. The County reserves the right to call another testing contractor to provide a requested service if the technician is not at the site within 15 minutes of the scheduled time.
7. The County has the right to remove a technician from a job site if the technician has not met the requirements set forth in this agreement and is not sufficiently certified to understand all resources affiliated with the test being performed. This includes certification of the operation of equipment and certification for the analysis of the properties of the materials being tested. Acceptable Certifications are as follows:
 - a. NICET Level I – Soils, Concrete, Asphalt.
 - b. TTCP (QA/QC) – Soils, Concrete, Asphalt.
 - c. ACI Grade I – Soil/Concrete Field and Lab Testing.
8. All tests conducted in the Lab shall be completed by technicians who are certified in accordance with paragraph 7 a, b, & c. Copies of all pertinent testing certifications shall be provided for each testing lab technician or field technician.
9. All failing tests must be reported immediately to the County Inspector in charge of the project inspections. Test reports must be delivered in a timely manner.

B. Delivery of Services

This contract is an Indefinite Quantity Contract. Contractor shall provide the materials testing services countywide as requested by the Engineering Department. No Purchases are obligated by this contract; purchases are obligated by purchase order only. Delivery of items and services shall be confirmed as received upon the Using Department approval for each specific invoice.

C. Contract Evaluation

County designated staff will monitor the contract and invoices on a regular basis throughout the term of the contract to ensure compliance with established contract requirements and status regarding the use of allocated funds. Periodic review and an annual written evaluation will be conducted by County and Purchasing Department policies and procedures.

Invoices detailing dates of service, description of service, and cost per unit shall be submitted to the following:

Cindy Beakley
845 N. Motel Blvd.
Las Cruces, NM 88007
cindyb@donaana.gov
Telephone: (575) 525-6164

III. ADDITIONAL TERMS AND CONDITIONS

- A. Automated Clearing House:** Contractor agrees to accept ACH (Automated Clearing House) payments for invoices submitted and approved by the County and will complete and submit any required documents to implement the ACH process.
- B. Existing Contract:** In accordance with NMSA 13-1-129 of Procurement Code, Contractors are hereby notified that other government entities within the State of New Mexico, or as otherwise allowed by their respective governing directives, may contract for the goods or services included in this procurement document with the awarded contractor. Contractual engagements accomplished under this provision shall be solely between the awarded vendor and the contracting government entity with no obligation by Dona Ana County.
- C. Pre-existing or Proprietary Information:** Notwithstanding any other provision of this Agreement between the Contractor and the County or any provision of the scope of work, work assignments, work authorizations, or any amendment issued hereunder, all of the Contractor's pre-existing or proprietary information, documents, materials, computer programs, or software developed by the Contractor outside of this Agreement shall remain the exclusive property of Contractor.

Contract Section II - Attachment B**BID COST SCHEDULE**ORGANIZATION NAME: Geo-Test, Inc.**I. TOTAL CONTRACT NOT TO EXCEED \$ Indefinite Quantity Contract****II. PAYMENT SCHEDULE**

Payments will be made in accordance with Article 5 – Section I of this Agreement. (Purchasing Department must approve any other financial agreements in advance)

PRIMARY MATERIAL TESTING SERVICES

	SOILS TESTING	ASTM	AASHTO	PRICE
1	Sampling	D-75	T-2	\$30.00
2	Liquid Limit	D-423	T-89	\$26.00
3	Plasticity Index	D-424	T-90	\$26.00
4	Sieve Analysis of Fine and Coarse Aggregate	C-136	T-27	\$52.00
5	Moisture density relationship of soils (modified)	D-1557	T-180	\$112.00
6	Density of in-place by nuclear method	D-2922, D-3017	T-238	\$32.00
7	Fractured face determination for coarse aggregate	NMSHTD method FF-1		\$15.00
8	Boring	D-420-98	R-13-99	\$11.00
9	Depth Check			\$25.00

	CONCRETE TESTING	ASTM	AASHTO	PRICE
1	Temperature of freshly mixed concrete	C-1064	T-309	\$10.00
2	Slump of hydraulic cement concrete	C-143	T-119	\$15.00
3	Unit Weight, Yield and Air content of concrete	C-138	T-121	\$25.00
4	Air content of concrete by the pressure method	C-231	T-152	\$30.00
5	Making and Curing concrete in the field	C-31	T-23	\$10.00/each
6	Compressive strength of concrete cylinders	C-39	T-22	\$22.00/each

	BITUMINOUS MATERIALS TEST	ASTM	AASHTO	PRICE
1	Sample aggregates	C-75	T-2	\$30.00
2	Sieve Analysis of fine and coarse aggregates	C-136	T-27	\$52.00
3	Mechanical analysis of extracted aggregate		T-30	\$52.00

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4	Briquette molding, stability and flow test	D-1559	T-245	\$15.00
5	Density of bituminous concrete in-place by nuclear method	D-2172	T-164, T-308	\$32.00
6	Bulk specific gravity of compacted bituminous mixtures	D-3203	T-269	\$21.00
7	Extraction (Centrifuge and Ignition Methods)	D-2172	T-164, T-308	\$55.00
8	Percent voids in compacted dense and open mixtures	D-3203	T-269	\$26.00
9	Sampling bituminous paving mixtures	D-979	T-168	\$32.00
10	Theoretical maximum specific gravity and density of bituminous paving mixtures		T-209	\$65.00
11	Establish rolling pattern			\$60.00
12	Asphalt roadway compaction cores per NMDOT			\$25.00/core
13	Asphalt emulsion sample & Testing per NMDOT			\$600.00
14	Preparation of Cylindrical performance test specimens using the superpave gyratory compactor		PP-09	\$150.00

TOTAL OF ALL PRIMARY MATERIALS TESTING SERVICES	\$1,656.00
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SECONDARY MATERIAL TESTING SERVICE

	SOILS TESTING	ASTM	AASHTO	PRICE
1	Standard test for partial size analysis of soils	D-422		\$50.00 + C-136
2	Moisture density relationship of soils (standard)	D-698	T-99	\$100.00
3	Density of soil in-place by the sand cone method		T-191	\$25.00
4	Specific gravity of soils	D-854	T-100	\$32.00
5	Specific gravity and absorption of fine aggregate	C-128	T-84	\$32.00
6	Specific gravity and absorption of course aggregate	C-127	T-85	\$32.00
7	Laboratory determination of moisture content of soils		T-265	\$15.00
8	Total evaporable moisture content of aggregate by drying	C-566	T-255	\$10.00
9	Permeability of granular soils (constant head)	D-2434	T-215	\$100.00
10	Bulk density ("unit weight") and voids in aggregate	C-29	T-19	\$20.00

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11	Clay lumps and friable particles in aggregate	C-142	T-112	\$30.00
12	Flat and elongated particles in course aggregate	D-4791		\$20.00
13	Uncompacted void content of fine aggregate	C-1252	T-304	\$30.00
14	Resistance to degradation of small size course aggregate by abrasion and impact in the los angles machine	C-131	T-96	\$75.00
15	Plastic fines in graded aggregate and soils by use of the sand equivalent test		T-176	\$30.00
16	Resistance R-Value & expansion pressure of compacted soils	D-2844	T-190	\$165.00
17	California bearing ratio of lab compacted materials	D-1883	T-193	\$225.00
18	California bearing ratio of in-place on compacted materials			\$300.00
19	Soil classification (if not included in any other test)	D-2487	M-145	\$20.00
20	NMED Percolation test			\$100.00

	CONCRETE TESTING	ASTM	AASHTO	PRICE
1	Air content of concrete by the volumetric method	C-173	T-196	\$25.00
2	Obtaining and testing drilled cores	C-42	T-24	\$65.00
3	Compressive strength of hydraulic cement mortar	C-109	T-106	\$25.00
4	Sampling and amount of testing of hydraulic cement (mortar sampling)	C-183	T-127	\$32.00
5	Compressive strength of masonry prisms (grout)	E-447		\$15.00/each
6	Sampling and testing concrete masonry units	C-140		\$55.00

	TESTING OF CONCRETE AGGREGATES	ASTM	AASHTO	PRICE
1	Sampling aggregates	C-172	T-141	\$32.00
2	Sieve analysis of fine and course aggregate	C-136	T-27	\$52.00
3	Soundness of aggregate (magnesium)	C-88	T-104	\$75.00
4	Soundness of aggregate (sodium)	C-88	T-104	\$75.00
5	Los Angeles abrasion test (L.A. wear)	C-535, C-131	T-96	\$125.00

	BITUMINOUS MATERIALS TESTS	ASTM	AASHTO	PRICE
1	Sampling aggregates	C-75	T-2	\$32.00
2	Fracture face count	NMSHTD method FF-1		\$15.00
3	Asphalt mix design			\$450.00

TOTAL OF ALL SECONDARY MATERIALS TESTING SERVICES	\$2,484.00
EXTENDED TOTAL OF PRIMARY + SECONDARY	\$4,140.00

ADDITIONAL CHARGES AND/OR FEES:

All calls for testing must be met promptly. All tests must be returned in a timely manner and must be accurate. Secondary Material Testing Services are called upon less frequently then the Primary Services.

All testing prices should include any mileage fees up to a fifty (50) mile round trip. Additional miles (exceeding 50 miles per round trip) will be charged at \$ 1.15 per mile. If two or more jobs are ordered in the same vicinity, mileage charges shall reflect the actual mileage (not considered as two or more individual trips).

The County's normal work hours are 7am – 5pm Monday thru Friday.

Any testing that is needed to be performed outside of normal working hours will be charged at the rate of \$ 150.00 per hour.

Standby time will be charged at a rate of \$ 75.00 per hour.

Any Testing Services not covered by above list will be afforded a 15 % discount from the retail price charged most customers for that test. All other terms and conditions will apply.

Vendor is to supply materials testing services on a countywide basis in accordance to the specifications as set forth in this bid. All test reports must be separated and identified by project.

	<u>Sept. 15, 2025</u>
Signature	Date

JUSTIFICATION FOR UNIT VALUE OF SERVICE CALCULATIONS:
Pursuant to DAC Bid # 26-0008

ATTACHMENT C CAMPAIGN CONTRIBUTION DISCLOSURE FORM

Pursuant to the Procurement Code, Sections 13-1-28, et seq., NMSA 1978 and NMSA 1978, § 13-1-191.1 (2006), as amended by Laws of 2007, Chapter 234, any prospective contractor seeking to enter into a contract with any state agency or local public body **for professional services, a design and build project delivery system, or the design and installation of measures the primary purpose of which is to conserve natural resources** must file this form with that state agency or local public body. This form must be filed even if the contract qualifies as a small purchase or a sole source contract. The prospective contractor must disclose whether they, a family member or a representative of the prospective contractor has made a campaign contribution to an applicable public official of the state or a local public body during the two years prior to the date on which the contractor submits a proposal or, in the case of a sole source or small purchase contract, the two years prior to the date the contractor signs the contract, if the aggregate total of contributions given by the prospective contractor, a family member or a representative of the prospective contractor to the public official exceeds two hundred and fifty dollars (\$250) over the two year period.

Furthermore, the state agency or local public body may cancel a solicitation or proposed award for a proposed contract pursuant to Section 13-1-181 NMSA 1978 or a contract that is executed may be ratified or terminated pursuant to Section 13-1-182 NMSA 1978 of the Procurement Code if: 1) a prospective contractor, a family member of the prospective contractor, or a representative of the prospective contractor gives a campaign contribution or other thing of value to an applicable public official or the applicable public official's employees during the pendency of the procurement process or 2) a prospective contractor fails to submit a fully completed disclosure statement pursuant to the law.

The state agency or local public body that procures the services or items of tangible personal property shall indicate on the form the name or names of every applicable public official, if any, for which disclosure is required by a prospective contractor.

THIS FORM MUST BE INCLUDED IN THE REQUEST FOR PROPOSALS AND MUST BE FILED BY ANY PROSPECTIVE CONTRACTOR WHETHER OR NOT THEY, THEIR FAMILY MEMBER, OR THEIR REPRESENTATIVE HAS MADE ANY CONTRIBUTIONS SUBJECT TO DISCLOSURE.

The following definitions apply:

"Applicable public official" means a person elected to an office or a person appointed to complete a term of an elected office, who has the authority to award or influence the award of the contract for which the prospective contractor is submitting a competitive sealed proposal or who has the authority to negotiate a sole source or small purchase contract that may be awarded without submission of a sealed competitive proposal.

"Campaign Contribution" means a gift, subscription, loan, advance or deposit of money or other thing of value, including the estimated value of an in-kind contribution, that is made to or received by an applicable public official or any person authorized to raise, collect or expend contributions on that official's behalf for the purpose of electing the official to statewide or local office. "Campaign Contribution" includes the payment of a debt incurred in an election campaign, but does not include the value of services provided without compensation or unreimbursed travel or other personal expenses of individuals who volunteer a portion or all of their time on behalf of a candidate or political committee, nor does it include the administrative or solicitation expenses of a political committee that are paid by an organization that sponsors the committee.

"Family member" means spouse, father, mother, child, father-in-law, mother-in-law, daughter-in-law or son-in-law of (a) a prospective contractor, if the prospective contractor is a natural person; or (b) an owner of a prospective contractor.

“Prospective contractor” means a person or business that is subject to the competitive sealed proposal process set forth in the Procurement Code or is not required to submit a competitive sealed proposal because that person or business qualifies for a sole source or a small purchase contract.

“Representative of a prospective contractor” means an officer or director of a corporation, a member or manager of a limited liability corporation, a partner of a partnership or a trustee of a trust of the prospective contractor.

Name(s) of Applicable Public Official(s) if any: **Board of County Commissioners: Christopher Schaljo-Hernandez, Gloria Gameros, Shannon Reynolds, Susana Chaparro, Manuel Sanchez; Assessor Eugenia (Gina) Montoya Ortega; Clerk Amanda López Askin, Ph.D.; Probate Judge Judith Ann Baca; Treasurer Marisol Richardson; Sheriff Kim Stewart.**

DISCLOSURE OF CONTRIBUTIONS BY PROSPECTIVE CONTRACTOR:

Contribution Made By: _____

Relation to Prospective Contractor: _____

Date Contribution(s) Made: _____

Amount(s) of Contribution(s) _____

Nature of Contribution(s) _____

Purpose of Contribution(s) _____

(Attach extra pages if necessary)

Signature _____ Date _____

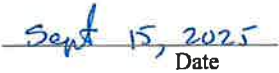
Title (position) _____

--OR--

NO CONTRIBUTIONS IN THE AGGREGATE TOTAL OVER TWO HUNDRED FIFTY DOLLARS (\$250) WERE MADE to an applicable public official by me, a family member or representative.


Signature _____

Title (Position) _____


Date _____

Contract Section II - Attachment D

Related Party Disclosure Form

1. Are you indebted to or have a receivable from any member of the Board of County Commissioners; elected county officials, administration officials, department heads, and key management supervisors with the County of Doña Ana?
- Yes _____ No X
2. Are you, or any officer of your company related to any member of the Board of County Commissioners; elected county officials, administration officials, department heads, key management supervisors of the County of Doña Ana and have you had any of the following transactions, to which Doña Ana County was, is to be, a party?
- | | Yes | No |
|---|-------|----------|
| Sales, Purchase or leasing of property? | _____ | <u>X</u> |
| Receiving, furnishing of goods, services or facilities? | _____ | <u>X</u> |
| Commissions or royalty payments | _____ | <u>X</u> |
3. Does any member of the Board of County Commissioners; elected county officials, administration officials, department heads, key management supervisors with the County of Doña Ana, have any financial interest in your company whether a sole proprietorship, partnership, or corporation of any kind that currently conducts business with the County of Doña Ana?
- Yes _____ No X
4. Did you, your company, or any officer of your company have an interest in or signature authority over a bank account for the benefit of a member of the Board of County Commissioners; elected county officials, administration officials, department heads, key management supervisors with the County of Doña Ana?
- Yes _____ No X
5. Are you negotiating to employ or do you currently employ any employee, officer or family member of an employee or officer of Doña Ana County?
- Yes _____ No X

The answers to the foregoing questions are correctly stated to the best of my knowledge and belief.

Signature of Owner or Company President: Patrick J. Byres Date Sept 15, 2025

(Print Name and Title): Patrick J. Byres, P.E., President

Contract Section II - Attachment E

Certification Regarding
Debarment, Suspension, and Other Responsibility Matters

Offeror certifies to the best of its knowledge and belief that it and its principals:

- 1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
- 2. Have not within a three year period preceding this proposal been convicted of, had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State Antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- 3. Are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State, or local) with commission of any offenses; and
- 4. Have not within a three-year period preceding this application/proposal had one or more public transaction (Federal, State, or local) terminated for cause or default.

I understand that a false statement on this certification may be ground for rejection of this proposal or termination of the award. Under 18USC Sec. 1001, a false statement may result in a fine of up to \$10,000 or imprisonment for up to 5 years, or both.

<u>Patrick J. Byrne</u>	<u>President</u>
Print Name of Authorized Representative	Title
<u>Patrick J. Byrne</u>	<u>Sept. 15, 2025</u>
Signature of Authorized Representative	Date

Contract Section II - Attachment F

NON-COLLUSION AFFIDAVIT

STATE OF New Mexico)
County OF Santa Fe)
Patrick J. Byrnes (name) being first duly sworn, deposes and says
that he/she is (title) President
of (organization) Geo-Test Inc

who submits herewith to the County of Dona Ana, a proposal:

That all statements of fact in such proposal are true:

That said proposal was not made in the interest of or on behalf of any undisclosed person, partnership, company, association, organization or corporation;

That said Proposer has not, directly or indirectly by agreement, communication or conference with anyone attempted to induce action prejudicial to the interest of the County of Dona Ana, or of any Proposer of anyone else interested in the proposed contract; and further,

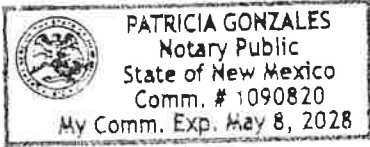
That prior to the public opening and reading or proposal, said Proposer:

1. Did not directly or indirectly, induce or solicit anyone else to submit a false or sham proposal
2. Did not directly or indirectly collude, conspire, connive or agree with anyone else that said Proposer or anyone else would submit a false or sham proposal, or that anyone Shall refrain from proposing or withdraw his proposals;
3. Did not in any manner, directly or indirectly, seek by agreement, communication or conference with anyone to raise or fix the proposal price of said Proposer or of anyone else, or to raise or fix any overhead, profit or cost element of their proposal price, or of that of anyone else;
4. Did not directly or indirectly, submit his proposed price or any breakdown thereof, or the contest thereof, or divulge information or data relative thereto, to any corporation, partnership, company, association organization, proposal depository or to any member or agent thereof, or to any individual or group of individuals, except that County of Dona Ana, or to any person or persons who have a partnership or other financial interests with said Proposer in his business.

By: Patrick J. Byrnes
Title: President

SUBSCRIBED and sworn to before me this 15th day of September, 2025.

Notary Public: Patricia Gonzales
My Commission Expires:



ATTACHMENT G
INSURANCE CERTIFICATES
(Attach certificates, as required behind this page)

See Attachment A. I. for requirements

ATTACHMENT H

- 1. Current Business License**
- 2. Key Staff Curricula Vitae / Resumes**
- 3. Professional Registrations**
- 4. Professional Licenses**



CITY OF LAS CRUCES

P.O. BOX 20000
LAS CRUCES, NEW MEXICO 88004

2026 - 04

Type
**Business Registration License -
PROFESSIONAL SERVICE**

Number
2987-24-
Issue Date
05/06/2025
Expires
04/29/2026

**** NOTICE ****

This license becomes null & void if ownership, business name or address is changed. Licensee must apply within 10 days of such changes for transfer. Fees may apply. All applicable building & zoning regulations pertaining to business location must be followed.

Business Name: GEO-TEST INC
2805 LAS VEGAS
Las Cruces, NM

***** POST THIS CERTIFICATE IN A CONSPICUOUS PLACE*****

STATE OF NEW MEXICO

TAXATION AND REVENUE DEPARTMENT

RESIDENT BUSINESS CERTIFICATE

Issued to: **GEO - TEST, INCORPORATED**

DBA: **GEO - TEST, INCORPORATED**
3204 RICHARDS LN
SANTA FE, NM 87507-2921

Expires: **19-Sep-2027**

Certificate Number:

L1119762800



Stephanie Schardin Clarke
Cabinet Secretary

THIS CERTIFICATE IS NOT TRANSFERABLE

ATTACHMENT I
ATTACH PROCUREMENT DOCUMENTATION

Check One

- ☐ **Professional Service Determination** (Purchasing Issues)
- ☐ **Sole Source Determination** (Purchasing Issues)
- ☐ **Written Quotes** (Department Provides)
- ☐ **RFP #** (See Page 1 Section I)
- ☒ **Bid #** (See Page 1, Section I)
- ☐ **Other**

ATTACHMENT J - OTHER

References List

Provide information below for no fewer than three (3) businesses you have supplied with the same or similar parts or services during the past year. Complete all information requested and sign the authorization to contact form below.

NAME OF YOUR ORGANIZATION: Geo-Test, Inc.

BID # 26-0008 BID TITLE: Materials Testing Services

Bidder Statement: I provide the following references for the above bid and by my signature below authorize the County to contact those listed for inquiry regarding my company, personnel and products.

REFERENCE # 1

Business Name: Dona Ana County Phone: 575-202-8884

Contact Name: Joesph Villegas Email: josephv@donaanacounty.org

Products and Services provided: Material Testing

Volume of Business annually: \$ 150,000 No. of Years Served: 25+

REFERENCE # 2

Business Name: City of Las Cruces Phone: 575-528-3126

Contact Name: Jimmy Moreno Email: jmoreno@lascruces.gov

Products and Services provided include: Material Testing

Volume of Business annually: \$ 250,000 No. of Years Served: 20+

REFERENCE # 3

Business Name: Caliper Construction, Inc. Phone: 575-524-3924

Contact Name: Ron Davis Email: ron@caliperconst.com

Products and Services provided include: Material Testing

Volume of Business annually: \$ \$100,000 No. of Years Served: 20+



Signature



Title



Date



Dona Ana County
26-0008 Materials Testing Services
Bid Tabulation
Date: 9/19/2025 @ 2:00pm

Contractor	NM Business or Veterans Pref	Primary	Secondary	Total
Advanced Testing	Yes	\$2,560.00	\$8,705.00	\$11,265.00
Geo-Test, Inc.	Yes	\$1,656.00	\$2,484.00	\$4,140.00
LOI Engineers	Yes	\$1,623.00	\$2,888.00	\$4,511.00

Hilda Gonzalez
Hilda Gonzalez, Procurement Officer



26-141

City Council Action and Executive Summary

Type of Action:
☒ Resolution
☐ Ordinance
☐ TIDD Resolution

District:	☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☒ N/A		
1st Reading:		Adopted:	May 18, 2026
Drafter:	Virginia Barela	Department:	Financial Services
Title:	A RESOLUTION AUTHORIZING THE CITY OF LAS CRUCES TO ENTER INTO A PROFESSIONAL SERVICES AGREEMENT FOR INDEPENDENT LEGAL SERVICES WITH MARK GEMOETS DBA THE LAW OFFICE OF MARK GEMOETS IN AN AMOUNT NOT TO EXCEED \$140,000 ANNUALLY, SUBJECT TO APPROVED BUDGET APPROPRIATIONS (PROCUREMENT NO. 25-26-104).		

TYPE OF ACTION: ☒ Administrative ☐ Legislative ☐ Quasi-Judicial

PURPOSE(S) OF ACTION:

To award a Professional Services Agreement for independent legal services.

BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:

The City of Las Cruces (City) requires independent legal services to serve as a government-appointed attorney (Public Defender) providing legal representation in accordance with State and local law, New Mexico Rules of Court, the New Mexico Bar Rules of Professional Conduct, and all other orders of courts of competent jurisdiction to indigent individuals that require defense of charges of violations of municipal ordinances brought in the municipal court, who cannot reasonably afford private counsel at all stages of the defense in municipal court, authorized interlocutory matters such as competency determinations, and on appeal to the district court and further appeal to the court of appeals. The services of a Public Defender fulfill the City's responsibility under the Sixth Amendment of the U.S. Constitution to the right to a fair trial, protect the rights of the indigent accused, ensure fair treatment, provide assistance in navigating legal procedures, and provide defense against criminal charges.

Las Cruces Municipal Code, Chapter 24, Section 24-4(10) Authorized exemption, authorizes the City to enter into agreements for the services of attorneys, legal assistants, and expert witnesses without competitive procurement.

The City of Las Cruces wishes to enter into a Professional Services Agreement for independent legal services with Mark Gemoets dba The Law Office of Mark Gemoets of Las Cruces, New Mexico in an amount not to exceed \$140,000 annually, subject to approved budget appropriations.

SUPPORT INFORMATION:

[Exhibit "A" 25-26-104 Independent Legal Services](#)

PLAN(S):

None

COMMITTEE/BOARD REVIEW:

None

DOES THIS AMEND THE BUDGET?:

☐ Yes

☒ No

Does this action amend the Capital Improvement Plan (CIP)?

☐ Yes

☒ No

OPTIONS / ALTERNATIVES:

1. Vote "Yes"; this will approve the Resolution to authorize the City to enter into a Professional Services Agreement for independent legal services with Mark Gemoets in an amount not to exceed \$140,000 annually, subject to approved budget appropriations.
2. Vote "No"; this will deny the Resolution, and City Council will need to provide staff with alternate direction.
3. Vote to "Amend"; this will modify the Resolution and advise staff of necessary adjustments as deemed appropriate.
4. Vote to "Table"; this will delay entering into an agreement for independent legal services and prevent the City of Las Cruces from fulfilling its responsibility under the Sixth Amendment.

RESOLUTION 26-141

A RESOLUTION AUTHORIZING THE CITY OF LAS CRUCES TO ENTER INTO A PROFESSIONAL SERVICES AGREEMENT FOR INDEPENDENT LEGAL SERVICES WITH MARK GEMOETS DBA THE LAW OFFICE OF MARK GEMOETS IN AN AMOUNT NOT TO EXCEED \$140,000 ANNUALLY, SUBJECT TO APPROVED BUDGET APPROPRIATIONS (PROCUREMENT NO. 25-26-104).

The City Council is informed that:

WHEREAS, the City of Las Cruces (City) requires independent legal services to serve as a government-appointed attorney (Public Defender) providing legal representation in accordance with State and local law, New Mexico Rules of Court, the New Mexico Bar Rules of Professional Conduct, and all other orders of courts of competent jurisdiction; and

WHEREAS, these legal services are for indigent individuals that require defense of charges of violations of municipal ordinances brought in the municipal court, who cannot reasonably afford private counsel at all stages of the defense in municipal court, authorized interlocutory matters such as competency determinations, and non-appeal to the district court and further appeal to the court of appeals; and

WHEREAS, the services of a Public Defender fulfill the City's responsibility under the Sixth Amendment to the U.S. Constitution to the right to a fair trial, protect the rights of the indigent accused, ensure fair treatment, provide assistance in navigating legal procedures, and provide defense against criminal charges; and

WHEREAS, Las Cruces Municipal Code, Chapter 24, Section 24-3(10) Authorized exemption, authorizes the City to enter into agreements for the services of attorneys, legal assistants, and expert witnesses without competitive procurement; and

WHEREAS, the City of Las Cruces wishes to enter into a Professional Services Agreement for independent legal services with Mark Gemoets dba The Law Office of Mark Gemoets of Las Cruces New Mexico in an amount not to exceed \$140,000 annually, subject to approved budget appropriations.

NOW, THEREFORE, Be it Resolved by the Governing Body of the City of Las Cruces:

(I)

THAT the Resolution authorizing the City to enter into a Professional Services Agreement for independent legal services with Mark Gemoets dba The Law Office of Mark Gemoets of Las Cruces, New Mexico in an amount not to exceed \$140,000 annually, subject to approved budget appropriations, as shown in Exhibit "A" attached hereto and made part of this Resolution is approved.

(II)

THAT City staff is hereby authorized to do all deeds as necessary in the accomplishment of the herein above.

DONE AND APPROVED this day of

APPROVED

ATTEST:

Moved by:

Seconded by:

AYES

NAYS

**CONTRACT FOR PROFESSIONAL SERVICES AS
PUBLIC DEFENDER FOR THE CITY OF LAS CRUCES**

This Contract is entered into on July 1, 2026 (the “Effective Date”) by and between the City of Las Cruces (“City”), a New Mexico municipal corporation, and Mark Gemoets dba The Law Office of Mark Gemoets (“Contractor”), each of which is a “Party” to this Contract and together are the “Parties” to it.

Section 1. Purpose

This Contract is created for the purpose of securing reliable, competent, and independent legal services for the defense of charges of violations of municipal ordinances brought in the municipal court of City when a defendant desires but cannot afford legal counsel. As identified herein, Contractor’s provider of legal services under this Contract shall be considered a “Public Defender for the City of Las Cruces.”

Section 2. Term

This Contract shall continue in effect for a term of one calendar year from the Effective Date and at the City’s option for one or more additional terms of a single calendar year. The City may exercise its option for an additional term by giving written notice of renewal to Contractor no less than forty-five days before the last day of the current term.

In the interest of the continual provision of the Services identified herein, which Contractor acknowledges are essential to the welfare of City’s residents, Contractor agrees that it shall provide to City in writing any dispute or disagreement with the renewal of this Contract for an additional term no later than seven days from receipt of City’s notice of renewal, and failure to timely provide such writing shall be deemed an irrevocable waiver, forfeiture, and abandonment of such dispute or disagreement concerning renewal or the terms of the Contract as they are at the time of renewal.

Section 3. Services

Contractor shall employ an attorney, designated in its contract bid, who shall provide legal representation to any defendant charged by City in its municipal court of violation of a municipal ordinance punishable by incarceration or criminal fine, if the defendant desires legal counsel and it is determined by the municipal court that the defendant cannot independently afford private representation. In consistency with State and local law, New Mexico Rules of Court, the New Mexico State Bar Rules of Professional Conduct, and all orders of the municipal court and other courts of competent jurisdiction, Contractor, through its designated attorney, will provide representation at all stages of the defense in municipal court, authorized interlocutory matters such as competency determinations, and on appeal to the district court and further appeal to the court of appeals.

Although the terms of this Contract do not prohibit Contractor from seeking other work, including the provision of legal services, Contractor agrees it shall not have or seek work that does or may reasonably be expected to create a conflict of interest with Contractor's clients as contemplated by this Contract. Contractor further agrees that it shall give first priority to work under this Contract above all services it may offer in its other business, and to the extent that a conflict of scheduling or unforeseen circumstance prevents adequate time or ability to provide legal services to any of Contractor's clients as contemplated herein, Contractor shall give immediate feasible notice to the said client(s), the municipal court, and all parties to the matter(s).

Contractor will be responsible for supplying any office space, equipment, or support staff that Contractor desires or deems necessary in connection with these Services without contribution by City additional to what is provided by these terms.

Section 4. Compensation

City shall pay Contractor the total sum of one hundred and twenty-thousand dollars (\$120,000), which sum shall be paid in equal monthly payments on a schedule determined by City. All payments shall be remitted to:

The Las Office of Mark Gemoets
135 W. Griggs Ave.
Las Cruces, New Mexico 88001

Section 5. Warranties of Contractor

Contractor is duly organized, validly existing, and in good standing under the laws of the State in which it is incorporated and is duly licensed, qualified, and authorized to do business in the State of New Mexico and all other jurisdictions in which it is required to be licensed, qualified, and authorized. Contractor warrants that its legal services provided within the scope of this Contract are rendered by a sole attorney employed by Contractor and named by Contractor in its contract bid, and, except as otherwise provided herein or as the Parties may agree in writing, no other individual shall qualify to provide the legal services contemplated herein for the entirety of the Contract's term. Such individual shall at all times hold, and upon request shall submit all requested proof of, licensure to practice law in the State of New Mexico without limitation and good standing in the State Bar of New Mexico.

Contractor shall provide the professional services of this Contract in accordance with generally accepted professional practices and principles and in a manner consistent with the level of care, skill, and diligence ordinarily exercised by members of the profession currently practicing under similar conditions, in addition to all standards of the business or profession set by law.

Section 6. Availability of Funds

City warrants that it has sufficient funds currently available and authorized for the compensation and other benefits provided by the Contract within City's current fiscal period. However, City

may terminate the Contract without further liability if (i) sufficient funds are not provided in future budgets approved by the governing body of City or from applicable federal, state, or other sources to permit City in the exercise of its reasonable administrative discretion to continue the Contract, or (ii) by City ordinance the programs or purposes for which this Contract is executed are permanently or temporarily abolished, terminated, or ceased.

Section 7. Termination

The Parties may terminate the Contract at any time by mutual written consent. City may, in its sole discretion, terminate the Contract, in whole or in part, upon thirty days' written notice to Contractor.

City may terminate the Contract, in whole or in part, immediately upon notice to Contractor or at a later date as City may establish in its notice to Contractor unless otherwise expressly stated, upon occurrence of any of the following events:

- i) City fails to receive funding, appropriations, limitations, or other expenditure authority at levels sufficient to pay Contractor for the Services, as described herein.
- ii) Federal or state laws, regulations, or guidelines are modified or interpreted in a way that the Services for this Contract are prohibited, or City is prohibited from paying for the Services from the planned funding source.
- iii) Contractor or its individual named to perform the legal services contemplated herein no longer holds a license, certificate, or authorization that is required to fully perform the Contract.
- iv) Contractor breaches a material covenant, including:
 - a. a failure to perform the Services of the Contract in accordance with the Warranties by Contractor herein;
 - b. a failure to pursue the Services so as to endanger Contractor's performance under the Contract in accordance with its terms, and the failure is not cured within ten business days after the date City delivers the notice, or within a longer period City may specify in the notice;
 - c. a failure to provide or maintain in full force and effect any required insurance, if that failure is not cured within seven days after receipt of written notice from City;
 - d. an assignment, transfer or disposition of any right or obligation of the Contract without City's prior written consent, whether by Contractor's act or omission or by operation of law, change of control, or merger; and

- e. any other material covenant or obligation set forth in this Contract if that failure is not cured within thirty days after receipt of written notice from City.
- v) Any representation or warranty made by Contractor within the scope of this Contract is false or misleading in any material respect when made or when deemed made or repeated if the breach is not cured within thirty days after receipt of written notice from City.
- vi) The insolvency, liquidation, or bankruptcy of a Party.
- vii) The death, physical incapacity, or inability of any of Contractor's key personnel to perform the Services.

Contractor may terminate the Contract if Contractor provides written notice to City that City failed to pay Contractor pursuant to the terms of the Contract and City fails to cure within thirty days after receiving Contractor's notice, or within a longer period of cure as Contractor may specify in its notice to City or as agreed by the Parties. Contractor may also terminate this Contract and withdraw representation for any other reason authorized by the New Mexico State Bar Rules of Professional Conduct.

If Contractor receives a notice of termination of the Contract, Contractor shall immediately cease all Services unless City expressly directs otherwise in its notice, excepting such services to a current client as may be required by the New Mexico State Bar Rules of Professional Conduct or order of the municipal court or other court of competent jurisdiction. Upon termination or City's request, Contractor shall deliver to City all documents, information, works-in-progress, tangible things, and other property that are or would be deliverables had the Contract been completed. Such materials, to the extent they contemplate services to clients, shall be held by City in confidence and in trust for the client and be delivered to the client or successive counsel for the client in consistency with the New Mexico State Bar Rules of Professional Conduct. The foregoing shall not limit Contractor's independent duties in its representation of clients pursuant to this Contract.

Section 8. Independent Contractor

Contractor is engaged as an independent contractor without authority to bind City. Contractor is not an officer, employee, or agent of City, and is solely responsible for its acts and for the acts of its agents or employees during the performance of the Contract. This Contract creates no joint venture, partnership, fiduciary, or agency relationship for any purpose beyond that contemplated by the Contract.

No compensation by City to Contractor shall be considered benefits creating or indicating an employer-employee relationship between City and Contractor. Except as required by law, all compensation to Contractor is conditioned on and limited to the continuing performance of the Contract according to its terms, and all compensation to Contractor is provided without creating an expectation of employment or benefits of employment.

Contractor shall be solely responsible for all federal or state taxes applicable to compensation or payments made to Contractor under the Contract. Unless Contractor is subject to backup withholding, City will not withhold any amount of compensation or payment to cover Contractor's federal or state tax obligations.

Section 9. Insurance

Contractor, at its sole expense, shall procure and keep in full force and effect the types and coverage amounts of insurance conforming to the minimum requirements of City, which are professional liability insurance with limits of \$1,000,000 per claim and \$2,000,000 in the aggregate. Before commencing services, Contractor shall furnish City with acceptable certificates evidencing the types, amounts, and issuers of insurance coverage meeting these minimum requirements, and naming City as an additional insured under the policy. City reserves the right to review the types of coverages and limits of insurance from time to time and to change its insurance requirements within its sole discretion, and Contractor shall promptly modify its coverages in compliance with such new requirements; provided, however, that if City changes its insurance requirements after the Effective Date of this Contract, Contractor and City shall enter into good-faith negotiation to alter the terms of this Contract as necessary to address any change in the cost of business to Contractor.

Section 10. Indemnification

Contractor releases and shall indemnify, defend, and hold harmless City, City's governing body, officials, employees, agents, and volunteers from and against any and all claims, costs, damages, lawsuits, penalties, liens, losses and/or liabilities of any kind or nature, including all expenses of investigating and defending against same, including reasonable attorneys' fees and costs at trial and on appeal, that arise from or are connected to or are directly or indirectly caused or claimed to be caused in whole or in part by the fault or negligent, reckless, or willful acts, errors, or omissions of Contractor or Contractor's agents, employees, or subcontractors in performing the Services of the Contract.

Section 11. Limitation of Liabilities

Neither Party shall be liable in contract, tort, strict liability, warranty or otherwise for (a) any special, indirect, incidental, consequential, or non-economic damages resulting from or in any way related to the Contract, such as, but not limited to, delay, disruption, loss of product, cost of capital, loss of anticipated profits or revenue, or loss of use of equipment or system; or (b) any damages of any sort whatsoever arising solely from the termination of the Contract in accordance with its terms; provided, however, the provisions of this section do not apply to liability arising under or relating to other sections of this contract.

Section 12. Entirety of Agreement; Amendment

This Contract represents the entirety of the agreement between the Parties concerning the subject matter herein and supersedes all prior written and oral agreements, understandings, undertakings, and representations. No amendments, changes, alterations, or modifications of this Contract shall be effective unless in writing and signed by both Parties.

Section 13. Waiver

City’s or Contractor’s failure, refusal, or neglect to enforce a provision of the Contract shall not constitute a continuing waiver, shall not waive enforcement of any other provision, and shall not act to waive a prior or successive required or expected act, event, or condition as contemplated by the asserted waiver, whether or not of the same or a similar nature.

Section 14. Notice

Except as otherwise provided in this Contract, each Party giving or making any notice, request, demand, or other communication related to compliance, breach, or enforcement of the Contract, shall give such notice in writing by certified mail (return receipt requested) or electronic mail (read receipt requested) according to the following information:

To City:

Office of the City Clerk
Attn: Christine Rivera, City Clerk
PO Box 20000
Las Cruces, NM 88004
cityclerk@lascruces.gov

Copy to:

City Manager
City Attorney
700 N. Main St., Third Floor
Las Cruces, NM 88004
citymanager@lascruces.gov
cityattorney@lascruces.gov

To Contractor:

The Law Office of Mark Gemoets
135 W. Griggs Ave.
Las Cruces, New Mexico 88001

Notice is effective only if it is given in compliance with this Section and either upon receipt of return of the signed receipt (if mailed) or read receipt (if emailed) or upon passage of five days after mailing (if mailed) or three days after electronic transmission (if emailed), whichever occurs first.

Section 15. Governing Law; Venue

This Contract shall be governed by the laws of the State of New Mexico and local ordinances, without regard to any jurisdiction’s laws, rules, or doctrines concerning conflicts of laws. Any proceeding to enforce, modify, terminate, or relying upon this Contract shall be brought exclusively in the Third Judicial District Court of Dona Ana County, New Mexico.

Section 16. Conflicts of Interest

Contractor represents that no member of City's governing body and no officer or employee of City has an interest in the performance of this Contract or will or has received compensation of any kind from Contractor, either directly or indirectly, in connection with the Contract, except as specifically declared in writing.

Section 17. Miscellaneous

Contractor shall comply with all federal, state, and local laws, ordinances, rules, regulations, and orders executive or judicial applicable to the services under the Contract, including all federal, state, and local tax laws. Contractor shall comply with all federal, state, and local civil rights and rehabilitation laws prohibiting discrimination based on race, color, sex, national origin, English proficiency, religion, age, disability, income, sexual orientation, or gender identity.

Contractor shall not assign, sell, delegate, or otherwise transfer or dispose of rights or duties under this Contract, in whole or in part, without City's prior written consent, which City may give in its sole discretion. However, no assignment or transfer shall relieve Contractor of obligations under this Contract, and such assignee, delegee, transferee, or recipient shall be considered an agent of Contractor and bound by all provisions of the Contract. Contractor, and its surety, if any, shall be liable to City for complete performance of the Contract as if no such assignment, sale, subcontracting, disposal, transfer, or delegation had occurred, unless City otherwise agrees in writing. The provisions of the Contract shall be binding upon and shall inure to the benefit of the Parties and their respective successors and assigns, if any.

This Contract does not, and shall not be interpreted to, create any right or claim belonging to a third-party beneficiary.

The Parties agree that this Agreement is a negotiated instrument that shall be interpreted according to its plain language without favor or disfavor toward either Party.

All rights and obligations of the Contract which by their natural operation should reasonably be expected to survive the expiration of the Contract's term or its termination shall so survive.

If any provision or portion of this Contract is determined to be illegal, invalid, void, or unenforceable, the provision or portion shall be given an interpretation that preserves its original intent with maximum permissible force, and in all cases the remainder of the Contract shall not be affected.

This Contract may be executed in identical counterparts which together shall constitute a whole that is binding on the Parties. The Parties may exchange counterparts as an image (e.g., .pdf, or .tiff file extension) as an attachment to electronic mail. A scanned signature is an original signature for all purposes.

[Signatures on following page]

IN WITNESS WHEREOF, the undersigned authorized representatives of the City of Las Cruces and Mark Gemoets dba The Law Office of Mark Gemoets execute this Contract on the dates indicated below.

CITY OF LAS CRUCES

By: _____

Title: Purchasing Manager

Date: _____

MARK GEMOETS, ATTORNEY AT LAW

By: _____

Title: _____

Date: _____

APPROVED AS TO FORM:

 4/15/26
City Attorney



City Council Action and Executive Summary

Type of Action:
☒ Resolution
☐ Ordinance
☐ TIDD Resolution

District:	☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☒ N/A		
1st Reading:		Adopted:	May 18, 2026
Drafter:	Lesley Doyle	Department:	Financial Services
Title:	A RESOLUTION ADOPTING THE MUNICIPAL BUDGET FOR FISCAL YEAR 2026-2027 FOR THE CITY OF LAS CRUCES, NEW MEXICO ON MAY 18, 2026.		

TYPE OF ACTION: ☒ Administrative ☐ Legislative ☐ Quasi-Judicial

PURPOSE(S) OF ACTION:
To adopt the Fiscal Year 2026-2027 budget.

BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:
The City Manager's proposed budget has been available for public review since March 30th, 2026. City Council held a budget retreat on January 28, 2026, a work session on March 23, 2026, and a second work session and public hearing on April 23, 2026, regarding the proposed Fiscal Year 2026-2027 budget.

The Fiscal Year 2026-2027 budget aligns with the goals of the City Council Strategic Plan and Elevate Las Cruces.

The City Charter, Sec. 5.06(c) states, "The council shall adopt the budget no later than thirty (30) days before the beginning of the fiscal year."

After the budget adoption by City Council, the adopted Fiscal Year 2026-2027 budget will be filed with the State of New Mexico Department of Finance and Administration by June 1, 2026 for approval as required by State Law (NMSA 1978 Chapter 6, Article 6).

SUPPORT INFORMATION:
[Exhibit "A" - FY2027 Budget](#)

PLAN(S):
City Council Strategic Plan, Elevate Las Cruces

DOES THIS AMEND THE BUDGET?:
☒ Yes
☐ No

BUDGET / FISCAL IMPACT:
BUDGETED AMOUNT: Various **AVAILABLE AMOUNT:** Various **EXPENDITURE AMOUNT:**

Funding Source(s):

Various

Overall Budget Impact:

Approving the FY2026-2027 Budget

Does this action amend the Capital Improvement Plan (CIP)?

☒ Yes

☐ No

OPTIONS / ALTERNATIVES:

1. Vote "Yes"; this will approve the Resolution and the City of Las Cruces will be compliant with the City Charter by adopting the budget for the forthcoming fiscal year no later than thirty days before the beginning of the fiscal year.
2. Vote "No"; this will not approve the Resolution and cause the City of Las Cruces to be non-compliant with the City Charter.
3. Vote to "Amend"; this would require direction from City Council and could potentially require pages in the Fiscal Year 2026-2027 budget document to be added, deleted, or modified.
4. Vote to "Table"; this will require a special meeting to prevent the City of Las Cruces from being non-compliant with the City Charter.

REFERENCE INFORMATION:

Approving FY2026-2027 Capital Improvements by separate resolution.

RESOLUTION 26-142

A RESOLUTION ADOPTING THE MUNICIPAL BUDGET FOR FISCAL YEAR 2026-2027 FOR THE CITY OF LAS CRUCES, NEW MEXICO ON MAY 18, 2026.

The City Council is informed that:

WHEREAS, the City of Las Cruces has prepared its annual budget for Fiscal Year 2026-2027; and

WHEREAS, City Council held various work sessions for discussion purposes and a public hearing on April 23, 2026, on the proposed annual budget.

NOW, THEREFORE, Be it Resolved by the Governing Body of the City of Las Cruces:

(I)

THAT the Fiscal Year 2026-2027 Budget, attached hereto as Exhibit "A" and made part of this Resolution, is hereby adopted in accordance with the City Charter, Sec. 5.06(c) and authorized to be the basis for submission of the "Municipal Budget and Report" to the Local Government Division of the Department of Finance and Administration for the State of New Mexico, as required by the Local Government Division Memorandum 63-43 and the New Mexico State Law, Section 6-6-2, NMSA 1978.

(II)

THAT City staff and officials are authorized to make expenditures as outlined and provided in the Fiscal Year 2026-2027 Annual Budget upon approval by the State of New Mexico.

(III)

THAT the Fiscal Year 2026-2027 Annual Budget attached and marked Exhibit "A", hereby directed to be on the City website and available for public inspection.

(IV)

THAT City staff is hereby authorized to do all deeds necessary in the accomplishment of the herein above.

DONE AND APPROVED this day of

Agenda Item #7.1.

APPROVED

ATTEST:

Moved by:

Seconded by:

AYES

NAYS



PROPOSED BUDGET

FISCAL YEAR 2026-2027
MAY 18, 2026
CITY COUNCIL MEETING

 CITY OF LAS CRUCES





CITY OF LAS CRUCES

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PROPOSED BUDGET

FISCAL YEAR 2026-2027

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CITY OF LAS CRUCES

II. INTRODUCTION

PROPOSED BUDGET

FISCAL YEAR 2026-2027



THIS YEAR'S THEME

Beautiful Las Cruces

This theme highlights the landmarks, gathering spaces, and people who bring Las Cruces to life. Throughout these pages, you'll find images that capture the character of our community, from the stunning Organ Mountains and inviting neighborhoods to recognizable landmarks and everyday moments shared by the people of Las Cruces. The front cover features the iconic City Hall lions, E.J. and Mabel, bronze sculptures that have welcomed residents since 1968 and stand as lasting symbols of pride and heritage. Together, these images reflect the connection and sense of belonging that shape our city. We invite you to explore and appreciate the many qualities that make Las Cruces a beautiful place to live, work, and grow.





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Las Cruces
New Mexico**

For the Fiscal Year Beginning

July 01, 2025

Christopher P. Morill

Executive Director

CITY COUNCIL



Front Row (from left to right):

Councilor Michael Harris, District 3

Councilor Becky Corran, District 5

Mayor Pro Tem John Muñoz, District 6

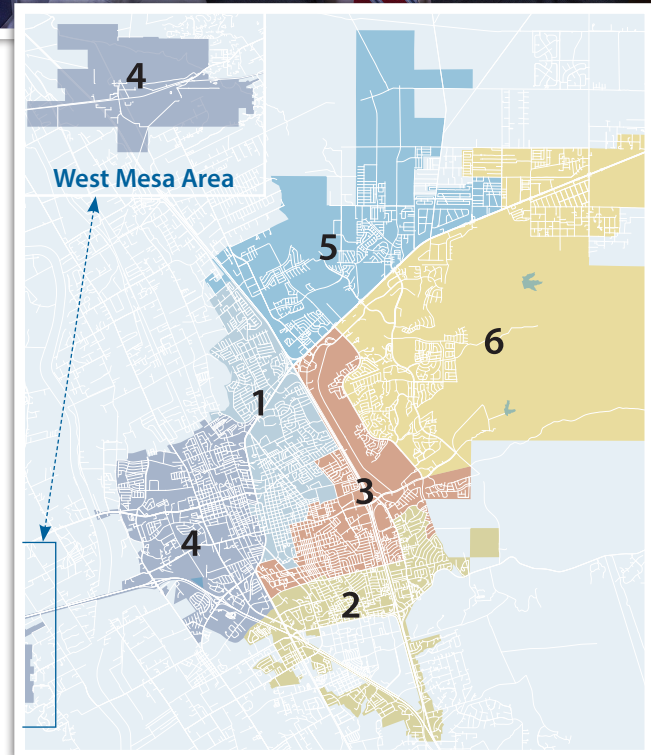
Back Row (from left to right):

Councilor Bill Mattiace, District 2

Councilor Cassie McClure, District 1

Mayor Eric Enriquez

Councilor Johana Bencomo, District 4





CITY LEADERSHIP

CITY MANAGER’S OFFICE

City Manager	Ikani Taumoepeau
Assistant City Manager	Sonya L. Delgado
Assistant City Manager	David Sedillo, Interim

DEPARTMENT HEADS

Community Development	Chris Faivre
Economic Development	Elizabeth Teeters
Finance	Lesley Doyle
Fire Chief	Michael Daniels
Human Resources	Jo Richards
Information Technology	Rob del Plain
Legal	Brad Douglas
Municipal Court	Honorable Anthony Filosa
Parks & Recreation	Steven Bingham
Police Chief	Jeremy Story
Public Works	Kyle Arend, Interim
Quality of Life	Carol Brey
Utilities	Adrienne Widmer

BUDGET STATEMENT

The Budget Office oversees the preparation and development of the City’s annual operating budget, capital budget, and multi-year Capital Improvements Program. Together, these documents serve as the City’s action plan, outlining how the goals and priorities of the City Council and City Leadership will be carried out.

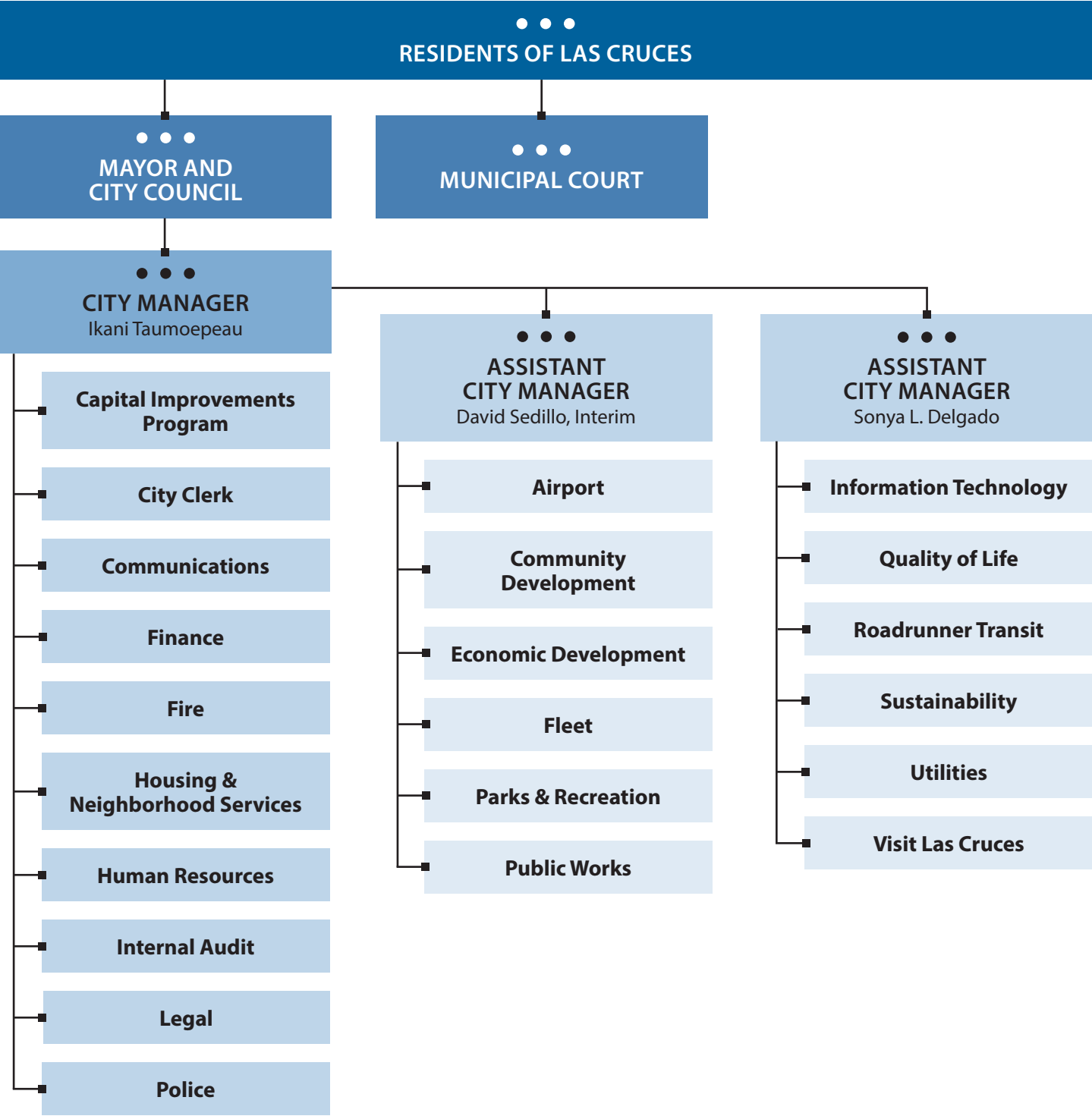
The budgeting approach organizes the cost of government operations by breaking them into specific activities and services. Each activity includes both direct and indirect expenses, such as labor, contracted services, materials, and supplies.

This publication presents the financial details for the Fiscal Year 2027 budget, which will officially be adopted by the Las Cruces City Council on May 18, 2026.

Acknowledgments

- Budget Office
- Communications Office
- Capital Improvements Program
- Business Systems Analysts

CITY GOVERNMENT ORGANIZATIONAL CHART





CITY OF LAS CRUCES

III. BUDGET MESSAGE

PROPOSED BUDGET

FISCAL YEAR 2026-2027

MESSAGE FROM THE CITY MANAGER

March 31, 2026

**Dear Honorable Mayor, Mayor Pro Tem, Council Members,
and Residents of Las Cruces,**

As City Manager, I am proud to present the Fiscal Year 2027 budget for the City of Las Cruces. This budget reflects our continued commitment to a Balanced, Accountable, Sustainable, and Efficient (BASE) approach to governance while thoughtfully navigating financial challenges and positioning our city for long-term success.

Over the past year, we have faced fiscal pressures that required prudent and proactive decision-making. To ensure the City remained on solid financial footing, we implemented strategic cost containment measures during FY26, including a temporary hiring freeze, reduced spending without affecting current service levels, and asked departments to realign their budget with prior-year actual expenditures. These adjustments helped us stay on track toward a sustainable fund balance and enter FY27 in a stable, well-prepared position.

This disciplined approach ensures we are not simply balancing a budget for today but protecting the City's financial resilience for tomorrow.

A significant milestone in our financial outlook is the Gross Receipts Tax (GRT) increase of 0.325% approved by our community and implemented at the beginning of Fiscal Year 2026 (July 1, 2025). We are currently generating approximately \$1.1 million per month in new revenue and project approximately \$24.6 million between July 2025 and June 2027. This funding is earmarked for improvements to our parks, roads, and public safety.

Additional highlights from the past year include the successful revival of the Mesilla Valley Balloon Rally after a 14-year hiatus, the completion of the Transit Operations and Maintenance Building, and the groundbreaking of Amador Crossing, a 50-unit supportive housing development. The City also opened Three Sisters Apartments, delivering 70 affordable housing units with just \$2.4 million in City funding, and Pedrena Apartments, providing 80 senior housing units with only \$3.3 million in City investment.

Further accomplishments include adoption of the Realize Las Cruces plan, replacing 25-year-old regulations to help address housing shortages while encouraging more walkable neighborhoods; hosting the first inaugural SkyFiesta Airshow and Races; and establishing two Metropolitan Redevelopment Areas along El Paseo and West Picacho to support targeted redevelopment efforts. The City also earned recognition through National Association of Telecommunications Officers and Advisors (NATOA) Telly Awards and received a Regional Emmy nomination, secured \$53 million in grant funding, graduated 16 cadets from the 38th Fire Academy, achieved a 13% reduction in crime, upgraded Musco sports lighting at Hadley and Apodaca Fields, and launched the first and only electric vehicle carshare program in the region with no upfront cost to the City.



On behalf of the City, I want to sincerely thank the voters of Las Cruces for their trust and support. Your investment in our community is already creating meaningful opportunities to address long-standing infrastructure and public safety needs. These projects are the direct result of your vote and will serve residents for generations to come.

Through a balanced strategy that combines bonding and pay-as-you-go funding, this revenue will allow the City to leverage approximately \$20 million every two years, with funds anticipated to be available beginning in Fall 2026. After estimated annual debt service payments of approximately \$8.8 million, approximately \$15.8 million remains available for direct investment.



Pay-as-you-go funding will focus on critical asset preservation, infrastructure reliability, and public safety equipment needs. Bond-funded investments are strategically structured to ensure long-term sustainability, with approximately 60 percent dedicated to maintaining and improving existing facilities, streets, and public safety assets, and 40 percent directed toward strategic new projects that support community growth and service delivery enhancements.

These investments reflect our commitment to Improve essential services, Innovate through smart infrastructure planning, and enhance the Image of Las Cruces as a forward thinking and well-maintained community.

Aligned with our vision to move Adelante con Cariño, moving forward with care and compassion, this budget prioritizes public safety, infrastructure reliability, operational efficiency, and long-term fiscal sustainability. We continue to evaluate financial strategies carefully, balancing debt responsibly while maintaining flexibility to meet service demands and future challenges.

This budget represents collaboration, thoughtful planning, and a shared commitment to fiscal responsibility. I am grateful to our Mayor, Council, City staff, and residents for their partnership in shaping a resilient and vibrant Las Cruces.

Together, we are building a stronger future, responsibly, strategically, and with caríño.

Ikani Taumoepeau

Ikani Taumoepeau
City Manager
City of Las Cruces



CITY OF LAS CRUCES

IV. STRATEGIC PLAN

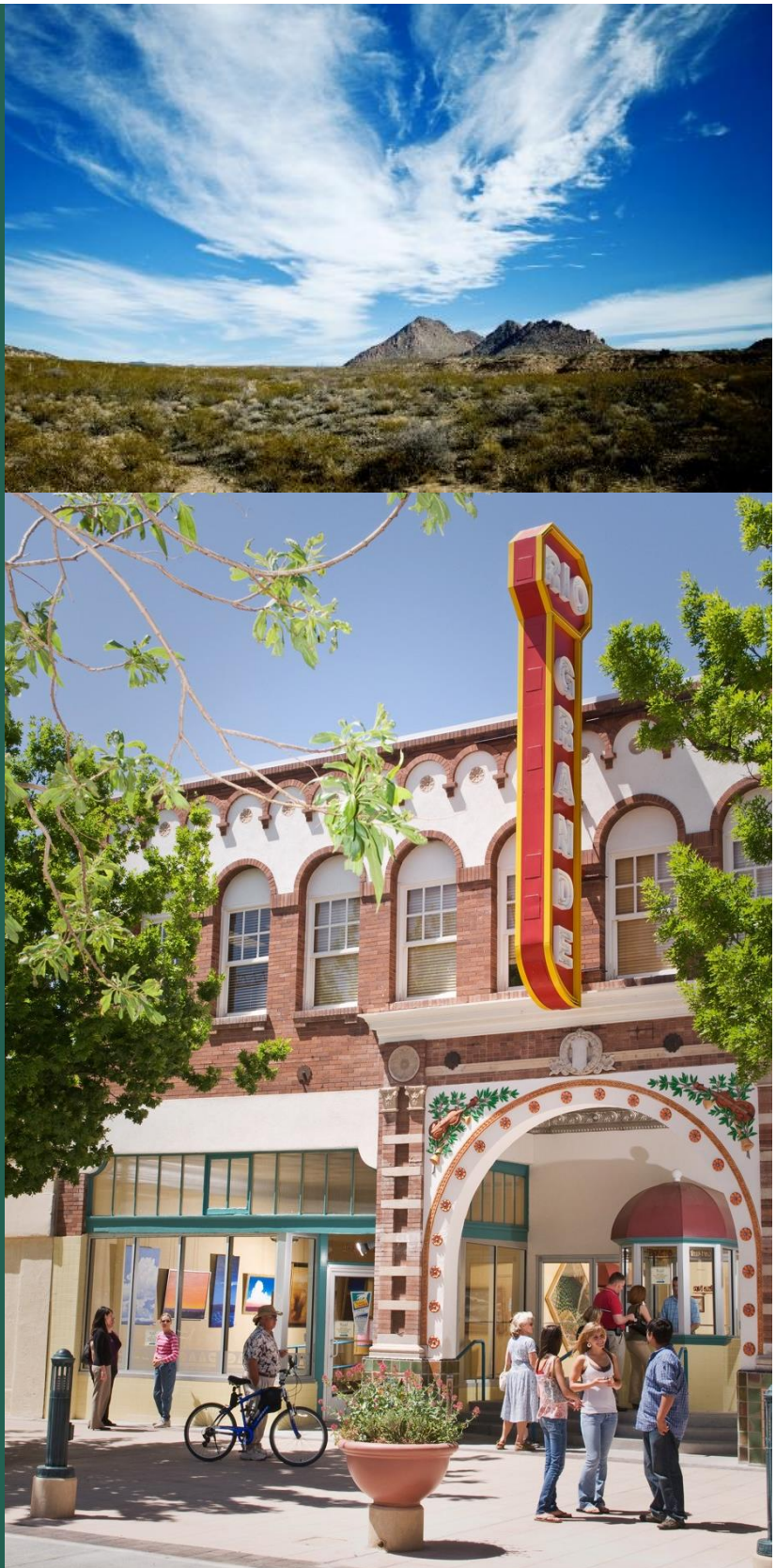
PROPOSED BUDGET

FISCAL YEAR 2026-2027

City of Las Cruces, New Mexico

Strategic Plan 2021 – 2026

March 5, 2021



Message from Mayor Miyagishima



Dear Las Cruces Community Member:

The City Council is pleased to present the Las Cruces Strategic Plan for 2021 through 2026. It will serve as the City's policy direction for the allocation of resources and results. The process used to prepare this update to the 2017 - 2022 Strategic Plan included input from residents, business leaders, and other community stakeholders. Input and ideas from Las Cruces community members and city staff were used to identify strategic priorities, key objectives, and success measures. Importantly, the Strategic Plan is based on the vision and goals in the adopted *Elevate Las Cruces* Comprehensive Plan.

Over the next five years, the Strategic Plan will help Las Cruces' City leaders prioritize and plan our work. We will communicate with you regularly about our progress and outcomes as we work to accomplish the goals included in the plan.

We are excited about the future of our vibrant community and look forward to continuing our commitment to growth and transformation and meeting the needs of Las Cruces residents.

Respectfully,

Ken Miyagishima

Mayor

March 2021



City Council



Kasandra Gandara



Tessa Abeyta-Stuve



Gabriel Vasquez



Johana Bencomo



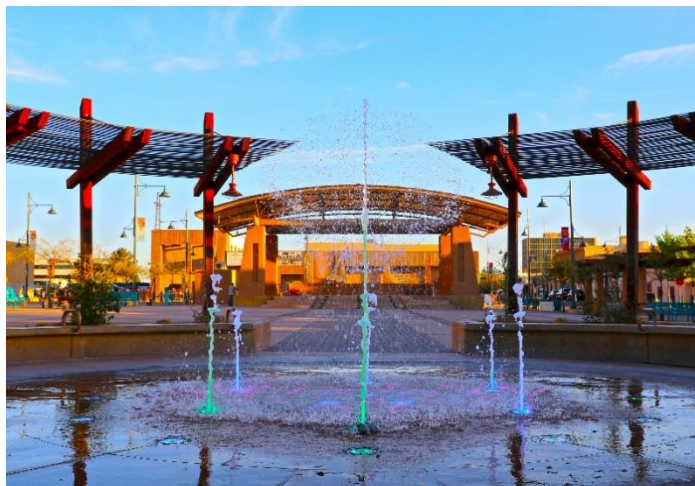
Gil Sorg



Yvonne Flores



Background



Introduction

This strategic planning effort allowed community members and City leaders an opportunity to determine what is important for future success by identifying priorities for improvement, which were aligned with short-term goals and initiatives included in *Elevate Las Cruces* and new goals confirmed by the City Council. The basis for the Strategic Plan is articulated in the vision, mission, and organizational values. These elements are foundational to the establishment of priorities and goals and guide the work of City staff. The implementation of the goals and priorities should occur thoughtfully and transparently with periodic review by the City Council to ensure progress. The development of this Strategic Plan was facilitated by Management Partners, a firm specializing in assisting local governments in the United States.

Methodology

The Las Cruces strategic planning effort incorporated the work done for *Elevate Las Cruces* to help prioritize the stages of the plan during the next few years. Management Partners developed and deployed two surveys, one for community members and one for City employees, to solicit input and feedback on key priorities. A series of four focus groups with staff and community members were held to gain greater insight and input about key themes identified from community survey respondents.

Management Partners also conducted interviews with the Mayor, Council members, City Manager, and other members of the leadership team and department directors to understand their perceptions about Las Cruces' strengths and opportunities and to identify key priorities for the future.

The Strategic Plan has six strategic themes that address community prosperity, education and community services, environmental sustainability, capital improvements and infrastructure, public safety, and communication, involvement, and follow-up. Accompanying the strategic themes are desired outcomes, goals, and performance measures. Once the Strategic Plan is finalized, PEAK performance measures will be developed for each department to guide progress in achieving each goal.



City of Las Cruces Strategic Themes



This Strategic Plan has six overarching themes as listed below. Each priority is accompanied by goals from the *Elevate Las Cruces* Comprehensive Plan and goals identified by City Council.

Community Prosperity

Education and Community Services

Environmental Sustainability

Capital Improvement and Infrastructure

Communication, Involvement and Follow Up

Public Safety



Vision, Mission and Organizational Values



Vision

Las Cruces is an inclusive community, recognized for its cultural diversity, enchanting natural amenities, and vibrant quality of life. We are committed to enhancing our livability, prosperity, and environment for the shared benefit of current and future generations of Las Cruces in a fiscally and socially sustainable manner.

Mission

The mission of the City of Las Cruces is to provide customer-focused municipal services to residents, businesses, and guests so they can experience a “quality of place” to live, work and play.

Organizational Values

City Leaders’ and Employees’ Values ... We Value:

Diversity

Respect

Equity

Responsive

Fiscal Responsibility

Transparency

Professionalism



Strategic Theme 1: Community Prosperity

Strategic Theme 1: Community Prosperity

Desired Outcomes

- Expanded housing options for all income levels
- Enhanced economic diversity and business strength

Performance Measures

- (To be developed by staff during the update of department strategic business plans)



The following goals are listed in priority order as ranked by City Council members.

1. ELC Goal CP-2: *Economic Equity*. Generate employment opportunities that create economic security for all residents.
2. ELC Goal CP-7: *Attainable Housing*. Provide affordable, clean, and safe housing options for all residents regardless of income.
3. ELC Goal CP-11: *Underserved Populations*. Develop and support programs that provide assistance to traditionally underserved populations.
4. ELC Goal CP-4: *Diversification*. Seek a balance of business recruitment, retention, and expansion to diversify economic opportunities.
5. ELC Goal CP-3: *Entrepreneurship*. Create a nurturing regulatory environment that generates entrepreneurship and small business investment.
6. ELC Goal CP-1: *Ready Workforce*. Develop a strong and educated workforce that supports an expanding local and regional economy.
7. ELC Goal CP-9: *Housing Diversity*. Provide a diverse range of housing options to accommodate residents at all stages in life.
8. *Council Goal*: Prioritize development of attractive, energy-efficient, mixed income housing in infill areas and along the El Paseo Corridor.
9. *Council Goal*: Establish a Behavioral Health District made up of governmental entities in Doña Ana County.
10. *Council Goal*: Establish a Building Local Wealth component within the city's Economic Development Department.

Elevate Las Cruces Goal Section Reference:
CP – Community Prosperity



Strategic Theme 1: Community Prosperity



11. ELC Goal CP-8: *Special Housing Needs*. Ensure that the housing needs of traditionally underserved populations are met.
12. ELC Goal CL-1: *Neighborhood Identity*. Promote community pride through neighborhood events and investments that create a shared identity.
13. ELC Goal CE-4: *Complete Neighborhoods*. Develop mixed-use neighborhoods that incorporate a wide range of recreational, commercial, employment, and civic uses.
14. ELC Goal CL-4: *Recreational Opportunity*. Offer a diverse suite of recreational facilities and programs to cater to varying community interests, ages, and abilities.
15. ELC Goal CE-3: *Centers and Corridors*. Support community growth through concentrated development at activity centers and along key corridors.
16. ELC Goal CE-7: *Accessible Social Spaces*. Create a community-wide network of social spaces through the design and distribution of parks, public grounds, and public rights-of-way.
17. ELC Goal CL-10: *Economic Outcomes*. Support transportation investments that improve economic development outcomes.
18. ELC Goal CL-13: *Supporting the Arts*. Support the vibrant arts culture within the community.
19. ELC Goal CL-15: *Historic & Cultural Values*. Value and protect the historic and cultural properties and sites in the community.

Elevate Las Cruces Goal Section Reference:

CE – Community Environment

CL – Community Livability

CP – Community Prosperity



Strategic Theme 2: Education and Community Services

Desired Outcomes

- Enhanced physical and mental health resources
- Improved access to healthy food options

Performance Measures

- (To be developed by staff during the update of department strategic business plans)



The following goals are listed in priority order as ranked by City Council members.

1. ELC Goal CP-10: *Community Health*. Promote and maintain a balanced system of community and human services for the health, safety and welfare of all residents.
2. ELC Goal CL-18: *Mental & Physical Health*. Provide opportunities for residents to improve their mental and physical health.
3. ELC Goal CP-6: *Community Schools*. Utilize schools as an integral component of neighborhood development and community life.
4. ELC Goal CL-17: *Food Security*. Transform Las Cruces into a food-secure community with improved access to healthy food options.

Elevate Las Cruces Goal Section Reference:

CL – Community Livability

CP – Community Prosperity



Strategic Theme 3: Environmental Sustainability

Desired Outcomes

- Achieve the goals included in the Climate Action Plan adopted in 2020
- Promote balanced growth

Performance Measures

- (To be developed by staff during the update of department strategic business plans)



Goals

The following goals are listed in priority order as ranked by City Council members.

1. ELC Goal CE-1: *Balanced Growth*. Encourage efficient land use development patterns that accommodate projected growth in a sustainable manner.
2. ELC Goal CL-19: *Environmental Justice*. Make public health improvements in an equitable manner that align with the tenets of environmental justice.
3. ELC Goal CE-9: *Sustainable Infrastructure Systems*. Enhance infrastructure to meet the demands of residents and businesses in a sustainable manner.
4. ELC Goal CE-8: *Energy Efficiency*. Increase the share of renewable energy alternatives to reduce the community's overall carbon footprint.
5. ELC Goal CE-14: *Open Space Lands*. Embrace open space for passive uses that protect the natural, cultural, or agricultural character.
6. ELC Goal CE-11: *Reliable Water Supply*. Preserve the region's natural resources by implementing quality control and conservation techniques.
7. ELC Goal CL-5: *Stewardship*. Deliver parks and recreation services in a collaborative manner that generates community enthusiasm and pride.
8. Council Goal: Provide direct support from Sustainability Office for all departments to help them meet goals in the Climate Action Plan and other adopted resiliency measures.

Elevate Las Cruces Goal Section Reference:

CL – Community Livability

CE – Community Environment



Strategic Theme 4: Capital Improvement and Infrastructure

Strategic Theme 4: Capital Improvement and Infrastructure

Desired Outcomes

- Quality infrastructure that meets the community's needs
- Expanded transit access and options, including pedestrian and bicycle Improved road and pavement condition

Performance Measures

- (To be developed by staff during the update of department strategic business plans)



Goals

The following goals are listed in priority order as ranked by City Council members.

1. ELC Goal CE-6: *Context Sensitive Street Design*. Design streets to support varying levels of pedestrian activity based on the intended built context of surrounding development.
2. ELC Goal CL-6: *System Efficiency*. Build and maintain a coordinated transportation system that operates in an efficient and cost-effective manner.
3. ELC Goal CL-7: *Transportation-Land Use Connection*. Develop an accessible and efficient transportation system that provides seamless connectivity to surrounding land uses and complements various development patterns.
4. ELC Goal CL-8: *Multi-Modal System*. Develop an equitable, multi-modal transportation system that presents feasible travel options for residents.
5. ELC Goal CL-9: *Transportation Safety*. Incorporate public health and safety enhancements into transportation system investments and policies.
6. *Council Goal*: Develop a plan to increase the pavement condition index.

Elevate Las Cruces Goal Section Reference:

CL – Community Livability

CE – Community Environment



Strategic Theme 5: Communication, Involvement and Follow Up

Strategic Theme 5: Communication, Involvement and Follow-Up

Desired Outcomes

- Robust communication channels with residents between City departments
- Timely and consistent follow up by City staff to residents and the public

Performance Measures

- (To be developed by staff during the update of department strategic plans)

Goals

The following goals are listed in priority order as ranked by City Council members.

1. ELC Goal CL-16: *Community Engagement*. Involve the community in historic preservation efforts.
2. ELC Goal CE-10: *Coordinated Service Delivery*. Improve coordination and communication amongst utility providers and agencies.
3. *Council Goal*: Identify appropriate communication methods to reach underrepresented groups.
4. *Council Goal*: Complete implementation of transparency and communication tools

Elevate Las Cruces Goal Section Reference:

CL – Community Livability

CE – Community Environment



Strategic Theme 6: Public Safety

Desired Outcomes

- A more humane criminal justice system
- A safe and secure community

Performance Measures

- (To be developed by staff during the update of department strategic business plans)

Goals

1. ELC Goal CL-12: *Police & Criminal Justice*. Provide for a humane and responsible police and criminal justice system.
2. ELC Goal CL-11: *Emergency Services*. Ensure a safe and secure community through the provision of high-quality fire and emergency medical services.
3. *Council Goal*: Identify strategic areas for lighting improvements to improve safety
4. *Council Goal*: Continue to support the fire mobile integrated health program, the multi-disciplinary mental health response team, and the police critical incident crisis intervention team

Elevate Las Cruces Goal Section Reference:

CL – Community Livability



Conclusion

Conclusion



Executive Leadership Team

Ifo Pili, City Manager

Eric Enriquez, Assistant City Manager

Ikani Taumoepeau, Assistant City Manager

Barbara DeLeon, Chief Administrative Officer

Leeann DeMouche, Chief Budget Officer

Jennifer Vega Brown, City Attorney

Larry Nichols, Community Development
Director

Griselda Martinez, Economic Development
Director

Terri L. Gayhart, Financial Services Director

Jason Smith, Interim Fire Chief

Jo Richards, Human Resources Director

Scott Marr, Information Technology Director

Sonya Delgado, Parks and Recreation Director

Amber Vaughn, Performance Manager

Miguel Dominguez, Police Chief

David Sedillo, Public Works Director

Lynn Gallagher, Quality of Life Director

Delilah Walsh, Utilities Director

This Strategic Plan provides a clear path forward for the City of Las Cruces. City leaders are committed to achieving the priorities, goals, and initiatives through the planned allocation of resources over the next five years. An Implementation Action Plan will be used to help guide our actions and progress over time, as City leaders work to accomplish the adopted priorities and goals.

Successful implementation will require a collective effort by City employees in all departments. The City of Las Cruces is committed to working collaboratively with members of our community and periodically communicating with residents and businesses about how we are doing, how we are going about our work, and how well we are delivering services.

We look forward to working with you to maintain a City that is vibrant and progressive, and committed to improving the prosperity Las Cruces residents.





CITY OF LAS CRUCES

V. FINANCIAL RECAP

PROPOSED BUDGET

FISCAL YEAR 2026-2027

All Funds Summary

FY 2027 | May 18, 2026

Fund	Fund Name	Beginning Balance	Revenues	Expenditures	Net Transfers	Ending Balance	Reserve	Available Balance
GENERAL FUNDS								
1000	GENERAL FUND	\$53,253,703	\$186,446,840	(\$167,863,398)	(\$23,687,673)	\$48,149,472	(\$27,977,233)	\$20,172,239
1030	ECONOMIC DEVELOPMENT	\$3,487,060	\$0	(\$684,929)	\$0	\$2,802,131	\$0	\$2,802,131
1200	VEHICLE ACQUISITION	\$813,351	\$0	(\$500,000)	\$500,000	\$813,351	\$0	\$813,351
1400	FACILITIES MAINTENANCE	\$288,119	\$0	(\$288,119)	\$0	\$0	\$0	\$0
General Funds Total		\$57,842,233	\$186,446,840	(\$169,336,446)	(\$23,187,673)	\$51,764,954	(\$27,977,233)	\$23,787,721
SPECIAL REVENUE FUNDS								
2000	HUD COMMUNITY DEVELOPMENT	\$0	\$6,714,191	(\$6,714,191)	\$0	\$0	\$0	\$0
2013	AFFORDABLE HOUSING TRUST	\$7,265,764	\$0	(\$5,765,241)	\$0	\$1,500,523	\$0	\$1,500,523
2100	SPECIAL REVENUE REIMB GRANTS	\$0	\$5,917,354	(\$5,917,354)	\$0	\$0	\$0	\$0
2130	RECREATION PROJECTS	\$144,302	\$0	\$0	\$0	\$144,302	\$0	\$144,302
2300	FIRE FUND	\$315,775	\$1,184,382	(\$1,184,382)	\$0	\$315,775	\$0	\$315,775
2303	EMERGENCY MEDICAL SERVICES	\$164	\$100,000	(\$100,000)	\$0	\$164	\$0	\$164
2401	POLICE PROTECTION FUND	\$0	\$407,000	(\$407,000)	\$0	\$0	\$0	\$0
2421	DWI PREVENTION	\$14,854	\$0	\$0	\$0	\$14,854	\$0	\$14,854
2423	TRAFFIC SAFETY EDUCATION	\$9,658	\$0	\$0	\$0	\$9,658	\$0	\$9,658
2440	PRISONER CARE	\$28,298	\$0	(\$1,300,000)	\$1,300,000	\$28,298	\$0	\$28,298
2450	PUBLIC SAFETY IMPACT FEE	\$920,774	\$0	\$0	\$0	\$920,774	\$0	\$920,774
2472	VEHICLE FORFEITURE	\$54,484	\$0	\$0	\$0	\$54,484	\$0	\$54,484
2490	JUDICIAL EDUCATION	\$4,902	\$0	\$0	\$0	\$4,902	\$0	\$4,902
2491	COURT AUTOMATION	\$355,292	\$11,500	(\$104,365)	\$0	\$262,427	\$0	\$262,427
2650	FLOOD CONTROL OPERATIONS	\$862,034	\$6,418,555	(\$4,164,991)	(\$1,611,681)	\$1,503,917	\$0	\$1,503,917
2700	HEALTH CARE SERVICES MMC LEASE	\$528,107	\$0	(\$600,000)	\$600,000	\$528,107	\$0	\$528,107
2705	TELSHOR FACILITY	\$34,190,741	\$0	(\$16,865,781)	(\$600,000)	\$16,724,960	\$0	\$16,724,960
2710	CONVENTION & VISITORS BUREAU	\$3,330,207	\$2,527,000	(\$3,182,329)	(\$477,212)	\$2,197,665	\$0	\$2,197,665
2715	DOWNTOWN REVITALIZATION	\$55,908	\$0	\$0	\$0	\$55,908	\$0	\$55,908
2725	NATIONAL OPIOID SETTLEMENT	\$4,326,436	\$0	(\$2,532,156)	\$0	\$1,794,279	\$0	\$1,794,279
2751	SONOMA RANCH SPECIAL PROJECT	\$4,219,565	\$0	\$0	\$0	\$4,219,565	\$0	\$4,219,565
2770	VALLEY VIEW HESKE GARDEN	\$170,629	\$0	\$0	\$0	\$170,629	\$0	\$170,629

All Funds Summary

FY 2027 | May 18, 2026

Fund	Fund Name	Beginning Balance	Revenues	Expenditures	Net Transfers	Ending Balance	Reserve	Available Balance
2780	GRIGGS WALNUT PLUME REMED	\$4,969,446	\$304,000	(\$1,682,303)	\$200,000	\$3,791,143	\$0	\$3,791,143
2805	ENVIRONMENTAL PROTECTION FUND	\$518,720	\$190,000	(\$213,800)	\$0	\$494,920	\$0	\$494,920
2810	GAS TAX	\$68,646	\$1,900,000	(\$1,766,757)	\$0	\$201,889	\$0	\$201,889
2815	TIDD DEDICATED REVENUES	\$481,806	\$6,155,000	(\$1,994,464)	\$0	\$4,642,341	\$0	\$4,642,341
2825	LAS CRUCES CONVENTION CTR FEES	\$0	\$1,200,000	(\$566,290)	(\$633,710)	\$0	\$0	\$0
SPECIAL REVENUE FUNDS Total		\$62,836,512	\$33,028,982	(\$55,061,404)	(\$1,222,603)	\$39,581,484	\$0	\$39,581,484
DEBT FUNDS								
3028	2023 SSGRT DS	\$103,206	\$0	(\$1,206,000)	\$1,102,794	\$0	\$0	\$0
3225	2016 FLOOD CONTROL	\$340,148	\$0	(\$291,400)	\$0	\$48,748	\$0	\$48,748
3226	2017 SSGRT FAC & STREETS DS	\$309,937	\$0	(\$703,050)	\$393,113	\$0	\$0	\$0
3275	2025 MGRT	\$129,068	\$0	(\$1,543,274)	\$1,414,205	\$0	\$0	\$0
3280	2010 SSGRT CONVENTION CTR DS	\$334	\$0	(\$1,111,256)	\$1,110,922	\$0	\$0	\$0
3286	2014 SSGRT E. MESA FACILITY DS	\$111,591	\$0	\$0	\$0	\$111,591	\$0	\$111,591
3288	2014 MGRT STREETS DS	\$129,119	\$0	(\$529,219)	\$402,378	\$2,278	\$0	\$2,278
3290	2014 MGRT FLOOD PROJECTS	\$9,459	\$0	\$0	\$0	\$9,459	\$0	\$9,459
3292	2015 GRT BOND REFUNDING	\$195,332	\$0	(\$1,199,788)	\$1,004,455	\$0	\$0	\$0
3293	2015A HOLD HARMLESS DS	\$368,755	\$0	(\$1,598,675)	\$1,229,920	\$0	\$0	\$0
3294	2015B HOLD HARMLESS DS	\$67,967	\$0	(\$297,041)	\$229,074	\$0	\$0	\$0
3295	2016 VAD BONDS	\$3,102,799	\$0	(\$1,547,869)	\$0	\$1,554,930	\$0	\$1,554,930
3510	2019 GO BOND DS	\$10,469,240	\$6,944,946	(\$4,445,774)	\$0	\$12,968,412	\$0	\$12,968,412
3616	2022 NMFA FIRE DS	\$75,664	\$0	(\$532,615)	\$456,952	\$0	\$0	\$0
3618	2008 NMFA GRIGGS WLNT PLUME DS	\$0	\$15,000	(\$92,644)	\$89,886	\$12,242	\$0	\$12,242
3619	2018 HHGRT DS	\$627,388	\$0	(\$1,250,622)	\$668,846	\$45,612	\$0	\$45,612
3620	2020A NMFA FACILITY SSGRT	\$274,817	\$0	(\$959,000)	\$844,961	\$160,779	\$0	\$160,779
3621	2020B NMFA FACILITIES ESP	\$66,941	\$0	(\$472,000)	\$426,597	\$21,537	\$0	\$21,537
3622	2023 NMFA FIRE DS	\$124,330	\$0	(\$1,462,053)	\$1,337,723	\$0	\$0	\$0
3624	2018 GAS DSF	\$58,848	\$0	\$0	\$0	\$58,848	\$0	\$58,848
3630	2014 NMFA SCSWA REFUNDING DS	\$290,533	\$0	(\$181,285)	\$0	\$109,248	\$0	\$109,248

All Funds Summary

FY 2027 | May 18, 2026

Fund	Fund Name	Beginning Balance	Revenues	Expenditures	Net Transfers	Ending Balance	Reserve	Available Balance
3632	2017 NMFA STREETS DS	\$223,296	\$0	(\$293,891)	\$82,600	\$12,005	\$0	\$12,005
3633	18 NMFA FIRE	\$3,252	\$0	\$0	\$0	\$3,252	\$0	\$3,252
3634	2020 NMFA STREETS	\$180,587	\$0	(\$247,268)	\$68,298	\$1,617	\$0	\$1,617
3635	2020 NMFA FLOOD	\$271,974	\$0	(\$187,922)	\$0	\$84,052	\$0	\$84,052
3636	23 NMFA STREETS DBT	\$28,839	\$0	(\$319,485)	\$290,646	\$0	\$0	\$0
3637	23 NMFA FLOOD DEBT	\$12,009	\$0	(\$123,690)	\$111,681	\$0	\$0	\$0
3810	HUD SECTION 108 LOAN-MONAS	\$12,244	\$0	(\$156,316)	\$156,316	\$12,244	\$0	\$12,244
Debt Funds Total		\$17,587,677	\$6,959,946	(\$20,752,137)	\$11,421,367	\$15,216,854	\$0	\$15,216,854
CAPITAL FUNDS								
4005	COMMUNITY INVESTMENT PROJECTS	\$638,739	\$0	(\$638,739)	\$0	\$0	\$0	\$0
4028	2023 SSGRT	\$3,091,591	\$0	(\$2,978,715)	\$0	\$112,876	\$0	\$112,876
4100	CAPITAL PROJECTS REIMB GRANTS	\$0	\$38,074,766	(\$38,074,766)	\$0	\$0	\$0	\$0
4106	PUBLIC PARK DEVELOPMENT	\$3,372,574	\$850,000	(\$4,222,574)	\$0	\$0	\$0	\$0
4107	PARK INFRASTRUCTURE IMPACT	\$632,317	\$0	(\$500,000)	\$0	\$132,317	\$0	\$132,317
4110	PUBLIC PARK PROJECTS	\$42,582	\$0	\$0	\$0	\$42,582	\$0	\$42,582
4201	CAPITAL CONTRIBUTIONS	\$984,229	\$0	(\$335,822)	\$0	\$648,407	\$0	\$648,407
4202	GRT STREET MAINTENANCE	\$6,531,062	\$0	(\$6,527,397)	\$0	\$3,665	\$0	\$3,665
4227	VAD STREET PROJECTS	\$28,306	\$0	\$0	\$0	\$28,306	\$0	\$28,306
4231	2022 GO BOND	\$3,455,841	\$0	(\$1,535,524)	\$0	\$1,920,317	\$0	\$1,920,317
4270	TIDD PROJECTS	\$27,529,180	\$0	(\$16,312,871)	\$0	\$11,216,309	\$0	\$11,216,309
4271	TIDD STR BOND PROJECT	\$556,222	\$0	(\$50,173)	\$0	\$506,049	\$0	\$506,049
4400	FLOOD CONTROL	\$7,557,360	\$0	(\$4,672,131)	\$1,500,000	\$4,385,229	\$0	\$4,385,229
4505	2015B HHS	\$4,328	\$0	\$0	\$0	\$4,328	\$0	\$4,328
4613	NMFA EQUIPMENT	\$96,757	\$0	\$0	\$0	\$96,757	\$0	\$96,757
4622	23 NMFA EQUIPMENT	\$2,765,433	\$0	\$0	(\$1,042,405)	\$1,723,028	\$0	\$1,723,028
4636	23 NMFA MGRT	\$4,260,202	\$0	(\$4,181,860)	\$0	\$78,342	\$0	\$78,342
4700	CAPITAL INFRASTRUCTURE GRT 2025	\$4,887,044	\$16,116,194	(\$15,996,000)	\$0	\$5,007,238	\$0	\$5,007,238
CAPITAL FUNDS Total		\$66,433,767	\$55,040,960	(\$96,026,572)	\$457,595	\$25,905,750	\$0	\$25,905,750
ENTERPRISE FUNDS								
5010	AIRPORT	\$0	\$2,756,872	(\$3,532,973)	\$776,101	\$0	\$0	\$0
5100	UTILITIES SHARED SERVICES	\$165,250	\$20,508,005	(\$20,449,476)	\$25,000	\$248,779	\$0	\$248,779
5160	SHARED SVCS EQUIP REPL RESERVE	\$205,712	\$90,000	(\$259,913)	(\$25,000)	\$10,799	\$0	\$10,799
5200	GAS OPERATIONS	\$2,496,832	\$28,720,357	(\$29,120,914)	\$140,144	\$2,236,419	\$0	\$2,236,419

All Funds Summary

FY 2027 | May 18, 2026

Fund	Fund Name	Beginning Balance	Revenues	Expenditures	Net Transfers	Ending Balance	Reserve	Available Balance
5205	GAS CONTINGENCY FUND	\$431,293	\$7,500	(\$50,000)	\$0	\$388,793	\$0	\$388,793
5250	GAS CAPITAL IMPROVEMENTS	\$5,853,788	\$9,200,655	(\$15,558,022)	\$503,579	\$0	\$0	\$0
5260	GAS EQUIPMENT REPLACE RESERVE	\$1,052,173	\$25,500	(\$433,950)	(\$643,723)	\$0	\$0	\$0
5270	GAS15A BOND PROJECTS	\$5	\$0	\$0	\$0	\$5	\$0	\$5
5271	2018 JU PROJECT	\$80	\$0	\$0	\$0	\$80	\$0	\$80
5280	GAS15A DEBT SERVICE	\$23,378	\$3,000	\$0	\$0	\$26,378	\$0	\$26,378
5281	2018 JU DEBT SERVICE FUND	\$214,222	\$10,000	\$0	\$0	\$224,222	\$0	\$224,222
5300	WATER OPERATIONS	\$3,346,195	\$22,483,433	(\$22,525,313)	(\$1,738,254)	\$1,566,062	\$0	\$1,566,062
5301	WATER DEVELOPMENT	\$1,367,230	\$1,176,610	(\$1,840,603)	(\$200,000)	\$503,237	\$0	\$503,237
5305	WATER CONTINGENCY FUND	\$0	\$3,000	\$0	\$0	\$3,000	\$0	\$3,000
5320	WATER ACQUISITION	\$471,153	\$986,540	(\$1,313,049)	\$0	\$144,643	\$0	\$144,643
5331	WATER09 DEBT SERVICE	\$43,321	\$3,000	\$0	\$0	\$46,321	\$0	\$46,321
5332	WATER10 DEBT SERVICE	\$508,816	\$30,000	\$0	\$0	\$538,816	\$0	\$538,816
5335	WATER15 DEBT SERVICE	\$33,256	\$5,000	\$0	\$0	\$38,256	\$0	\$38,256
5336	WATER15A DEBT SERVICE	\$49,879	\$7,500	\$0	\$0	\$57,379	\$0	\$57,379
5337	WATER16 DEBT SERVICE	\$83,979	\$14,000	\$0	\$0	\$97,979	\$0	\$97,979
5339	2018 JU DEBT SERVICE FUND	\$636,169	\$30,000	\$0	\$0	\$666,169	\$0	\$666,169
5345	WATER15 BOND PROJECTS	\$4,444	\$0	\$0	\$0	\$4,444	\$0	\$4,444
5346	WATER15A BOND PROJECTS	\$51,470	\$1,750	\$0	\$0	\$53,220	\$0	\$53,220
5347	WATER16 BOND PROJECTS	\$2,832	\$50	\$0	\$0	\$2,882	\$0	\$2,882
5348	2017 JU IMPROVEMENT REV BOND	\$1,986	\$0	\$0	\$0	\$1,986	\$0	\$1,986
5349	2018 JU IMPROVEMENT REV BOND	\$269,964	\$7,500	\$0	\$0	\$277,464	\$0	\$277,464
5350	WATER CAPITAL IMPROVEMENTS	\$1,100,351	\$83,497	(\$2,826,895)	\$1,643,047	\$0	\$0	\$0
5360	WATER EQUIPMENT REPL RESERVE	\$166,756	\$27,500	(\$289,463)	\$95,207	\$0	\$0	\$0
5364	2024 DWSRF NMFA LOAN	\$14,496,313	\$0	(\$13,981,580)	\$0	\$514,733	\$0	\$514,733
5365	2025 DSWRF LOAN	\$15,000,000	\$0	(\$15,000,000)	\$0	\$0	\$0	\$0
5366	2025 WTB	\$3,000,000	\$0	(\$3,000,000)	\$0	\$0	\$0	\$0
5374	WATER05A BOND PROJECTS	\$5,308	\$0	\$0	\$0	\$5,308	\$0	\$5,308

All Funds Summary

FY 2027 | May 18, 2026

Fund	Fund Name	Beginning Balance	Revenues	Expenditures	Net Transfers	Ending Balance	Reserve	Available Balance
5375	WATER06 BOND PROJECTS	\$84,832	\$0	\$0	\$0	\$84,832	\$0	\$84,832
5377	WATER NMFA LOAN PROJECTS	\$9,723	\$0	\$0	\$0	\$9,723	\$0	\$9,723
5378	WATER07 NMFA PROJECTS	\$9,191	\$0	\$0	\$0	\$9,191	\$0	\$9,191
5379	WATER14 BOND PROJECTS	\$45,865	\$0	\$0	\$0	\$45,865	\$0	\$45,865
5385	WATER20A DEBT SERVICE	\$42,911	\$12,000	\$0	\$0	\$54,911	\$0	\$54,911
5389	WATER14 DEBT SERVICE	\$1,119,338	\$50,000	\$0	\$0	\$1,169,338	\$0	\$1,169,338
5395	WATER20A PROJECT	\$40,314	\$30,000	\$0	\$0	\$70,314	\$0	\$70,314
5396	WATER14 BOND PROJECTS	\$1,000	\$0	\$0	\$0	\$1,000	\$0	\$1,000
5400	WASTEWATER OPERATIONS	\$1,933,763	\$16,286,594	(\$16,457,123)	(\$488,833)	\$1,274,401	\$0	\$1,274,401
5401	WASTEWATER DEVELOPMENT	\$13,137,674	\$3,448,151	(\$586,366)	\$200,000	\$16,199,459	\$0	\$16,199,459
5405	WW CONTINGENCY FUND	\$15,044	\$5,000	\$0	\$0	\$20,044	\$0	\$20,044
5420	WW WATER RECLAMATION PROJECT	\$465,616	\$35,000	(\$720,830)	\$221,000	\$786	\$0	\$786
5431	WW09 DEBT SERVICE	\$10,398	\$2,000	\$0	\$0	\$12,398	\$0	\$12,398
5432	WW10 DEBT SERVICE	\$352,655	\$20,000	\$0	\$0	\$372,655	\$0	\$372,655
5435	WW15 DEBT SERVICE	\$169,719	\$20,000	\$0	\$0	\$189,719	\$0	\$189,719
5436	WW15A DEBT SERVICE	\$29,516	\$4,000	\$0	\$0	\$33,516	\$0	\$33,516
5441	WW20B DEBT SERVICE	\$42,741	\$8,800	\$0	\$0	\$51,541	\$0	\$51,541
5445	WW15 BOND PROJECTS	\$450,112	\$0	\$0	\$0	\$450,112	\$0	\$450,112
5446	WW15A BOND PROJECTS	\$18,687	\$0	\$0	\$0	\$18,687	\$0	\$18,687
5447	2017 JU IMPROVEMENT REV BOND	\$4,732	\$0	\$0	\$0	\$4,732	\$0	\$4,732
5450	WASTEWATER CAPITAL IMPROVEMENT	\$1,417,465	\$308,000	(\$2,092,839)	\$367,374	\$0	\$0	\$0
5451	WW20B PROJECTS	\$242,763	\$1,000	\$0	\$0	\$243,763	\$0	\$243,763
5460	WASTEWATER EQUIP REPL RESERVE	\$17,470	\$3,500	(\$142,429)	\$121,459	\$0	\$0	\$0
5475	WW06 BOND REHAB PROJECTS	\$24,335	\$0	\$0	\$0	\$24,335	\$0	\$24,335
5479	WW14 BOND PROJECTS	\$138	\$0	\$0	\$0	\$138	\$0	\$138
5481	WW14 DEBT SERVICE	\$170,921	\$7,000	\$0	\$0	\$177,921	\$0	\$177,921
5485	WW20A DEBT SERVICE	\$13,395	\$500	\$0	\$0	\$13,895	\$0	\$13,895

All Funds Summary

FY 2027 | May 18, 2026

Fund	Fund Name	Beginning Balance	Revenues	Expenditures	Net Transfers	Ending Balance	Reserve	Available Balance
5495	WW20A PROJECT	\$57,777	\$5,000	\$0	\$0	\$62,777	\$0	\$62,777
5496	WW23 PROJECT	\$16,820,055	\$0	(\$16,820,055)	\$0	\$0	\$0	\$0
5500	SOLID WASTE OPERATIONS	\$1,897,302	\$19,581,479	(\$22,322,196)	\$1,099,967	\$256,552	\$0	\$256,552
5505	SOLID WASTE CONTINGENCY FUND	\$343,302	\$0	(\$150,000)	\$0	\$193,302	\$0	\$193,302
5510	SOLID WASTE LANDFILL CLOSURE	\$1,489,475	\$150,000	(\$349,349)	\$0	\$1,290,126	\$0	\$1,290,126
5560	SOLID WASTE EQUIP REPL RESERVE	\$1,296,292	\$290,000	(\$486,325)	(\$1,099,967)	\$0	\$0	\$0
5587	SW NMFA LOAN DEBT SERVICE	\$495,447	\$15,000	\$0	\$0	\$510,447	\$0	\$510,447
5920	TRANSIT 5307 MATCH	\$0	\$0	(\$3,674,863)	\$4,000,000	\$325,137	\$0	\$325,137
5921	TRANSIT 5307 GRANT	\$0	\$3,698,863	(\$3,698,863)	\$0	\$0	\$0	\$0
5923	TRANSIT 5339 CAPITAL & OTHER	\$783,269	\$1,077,975	(\$1,278,786)	\$0	\$582,458	\$0	\$582,458
ENTERPRISE FUNDS Total		\$94,135,392	\$131,241,131	(\$198,962,175)	\$4,997,101	\$31,411,449	\$0	\$31,411,449
INTERNAL SERVICE FUNDS								
6330	WORKERS COMPENSATION	\$746,781	\$320,000	(\$2,016,242)	\$949,461	\$0	\$0	\$0
6340	LIABILITY CLAIMS	\$625,472	\$245,000	(\$7,414,591)	\$6,544,120	\$0	\$0	\$0
INTERNAL SERVICE FUNDS Total		\$1,372,253	\$565,000	(\$9,430,833)	\$7,493,581	\$0	\$0	\$0
AGENCY FUNDS								
7410	MV REGIONAL DISPATCH AUTHORITY	\$2,567,277	\$6,725,997	(\$7,851,276)	\$0	\$1,441,999	\$0	\$1,441,999
7420	METRO NARCOTICS AGENCY	\$802,580	\$686,086	(\$920,086)	\$0	\$568,580	\$0	\$568,580
7440	ANIMAL SERVICES CENTER	\$1,197,787	\$4,734,984	(\$5,905,273)	\$0	\$27,498	\$0	\$27,498
7441	ASCMV CAPITAL	\$28,012	\$0	\$0	\$0	\$28,012	\$0	\$28,012
7470	BRANIGAN ESTATE	\$388,761	\$0	(\$388,761)	\$0	\$0	\$0	\$0
7480	GIFTS AND MEMORIALS	\$510,553	\$35,000	(\$467,842)	\$0	\$77,711	\$0	\$77,711
7481	VETERANS MEMORIAL WALL	\$28,579	\$0	\$0	\$0	\$28,579	\$0	\$28,579
7490	METROPOLITAN PLANNING ORGANIZA	\$0	\$162,531	(\$203,164)	\$40,633	\$0	\$0	\$0
7492	HIDTA-CLC	\$0	\$340,793	(\$340,793)	\$0	\$0	\$0	\$0
AGENCY FUNDS Total		\$5,523,549	\$12,685,391	(\$16,077,195)	\$40,633	\$2,172,379	\$0	\$2,172,379

All Funds Summary

FY 2027 | May 18, 2026

Fund	Fund Name	Beginning Balance	Revenues	Expenditures	Net Transfers	Ending Balance	Reserve	Available Balance
SOUTH CENTRAL SOLID WASTE AUTHORITY								
8100	SC SOLID WASTE AUTHORITY	\$351,814	\$13,147,826	(\$6,196,340)	(\$3,701,559)	\$3,601,741	\$0	\$3,601,741
8115	SCSWA ENVIRONMENTAL IMP FEES	\$423,800	\$321,720	(\$320,000)	\$0	\$425,520	\$0	\$425,520
8120	SCSWA DEBT CAPITAL PROJECTS	\$2,314,918	\$0	\$0	(\$1,000,000)	\$1,314,918	\$0	\$1,314,918
8130	SCSWA AMADOR TRANSFER STATION	\$0	\$0	(\$2,129,242)	\$2,129,242	\$0	\$0	\$0
8135	SCSWA CORRALITOS LANDFILL	\$0	\$0	(\$2,369,680)	\$2,369,680	\$0	\$0	\$0
8140	SCSWA CHAPARRAL TRANSFER STATI	\$0	\$0	(\$1,202,637)	\$1,202,637	\$0	\$0	\$0
8170	SCSWA RECYCLING	\$1,725,603	\$6,271,589	(\$4,485,091)	(\$1,300,000)	\$2,212,100	\$0	\$2,212,100
8180	COMMUNITY COLLECTION CTRS	\$315,446	\$1,870,930	(\$2,426,388)	\$300,000	\$59,988	\$0	\$59,988
8190	SUNLAND PARK SOLID WASTE	\$694,226	\$1,668,891	(\$1,566,973)	\$0	\$796,144	\$0	\$796,144
SOUTH CENTRAL SOLID WASTE AUTHORITY Total		\$5,825,807	\$23,280,956	(\$20,696,351)	\$0	\$8,410,411	\$0	\$8,410,411
ENDING BALANCE		\$311,557,190	\$449,249,206	(\$586,343,113)	\$0	\$174,463,281	(\$27,977,233)	\$146,486,048



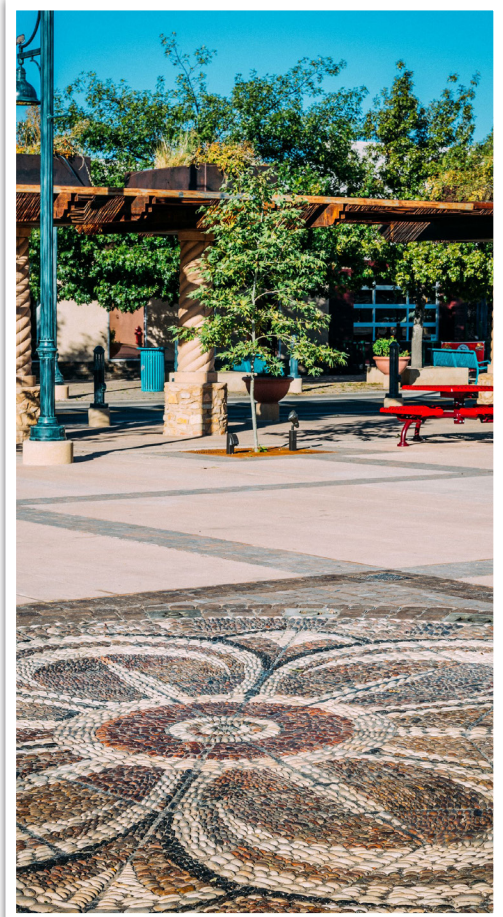
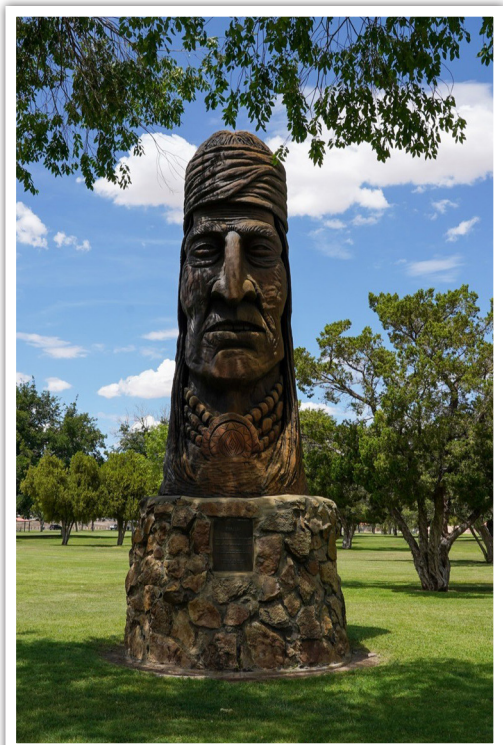
New Capital Gross Receipts Tax				
Capital Infrastructure Gross Receipts Tax (GRT) FY 2027				
Department	Description	FY2026 Original Allocation	FY2026 Projected Actuals	FY2027 Budget
City Manager's Office	Public Safety Training Track*	\$2,500,000	\$0	\$2,500,000
City Manager's Office	Hoagland / Alameda Intersection Improvements*	\$1,500,000	\$0	\$1,500,000
Police Department	Vehicles*	\$1,500,000	\$0	\$1,500,000
Fire Department	Fire Apparatus*	\$5,000,000	\$0	\$5,000,000
Public Works	Facilities Maintenance*	\$5,300,000	\$200,000	\$5,100,000
Other	Administrative Fees	\$396,000	\$396,000	\$396,000
Total		\$16,196,000	\$596,000	\$15,996,000

*Carryover

Property Tax Levy FY 2027			
Levy Assumptions	Millage	Property Tax Yield	
Residential Taxable Value		\$2,555,064,695	
City Residential Millage	0.008595		
Total Residential Production			\$21,960,781
Non-Residential Taxable Value		\$871,598,942	
City Non-Residential Millage	0.008944		
Total Non-Residential Production			\$7,795,582
Grand Total (Residential + Non-Residential)			\$29,756,363

Property Tax Levy FY 2027				
Type of Property Tax		Millage	Estimated Tax Production	
General Fund (Gross)				
Residential Taxable Value		0.004618	\$11,799,289	
Non-Residential Taxable Value		0.004943	\$4,308,314	
Total General Fund				\$16,107,603
Debt GO Bond				
Residential Taxable Value		0.002070	\$5,288,984	
Non-Residential Taxable Value		0.002070	\$1,804,210	
Total GO Bond				\$7,093,194
Grand Total (Residential + Non-Residential)				\$23,200,797
Flood Control		Millage		
Residential Taxable Value		0.001907	\$4,872,508	
Non-Residential Taxable Value		0.001931	\$1,683,058	
Total Flood Control				\$6,555,566
Grand Total (Residential + Non-Residential)				\$29,756,363

Property Tax Levy FY 2027			
Fund	Fund Number	Property Tax Estimate	
General Fund	1000	\$16,107,603	
GO Bond	3510	\$7,093,194	
Flood Control	2650	\$6,555,566	
Total Estimated Budgeted Property Tax			\$29,756,363



VRA Program Funding FY 2027							
Department/ Line of Business	Inventory Number	Existing Model	Replacement Model	Estimated Replacement Cost	Funding by Source		
					VAF Program Fund	Utilities Funding	Other Sources (Grant, Lease, Debt)
MUNICIPAL COURT							
JUDICIAL ADMINISTRATIVE & GENERAL	29266	Ford Crown Victoria	Ford Escape	\$30,000	\$30,000	\$0	\$0
FIRE & EMERGENCY SERVICES							
ADMINISTRATIVE	New		Ford Transit Van T-250	\$60,000	\$0	\$0	\$60,000
ADMINISTRATIVE	New		Ford F-150	\$60,000	\$0	\$0	\$60,000
UTILITIES							
OFFICE OF THE DIRECTOR	32792	International 7400	International 7400	\$320,000	\$0	\$320,000	\$0
CITY MANAGER’S OFFICE							
FLEET AND LOGISTICS MANAGEMENT	31345	Ford Fusion	EV Chevrolet Equinox	\$34,000	\$34,000	\$0	\$0
PARKS & RECREATION							
CONSTRUCTION, MAINTENANCE, BEAUTIFICATION	30913	Ford F-250	Ford F-250	\$59,000	\$59,000	\$0	\$0
CONSTRUCTION, MAINTENANCE, BEAUTIFICATION	31100	Ford F-150 Extended Cab	Ford F-150 Crew Cab	\$60,000	\$60,000	\$0	\$0
CONSTRUCTION, MAINTENANCE, BEAUTIFICATION	32375	Ford F-250	Ford F-250	\$60,000	\$60,000	\$0	\$0
CONSTRUCTION, MAINTENANCE, BEAUTIFICATION	32791	Gem Utility Cart	Polaris Ranger	\$40,000	\$40,000	\$0	\$0
COMMUNITY DEVELOPMENT							
LAS CRUCES DEVELOPMENT CENTER	31325	Ford F-150	Ford Maverick Hybrid	\$35,000	\$35,000	\$0	\$0
PUBLIC WORKS							
PUBLIC INFRASTRUCTURE	31322	Ford F-150	Ford F-150	\$60,000	\$60,000	\$0	\$0
FACILITIES	30956	Ford F-250 Extended Cab	Ford F-250 Extended Cab	\$80,000	\$80,000	\$0	\$0
QUALITY OF LIFE							
SENIOR PROGRAMS	31384	Ford Explorer	Ford Explorer	\$42,000	\$42,000	\$0	\$0



CITY OF LAS CRUCES

VI. FUND SUMMARY

PROPOSED BUDGET

FISCAL YEAR 2026-2027

FUND DESCRIPTIONS

GENERAL FUNDS

Fund 1000 – General Fund – The General Fund is the city's main source for providing our citizens with general government services. The city administrative, legislative, judicial, finance, public works, public safety, and community and cultural services functions operate with General Fund monies.

The main revenue sources for the General Fund are gross receipts, property, and other taxes, investment earnings, charges for services, fines, and fees. Revenue estimates are based on a forecast of future economic conditions and a historical analysis of receipts for revenues other than taxes.

Fund 1030 – Economic Development – This fund's revenue sources are federal grants, local matching funds, and fees paid by industrial park tenants for infrastructure, land, and leases. Revenue estimates are based on interest, fees, and land sales.

Fund 1200 – Vehicle Acquisition – This fund was established to replace any vehicle or powered equipment purchased by the city. The revenue source is a transfer from the General Fund.

Fund 1400 – Facilities Maintenance – This fund's revenue source is a transfer from the General Fund. Expenditures are for maintenance and rehabilitation of existing infrastructure.

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specified purposes.

Fund 2000 – HUD Community Development – The Community Development Fund accounts for the administration, operation, and eligible capital expenditures of the Community Development Block Grant (CDBG), the HOME Investment Partnerships Program entitlement grants, and corresponding program incomes that serve low- and moderate-income residents and areas of the community. Funds are provided by the U.S. Department of Housing and Urban Development (HUD), housing loan and interest repayments, and performance bond payments. Title I of the Housing and Community Development Act of 1974 (CDBG) and the Cranston-Gonzales National Affordable Housing Act of 1990 (HOME) requires that this grant be used for these purposes.

Fund 2013 – Affordable Housing Trust Fund – This fund was established to allocate resources for the creation and promotion of affordable housing within the City of Las Cruces. The city adopted Ordinance 2965 in April 2021 to create the fund. This initiative is governed by Chapter 13, Article II of the municipal code. The source of funding is through a transfer from the General Fund, Telshor Facility Fund, and bonds.

Fund 2100 – Special Revenue Grants – This fund is used to track operating grants for different departments. Resources are from various federal, State of New Mexico, county, and foundation sources. All grant funds received by the city from the state and federal government are accounted for and audited in accordance with state and federal requirements.

Fund 2130 – Recreation Projects – This fund provides for the operation and development of community parks and operation of recreation programs. The funding source is \$25 for each City of Las Cruces license plate issued by the New Mexico Motor Vehicle Division. City Resolution 09-187 specifies that the fees collected from the City of Las Cruces license plates may only be used to finance the parks and recreation programs. Funding sources also include advertising fees from park and recreation facilities.

Fund 2300 – Fire – Funding is provided by the State Fire Fund for use in the operation, maintenance, and betterment of local fire departments, to include the purchase of supplies and equipment. (Ch. 59A, art. 53 NMSA 1978)

Fund 2303 – Emergency Medical Services – This fund provides for emergency medical services provided through fire department activities. Funding is through a state grant from the New Mexico Department of Health, which requires separate fund accounting. (Ch. 24, art. 10A NMSA 1978)

POLICE PROTECTION

Fund 2401 – Police Protection – This fund provides for the purchase of supplies, equipment and advanced law enforcement planning and training for the Police Department. The funding source is a Law Enforcement Protection Fund administered by the New Mexico Department of Finance and Administration/Local Government Division. (Ch. 29, art. 13 NMSA 1978)

Fund 2472 – Vehicle Forfeiture – Vehicles are seized under the City's Vehicle Forfeiture Ordinance (Las Cruces municipal code, Section 27-6) to aid in decreasing the risk of harm to the public from persons repeatedly driving under the influence of alcohol or drugs. The proceeds from fees, sales, and payments are to be used for DWI prevention and education programs. Ordinance 2059 was adopted in November 2003 to create the fund.

FUND DESCRIPTIONS

Fund 2421 – DWI Prevention – This fund accounts for the receipt of driving while intoxicated state fines used to defray the cost of tests to determine the influence of alcohol or drugs and fund community programs for the prevention of driving while under the influence or other traffic safety purposes. Receipts were remitted to the state (Section 31-12-7 NMSA 1978). Effective July 1, 2024, this fee was repealed by the state (Laws 2023, ch. 184, § 19). Section 27-12-6-12.2 of the municipal code governs the use of these funds.

Fund 2423 – Traffic Safety Education – This fund provides for the city police department to institute and promote the traffic safety program through education and enforcement and to provide for the purchase of equipment and support services necessary to establish and maintain the program. Funding is provided by a fee of \$3.00 from persons convicted of violating any ordinance related to the operation of a motor vehicle. Section 1-11 of the municipal code governs the use of these funds.

Fund 2440 – Prisoner Care – This fund provides for some costs of operations and maintenance of a municipal jail and for paying the costs of housing municipal prisoners in the county jail. Funding is provided by a corrections fee of \$20.00 for any person convicted of violating any ordinance relating to the operation of a motor vehicle (Section 35-14-11 NMSA 1978). Effective July 1, 2024, this fee was repealed by the state (Laws of 2023, ch. 184, § 19). Section 1-11 of the municipal code governs the use of these funds. The City pays the County \$120 per day per person to house municipal prisoners.

Fund 2450 – Public Safety Impact Fees – This fund accounts for revenues and expenditures related to city-wide public safety fees. Funds are to be used for fire, police, rescue, and essential equipment costing \$10,000 or more and having a life expectancy of 10 years or more. Funding comes from fees for all new development in the city based on rate tables for various land use. Resolution 12-027 authorized the public safety impact fees. Impact fees are governed by the state Development Fees Act (Ch. 5, art. 8 NMSA 1978) and Chapter 33 of the Las Cruces Land Development Code.

Fund 2490 – Judicial Education Fee – This fund accounts for the receipt of a \$3.00 fee imposed on any person convicted of violating any municipal ordinance relating to the operation of a motor vehicle. Receipts were remitted to the state (Section 35-14-11 NMSA 1978). Effective July 1, 2024, this fee was repealed by the state (Laws of 2023, ch. 184, § 19). Section 1-11 of the municipal code governs the use of these funds, which are for the education and training (including production of bench books and other written materials) of municipal judges and other municipal court employees.

Fund 2491 – Court Automation Fee – This fund provides for the purchase and maintenance of municipal court automation systems. Funding is provided by a fee of \$10.00 imposed on any person convicted of violating any municipal ordinance relating to the operation of a motor vehicle. \$6.00 of the fee was remitted to the state (Section 35-14-11 NMSA 1978). Effective July 1, 2024, this fee was repealed by the state (Laws of 2023, ch. 184, § 19). \$4.00 of the fee is for the purchase of equipment and support services necessary to maintain the municipal court. Section 1-11 of the municipal code governs the use of these funds.

Fund 2650 – Flood Control Operations – This fund accounts for expenditures for flood control operations. This fund's revenue source is property taxes.

Fund 2700 – Health Care Services MMC Lease – This fund accounts for the receipt of proceeds from a lease of Memorial Medical Center. Pursuant to the terms of the lease, funds must be used for health care services in the city. The lease with Memorial Medical Center, Inc. was approved by Ordinance 1655 (February 1998).

Fund 2705 – Telshor Facility – This fund accounts for the receipt of proceeds from a lease of Memorial Medical Center to Province Healthcare and the termination of the lease with Memorial Medical Center, Inc. (Resolution 04-199). City Council has restricted the use of the lease proceeds to fund health-related programs and health-related capital projects (Resolution 05-128). The moratorium on the use of the Telshor Facility Fund was lifted in October 2007 (Resolution 08-112).

Fund 2710 – Las Cruces Convention & Visitors Bureau – This fund accounts for the operations of the Las Cruces Convention and Visitors' Bureau to promote tourism within the area. Financing is provided from the Lodgers' Tax. State law requires these taxes to be used to operate the Convention and Visitors' Bureau (Section 3-38-13 to 3-38-25 NMSA 1978).

Fund 2715 – Downtown Revitalization – This fund provides for the redevelopment of the downtown area of Las Cruces. Funding comes from the sale of property in the downtown area, transfers from the General Fund, and other activities focused on revitalization.

Fund 2725 – National Opioid Settlement – This fund accounts for the proceeds of the National Opioid Settlement. The nationwide settlements were reached to resolve opioid litigation brought by states and local political subdivisions against opioid manufacturers, distributors, and retailers for actions contributing to the opioid epidemic. The allocation of settlement funds from the state Opioid Settlement Restricted Fund (Section 6-4-28 to 6-4-29 NMSA 1978) is governed by the New Mexico Opioid Allocation Agreement, which requires a separate fund to be created and used only on opioid remediation.

FUND DESCRIPTIONS

Fund 2751 – Sonoma Ranch Special Projects – This fund accounts for the reimbursement to the City, through certain assessments, for the construction of public works projects in the Sonoma Ranch area. The City secured a \$9.9 million loan from NMFA to finance public works projects. A municipal lien has been recorded on the properties that directly benefit from these projects until such time as the amounts due to the City are paid. The proceeds of the loan were recorded in 2007.

Fund 2770 – Valley View Heske Garden – This fund provides for the maintenance of the Valley View Heske Garden. The funding source is the Emma B. Heske Trust given to the City for the purpose of establishing a community garden at Valley View Park. The Heske trust was formally accepted per City Resolution 07-337.

Fund 2780 – Griggs and Walnut Plume Remediation – This fund is for a superfund site that provides payments for water contamination cleanup at the Griggs-Walnut site. It is guided by a settlement agreement between the EPA and City of Las Cruces/Dona Ana County (Resolution 10-150, December 2009). The City of Las Cruces is the fiscal agent. Revenues for the fund are from a settlement payment with the EPA, transfers of Environmental Gross Receipts tax from the General Fund, and water sales. Expenditures are for an EPA study of the area and any remediation activities associated with the site after 2006-07.

Fund 2805 – Environmental Protection Fund – This fund accounts for the revenues generated from an environmental service fee of \$0.10 charged for each paper bag provided to customers at retail establishments (Ordinance 2984, August 2021). Fifty percent of the fee is retained by the retail establishment for administrative costs and the remainder of the fee is transmitted to the City. The City dedicates the funds to promoting the ordinance, purchasing reusable bags for the public, and public education regarding sustainability.

Fund 2810 – Gasoline Tax – This fund was required to be established as a separate road fund to record the distribution of the gasoline tax from the State imposed by the Gasoline Tax Act (Section 7-1-6.9 NMSA 1978). Allowable expenditures include construction, reconstruction, resurfacing or other improvement or maintenance of public roads, streets, alleys, bridges, including right-of way and material acquisition, and matching funds for projects subject to cooperative agreements entered with the New Mexico Department of Transportation.

Fund 2815 – TIDD Dedicated Revenues – This fund was established to record the portion of gross receipts and property taxes received from the State of New Mexico Taxation and Revenue Department, Dona Ana County, and the City of Las Cruces, that are dedicated to the Tax Increment Development District (TIDD). The TIDD was approved in a mail-in election on December 10, 2007. (Resolution 08-143)

Fund 2825 – Las Cruces Convention Center – This fund records a Lodger's tax of \$2.50 per room for each day that a room in a lodging facility is occupied. The revenue is dedicated to the costs of acquisition of land for and the design, construction, equipping, furnishing, landscaping, operation and maintenance of the convention center, debt service for the construction of a multi-use convention center facility, and administrative costs (Ordinance 2360, March 2007).

DEBT SERVICE FUNDS

Debt Service Funds are funds set up by City Council ordinance to account for resources accumulated and payments made for principal and interest on long-term debt of governmental funds. The city is currently repaying issued debt with the following funds:

Fund 3028 – 2023 SSGRT Debt Service

Fund 3028 – 2023 SSGRT Debt Service

Fund 3225 – 2016 Flood Control

Fund 3226 – 2017 SSGRT

Fund 3275 – 2025 MGRT

Fund 3277 – 2010B MGRT Flood Control Debt Service

Fund 3280 – 2010 SSGRT Convention Center Debt Service

Fund 3288 – 2014 MGRT Street Debt Service

Fund 3292 – 2015 GRT Bond Refunding

Fund 3293 – 2015A Hold Harmless Debt Service

Fund 3294 – 2015B Hold Harmless Debt Service

Fund 3295 – 2016 VAD Bonds

Fund 3510 – 2019 General Obligation Bond

Fund 3616 – 2022 NMFA Fire DS

Fund 3617 – 2007 NMFA Public Works Equipment Debt Service

Fund 3618 – 2008 NMFA Griggs Walnut Plume Debt Service

Fund 3619 – 2008 NMFA Flood Control Debt Service

Fund 3620 – 2020A NMFA Facility SSGRT

Fund 3621 – 2020B NMFA Facilities ESP

Fund 3622 – 2023 NMFA Fire DS

Fund 3623 – 2008 NMFA Parking Deck Debt Service

Fund 3632 – 2017 NMFA Streets

Fund 3634 – 2020 NMFA Streets

Fund 3635 – 2020 NMFA Flood

Fund 3636 – 23 NMFA Streets

Fund 3637 – 23 NMFA Flood

Fund 3810 – HUD Section 108 Loan-MONAS

FUND DESCRIPTIONS

CAPITAL PROJECT FUNDS

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Fund 4005 – Community Investment Projects – This fund's expenditures are for community investment projects that are funded through transfers from the General Fund.

Fund 4028 – 2023 SSGRT – This fund was established for the construction, purchase, acquisition, and improvement of roadways and public facilities projects. Funding comes from State Shared Gross Receipts Tax Improvement Revenue Bonds, Series 2023 (Ordinance 3024, February 2023). Payment of the bonds comes from the General Fund.

Fund 4031 – 2017 SSGRT Facilities – This fund was established from the 2017 bond issuance for facilities and street projects (Ordinance 2808, May 2017). Expenditures are for existing facilities and streets construction and/or improvements. Payment of the bonds comes from the General Fund.

Fund 4100 – Capital Grant Projects – This fund is used to track all capital improvement grants for multiple departments. Resources are from various federal, State of New Mexico, and foundation sources.

PUBLIC PARKS

Fund 4106 – Public Park Development – This fund's revenue sources are impact fees paid to the City by subdivision developers in lieu of building parks and/or playgrounds. The park impact fees collected are then spent on park development throughout the entire city. City Ordinance 1456 and Resolution 95-368 authorized the park impact fees. Impact fees are governed by the state Development Fees Act (Ch. 5, art. 8 NMSA 1978) and Chapter 33 of the City of Las Cruces Land Development Code.

Fund 4107 – Park Infrastructure Impact Fund – The Park Infrastructure Impact Fund accounts for revenues collected from one-time park impact fees assessed on new residential development within the City of Las Cruces. The fees are imposed at permit issuance (Resolution No. 25-149).

Fund 4110 – Public Park Projects – This fund's revenue source is the Emma B. Heske Trust given to the City for the purpose of constructing a community garden at Valley View Park (Resolution 07-337).

STREET IMPROVEMENT

Fund 4201 – Capital Contributions – This fund's primary revenue source is developer contributions. Expenditures are for street and flood control projects.

Fund 4205 – Special Street Projects – This fund was established as a result of development settlements. Resources are made available through the sale of property, developer contributions, and transfers from the Flood Control Operations Fund. Expenditures are for street and flood control projects.

Fund 4202 – Sales Tax – Street Maintenance – This fund's expenditures are for major and minor maintenance projects for existing streets that are funded through a transfer from the General Fund, Telshor Fund, Sonoma Ranch Special Projects Fund, and formerly the Street Maintenance Operations Fund.

Fund 4227 – VAD Street Projects – This fund was established as a result of the 2016 and 2019 Voluntary Assessment District bonds. Funding sources include State Shared GRT Improvement Revenue Bonds, Series 2016 (Ordinance 2774, February 2016) and Series 2019 (Ordinance 2894, August 2019). Expenditures are for the construction of roadways, public infrastructure, and drainage projects in the Metro Verde Voluntary Assessment District.

Fund 4231 – General Obligation Bonds 2022 – This fund was established as a result of the 2022 General Obligation (GO) bond questions. Funding sources are from General Obligation Improvement bonds, Series 2023 (Ordinance 3025, February 2023) and Series 2024 (Ordinance 3062, March 2024). Payment of the bonds comes from property taxes. Expenditures are restricted to the following capital projects:

- Affordable Housing – \$6,000,000
- New Fire Station No. 9 – \$10,000,000
- Park Improvements – \$2,000,000
- East Mesa Public Recreation Complex Phase 2 – \$5,000,000

FUND DESCRIPTIONS

TIDD STREET PROJECTS

Fund 4270 – TIDD Projects – The revenue sources for this fund are transferred from the Tax Increment Development District (TIDD) Dedicated Revenue Fund and from the General Fund. Expenditures are for the construction and maintenance of public infrastructure improvements in the downtown area (Resolution 08-143).

Fund 4271 – TIDD Street Bond Projects – This fund was established as a result of the 2015 Sponge bond for TIDD Plan related projects. Funding sources are from Tax Increment Development Revenue Bonds, Series 2014 (TIDD Resolution 15-002), Series 2016 (TIDD Resolution 17-001), and Series 2018 (TIDD Resolution 18-001), and transfers from the TIDD Dedicated Revenue Fund. Expenditures are restricted to street projects included in the TIDD Plan.

Fund 4400 – Flood Control – This fund's expenditures are for flood control projects that include land and right-of-way purchases, engineering costs, and capital costs that are funded by transfers from the Flood Control Operations Fund.

Fund 4505 – 2015B Hold Harmless Flood Control Projects – This fund was established as a result of the 2015 New Mexico Hold Harmless Gross Receipts Tax Improvement Revenue Bonds, Series 2015B (Ordinance 2760, September 2015). Expenditures are for economic development capital improvement projects, including Downtown Las Cruces, Las Cruces Airport, Las Cruces Convention Center, and existing flood control construction/improvements. Payments for the bond come from the General Fund.

Fund 4613 – NMFA Equipment – This fund was established to pay for the acquisition of fire engines, aerial fire trucks, and fire equipment for the fire department. Funding comes from State Shared Gross Receipts Tax Improvement Revenue Bonds, Series 2022 (Ordinance 3007, August 2022). Payment of the bond comes from the General Fund.

Fund 4620 – 2020A NMFA SSGRT – This fund was established as a result of the New Mexico State Shared Gross Receipts Tax Improvement Revenue Bonds, Series 2020A (Ordinance 2925, May 2020). Expenditures are for improvements to public facilities and roadways. Payment of the bond comes from the General Fund.



Fund 4622 – 2023A NMFA Equipment – This fund was established as a result of the New Mexico State Shared Gross Receipts Tax Improvement Revenue Bonds, Series 2023A (Ordinance 3048, November 2023). Expenditures are for the purchase of fire engines, a ladder truck, ambulances, crash trucks, and rescue vehicles for the fire department. Payment of the bond comes from the General Fund.

Fund 4624 – 2018 Gas Tax Loan – This fund was established as the result of a 2018 NMFA loan (Ordinance 2876, October 2018). Expenditures are for replacing street equipment. Payment of the loan comes from the Gas Tax Fund.

Fund 4634 – 2020A NMFA MGRT – This fund was established as a result of the Municipal Gross Receipts Tax Revenue Loan, Series 2020A (Ordinance 2920, April 2020) and 2020B (Ordinance 2919, April 2020). Expenditures are for street and flood construction and/or improvements. Payment of the loans come from the General Fund and formerly the Street Maintenance Operations Fund.

Fund 4636 – 2023A NMFA MGRT – This fund was established as a result of the Municipal Gross Receipts Tax Loan, Series 2023A (Ordinance 3034, June 2023) and 2023B (Ordinance 3035, June 2023). Expenditures are for flood control infrastructure projects and street improvement projects. Payment of the loans come from the General Fund.

Fund 4700 – COMMUNITY IMPROVEMENT FUND – The Las Cruces Community Capital Improvement Fund has been established to allocate revenues generated from the 0.325% gross receipts tax increase, approved by voters on November 5, 2024, to be used for funding capital improvements and maintenance for public safety, streets, parks, and other public facilities and critical infrastructure. (Ordinance 3072, Resolution 25-011, July 2024)

FUND DESCRIPTIONS

ENTERPRISE FUNDS

Fund 5010 – Airport – Expenditures from this fund are for operations and minor maintenance of the Las Cruces International Airport. Revenue sources are fees and rental service charges and a city contribution.

Fund 5100 – Utilities Shared Services – This fund pays for services to ratepayers such as utilities billing, delinquent accounts management, new service turn-ons, meter reading, and trouble calls. This fund additionally pays for environmental regulatory services and technical support. Revenues are proportionate transfers from other utilities funds.

Fund 5160 – Shared Services Equipment Replacement Reserve – Each vehicle or powered equipment purchased by the Shared Services Fund has funds for depreciation budgeted into the operating fund responsible for the vehicle or equipment. The depreciation accrues as a reserve for replacement of the vehicle or equipment. Revenues are based on depreciation paid from the Shared Services operating fund based on each vehicle or eligible piece of equipment.

Fund 5200 – Gas Operations – This fund includes revenues and expenditures for purchase of natural gas, maintenance of gas lines, and other associated expenditures. The revenue sources are payments from natural gas utility ratepayers. Revenue estimates are based on total expenditures plus necessary fund balance requirements.

Fund 5205 – Gas Contingency – This fund provides funding for unforeseen natural gas emergency events and other reasonably possible loss contingencies. It is funded through gas rate revenues.

Fund 5250 – Gas Capital Improvements – All major gas expansion and rehabilitation projects are funded from this fund. The Gas Operating fund transfers amounts equal to system depreciation plus return on rate base.

Fund 5260 – Gas Equipment Replace Reserve – Each vehicle or powered equipment purchased by the Gas Fund has funds for depreciation budgeted in the operating fund responsible for the vehicle or equipment. The depreciation accrues as a reserve for replacement of the vehicle or equipment. Revenues are based on depreciation paid from the Gas Operating Fund based on each vehicle or eligible piece of equipment.

Fund 5270 – Gas15A Bond Projects – This fund includes revenues from the sale of bonds and provides funding for various gas street rehabilitation projects that are completed in conjunction with the City's Public Works Department.

Fund 5271 – 2018 JU Project – This fund includes revenues from the sale of bonds and provides funding for an energy performance contract to complete upgrades to the gas system through an Automated Metering Infrastructure.

Fund 5280 – Gas 2015A Bond Debt Service – This fund is to pay for debt service related to the bond.

Fund 5281 – 2018 Utilities Debt Service – This fund is to pay for debt service related to the bond.

Fund 5300 – Water Operations – This fund includes revenues and expenditures for maintenance of water lines, renovating wells, conducting tests, adding chemicals, and other associated expenditures. The revenue sources are payments from water utility ratepayers. Revenue estimates are based on total expenditures plus necessary fund balance requirements.

Fund 5301 – Water Development – This fund provides the funding of water impact fee related expenditures. It is funded through water development impact fee revenues.

Fund 5305 – Water Contingency – This fund provides funding for unforeseen water emergency events and other reasonably possible loss contingencies. It is funded through water rate revenues.

Fund 5320 – Water Rights Acquisition – This fund provides the funding for water rights purchases.

Fund 5331 – Water 2009 Bond Debt Service – This fund is to pay for debt service related to the bond.

Fund 5332 – Water 2010 Bond Debt Service – This fund is to pay for debt service related to the bond.

Fund 5335 – Water 2015 Bond Debt Service – This fund is to pay for debt service related to the bond.

Fund 5336 – Water 2015A Bond Debt Service – This fund is to pay for debt service related to the bond.

Fund 5337 – Water Debt Service – This fund is to pay for debt service related to the bond.

Fund 5339 – Water 2018 Debt Service – This fund is to pay for debt service related to the bond.

Fund 5342 – Water 2010 Bond Debt Service Reserve – This fund is to pay for debt service related to the bond.

Fund 5345 – Water 2015 Bond Projects – This fund provides funding for various major water system projects. The payment of the bonds is through water rates.

FUND DESCRIPTIONS

Fund 5350 – Water Capital Improvements – All major water rehabilitation projects are funded through this fund. The Water Operating Fund transfers amounts equal to system depreciation plus return on rate base.

Fund 5360 – Water Equipment Replacement Reserve – Each vehicle or powered equipment purchased by the Water Operating Fund has funds for depreciation budgeted in the operating fund responsible for the vehicle or equipment. The depreciation accrues as a reserve for replacement of the vehicle or equipment. Revenues are based on depreciation paid from the Water Operating Fund based on each vehicle or eligible piece of equipment.

Fund 5364 – 2024 DWSRF NMFA Loan – This fund includes revenues from a loan with NMFA and a component of grants, which provides funding for various water projects, that includes new booster stations, well pipeline and improvements, tank rehabilitations, and line extensions.

Fund 5385 – Water 2020 Bond Debt Service – This fund is to pay for debt service related to the bond.

Fund 5389 – Water 2014 Bond Debt Service – This fund is to pay for debt service related to the bond.

Fund 5395 – Water 2020A Bond Projects – This fund provides funding of various major water system projects. The payment of the bonds is through water rate and water development impact fee revenue.

Fund 5400 – Wastewater Operations – This fund includes revenues and expenditures for maintenance of sewer lines, wastewater treatment plant operations, effluent testing, and other associated expenditures. The revenue sources are payments from wastewater utility ratepayers. Revenue estimates are based on total expenditures plus necessary fund balance requirements.

Fund 5401 – Wastewater Development – This fund provides the funding of wastewater impact fee related expenditures. It is funded through wastewater development impact fee revenues.

Fund 5405 – Wastewater Contingency – This fund provides funding for unforeseen, wastewater emergency events and other reasonably possible loss contingencies. It is funded through wastewater rate revenues.

Fund 5420 – Wastewater Reclamation Project – This fund provides partial funding of the water reclamation project. It is funded through a portion of environmental gross receipts tax revenue.

Fund 5431 – Wastewater 2009 Bond Debt Service – This fund is to pay for debt service related to the bond.

Fund 5432 – Wastewater 2010 Bond Debt Service – This fund is to pay for debt service related to the bond.

Fund 5435 – Wastewater 2015 Bond Debt Service – This fund is to pay for debt service related to the bond.

Fund 5436 – Wastewater 2015A Bond Debt Service – This fund is to pay for debt service related to the bond.

Fund 5441 – Wastewater 2020B Bond Debt Service Reserve – This fund is to pay for debt service related to the bond.

Fund 5445 – Wastewater 2015 Bond Projects – This fund provides funding for various major wastewater system projects. The payment of the bonds is through wastewater rates.

Fund 5446 – Wastewater 2015A Bond Projects – This fund provides funding for various major wastewater system projects. The payment of the bonds is through wastewater rates.

Fund 5447 – 17 JU Revenue Bonds – This fund provides funding for various major wastewater system projects. The payment of the bonds is through wastewater rates.

Fund 5450 – Wastewater Capital Improvement – All major wastewater rehabilitation projects are funded from this fund. The Wastewater Operating Fund transfers amounts equal to system depreciation plus return on rate base.

Fund 5451 – Wastewater 2020B Bond Projects – All major wastewater rehabilitation projects are funded from this fund. The Wastewater Operating Fund transfers amounts equal to system depreciation plus return on rate base.

Fund 5460 – Wastewater Equipment Replacement Reserve – Each vehicle or powered equipment purchased by the Wastewater Fund has funds for depreciation budgeted in the operating fund responsible for the vehicle or equipment. The depreciation accrues as a reserve for replacement of the vehicle or equipment. Revenues are based on depreciation paid from the Wastewater Operating Fund based on each vehicle or eligible piece of equipment.

Fund 5481 – Wastewater 2014 Bond Debt Service – This fund is to pay for debt service related to the bond.

Fund 5485 – Wastewater 2020A Bond Debt Service Reserve – This fund is to pay for debt service related to the bond.

Fund 5495 – Wastewater 2020A Projects – This fund provides funding for various major wastewater system projects. The payment of the bonds is through wastewater rate and wastewater development impact fee revenues.

Fund 5496 – Wastewater 2023 Project – This fund holds the loan proceeds from an NMED loan that will be used to complete wastewater projects. The loan repayment will be done through wastewater revenues.

FUND DESCRIPTIONS

Fund 5500 – Solid Waste Operations – This fund includes revenues and expenditures to fund solid waste pickup and disposal functions for residential and commercial customers, and other associated expenditures. The revenue sources are payments from solid waste ratepayers. Revenue estimates are based on total expenditures plus necessary fund balance requirements.

Fund 5505 – Solid Waste Contingency – This fund provides funding for unforeseen, solid waste emergency events and other reasonably possible loss contingencies. It is funded through solid waste rate revenues.

Fund 5510 – Solid Waste Landfill Closure – This fund provides for expenditures related to eventual closure of the Old City Landfill located on/off Foothills Road, as per regulatory requirements.

Fund 5560 – Solid Waste Equipment Replacement Reserve – Each vehicle or powered equipment purchased by the Solid Waste Fund has funds for depreciation budgeted in the operating fund responsible for the vehicle or equipment. The depreciation accrues as a reserve for replacement of the vehicle or equipment. Revenues are based on depreciation paid from the Solid Waste operating fund based on each vehicle or eligible piece of equipment.

Fund 5587 – Solid Waste NMFA Loan Debt Service – This fund is to pay for debt service related to the bond.

Fund 5920 – Transit Operating – Expenditures for operation of the Roadrunner City-wide bus transit system, and a paratransit function. Funding is primarily from Federal grants, service contracts with NMSU and DACC, and bus fares. Transfers from the Gasoline Tax Fund, HHGRT Replacement Fund, and General Fund subsidize the operating expenses.

Fund 5921 – Transit Grants – This fund houses both State and Federal grants. Transfers from the Vehicle Acquisition Fund and General Fund cover the City's match for the purchase of fixed route buses, paratransit vehicles, and facility improvements.

Fund 5923 – Transit Capital – Capital expenditures are primarily funded by Federal grants. Transfers from the Vehicle Acquisition Fund and General Fund cover the City's match for the purchase of fixed route buses, paratransit vehicles, and facility improvements.

INTERNAL SERVICE FUNDS

Fund 6330 – Workers Compensation – This is a self-insurance fund that provides payments to employees who sustain work-related injuries or illnesses. Expenses are for actual payments and stop-loss insurance for large claims. Revenues are estimated based on projected payments and a gradual growth in the fund balance.

Fund 6340 – Liability Claims – This is a self-insurance fund that provides payments for liability claims based on employee actions. Expenses are for projected payments and administrative expenses. Revenues are estimated based on payments and a gradual growth in the fund balance. The goal is to make this fund self-sustaining.

TRUST AND CUSTODIAL FUNDS

The City is the fiscal agent for the following funds.

Fund 7410 – Mesilla Valley Regional Dispatch Authority – Mesilla Valley Regional Dispatch Authority (MVRDA) is the countrywide 911 dispatch organization created by a Joint Powers Agreement. The MVRDA is funded by cost per call contributions by the Village of Hatch, Town of Mesilla, City of Sunland Park and City of Anthony with the remaining funding split 53% by the City of Las Cruces (budgeted as a transfer in the General Fund Reserve Section) and 47% by Dona Ana County. Expenses are for salaries, operating supplies, services, and capital equipment.

Fund 7420 – Metro Narcotics Agency – This fund provides operating and capital expenses for the interagency Metro Narcotics team. The team is charged with interdiction of drugs through covert investigation of suspected drug traffickers. Revenues are estimated from matches from the city, county, New Mexico State University, and state and federal drug interdiction grants.

Fund 7440 – Animal Services Center of Mesilla Valley – Through an agreement made on February 1, 2008, the City and Dona Ana County assumed direct management of the Animal Services Center of Mesilla Valley (ASCMV).

Fund 7441 – Animal Service Center of Mesilla Valley Capital – This fund is used to account for capital improvements to the Animal Services Center of the Mesilla Valley facility. Revenue source is a transfer from the ASCMV operations fund.

FUND DESCRIPTIONS

Fund 7470 – Branigan Estate

Endowment – This is an endowment from an estate and is used to purchase books for the Branigan Memorial Library. Revenues are estimated interest on the principal.

Fund 7480 – Gifts and Memorials

– This fund receives miscellaneous donations to the City. Expenses are programmed based on revenues. Revenues are estimated based on historical trends and interest on the fund balance.

Fund 7481 – Veterans Memorial Wall –

This fund receives donations to the City specifically for expenses related to the Veteran's Memorial Wall. Expenses are based on revenues, which are based on historical trends and interest on the fund balance.

Fund 7490 – Metropolitan Planning

Organization – This Fund's revenue sources are from federal grants and local matching funds. The MPO is responsible for planning all aspects of the transportation system including bicycle, auto, pedestrian, public transit, and aviation in Las Cruces, Mesilla, and part of Doña Ana County. Federal regulations require the designation of an MPO to carry out coordinated, continuing and comprehensive transportation planning for urbanized areas with a population of more than 50,000.

Fund 7492 – HIDTA City of Las Cruces

– This fund was created to track the administrative portion of the HIDTA grant. The funding source is from a Federal grant. The City is the fiscal agent for HIDTA.

SOUTH CENTRAL SOLID WASTE AUTHORITY

Fund 8100 – South Central Solid Waste Authority (SCSWA) – This fund provides operating, capital, and debt service monies for the South Central Regional Landfill Authority. Revenues are estimated based on charges to landfill customers.

Fund 8110 – South Central Solid Waste Authority Landfill Closure – This fund provides for expenditures related to eventual closure of the Corralitos Landfill. Funding comes from a transfer from the South Central Solid Waste Authority Operations Fund.

Fund 8115 – South Central Solid Waste Authority Environmental Impact Fees – This fund was created as a revenue source to subsidize the costs associated in the maintenance and monitoring of the Corralito's Landfill Gas system.

Fund 8120 – South Central Solid Waste Authority Debt Capital Projects – This fund's revenue source is loan proceeds from the New Mexico Finance Authority. Expenditures include construction of the Chaparral Transfer Station, Amador Transfer Station building improvements, Corralitos Landfill communication infrastructure, and two compactors. Payment of the loan comes from the SCSWA Operations Fund.

Fund 8130 – Amador Transfer Station – This fund was created to capture the operating expenses and eventually the revenues of the Amador Transfer Station to better assist management in identifying operational needs and improvements.

Fund 8135 – Corralitos Landfill – This fund was created to capture the operating expenses and eventually the revenues of the Corralitos Landfill to better assist management in identifying operational needs and improvements.

Fund 8140 – Chaparral Transfer Station – This fund was created to capture the operating expenses and eventually the revenues of the Chaparral Transfer Station to better assist management in identifying operational needs and improvements.

Fund 8145 – East Mesa Transfer Station – This fund was created to capture the operating revenues and expenses of the new East Mesa Transfer Station expected to open in 2 to 3 years.

Fund 8150 – South Central Solid Waste Authority Capital Improvements – This fund tracks the expenditures associated with the construction of Cells at the Corralitos Landfill. Funding comes from a transfer from the operating fund.

Fund 8170 – South Central Solid Waste Authority Recycling – This fund was set up to provide operating and capital monies for the Regional Recycling Program. A portion of the funding comes from a transfer from the operating fund.

Fund 8180 – South Central Solid Waste Authority Community Collection Centers – This fund was set up to provide operating and capital monies for the Doña Ana County Community Collection Centers. A portion of funding comes from a transfer from the operating fund.

Fund 8190 – South Central Solid Waste Authority Sunland Park Collections – This fund was set up to provide operating and capital monies for the Sunland Park waste collection. Revenues are estimated based on charges to Sunland Park solid waste customers.



CITY OF LAS CRUCES

VIII. GLOSSARY & ACRONYMS

PROPOSED BUDGET

FISCAL YEAR 2026-2027

GLOSSARY

A

Ad Valorem Tax - Tax based on the assessed valuation of property (also known as property tax).

Accrual - The City of Las Cruces utilizes a modified accrual basis of accounting whereas obligations are classified as expenditures if the goods or services are expected to be received during the fiscal year whether a cash payment is expected to be made within that fiscal year.

Adopted Budget - Budget as adopted and amended by City Council for a specified fiscal year; reviewed by City Council during multiple work sessions leading up to the full adoption of the Proposed Budget.

Adelante Con Cariño - Moving forward with love, care, and affection.

Appropriation - Legal authorization granted by the City Council to make expenditures and incur obligations up to a specific dollar amount.

Assets - Economic resources of the city such as land, buildings, vehicles, cash etc. Under provincial accounting regulations, the Municipality writes off the cost of physical assets such as land holdings and buildings in the year of acquisition.

Attrition - A method of achieving a reduction in personnel by not refilling the positions vacated through resignation, reassignment, transfer, retirement, or means other than layoffs.

Audit - Prepared by an independent certified public accountant, or CPA, the primary objective of an audit is to determine if the city's Financial Statements fairly present the city's financial position.

Authorized Personnel (positions) - The total number of personnel (positions) authorized to be employed in a particular department/function at any given time during the fiscal year.

B

Balanced Budget - A budget in which estimated resources equal estimated appropriations.

BASE Budgeting - A budgeting approach designed to ensure we maintain a balanced, accountable, sustainable, and efficient budget.

Beginning Balance - The beginning balance is comprised of residual funds brought forward from the previous fiscal year (ending balance).

Bond - Written promise to pay a specified sum of money, called the face or par value, at a specified date or dates in the future, called maturity date, together with periodic interest at a specified date.

Bond Rating - An evaluation of a bond issuer's credit quality and perceived ability to pay the principal and interest on time and in full. Two agencies regularly review city bonds and generate bond ratings - Moody's Investors Service and Standard and Poor's Ratings Group.

Budget - A financial plan for a specified period (fiscal year) that provides all planned revenues and expenditures for various municipal services.

Budget Calendar - The schedule of dates and events followed by city departments in the preparation, adoption, and administration of the budget.

Budget Deficit - A budget in which the expected expenditures exceed expected revenues, thereby reducing the fund balance.

Budget Hearing - A public meeting at which any citizen may appear and be heard regarding the increase, decrease or omission of any item in the proposed budget as presented in writing by the City Manager to City Council.

Budget Surplus - A budget in which expected revenues exceed expected expenditures that will result in an increase in fund balance.

C

Calendar Year - A twelve-month period that begins on January 1 and ends on December 31st.

Capital Assets (Expenditures) - assets with an initial individual cost or fair value of more than \$5,000 and an estimated useful life more than one year. Money the city spends to buy or improve an asset needed for city operations. It must be for physical objects like equipment, infrastructure, or buildings.

Capital Funds - Resources derived from issuance of bonds for specific purposes, related federal project grants and participation from other agencies used to finance capital expenditures.

Capital Outlay - A purchase which results in the addition to fixed assets (assets of a long-term nature which are intended to continue to be held or used beyond the current fiscal year and which may be eligible for depreciation), including real and tangible assets.

GLOSSARY

Capital Project - A long-term investment project requiring relatively large sums to acquire, develop, improve, and/or maintain a capital asset (such as land, buildings, roads).

Cariño - What makes Las Cruces, Las Cruces? It's our special ingredient: Cariño! Cariño is the love, care, and affection that we, as a city organization, put into Las Cruces. In everything we do for the community, we have Cariño.

City Manager's Budget - See Proposed Budget.

City Manager's Budget Message - The City Manager's memorandum to the Mayor and City Council, which summarizes the most important aspects of the budget, including changes from the current fiscal year, and the goals, themes and priorities that are encompassed within the city's budget.

Council-Manager Form of Government - An organizational structure in which the Mayor and City Council appoint an independent City Manager to be the chief operating officer of a local government. In practice, City Council sets policies and the City Manager is responsible for implementing those policies effectively and efficiently.

D

Debt - Total value of all outstanding debentures issued by the city. After deduction of the accumulated value of all sinking funds, it represents the net debt of the city.

Debt Service - The city's obligation to pay the principal and interest of all bonds and other debt instruments according to a pre-determined payment schedule.

Department - A major administrative division of the city that indicates overall management responsibility for an operation or a group of related operations, or performance units, within a functional area.

Department Indicator - The unit of output or input which "drives" the number of resources needed by the department. This unit determines the department's unit costs.

Depreciation - A decrease or loss of value of an item due to age, wear, or market conditions.

Developer Contribution - A funding source for certain capital improvement projects.

Discretionary Funds - Funds for which there are no restrictions on the use of the fees or taxes collected.

E

Efficiency - A relationship between the resource allocation (input) and the ultimate product or service delivered (output) for a specific activity. Usually expressed as "cost per service provided."

Encumbrance - A reservation of funds to cover purchase orders, contracts or other funding commitments that are yet to be fulfilled. The budget basis of accounting considers an encumbrance to be the equivalent of an expenditure.

Enterprise Fund - An Enterprise Fund is one or more self-supporting operating centers established to provide goods or services to the public. These funds have operating budgets which are completely supported by the revenue generated from user fees and service charges. The rate schedules for these services are established to ensure that revenues are adequate to meet all necessary expenditures. Enterprise funds in Las Cruces are established for services such as water, wastewater, gas, and solid waste.

Expenditures - The outflow of funds paid or to be paid for an asset or services obtained regardless of when the expense is actually incurred.

F

Federal Grant Funds - These funds are established to account for revenue received from the federal government and expenditures as prescribed by the grant provisions and/or agreement.

Fiduciary Fund - Fiduciary funds are used to account for resources held for the benefit of parties outside of the primary government.

Final Budget - The Mayor and City Council-approved plan for the city's financial operations, which includes an estimate of expenditures and revenues for a given fiscal year.

Franchise Fees - Fees resulting from agreements with private utility companies in exchange for use of the city's rights-of-way.

Fiscal Agent - The city's role pursuant to agreements with various agencies to handle their financial matters, such as preparing financial reports, paying their bills, preparing payroll checks for staff, etc. Each agency has its own respective board and pays the city an administrative fee.

GLOSSARY

Fiscal Year (FY) - The period designated by the city signifying the beginning and ending period for recording financial transactions. The City of Las Cruces has specified July 1 to June 30 as its fiscal year.

Fixed Assets - Assets of long-term character that are intended to continue to be held or used, such as land, building, machinery, furniture, and other equipment.

Full-Time Equivalent Position (FTE) - A position converted to the decimal equivalent of a full-time position based on 2,080 hours per year. For example, a part-time clerk working for 20 hours per week would be equivalent to one-half of a full-time position or 0.5 FTE.

Fund - A separate set of accounts that track revenues, expenditures and transfers of monies relating to the activities for which the fund has been isolated. Eight commonly used funds in public accounting are: capital project, debt service, enterprise, general, internal service, special assessment, special revenue, trust and agency.

Fund Adjustment - Represents an adjustment made to previously approved appropriations.

Fund Balance - Financial resources carried forward at the end of a fiscal year which have not been reserved or designated for a specific purpose such as working capital. These resources are considered "available" to finance future budgets.

G

Generally Accepted Accounting Principles (GAAP) - The uniform minimum standards used by the State and local governments for financial recording and reporting that have been established by the accounting profession through Governmental Accounting Standards Board (GASB).

General Fund - The largest fund of the city. The primary operating fund of most municipal governments, whereby operating expenses are supported by general governmental revenue sources such as property taxes, sales and other use taxes, licenses, and other financing sources. Typically, operating performance units included in the General Fund are not self-supporting, even though some of them generate revenue through user fees and service charges. Some basic operating services financed through the General Fund include finance, libraries, parks, recreation, public safety, and general administration.

General Obligation Bonds - Bonds which pledge the full faith and credit of the issuing government for payment and are voted on by the citizens.

Goal Statement - A short description of what the public can expect from the department in terms of its primary function and the reason this function is performed for the citizens. Goals are usually broad in scope and rarely change from year to year; however, objectives toward achieving goals may change annually.

Governmental Funds - Focuses primarily on the sources, uses, and balances of current financial resources and often has budgetary orientation. The governmental fund category includes the general fund, special revenue funds, capital project funds, debt services funds and permanent funds. Governmental funds utilize the modified accrual basis of accounting.

Grant - A contribution by a government or other organization to support a particular function. Grants may be classified as either categorical or block depending upon the amount of discretion allowed by the grantee.

Gross Receipts Tax - A tax on the total gross revenues of a company, regardless of their source. A gross receipts tax is similar to a sales tax, but it is levied on the seller of goods or service consumers. The total gross receipts tax, including the state, county and city levied amounts is 8.3125%, which went into effect July 1, 2015.

Growth Rate - The level at which expenditures and revenues are expected to increase annually.

H

Held-To-Maturity Securities - Bonds and other debt securities that a company intends to hold until the securities mature. In addition to intent, the company must have the financial ability to be able to hold them until they mature.

Historical Cost - The original cost incurred to acquire an asset (as opposed to replacement cost, current cost, or cost adjusted by the general price index).

I

Indirect Costs - Costs that proprietary, enterprise, and internal service fund departments transfer to the General Fund for administrative services.

Infrastructure - Facilities that support the daily life and growth of the city, for example, roads, water lines, sewers, public buildings, parks, and airports.

Infrastructure Capital Improvement Program (ICIP) - All capital projects that are proposed to be undertaken during the next 5 fiscal years including estimated costs and funding sources.

GLOSSARY

Inter-fund Transfers - Amounts transferred from one fund to another. These amounts are included in both funds. As a Transfer In, in one and as a Transfer Out in the other. Therefore, the total budget for the city shows a higher figure than what is being spent by the city.

Internal Service Fund - A fund whose purpose is to isolate internal charges for services that are provided by some city departments to other departments during daily operations.

J

Joint Cost - A common cost. Often refers to the costs prior to the point where several products emerge from a common process.

Journal Entry - A journal entry records a business transaction. It will contain the date, the account string information, the account name, and amount to be increased or decreased (Credit and Debit).

L

Line Items - Line items refer to the specific accounts used to budget and record revenue and expenditures (i.e., gross receipts tax, property tax, charges for services, personnel, supplies, capital, etc.).

Lodger's Tax - This fund is drawn from the fee charged to customers of local hotels and motels for the operations of the Convention and Visitor's Bureau. The fee is 5% of the room charge.

Long-Term Debt - Used to finance essential capital facilities, projects, and certain equipment where it is appropriate to spread the cost of capital facilities, projects and/or equipment over more than one fiscal year.

M

Measures - The tool, technique, or information needed to determine, demonstrate, or substantiate that the department is meeting the desired outcomes and objectives.

Modified Accrual - the modified accrual basis of accounting recognizes revenues when earned and expenses at the time liabilities are incurred, regardless of when the related cash flows take place.

Municipal Arterial Program (MAP) - State funded road construction program for municipalities administered by the New Mexico State Highway Transportation Department.

MUNIS - The Enterprise Resource Planning (ERP) management system used by the City of Las Cruces.

Mesilla Valley Community of Hope (MVCH) - The Mesilla Valley Community of Hope serves the homeless and near-homeless population. Providing several services from housing to case management to helping house veterans.

Mesilla Valley Regional Dispatch Authority (MVRDA)- To provide 9-1-1 emergency and non-emergency communications services to our Public Safety Partner Agencies and Community so they can both deliver and experience a safe, accurate and timely response.

N

National Integrated Ballistic Information Network (NIBIN) Lease - This will improve the Police Departments ability to solve firearm-related crimes through rapid ballistic evidence comparisons, boosting efficiency and supporting national forensic efforts to enhance community safety.

Net Assets - The result of subtracting total liabilities from total assets. It is also the term used by not-for-profit organizations instead of owner's equity or stakeholders' equity.

Normal Costing - The actual cost of direct materials, the actual cost of direct labor, and operational overhead applied by using a predetermined annual overhead rate.

O

Objective - Objectives are specific statements describing what is to be achieved toward accomplishment of a stated goal, including by how much, and within what time frame. Objectives should be results-oriented, rather than means or process oriented; they should be specific, rather than general; be measurable; include specific time limits; and relevant to the goals of the programs to which they relate.

Operating Budget - The portion of the budget that pertains to daily operations that provide basic governmental services. The operating budget contains appropriations for such expenditures as personnel, supplies, contractual services, and short-term capital expenditures of a department. The city's operating budget is a compilation of all the departmental operating budgets.

Outcomes - The performance standards by which the department will be evaluated. These are usually measured by the quality and quantity of performance expected for the proposed or existing activities.

GLOSSARY

Outputs - Quantifiable units that represent the products or services provided when performing an activity.

Overtime - Payments to employees eligible for additional compensation for services rendered after a regularly scheduled work period subject to the provisions of negotiated labor contracts and the Federal Fair Labor Standards Act.

P

Police Athletic League (PAL) Boxing - A free program that uses boxing to teach discipline and provide support for at-risk and low-income youth, though it is open to all kids and young adults. (Parks & Rec)

Participants - Number of times people participated in the city's recreational facilities.

PEAK Performance - The City's performance-based budgeting initiative is known as PEAK which stands for Perform mission, Evaluate measures, Assess outcomes, and Keep climbing.

Performance Measures - Performance measures express the extent to which an activity or program meets an objective. More specifically, the performance measure documents the level or quality of a service output, in the context of a stated objective, by means of specified units of measure.

Personnel Services - Salaries and salary-related costs of salaried and hourly employees.

Proposed Budget - A balanced budget presented to the City Council by the City Manager (sometimes referred to as the City Manager's Budget) based upon an earlier Trial Budget, City Council, and community feedback and/or changing economic forecasts. Any City Council changes to the proposed budget are incorporated into the final adopted budget.

Proprietary Funds - Are utilized to report on activities financed primarily by revenues generated by the activities themselves, such as a municipal utility.

Q

Quick Assets - (Current Assets) Assets such as cash, temporary investments, and accounts receivables that are liquid and can be converted into cash.

Quick Ratio - Also known as the acid test ratio. This ratio compares the amount of cash + marketable securities + accounts receivable to the amount of current liabilities.

R

Real Time Crime Center - The RTCC will use real-time information and technology to help law enforcement personnel better respond to priority callouts. RTCC technicians will monitor live-feed cameras, radios and data systems on calls for service that are in-progress, providing data and situational awareness assistance for officers in the field.

Re-appropriated Funds - The appropriation of prior year funds for contracts and/or services entered in a previous fiscal year, but which are still in progress.

Reserves - An un-appropriated source of funding that can be utilized to meet unexpected budgetary needs.

Resources - Sources of revenue by fund and sub-funds of the General Fund that represent the department's allocation for the current fiscal year.

Revenue - The amount of projected income to be collected during the fiscal year. The amount of revenue appropriated is the amount approved by Council.

Revenue Bonds - Bonds whose principal and interest are payable exclusively from earnings of an Enterprise Fund.

S

Senate Memorial - A funding source for certain capital improvement projects using funds already appropriated.

Senior Companion Program (SCP) - A Senior Citizens Department program which utilizes the services of 24 low-income volunteers, who are 60 years old and above to provide companionship, light housekeeping, light cooking, etc., to the elderly.

Short-Term Debt - Used to finance essential capital outlay, projects, and equipment where the cost is less than one fiscal year.

Special Revenue Fund - A fund used to account for receipts from revenue sources that have been earmarked for specific activities and related expenditures.

Strategic Plan - A tool used to improve performance in terms of direction and priorities of the city. The City of Las Cruces has designated six areas as part of the Strategic Plan: Community Prosperity, Education and Community Services, Environmental Sustainability, Capital Improvement and Infrastructure, Communication, Involvement and Follow-Up, and Public Safety.

GLOSSARY

Sub-Grantee - Outside agencies who are granted city funds to provide a particular service.

Subsidy - A grant by government to another government entity to assist in an enterprise deemed advantageous to the public.

T

Tax Increment Development District (TIDD) - A district formed for the purposes of carrying out tax increment development projects.

Tax Increment Financing (TIF) - A financing method which uses the additional taxes generated by a completed development to pay for development costs such as land acquisition and site improvements. The difference between the taxes before the development occurs and after its completion is referred to as the increment.

Total Quality Management (TQM) - A management philosophy that uses teams comprised of all levels of employees to solve problems. It is a customer-oriented process which strives to continuously improve upon the existing organizational structure to better meet customer needs.

Transfers - See Inter-Fund Transfers.

U

Utilities - The division of the city that provides utilities (water, wastewater, gas, and solid waste) to customers and maintains the existing systems.

Utilities Expense - Under the accrual basis of accounting, this account reports the cost of the electricity, heat, sewer, and water used during the period indicated in the heading of the income statement. Because the city's utility section delivers the service and then later measures the amount used and then prepares the billing, the city's Utilities Expense amount should be based on the amount of utilities used during the period (as opposed to the amount paid during the accounting period). The amount used for administration is classified as an administrative expense. Utilities used in the manufacturing process will be part of the cost of the product.



V

Volunteer Hours - Hours of service freely given by citizens to assist in the running of city projects to the benefit of the community.

Variance - A term used with standard costs to report a difference between actual costs and standard costs.

Vehicle Replacement and Acquisition - The replacement and acquisition of City owned and operated vehicles.

W

Workers Compensation Insurance - Insurance often required by the state and paid for by the employer to compensate workers who were injured on the job. The amount of the insurance premiums varies by type of work performed.

Y

Yield - Market interest rate, current return, effective interest rate.

ACRONYMS

A&G - Administration & Governance

ACM - Assistant City Manager

ACO - Animal Control Officer

ACOE - Army Corps of Engineers

ADA - Americans with Disabilities Act

AHP - Affordable Housing Program

ALTSD - Aging and Long-Term Services Department

ARRA - American Recovery and Reinvestment Act

ASCE - American Society of Civil Engineering

ASCMV - Animal Service Center of Mesilla Valley

BASE - Balanced, Accountable, Sustainable, Efficient

BCC - Branigan Cultural Center

BNSF - Burlington Northern and Santa Fe (railroad)

CAA - Community Action Agency

CAD - Computer Assisted Drafting

CAO - Chief Administrative Officer

CD - Community Development

CDBG - Community Development Block Grant

CHILE - Computers Helping in Library Expansion

CHDO - Community Housing Development Organization

CHRP - Cops Hiring Recovery Program

CIP - Capital Improvement Project

CIR - Capital Improvement Reserves

CLC - City of Las Cruces

CM - City Manager

CNG - Compressed Natural Gas

CNW - Citizens for Neighborhood Watch

COO - Chief Operating Officer

COP - Community Oriented Policing

COVID-19 - Coronavirus Disease 2019

CP - Council Priority

CPI - Consumer Price Index

CPI-U - Consumer Price Index for all Urban consumers

CPSC - Consumer Product Safety Commission

CVB - Convention and Visitor's Bureau

CY - Calendar Year

CYF - Children, Youth, and Families

DA - District Attorney

DAAC - Doña Ana Arts Council

DAC - Doña Ana County

DACC - Doña Ana Community College

DARE - Drug Awareness Resistance Education

DASO - Doña Ana County Sheriff's Office

DEA - Drug Enforcement Agency

NMDFA - New Mexico Department of Finance and Administration

DFA-LGD - Department of Finance and Administration for the State of New Mexico-Local Government Division

DHS - Department of Homeland Security

DIMS - Digital Information Management Systems

DLCP - Downtown Las Cruces Partnership

DOJ - Department of Justice

DWI - Driving While Intoxicated

EAP - Employee's Assistance Program

EBC - Employee Benefit Committee

ED - Economic Development

EEO - Equal Employment Opportunity

EGRT - Environmental Gross Receipts Tax

EID - Environmental Improvement Division

EMNR - Energy, Minerals, and Natural Resources Department

EMS - Emergency Medical Service

ACRONYMS

EMT - Emergency Medical Technician

EPA - Environmental Protection Agency

ERP - Enterprise Resource Planning

ERT - Emergency Response Team

ETZ - Extra Territorial Zone

FAA - Federal Aviation Administration

FBI - Federal Bureau of Investigation

FED - Federal

FEMA - Federal Emergency Management Agency

FHWA - Federal Highway Administration

FLCM - Foundation for Las Cruces Museums

FLSA - Fair Labor Standards Act

FM - Fiscal Management

FTA - Federal Transit Administration

FTE - Full Time Equivalent

FTZ - Free Trade Zone

FY - Fiscal Year

GAAP - Generally Accepted Accounting Principles

GASB - Government Accounting Standards Board

GDP - Gross Domestic Product

GF - General Fund

GFAAG - General Fixed Asset Account Group

GFOA - Government Finance Officers Association

GIS - Geographic Information System

GO - General Obligation

GPCD - Gallons Consumed Per Capita Per Day

GRT - Gross Receipts Tax

HAZMAT - Hazardous Materials

HHR - Hold Harmless Replacement

HHS - Hold Harmless Street

HIDTA - High Intensity Drug Traffic Area

HUD - Housing and Urban Development

HVAC - Heating Ventilation and Air Conditioning

ICIP - Infrastructure Capital Improvement Program

IMLS - Institute of Museum and Library Services

IPP - Industrial Pretreatment Plant

ISO - Insurance Services Office

IT - Information Technology

ITS - Intelligent Transportation System

JAG - Judge Advocate General

JHA - Job Hazard Analysis

JHWWTP - Jacob Hands Wastewater Treatment Plant

JPA - Joint Powers Agreement

K-9 - Canine

KLCB - Keep Las Cruces Beautiful

LAN - Local Area Network

LC - Las Cruces

LCDT - Las Cruces Downtown

LCFD - Las Cruces Fire Department

LCMC - Las Cruces Municipal Code

LCMNH - Las Cruces Museum of Natural History

LCPD - Las Cruces Police Department

LCPS - Las Cruces Public Schools

LEDA - Local Economic Development Act

LOB - Line of Business

LTD - Long Term Disability

MGRT - Municipal Gross Receipts Tax

MIS - Management Information Systems

MMC - Memorial Medical Center

MOA - Museum of Art

ACRONYMS

MONAS - Museum of Nature and Science

MOU - Memorandum of Understanding

MPB - Municipal Planning Board

MPO - Metropolitan Planning Organization

MPRC - Mesilla Park Recreation Center

MRC - Meersheidt Recreation Center

MSA - Metropolitan Statistical Area

MUNIS - Municipal Information System

MV - Mesilla Valley

MVCH - Mesilla Valley Community of Hope

MVD - Motor Vehicle Division

MVEDA - Mesilla Valley Economic Development Agency

MVHFH - Mesilla Valley Habitat for Humanity

MVRDA - Mesilla Valley Regional Dispatch Authority

MVSC - Mesilla Valley Safety Council

NADBank - North American Development Bank

NAMI - National Alliance on Mental Illness

NCIC - National Crime Information Center

NCNMEDD-AAA - North Central New Mexico Economic Development District Agency on Aging

NIBIN - National Integrated Ballistic Information Network

NIBRS - National Incident Based Reporting System

NM - New Mexico

NMDOT - New Mexico Department of Transportation

NMED - New Mexico Environmental Department

NMFA - New Mexico Finance Authority

NMPRA - New Mexico Parks and Recreation Association

NMSBA - New Mexico Small Business Assistance

NMSHTD - New Mexico State Highway Transportation Department

NMSU - New Mexico State University

NPDES - National Pollutant Discharge Elimination System

NSP - Neighborhood Stabilization Program

ODWI - Operation Driving While Intoxicated

OEM - Office of Emergency Management

O & M - Operating and Maintenance

PAL Boxing - Police Athletic League

PD - Police Department

PEAK - Perform mission, Evaluate measures, Assess outcomes, Keep climbing

PERA - Public Employee Retirement Association

PIF - Park Impact Fee

PIFPA - Park Impact Fee-Pueblos at Alameda

PIO - Public Information Office

PILT - Payment In Lieu of Taxes

PO - Purchase Order

PPP - Public-Private Partnership

PQI - Pavement Quality Index

PR - Purchase Request

PSDIF - Public Safety Development Impact Fees

PSN - Project Safe Neighborhoods

PW - Public Works

QOL - Quality of Life

ROW - Right of Way

RRM - Railroad Museum

RSVP - Retired Senior Volunteer Program

RTCC - Real Time Crime Center

SAFER - Staffing for Adequate Fire and Emergency Response

SAP - Sustainability Action Plan

SCADA - System Control and Data Acquisition

SCBA - Self-Contained Breathing Apparatus

SCSWA - South Central Solid Waste Authority

SIPC - Securities Investor Protection Corporation

ACRONYMS

SNMPC - Southern New Mexico Prevention Coalition Foundation

SOP - Standard Operating Procedures

SSGRT - State Shared Gross Receipts Tax

STB - Severance Tax Bond

STEP - Sustained Traffic Enforcement Program

STO - Streets/Traffic Operations

STOP - Safe Traffic Operations Program

SW - Solid Waste

SWAT - Special Weapons and Tactics Team

SWOT - Strengths, Weaknesses, Opportunities, and Threats

TBD - To Be Determined

TBL - Triple Bottom Line

THE - Transportation and Highway Enhancement

TIDD - Tax Increment Development District

TIF - Tax Increment Financing

TPE - Transportation Program Enhancement

VAD - Voluntary Assessment District

VAF - Vehicle Acquisition Fund

VITA - Volunteer Income Tax Assistance

VOCA - Victims of Crime Act

VOIP - Voice Over Internet Protocol

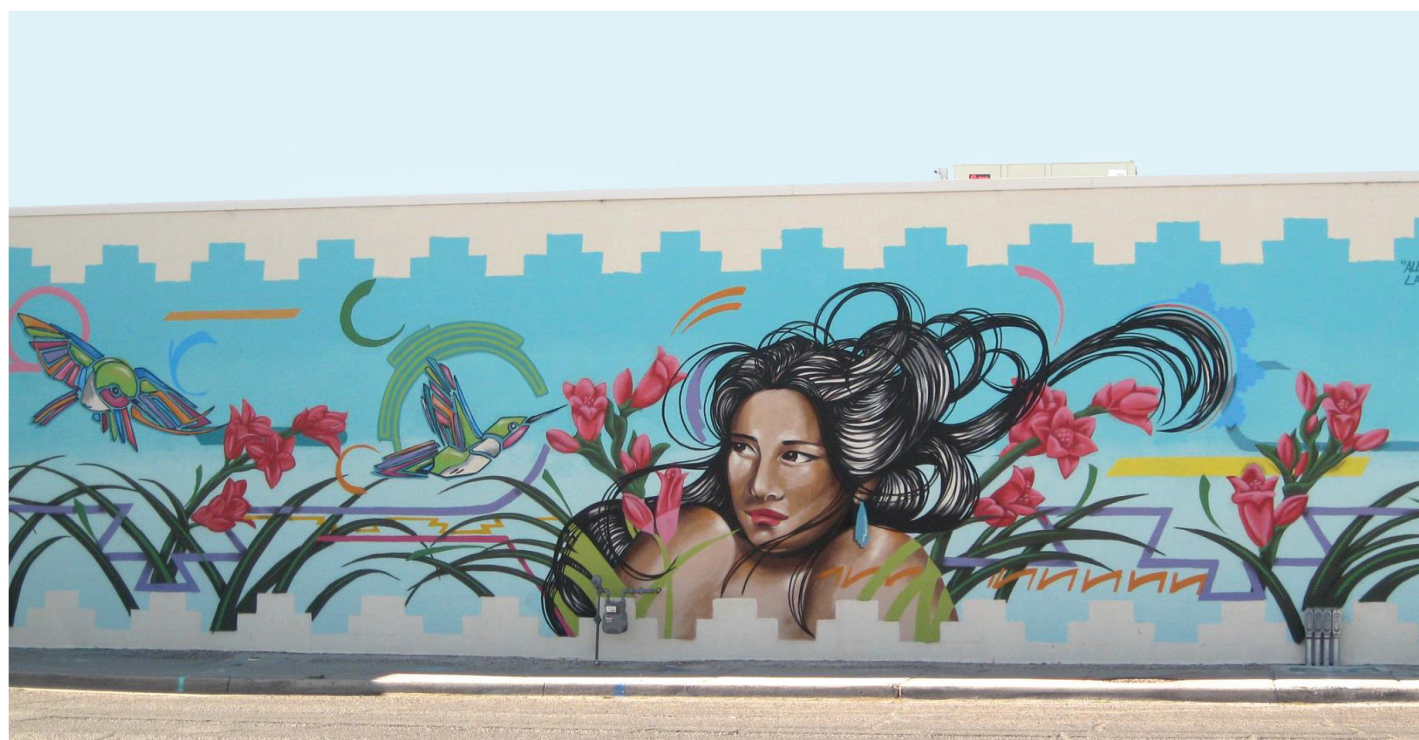
VRA - Vehicle Replacement and Acquisition

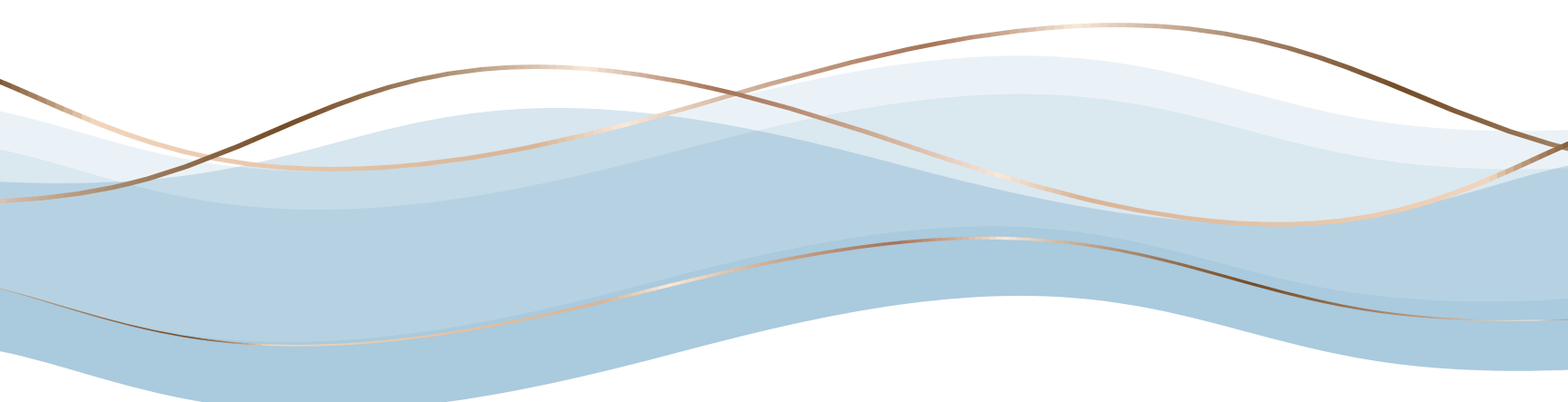
WAVE - Wellness, Alcohol, and Violence Education program

WMIP - Water Management Improvement Project

WW - Wastewater

WWTP - Wastewater Treatment Plant





CITY OF LAS CRUCES



City Council Action and Executive Summary

Type of Action:
☒ Resolution
☐ Ordinance
☐ TIDD Resolution

District:	☒ 1 ☒ 2 ☒ 3 ☒ 4 ☒ 5 ☒ 6 ☐ N/A
1st Reading:	Adopted: May 18, 2026
Drafter:	Cynthia Alamillo
	Department: City Manager's Office
Title:	A RESOLUTION APPROVING THE CAPITAL IMPROVEMENTS PROGRAM (CIP) FOR FISCAL YEAR 2027 THROUGH FISCAL YEAR 2032.

TYPE OF ACTION: ☒ Administrative ☐ Legislative ☐ Quasi-Judicial

PURPOSE(S) OF ACTION:
To approve the Capital Improvements Program for Fiscal Year 2027 through Fiscal Year 2032.

BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:
The Capital Improvements Program (CIP) is a six-year program that identifies the infrastructure and capital funding, and funding needs. One year of funded projects is followed by five unfunded years identifying future needs.

Projects are listed under the following categories: Active Transportation, Airport, Attainable/Affordable Housing, City Operational Facilities, Equipment & IT, Non-Profit, Other, Park Improvements, Parks - New, Public Facilities, Public Safety (Police and Fire), Public Transit, Resiliency, Streets - New, Street Improvements, and Utilities. Non-Profit Organizations are external to the City of Las Cruces for which fiscal agent or lease agreements have been approved.

The projects also identify the organizational units: Economic Development, Facilities Management, Las Cruces Airport, Parks & Recreation, Police Department, Fire Department, Public Works, Quality of Life, RoadRUNNER Transit, Sustainability, Utilities, Housing and Neighborhood Services, Communications, and Visit Las Cruces.

Within each category, projects may be listed in one or more of the following types: Newly Funded, Carryover, Annual, and Future. Newly Funded projects are intended to receive funding in FY2027 for the first time. Carryover projects are those which had funding in fiscal years prior to FY2027. Annual projects are ongoing projects that receive funding each fiscal year. Future projects are planned projects for which funding has not been identified or allocated.

SUPPORT INFORMATION:
[Exhibit "A" - FY2027-2032 CIP](#)

PLAN(S):
Elevate Las Cruces

COMMITTEE/BOARD REVIEW:
None

DOES THIS AMEND THE BUDGET?:

- ☐ Yes
☒ No

Does this action amend the Capital Improvement Plan (CIP)?

- ☒ Yes
☐ No

OPTIONS / ALTERNATIVES:

1. Vote "Yes"; this will approve the City of Las Cruces FY2027 through FY2032 CIP.
2. Vote "No"; this will not approve the City of Las Cruces FY2027 through FY2032 CIP.
3. Vote to "Amend"; this could potentially amend the City of Las Cruces FY2027 through FY2032 CIP, requiring pages in the program document be added, deleted or modified.
4. Vote to "Table"; this will delay the requirements for submittal to the New Mexico Department of Finance and Administration for the 2027 Legislative Session.

RESOLUTION 26-143

A RESOLUTION APPROVING THE CAPITAL IMPROVEMENTS PROGRAM (CIP) FOR FISCAL YEAR 2027 THROUGH FISCAL YEAR 2032.

The City Council is informed that:

WHEREAS, the Capital Improvements Program (CIP) is a six-year program that identifies capital projects that address capital needs to build, replace, expand, and improve infrastructure and systems; and

WHEREAS, pursuant to Article III. Section 3.02 of the City Charter, the CIP must be prepared and submitted to the City Council to keep the Council fully advised of the current and future needs of the city; and

WHEREAS, pursuant to Article V. Section 5.06 of the City Charter, a CIP retreat was held on January 28, 2026; in addition, a work session on March 23, 2026; and a public hearing for the proposed CIP was held on April 13, 2026; and

WHEREAS, in accordance with the provisions of Article VI. Section 6.03 of the City Charter, the financing and location of capital improvements is guided by the City's Comprehensive Plan, Elevate Las Cruces.

NOW, THEREFORE, Be it Resolved by the Governing Body of the City of Las Cruces:

(I)

THAT the Capital Improvements Program (CIP) for FY2027 through FY2032, attached hereto and made part of this resolution as Exhibit "A", is hereby approved and authorized to be the basis for submission to the "Infrastructure Capital Improvement Plan" of the State of New Mexico Department of Finance and Administration.

(II)

THAT City staff is hereby authorized to do all deeds as necessary in the accomplishment of the herein above.

DONE AND APPROVED this day of

APPROVED

ATTEST:

Moved by:

Seconded by:

AYES

NAYS

CITY OF LAS CRUCES

Capital Improvements Program (CIP)

Exhibit "A"

FY2027 - FY2032									
Project Title	Department	Funded FY 2027	Unfunded					Funding Source(s)	
			FY 2028	FY 2029	FY 2030	FY 2031	FY 2032		
Active Transportation		\$	\$	\$	\$	\$	\$	\$	
Active Transportation - Newly Funded		\$-	\$-	\$-	\$-	\$-	\$-	\$-	
Active Transportation - Carryover		\$ 3,493,757.48	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	
Active Transportation		\$ 3,493,757.48	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	-
Active Transportation Plan Projects	Public Works	\$ 788,101.19	\$-	\$-	\$-	\$-	\$-	\$-	
Madrid Ave Extension - Evelyn St to N Triviz Dr	Public Works	\$ 473,389.94	\$-	\$-	\$-	\$-	\$-	\$-	
Melendres Ave/Pittsburg - Hadley to Picacho	Public Works	\$ 1,643,777.18	\$-	\$-	\$-	\$-	\$-	\$-	
Trail Renovations	Parks and Recreations	\$ 95,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	500,000.00	Grants
Dona Ana Move Trail	Parks and Recreations	\$-	\$-	\$-	\$-	\$-	\$-	\$-	-
Tortugas Trail	Parks and Recreations	\$-	\$-	\$-	\$-	\$-	\$-	\$-	-
University Multi-Use Trail Loop	Parks and Recreations	\$ 493,489.17	\$-	\$-	\$-	\$-	\$-	\$-	-
Active Transportation - Annual		\$ 370,000.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	-
Active Transportation ADA Program		\$ 370,000.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	-
ADA Sidewalk Projects	Public Works	\$ 370,000.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	Taxes
Active Transportation - Future		\$-	\$-	\$-	\$-	\$-	\$-	\$-	
Subtotal		\$ 3,863,757.48	\$ 650,000.00	\$ 650,000.00	\$ 650,000.00	\$ 650,000.00	\$ 650,000.00	\$ 650,000.00	

Airport		\$	\$	\$	\$	\$	\$	\$	
Airport - Newly Funded		\$-	\$-	\$-	\$-	\$-	\$-	\$-	
Airport - Carryover		\$ 7,741,153.38	\$ 345,000.00	\$-	\$-	\$-	\$-	\$-	
Airport Improvements,Pavement Maintenance, and Equipment	Airport	\$ 6,541,931.66	\$-	\$-	\$-	\$-	\$-	\$-	Grants
LRU Airport Automated Weather Observation System (AWOS) and Rotating Beacon	Airport	\$ 1,105,147.62	\$ 345,000.00	\$-	\$-	\$-	\$-	\$-	Grants
LRU Runway Improvements		\$ 71,401.66	\$-	\$-	\$-	\$-	\$-	\$-	-
LRU Runways 8-26 and 12-30 Blast Pads	Airport	\$ 71,401.66	\$-	\$-	\$-	\$-	\$-	\$-	Grants
LRU Airport Infrastructure Improvements	Airport	\$ 22,672.44	\$-	\$-	\$-	\$-	\$-	\$-	Grants
Airport - Annual		\$-	\$ 285,000.00	\$ 285,000.00	\$ 285,000.00	\$ 285,000.00	\$ 285,000.00	\$ 285,000.00	
LRU Pavement Maintenance Program	Airport	\$-	\$ 200,000.00	\$ 200,000.00	\$ 200,000.00	\$ 200,000.00	\$ 200,000.00	\$ 200,000.00	-
LRU Pavement Striping/Marking Maintenance Program	Airport	\$-	\$ 85,000.00	\$ 85,000.00	\$ 85,000.00	\$ 85,000.00	\$ 85,000.00	\$ 85,000.00	-
Airport - Future		\$-	\$ 5,119,000.00	\$ 12,550,000.00	\$ 39,070,000.00	\$ 23,600,000.00	\$ 30,500,000.00	\$ 30,500,000.00	
LRU Runway Improvements		\$-	\$-	\$-	\$ 25,000,000.00	\$ 12,000,000.00	\$ 30,500,000.00	\$ 30,500,000.00	
LRU Runway 12/30 Extension	Airport	\$-	\$-	\$-	\$-	\$ 2,000,000.00	\$ 15,500,000.00	\$ 15,500,000.00	-
Runway 8/26 Extension	Airport	\$-	\$-	\$-	\$ 25,000,000.00	\$ 10,000,000.00	\$ 15,000,000.00	\$ 15,000,000.00	-
LRU Runway 4-22 Rehabilitation	Airport	\$-	\$-	\$-	\$-	\$-	\$-	\$-	-
LRU Airline Ground Support Equipment Facility Design and Construction	Airport	\$-	\$-	\$ 1,250,000.00	\$-	\$-	\$-	\$-	-
LRU Airport Maintenance Equipment	Airport	\$-	\$ 750,000.00	\$-	\$-	\$-	\$-	\$-	-
LRU Apron West Rehabilitation	Airport	\$-	\$-	\$-	\$ 70,000.00	\$-	\$-	\$-	-
LRU ARFF (Airport Rescue and Fire Fighting) Index B Equipment Upgrades	Airport	\$-	\$-	\$ 1,600,000.00	\$-	\$-	\$-	\$-	-
LRU Commercial Hangar Design and Construction	Airport	\$-	\$-	\$ 2,850,000.00	\$-	\$-	\$-	\$-	-
LRU East Road Extensions/Improvements	Airport	\$-	\$-	\$-	\$ 1,000,000.00	\$ 10,200,000.00	\$-	\$-	-
LRU Fuel Farm Relocation and Expansion	Airport	\$-	\$-	\$ 1,900,000.00	\$-	\$-	\$-	\$-	-
LRU Maintenance Facility Design and Construction	Airport	\$-	\$-	\$ 500,000.00	\$ 1,000,000.00	\$ 300,000.00	\$-	\$-	-
LRU Multi-Modal Public Passenger Transit Facility	Airport	\$-	\$-	\$-	\$ 2,500,000.00	\$-	\$-	\$-	-

CITY OF LAS CRUCES

Capital Improvements Program (CIP)

FY2027 - FY2032

Project Title	Department	Funded FY 2027	Unfunded					Funding Source(s)
			FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	
Airport (continued)		\$	\$	\$	\$	\$	\$	
LRU Passenger Terminal Design and Construction	Airport	\$-	\$-	\$ 1,000,000.00	\$ 9,000,000.00	\$-	\$-	-
LRU Passenger Terminal Parking Design and Construction	Airport	\$-	\$-	\$-	\$ 500,000.00	\$ 1,100,000.00	\$-	-
LRU Taxi Lane Extensions/Improvements	Airport	\$-	\$-	\$ 3,450,000.00	\$-	\$-	\$-	-
Taxiway C Rehabilitation	Airport	\$-	\$ 4,369,000.00	\$-	\$-	\$-	\$-	-
Subtotal		\$ 7,741,153.38	\$ 5,749,000.00	\$ 12,835,000.00	\$ 39,355,000.00	\$ 23,885,000.00	\$ 30,785,000.00	

Attainable/Affordable Housing		\$	\$	\$	\$	\$	\$	
Attainable/Affordable Housing - Newly Funded		\$-	\$-	\$-	\$-	\$-	\$-	
Attainable/Affordable Housing - Carryover		\$ 22,088,294.37	\$ 7,300,000.00	\$ 7,050,000.00	\$ 7,050,000.00	\$ 5,050,000.00	\$-	
Affordable Housing Trust Fund and Land Bank Projects	Attainable/Affordable Housing	\$ 4,972,334.00	\$ 5,050,000.00	\$ 5,050,000.00	\$ 5,050,000.00	\$ 5,050,000.00	\$-	Bonds & Loans
Arcadia 4 Subdivision	Attainable/Affordable Housing	\$ 3,087,500.00	\$-	\$-	\$-	\$-	\$-	Bonds & Loans
Paseos Verdes	Attainable/Affordable Housing	\$ 1,039,500.00	\$ 2,000,000.00	\$ 2,000,000.00	\$ 2,000,000.00	\$-	\$-	Grants
<i>Pending 2026 Legislative Appropriation</i>			\$ 200,000.00					
MVCoH Campus Extension (Amador Crossing)	Attainable/Affordable Housing	\$ 12,988,960.37	\$ 250,000.00	\$-	\$-	\$-	\$-	Grants, Taxes
Attainable/Affordable Housing - Annual		\$-	\$-	\$-	\$-	\$-	\$-	
Attainable/Affordable Housing - Future		\$-	\$-	\$-	\$-	\$-	\$-	
Subtotal		\$ 22,088,294.37	\$ 7,300,000.00	\$ 7,050,000.00	\$ 7,050,000.00	\$ 5,050,000.00	\$-	

City Operational Facilities		\$	\$	\$	\$	\$	\$	
City Operational Facilities - Newly Funded		\$-	\$-	\$-	\$-	\$-	\$-	
City Operational Facilities - Carryover		\$ 11,821.60	\$-	\$-	\$-	\$-	\$-	
Safety, Health, Environmental & Emergency		\$ 11,821.60	\$-	\$-	\$-	\$-	\$-	
HR Remodel	Facilities Management	\$ 11,821.60	\$-	\$-	\$-	\$-	\$-	Taxes
City Operational Facilities - Annual		\$-	\$ 520,000.00	\$ 520,000.00	\$ 520,000.00	\$ 520,000.00	\$ 520,000.00	
HVAC Replacement and Upgrade Program	Facilities Management	\$-	\$ 270,000.00	\$ 270,000.00	\$ 270,000.00	\$ 270,000.00	\$ 270,000.00	-
Safety, Health, Environmental & Emergency		\$-	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	-
Safety, Health, Environmental, & Emergency Projects	Facilities Management	\$-	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	-
City Operational Facilities - Future		\$-	\$ 960,000.00	\$ 8,307,550.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	
City Hall Metal Detector and Security Screening Installation	Facilities Management	\$-	\$ 185,000.00	\$-	\$-	\$-	\$-	
Facility Renovation and Expansion		\$-	\$-	\$ 8,232,550.00	\$-	\$-	\$-	
City Hall Expansion	Facilities Management	\$-	\$-	\$ 7,500,000.00	\$-	\$-	\$-	-
City Hall Reception Area Remodel	Facilities Management	\$-	\$-	\$ 732,550.00	\$-	\$-	\$-	-
Office Renovation - Castaneda Service Center	Parks and Recreation	\$-	\$ 100,000.00	\$-	\$-	\$-	\$-	-
Refuse & Recycling Buffers and Enclosures	Facilities Management	\$-	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	-
Satellite Park Maintenance Yard and Facility	Parks and Recreation	\$-	\$ 600,000.00	\$-	\$-	\$-	\$-	-
Subtotal		\$ 11,821.60	\$ 1,480,000.00	\$ 8,827,550.00	\$ 595,000.00	\$ 595,000.00	\$ 595,000.00	

CITY OF LAS CRUCES

Capital Improvements Program (CIP)

FY2027 - FY2032

Project Title	Department	Funded FY 2027	Unfunded					Funding Source(s)
			FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	
Equipment & IT		\$	\$	\$	\$	\$	\$	
Equipment & IT - Newly Funded		\$-	\$-	\$-	\$-	\$-	\$-	
Equipment & IT - Carryover		\$ 491,500.00	\$ 150,000.00	\$ 300,000.00	\$-	\$-	\$-	
Access Channel Capital Improvement	Communications	\$ 181,500.00	\$-	\$-	\$-	\$-	\$-	Other
Senior Program Equipment & Rolling Stock	Quality of Life	\$ 310,000.00	\$ 150,000.00	\$ 300,000.00	\$-	\$-	\$-	Grants
Equipment & IT - Annual		\$-	\$-	\$-	\$-	\$-	\$-	
Equipment & IT - Future		\$-	\$ 250,000.00	\$ 100,000.00	\$-	\$-	\$-	-
Audio and Visual Equipment Upgrades for City Hall	Facilities Management	\$-	\$ 100,000.00	\$ 100,000.00	\$-	\$-	\$-	-
Large Equipment - New and Replacement	Parks & Recreation	\$-	\$ 150,000.00	\$-	\$-	\$-	\$-	-
Subtotal		\$ 491,500.00	\$ 400,000.00	\$ 400,000.00	\$-	\$-	\$-	
Non-profit		\$	\$	\$	\$	\$	\$	
Non-Profit - Newly Funded		\$-	\$-	\$-	\$-	\$-	\$-	
Non-Profit - Carryover		\$ 4,038,876.31	\$ 2,000,000.00	\$ 2,000,000.00	\$ 2,000,000.00	\$ 2,000,000.00	\$ 2,000,000.00	
Jardin de los Niños Re-Roof	Non-Profit	\$ 3,236.27	\$-	\$-	\$-	\$-	\$-	Grants
La Casa, Inc. Safety and Security Improvements	Non-Profit	\$ 239,905.12	\$-	\$-	\$-	\$-	\$-	Grants
MVCH Master Plan Implementation	Public Works	\$ 584,100.00	\$ 2,000,000.00	\$ 2,000,000.00	\$ 2,000,000.00	\$ 2,000,000.00	\$ 2,000,000.00	Grants
<i>Pending 2026 Legislative Appropriation</i>			\$ 434,000.00					
MVCH Health Facility Improvements	Public Works	\$-	\$-	\$-	\$-	\$-	\$-	
MVCH Restroom Showers & Mechanical Room	Public Works	\$ 118,125.00	\$-	\$-	\$-	\$-	\$-	Grants
MV Community of Hope Expansion Remodel	Facilities Management	\$ 316,039.96	\$-	\$-	\$-	\$-	\$-	Grants
The Kitchens at MVCOH	Non-Profit	\$ 2,777,469.96	\$-	\$-	\$-	\$-	\$-	Grants
<i>Pending 2026 Legislative Appropriation</i>			\$ 2,950,000.00					
Non-Profit - Annual		\$-	\$-	\$-	\$-	\$-	\$-	
Non-Profit - Future		\$-	\$ 2,440,000.00	\$-	\$-	\$-	\$-	
El Caldito Upgrades	Non-Profit	\$-	\$-	\$-	\$-	\$-	\$-	-
Jardin de los Niños Security Improvements	Non-Profit	\$-	\$ 200,000.00	\$-	\$-	\$-	\$-	-
MVCH Health Facility		\$-	\$-	\$-	\$-	\$-	\$-	
Health Facility Phase IV	Non-Profit	\$-	\$ 330,000.00	\$-	\$-	\$-	\$-	-
MVCH Driveway and Parking Lot Improvements	Non-Profit	\$-	\$-	\$-	\$-	\$-	\$-	-
MVCH Bldg 1 Solar Project	Non-Profit	\$-	\$ 600,000.00	\$-	\$-	\$-	\$-	-
MVCH Patio to Office Remodel	Non-Profit	\$-	\$ 710,000.00	\$-	\$-	\$-	\$-	-
MVCH Solar Parking Structure	Non-Profit	\$-	\$ 600,000.00	\$-	\$-	\$-	\$-	-
Subtotal		\$ 4,038,876.31	\$ 4,440,000.00	\$ 2,000,000.00	\$ 2,000,000.00	\$ 2,000,000.00	\$ 2,000,000.00	

CITY OF LAS CRUCES

Capital Improvements Program (CIP)

FY2027 - FY2032

Project Title	Department	Funded FY 2027	Unfunded					Funding Source(s)
			FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	
Other		\$	\$	\$	\$	\$	\$	
Other - Newly Funded		\$-	\$-	\$-	\$-	\$-	\$-	
Other - Carryover		\$ 879,684.57	\$-	\$-	\$-	\$-	\$-	
Regional Bookmobile Acquisition	Quality of Life	\$ 328,205.00	\$-	\$-	\$-	\$-	\$-	Grants
ASCMV Kennel Room Improvements	Public Works	\$ 280,000.00						
ASCMV Surgical Suite Improvements	Public Works	\$ 50,000.00						
Las Cruces Innovation & Industrial Park (LCIIP) Entry Sign	Economic Development	\$ 221,479.57	\$-	\$-	\$-	\$-	\$-	Taxes
Other - Annual		\$-	\$-	\$-	\$-	\$-	\$-	
Other - Future		\$-	\$-	\$-	\$-	\$-	\$-	
Subtotal		\$ 879,684.57	\$-	\$-	\$-	\$-	\$-	

Park Improvements		\$	\$	\$	\$	\$	\$	\$
Park Improvements - Newly Funded		\$-	\$-	\$-	\$-	\$-	\$-	\$-
Legacy Parks Improvements Program		\$-	\$-	\$-	\$-	\$-	\$-	\$-
Apodaca Park Improvements	Parks & Recreation	\$-	\$-	\$-	\$-	\$-	\$-	\$-
<i>Pending 2026 Legislative Appropriation</i>			\$ 3,000,000.00					
Park Improvements - Carryover		\$ 7,034,639.96	\$ 8,886,590.00	\$ 3,324,007.19	\$ 2,830,000.00	\$ 2,955,000.00	\$ 3,080,000.00	
Apodaca Park Aquatic Playground and Multi-Use Path	Parks & Recreation	\$ 3,243,410.36	\$ 3,756,590.00	\$-	\$-	\$-	\$-	Grants, PIF, Taxes
Benavidez Community Center Park Improvements	Parks & Recreation	\$ 715,304.36	\$-	\$ 619,007.19	\$-	\$-	\$-	Grants, PIF
Legacy Parks Improvements Program		\$ 1,433,475.86	\$ 5,075,000.00	\$ 2,650,000.00	\$ 2,775,000.00	\$ 2,900,000.00	\$ 3,025,000.00	
Legacy Parks Improvements Projects	Parks & Recreation	\$ 1,382,888.12	\$ 5,075,000.00	\$ 2,650,000.00	\$ 2,775,000.00	\$ 2,900,000.00	\$ 3,025,000.00	Grants, Telshor
Valley View Park Improvements	Parks & Recreation	\$ 50,587.74	\$-	\$-	\$-	\$-	\$-	-
Park Drinking Fountains	Parks & Recreation	\$ 951,701.50	\$ 55,000.00	\$ 55,000.00	\$ 55,000.00	\$ 55,000.00	\$ 55,000.00	Telshor
Pioneer Women's Park improvements	Parks & Recreation	\$ 682,039.35	\$-	\$-	\$-	\$-	\$-	Grants
Parks and Fields Lighting Program		\$ 8,708.53	\$-	\$-	\$-	\$-	\$-	\$-
Heske Garden Lighting Replacement	Parks & Recreation	\$ 8,708.53	\$-	\$-	\$-	\$-	\$-	Grants
Park Improvements - Annual		\$ 1,768,092.35	\$ 2,900,000.00	\$ 2,400,000.00	\$ 2,400,000.00	\$ 2,400,000.00	\$ 2,400,000.00	
Parks Shade Structures Improvements Program		\$ 23,250.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	
Shade Structure Replacement Projects	Parks & Recreation	\$ 23,250.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	Taxes
Parks Restroom Improvements Program		\$ 500,000.00	\$ 1,000,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	
Park Restroom Projects	Parks & Recreation	\$ 500,000.00	\$ 1,000,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	PIF
Park Sidewalk and Path Improvements Program		\$ 65,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	
Park Sidewalk Repair Projects	Parks & Recreation	\$ 65,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	Taxes
Playground Improvements Program		\$ 1,179,842.35	\$ 1,800,000.00	\$ 1,800,000.00	\$ 1,800,000.00	\$ 1,800,000.00	\$ 1,800,000.00	
Playground Improvements Projects	Parks & Recreation	\$ 1,179,842.35	\$ 1,800,000.00	\$ 1,800,000.00	\$ 1,800,000.00	\$ 1,800,000.00	\$ 1,800,000.00	Telshor, PIF
Skate Park Improvements	Parks & Recreation	\$-	\$-	\$-	\$-	\$-	\$-	-
Park Improvements - Future		\$-	\$ 11,060,000.00	\$ 9,750,000.00	\$ 6,150,000.00	\$ 288,846.00	\$ 1,399,614.00	
Burn Lake Improvements	Parks & Recreation	\$-	\$ 3,500,000.00	\$ 3,000,000.00	\$ 3,000,000.00	\$-	\$-	-
Four Field Baseball/Softball Complex	Parks & Recreation	\$-	\$ 6,450,000.00	\$ 6,000,000.00	\$ 3,000,000.00	\$-	\$-	-
Frigger Park Tennis to Mini-pitch Court Conversion	Parks & Recreation	\$-	\$ 350,000.00	\$-	\$-	\$-	\$-	-

CITY OF LAS CRUCES

Capital Improvements Program (CIP)

FY2027 - FY2032

Project Title	Department	Funded FY 2027	Unfunded				Funding Source(s)
			FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
Park Improvements (continued)		\$	\$	\$	\$	\$	\$
Parks and Fields Lighting Program		\$-	\$ 235,000.00	\$ 600,000.00	\$-	\$-	\$-
Pioneer Park Lighting	Parks & Recreation	\$-	\$ 185,000.00	\$-	\$-	\$-	-
Munson Garden Park Lighting	Parks & Recreation	\$-	\$ 50,000.00	\$-	\$-	\$-	-
Sports Field Lighting	Parks & Recreation	\$-	\$-	\$ 600,000.00	\$-	\$-	-
Parks Parking Lot Program		\$-	\$ 375,000.00	\$-	\$-	\$-	\$-
Maag Ballfield Parking Lot Rehabilitation	Parks & Recreation	\$-	\$ 375,000.00	\$-	\$-	\$-	-
Parks and Recreational Facilities Enhancements	Parks & Recreation	\$-	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	-
Legacy Parks Improvements Program		\$-	\$-	\$-	\$-	\$ 138,846.00	\$ 1,249,614.00
Salopek/ Stull Park Expansion and Improvements	Parks & Recreation	\$-	\$-	\$-	\$-	\$ 138,846.00	\$ 1,249,614.00
Subtotal		\$ 8,802,732.31	\$ 22,846,590.00	\$ 15,474,007.19	\$ 11,380,000.00	\$ 5,643,846.00	\$ 6,879,614.00

Park New		\$	\$	\$	\$	\$	\$
Parks - New - Newly Funded		\$-	\$-	\$-	\$-	\$-	\$-
Parks - New - Carryover		\$ 4,270,123.90	\$ 5,454,317.00	\$ 920,000.00	\$ 920,000.00	\$ 920,000.00	\$ 920,000.00
Bike Park	Parks & Recreation	\$ 2,000,000.00	\$ 3,601,690.00	\$-	\$-	\$-	Grants, PIF
Chandler Tank Park Phase 1	Parks & Recreation	\$ 465,813.17	\$-	\$-	\$-	\$-	Bond, Taxes, PIF
Developer Neighborhood Park Reimbursement	Parks & Recreation	\$ 1,054,895.22	\$ 920,000.00	\$ 920,000.00	\$ 920,000.00	\$ 920,000.00	PIF
East Mesa Public Safety Area Park	Parks & Recreation	\$ 100,000.00	\$ 200,000.00	\$-	\$-	\$-	PIF
Highland Park	Parks & Recreation	\$ 142,589.91	\$-	\$-	\$-	\$-	PIF, Taxes
Veteran's Memorial Park Enhancements	Parks & Recreation	\$ 235,000.00	\$-	\$-	\$-	\$-	Capital Outlay
Villa Mora Dam Park	Parks & Recreation	\$ 271,825.60	\$ 732,627.00	\$-	\$-	\$-	PIF
Parks - New - Annual		\$ 793,250.00	\$ 1,824,000.00	\$ 1,824,000.00	\$ 1,824,000.00	\$ 1,824,000.00	\$ 1,824,000.00
Land Acquisition, Planning, and Design for Parks	Parks & Recreation	\$ 293,250.00	\$ 300,000.00	\$ 300,000.00	\$ 300,000.00	\$ 300,000.00	PIF
Neighborhood Parks	Parks & Recreation	\$ 500,000.00	\$ 1,524,000.00	\$ 1,524,000.00	\$ 1,524,000.00	\$ 1,524,000.00	PIF
Parks - New - Future		\$-	\$-	\$-	\$ 612,200.00	\$ 4,073,400.00	\$ 4,073,400.00
Metro Verde Community Park	Parks & Recreation	\$-	\$-	\$-	\$ 612,200.00	\$ 4,073,400.00	\$ 4,073,400.00
Subtotal		\$ 5,063,373.90	\$ 7,278,317.00	\$ 2,744,000.00	\$ 3,356,200.00	\$ 6,817,400.00	\$ 6,817,400.00

CITY OF LAS CRUCES

Capital Improvements Program (CIP)

FY2027 - FY2032

Project Title	Department	Funded FY 2027	Unfunded					Funding Source(s)
			FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	
Public Facilities		\$	\$	\$	\$	\$	\$	
Public Facilities - Newly Funded		\$-	\$ 2,962,940.00	\$ 156,470.00	\$ 156,470.00	\$ 156,470.00	\$-	
Eastside Purchase and Renovation	Quality of Life	\$-	\$ 2,575,000.00	\$-	\$-	\$-	\$-	-
Pending 2026 Legislative Appropriation			\$ 1,025,000.00					
WIA Building (Women's Improvement Association) Rehabilitation	Facilities Management	\$-	\$ 387,940.00	\$ 156,470.00	\$ 156,470.00	\$ 156,470.00	\$-	-
Pending 2026 Legislative Appropriation			\$ 900,000.00					
Public Facilities - Carryover		\$ 18,449,862.96	\$ 38,238,997.00	\$ 38,090,529.00	\$ 18,798,226.00	\$ 3,785,248.00	\$ 1,026,805.00	
Benavidez Community Center Improvements	Quality of Life	\$ 82,465.45	\$-	\$-	\$-	\$-	\$-	Capital Outlay
Branigan Cultural Center Improvements	Quality of Life	\$ 1,000,000.00	\$ 1,000,000.00	\$ 2,000,000.00	\$ 1,200,000.00	\$-	\$-	Grants
Direct Current Fast Charing (DCFC) for Electric Vehicles	Sustainability	\$ 522,420.08	\$ 2,113,680.00	\$-	\$-	\$-	\$-	Grants
East Mesa Public Recreational Complex	Public Works	\$ 1,514,751.53	\$ 10,000,000.00	\$ 10,000,000.00	\$ 10,000,000.00	\$ 2,785,248.00	\$ 26,805.00	Capital Outlay, PIF, Bonds, Taxes
Pending 2026 Legislative Appropriation			\$ 250,000.00					
Electrical Vehicle Fleet Chargers	Facilities Management	\$ 46,618.92	\$-	\$-	\$-	\$-	\$-	Taxes
Facility Renovation and Expansion		\$ 10,443,094.24	\$ 17,560,642.00	\$ 18,107,495.00	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00	
MoNaS Nature Center Redesign	Public Works	\$ 445,500.00	\$-	\$-	\$-	\$-	\$-	Capital Outlay
East Mesa Multi-Generational Center Expansion (Sage Café)	Quality of Life	\$ 3,052,170.00	\$ 250,000.00	\$-	\$-	\$-	\$-	Capital Outlay
Amador Hotel Renovation	Quality of Life	\$ 4,344,433.10	\$ 2,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00	TIDD, Grants
Branigan Library Renovation and Expansion	Quality of Life	\$ 1,008,607.85	\$ 15,310,642.00	\$ 17,107,495.00	\$-	\$-	\$-	TIDD, Capital Outlay
Pending 2026 Legislative Appropriation			\$ 1,700,000.00					
Meerscheidt Recreation Center - Remodel/Expansion	Parks & Recreation	\$ 1,352,114.25	\$-	\$-	\$-	\$-	\$-	Bonds
Munson Senior Center Renovations	Quality of Life	\$ 240,269.04	\$-	\$-	\$-	\$-	\$-	Grants
GO Bond 2022- E. Mesa Recreation Complex	Public Works	\$ 200,188.78	\$-	\$-	\$-	\$-	\$-	Bonds
GO Bond 2022- Parks Improvements	Public Works	\$ 990,449.50	\$-	\$-	\$-	\$-	\$-	Bonds
Municipal Court Rehabilitation	Facilities Management	\$ 50,930.53	\$ 6,668,226.00	\$ 6,598,226.00	\$ 6,598,226.00	\$-	\$-	Bonds
Plaza Shade Structures	Economic Development	\$ 2,423,856.68	\$-	\$-	\$-	\$-	\$-	TIDD
Public Art Rollover Funding	Quality of Life	\$ 88,837.25	\$ 200,000.00	\$-	\$-	\$-	\$-	Taxes
Roof Replacement Program		\$ 1,086,250.00	\$ 696,449.00	\$ 1,384,808.00	\$-	\$-	\$-	
Museum of Art/MoNaS Re-Roof	Facilities Management	\$ 815,000.00	\$ 578,449.00	\$ 1,384,808.00	\$-	\$-	\$-	Bonds, TIDD
Rio Grande Theater Re-Roof	Facilities Management	\$ 271,250.00	\$ 118,000.00	\$-	\$-	\$-	\$-	TIDD
Public Facilities - Annual		\$ 848,923.00	\$ 6,148,427.00	\$ 3,163,600.00	\$ 3,163,600.00	\$ 3,163,600.00	\$ 3,163,600.00	-
Convention Center FF&E	Visit Las Cruces	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	
Downtown Parking Lot	Facilities Management	\$-	\$ 280,500.00	\$ 280,500.00	\$ 280,500.00	\$ 280,500.00	\$ 280,500.00	TIDD
Facilities ADA Program		\$ 297,000.00	\$ 301,000.00	\$ 261,000.00	\$ 261,000.00	\$ 261,000.00	\$ 261,000.00	
ADA Facilities Compliance Projects	Facilities Management	\$ 297,000.00	\$ 301,000.00	\$ 261,000.00	\$ 261,000.00	\$ 261,000.00	\$ 261,000.00	Capital Outlay
General Facilities Improvement Program		\$ 102,300.00	\$ 1,000,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	
General Facilities Improvement Projects	Facilities Management	\$ 102,300.00	\$ 1,000,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	-
Generator Buffer Program		\$-	\$ 80,000.00	\$ 80,000.00	\$ 80,000.00	\$ 80,000.00	\$ 80,000.00	
Generator Buffer Projects	Facilities Management	\$-	\$ 80,000.00	\$ 80,000.00	\$ 80,000.00	\$ 80,000.00	\$ 80,000.00	-
Generator Replacement Program		\$-	\$ 622,500.00	\$ 200,000.00	\$ 200,000.00	\$ 200,000.00	\$ 200,000.00	
Generator Replacement Projects	Facilities Management	\$-	\$ 200,000.00	\$ 200,000.00	\$ 200,000.00	\$ 200,000.00	\$ 200,000.00	
East Mesa Center Emergency Generator (Sage Café)	Quality of Life	\$-	\$ 422,500.00	\$-	\$-	\$-	\$-	-
Parks Parking Lots		\$-	\$ 350,000.00	\$ 350,000.00	\$ 350,000.00	\$ 350,000.00	\$ 350,000.00	
Parks Parking Lot Projects	Parks & Recreation	\$-	\$ 350,000.00	\$ 350,000.00	\$ 350,000.00	\$ 350,000.00	\$ 350,000.00	TIDD
Roof Replacement Program		\$ 199,623.00	\$ 1,388,927.00	\$ 336,600.00	\$ 336,600.00	\$ 336,600.00	\$ 336,600.00	
Facility Roof Replacement Projects	Facilities Management	\$ 199,623.00	\$ 1,072,146.00	\$ 336,600.00	\$ 336,600.00	\$ 336,600.00	\$ 336,600.00	TIDD
Meerscheidt Recreation Center Re-Roof	Facilities Management	\$-	\$-	\$-	\$-	\$-	\$-	
Castaneda Building Re-Roof	Facilities Management	\$-	\$ 316,781.00	\$-	\$-	\$-	\$-	-

CITY OF LAS CRUCES

Capital Improvements Program (CIP)

FY2027 - FY2032

Project Title	Department	Funded FY 2027	Unfunded					Funding Source(s)
			FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	
Public Facilities (continued)		\$	\$	\$	\$	\$	\$	
Safety, Health, Environmental & Emergency		\$ 175,000.00	\$ 2,050,500.00	\$ 1,080,500.00	\$ 1,080,500.00	\$ 1,080,500.00	\$ 1,080,500.00	
City Security (Callesitas)	Facilities Management	\$ 175,000.00	\$ 555,500.00	\$ 255,500.00	\$ 255,500.00	\$ 255,500.00	\$ 255,500.00	TIDD, Capital Outlay
City Vacant /Abandoned Lots	Facilities Management	\$-	\$ 825,000.00	\$ 825,000.00	\$ 825,000.00	\$ 825,000.00	\$ 825,000.00	TIDD, Capital Outlay
Security & Fire Alarm Program	Facilities Management	\$-	\$ 670,000.00	\$-	\$-	\$-	\$-	-
Public Facilities - Future		\$-	\$ 11,605,500.00	\$ 66,435,000.00	\$ 62,993,500.00	\$ 18,025,000.00	\$ 36,015,000.00	-
Branch Library	Quality of Life	\$-	\$-	\$ 2,000,000.00	\$ 1,500,000.00	\$-	\$ 20,000,000.00	-
City of Las Cruces Multi-use Gymnasiums	Parks & Recreation	\$-	\$-	\$ 1,400,000.00	\$ 12,600,000.00	\$ 1,200,000.00	\$ 10,800,000.00	-
Convention Center Expansion, Maintenance and Repairs	Visit Las Cruces	\$-	\$ 60,000.00	\$-	\$-	\$-	\$-	-
Facility Renovation and Expansion		\$-	\$ 4,740,500.00	\$ 28,350,000.00	\$ 1,311,000.00	\$-	\$-	-
Branigan Library Rehabilitation	Facilities Management	\$-	\$ 249,500.00	\$ 2,750,000.00	\$ 1,111,000.00	\$-	\$-	-
Munson Center Bathrooms	Quality of Life	\$-	\$ 250,000.00	\$-	\$-	\$-	\$-	-
Museum Complex Renovation and Expansion		\$-	\$ 2,600,000.00	\$ 23,000,000.00	\$-	\$-	\$-	-
Railroad Museum Exterior Improvements	Quality of Life	\$-	\$ 375,000.00	\$-	\$-	\$-	\$-	-
Rio Grande Theater Remediation	Economic Development	\$-	\$ 966,000.00	\$-	\$-	\$-	\$-	-
Safe Haven/ Fielder House Remodel	Parks & Recreation	\$-	\$ 100,000.00	\$ 600,000.00	\$-	\$-	\$-	-
Sage Café Library Expansion	Quality of Life	\$-	\$ 200,000.00	\$ 2,000,000.00	\$ 200,000.00	\$-	\$-	-
Facility Parking Lot Program		\$-	\$ 1,250,000.00	\$ 575,000.00	\$ 575,000.00	\$ 575,000.00	\$ 575,000.00	
Frank O' Brien Center Parking Lot Rehabilitation	Facilities Management	\$-	\$ 250,000.00	\$-	\$-	\$-	\$-	-
Meerscheidt Recreation Center Parking Lot	Facilities Management	\$-	\$ 225,000.00	\$ 225,000.00	\$ 225,000.00	\$ 225,000.00	\$ 225,000.00	-
Municipal Court Parking Lot (Downtown Lot #4)	Facilities Management	\$-	\$ 425,000.00	\$-	\$-	\$-	\$-	-
Parks Parking Lot Rehabilitation Projects	Facilities Management	\$-	\$ 350,000.00	\$ 350,000.00	\$ 350,000.00	\$ 350,000.00	\$ 350,000.00	-
High/Low Ropes and Challenge Course	Parks & Recreation	\$-	\$-	\$-	\$-	\$	\$ 350,000.00	-
Legends West Facility Master Plan	Parks & Recreation	\$-	\$ 150,000.00	\$-	\$-	\$ 15,000,000.00	\$-	-
Munson Center Floor	Quality of Life	\$-	\$ 750,000.00	\$-	\$-	\$-	\$-	-
Museum System Collections Storage	Quality of Life	\$-	\$-	\$-	\$ 9,500,000.00	\$-	\$-	-
Multi-Use Recreation Center	Parks & Recreation	\$-	\$ 1,800,000.00	\$ 31,500,000.00	\$ 34,600,000.00	\$-	\$-	-
Pickleball Tournament Complex	Parks & Recreation	\$-	\$-	\$-	\$	\$ 600,000.00	\$ 3,640,000.00	-
Plugged in for Good Community Resilience & Energy Hub	Sustainability	\$-	\$ 295,000.00	\$ 1,900,000.00	\$ 2,032,500.00	\$-	\$-	-
Railroad Museum Reinterpretation	Quality of Life	\$-	\$ 350,000.00	\$ 60,000.00	\$ 225,000.00	\$-	\$-	-
East Mesa Bataan Memorial Outdoor Pool - Ground Stabilization	Parks & Recreation	\$-	\$ 1,200,000.00	\$-	\$-	\$-	\$-	-
Safety, Health, Environmental & Emergency		\$-	\$ 650,000.00	\$ 650,000.00	\$ 650,000.00	\$ 650,000.00	\$ 650,000.00	-
Rehabilitation and Demolition of Vacant Buildings	Facilities Management	\$-	\$ 650,000.00	\$ 650,000.00	\$ 650,000.00	\$ 650,000.00	\$ 650,000.00	-
Sage Cafe Parking Lot Rehabilitation	Quality of Life	\$-	\$ 185,000.00	\$-	\$-	\$-	\$-	-
Senior Programs Master Plan	Quality of Life	\$-	\$ 145,000.00	\$-	\$-	\$-	\$-	-
Youth Development and Diversion Building Shade Structures	Parks & Recreation	\$-	\$ 30,000.00	\$-	\$-	\$-	\$-	-
Subtotal		\$ 19,298,785.96	\$ 58,955,864.00	\$ 107,845,599.00	\$ 85,111,796.00	\$ 25,130,318.00	\$ 40,205,405.00	

CITY OF LAS CRUCES

Capital Improvements Program (CIP)

FY2027 - FY2032								
Project Title	Department	Funded FY 2027	Unfunded				Funding Source(s)	
			FY 2028	FY 2029	FY 2030	FY 2031		
		\$	\$	\$	\$	\$	\$	\$
Public Safety								
Public Safety - Newly Funded		\$-	\$-	\$-	\$-	\$-	\$-	\$-
Public Safety - Carryover		\$ 21,247,129.41	\$ 10,997,163.00	\$-	\$-	\$-	\$-	
Fire Station 4 Remodel	Fire Department	\$ 504,683.30	\$ 1,097,163.00	\$-	\$-	\$-	\$-	Grants, Bonds
Fire Station 9 Build	Public Works	\$ 5,350,895.46	\$-	\$-	\$-	\$-	\$-	Bonds
Police Department Building Renovation	Police Department	\$-	\$ 400,000.00	\$-	\$-	\$-	\$-	-
Police Driving Track	Police Department	\$ 2,500,000.00	\$ 3,500,000.00	\$-	\$-	\$-	\$-	Taxes
<i>Pending 2026 Legislative Appropriation</i>			\$ 2,090,000.00					
Police Department Vehicles and Equipment		\$ 18,913.17	\$ 500,000.00	\$-	\$-	\$-	\$-	
Statewide Critical Incident Response Vehicles	Police Department	\$ 18,913.17	\$ 500,000.00	\$-	\$-	\$-	\$-	Capital Outlay
Safety, Health, Environmental & Emergency		\$ 12,872,637.48	\$ 5,500,000.00	\$-	\$-	\$-	\$-	
Downtown Safety Bollards	Visit Las Cruces	\$-	\$ 500,000.00	\$-	\$-	\$-	\$-	-
MIH and CIT response station	Fire Department	\$ 11,052,400.57	\$ 3,000,000.00	\$-	\$-	\$-	\$-	Grants, Bonds, Capital Outlay
Real Time Crime Center (RTCC)	Police Department	\$ 1,820,236.91	\$ 2,000,000.00	\$-	\$-	\$-	\$-	Capital Outlay
<i>Pending 2026 Legislative Appropriation</i>			\$ 100,000.00					Capital outlay
Public Safety - Annual		\$ 6,500,000.00	\$ 5,363,568.00	\$ 240,000.00	\$-	\$-	\$-	
Fire Department Vehicles and Equipment Program		\$ 5,000,000.00	\$ 3,488,000.00	\$ 240,000.00	\$-	\$-	\$-	
Fire Apparatus	Fire Department	\$ 5,000,000.00	\$-	\$-	\$-	\$-	\$-	Taxes
Fire Station Equipment	Fire Department	\$-	\$ 480,000.00	\$ 240,000.00	\$-	\$-	\$-	-
Fire Station Vehicles	Fire Department	\$-	\$ 3,008,000.00	\$-	\$-	\$-	\$-	-
Fire Station Improvements		\$-	\$ 928,000.00	\$-	\$-	\$-	\$-	
Fire Station 1 Safety Improvements	Fire Department	\$-	\$ 928,000.00	\$-	\$-	\$-	\$-	-
<i>Pending 2026 Legislative Appropriation</i>			\$ 72,000.00					-
Police Department Vehicles and Equipment Program		\$ 1,500,000.00	\$ 947,568.00	\$-	\$-	\$-	\$-	
Public Safety Regional Communication System Improvements	Police Department	\$-	\$ 500,500.00	\$-	\$-	\$-	\$-	-
Public Safety Vehicles	Police Department	\$ 1,500,000.00	\$-	\$-	\$-	\$-	\$-	Taxes
Public Safety Vehicles - Bearcat	Police Department	\$-	\$ 347,068.00	\$-	\$-	\$-	\$-	-
Public Safety Vehicle SWAT Command Vehicle	Police Department	\$-	\$ 100,000.00	\$-	\$-	\$-	\$-	-
Public Safety - Future		\$-	\$ 69,699,392.00	\$ 121,975,000.00	\$ 250,000.00	\$-	\$-	
Downtown Public Safety Complex	Police Department	\$-	\$-	\$ 60,000,000.00	\$-	\$-	\$-	-
Fire Training Facility Classroom and Restrooms	Police Department	\$-	\$ 2,500,000.00	\$ 500,000.00	\$-	\$-	\$-	-
Fires Station Security	Fire Department	\$-	\$ 350,000.00	\$ 250,000.00	\$ 250,000.00	\$-	\$-	-
Fire Stations Improvements		\$-	\$ 2,000,000.00	\$-	\$-	\$-	\$-	
Fire Station 2 Remodel	Fire Department	\$-	\$ 1,000,000.00	\$-	\$-	\$-	\$-	-
Fire Station 5 Remodel	Fire Department	\$-	\$ 1,000,000.00	\$-	\$-	\$-	\$-	-
Facility Parking Lot Program		\$-	\$ 190,000.00	\$ 25,000.00	\$-	\$-	\$-	
Police North Parking Lot Fencing	Police Department	\$-	\$ 140,000.00	\$-	\$-	\$-	\$-	-
Police Parking Lot Resurfacing	Police Department	\$-	\$ 50,000.00	\$ 25,000.00	\$-	\$-	\$-	-
Roof Replacement Program		\$-	\$ 2,852,473.00	\$ 500,000.00	\$-	\$-	\$-	
LCPD Main Re-Roof	Police Department	\$-	\$ 2,498,473.00	\$ 500,000.00	\$-	\$-	\$-	-
LCPD Police Academy Re-Roof	Police Department	\$-	\$ 354,000.00	\$-	\$-	\$-	\$-	-
Police Department Equipment		\$-	\$ 2,700,000.00	\$ 700,000.00	\$-	\$-	\$-	
Police Department Equipment - Axon Body Cameras	Police Department	\$-	\$ 350,000.00	\$ 350,000.00	\$-	\$-	\$-	-
Police Department Equipment - Mobile Data Terminals	Police Department	\$-	\$ 350,000.00	\$ 350,000.00	\$-	\$-	\$-	-
Public Safety Smart Technology	Police Department	\$-	\$ 2,000,000.00	\$-	\$-	\$-	\$-	-

CITY OF LAS CRUCES

Capital Improvements Program (CIP)

FY2027 - FY2032

Project Title	Department	Funded FY 2027	Unfunded					Funding Source(s)
			FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	
Public Safety (continued)		\$	\$	\$	\$	\$	\$	
Police Emergency Vehicles	Police Department	\$-	\$ 1,305,000.00	\$-	\$-	\$-	\$-	-
Police Department Mobile Operation Command Vehicle	Police Department	\$-	\$ 701,919.00	\$-	\$-	\$-	\$-	-
Police/Fire Training Facility - Design/Construct	Police Department	\$-	\$ 45,000,000.00	\$-	\$-	\$-	\$-	-
Police/Fire Training Facility - Furniture, Fixtures, and Equipment	Police Department	\$-	\$ 1,230,000.00	\$-	\$-	\$-	\$-	-
Solar Canopy Protective Screen	Police Department	\$-	\$ 20,000.00					-
Southwest Station Build	Fire Department	\$-	\$ 10,850,000.00	\$ 60,000,000.00	\$-	\$-	\$-	-
Subtotal		\$ 27,747,129.41	\$ 86,060,123.00	\$ 122,215,000.00	\$ 250,000.00	\$-	\$-	

Public Transit		\$	\$	\$	\$	\$	\$	
Public Transit - Newly Funded		\$-	\$-	\$-	\$-	\$-	\$-	
Public Transit - Carryover		\$ 6,939,049.88	\$ 11,387,325.00	\$ 340,525.00	\$ 340,525.00	\$ 340,525.00	\$-	
Resiliency Program		\$ 100,000.00	\$ 5,346,800.00	\$-	\$-	\$-	\$-	
Mesilla Valley Intermodal Transit Terminal (MVITT) Inductive Charging	RoadRunner Transit	\$ 100,000.00	\$ 5,346,800.00	\$-	\$-	\$-	\$-	Grants
Municipal Service Center - Transit	RoadRunner Transit	\$ 151,982.53	\$-	\$-	\$-	\$-	\$-	Grants
Electric Buses	RoadRunner Transit	\$ 6,346,542.35	\$ 5,700,000.00	\$-	\$-	\$-	\$-	Grants
Transit Vehicles 26	RoadRunner Transit	\$ 340,525.00	\$ 340,525.00	\$ 340,525.00	\$ 340,525.00	\$ 340,525.00	\$-	-
Public Transit - Annual		\$-	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	-
Transit Facilities Improvement Program		\$-	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	-
Public Transit - Future		\$-	\$ 6,350,000.00	\$-	\$-	\$-	\$-	-
Battery Storage	RoadRunner Transit	\$-	\$ 3,150,000.00	\$-	\$-	\$-	\$-	-
Solar Array	RoadRunner Transit	\$-	\$ 3,200,000.00	\$-	\$-	\$-	\$-	-
Subtotal		\$ 6,939,049.88	\$ 17,812,325.00	\$ 415,525.00	\$ 415,525.00	\$ 415,525.00	\$ 75,000.00	

Resiliency		\$	\$	\$	\$	\$	\$	
Resiliency - Newly Funded		\$-	\$ 10,000,000.00	\$-	\$-	\$-	\$-	-
South Fork Moreno (Water Retention Pond)	Public Works	\$-	\$ 10,000,000.00					-
Pending 2026 Legislative Appropriation		\$-	\$ 1,000,000.00					-
Resiliency - Carryover		\$ 1,302,683.76	\$ 5,022,174.00	\$ 500,000.00	\$ 500,000.00	\$-	\$-	-
Resiliency Program		\$ 1,132,030.80	\$ 5,022,174.00	\$ 500,000.00	\$ 500,000.00	\$-	\$-	-
Resiliency Projects	Public Works	\$ 755,642.90	\$-	\$-	\$-	\$-	\$-	Taxes
Casa Linda Acres Reconstruction	Public Works	\$ 376,387.90	\$ 4,522,174.00	\$-	\$-	\$-	\$-	Taxes
East Mesa Roads and Drainage	Public Works	\$-	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$-	\$-	-
Solar Photovoltaic/Storage Projects	Sustainability	\$ 170,652.96	\$-	\$-	\$-	\$-	\$-	Grants
Resiliency - Annual		\$ 3,243,375.00	\$ 600,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	-
Drainage Infrastructure Improvements		\$ 3,143,375.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	-
Drainage Infrastructure Improvements	Public Works	\$ 3,143,375.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	Taxes
Resiliency Program		\$ 100,000.00	\$ 100,000.00	\$-	\$-	\$-	\$-	-
Storm Water System Mapping	Public Works	\$ 100,000.00	\$ 100,000.00	\$-	\$-	\$-	\$-	-

CITY OF LAS CRUCES

Capital Improvements Program (CIP)

FY2027 - FY2032

Project Title	Department	Funded FY 2027	Unfunded					Funding Source(s)
			FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	
Resiliency (continued)		\$	\$	\$	\$	\$	\$	
Resiliency - Future		\$-	\$ 5,800,000.00	\$-	\$-	\$-	\$-	-
Fleet Electric Vehicle Chargers	Sustainability	\$-	\$ 400,000.00	\$-	\$-	\$-	\$-	-
Hadley Ave Complex Recreation Rehabilitation	Parks & Recreation	\$-	\$ 5,200,000.00	\$-	\$-	\$-	\$-	-
Public Electric Vehicle Chargers	Sustainability	\$-	\$ 200,000.00	\$-	\$-	\$-	\$-	-
Subtotal		\$ 4,546,058.76	\$ 21,422,174.00	\$ 1,000,000.00	\$ 1,000,000.00	\$ 500,000.00	\$ 500,000.00	

Streets - New		\$	\$	\$	\$	\$	\$	
Streets - New - Newly Funded		\$-	\$ 15,000,000.00	\$-	\$-	\$-	\$-	-
Mesa Grande Drive Extension	Public Works	\$-	\$ 15,000,000.00	\$-	\$-	\$-	\$-	-
<i>Pending 2026 Legislative Appropriation</i>		\$-	\$ 2,050,000.00	\$-	\$-	\$-	\$-	-
Streets - New - Carryover		\$-	\$-	\$-	\$-	\$-	\$-	-
Streets - New - Annual		\$-	\$-	\$-	\$-	\$-	\$-	-
Streets - New - Future		\$-	\$ 37,000,000.00	\$-	\$-	\$-	\$-	-
Las Cruces Innovation & Industrial Park (LCIIP) Infrastructure Improvements	Economic Development	\$-	\$ 5,000,000.00	\$-	\$-	\$-	\$-	-
High Mesa Road	Economic Development	\$-	\$ 32,000,000.00	\$-	\$-	\$-	\$-	-
Subtotal		\$-	\$ 52,000,000.00	\$-	\$-	\$-	\$-	

Streets Improvements		\$	\$	\$	\$	\$	\$	
Streets Improvements - Newly Funded		\$-	\$ 28,000,000.00	\$-	\$-	\$-	\$-	-
Engler Rd From Del Rey Blvd to Thurmond Road	Public Works	\$-	\$ 28,000,000.00	\$-	\$-	\$-	\$-	-
<i>Pending 2026 Legislative Appropriation</i>		\$	\$ 1,000,000.00					-
Streets Improvements - Carryover		\$ 21,222,048.47	\$ 14,331,837.00	\$ 1,570,000.00	\$ 6,850,000.00	\$ 1,570,000.00	\$ 1,570,000.00	-
Complete Streets		\$ 208,891.43	\$ 802,062.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	
Complete Streets Projects	Public Works	\$-	\$-	\$-	\$-	\$-	\$-	
East Mesa Roads and Drainage	Public Works	\$-	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	Grants, Taxes
University Area Complete Streets	Public Works	\$ 208,891.43	\$ 302,062.00	\$-	\$-	\$-	\$-	Capital Outlay
Casa Linda Acres Reconstruction	Public Works	\$ 2,434,989.31	\$ 4,522,174.00	\$-	\$-	\$-	\$-	Grants, Taxes
Downtown Street Improvements		\$ 7,333,503.80	\$-	\$	\$ 5,280,000.00	\$-	\$-	-
Alameda Blvd - S. Main St to W Las Cruces Ave	Public Works	\$ 750,000.00	\$-	\$	\$ 5,280,000.00	\$-	\$-	TIDD, Taxes
Campo Street Design and Reconstruction	Public Works	\$ 6,583,503.80	\$-	\$-	\$-	\$-	\$-	Grants, Taxes, TIDD
E Lohman Ave & S Walnut St Traffic Signal MAP	Public Works	\$ 1,001,182.56	\$ 286,667.00	\$-	\$-	\$-	\$-	Grants, Taxes
Johnson St - Rouault Ave to Topley Ave	Public Works	\$ 108,928.44	\$ 631,424.00	\$-	\$-	\$-	\$-	Grants, Taxes
Lift Up Las Cruces - Street Improvements		\$ 1,567,773.64	\$ 1,800,000.00	\$-	\$-	\$-	\$-	-
Sacramento St - Poplar Ave to Oasis Ave	Public Works	\$ 1,567,773.64	\$ 1,800,000.00	\$-	\$-	\$-	\$-	Grants, Taxes
Madrid Ave Extension - Evelyn St to N Triviz Dr	Public Works	\$-	\$-	\$-	\$-	\$-	\$-	Grants, Taxes
N Alameda Blvd & Hoagland Rd Intersection Improvements	Public Works	\$ 1,500,000.00	\$-	\$-	\$-	\$-	\$-	Taxes
Median Landscaping Program		\$ 422,331.12	\$ 1,070,000.00	\$ 1,070,000.00	\$ 1,070,000.00	\$ 1,070,000.00	\$ 1,070,000.00	-
Medians Projects	Parks & Recreation	\$ 422,331.12	\$ 1,070,000.00	\$ 1,070,000.00	\$ 1,070,000.00	\$ 1,070,000.00	\$ 1,070,000.00	Grants, Taxes
Street Lighting & Traffic Signal Maintenance Program		\$ 896,694.84	\$-	\$-	\$-	\$-	\$-	-
Mesquite Historic District	Public Works	\$ 896,694.84	\$-	\$-	\$-	\$-	\$-	Grants, Taxes
South Main St - Avenida de Mesilla to Boutz	Public Works	\$ 4,549,046.28	\$ 5,219,510.00	\$-	\$-	\$-	\$-	Bonds & Loans
Elshor Spruce Intersection Improvements	Public Works	\$ 249,545.29	\$-	\$-	\$-	\$-	\$-	Grants, Taxes

CITY OF LAS CRUCES

Capital Improvements Program (CIP)

FY2027 - FY2032

Project Title	Department	Funded FY 2027	Unfunded					Funding Source(s)
			FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	
Streets Improvements (continued)		\$	\$	\$	\$	\$	\$	
Traffic Signal Program		\$ 949,161.76	\$-	\$-	\$-	\$-	\$-	-
Bataan Memorial at Rinconada	Public Works	\$ 949,161.76	\$-	\$-	\$-	\$-	\$-	-
Streets Improvements - Annual		\$ 5,287,615.00	\$ 12,065,525.00	\$ 16,815,525.00	\$ 14,460,525.00	\$ 1,360,525.00	\$ 1,360,525.00	-
Drainage Infrastructure Improvements		\$ 15,450.00	\$ 80,000.00	\$ 80,000.00	\$ 80,000.00	\$ 80,000.00	\$ 80,000.00	-
CO-OP Match	Public Works	\$ 15,450.00	\$ 80,000.00	\$ 80,000.00	\$ 80,000.00	\$ 80,000.00	\$ 80,000.00	Taxes
Land Acquisition - Public Works	Public Works	\$ 243,740.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$-	\$-	Grants, Taxes
Materials Testing	Public Works	\$ 240,000.00	\$ 240,000.00	\$ 240,000.00	\$ 240,000.00	\$-	\$-	Grants, Taxes
Municipal Arterial Program (M.A.P.) Match	Public Works	\$ 75,000.00	\$ 165,000.00	\$ 165,000.00	\$ 165,000.00	\$ 165,000.00	\$ 165,000.00	Taxes
Neighborhood Traffic Calming Program		\$-	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00	\$-	\$-	-
Neighborhood Traffic Calming Program	Public Works	\$-	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00	\$-	\$-	Grants, Taxes
Pavement Condition Index Improvements		\$ 1,600,000.00	\$ 6,300,000.00	\$ 6,300,000.00	\$ 6,300,000.00	\$-	\$-	-
Pavement Condition Index Improvements	Public Works	\$ 1,600,000.00	\$ 6,300,000.00	\$ 6,300,000.00	\$ 6,300,000.00	\$-	\$-	Grants, Taxes
Pavement Marking Program		\$ 198,900.00	\$ 250,000.00	\$ 500,000.00	\$ 250,000.00	\$-	\$-	-
Pavement Marking Program	Public Works	\$ 198,900.00	\$ 250,000.00	\$ 500,000.00	\$ 250,000.00	\$-	\$-	Grants, Taxes
Roadway Maintenance Program		\$ 1,789,000.00	\$ 2,565,000.00	\$ 2,565,000.00	\$ 460,000.00	\$ 460,000.00	\$ 460,000.00	-
Chip Seal Program	Public Works	\$ 200,000.00	\$ 210,000.00	\$ 210,000.00	\$ 210,000.00	\$ 210,000.00	\$ 210,000.00	Grants, Taxes
Roadway Maintenance Program	Public Works	\$ 1,339,000.00	\$ 2,105,000.00	\$ 2,105,000.00	\$-	\$-	\$-	Grants, Taxes
Unpaved Roads	Public Works	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	Grants, Taxes
Street Lighting & Traffic Signal Maintenance Program		\$ 700,000.00	\$ 1,000,000.00	\$ 5,500,000.00	\$ 5,500,000.00	\$ 500,000.00	\$ 500,000.00	-
Street Lighting and Traffic Signal Maintenance	Public Works	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	Grants, Taxes
Las Cruces Street Lighting Management System	Public Works	\$ 200,000.00	\$ 500,000.00	\$ 5,000,000.00	\$ 5,000,000.00	\$-	\$-	Capital Outlay
Street Lighting Management System	Public Works	\$-	\$-	\$-	\$-	\$-	\$-	-
Traffic Signal Program		\$ 300,000.00	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00	\$-	\$-	-
Transportation System Modernization (ITS)	Public Works	\$ 300,000.00	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00	\$-	\$-	Capital Outlay
Weed Control & Maintenance Program		\$ 125,525.00	\$ 155,525.00	\$ 155,525.00	\$ 155,525.00	\$ 155,525.00	\$ 155,525.00	-
Weed Control & Maintenance Program	Public Works	\$ 125,525.00	\$ 155,525.00	\$ 155,525.00	\$ 155,525.00	\$ 155,525.00	\$ 155,525.00	Grants, Taxes
Streets Improvements - Future		\$-	\$ 68,122,025.93	\$ 25,490,374.96	\$ 14,437,427.87	\$ 3,290,000.00	\$ 18,130,000.00	-
Advancement Ave Expansion	Economic Development	\$-	\$ 516,383.56	\$-	\$-	\$-	\$-	-
Armijo St - W Organ Ave to W Mountain Ave	Public Works	\$-	\$ 2,240,000.00	\$ 1,800,000.00	\$-	\$-	\$-	-
Armijo St - W Picacho Ave to Parker Rd	Public Works	\$-	\$ 1,450,000.00	\$-	\$-	\$-	\$-	-
Aspen Ave-Sequoia Ave to S Valley Dr	Public Works	\$-	\$-	\$ 3,475,600.00	\$-	\$-	\$-	-
Brownlee Ave- N Miranda St to N Alameda Blvd	Public Works	\$-	\$-	\$-	\$-	\$	\$ 2,070,000.00	-
Colorado Ave - Campo St to Esperanza St	Public Works	\$-	\$ 2,635,000.00	\$-	\$-	\$-	\$-	-
Crescent Dr- E Farney Ln to E Farney Ln	Public Works	\$-	\$-	\$-	\$-	\$	\$ 5,100,000.00	-
Downtown Street Improvements		\$-	\$ 750,000.00	\$-	\$-	\$-	\$-	-
Alameda Blvd - Las Cruces Ave to Picacho Ave	Public Works	\$-	\$ 750,000.00	\$-	\$-	\$-	\$-	-
E Lohman Ave Widening	Public Works	\$-	\$ 14,000,000.00	\$ 9,000,000.00	\$-	\$-	\$-	-
Elm St & Tamarack Dr from Aspen Ave to Sequoia Ave	Public Works	\$-	\$-	\$-	\$ 2,380,000.00	\$-	\$-	-
Evelyn St - Madrid Ave to Ash Ave	Public Works	\$-	\$ 3,600,000.00	\$-	\$-	\$-	\$-	-
Future Traffic Signal Program (New and Upgrade)	Public Works	\$-	\$ 750,000.00	\$ 750,000.00	\$ 750,000.00	\$ 750,000.00	\$ 750,000.00	-
Hatfield Rd - City Limites to Elks Dr	Public Works	\$-	\$-	\$-	\$-	\$	\$ 3,950,000.00	-
Hayner Ave.- N. Valley Dr to N. Compress Rd and Sixth St- Hayner Ave to W. Hadley Ave	Public Works	\$-	\$ 3,293,850.00	\$-	\$-	\$-	\$-	-
Hickory Dr & Sycamore Dr from Aspen Ave to Sequoia Ave	Public Works	\$-	\$-	\$-	\$	\$ 2,540,000.00	\$-	-
Kilmer St - Spruce Ave to Ash Ave	Public Works	\$-	\$ 2,157,000.00	\$-	\$-	\$-	\$-	-
Fonda Dr - Idaho Ave to E.O.P.	Public Works	\$-	\$ 1,200,000.00	\$-	\$-	\$-	\$-	-
Esas Dr- Lester Ave to Smith Ave	Public Works	\$-	\$-	\$-	\$-	\$	\$ 4,610,000.00	-
McCClure Rd & Carlyle Dr Pond, Road & Drainage Improvements	Public Works	\$-	\$ 2,347,363.42	\$ 1,603,249.24	\$ 882,427.87	\$-	\$-	-

CITY OF LAS CRUCES

Capital Improvements Program (CIP)

FY2027 - FY2032

Project Title	Department	Funded FY 2027	Unfunded					Funding Source(s)
			FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	
Streets Improvements (continued)		\$	\$	\$	\$	\$	\$	
Med Park - Idaho Ave. to Perkins St.	Public Works	\$-	\$ 2,545,300.00	\$-	\$-	\$-	\$-	-
Miranda Ave - Picacho Ave to Court Ave	Public Works	\$-	\$-	\$ 2,827,465.65	\$-	\$-	\$-	-
Mountain Ave - Melendres St to Armijo St	Public Works	\$-	\$ 2,542,986.00	\$-	\$-	\$-	\$-	-
Mountain Vista Parkway Expansion	Economic Development	\$-	\$ 1,200,473.54	\$-	\$-	\$-	\$-	-
Parkview - Espina to W Park Dr	Public Works	\$-	\$-	\$ 1,047,300.07	\$-	\$-	\$-	-
Poplar Ave - Mesquite St to Santa Fe St	Public Works	\$-	\$ 1,100,000.00	\$-	\$-	\$-	\$-	-
Princess Jeanne Dr - Luna St to Locust St	Public Works	\$-	\$-	\$-	\$-	\$	1,650,000.00	-
Rigsby Rd - Barker to Valley Dr	Public Works	\$-	\$-	\$ 850,000.00	\$-	\$-	\$-	-
Rocket Drive Expansion	Economic Development	\$-	\$ 5,956,316.41	\$-	\$-	\$-	\$-	-
Sandhill Arroyo	Public Works	\$-	\$-	\$-	\$-	\$-	\$-	-
Scoggins Ave-Sixth St to Sweet St	Public Works	\$-	\$ 1,180,000.00	\$-	\$-	\$-	\$-	-
Sequoia Ave - Valley Dr to EOP	Public Works	\$-	\$ 3,117,353.00	\$-	\$-	\$-	\$-	-
Solano Dr- Missouri to Lohman	Public Works	\$-	\$-	\$-	\$ 10,375,000.00	\$-	\$-	-
South Valley Dr Reconstruction - Avenida de Mesilla to Boutz	Public Works	\$-	\$ 11,800,000.00	\$-	\$-	\$-	\$-	-
Street Lighting & Traffic Signal Maintenance Program		\$-	\$ 1,500,000.00	\$-	\$ 50,000.00	\$-	\$-	-
Targeted Road and Lighting Improvements - Design	Public Works	\$-	\$-	\$-	\$ 50,000.00	\$-	\$-	-
Lohman at Walnut and Walton Signal Improvement	Public Works	\$-	\$ 1,500,000.00	\$-	\$-	\$-	\$-	-
Sweet St- Hayner Ave to W. Hadley Ave	Public Works	\$-	\$-	\$ 1,761,760.00	\$-	\$-	\$-	-
Westgate St - Amador Ave to Cul de Sac	Public Works	\$-	\$-	\$ 2,375,000.00	\$-	\$-	\$-	-
Wilt Ave - Cortez Dr to Reynolds Dr	Public Works	\$-	\$ 2,240,000.00	\$-	\$-	\$-	\$-	-
Subtotal		\$ 26,509,663.47	\$ 122,519,387.93	\$ 43,875,899.96	\$ 35,747,952.87	\$ 6,220,525.00	\$ 21,060,525.00	

Utilities		\$	\$	\$	\$	\$	\$	\$
Utilities - Newly Funded		\$-	\$-	\$-	\$-	\$-	\$-	\$-
Utilities - Carryover		\$ 72,168,387.90	\$ 17,049,780.00	\$ 23,325,284.00	\$ 15,192,971.00	\$ 22,806,502.00	\$ 10,309,595.00	
FY 25 Water DWSRF Loan	Utilities	\$ 14,955,302.15	\$-	\$-	\$-	\$-	\$-	Bonds & Loans
2025 Water Trust Board	Utilities	\$ 2,972,925.75	\$-	\$-	\$-	\$-	\$-	Bonds & Loans
Energy Management	Utilities	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ 1,023,748.00	\$ 250,000.00	\$ 250,000.00	Taxes
Gas Admin Building Improvements	Utilities	\$ 787,411.00	\$ 625,000.00	\$ 145,000.00	\$ 250,000.00	\$ 375,000.00	\$ 375,000.00	Taxes
Gas Development	Utilities	\$ 2,542,437.00	\$ 21,727.00	\$-	\$-	\$-	\$-	Taxes
Gas Miscellaneous	Utilities	\$ 337,897.00	\$ 374,156.00	\$ 125,000.00	\$ 125,000.00	\$ 125,000.00	\$ 125,000.00	Taxes
Gas PHMSA Grant	Utilities	\$ 9,165,655.00	\$-	\$-	\$-	\$-	\$-	Grants
Gas Rehabilitation	Utilities	\$ 2,474,622.00	\$ 4,200,605.00	\$ 3,082,185.00	\$ 4,295,816.00	\$ 1,257,062.00	\$ 1,386,375.00	Taxes
Solid Waste Building Improvements	Utilities	\$ 816,973.00	\$ 1,042,014.00	\$ 968,197.00	\$ 1,000,000.00	\$ 1,500,000.00	\$ 125,000.00	Taxes
Wastewater Building Improvements	Utilities	\$ 354,165.00	\$ 625,000.00	\$ 145,000.00	\$ 125,000.00	\$ 125,000.00	\$ 125,000.00	Taxes
Wastewater Development	Utilities	\$ 375,000.00	\$ 266,125.00	\$-	\$-	\$-	\$-	WWIF, Taxes
Wastewater Miscellaneous	Utilities	\$ 75,000.00	\$ 135,000.00	\$ 667,643.00	\$ 335,000.00	\$ 335,000.00	\$ 335,000.00	Taxes
Wastewater Rehabilitation	Utilities	\$ 1,395,674.00	\$ 1,645,672.00	\$ 4,154,567.00	\$ 1,790,553.00	\$ 7,083,591.00	\$ 1,430,697.00	Taxes
Wastewater Septic Systems	Utilities	\$ 268,000.00	\$ 1,619,000.00	\$ 1,619,000.00	\$ 1,619,000.00	\$ 1,619,000.00	\$ 1,619,000.00	Taxes
Water 2025 Projects	Utilities	\$ 13,981,580.00	\$-	\$-	\$-	\$-	\$-	Bonds & Loans
Water Building Improvements	Utilities	\$ 58,632.00	\$ 625,000.00	\$ 145,000.00	\$ 125,000.00	\$ 125,000.00	\$ 125,000.00	Taxes
Water Development	Utilities	\$ 1,768,795.00	\$ 506,073.00	\$ 3,409,552.00	\$-	\$-	\$-	WIF, Grants
Water Miscellaneous	Utilities	\$ 870,784.00	\$ 135,000.00	\$ 667,643.00	\$ 335,000.00	\$ 335,000.00	\$ 335,000.00	Taxes
Water Rehab	Utilities	\$ 1,897,479.00	\$ 4,979,408.00	\$ 7,946,497.00	\$ 4,168,854.00	\$ 9,676,849.00	\$ 4,078,523.00	Taxes
W23 Projects	Utilities	\$ 16,820,056.00	\$-	\$-	\$-	\$-	\$-	Bonds & Loans

CITY OF LAS CRUCES

Capital Improvements Program (CIP)

FY2027 - FY2032								
Project Title	Department	Funded FY 2027	Unfunded					Funding Source(s)
			FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	
Utilities (continued)		\$	\$	\$	\$	\$	\$	
Utilities - Annual		\$-	\$-	\$-	\$-	\$-	\$-	
Utilities - Future		\$-	\$ 57,452,509.00	\$ 4,000,000.00	\$ 4,000,000.00	\$ 4,000,000.00	\$ 4,000,000.00	
Belt Filter Press Drainage Improvement	Utilities	\$-	\$ 100,000.00	\$-	\$-	\$-	\$-	
Energy Transition	Utilities	\$-	\$ 1,000,000.00	\$-	\$-	\$-	\$-	
Lift Station Pump Upgrade	Utilities	\$-	\$ 100,200.00	\$-	\$-	\$-	\$-	
Lift Station Stationary Generator Installation	Utilities	\$-	\$ 100,000.00	\$-	\$-	\$-	\$-	
Pressure Reducing Valve Rehabilitation	Utilities	\$-	\$ 100,000.00	\$-	\$-	\$-	\$-	
Primary Digester Sludge Pump Upgrade	Utilities	\$-	\$ 93,000.00	\$-	\$-	\$-	\$-	
SCADA Operating System Replacement	Utilities	\$-	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00	
Septic Tank Remediation	Utilities	\$-	\$ 2,000,000.00	\$ 2,000,000.00	\$ 2,000,000.00	\$ 2,000,000.00	\$ 2,000,000.00	
Sewer Connections	Utilities	\$-	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	
Transite Pipe Identification & Replacement	Utilities	\$-	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	\$ 500,000.00	
Wastewater Treatment Plant	Economic Development	\$-	\$ 45,839,309.00	\$-	\$-	\$-	\$-	
Water Storage Tank Rehab	Utilities	\$-	\$ 3,000,000.00	\$-	\$-	\$-	\$-	
Water Valve Replacements	Utilities	\$-	\$ 120,000.00	\$-	\$-	\$-	\$-	
Well 66	Utilities	\$-	\$ 3,000,000.00	\$-	\$-	\$-	\$-	
Subtotal		\$ 72,168,387.90	\$ 74,502,289.00	\$ 27,325,284.00	\$ 19,192,971.00	\$ 26,806,502.00	\$ 14,309,595.00	
Total Newly Funded		\$-	\$ 55,962,940.00	\$ 156,470.00	\$ 156,470.00	\$ 156,470.00	\$-	
Total Carryover		\$ 191,379,013.95	\$ 121,663,183.00	\$ 77,920,345.19	\$ 54,981,722.00	\$ 39,927,275.00	\$ 19,406,400.00	
Total Annual		\$ 18,811,255.35	\$ 29,931,520.00	\$ 25,973,125.00	\$ 23,378,125.00	\$ 10,278,125.00	\$ 10,278,125.00	
Total Future		\$-	\$ 275,858,426.93	\$ 248,607,924.96	\$ 127,588,127.87	\$ 53,352,246.00	\$ 94,193,014.00	
GRAND TOTAL		\$ 210,190,269.30	\$ 483,416,069.93	\$ 352,657,865.15	\$ 206,104,444.87	\$ 103,714,116.00	\$ 123,877,539.00	



**3114; Council
Bill 26-022**

City Council Action and Executive Summary

Type of Action:
☐ Resolution
☒ Ordinance
☐ TIDD Resolution

District:	☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☒ N/A		
1st Reading:	May 18, 2026	Adopted:	June 1, 2026
Drafter:	William "Bill" Hamm	Department:	Economic Development
Title:	AN ORDINANCE AMENDING SECTION 2-1313 - APPRAISALS OF THE LAS CRUCES MUNICIPAL CODE.		

TYPE OF ACTION: ☐ Administrative ☒ Legislative ☐ Quasi-Judicial

PURPOSE(S) OF ACTION:

The proposed ordinance amends Section 2-1313 of the Las Cruces Municipal Code to allow the use of appraisals that do not exceed twelve (12) months old from the date of the report. This change is intended to provide additional flexibility in real estate transactions, reduce delays, and ensure efficient use of resources while maintaining compliance with valuation standards.

BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:

Section 2-1313 of the Las Cruces Municipal Code establishes appraisal requirements for the acquisition and disposition of real property, including appraised value thresholds and timing requirements. In support of real estate transactions, the current code requires that appraisals by a qualified independent appraiser be no more than six (6) months old.

While this frequency supports accurate and reliable valuation, in practice it may result in the need for unnecessary updated or duplicate appraisals, particularly where market conditions have remained relatively stable. This may create unnecessary delays in completing real estate transactions and increases costs associated with obtaining additional appraisals.

Extending the allowable timeframe from six (6) months to twelve (12) months provides additional flexibility in the use of existing appraisals, supports more efficient transaction timelines, and reduces redundant costs, while still allowing staff and City Council to obtain updated appraisals whenever deemed necessary.

SUPPORT INFORMATION:

[Exhibit "A"- Sec. 2-1313 Appraisals](#)
[Attachment "A"- Redlined Sec. 2-1313 Appraisals](#)

PLAN(S):

None

COMMITTEE/BOARD REVIEW:

None

DOES THIS AMEND THE BUDGET?:

Agenda Item #9.1.

- ☐ Yes
☒ No

Does this action amend the Capital Improvement Plan (CIP)?

- ☐ Yes
☒ No

OPTIONS / ALTERNATIVES:

1. Vote "Yes"; this will approve the ordinance amending Section 2-1313 of the Las Cruces Municipal Code to extend the allowable timeframe for comparable appraisals from six (6) months to twelve (12) months.
2. Vote "No"; this will not approve the ordinance, and the current requirement that appraisals be conducted within six (6) months will remain in effect.
3. Vote to "Amend"; this will modify the proposed ordinance, including but not limited to adjustments to the allowable timeframe or other provisions, prior to approval.
4. Vote to "Table"; this will postpone consideration of the ordinance to a future City Council meeting.

ORDINANCE 3114; COUNCIL BILL 26-022

AN ORDINANCE AMENDING SECTION 2-1313 - APPRAISALS OF THE LAS CRUCES MUNICIPAL CODE.

The City Council is informed that:

WHEREAS, Section 2-1313 of the Las Cruces Municipal Code establishes appraisal requirements for the acquisition and disposition of real property, including appraised value thresholds and timing requirements; and

WHEREAS, the current code requires that appraisals by a qualified independent appraiser used to support real estate transactions be no more than six (6) months old; and

WHEREAS, this requirement was established to help ensure that property valuations reflect current market conditions and support informed decision-making by the City Council; and

WHEREAS, in practice, the six (6) month requirement may result in the need for unnecessary updated or duplicate appraisals, particularly where market conditions have remained relatively stable; and

WHEREAS, obtaining additional appraisals in such circumstances may create unnecessary delays in completing real estate transactions and increase associated costs; and

WHEREAS, extending the allowable timeframe from six (6) months to twelve (12) months would provide additional flexibility in the use of existing appraisals, support more efficient transaction timelines, and reduce redundant costs, while preserving the authority of staff and the City Council to obtain updated appraisals whenever deemed necessary.

NOW, THEREFORE, Be it Ordained by the Governing Body of the City of Las Cruces:

(I)

THAT Section 2-1313 of the Las Cruces Municipal Code, as shown in Exhibit "A" attached hereto and made part of this Ordinance, are hereby amended and approved.

(II)

THAT City staff is hereby authorized to do all deeds as necessary in the accomplishment of the herein above.

DONE AND APPROVED this day of

Agenda Item #9.1.

APPROVED

ATTEST:

Moved by:

Seconded by:

AYES

NAYS

Sec. 2-1313. - Appraisals.

Every resolution for the acquisition or sale of real estate submitted to the council pursuant to this division shall be supported by an appraisal as follows:

- 1) If the purchase or sale price or exchange value is \$10,000.00 or less, no formal appraisal for the parcel of property shall be required. However, as a part of the council resolution approving the purchase or sale or exchange of the property, a written opinion from staff as to the estimated value of the property, based on a similar appraisal conducted for a similar piece of property within the past twelve months must be incorporated as a part of the resolution.
- 2) If the purchase or sale price or exchange value is greater than \$10,000.00, but less than \$25,000.00, a restricted appraisal report from a qualified appraiser shall be provided.
- 3) If the purchase or sale price or exchange value is \$25,000.00 or more, but less than \$150,000.00, an appraisal by a qualified appraiser.
- 4) If the purchase or sale price or exchange value is \$150,000.00 or more, two appraisals from qualified appraisers.
- 5) If the property to be acquired or sold has been the subject of an appraisal by a qualified independent appraiser within the twelve-month period immediately preceding the date of acquisition or sale, such appraisal may be presented in lieu of securing a new appraisal, or in the case of subsection (4) of this section, only one additional appraisal need be obtained.
- 6) Any purchase by eminent domain, regardless of value of the property, shall require full appraisals pursuant to applicable provisions of New Mexico Statutes.
- 7) Nothing herein shall prohibit the city council or staff from obtaining a full appraisal, regardless of the value, of any property, when it is in the best interest of the city to obtain such an appraisal.

(Code 1988, § 2-152; Ord. No. 1685, § I, 6-15-98)

Sec. 2-1313. - Appraisals.

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- 1) If the purchase or sale price or exchange value is \$10,000.00 or less, no formal appraisal for the parcel of property shall be required. However, as a part of the council resolution approving the purchase or sale or exchange of the property, a written opinion from staff as to the estimated value of the property, based on a similar appraisal conducted for a similar piece of property ~~within the past six months~~ **within the past twelve months** must be incorporated as a part of the resolution.
- 2) If the purchase or sale price or exchange value is greater than \$10,000.00, but less than \$25,000.00, a restricted appraisal report from a qualified appraiser shall be provided.
- 3) If the purchase or sale price or exchange value is \$25,000.00 or more, but less than \$150,000.00, an appraisal by a qualified appraiser.
- 4) If the purchase or sale price or exchange value is \$150,000.00 or more, two appraisals from qualified appraisers.
- 5) If the property to be acquired or sold has been the subject of an appraisal by a qualified independent appraiser ~~within the six-month~~ **within the twelve-month** period immediately preceding the date of acquisition or sale, such appraisal may be presented in lieu of securing a new appraisal, or in the case of subsection (4) of this section, only one additional appraisal need be obtained.
- 6) Any purchase by eminent domain, regardless of value of the property, shall require full appraisals pursuant to applicable provisions of New Mexico Statutes.
- 7) Nothing herein shall prohibit the city council or staff from obtaining a full appraisal, regardless of the value, of any property, when it is in the best interest of the city to obtain such an appraisal.

(Code 1988, § 2-152; Ord. No. 1685, § I, 6-15-98)



**3115; Council
Bill 26-023**

City Council Action and Executive Summary

Type of Action:
☐ Resolution
☒ Ordinance
☐ TIDD Resolution

District:	☒ 1 ☒ 2 ☒ 3 ☒ 4 ☒ 5 ☒ 6 ☐ N/A		
1st Reading:	May 18, 2026	Adopted:	June 15, 2026
Drafter:	Adolfo Cardenas	Department:	Financial Services

Title: AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A WATER PROJECT FUND SUBORDINATE LIEN LOAN/GRANT AGREEMENT BY AND BETWEEN THE NEW MEXICO FINANCE AUTHORITY (“NMFA”) AND THE CITY OF LAS CRUCES (THE “BORROWER/GRANTEE”), IN THE TOTAL AMOUNT OF \$1,969,331, INCLUDING A GRANT IN THE AMOUNT OF \$1,772,398, AND A LOAN IN THE AMOUNT OF \$196,933 EVIDENCING AN OBLIGATION OF THE BORROWER/GRANTEE TO UTILIZE THE LOAN/GRANT AMOUNT SOLELY FOR THE PURPOSE OF FINANCING THE COSTS OF DESIGNING, CONSTRUCTING AND REPAIRING LAS ALTURAS DEL SOL WATER STORAGE TANK AND BOOSTER STATION, AND SOLELY IN THE MANNER DESCRIBED IN THE LOAN/GRANT AGREEMENT; PROVIDING FOR THE SUPER SUBORDINATE LIEN PLEDGE AND PAYMENT OF THE LOAN AMOUNT AND AN ADMINISTRATIVE FEE SOLELY FROM THE NET SYSTEM REVENUES OF THE JOINT WATER, WASTEWATER, AND GAS UTILITY SYSTEM OF THE BORROWER/GRANTEE; 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 ORDINANCE; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN/GRANT AGREEMENT.

TYPE OF ACTION: ☐ Administrative ☒ Legislative ☐ Quasi-Judicial

PURPOSE(S) OF ACTION:
Authorize issuance of debt.

BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:
A proposed resolution approved at the September 3, 2024, City Council meeting authorized City staff to submit an application for financial assistance from New Mexico Finance Authority (NMFA) the purpose of conducting a Lead service line replacement.

Approval of the Ordinance authorizes the execution and delivery of the loan agreement between the City and NMFA. The City will borrow no more than \$196,933 with interest and administrative fees and a loan subsidy in the amount of no more than \$1,772,398 to finance the cost of designing, constructing and repairing Las Alturas Del Sol Water Storage Tank. The revenue pledged to finance the cost of designing, constructing and repairing Las Alturas Del Sol Water Storage Tank comes from the net revenues of the Joint Utility System.

SUPPORT INFORMATION:

[Exhibit "A" LoanGrant Agreement](#)

[Attachment "A" Ordinance WPF-6580](#)

PLAN(S):

Department Strategic Business Plan

COMMITTEE/BOARD REVIEW:

None

DOES THIS AMEND THE BUDGET?:

☐ Yes

☒ No

Does this action amend the Capital Improvement Plan (CIP)?

☐ Yes

☒ No

OPTIONS / ALTERNATIVES:

1. Vote "Yes"; this will approve the Ordinance and will allow the City to accept the loan from NMFA and proceed with water system projects.
2. Vote "No"; this will not approve the Ordinance and will not allow the City to accept the loan from NMFA and use the funding mechanism to finance water systems projects.
3. Vote to "Amend"; this will delay the execution and delivery of the loan from NMFA and the water system projects, and require Council direction to staff.
4. Vote to "Table"; this will delay the financing opportunity, increase the project cost of the water systems project, and require Council direction to staff.

REFERENCE INFORMATION:

Resolution 25-026

ORDINANCE 3115; COUNCIL BILL 26-023

AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A WATER PROJECT FUND SUBORDINATE LIEN LOAN/GRANT AGREEMENT BY AND BETWEEN THE NEW MEXICO FINANCE AUTHORITY (“NMFA”) AND THE CITY OF LAS CRUCES (THE “BORROWER/GRANTEE”), IN THE TOTAL AMOUNT OF \$1,969,331, INCLUDING A GRANT IN THE AMOUNT OF \$1,772,398, AND A LOAN IN THE AMOUNT OF \$196,933 EVIDENCING AN OBLIGATION OF THE BORROWER/GRANTEE TO UTILIZE THE LOAN/GRANT AMOUNT SOLELY FOR THE PURPOSE OF FINANCING THE COSTS OF DESIGNING, CONSTRUCTING AND REPAIRING LAS ALTURAS DEL SOL WATER STORAGE TANK AND BOOSTER STATION, AND SOLELY IN THE MANNER DESCRIBED IN THE LOAN/GRANT AGREEMENT; PROVIDING FOR THE SUPER SUBORDINATE LIEN PLEDGE AND PAYMENT OF THE LOAN AMOUNT AND AN ADMINISTRATIVE FEE SOLELY FROM THE NET SYSTEM REVENUES OF THE JOINT WATER, WASTEWATER, AND GAS UTILITY SYSTEM OF THE BORROWER/GRANTEE; 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 ORDINANCE; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN/GRANT AGREEMENT.

The City Council is informed that:

WHEREAS, unless otherwise defined in Article I or elsewhere in this supplemental ordinance (the “Ordinance”) or unless the context requires otherwise, capitalized terms in the following preambles have the same meanings assigned to such terms in Article I of Ordinance No. 1593, Council Bill 97-035 adopted by the City Council (the “Governing Body”) on December 18, 1996, as amended by Ordinance No. 2750, Council Bill No. 15-031 adopted by the Council on April 8, 2015, Ordinance No. 2837, Council Bill No. 18-013 adopted by the Council on January 16, 2018, and Council Bill No. 26-005, Ordinance No. 3097 adopted by the Council on October 6, 2025, (collectively the “Master Ordinance”); and

WHEREAS, the Master Ordinance provides for the adoption of subsequent supplemental ordinances to authorize the issuance and sale of one or more series of System Bonds as well as the approval of specific terms and documents relating to the issuance and sale of System Bonds; and

WHEREAS, the Borrower/Grantee is a legally and regularly created, established, duly organized and existing incorporated home rule municipality under and pursuant to the laws of the State and more specifically, Article X, Section 6 of the State Constitution, NMSA 1978, §§3-1-1 through 3-66-11, as amended, is a qualifying entity under the Water Project Finance Act and is qualified for financial assistance as determined by the NMFA and approved by the Water Trust Board pursuant to the Board Rules, the Policies and the Act; and

WHEREAS, pursuant to the Board Rules the Water Trust Board has recommended the Project for funding as a Qualifying Project to the Legislature; and

WHEREAS, Chapter 35, Laws 2025, being House Bill 206 of the 2025 Regular New Mexico Legislative Session, authorized the funding of the Project from the Water Project Fund; and

WHEREAS, the Water Trust Board has recommended that the NMFA enter into and administer the Loan/Grant Agreement in order to finance the Project; and

Agenda Item #9.2.

WHEREAS, the NMFA approved on May 22, 2025 that the Borrower/Grantee receive financial assistance in the form of the Loan/Grant; 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 Additional Funding Amount 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 it serves 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, this Council Bill No. 26-005; Ordinance No.3097 is a Supplemental Ordinance authorized by the Master Ordinance for the purpose of entering into the Loan Agreement with the Finance Authority, which Loan Agreement constitutes a System Bond within the meaning of the Master Ordinance; and

WHEREAS, the Governing Body has determined and hereby determines that the Project may be financed with amounts borrowed under the Loan Agreement and that it is in the best interest of the Governmental Unit and the public it serves that the Loan Agreement be executed and delivered and that the financing of the Project take place by executing and delivering the Loan Agreement; and

WHEREAS, the Governing Body has determined that it may lawfully pledge the Pledged Revenues for the payment of amounts due under the Loan Agreement and may enter into the Loan Agreement; and

WHEREAS, the Loan/Grant Agreement shall be a special, limited obligation and shall not constitute a general obligation of the Borrower/Grantee, the Water Trust Board or the NMFA or a debt or pledge of the full faith and credit of the Borrower/Grantee, the Water Trust Board, the NMFA or the State; and

WHEREAS, the Borrower/Grantee has created the System as provided in the Master Ordinance; and

WHEREAS, the Master Ordinance governs the issuance of System Bonds or similar obligations by the Borrower/Grantee payable from the Net System Revenues of the System; and

WHEREAS, the Master Ordinance authorizes the Borrower/Grantee to adopt Supplemental Ordinances authorizing the issuance of additional Subordinated Bonds payable from the Net System Revenues of the System such as this Super Subordinated Obligation; and

WHEREAS, this Council Bill No. 26-023; Ordinance No. 3115, is a Supplemental Ordinance authorized by the Master Ordinance for the purpose of entering into the Loan/Grant Agreement with the NMFA, which Loan/Grant Agreement constitutes a System Bond within the meaning of the Master Ordinance; and

WHEREAS, the Governing Body has determined and hereby determines that the Project may be financed with amounts borrowed under the Loan/Grant Agreement and that it is in the best interest of the Borrower/Grantee and the public it serves that the Loan/Grant Agreement be executed and delivered and that the financing of the Project take place by executing and delivering the Loan/Grant Agreement; and

WHEREAS, the Governing Body has determined that it may lawfully pledge the Pledged Revenues for the payment of amounts due under the Loan/Grant Agreement with a lien thereon subordinate to the lien of the outstanding Parity Obligations and subordinate to the lien of all other Subordinate Obligations; and

WHEREAS, the Loan/Grant Agreement and other Super Subordinated Bonds shall be a category of Subordinated Bonds pursuant to Section 18.05 of the Master Ordinance with the payments due under the

Agenda Item #9.2.

Loan/Grant Agreement having a lien on the Pledged Revenues subordinate to and payable after the Debt Service Requirements and funding of reserves for other outstanding Subordinated Bonds now outstanding or hereafter issued; and

WHEREAS, other than the having a lower payment priority provision within Section 18.05 of the Master Ordinance, Super Subordinated Bonds shall be treated as Subordinated Bonds for all purposes of the Master Ordinance including, but not limited to, the Rate Covenant and provisions related to the issuance of Additional System Bonds; and

WHEREAS, other than as described on the Term Sheet, the Pledged Revenues have not heretofore been pledged to secure the payment of any obligation which is currently outstanding; and

WHEREAS, there have been presented to the Governing Body and there presently are on file with the City Clerk this Ordinance 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 Additional Funding Amount is now available to the Borrower/Grantee to complete the Project; and

WHEREAS, the Borrower/Grantee has met or will meet prior to the first disbursement of any portion of the Loan/Grant Amount, the Conditions and readiness to proceed requirements established for the portion of the Loan/Grant Amount disbursed or caused to be disbursed by the NMFA, including but not limited to the requirements of Executive Order 2013-006; and

WHEREAS, the Governing Body hereby determines that the Project to be financed by the Loan/Grant Agreement is to be used for governmental purposes of the Borrower/Grantee; 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 Ordinance, have been obtained or are reasonably expected to be obtained.

NOW, THEREFORE, Be it Ordained by the Governing Body of the City of Las Cruces:

(I)

THAT

Section 1. Definitions. As used in this Ordinance, the following terms shall, for all purposes, have the meanings herein specified, unless the context clearly requires otherwise (such meanings to be equally applicable to both the singular and the plural forms of the terms defined); and, any term not defined herein shall have the definition given it by the Master Ordinance or the Loan/Grant Agreement:

“ACH Authorization” means the authorization for direct payment to the NMFA by ACH made by the Borrower/Grantee on the form required by the bank or other entity at which the account is held, from which the Pledged Revenues will be paid.

“Act” means the general laws of the State, particularly the Water Project Finance Act, NMSA 1978, §§ 72-4A-1 through 72-4A-11, and enactments of the Governing Body relating to the Loan/Grant Agreement, including the Master Ordinance, this Ordinance, all as amended and supplemented.

Agenda Item #9.2.

"Additional Funding Amount" means the amount to be provided by the Borrower/Grantee which includes the total value of the Soft Match or Hard Match (each as defined in Section 4.2 of the Policies) which, in combination with the Loan/Grant Amount and other moneys available to the Borrower/Grantee, is sufficient to complete the Project and to provide matching funds required to complete the Project. The Additional Funding Amount is 219,000.

"Administrative Fee" or "Administrative Fee Component" means an amount equal to one-quarter of one percent (0.25%) per annum of the unpaid principal balance of the Loan Amount, taking into account both payments made by the Borrower/Grantee and hardship waivers of payments granted to the Borrower/Grantee pursuant to Section 5.1(a)(iii) of the Loan/Grant Agreement.

"Authorized Officers" means any one or more of the Mayor, Mayor Pro-Tem, City Manager, Director of Financial Services, Treasurer and City Clerk of the Borrower/Grantee.

"Board Rules" means Review and Eligibility of Proposed Water Projects, New Mexico Water Trust Board, 19.25.10 NMAC.

"Borrower/Grantee" means the City of Las Cruces, New Mexico.

"City Charter" means the home rule charter of the Borrower/Grantee submitted to the Governing Body on January 7, 1985 and approved by the voters of the Borrower/Grantee on March 5, 1985, as amended and supplemented.

"Closing Date" means the date of execution and delivery of the Loan/Grant Agreement, by the Borrower/Grantee and the NMFA.

"Completion Date" means the date of final payment of the cost of the Project.

"Conditions" has the meaning given to that term in the Loan/Grant Agreement.

"Eligible Items" means eligible Project costs for which grants and loans may be made pursuant to NMSA 1978, § 72-4A-7(C), as amended, of the Act, the Board Rules and applicable Policies, and includes, without limitation, Eligible Legal Costs.

"Eligible Legal Costs" has the meaning given to that term in the Loan/Grant Agreement.

"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 Lender/Grantor establishing accounting principles applicable to the Borrower/Grantee.

"Governing Body" means the duly organized City Council of the Borrower/Grantee, or any 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 not equal more than [\\$1,772,398](#).

"Gross Revenues" has the meaning given to that term in Section 1.01 of the Master Ordinance and Article I of the Loan/Grant Agreement.

"Herein," "hereby," "hereunder," "hereof," "hereinabove" and "hereafter" refer to this entire Ordinance and not solely to the particular section or paragraph of this Ordinance in which such word is used.

Agenda Item #9.2.

"Governing Body" means the duly organized City Council of the Governmental Unit, or any successor governing body of the Governmental Unit.

"Gross Revenues" means "Gross Revenues" [as defined in Section 1.01 of the Master Ordinance](#).

"Herein," "hereby," "hereunder," "hereof," "hereinabove" and "hereafter" refer to this entire Ordinance and not solely to the particular section or paragraph of this Ordinance in which such word is used.

"Loan" or "Loan Amount" means the amount provided to the Borrower/Grantee as a loan pursuant to the Loan/Grant Agreement for the purpose of funding the Project, in the maximum amount of [\\$196,933](#).

"Loan/Grant" or "Loan/Grant Amount" means the combined amount partially provided to the Borrower/Grantee as the Grant Amount and partially 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 \$1,969,331.

"Loan/Grant Agreement" means the Water Project Fund Loan/Grant Agreement entered into by and between the Borrower/Grantee and the NMFA as authorized by this Ordinance.

"Master Ordinance" means Ordinance No. 1593, Council Bill 97- 035 adopted by the Governing Body on December 18, 1996, as amended by Ordinance No. 2750, Council Bill No. 15-031 adopted by the Council on April 8, 2015, Ordinance No. 2837, Council Bill No. 18- 013 adopted by the Council on January 16, 2018 Ordinance No. 3097, Council Bill No. 26-005 adopted by the Council on October 6, 2025.

"Net System Revenues" or "Net Revenues" means the Gross Revenues of the System owned and operated by the Borrower/Grantee after deducting Operation and Maintenance Expenses of the System as defined in Section 1.01 of the Master Ordinance.

"NMAC" means the New Mexico Administrative Code.

"NMFA" means the New Mexico Finance Authority.

"NMSA 1978" means the New Mexico Statutes Annotated, 1978 Compilation, as amended and supplemented from time to time.

"Ordinance" means this Ordinance as it may be supplemented or amended from time to time, as a supplemental Ordinance under the Master Ordinance.

"Parity Bonds" has the meaning given to that term in Section 1.01 of the Master Ordinance and includes any such obligations shown on the Term Sheet which are designated as senior obligations on the Term Sheet.

"Pledged Revenues" means the Net System Revenues of the System of the Borrower/Grantee pledged to the payment of the Loan Payments and Administrative Fee pursuant to this Ordinance and the Loan/Grant Agreement and described in the Term Sheet.

"Project" means the project(s) described on the Term Sheet.

"Project Account" means the book account 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.

Agenda Item #9.2.

“Qualifying Water Project” means a water project for (i) storage, conveyance or delivery of water to end-users; (ii) implementation of the federal Endangered Species Act of 1973 collaborative programs; (iii) wastewater conveyance and treatment; (iv) restoration and management of watersheds; (v) flood prevention or (vi) water conservation or recycling, treatment or reuse of water as provided by law; and which has been approved by the state legislature pursuant to NMSA 1978, § 72-4A-9(B), as amended.

“State” means the State of New Mexico.

“Subordinate Bonds” or “Subordinated Obligations” has the meaning given to that term in Section 1.01 of the Master Ordinance and includes those obligations set forth on the Term Sheet.

“Super Subordinated Obligations” or “Super Subordinated Bonds” has the meaning given to that term in Section 1.01 of the Master Ordinance and includes the Loan/Grant Agreement.

“System” means the joint water, sanitary sewer and natural gas utility system operated as defined in Section 1.01 of the Master Ordinance, of the Borrower/Grantee, owned and operated by the Borrower/Grantee, and of which the Project, when completed, will form part.

“Term Sheet” means Exhibit “A” attached to the Loan/Grant Agreement.

“Useful Life” means the structural and material design life of the Project, including planning and design features, as required by the Act and the Board Rules.

“Water Project Fund” means the fund of the same name created pursuant to the Act and held and administered by the NMFA.

“Water Trust Board” or “WTB” means the water trust board created and established pursuant to the Act.

Section 2. Ratification. All action heretofore taken (not inconsistent with the provisions of this Ordinance) 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 whom 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 whom it serves.

B. Moneys available and on hand for the Project from all sources other than the Loan Agreement 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.

Agenda Item #9.2.

D. The Borrower/Grantee will acquire and complete the Project with the proceeds of the Loan/Grant, the Additional Funding Amount 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, as required by NMSA 1978, § 72-4A-7(A)(1), as amended.

E. Together with the Loan/Grant Amount, and other amounts available to the Borrower/Grantee, the Additional Funding Amount is now available to the Borrower/Grantee, and in combination with the Loan/Grant Amount, will be sufficient to complete the Project.

F. The NMFA 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 will acquire title to or easements or rights of way on the real property upon which the Project is being constructed or located as provided in the Loan/Grant Agreement.

Section 5. Loan Agreement - Authorization and Detail.

A. Authorization. This Ordinance has been adopted by the affirmative vote of at least three-fourths majority of the Governing Body. For the purpose of protecting the public health, conserving the property, and protecting the general welfare and prosperity of the constituent 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 \$1,772,398 and borrowing the Loan Amount of \$196,933 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. This Ordinance is a Supplemental Ordinance authorized by the Master Ordinance for the purpose of entering into the Loan/Grant Agreement with the NMFA, and the Loan/Grant Agreement constitutes a System Bond within the meaning of the Master Ordinance.

B. Detail. The Loan Agreement shall be in substantially the form of the Loan Agreement presented at the meeting of the Governing Body at which this Ordinance was adopted. The Grant shall be in the amount of \$1,772,398 and the Loan shall be in the amount of \$196,933. Interest on the Loan Amount shall be zero percent (0%) per annum of the unpaid principal balance of the Loan Amount, and the Administrative Fee shall be one-quarter of one percent (0.25%) per annum of the unpaid principal balance of the Loan Amount, taking into account both payments made by the Borrower/Grantee and hardship waivers of payments granted to the Borrower/Grantee.

Section 6. Approval of Loan/Grant Agreement. The form of the Loan/Grant Agreement as presented at the meeting of the Governing Body at which this Ordinance 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, and the City Clerk is 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; Special, Limited Super Subordinate Obligation. The Loan Amount and Administrative Fee shall be solely secured by a super subordinate lien (but not an exclusive super subordinate lien) on the pledge of the Pledged Revenues herein made and as set forth in the Loan/Grant Agreement. The Loan/Grant Agreement, together with interest thereon and other obligations of the Borrower/Grantee thereunder, shall be a special, limited obligation of the Borrower/Grantee, payable solely from the Pledged Revenues as provided in this Ordinance, and the Loan/Grant Agreement shall not constitute a general obligation of the Borrower/Grantee or the State, and the holders of the Loan/Grant Agreement may not look to any general or other fund of the Borrower/Grantee for payment of the obligations thereunder. Nothing

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contained in this Ordinance nor in the Loan/Grant Agreement, nor any other instruments, shall be construed as obligating the Borrower/Grantee (except with respect to the application of the Pledged Revenues) or as imposing a pecuniary liability or a charge upon the general credit of the Borrower/Grantee or against its taxing power, nor shall a breach of any agreement contained in this Ordinance, the Loan/Grant Agreement, or any other instrument impose any pecuniary liability upon the Borrower/Grantee or any charge upon its general credit or against its taxing power. The Loan/Grant Agreement shall never constitute an indebtedness of the Borrower/Grantee within the meaning of any State constitutional provision or statutory limitation and shall never constitute or give rise to a pecuniary liability of the Borrower/Grantee or a charge against its general credit or taxing power. Nothing herein shall prevent the Borrower/Grantee from applying other funds of the Borrower/Grantee legally available therefor to payments required by the Loan/Grant Agreement, in its sole and absolute discretion.

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. 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 Water Project Fund or otherwise distributed as provided in the Loan/Grant Agreement.

C. NMFA Not Responsible. Borrower/Grantee shall apply the funds derived from the Loan/Grant Agreement as provided therein, and in particular Article VII of the Loan/Grant Agreement. The NMFA shall not 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. NMFA 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 ACH Authorization. Pursuant to the Loan/Grant Agreement, the Borrower/Grantee shall pay the principal and interest on 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 the installments of principal and other amounts due under the Loan/Grant Agreement and to cure any deficiencies in the payment of the Loan Amount or other amounts due under the Loan/Grant Agreement subordinate to the other Subordinated Bonds now outstanding or hereafter issued. The Borrower/Grantee hereby consents to the creation of an ACH authorization agreement for the purpose of making regular electronic payments of the Loan Amount and Administrative Fee, if at any applicable point in time during the Agreement Term the Borrower/Grantee desires to use such payment method for the purposes of the Loan.

Section 10. Lien on Pledged Revenues. The Loan/Grant Agreement shall be issued as a Super Subordinated Bond with a lien on the Pledged Revenues, but not an exclusive lien on the Pledged Revenues, subordinate to the lien thereon of the outstanding Parity Bonds and all other Subordinated Bonds. The Pledged Revenues are hereby authorized to be pledged, and are hereby pledged, and the Borrower/Grantee grants a security interest therein, for the payment of the principal and interest and Administrative Fee due under the Loan/Grant Agreement, subject to the uses thereof permitted by and the priorities set forth in the Master Ordinance, this Ordinance and the Loan/Grant Agreement. The Loan/Grant Agreement constitutes an irrevocable super subordinate lien, but not necessarily an exclusive super subordinate lien, on the Pledged Revenues subordinate to the lien of the Parity Bonds and the other Subordinated Bonds on the Pledged

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Revenues. The payments due under the Loan/Grant Agreement shall have a lien on the Pledged Revenues subordinate to and shall be payable after the Debt Service Requirements and funding of reserves for the Parity Bonds and other outstanding Subordinated Bonds now outstanding or hereafter issued.

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 Ordinance, 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 Ordinance and the Loan/Grant Agreement for the full, punctual and complete performance of all the terms, covenants and agreements contained in this Ordinance 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 Ordinance. Prior to the Closing Date, the provisions of this Ordinance may be supplemented or amended by ordinance of the Governing Body with respect to any changes which are not inconsistent with the substantive provisions of this Ordinance. After the Closing Date, this Ordinance 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. Ordinance Irrepealable. After the Loan/Grant Agreement has been executed and delivered, this Ordinance 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 Ordinance 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 Ordinance.

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 Ordinance, 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 Ordinance 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 Ordinance, this Ordinance shall be effective upon adoption of this Ordinance 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 Ordinance shall be published in substantially the following form:

[Form of Summary of Ordinance for Publication.]

City of Las Cruces, New Mexico

Notice of Adoption of Ordinance

Notice is hereby given of the title and of a general summary of the subject matter contained in Council Bill No. _____ Ordinance No. _____, duly adopted and approved by the City Council of City of Las Cruces on June 15, 2026. A complete copy of the Ordinance is available for public inspection during normal and regular business hours in the office of the City Clerk, at 700 N. Main St., Las Cruces, New Mexico 88001.

The title of the Ordinance is:

CITY OF LAS CRUCES, NEW MEXICO
COUNCIL BILL NO. _____; ORDINANCENO. _____

AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A WATER PROJECT FUND SUBORDINATE LIEN LOAN/GRANT AGREEMENT BY AND BETWEEN THE NEW MEXICO FINANCE AUTHORITY ("NMFA") AND THE CITY OF LAS CRUCES (THE "BORROWER/GRANTEE"), IN THE TOTAL AMOUNT OF \$1,969,331, INCLUDING A GRANT IN THE AMOUNT OF \$1,772,398, AND A LOAN IN THE AMOUNT OF \$196,933 EVIDENCING AN OBLIGATION OF THE BORROWER/GRANTEE TO UTILIZE THE LOAN/GRANT AMOUNT SOLELY FOR THE PURPOSE OF FINANCING THE COSTS OF DESIGNING, CONSTRUCTING AND REPAIRING LAS ALTURAS DEL SOL WATER STORAGE TANK AND BOOSTER STATION, AND SOLELY IN THE MANNER DESCRIBED IN THE LOAN/GRANT AGREEMENT; PROVIDING FOR THE SUPER SUBORDINATE LIEN PLEDGE AND PAYMENT OF THE LOAN AMOUNT AND AN ADMINISTRATIVE FEE SOLELY FROM THE NET SYSTEM REVENUES OF THE JOINT WATER, WASTEWATER, AND GAS UTILITY SYSTEM OF THE BORROWER/GRANTEE; 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 ORDINANCE; 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 Ordinance is contained in its title. This notice constitutes compliance with NMSA 1978, § 6-14-6, as amended.

[End of Form of Summary of Ordinance for Publication.]

(II)

THAT City staff is hereby authorized to do all deeds as necessary in the accomplishment of the herein above.

DONE AND APPROVED this day of

APPROVED

Mayor

ATTEST:

City Clerk

Moved by:

Seconded by:

AYES

NAYS

\$1,969,331

WATER PROJECT FUND
LOAN/GRANT AGREEMENT

dated

July 24, 2026

by and between the

NEW MEXICO FINANCE AUTHORITY
as Lender/Grantor,

and

CITY OF LAS CRUCES, NEW MEXICO,
as Borrower/Grantee.

**WATER PROJECT FUND
LOAN/GRANT AGREEMENT**

THIS LOAN/GRANT AGREEMENT (the “Agreement” or “Loan/Grant Agreement”) dated July 24, 2026, is entered into by and between the **NEW MEXICO FINANCE AUTHORITY** (the “NMFA” or “Lender/Grantor”), and the **CITY OF LAS CRUCES in DOÑA ANA COUNTY, NEW MEXICO** (the “Borrower/Grantee”).

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, 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 NMFA Act provides that the NMFA may make loans and grants from the Water Project Fund to qualifying entities for Qualifying Water Projects; and

WHEREAS, pursuant to the Act, the Water Trust Board has established the Board Rules governing the terms and conditions of loans and grants made from the Water Project Fund, as set out in Review and Eligibility of Proposed Water Projects, New Mexico Water Trust Board, 19.25.10 NMAC, pursuant to the Board Rules for Qualifying Water Projects; and

WHEREAS, pursuant to the Board Rules, except as provided in the Policies, a qualifying entity is expected to receive some portion of its funding as a loan in order to maximize the potential for the return of funds to the Water Project Fund, thereby increasing the limited financial resources expected to be available in the Water Project Fund; and

WHEREAS, the Borrower/Grantee is a legally and regularly created, established, duly organized and existing incorporated home rule municipality under and pursuant to the laws of the State and more specifically, NMSA 1978, §§3-1-1 through 3-66-11, as amended, is a qualifying entity under the Water Project Finance Act and is qualified for financial assistance as determined by the NMFA and approved by the Water Trust Board pursuant to the Board Rules, the Policies and the Act; and

WHEREAS, the Borrower/Grantee has created the System as defined in the Master Ordinance; and

WHEREAS, the Master Ordinance governs the issuance of Bonds or similar obligations by the Borrower/Grantee payable from the Net Revenues of the System; and

WHEREAS, the Master Ordinance authorizes the Borrower/Grantee to adopt Supplemental Ordinances authorizing the issuance of System Bonds; and

WHEREAS, the Borrower/Grantee has adopted Council Bill No. _____; Ordinance No. _____ as a Supplemental Ordinance to the Master Ordinance authorizing this Loan/Grant

Agreement, and this Loan/Grant Agreement constitutes a System Bond within the meaning of the Master Ordinance; and

WHEREAS, the Borrower/Grantee has determined that it is in the best interests of the Borrower/Grantee and the constituent public it serves that the Borrower/Grantee enter into this Agreement with the Lender/Grantor to borrow \$196,933 from the Lender/Grantor and to accept a grant in the amount of \$1,772,398 from the Lender/Grantor to finance the costs of the Project, this Project being more particularly described in the Term Sheet; and

WHEREAS, the Borrower/Grantee submitted an Application dated September 13, 2024 and January 23, 2025 for the Project; and

WHEREAS, pursuant to the Board Rules the Water Trust Board recommended the Project for funding as a Qualifying Water Project to the Legislature; and

WHEREAS, Chapter 35, Laws 2025, being House Bill 206 of the 2025 Regular New Mexico Legislative Session, authorized the funding of the Project from the Water Project Fund; and

WHEREAS, the Water Trust Board has recommended that the NMFA enter into and administer this Agreement in order to finance the Project; and

WHEREAS, the NMFA approved on May 22, 2025 that the Borrower/Grantee receive financial assistance in the form of the Loan/Grant; and

WHEREAS, the Borrower/Grantee is willing to pledge the Pledged Revenues to the payment of the Loan Payments and Administrative Fee, with a super subordinate lien (but not an exclusive super subordinate lien) on the Pledged Revenues on a parity with the Super Subordinate Obligations and subordinate to the lien thereon of the Senior Obligations and Subordinated Obligations; and

WHEREAS, the plans and specifications for the Project will be approved by the NMFA (or by the New Mexico Environment Department or other appropriate agency or entity on behalf of the NMFA, pursuant to an agreement between such agency or entity and the NMFA), prior to the commencement of construction, and the plans and specifications for the Project incorporates available technologies and operational design for water use efficiency; and

WHEREAS, the execution and performance of this Agreement have been authorized, approved and directed by all necessary and appropriate action of the Water Trust Board 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 or the Master Ordinance shall have the same meaning when used in this Agreement including the foregoing recitals, unless the context clearly requires otherwise (such meanings to be equally applicable to both the singular and the plural forms of the terms defined).

“ACH Authorization” means the authorization for direct payment to the NMFA by ACH made by the Borrower/Grantee on the form required by the bank or other entity at which the account is held, from which the Pledged Revenues will be paid.

“Act” means the general laws of the State, particularly the Water Project Finance Act, NMSA 1978, §§ 72-4A-1 through 72-4A-11, and enactments of the Governing Body relating to this Agreement, including the Ordinance, all as amended and supplemented.

“Additional Funding Amount” means the amount to be provided by the Borrower/Grantee which includes the total value of the Soft Match or Hard Match (each as defined in Section 4.2 of the Policies) which, in combination with the Loan/Grant Amount and other moneys available to the Borrower/Grantee, is sufficient to complete the Project and to provide matching funds required to complete the Project. The Additional Funding Amount is \$219,000.

“Administrative Fee” or “Administrative Fee Component” means an amount equal to one-quarter of one percent (0.25%) per annum of the unpaid principal balance of the Loan Amount, taking into account both payments made by the Borrower/Grantee and hardship waivers of payments granted to the Borrower/Grantee pursuant to Section 5.1(a)(iii) of this Agreement.

“Agreement Term” means the term of this Agreement as provided under Article III of this Agreement.

“Application” means the New Mexico Water Trust Board Application dated September 13, 2024 and the New Mexico Water Trust Board Readiness Application dated January 23, 2025 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, Mayor Pro-Tem, City Manager, Director of Financial Services, Treasurer and City Clerk thereof; with respect to the NMFA, the Chairman, Vice-Chairman 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 Eligibility of Proposed Water Projects, New Mexico Water Trust Board, 19.25.10 NMAC.

“Closing Date” means the date of execution and delivery of this Agreement by the Borrower/Grantee and the NMFA.

“Colonias Infrastructure Act” means NMSA 1978, §§ 6-30-1 through 6-30-8, as amended.

“Conditions” means the conditions to be satisfied prior to the submission of a request for payment or the disbursement of the Loan/Grant Amount, or any portion thereof, from the Water Project Fund, or which otherwise apply to the performance of this Agreement, including those set forth in the Term Sheet.

“Debt Service Requirements” has the meaning assigned to that term in the Master Ordinance.

“Department of Finance and Administration” or “DFA” means the department of finance, and administration of the State.

“Eligible Items” means eligible Project costs for which grants and loans may be made pursuant to NMSA 1978, § 72-4A-7(C), as amended, of the Act, the Board Rules and applicable Policies, and includes, without limitation, Eligible Legal Costs.

“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, in an amount not exceeding ten (10) percent of the Loan/Grant Amount, but does not include adjudication services.

“Event of Default” means one or more events of default as defined in Section 10.1 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.

“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 5.3 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 of the Borrower/Grantee 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 Lender/Grantor, establishing accounting principles applicable to the Borrower/Grantee.

“Governing Body” means the duly organized City Council of the Borrower/Grantee, or any 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 not equal more than \$1,772,398.

“Gross Revenues” has the meaning assigned to that term in the Master Ordinance.

“Hardship Waiver” means a determination by the NMFA pursuant to Section 5.1(a)(iii) 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 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 “B” 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 “B”.

“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 5.3 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.

“Lender/Grantor” means the New Mexico Finance Authority.

“Loan” or “Loan Amount” means the amount provided to the Borrower/Grantee as a loan pursuant to this Agreement for the purpose of funding the Project and shall not equal more than \$196,933.

“Loan/Grant” or “Loan/Grant Amount” means the combined amount partially provided to the Borrower/Grantee 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 \$1,969,331.

“Loan Payments” means, collectively, the Principal Component and the Interest Component, if any, to be paid by the Borrower/Grantee as payment of this Agreement as shown on Exhibit “B” hereto.

“Master Ordinance” means Ordinance No. 1593, Council Bill 97- 035 adopted by the Governing Body on December 18, 1996, as amended by Ordinance No. 2750, Council Bill No. 15-031 adopted by the Council on April 8, 2015, Ordinance No. 2837, Council Bill No. 18- 013 adopted by the Council on January 16, 2018, Ordinance No. 3097, Council Bill No. 25-005 adopted by the Council on October 6, 2025.

“Net Revenues” or “Net Revenues of the System” has the meaning assigned to that term in the Master Ordinance.

“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.

“Operation and Maintenance Expenses” has the meaning assigned to that term in the Master Ordinance.

“Ordinance” means the Borrower/Grantee’s Ordinance No. _____, adopted by the Governing Body on June 15, 2026, authorizing the acceptance of the Loan/Grant, approving this Agreement and pledging the Pledged Revenues to the payment of the Loan Payments and the Administrative Fee as shown on the Term Sheet.

“Pledged Revenues” means the Net Revenues of the System of the Borrower/Grantee pledged to the payment of the Loan Payments and the Administrative Fee pursuant to the Ordinance and this Agreement and described in the Term Sheet.

“Policies” means the Water Trust Board Water Project Fund Project Management Policies approved by the Water Trust Board and the NMFA, as amended and supplemented from time to time.

“Principal Component” means the portion of each Loan Payment paid as principal on this Agreement as shown on Exhibit “B” hereto.

“Project” means the project(s) described on the Term Sheet.

“Project Account” means the book account 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.

“Qualifying Water Project” means a water project for (i) storage, conveyance or delivery of water to end-users; (ii) implementation of the federal Endangered Species Act of 1973 collaborative programs; (iii) wastewater conveyance and treatment; (iv) restoration and management of watersheds; (v) flood prevention; or, (vi) water conservation or recycling, treatment or reuse of water as provided by law; and which has been approved by the state legislature pursuant to NMSA 1978, § 72-4A-9(B), as amended.

“Senior Obligations” or “Parity Bonds” means the outstanding “Senior Obligations” set forth in the Term Sheet and referred to as “Parity Bonds” in the Master Ordinance, and any other obligations now outstanding or hereafter issued or incurred, payable from or secured by a senior lien (but not an exclusive senior lien) on the Pledged Revenues and issued with a lien on the Pledged Revenues senior to the lien on the Pledged Revenues of any Subordinate Obligations and Super Subordinate Obligations.

“State” means the State of New Mexico.

“State Board of Finance” means the State board of finance created pursuant to NMSA 1978, §§ 6-1-1 through 6-1-13, as amended.

“Subordinate Obligations” has the meaning assigned to the term “Subordinated Bonds” in the Master Ordinance and includes the outstanding “Subordinate Obligations” set forth in the Term Sheet, and any other obligations now outstanding or hereafter issued or incurred, payable from or secured by a subordinate lien (but not an exclusive subordinate lien) on the Pledged Revenues and issued with a lien on the Pledged Revenues subordinate to the lien on the Pledged Revenues of any Senior Obligations and senior to the lien on the Pledged Revenues of any Super Subordinate Obligations.

“Super Subordinate Obligations” or “Super Subordinate Bonds” has the meaning assigned to that term in the Master Ordinance and includes this Agreement, the outstanding Super Subordinate Obligations set forth in the Term Sheet and any other obligations, now outstanding or hereafter issued or incurred, payable from or secured by a super subordinate lien (but not an exclusive super subordinate lien) on the Pledged Revenues and issued with a lien on the Pledged Revenues on a parity with Super Subordinate Obligations and subordinate to the lien on the Pledged Revenues of any Senior Obligations and Subordinate Obligations.

“System” means the joint water, sanitary sewer and natural gas utility system of the Borrower/Grantee defined in, created by and operated pursuant to the Master Ordinance.

“System Bonds” has the meaning assigned to that term in the Master Ordinance.

“Term Sheet” means Exhibit “A” attached to this Agreement.

“Useful Life” means the structural and material design life of the Project including planning and design features as required by the Act and the Board Rules.

“Water Project Fund” means the fund of the same name created pursuant to the Act and held and administered by the NMFA.

“Water Trust Board” or “WTB” means the water trust board created and established pursuant to the Act.

ARTICLE II REPRESENTATIONS, COVENANTS AND WARRANTIES

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. Except as otherwise provided in this Agreement, all rights, powers and privileges conferred and duties and liabilities imposed upon the Borrower/Grantee by the provisions of this Agreement and the Ordinance shall be exercised or performed by the Borrower/Grantee or by such members, officers, or officials of the Borrower/Grantee as may be required by law to exercise such powers and to perform such duties.

(b) Authorization of Agreement. The Borrower/Grantee is a qualifying 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, limited obligations of the Borrower/Grantee enforceable against the Borrower/Grantee in accordance with their respective terms.

(c) Nature and Use of Agreement Proceeds. The Borrower/Grantee acknowledges that the distribution of the Loan/Grant Amount shall be deemed to be a distribution to the Borrower/Grantee of proceeds representing the Loan Amount and the Grant Amount on a *pro rata* basis from the maximum 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 Additional Funding Amount and other moneys reasonably expected to be available to the Borrower/Grantee, is sufficient to complete the Project in its entirety.

(d) Payment of Loan Amount. The Borrower/Grantee shall promptly pay the Loan Amount and Administrative Fee as provided in this Agreement, except when a Hardship Waiver is obtained pursuant to Section 5(a)(iii) of this Agreement. The Loan and Administrative Fee 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 and to pay the Administrative Fee 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.

(e) Scope of Project; Completion of Project; Compliance with Laws. The Project is for storage, conveyance or delivery of water to end users. The Loan/Grant Amount will be used only for Eligible Items necessary to complete the Project. The Project is more particularly described in the Term Sheet. The Project will be completed with all practical dispatch and will be completed, operated and maintained so as to comply with all applicable federal, state and local laws, ordinances, resolutions and regulations and all current and future orders of all courts having jurisdiction over the Borrower/Grantee relating to the acquisition, operation, maintenance and completion of the Project and to the use of the Loan/Grant proceeds.

(f) 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 public it serves.

(g) Lien. The Loan Payments constitute an irrevocable super subordinate lien on the Pledged Revenues on a parity with the Super Subordinate Obligations and subordinate to the lien on the Pledged Revenues of the Senior Obligations and the Subordinate Obligations, the priority of which is consistent with that shown on the Term Sheet.

(h) Agreement Term Not Less than Useful Life. The Agreement Term is not less than the Useful Life of the Project as required by NMSA 1978, § 72-4A-7, as amended, of the Act.

(i) Amount of Agreement. The sum of the Grant Amount, the Loan Amount, and the Additional Funding Amount (and as set forth on the Term Sheet) does not exceed the cost of the Project.

(j) 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.

(k) Irrevocable Enactments. While this Agreement remains outstanding and unpaid, any ordinance, resolution or other enactment of the Governing Body applying the Pledged Revenues for the payment of this Agreement, including the Ordinance shall be irrevocable until the Project has been fully acquired and completed, and the Loan Amount, including all principal and interest has been repaid, or provision made for payment thereof, and 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.

(l) 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. 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.

(m) 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 and 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.

(n) 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 anticipated Operation and Maintenance Expenses or other expenses of the Borrower/Grantee.

(o) Expected Coverage Ratio. The Pledged Revenues are reasonably expected to equal or exceed—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.

(p) Right to Inspect. The NMFA shall have the right to inspect at all reasonable times all records, accounts and data relating to the System and to inspect the System and all properties comprising the System, and the Borrower/Grantee shall supply such records, accounts, and data as are requested by the NMFA, within thirty (30) days of receipt of such request, written or oral.

(q) Financial Capability; Budgeting of Pledged Revenues. The Borrower/Grantee meets and will meet during the Agreement Term the requirements of financial capability set by the Water Trust Board and the NMFA. 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.

(r) Rate Covenant. Pursuant to Section 26.03 of the Master Ordinance, the Borrower/Grantee covenants that it will at all times fix, charge and collect such rates and charges as shall be required in order that in each Fiscal Year in which the Loan is outstanding (i) the Gross Revenues shall be sufficient to provide for the payment of the Debt Service Requirements on all Outstanding System Bonds as and when the same become due and payable, to maintain the funds and accounts established in the Master Ordinance, to provide for the payment of expenses of

administration, Operation and Maintenance Expenses of the System which may be necessary to preserve the same in good repair and working order, including the necessary reserves therefor and all other payments necessary to meet ongoing legal obligations to be paid at that time; and (ii) the Pledged Revenues shall at least equal the greater of (a) 125% of the Debt Service Requirements of the outstanding Parity Bonds in such Fiscal year or (b) 115% of the Debt Service Requirements on the Parity Bonds Outstanding and the Subordinated Bonds Outstanding in such Fiscal Year, including this Agreement.

Failure by the Borrower/Grantee to comply with the foregoing Rate Covenant in any Fiscal Year will not constitute an event of default under the Master Ordinance, the Loan Ordinance or this Agreement so long as the Borrower/Grantee, within 180 days after the end of any such Fiscal Year, adopts the schedule of rates and charges recommended or approved by a Consulting Engineer which would bring the Borrower/Grantee into compliance with the Rate Covenant set forth above. The Borrower/Grantee is also required under the Master Ordinance in each Fiscal Year to complete a review of its financial condition for the purpose of estimating whether the Pledged Revenues for such Fiscal Year and for the next succeeding Fiscal Year will be sufficient to comply with the Rate Covenant set forth above and shall by resolution make a determination with respect thereto. If the Borrower/Grantee determines that the Pledged Revenues may not be so sufficient, it shall forthwith cause the Consulting Engineer to make a study for the purpose of recommending a schedule of fees, rates and charges for the System which, in the opinion of the Consulting Engineer, will cause sufficient Gross Revenues to be collected in such Fiscal Year to comply with the Rate Covenant set forth above and will cause additional Gross Revenues to be collected in such Fiscal Year sufficient to eliminate the amount of any deficiency at the earliest practicable time within such Fiscal Year. The Borrower/Grantee shall as promptly as practicable adopt and place in effect the schedule of fees, rates and charges recommended or approved by the Consulting Engineer pursuant to the Master Ordinance. In the alternative to establishing fees, rates and charges necessary to meet the Rate Covenant set forth above, the Borrower/Grantee may implement reductions in Operation and Maintenance Expenses for the System in an amount sufficient to meet the Rate Covenant.

(s) 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, 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 Lender/Grantor.

(t) 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 System, or any part of the Project or System so long as this Agreement is outstanding; provided, however, that if the Project is a joint project of the Borrower/Grantee and other qualifying entities (as defined by the Act), the Borrower/Grantee and the other qualifying 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 Lender/Grantor, or either of them, shall have the power to enforce the terms of this Agreement, without qualification, as to each and every qualifying 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.

(u) Title and Rights of Way. As required by NMSA 1978, § 72-4A-7(A)(3) of the Act, as amended, and the Board Rules, the Borrower/Grantee shall provide written assurance signed by an attorney or provide a title insurance policy ensuring that the Borrower/Grantee has proper title to, easements, rights of way or use permits on the real property upon or through which the Project will be designed, constructed or located pursuant to the Project plans and specifications, and if any portion of the Project will be designed, constructed, located, completed or extended on real property owned by a qualifying entity (as defined by the Act) other than the Borrower/Grantee, such other qualifying entity has title to such real property, and the Borrower/Grantee shall provide written assurance signed by an attorney or provide a title insurance policy ensuring that such other qualifying entity has proper title to such real property. The Borrower/Grantee shall exercise its power of eminent domain, if needed to comply with this paragraph 2.1(u) and Section 4.1(b).

(v) Additional Funding Amount. Together with the Loan/Grant Amount and other amounts available to the Borrower/Grantee, the Additional Funding Amount is now available to the Borrower/Grantee, and in combination with the Loan/Grant Amount, will be sufficient to complete the Project. If any other additional expenses are incurred, the Borrower/Grantee shall be responsible for payment of such expenses.

(w) Audit Requirement. Pursuant to Section 26.09 of the Master Ordinance, within one hundred eighty (180) days following the close of each Fiscal Year, the Borrower/Grantee will cause an audit of the books and accounts of the System to be made by an Independent Accountant and the audit to be made available for inspection by the NMFA upon the release of the audit by the New Mexico State Auditor. Each audit of the System shall comply with Governmental Accounting Standards Board. 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. Upon request by the NMFA, the Borrower/Grantee shall provide the NMFA 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.

(x) Reserved.

(y) Efficient Operation. Pursuant to Section 26.06 of the Master Ordinance, the Borrower/Grantee will maintain the System in efficient operating condition and make such improvements, extensions, enlargements, repairs and betterments to the System as may be necessary or advisable for its economical and efficient operation at all times and sufficient to supply reasonable public and private demands for System services within the Service Area of the System.

(z) Records. Pursuant to Section 26.07 of the Master Ordinance, so long as the Agreement remains outstanding, proper books of record and account will be kept by the Borrower/Grantee in accordance with Generally Accepted Accounting Principles, separate from all other records and accounts, showing complete and correct entries of all transactions relating to the System. Such books shall include, but not necessarily be limited to, monthly records showing:

(i) the number of customers for the joint water, sanitary sewer and natural gas utility system; (ii) the revenues separately received from charges by classes of customers, including but not necessarily limited to classification by facilities; and (iii) a detailed statement of the expenses of the System.

(aa) Billing Procedure. Pursuant to Section 26.10 of the Master Ordinance, bills for water, sanitary sewer and natural gas services or facilities, or any combination, furnished by or through the System, shall be rendered to customers on a regular basis each month following the month in which the service was rendered and shall be due as required by the applicable ordinance, resolution or regulation of the Borrower/Grantee. If permitted by law, if a bill is not paid within the period of time required by such ordinance, resolution or regulation, joint water, sanitary sewer and natural gas utility services shall be discontinued as required by such ordinance, resolution or regulation, and the rates and charges due shall be collected in a lawful manner, including, but not limited to, the cost of disconnection and reconnection. Joint water, sanitary sewer and natural gas utility services may be billed jointly with each other, provided that each such joint bill shall show separately the water, natural gas and sanitary sewer utility charges.

(bb) Competent Management. The Borrower/Grantee shall employ or contract for experienced and competent personnel to manage the System.

(cc) Readiness Requirements. The Borrower/Grantee has met the requirements of Executive Order 2013-006 and it has met or will meet 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 Water Trust Board.

(dd) Other Liens. Other than as provided in the Term Sheet, there are no liens or encumbrances of any nature, whatsoever, on or against the System or the revenues derived from the operation of the same.

(ee) Additional Obligations. The Borrower/Grantee shall notify NMFA of the approval by the Borrower/Grantee of the issuance of any Senior Obligations or Subordinate Obligations upon the Borrower/Grantee's approval of the issuance of such Senior Obligations or Subordinate Obligations. Posting of an Official Statement for such additional Senior Obligations or Subordinate Obligations or a material event notice on the Electronic Municipal Marketplace Access (EMMA) regarding the issuance of such Senior Obligations or Subordinate Obligations shall constitute compliance with notice of the approval of the issuance of additional Senior Obligations or Subordinate Obligations.

Section 2.2 Representations and Warranties of the NMFA. The NMFA represents as follows:

(a) Authorization of Agreement. The NMFA is a public body politic and corporate separate and apart from the State, constituting a governmental instrumentality, and has all necessary power and authority to enter into and perform and observe the covenants and agreements on its part contained in this Agreement and, by proper action, has duly authorized the execution and delivery of this Agreement.

(b) Legal, Valid and Binding Obligation. This Agreement constitutes a legal, valid and binding obligation of the NMFA enforceable in accordance with its terms.

ARTICLE III AGREEMENT TERM

The Agreement Term shall commence on the Closing Date and shall terminate at the end of the Useful Life of the Project as required by NMSA 1978, § 72-4A-7, as amended, of the Act.

ARTICLE IV LOAN/GRANT AGREEMENT CONDITIONS

Section 4.1 Conditions Precedent to Closing of Loan/Grant. Prior to the Closing Date, the following Conditions and readiness to proceed items shall be satisfied:

(a) The NMFA, on behalf of the Water Trust Board, shall have determined that the Borrower/Grantee has met the Conditions and readiness to proceed requirements established for the Loan/Grant by the NMFA and the Water Trust Board including any Conditions set out in the Term Sheet; and

(b) 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 has proper title to or easements, rights of way, or permits on the real property upon or through which the Project is being constructed, located, completed or extended and; provided that if such written assurance has not been provided prior to the Closing Date, the Borrower/Grantee shall provide written assurance signed by an attorney that the Borrower/Grantee has the power of eminent domain and has initiated the exercise of such power for the purpose of acquiring proper title to, easements, rights of way permits on the real property on which the Project will be conducted and completed; and

(c) If any portion of the Project will be constructed, located, completed or extended on real property owned by a qualifying entity (as defined by the Act) other than the Borrower/Grantee, 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 such other qualifying entity has proper title to such real property; and

(d) Prior to the disbursement of any portion of the Loan/Grant Amount for purposes of construction of the Project, the plans and specifications funded with the proceeds of this Agreement will be approved by the NMFA as required by NMSA 1978, § 72-4A-7(B), as amended, or on behalf of the NMFA by the New Mexico Environment Department and the Office of the State of Engineer, and the Borrower/Grantee shall have provided written evidence of such approval to the NMFA; and

(e) Except as otherwise expressly provided in the Conditions, the Borrower/Grantee shall have certified to the Lender/Grantor that the Additional Funding Amount is available for the Project, and, in addition, shall have provided additional evidence reasonably acceptable to the Lender/Grantor of the availability of the Additional Funding Amount; and

(f) The Borrower/Grantee shall be in compliance with the provisions of this Agreement.

(g) Notwithstanding anything in this Agreement to the contrary, the NMFA shall not be obligated to execute the Agreement and may not make the Loan/Grant until the Borrower/Grantee has provided to the NMFA the documents listed on Exhibit “F” attached hereto, all of which must be in form and content acceptable to the NMFA.

Section 4.2 Determination of Eligibility Is Condition Precedent to Disbursement. No request for payment shall be made, nor shall any disbursement be made from the Water Project Fund, for any requisition of any portion of the Loan/Grant Amount, except upon a determination by the NMFA in its sole and absolute discretion that such disbursement is for payment of Eligible Items, and that the request for payment or disbursement does not exceed any limitation upon the amount payable for any Eligible Item pursuant to the Act, the Board Rules, and the Policies governing the Water Project Fund. The NMFA, as a condition precedent to submitting any request for payment to the State Board of Finance or making any requested disbursement from the Water Project Fund, may require submittal of such documentation as the NMFA deems necessary, in its sole and absolute discretion, for 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.

ARTICLE V

LOAN TO THE BORROWER/GRANTEE; GRANT TO THE BORROWER/GRANTEE; APPLICATION OF MONEYS

Section 5.1 Loan and Grant to the Borrower/Grantee.

(a) Loan to the Borrower/Grantee. The Lender/Grantor hereby lends to the Borrower/Grantee and the Borrower/Grantee hereby borrows from and agrees to pay to the order of the Lender/Grantor, without interest, an amount equal to the Loan Amount, with the principal amount of the Loan Amount being payable as provided by Article VI and Exhibit “B” of this Agreement.

(i) Super Subordinate Nature of Loan Amount and Administrative Fee Obligation. The obligation of the Borrower/Grantee to make the Loan Payments and to pay the Administrative Fee shall be subordinate to all other Senior Obligations and Subordinate Obligations and shall be on a parity with all Super Subordinate Obligations.

(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 5.3 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, no later than April 1 of each such year, the Borrower/Grantee may apply in writing to the NMFA for a determination of whether the annual principal payment on the Loan Amount otherwise due on the upcoming June 1 of such year should be forgiven because such payment would cause undue hardship for the Borrower/Grantee or the public it serves. The Borrower/Grantee shall submit such application to the NMFA for determination with sufficient documentation of the existence of such undue hardship as is reasonably required by the NMFA to make a determination, and the Borrower/Grantee shall promptly respond to additional requests for information from the NMFA. Such application for Hardship Waiver shall be executed by the Authorized Officers of the Borrower/Grantee. An “undue hardship” exists if the NMFA determines that the Borrower/Grantee is facing unforeseen events or an emergency that has caused the Borrower/Grantee to be unable to pay on a timely basis the annual principal payment on the Loan Amount. The NMFA may consult the Department of Finance and Administration in determining whether to grant the Hardship Waiver. The NMFA shall make a determination no later than May 15 of the applicable year, and the NMFA shall promptly communicate to the Borrower/Grantee in writing the results of its determination. Upon receipt of written notice of the determination, either the principal payment otherwise due on June 1 of such year shall be forgiven (in the event of a determination of undue hardship) or the principal payment shall remain outstanding and due and payable on June 1 (in the event no undue hardship is determined to exist).

(b) Grant and Acceptance. The Lender/Grantor hereby grants to the Borrower/Grantee and the Borrower/Grantee hereby accepts from the Lender/Grantor an amount equal to the Grant Amount.

(c) Project Account. The NMFA shall 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.

(d) 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 Water Trust Board, the NMFA, the State or the Borrower/Grantee within the meaning of any constitutional or statutory debt limitation.

Section 5.2 Application of Loan/Grant Amount. Following the determination by the NMFA in its sole and absolute discretion that the Conditions to the disbursement of the Loan/Grant Amount have been satisfied, the NMFA shall make an entry in its accounts, and in particular in the Project Account, reflecting the proceeds of the Loan/Grant Amount made available for disbursement from the Water Project Fund to the Borrower/Grantee at its request, and as needed by it to acquire and complete the Project, as provided in Section 7.2 of this Agreement.

Section 5.3 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 beyond the control of the Borrower/Grantee resulted in delaying the acquisition and completion of the Project, and submission of the Borrower/Grantee’s Final Requisition.

Section 5.4 Investment of Monies. Money in the Water Project Fund, representing proceeds of this Agreement, held and administered by the NMFA, may be invested by the NMFA for the credit of the Water Project Fund.

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 the Administrative Fees and other amounts owed by the Borrower/Grantee as herein provided. Subject to the superior lien of any Senior Obligations and Subordinate Obligations, and in accordance with the priority of payment provisions set forth in Section 18.05 of the Master Ordinance, the Borrower/Grantee does hereby grant a super subordinate lien on and a security interest in 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 on a parity with the Super Subordinate Obligations and subordinate to the Senior Obligations and Subordinate Obligations, to the extent required to pay the Loan Payments, and to pay the Administrative Fees and other amounts owed by the Borrower/Grantee as herein provided; (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, Administrative Fees 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 and Administrative Fees at the time and in the manner contemplated by this Agreement, or shall provide as permitted by Section 6.5 of this Agreement for the payment thereof, 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 disbursal 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 "B". 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 "B". The NMFA shall additionally calculate the amount of the Administrative Fee that has accumulated during that twenty-four (24) month period from the Closing Date, and shall include such amount in the first Loan Payment due from the Borrower/Grantee on the Final Debt Service Schedule.

The pledge of the Pledged Revenues and the super subordinate 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, the Administrative Fee 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 Water 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 Water Project Fund.

Section 6.3 Manner of Payment. The Loan Amount and Administrative Fee shall be payable by the Borrower/Grantee to the Lender/Grantor in annual installments on June 1 beginning 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 11.1 of this Agreement or by electronic debit of the account identified in the ACH Authorization. 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 No Penalty for Prepayment of the Loan Amount. The Loan Amount shall be pre-payable by the Borrower/Grantee at the conclusion of the Interim Period without penalty.

Section 6.6 Lender/Grantor'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 Lender/Grantor agrees to execute a release of lien and to give such further assurances as are reasonably necessary to ensure that the Lender/Grantor no longer holds or maintains any lien or claim against the Pledged Revenues.

ARTICLE VII THE PROJECT

Section 7.1 Agreement to Acquire, Complete and Maintain the Project.

(a) 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. 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 the NMFA or on behalf of the NMFA by the New Mexico Environment Department 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.

(b) As provided by NMSA 1978, § 72-4A-7(A)(1), as amended, of the Act, 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, located, completed, installed or extended on real property owned by a qualifying 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 qualifying entity to perform these obligations 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 be subject to approval by the Lender/Grantor and shall include an express statement by such other qualifying entity that the Lender/Grantor is a third party beneficiary of such written agreement.

Section 7.2 Accounting for Amounts Credited to the Project Account. So long as no Event of Default shall occur and provided that all Conditions to the disbursement of the Loan/Grant Amount have been satisfied (including approval of the plans and specifications), upon receipt by the NMFA of a requisition substantially in the form of Exhibit "C" 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, construction, acquisition or other Project-related activities accomplished as of the date of the disbursement request, the NMFA shall, in its sole and absolute discretion: (1) submit a request for payment to the State Board of Finance for payment; and/or (2) disburse from the Water Project Fund, amounts which together are sufficient to pay the requisition in full. The NMFA shall make the appropriate entry in the Project Account reflecting the amount of the payment. The certification provided pursuant to this Section 7.2 in support of the requisition must be acceptable in form and substance to the NMFA and, at its request, the Water Trust Board. The Borrower/Grantee shall provide such records or access to the Project as the NMFA, and, at its request, the Water Trust Board, in the discretion of each, may request in connection with the approval of the Borrower/Grantee's requisition requests made hereunder.

Section 7.3 No Disbursement for Prior Expenditures Except upon Approval. No disbursement shall be made from the Water Project Fund of the Loan/Grant Amount, or any portion thereof, without the written approval of the NMFA and, at its request, the Water Trust Board, to reimburse any expenditure made prior to the Closing Date.

Section 7.4 Borrower/Grantee Reporting to Lender/Grantor. During the acquisition implementation, installation and construction of the Project, the Borrower/Grantee shall provide the Lender/Grantor with a quarterly written report executed by an Authorized Officer of the Borrower/Grantee, in the form attached as Exhibit "D" hereto or in another form reasonably acceptable to the Lender/Grantor, describing the status of the Project as of the report date, uses of Loan/Grant funds during the quarterly period ending on the report date, and requests for distributions of Loan/Grant funds anticipated to occur during the quarterly period immediately following the report date. The first quarterly report shall be due on September 30, 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. No reports shall be required after the report date next following final distribution of the Loan/Grant Funds, unless specifically required by the NMFA or the Water Trust Board. 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, (c) a description of the percentage of completion of the Project; and (d) a timeline of projected milestones.

Section 7.5 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, either (1) the Project has been completed, or (2) that the portion of the Loan/Grant Amount needed to complete the Project has been disbursed in accordance with the terms of this Agreement. No portion of the Loan/Grant Amount shall be disbursed after expiration of the Interim Period.

Section 7.6 Application of Project Account Subsequent to Disbursement of Loan/Grant Funds; Termination of Pledge.

(a) Upon the completion of the Project as signified by delivery of the completion certificate required by Section 7.5 hereof, the NMFA shall determine, by reference to the Project Account, whether any portion of the authorized Loan/Grant Amount remains unexpended and shall dispose of such unexpended proceeds in accordance with law.

(b) In the event that a portion of the Loan/Grant Amount remains unexpended after the expiration of the Interim Period, the NMFA shall dispose of such funds in accordance with law.

Upon the occurrence of either event described in (a) or (b) above, the NMFA shall make the appropriate entry in the Project Account and, upon such entry, the pledge of the Loan/Grant Amount established in this Agreement shall terminate.

ARTICLE VIII COMPLIANCE WITH LAWS AND RULES; OTHER COVENANTS

Section 8.1 Further Assurances and Corrective Instruments. The Lender/Grantor 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 for carrying out the intention hereof.

Section 8.2 Representatives of Lender/Grantor or of Borrower/Grantee. Whenever under the provisions hereof the approval of the Lender/Grantor or the Borrower/Grantee is required, or the Borrower/Grantee, or the Lender/Grantor is required to take some action at the request of either of them, such approval or such request shall be given for the Lender/Grantor or for the Borrower/Grantee, by an Authorized Officer of the Lender/Grantor 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 8.3 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 8.4 Non-Discrimination in Employment. Except as otherwise specifically provided in the laws, statutes, ordinances or regulations of the Borrower/Grantee, the Borrower/Grantee shall require in any contract or subcontract executed in connection with the Project to which the Borrower/Grantee is a party that 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.

Section 8.5 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 treated as Gross Revenues.

Section 8.6 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; and

(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.

(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 8.7 Application of Act and Board Rules. While this Agreement is outstanding, the Lender/Grantor 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 Board Rules are incorporated into this Agreement by reference.

Section 8.8 Continuing Disclosure. The Borrower/Grantee shall provide continuing disclosure to the NMFA, as the NMFA may require, that shall include, but not be limited to: annual audits and notification of any event deemed material by the NMFA, including but not limited to, any event which may or does affect the Pledged Revenues, the ability of the Borrower/Grantee to repay the loan, and the default of the Borrower/Grantee in performance or observance of any covenant, term, or condition contained in any other loan agreement.

ARTICLE IX INSURANCE; NON-LIABILITY OF LENDER/GRANTOR

Section 9.1 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 Lender/Grantor as an additional insured 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 qualifying entity (as defined by the Act) other than the Borrower/Grantee, the Borrower/Grantee may obtain the written agreement of such other qualifying 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 qualifying entity that the Lender/Grantor is a third party beneficiary of such written agreement.

Section 9.2 Non-Liability of Lender/Grantor.

(a) Lender/Grantor 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) 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.

(c) From and to the extent of the Pledged Revenues, and to the extent permitted by law, the Borrower/Grantee shall and hereby agrees to indemnify and save the NMFA 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 harmless, from and to the extent of the available Pledged Revenues, and to the extent permitted by applicable law, 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, shall defend the NMFA in any such action or proceeding.

ARTICLE X EVENTS OF DEFAULT AND REMEDIES

Section 10.1 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;

(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 Lender/Grantor unless the Lender/Grantor 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 Lender/Grantor but cannot be cured within the applicable thirty (30) day period, the Lender/Grantor 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 10.1(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 false or misleading in any material respect;

(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;

(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 debts as they become due or is generally not paying its debts as such debts 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.

(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 10.2 Remedies on Default. Whenever any Event of Default has occurred and is continuing and subject to Section 10.3 hereof, the Lender/Grantor may take any or all of the following actions as may appear necessary or desirable to collect the payments then due and to become due or to enforce performance of any obligations 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 Lender/Grantor;

(f) Intervene in judicial proceedings that affect this Agreement or the Pledged Revenues; or

(g) Cause the Borrower/Grantee to account as if it were the trustee of an express trust for all of the Pledged Revenues;

(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 its rights hereunder; or

(i) Apply any amounts in the Project Account toward satisfaction of any and all fees and costs incurred in enforcing the terms of this Agreement.

Section 10.3 Limitations on Remedies. A judgment requiring payment of money entered against the Borrower/Grantee shall be paid from only available Pledged Revenues unless the Borrower/Grantee in its sole discretion pays the judgment from other available funds.

Section 10.4 No Remedy Exclusive. No remedy herein conferred upon or reserved to the Lender/Grantor 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 Lender/Grantor to exercise any remedy reserved in this Article X, it shall not be necessary to give any notice, other than such notice as may be required in this Article X.

Section 10.5 Waivers of Events of Default. The Lender/Grantor may, in its sole discretion, waive any Event of Default hereunder and the consequences of any such Event of Default; provided, however, all expenses of the Lender/Grantor 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 Lender/Grantor, on account of any such Event of Default shall have been discontinued or abandoned or determined adversely, then and in every such case, the Lender/Grantor shall be restored to its former position and rights hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other Event of Default, or impair any right consequent thereon.

Section 10.6 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 10.7 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 of the Borrower/Grantee.

**ARTICLE XI
MISCELLANEOUS**

Section 11.1 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 Las Cruces
Attn.: City Financial Services Director and City Treasurer
700 N. Main St.
Las Cruces, New Mexico 88001

If to the NMFA, then to:

New Mexico Finance Authority
Attn.: Chief Executive Officer
810 West San Mateo Road
Santa Fe, NM 87505

The Borrower/Grantee or the Lender/Grantor may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 11.2 Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon the Lender/Grantor and the Borrower/Grantee and their respective successors and assigns, if any.

Section 11.3 Integration. This Agreement and any other agreements, certifications and commitments entered into between the Lender/Grantor and the Borrower/Grantee on the Closing 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 Closing 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 11.4 Amendments. This Agreement may be amended only with the written consent of both of the parties hereto. 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 11.5 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 Lender/Grantor, either directly or through the NMFA, 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 or of the NMFA is hereby expressly waived and released by the Borrower/Grantee and by the NMFA as a condition of and in consideration for the execution of this Agreement.

Section 11.6 Severability. In the event that any provision of this Agreement, other than the obligation of the Borrower/Grantee to make the Loan Payments and the Administrative Fee hereunder, 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 11.7 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 11.8 Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State.

Section 11.9 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 11.10 Further Assurances and Corrective Instruments. The NMFA and the Borrower/Grantee 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, or for otherwise carrying out the intention hereof.

Section 11.11 NMFA and Borrower/Grantee Representatives. 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 the other, 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 11.12 CONSENT TO JURISDICTION. THE BORROWER/GRANTEE IRREVOCABLY AGREES 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, on behalf of itself, has executed this Agreement, which was approved by the Water Trust Board on April 22, 2025 and by the NMFA’s Board of Directors on May 22, 2025, in its corporate name by its duly authorized officer; and the Borrower/Grantee has caused this Agreement to be executed in its corporate name and the seal of the Borrower/Grantee affixed and attested by its duly authorized officers. All of the above are effective as of the date first above written.

LENDER/GRANTOR:

NEW MEXICO FINANCE AUTHORITY

By _____
Marquita D. Russel, Chief Executive Officer

PREPARED FOR EXECUTION BY OFFICERS OF THE
NEW MEXICO FINANCE AUTHORITY:

Sutin, Thayer & Browne A Professional Corporation
As Loan/Grant Counsel

By _____
Eduardo A. Duffy

APPROVED FOR EXECUTION BY OFFICERS OF THE
NEW MEXICO FINANCE AUTHORITY:

By _____
Mark Chaiken, General Counsel

BORROWER/GRANTEE:
CITY OF LAS CRUCES, NEW MEXICO

By _____
Eric Enriquez, Mayor

[SEAL]

ATTEST:

By _____
Christine Rivera, City Clerk

EXHIBIT “A”

TERM SHEET

**\$1,969,331 WATER PROJECT FUND LOAN/GRANT TO THE
CITY OF LAS CRUCES, NEW MEXICO**

Project Description:	The Project is for storage, conveyance or delivery of water to end users. The Loan/Grant Amount will be used only for Eligible Items necessary to complete the Project. In particular, the Project will consist of designing, constructing and repairing Las Alturas Del Sol water storage tank and booster station, and shall include such other related work and revisions necessary to complete the Project. The Project may be further described in the Application and in the final plans and specifications for the Project approved by the Water Trust Board and the NMFA as provided by this Agreement. However, in the event of any inconsistency, the description of the Project as stated in this Term Sheet shall control.
Grant Amount:	\$1,772,398
Loan Amount:	\$196,933
Pledged Revenues:	“Pledged Revenues” means the Net System Revenues of the System of the Borrower/Grantee pledged to the payment of the Loan Payments and Administrative Fees pursuant to the Ordinance and the Agreement.
Outstanding Senior Obligations for Pledged Revenues (referred to as Parity Bonds in the Master Ordinance):	Series 2014B, Series 2015, Series 2015A, Series 2016, Series 2017 (PPRF-4222), Series 2020, Series 2020A (PPRF-5236)
Outstanding Subordinate Obligations for Pledged Revenues:	Series 2018, Series 2020B (PPRF-5237), 2023 Clean Water State Revolving Fund Loan (CWSRF-128), 2024 DW-6255, DW-6674
Outstanding Super Subordinate Obligations for Pledged Revenues:	WPF-6289

Agenda Item #9.2.

Authorizing Legislation:	Borrower/Grantee Ordinance No. _____, adopted June 15, 2026
Additional Funding Amount:	\$219,000
Closing Date:	July 24, 2026
Project Account Amount:	\$1,969,331
Expense Account Deposit:	\$0.00
Administrative Fee:	0.25%

Conditions to be satisfied prior to first disbursement of Loan/Grant funds: Delivery to NMFA of (i) a copy of the agenda of the meeting of the Governing Body at which the Ordinance was adopted and at which this Agreement, the Ordinance 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: All Conditions defined in the Agreement. Approval of plans and specification by the NMFA or on behalf of the NMFA by the New Mexico Environment Department prior to submission by Borrower/Grantee of a requisition for disbursement of construction funds and all Conditions defined in the Agreement.

EXHIBIT “B”

PAYMENT PROVISIONS OF THE LOAN

The Loan Amount and Administrative Fee shall be payable by the Borrower/Grantee to the Lender/Grantor in twenty annual installments of principal pursuant to the attached debt service schedule, beginning June 1, 2029 and ending June 1, 2048. The Loan Amount shall be pre-payable upon expiration of the Interim Period without penalty. The Administrative Fee shall be due and payable annually on June 1 of each year while the Loan, or any portion thereof, remains outstanding.

EXHIBIT “C”

FORM OF REQUISITION (Water Project Fund)

RE: \$1,969,331 Loan/Grant Agreement by and between the New Mexico Finance Authority, as Lender/Grantor, and the City of Las Cruces, New Mexico, as Borrower/Grantee (the “Agreement” or “Loan/Grant Agreement”)

Loan/Grant No. WPF-6580 Closing Date: July 24, 2026

TO: NEW MEXICO FINANCE AUTHORITY

You are hereby authorized to disburse from the Project Account 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	Amount	Frequency	Due Date	Payment Method	Remarks
Monthly Rent	1000	Monthly	15/01/2024	Bank Transfer	
Electricity Bill	150	Quarterly	01/03/2024	Online Payment	
Water Bill	50	Quarterly	01/03/2024	Online Payment	
Internet Bill	30	Monthly	01/02/2024	Online Payment	
Property Tax	200	Annually	01/01/2024	Check Payment	
Home Insurance	1200	Annually	01/01/2024	Bank Transfer	
Mortgage Payment	1500	Monthly	15/01/2024	Bank Transfer	
Car Insurance	600	Annually	01/01/2024	Bank Transfer	
Life Insurance	1000	Annually	01/01/2024	Bank Transfer	
Health Insurance	800	Annually	01/01/2024	Bank Transfer	
Life Savings	500	Monthly	15/01/2024	Bank Transfer	
Emergency Fund	200	Monthly	15/01/2024	Bank Transfer	
Retirement Savings	300	Monthly	15/01/2024	Bank Transfer	
College Savings	100	Monthly	15/01/2024	Bank Transfer	
Charitable Contribution	50	Monthly	15/01/2024	Bank Transfer	
Gift	100	One-time	15/01/2024	Bank Transfer	
Loan Repayment	500	Monthly	15/01/2024	Bank Transfer	
Investment	200	Monthly	15/01/2024	Bank Transfer	
Business Expense	100	Monthly	15/01/2024	Bank Transfer	
Personal Expense	50	Monthly	15/01/2024	Bank Transfer	
Other	50	Monthly	15/01/2024	Bank Transfer	

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: \$219,000

V. VERIFICATION AND AUTHORIZATION

Each obligation, item of cost or expense mentioned herein is for a loan/grant made by the Lender/Grantor pursuant to the Water Project Finance 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. All representations contained in the Agreement and 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, easements or rights of way; (7) eligible legal costs associated with development of Qualified Projects, within limits set forth in the Loan/Grant Agreement.

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 on behalf of the New Mexico Finance Authority by the New Mexico Environment Department and/or the Office of the State Engineer, 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 “D”

**WATER PROJECT FUND STATUS REPORT
PREPARED FOR THE
NEW MEXICO FINANCE AUTHORITY**

Fund Recipient: City of Las Cruces Contact Name: Title: Email Address:	Project Number: WPF-6580 Project Name: Las Alturas Del Sol Water Tank Rehab Project Type: Design/Construction
Reporting Period: From _____ To _____ ☐ Quarterly Project Report: ☐ 1 st ☐ 2 nd ☐ 3 rd ☐ 4 th ☐ Final Project Report ☐ Other _____	
WPF Funding Expiration: _____ Total WPF Award: \$ _____ Current Balance: \$ _____ Loan 10% Grant 90% Match \$219,000 Expected WPF Award Expenditure Next Quarter: \$ _____ Local Match Expenditure: To Date \$ _____ Next Quarter \$ _____	
Project Phase: ☐ Planning ☐ Design ☐ Construction	
PROJECT COMPLETION: Original Date _____ Current Date _____ _____ % Complete Days Remaining to Complete _____ On Schedule? ☐ Yes ☐ No	
Briefly Describe Project Progress During This Reporting Period:	
Issues Addressed During This Reporting Period, including any current or anticipated issues that remain unresolved:	
Goals/Milestones, With Timeline or Dates, For The Next Reporting Period:	
Authorized Officer PRINT NAME: _____ PRINT TITLE: _____	
SIGNATURE: _____	Date: _____

****All fields must be completed.***

EXHIBIT “E”

FORM OF CERTIFICATE OF COMPLETION

RE: \$1,969,331 Loan/Grant Agreement by and between the NMFA, as Lender/Grantor, and the City of Las Cruces, New Mexico as Borrower/Grantee (the “Agreement” or “Loan/Grant Agreement”)

Loan/Grant No. WPF-6580

Closing Date: July 24, 2026

TO: NEW MEXICO FINANCE AUTHORITY

I, _____, the _____ of the
[Name] [Title or position]

Borrower/Grantee, hereby certify as follows:

1. The project described in the Loan/Grant 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. Cost of the Project paid from the Additional Funding Amount was \$ _____.

5. The portion of the Loan/Grant Amount unexpended for the Project is \$ _____.

6. The Project was completed and is and shall be used consistent with and subject to the covenants set forth in the Loan/Grant 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 LAS CRUCES, NEW MEXICO

By: _____

Its: _____

EXHIBIT “F”

DOCUMENTS

1. Open Meetings Act Resolution No. 26-068 adopted by the Borrower/Grantee on December 1, 2025
2. Ordinance No. _____ adopted on June 15, 2026, Notice of Meeting, Meeting Agenda, Minutes and Affidavit of Publication of Notice of Adoption of Ordinance in the *Las Cruces Sun-News*
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 (to be executed prior to construction funding)
7. Pledged Revenue Certificate
8. Final Opinion of Counsel for the Borrower/Grantee
9. Approving Opinion of Sutin, Thayer & Browne A Professional Corporation, Loan/Grant Counsel to the NMFA
10. NMFA Application and Project Approval (informational only)

CITY OF LAS CRUCES, NEW MEXICO
ORDINANCE NO. _____; COUNCIL BILL _____

AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A WATER PROJECT FUND SUBORDINATE LIEN LOAN/GRANT AGREEMENT BY AND BETWEEN THE NEW MEXICO FINANCE AUTHORITY ("NMFA") AND THE CITY OF LAS CRUCES (THE "BORROWER/GRANTEE"), IN THE TOTAL AMOUNT OF \$1,969,331, INCLUDING A GRANT IN THE AMOUNT OF \$1,772,398, AND A LOAN IN THE AMOUNT OF \$196,933 EVIDENCING AN OBLIGATION OF THE BORROWER/GRANTEE TO UTILIZE THE LOAN/GRANT AMOUNT SOLELY FOR THE PURPOSE OF FINANCING THE COSTS OF DESIGNING, CONSTRUCTING AND REPAIRING LAS ALTURAS DEL SOL WATER STORAGE TANK AND BOOSTER STATION, AND SOLELY IN THE MANNER DESCRIBED IN THE LOAN/GRANT AGREEMENT; PROVIDING FOR THE SUPER SUBORDINATE LIEN PLEDGE AND PAYMENT OF THE LOAN AMOUNT AND AN ADMINISTRATIVE FEE SOLELY FROM THE NET SYSTEM REVENUES OF THE JOINT WATER, WASTEWATER, AND GAS UTILITY SYSTEM OF THE BORROWER/GRANTEE; 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 ORDINANCE; 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 Ordinance unless the context requires otherwise.

WHEREAS, unless otherwise defined in Article I or elsewhere in this supplemental ordinance (the "Ordinance") or unless the context requires otherwise, capitalized terms in the following preambles have the same meanings assigned to such terms in Article I of Ordinance No. 1593, Council Bill 97-035 adopted by the City Council (the "Governing Body") on December 18, 1996, as amended by Ordinance No. 2750, Council Bill No. 15-031 adopted by the Council on April 8, 2015, Ordinance No. 2837, Council Bill No. 18-013 adopted by the Council on January 16, 2018, and Council Bill No. 26-005, Ordinance No. 3097 adopted by the Council on October 6, 2025, (collectively the "Master Ordinance"); and

WHEREAS, the Master Ordinance provides for the adoption of subsequent supplemental ordinances to authorize the issuance and sale of one or more series of System Bonds as well as the approval of specific terms and documents relating to the issuance and sale of System Bonds; and

WHEREAS, the Borrower/Grantee is a legally and regularly created, established, duly organized and existing incorporated home rule municipality under and pursuant to the laws of the State and more specifically, Article X, Section 6 of the State Constitution, NMSA 1978, §§3-1-1 through 3-66-11, as amended, is a qualifying entity under the Water Project Finance Act and is qualified for financial assistance as determined by the NMFA and approved by the Water Trust Board pursuant to the Board Rules, the Policies and the Act; and

WHEREAS, pursuant to the Board Rules the Water Trust Board has recommended the Project for funding as a Qualifying Project to the Legislature; and

WHEREAS, Chapter 35, Laws 2025, being House Bill 206 of the 2025 Regular New Mexico Legislative Session, authorized the funding of the Project from the Water Project Fund; and

WHEREAS, the Water Trust Board has recommended that the NMFA enter into and administer the Loan/Grant Agreement in order to finance the Project; and

WHEREAS, the NMFA approved on May 22, 2025 that the Borrower/Grantee receive financial assistance in the form of the Loan/Grant; 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 Additional Funding Amount 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 it serves 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 be a special, limited obligation and shall not constitute a general obligation of the Borrower/Grantee, the Water Trust Board or the NMFA or a debt or pledge of the full faith and credit of the Borrower/Grantee, the Water Trust Board, the NMFA or the State; and

WHEREAS, the Borrower/Grantee has created the System as provided in the Master Ordinance; and

WHEREAS, the Master Ordinance governs the issuance of System Bonds or similar obligations by the Borrower/Grantee payable from the Net System Revenues of the System; and

WHEREAS, the Master Ordinance authorizes the Borrower/Grantee to adopt Supplemental Ordinances authorizing the issuance of additional Subordinated Bonds

payable from the Net System Revenues of the System such as this Super Subordinated Obligation; and

WHEREAS, this Council Bill No. _____; Ordinance No. _____, is a Supplemental Ordinance authorized by the Master Ordinance for the purpose of entering into the Loan/Grant Agreement with the NMFA, which Loan/Grant Agreement constitutes a System Bond within the meaning of the Master Ordinance; and

WHEREAS, the Governing Body has determined and hereby determines that the Project may be financed with amounts borrowed under the Loan/Grant Agreement and that it is in the best interest of the Borrower/Grantee and the public it serves that the Loan/Grant Agreement be executed and delivered and that the financing of the Project take place by executing and delivering the Loan/Grant Agreement; and

WHEREAS, the Governing Body has determined that it may lawfully pledge the Pledged Revenues for the payment of amounts due under the Loan/Grant Agreement with a lien thereon subordinate to the lien of the outstanding Parity Obligations and subordinate to the lien of all other Subordinate Obligations; and

WHEREAS, the Loan/Grant Agreement and other Super Subordinated Bonds shall be a category of Subordinated Bonds pursuant to Section 18.05 of the Master Ordinance with the payments due under the Loan/Grant Agreement having a lien on the Pledged Revenues subordinate to and payable after the Debt Service Requirements and funding of reserves for other outstanding Subordinated Bonds now outstanding or hereafter issued; and

WHEREAS, other than the having a lower payment priority provision within Section 18.05 of the Master Ordinance, Super Subordinated Bonds shall be treated as Subordinated Bonds for all purposes of the Master Ordinance including, but not limited to, the Rate Covenant and provisions related to the issuance of Additional System Bonds; and

WHEREAS, other than as described on the Term Sheet, the Pledged Revenues have not heretofore been pledged to secure the payment of any obligation which is currently outstanding; and

WHEREAS, there have been presented to the Governing Body and there presently are on file with the City Clerk this Ordinance 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 Additional Funding Amount is now available to the Borrower/Grantee to complete the Project; and

WHEREAS, the Borrower/Grantee has met or will meet prior to the first disbursement of any portion of the Loan/Grant Amount, the Conditions and readiness to proceed requirements established for the portion of the Loan/Grant Amount disbursed or caused to be disbursed by the NMFA, including but not limited to the requirements of Executive Order 2013-006; and

WHEREAS, the Governing Body hereby determines that the Project to be financed by the Loan/Grant Agreement is to be used for governmental purposes of the Borrower/Grantee; 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 Ordinance, have been obtained or are reasonably expected to be obtained.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF CITY OF LAS CRUCES, NEW MEXICO:

(I)

Section 1. Definitions. As used in this Ordinance, the following terms shall, for all purposes, have the meanings herein specified, unless the context clearly requires otherwise (such meanings to be equally applicable to both the singular and the plural forms of the terms defined); and, any term not defined herein shall have the definition given it by the Master Ordinance or the Loan/Grant Agreement:

“ACH Authorization” means the authorization for direct payment to the NMFA by ACH made by the Borrower/Grantee on the form required by the bank or other entity at which the account is held, from which the Pledged Revenues will be paid.

“Act” means the general laws of the State, particularly the Water Project Finance Act, NMSA 1978, §§ 72-4A-1 through 72-4A-11, and enactments of the Governing Body relating to the Loan/Grant Agreement, including the Master Ordinance, this Ordinance, all as amended and supplemented.

“Additional Funding Amount” means the amount to be provided by the Borrower/Grantee which includes the total value of the Soft Match or Hard Match (each as defined in Section 4.2 of the Policies) which, in combination with the Loan/Grant Amount and other moneys available to the Borrower/Grantee, is sufficient to complete the Project and to provide matching funds required to complete the Project. The Additional Funding Amount is \$219,000.

“Administrative Fee” or “Administrative Fee Component” means an amount equal to one-quarter of one percent (0.25%) per annum of the unpaid principal balance of the Loan Amount, taking into account both payments made by the Borrower/Grantee and hardship waivers of payments granted to the Borrower/Grantee pursuant to Section 5.1(a)(iii) of the Loan/Grant Agreement.

“Authorized Officers” means any one or more of the Mayor, Mayor Pro-Tem, City Manager, Director of Financial Services, Treasurer and City Clerk of the Borrower/Grantee.

“Board Rules” means Review and Eligibility of Proposed Water Projects, New Mexico Water Trust Board, 19.25.10 NMAC.

“Borrower/Grantee” means the City of Las Cruces, New Mexico.

"City Charter" means the home rule charter of the Borrower/Grantee submitted to the Governing Body on January 7, 1985 and approved by the voters of the Borrower/Grantee on March 5, 1985, as amended and supplemented.

“Closing Date” means the date of execution and delivery of the Loan/Grant Agreement, by the Borrower/Grantee and the NMFA.

“Completion Date” means the date of final payment of the cost of the Project.

“Conditions” has the meaning given to that term in the Loan/Grant Agreement.

“Eligible Items” means eligible Project costs for which grants and loans may be made pursuant to NMSA 1978, § 72-4A-7(C), as amended, of the Act, the Board Rules and applicable Policies, and includes, without limitation, Eligible Legal Costs.

“Eligible Legal Costs” has the meaning given to that term in the Loan/Grant Agreement.

“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 Lender/Grantor establishing accounting principles applicable to the Borrower/Grantee.

“Governing Body” means the duly organized City Council of the Borrower/Grantee, or any 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 not equal more than \$1,772,398.

“Gross Revenues” has the meaning given to that term in Section 1.01 of the Master Ordinance and Article I of the Loan/Grant Agreement.

“Herein,” “hereby,” “hereunder,” “hereof,” “hereinabove” and “hereafter” refer to this entire Ordinance and not solely to the particular section or paragraph of this Ordinance in which such word is used.

“Loan” or “Loan Amount” means the amount provided to the Borrower/Grantee as a loan pursuant to the Loan/Grant Agreement for the purpose of funding the Project, in the maximum amount of \$196,933.

“Loan/Grant” or “Loan/Grant Amount” means the combined amount partially provided to the Borrower/Grantee as the Grant Amount and partially 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 \$1,969,331.

“Loan/Grant Agreement” means the Water Project Fund Loan/Grant Agreement entered into by and between the Borrower/Grantee and the NMFA as authorized by this Ordinance.

"Master Ordinance" means Ordinance No. 1593, Council Bill 97- 035 adopted by the Governing Body on December 18, 1996, as amended by Ordinance No. 2750, Council Bill No. 15-031 adopted by the Council on April 8, 2015, Ordinance No. 2837, Council Bill No. 18- 013 adopted by the Council on January 16, 2018 Ordinance No. 3097, Council Bill No. 26-005 adopted by the Council on October 6, 2025.

“Net System Revenues” or “Net Revenues” means the Gross Revenues of the System owned and operated by the Borrower/Grantee after deducting Operation and Maintenance Expenses of the System as defined in Section 1.01 of the Master Ordinance.

“NMAC” means the New Mexico Administrative Code.

“NMFA” means the New Mexico Finance Authority.

“NMSA 1978” means the New Mexico Statutes Annotated, 1978 Compilation, as amended and supplemented from time to time.

“Operation and Maintenance Expenses” has the meaning given to that term in Section 1.01 of the Master Ordinance and Article I of the Loan/Grant Agreement.

“Ordinance” means this Ordinance as it may be supplemented or amended from time to time, as a supplemental Ordinance under the Master Ordinance.

"Parity Bonds" has the meaning given to that term in Section 1.01 of the Master Ordinance and includes any such obligations shown on the Term Sheet which are designated as senior obligations on the Term Sheet.

“Pledged Revenues” means the Net System Revenues of the System of the Borrower/Grantee pledged to the payment of the Loan Payments and Administrative Fee pursuant to this Ordinance and the Loan/Grant Agreement and described in the Term Sheet.

“Project” means the project(s) described on the Term Sheet.

“Project Account” means the book account 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.

“Qualifying Water Project” means a water project for (i) storage, conveyance or delivery of water to end-users; (ii) implementation of the federal Endangered Species Act of 1973 collaborative programs; (iii) wastewater conveyance and treatment; (iv) restoration and management of watersheds; (v) flood prevention or (vi) water conservation or recycling, treatment or reuse of water as provided by law; and which has been approved by the state legislature pursuant to NMSA 1978, § 72-4A-9(B), as amended.

“State” means the State of New Mexico.

“Subordinate Bonds” or “Subordinated Obligations” has the meaning given to that term in Section 1.01 of the Master Ordinance and includes those obligations set forth on the Term Sheet.

“Super Subordinated Obligations” or “Super Subordinated Bonds” has the meaning given to that term in Section 1.01 of the Master Ordinance and includes the Loan/Grant Agreement.

“System” means the joint water, sanitary sewer and natural gas utility system operated as defined in Section 1.01 of the Master Ordinance, of the Borrower/Grantee, owned and operated by the Borrower/Grantee, and of which the Project, when completed, will form part.

“Term Sheet” means Exhibit “A” attached to the Loan/Grant Agreement.

“Useful Life” means the structural and material design life of the Project, including planning and design features, as required by the Act and the Board Rules.

“Water Project Fund” means the fund of the same name created pursuant to the Act and held and administered by the NMFA.

“Water Trust Board” or “WTB” means the water trust board created and established pursuant to the Act.

Section 2. Ratification. All action heretofore taken (not inconsistent with the provisions of this Ordinance) 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 whom 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 whom 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 Additional Funding Amount 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, as required by NMSA 1978, § 72-4A-7(A)(1), as amended.

E. Together with the Loan/Grant Amount, and other amounts available to the Borrower/Grantee, the Additional Funding Amount is now available to the Borrower/Grantee, and in combination with the Loan/Grant Amount, will be sufficient to complete the Project.

F. The NMFA 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 will acquire title to or easements or rights of way on the real property upon which the Project is being constructed or located as provided in the Loan/Grant Agreement.

Section 5. Loan/Grant Agreement—Authorization and Detail.

A. Authorization. This Ordinance has been adopted by the affirmative vote of at least a three-fourths majority of the Governing Body. For the purpose of protecting the public health, conserving the property, and protecting the general welfare and prosperity of the constituent 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 \$1,772,398 and borrowing the Loan Amount of \$196,933 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. This Ordinance is a Supplemental Ordinance authorized by the Master Ordinance for the purpose of entering into the Loan/Grant Agreement with the NMFA, and the Loan/Grant Agreement constitutes a System Bond within the meaning of the Master Ordinance.

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 Ordinance was adopted. The Grant shall be in the amount of \$1,772,398 and the Loan shall be in the amount of \$196,933. Interest on the Loan Amount shall be zero percent (0%) per annum of the unpaid principal balance of the Loan Amount, and the Administrative Fee shall be one-quarter of one percent (0.25%) per annum of the unpaid principal balance of the Loan Amount, taking into account both payments made by the Borrower/Grantee and hardship waivers of payments granted to the Borrower/Grantee.

Section 6. Approval of Loan/Grant Agreement. The form of the Loan/Grant Agreement as presented at the meeting of the Governing Body at which this Ordinance 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, and the City Clerk is 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; Special, Limited Super Subordinate Obligation. The Loan Amount and Administrative Fee shall be solely secured by a super subordinate lien (but not an exclusive super subordinate lien) on the pledge of the Pledged Revenues herein made and as set forth in the Loan/Grant Agreement. The Loan/Grant Agreement, together with interest thereon and other obligations of the Borrower/Grantee thereunder, shall be a special, limited obligation of the Borrower/Grantee, payable solely from the Pledged Revenues as provided in this Ordinance, and the Loan/Grant Agreement shall not constitute a general obligation of the Borrower/Grantee or the State, and the holders of the Loan/Grant Agreement may not look to any general or other fund of the Borrower/Grantee for payment of the obligations thereunder. Nothing contained in this Ordinance nor in the Loan/Grant Agreement, nor any other instruments, shall be construed as obligating the Borrower/Grantee (except with respect to the application of the Pledged Revenues) or as imposing a pecuniary liability or a charge upon the general credit of the Borrower/Grantee or against its taxing power, nor shall a breach of any agreement contained in this Ordinance, the Loan/Grant Agreement, or any other instrument impose any pecuniary liability upon the Borrower/Grantee or any charge upon its general credit or against its taxing power. The Loan/Grant Agreement shall never constitute an indebtedness of the Borrower/Grantee within the meaning of any State constitutional provision or statutory limitation and shall never constitute or give rise to a pecuniary liability of the Borrower/Grantee or a charge against its general credit or taxing power. Nothing herein shall prevent the Borrower/Grantee from applying other funds of the Borrower/Grantee legally available therefor to payments required by the Loan/Grant Agreement, in its sole and absolute discretion.

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. 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 Water Project Fund or otherwise distributed as provided in the Loan/Grant Agreement.

C. NMFA Not Responsible. Borrower/Grantee shall apply the funds derived from the Loan/Grant Agreement as provided therein, and in particular Article VII of the Loan/Grant Agreement. The NMFA shall not 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. NMFA 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 ACH Authorization. Pursuant to the Loan/Grant Agreement, the Borrower/Grantee shall pay the principal and interest on 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 the installments of principal and other amounts due under the Loan/Grant Agreement and to cure any deficiencies in the payment of the Loan Amount or other amounts due under the Loan/Grant Agreement subordinate to the other Subordinated Bonds now outstanding or hereafter issued. The Borrower/Grantee hereby consents to the creation of an ACH authorization agreement for the purpose of making regular electronic payments of the Loan Amount and Administrative Fee, if at any applicable point in time during the Agreement Term the Borrower/Grantee desires to use such payment method for the purposes of the Loan.

Section 10. Lien on Pledged Revenues. The Loan/Grant Agreement shall be issued as a Super Subordinated Bond with a lien on the Pledged Revenues, but not an exclusive lien on the Pledged Revenues, subordinate to the lien thereon of the outstanding Parity Bonds and all other Subordinated Bonds. The Pledged Revenues are hereby authorized to be pledged, and are hereby pledged, and the Borrower/Grantee grants a security interest therein, for the payment of the principal and interest and

Administrative Fee due under the Loan/Grant Agreement, subject to the uses thereof permitted by and the priorities set forth in the Master Ordinance, this Ordinance and the Loan/Grant Agreement. The Loan/Grant Agreement constitutes an irrevocable super subordinate lien, but not necessarily an exclusive super subordinate lien, on the Pledged Revenues subordinate to the lien of the Parity Bonds and the other Subordinated Bonds on the Pledged Revenues. The payments due under the Loan/Grant Agreement shall have a lien on the Pledged Revenues subordinate to and shall be payable after the Debt Service Requirements and funding of reserves for the Parity Bonds and other outstanding Subordinated Bonds now outstanding or hereafter issued.

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 Ordinance, 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 Ordinance and the Loan/Grant Agreement for the full, punctual and complete performance of all the terms, covenants and agreements contained in this Ordinance 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 Ordinance. Prior to the Closing Date, the provisions of this Ordinance may be supplemented or amended by ordinance of the Governing Body with respect to any changes which are not inconsistent with the substantive provisions of this Ordinance. After the Closing Date, this Ordinance 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. Ordinance Irrepealable. After the Loan/Grant Agreement has been executed and delivered, this Ordinance 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 Ordinance 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 Ordinance.

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 Ordinance, 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 Ordinance 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 Ordinance, this Ordinance shall be effective upon adoption of this Ordinance 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 Ordinance shall be published in substantially the following form:

[Remainder of page intentionally left blank.]

[Form of Notice of Adoption of Ordinance for Publication]

**CITY OF LAS CRUCES, NEW MEXICO
NOTICE OF ADOPTION OF ORDINANCE**

Notice is hereby given of the title and of a general summary of the subject matter contained in Council Bill No. _____ Ordinance No. _____, duly adopted and approved by the City Council of City of Las Cruces on June 15, 2026. A complete copy of the Ordinance is available for public inspection during normal and regular business hours in the office of the City Clerk, at 700 N. Main St., Las Cruces, New Mexico 88001.

The title of the Ordinance is:

**CITY OF LAS CRUCES, NEW MEXICO
COUNCIL BILL NO. _____; ORDINANCE NO. _____**

AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A WATER PROJECT FUND SUBORDINATE LIEN LOAN/GRANT AGREEMENT BY AND BETWEEN THE NEW MEXICO FINANCE AUTHORITY ("NMFA") AND THE CITY OF LAS CRUCES (THE "BORROWER/GRANTEE"), IN THE TOTAL AMOUNT OF \$1,969,331, INCLUDING A GRANT IN THE AMOUNT OF \$1,772,398, AND A LOAN IN THE AMOUNT OF \$196,933 EVIDENCING AN OBLIGATION OF THE BORROWER/GRANTEE TO UTILIZE THE LOAN/GRANT AMOUNT SOLELY FOR THE PURPOSE OF FINANCING THE COSTS OF DESIGNING, CONSTRUCTING AND REPAIRING LAS ALTURAS DEL SOL WATER STORAGE TANK AND BOOSTER STATION, AND SOLELY IN THE MANNER DESCRIBED IN THE LOAN/GRANT AGREEMENT; PROVIDING FOR THE SUPER SUBORDINATE LIEN PLEDGE AND PAYMENT OF THE LOAN AMOUNT AND AN ADMINISTRATIVE FEE SOLELY FROM THE NET SYSTEM REVENUES OF THE JOINT WATER, WASTEWATER, AND GAS UTILITY SYSTEM OF THE BORROWER/GRANTEE; 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 ORDINANCE; 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 Ordinance 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]

(II)

THAT City staff is hereby authorized to do all deeds as necessary in the accomplishment of the herein above.

DONE AND APPROVED this 15 day of June 2026

CITY OF LAS CRUCES NEW MEXICO

By _____
Eric Enriquez, Mayor

[SEAL]

ATTEST:

By _____
Christine Rivera, City Clerk

[Remainder of page intentionally left blank.]

Moved by:

Seconded by:

AYES

NAYS

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