



AMENDED
REGULAR MEETING
CITY OF ROSWELL COUNCIL - AGENDA
THURSDAY, JULY 9, 2026
Chaves County Administrative Center
Commission Chambers - #1 St. Mary's Place
Roswell, New Mexico 88203

Notice of this meeting has been given to the public in compliance with Sections 10-15-1 through 10-15-4 NMSA 1978 and Resolution No. 26-12. Except for emergency matters, the City Council shall take action only on the specific items listed on the Agenda.

JULY 9, 2026

6:00 p.m.

MAYOR — Timothy Z. Jennings

Ward 1
Cristina A. Arnold
Juan Oropesa

Ward II
Juliana Halvorson
Will Cavin

Ward III
Edward L. Heldenbrand
Kurt Edwin Gass

Ward IV
Robert B. Corn
Darrell Johnson

Ward V
Angela G. Moore
Carlos Marrajo, Jr.

WELCOME! We are pleased to have you join us for the Roswell City Council meeting. If you wish to speak, please sign up before 6:00 p.m. The Council welcomes relevant public comments; however, a three-minute time limit is enforced under Resolution 26-01 (Governing Body Rules of Order). Large groups are asked to designate a spokesperson. Robert's Rules of Order govern the conduct of this meeting. "THANK YOU" for participating in your City Government.

OPENING CEREMONIES

Call to Order by Presiding Officer
Roll Call & Determination of Quorum
Pledge of Allegiance to the Flag and Invocation

1. Approval of agenda — Approve the agenda for the July 9, 2026, Regular City Council Meeting. (Corn/Martinez)
2. Approval of consent agenda — Approve the consent agenda for the July 9, 2026, Regular City Council Meeting. (Corn/Martinez)

CONSENT ITEMS (*items 3-11 will be approved at the time of the approval of the consent agenda*)

All matters under this heading are considered routine by the City Council and will be acted upon in one motion. There will be no separate discussion of these items. If discussion of a particular item is desired, upon request, that item may be removed from the Consent Agenda and placed on the Regular Agenda for separate consideration.

3. Approval of a purchase order in the amount of \$595,675 for the conservation of 291 collection items in various media by The Conservation Center. (Gass/Brooks) Pg 4
4. Approval of a budget adjustment of \$50,000.00 for the plan and design of the Roswell First Response Center. (Gass/Halvorson) Pg 36

Resolution(s)

5. Resolution 26-35: Weeds - The Resolution shall mandate the cleanup of approximately twenty-one (21) separate properties within the City. (Cavin/Franco)Pg 37
6. Resolution 26-36: Condemnations - Adoption of Resolution 26-36 the Resolution shall require the removal or demolition of three (3) dilapidated structures. (Cavin/Franco) Pg 42
7. Resolution 26-38: Disposal of certain surplus Personal Property — adoption of Resolution

26-38 to dispose of certain surplus personal property listed on the attachment. (Gass/Hicks) Pg 50

8. Resolution 26-40: Support of application to the New Mexico Department of Finance for a possible Community Development Block Grant (CDBG) funding application. (Gass/MacCornack) Pg 53

Minutes

9. Approval of the minutes from the Comprehensive Master Plan Workshop on June 5, 2026 Pg 61
10. Approval of the minutes from the Regular City Council Meeting on June 11, 2026. Pg 64
11. Approval of the minutes from the Special City Council Meeting on June 25, 2026. Pg 74

NON-ACTION ITEMS (Information Items)

12. Recognizing Key Contributors to the July 4 Celebration (Councilor Halvorson)
13. Flood Recovery Task Force Updates (Chris Cortez)
14. Airport Updates (Omar Gonzalez)
15. Airport Updates (Fred Telling)
16. Employee Out-of-State Travel (Informational Only) Pg 78

PUBLIC PARTICIPATION ON AGENDA ITEMS AND NON-AGENDA ITEMS

In order to speak you must sign up prior to the Council Meeting.

PUBLIC HEARING(S)

17. Public hearing: Hold a public hearing and vote on a Restaurant B-Beer, Wine and Spirits License with on premises consumption and with patio service for Application No. BLA-0000018225, Gelis Café, d/b/a/ Gelis Mexican Restaurant, located at 2601 N. Main Street, Roswell, NM 88201. (Corn/Nairn-Mahan) Pg 80
18. Ordinance 26-05: Hold a public hearing to consider adopting proposed Ordinance 26-05: An Ordinance authorizing the issuance of Industrial Revenue Bonds (Gallagher Solar LLC Project) and Execution Bond Purchase Agreement, Indenture, Lease, and Sublease. (Cavin/Yntema) Pg 90
19. Ordinance 26-06: Hold a public hearing to consider adopting proposed Ordinance 26-06: authorizing the execution and delivery of a loan agreement with New Mexico Finance Authority for improvement projects related to flood damage. (Gass/Rogers) Pg 186
20. Ordinance 26-07: Hold a public hearing to consider adopting proposed Ordinance 26-07: An Ordinance to refund the Series 2017 Joint Water & Sewer Improvement Bonds. (Gass/Rogers) Pg 209

NEW BUSINESS / REGULAR ITEMS

21. Recommend to the City Council the ratification and adoption of the Procurement Policy.

(Cavin/Gomez) Pg 233

22. Approval to allocate \$1,850,000 to the Fiscal Year 2027 final budget for site grading, surface leveling, and drainage improvements to redirect stormwater flow within the Air Center.
(Gass/Thompson) Pg 256

Resolution(s)

23. Resolution 26-37: Adopt the 2026 Comprehensive Master Plan as the official planning guide to replace the 2016 Comprehensive Master Plan for the City of Roswell, New Mexico.
(Cavin/Hildreth) Pg 257

Ordinance(s)

24. Ordinance 26-08: Authorize to advertise for a public hearing to consider adopting proposed Ord. 26-08 amending fines and penalties through the City of Roswell Code of Ordinances.
(Halvorson/Nairn-Mahan) Pg 259
25. Ordinance 26-09: Zoning Case 26-0084 ANNEX - Consider adopting proposed Ordinance 26-09 to annex 9.56 acres into the municipal boundary to be consolidated with 402 E Brasher Road, zoned I-1 Light Industrial for XCEL ENERGY to build a service center and lay down yard. Legal Summary Subd: SPS SUMMARY REVIEW PLAT Tract: 1B S: 21 T: 11S R: 24E DOC# 202508257 WD (Property Owner: Southwestern Public Service Co).
(Corn/Hildreth) Pg 265

Closed Session

26. Hold a closed session - pursuant to NMSA 1978, § 10-15-1H (2), to discuss limited personnel matters pertaining to City Manager, NMSA 1978, § 10-15-1(H)(5), to discuss attorney-client privileged communication relating to Union Negotiations, in which the City of Roswell is or may become a participant, NMSA 1978, § 10-15-1H (7), to discuss attorney-client privilege pertaining to threatened or pending litigation in which the public body is or may become a participant relating. (Corn/Nairn-Mahan) Pg 294

COUNCILOR COMMENTS (Information Only)

CITY MANAGER REPORTS/ANNOUNCEMENTS

(Information Only)

Adjournment

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing or meeting, please contact Human Resources at 575-624-6700 at least one week before the meeting or as soon as possible. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact the City Clerk at 575-637-6202 if a summary of another type of accessible format is needed. Printed and posted: **Monday, July 6, 2026.**

To watch the City Council Meeting live from your computer, tablet, or smartphone, go to <https://www.youtube.com/@CityofRoswellNM/featured>. You can also go to www.roswell-nm.gov, then click on the YouTube link on the banner on the right side of the screen.

**ROSWELL NEW MEXICO
AGENDA ITEM ABSTRACT**

Regular City Council Meeting

3.

Meeting Date: 07/09/2026

COMMITTEE: Finance

CONTACT: Tammi Smith

CHAIR: Kurt Gass

ACTION REQUESTED:

Approval of a purchase order in the amount of \$595,675 for the conservation of 291 collection items in various media by The Conservation Center. (Gass/Brooks)

BACKGROUND:

Initiated by: Caroline Brooks

The Conservation Center (TCC) specializes in large-scale disaster recovery for collections. TCC aided the museum with the evacuation of the collection following the flood, and approximately 5,300 items were transported to their facility in Chicago for potential conservation treatment. The multiphase conservation process will take approximately 3 to 4 years to complete. Over the coming months, TCC will provide treatment proposals and costs for review by museum staff. The grouping in this proposal is for two- and three-dimensional objects, comprising baskets, textiles, metal, stone, taxidermy, weaponry, wood as well as paintings, prints, drawings and photographs, referred to as "flats" for which there is a gap between appraised value (amount covered by insurance) and treatment cost, and that staff are recommending TCC move forward. Items not included in this proposal are a) those that have values above the treatment costs and the insurance is directly paying for the conservation, b) those that are still under review due to pending appraisals and/or clarification needed on coverage or treatment and which will be presented as needed at a later date, and c) items that have yet to be examined. A sole source application was filed and approved with the State of New Mexico in accordance with procurement requirements for use of a sole source vendor. The Conservation Center is the only vendor identified with the capacity to handle the volume of items in need of conservation.

FINANCIAL CONSIDERATION

The City of Roswell received approximately \$1.8 million in funds for museum special insurance in FY26. The museum plans to use this money as the initial funding for the previous expenses described. An additional Fine Art Insurance claim will pay the City for the value of each item, approximated at \$68,035; a FEMA reimbursement will be sought for \$340,597.50, and the remaining share is \$188,042.50.

LEGAL REVIEW:

There is no legal review at this time.

BOARD AND COMMITTEE ACTION:

Finance Committee recommended approval 5-0 at their meeting on July 1, 2026.

STAFF RECOMMENDATION:

Proceed as presented.

Attachments

TCC Stone Proposal
TCC Basketry Proposal
TCC Ceramic Proposal
TCC Flats Proposal 1
TCC Flats Proposal 2

TCC Metal Proposal
TCC Taxidermy Proposal
TCC Textiles Proposal
TCC Weaponry Proposal
TCC Wood Proposal



June 11, 2025

Roswell Museum
1011 N Richardson Ave
Roswell, NM 88201

CLAIM #: AXIS23031 / 24-10-06834
TCC SERVICE PROPOSAL NO. 51229_51285 Stone Objects (Collection 5)

The Conservation Center strives to uphold the greatest standard of care when preserving and handling your collection. When conserving a piece, our goal is to preserve the artist's original intent by using non-invasive and reversible techniques while utilizing archival-grade materials; thus, forming our treatment philosophy: less is more.

Our Conservators have had an opportunity to examine your artwork. The recommendations and service proposal are as follows:

This proposal addresses the conditions and recommended treatments determined to be directly related to the claim. Please note that any pre-loss related conditions will not be addressed with treatment unless they must be stabilized prior to proceeding with treatment related to the claim. All other pre-loss conditions will remain after treatment is complete. Variations in treatment costs are due to the degrees of complexity presented by each individual piece.

Please Note: It is the responsibility of the museum to verify/conduct due diligence on items that are subject to the Visual Artists Rights Act of 1990 (VARA) and/or the Native American Graves Protection and Repatriation Act (NAGPRA).

This Service Proposal No. 51229_51285 Stone Objects (Collection 5) is an agreement (this “***Service Proposal***”) between International Art Services, Inc. d/b/a The Conservation Center, an Illinois corporation (“***TCC***”), and the client signing this Service Proposal (the “***Client***”). This Service Proposal is governed by and subject to the terms and conditions set forth in that certain client engagement letter agreement, entered into by and between TCC and the Client, dated October 23, 2024. This Service Proposal shall not be a binding offer or agreement to provide any Services hereunder until TCC countersigns this Service Proposal.

1. Services. TCC will provide the following “***Services***” pursuant to this Service Proposal: Conservation with respect to the Property (defined below).
2. Property. TCC will perform the Services with respect to the following “***Property***,” at the Fees described below:

Estimated Treatment Time: *Approximately 12-15 months from the date of signed approval and 50% in-progress payment.*

3. Fees/Deposit.

a. Fees. The Fees for the Services are as follows:

Total Conservation Fee:	\$1,650.00
Laboratory Materials Fee:	\$165.00
Post-Treatment Report Fee:	\$25.00
Total:	\$1,840.00

Approved Item #30 from 51229_51285 Stone Objects (Collection 5)

**Invoicing for the above fees will be submitted directly to the city of Roswell*

Approved Item(s) _____ Unapproved Item(s): _____

Any Specifications: _____

No storage fees will be charged during the treatment of the Property and for forty-five (45) days after The Conservation Center notifies the Client that treatment has been completed, but will commence at a rate of \$4.00/month/cubic foot of Property beginning on the 46th day after such notification if the Property remain in The Conservation Center's possession.

Storage fees of \$4.00/month/cubic foot of Property will apply for items unapproved for treatment.

b. Deposit. Given the estimated Fees above, a In-Progress Payment must be remitted in the amount of 50% of the total costs of Services within fifteen (15) days of the Effective Date (as defined in the signature block below) of this Service Proposal. Upon receipt of signed proposal, The Conservation Center will provide an invoice and details for methods of payment.

IN WITNESS WHEREOF, this Service Proposal No. 51229_51285 Stone Objects (Collection 5) Authorization Form 5 has been entered into as of the Effective Date below.

THE CLIENT:

Client Signature: _____

“Effective Date”: _____

Print Name: _____

Accepted by TCC as of the Effective Date:

TCC Signature: _____

Print Name: _____

Title: _____



THE
CONSERVATION
CENTER

June 19, 2025

Roswell Museum
1011 N Richardson Ave
Roswell, NM 88201

CLAIM #: AXIS23031 / 24-10-06834

TCC SERVICE PROPOSAL NO. 51229_51287 (Collection 7 – Basketry and Woven Objects)

The Conservation Center strives to uphold the greatest standard of care when preserving and handling your collection. When conserving a piece, our goal is to preserve the artist's original intent by using non-invasive and reversible techniques while utilizing archival-grade materials; thus, forming our treatment philosophy: less is more.

Our Conservators have had an opportunity to examine your artwork. The recommendations and service proposal are as follows:

This proposal addresses the conditions and recommended treatments determined to be directly related to the claim. Please note that any pre-loss related conditions will not be addressed with treatment unless they must be stabilized prior to proceeding with treatment related to the claim. All other pre-loss conditions will remain after treatment is complete. Variations in treatment costs are due to the degrees of complexity presented by each individual piece.

Please Note: It is the responsibility of the museum to verify/conduct due diligence on items that are subject to the Visual Artists Rights Act of 1990 (VARA) and/or the Native American Graves Protection and Repatriation Act (NAGPRA).

This Service Proposal No. 51229_51287 (Collection 7 – Basketry and Woven Items) is an agreement (this “**Service Proposal**”) between International Art Services, Inc. d/b/a The Conservation Center, an Illinois corporation (“**TCC**”), and the client signing this Service Proposal (the “**Client**”). This Service Proposal is governed by and subject to the terms and conditions set forth in that certain client engagement letter agreement, entered into by and between TCC and the Client, dated October 23, 2024. This Service Proposal shall not be a binding offer or agreement to provide any Services hereunder until TCC countersigns this Service Proposal.

1. Services. TCC will provide the following “**Services**” pursuant to this Service Proposal: Conservation with respect to the Property (defined below).
2. Property. TCC will perform the Services with respect to the following “**Property**,” at the Fees described below:



3. Fees/Deposit.

a. Fees. The Fees for the Services are as follows:

Total Conservation Fee:	\$21,780.00
Laboratory Materials Fee:	\$2,180.00
Post Treatment Report Fee:	\$300.00
*Total:	\$24,260.00

Return Delivery to be Determined Upon Conclusion of Treatment

51229 51287 (Collection 7 – Basketry and Woven Items) Approved

Items: # 6, 10, 12, 16, 19, 20, 21, 26, 27, 30, 32, & 33

**Invoicing for the above fees will be submitted directly to the city of Roswell*

IMPORTANT NOTE: Storage fees of \$4.00/cubic foot/month/piece of Property **[\$215.00/month total for the items within this proposal]** will take effect forty-five (45) days after receipt of this proposal and will continue to accrue until this Service Proposal is returned to The Conservation Center.

No storage fees will be charged during the treatment of the Property and for forty-five (45) days after The Conservation Center notifies the Client that treatment has been completed, but will commence at a rate of \$4.00/month/cubic foot of Property beginning on the 46th day after such notification if the Property remain in The Conservation Center's possession.

Storage fees of \$4.00/month/cubic foot of Property will apply for items unapproved for treatment.

b. Deposit. Given the estimated Fees above, a Deposit in the amount of 50% of the total costs of Services within fifteen (15) days of the Effective Date (as defined in the signature block below) of this Service Proposal. Upon receipt of signed proposal, The Conservation Center will provide an invoice and details for methods of payment.

IN WITNESS WHEREOF, this Service Proposal No. 51229_51287 (Collection 7 – Basketry and Woven Items) Authorization 3 has been entered into as of the Effective Date below.

THE CLIENT:

Client Signature: _____

“Effective Date”: _____

Print Name: _____

Accepted by TCC as of the Effective Date:

TCC Signature: _____

Print Name: _____

Title: _____



September 22, 2025

Caroline Brooks
Roswell Museum
1011 N Richardson Ave
Roswell, NM 88201

CLAIM #: AXIS23031 / 24-10-06834

TCC SERVICE PROPOSAL NO. 51229_51284 (Collection 4 – Pottery and Ceramic Objects)

The Conservation Center strives to uphold the greatest standard of care when preserving and handling your collection. When conserving a piece, our goal is to preserve the artist's original intent by using non-invasive and reversible techniques while utilizing archival-grade materials; thus, forming our treatment philosophy: less is more.

Our Conservators have had an opportunity to examine your artwork. The recommendations and service proposal are as follows:

This proposal addresses the conditions and recommended treatments determined to be directly related to the claim. Please note that any pre-loss related conditions will not be addressed with treatment unless they must be stabilized prior to proceeding with treatment related to the claim. All other pre-loss conditions will remain after treatment is complete. Variations in treatment costs are due to the degrees of complexity presented by each individual piece.

Please Note: It is the responsibility of the museum to verify/conduct due diligence on items that are subject to the Visual Artists Rights Act of 1990 (VARA) and/or the Native American Graves Protection and Repatriation Act (NAGPRA).

This Service Proposal No. 51229_51284 (Collection 4 – Pottery and Ceramic Objects) is an agreement (this “***Service Proposal***”) between International Art Services, Inc. d/b/a The Conservation Center, an Illinois corporation (“***TCC***”), and the client signing this Service Proposal (the “***Client***”). This Service Proposal is governed by and subject to the terms and conditions set forth in that certain client engagement letter agreement, entered into by and between TCC and the Client, dated October 23, 2024. This Service Proposal shall not be a binding offer or agreement to provide any Services hereunder until TCC countersigns this Service Proposal.

1. Services. TCC will provide the following “***Services***” pursuant to this Service Proposal: Conservation with respect to the Property (defined below).
2. Property. TCC will perform the Services with respect to the following “***Property***,” at the Fees described below:



3. Fees/Deposit.

a. Fees. The Fees for the Services are as follows:

Total Conservation Fee:	\$59,930.00
Laboratory Materials Fee:	\$5,695.00
Post Treatment Report Fee:	\$725.00
*Total:	\$63,350.00

Return Delivery to be Determined Upon Conclusion of Treatment

51229 51284 (Collection 4 – Pottery and Ceramic Objects) Approved

Items: #12, 18, 20, 22, 23, 24, 34, 36, 37, 39, 40, 47, 48, 49, 51, 52, 55, 57,
60, 65, 66, 67, 70, 80, 81, 82, 85, 87, & 90

**Invoicing for the above fees will be submitted directly to the city of Roswell*

IMPORTANT NOTE: Storage fees of \$4.00/cubic foot/month/piece of Property **[\$525.00/month total for the items within this proposal]** will take effect forty-five (45) days after receipt of this proposal and will continue to accrue until this Service Proposal is returned to The Conservation Center.

No storage fees will be charged during the treatment of the Property and for forty-five (45) days after The Conservation Center notifies the Client that treatment has been completed, but will commence at a rate of \$4.00/month/cubic foot of Property beginning on the 46th day after such notification if the Property remain in The Conservation Center's possession.

Storage fees of \$4.00/month/cubic foot of Property will apply for items unapproved for treatment.

b. Deposit. Given the estimated Fees above, a Deposit in the amount of 50% of the total costs of Services within fifteen (15) days of the Effective Date (as defined in the signature block below) of this Service Proposal. Upon receipt of signed proposal, The Conservation Center will provide an invoice and details for methods of payment.

IN WITNESS WHEREOF, this Service Proposal No. 51229_51284 (Collection 4 – Pottery and Ceramic Objects) Authorization 3 has been entered into as of the Effective Date below.

THE CLIENT:

Client Signature: _____

“Effective Date”: _____

Print Name: _____

Accepted by TCC as of the Effective Date:

TCC Signature: _____

Print Name: _____

Title: _____



THE
CONSERVATION
CENTER

February 27, 2026

Caroline Brooks
Roswell Museum
1011 N Richardson Ave
Roswell, NM 88201

CLAIM NO. AXIS23031 / 24-10-06834
TCC SERVICE PROPOSAL NO. 51229_51270 Flats (Collection 3)
FEBRUARY 2026 BATCH

The Conservation Center strives to uphold the greatest standard of care when preserving and handling your collection. When conserving a piece, our goal is to preserve the artist's original intent by using non-invasive and reversible techniques while utilizing archival-grade materials; thus, forming our treatment philosophy: less is more.

Our Conservators have had an opportunity to examine your artwork. The recommendations and service proposal are as follows:

This proposal addresses the conditions and recommended treatments determined to be directly related to the claim. Please note that any pre-loss related conditions will not be addressed with treatment unless they must be stabilized prior to proceeding with treatment related to the claim. All other pre-loss conditions will remain after treatment is complete. Variations in treatment costs are due to the degrees of complexity presented by each individual piece.

Please Note: It is the responsibility of the museum to verify/conduct due diligence on items that are subject to the Visual Artists Rights Act of 1990 (VARA) and/or the Native American Graves Protection and Repatriation Act (NAGPRA).

This Service Proposal No. 51229_51270 Flats (Collection 3) [FEBRUARY 2026 BATCH] is an agreement (this “***Service Proposal***”) between International Art Services, Inc. d/b/a The Conservation Center, an Illinois corporation (“***TCC***”), and the client signing this Service Proposal (the “***Client***”). This Service Proposal is governed by and subject to the terms and conditions set forth in that certain client engagement letter agreement, entered into by and between TCC and the Client, dated October 23, 2024. This Service Proposal shall not be a binding offer or agreement to provide any Services hereunder until TCC countersigns this Service Proposal.

1. Services. TCC will provide the following “***Services***” pursuant to this Service Proposal: Conservation with respect to the Property (defined below).
2. Property. TCC will perform the Services with respect to the following “***Property***,” at the Fees described below:



3. Fees/Deposit.

a. Fees. The Fees for the Services are as follows:

Total Conservation Fee (<i>select approved items below</i>):	\$44,420.00
Laboratory Materials Fee:	\$6,660.00
Post Treatment Report Fee:	\$1,600.00
TOTAL:	\$52,680.00

Approved Items #180, 215, 478, 479, 485, 487, 488, 503, 508

**Invoicing for the above fees will be submitted directly to the city of Roswell*

No storage fees will be charged during the treatment of the Property and for forty-five (45) days after The Conservation Center notifies the Client that treatment has been completed, but will commence at a rate of \$6.00/month/cubic foot of Property beginning on the 46th day after such notification if the Property remain in The Conservation Center's possession.

Storage fees of \$6.00/month/cubic foot of Property will apply for items unapproved for treatment.

b. Deposit. Given the fees above, the Carrier must remit a Deposit in the amount of 50% of the total costs of Services within fifteen (15) days of the Effective Date (as defined in the signature block below) of this Service Proposal. Upon receipt of signed proposal, The Conservation Center will provide an invoice and details for methods of payment.

IN WITNESS WHEREOF, this Service Proposal No. 51229_51270 Flats (Collection 3) [FEBRUARY 2026 BATCH- AUTH FORM 4] has been entered into as of the Effective Date below.

THE CLIENT:

Client Signature: _____

“Effective Date”: _____

Print Name: _____

Accepted by TCC as of the Effective Date:

TCC Signature: _____

Print Name: _____

Title: _____



May 29, 2026

Caroline Brooks
Roswell Museum
1011 N Richardson Ave
Roswell, NM 88201

CLAIM NO. AXIS23031 / 24-10-06834
TCC SERVICE PROPOSAL NO. 51229_51270 Flats (Collection 3)
[MAY 2026 BATCH]

The Conservation Center strives to uphold the greatest standard of care when preserving and handling your collection. When conserving a piece, our goal is to preserve the artist's original intent by using non-invasive and reversible techniques while utilizing archival-grade materials; thus, forming our treatment philosophy: less is more.

Our Conservators have had an opportunity to examine your artwork. The recommendations and service proposal are as follows:

This proposal addresses the conditions and recommended treatments determined to be directly related to the claim. Please note that any pre-loss related conditions will not be addressed with treatment unless they must be stabilized prior to proceeding with treatment related to the claim. All other pre-loss conditions will remain after treatment is complete. Variations in treatment costs are due to the degrees of complexity presented by each individual piece.

Please Note: It is the responsibility of the museum to verify/conduct due diligence on items that are subject to the Visual Artists Rights Act of 1990 (VARA) and/or the Native American Graves Protection and Repatriation Act (NAGPRA).

This Service Proposal No. 51229_51270 Flats (Collection 3) [MAY 2026 BATCH] is an agreement (this “***Service Proposal***”) between International Art Services, Inc. d/b/a The Conservation Center, an Illinois corporation (“***TCC***”), and the client signing this Service Proposal (the “***Client***”). This Service Proposal is governed by and subject to the terms and conditions set forth in that certain client engagement letter agreement, entered into by and between TCC and the Client, dated Wednesday, October 23, 2024. This Service Proposal shall not be a binding offer or agreement to provide any Services hereunder until TCC countersigns this Service Proposal.

1. Services. TCC will provide the following “***Services***” pursuant to this Service Proposal: Conservation with respect to the Property (defined below).
2. Property. TCC will perform the Services with respect to the following “***Property***,” at the Fees described below:

3. Fees/Deposit.

a. Fees. The Fees for the Services are as follows:

Total Conservation Fee:	\$107,675.00
Laboratory Materials:	\$10,770.00
Post Treatment Report Fee:	\$800.00
Total:	\$119,245.00

Approved Item #s:

14, 32, 33, 42, 111, 112, 121, 127, 135, 138, 152, 157, 163, 164, 169, 173, 176, 177, 185,
186, 190, 195, 197, 207, 209, 230, 232, 241, 242, 245, 288, 371

**Invoicing for the above fees will be submitted directly to the city of Roswell*

Approved Item(s) _____ Unapproved Item(s): _____

Any Specifications: _____

IMPORTANT NOTE: Storage fees of \$6.00/cubic foot/month/piece of Property [\$880.00/month total for the items within this proposal] will take effect forty-five (45) days after receipt of this proposal and will continue to accrue until this Service Proposal is returned to The Conservation Center.

No storage fees will be charged during the treatment of the Property and for forty-five (45) days after The Conservation Center notifies the Client that treatment has been completed, but will commence at a rate of \$6.00/month/cubic foot of Property beginning on the 46th day after such notification if the Property remain in The Conservation Center's possession.

Storage fees of \$6.00/month/cubic foot of Property will apply for items unapproved for treatment.

b. Deposit. Given the fees above, the Client must remit a Deposit in the amount of 50% of the total costs of Services within fifteen (15) days of the Effective Date (as defined in the signature block below) of this Service Proposal. Upon receipt of signed proposal, The Conservation Center will provide an invoice and details for methods of payment.

IN WITNESS WHEREOF, this Service Proposal No. 51229_51270 Flats (Collection 3) [MAY 2026 BATCH] – AUTH FORM 2 has been entered into as of the Effective Date below.

THE CLIENT :

Client Signature: _____

“Effective Date”: _____

Print Name: _____

Accepted by TCC as of the Effective Date:

TCC Signature: _____

Print Name: _____

Title: _____



THE
CONSERVATION
CENTER

May 21, 2025

Roswell Museum
1011 N Richardson Ave
Roswell, NM 88201

CLAIM NO. AXIS23031 / 24-10-06834
TCC SERVICE PROPOSAL NO. 51229_51291 (Collection 11 – Metal Objects)

The Conservation Center strives to uphold the greatest standard of care when preserving and handling your collection. When conserving a piece, our goal is to preserve the artist's original intent by using non-invasive and reversible techniques while utilizing archival-grade materials; thus, forming our treatment philosophy: less is more.

Our Conservators have had an opportunity to examine your artwork. The recommendations and service proposal are as follows:

This proposal addresses the conditions and recommended treatments determined to be directly related to the claim. Please note that any pre-loss related conditions will not be addressed with treatment unless they must be stabilized prior to proceeding with treatment related to the claim. All other pre-loss conditions will remain after treatment is complete. Variations in treatment costs are due to the degrees of complexity presented by each individual piece.

Please Note: It is the responsibility of the museum to verify/conduct due diligence on items that are subject to the Visual Artists Rights Act of 1990 (VARA) and/or the Native American Graves Protection and Repatriation Act (NAGPRA).

This Service Proposal No. 51229_51291 (Collection 11 – Metal Objects) is an agreement (this “***Service Proposal***”) between International Art Services, Inc. d/b/a The Conservation Center, an Illinois corporation (“***TCC***”), and the client signing this Service Proposal (the “***Client***”). This Service Proposal is governed by and subject to the terms and conditions set forth in that certain client engagement letter agreement, entered into by and between TCC and the Client, dated October 23, 2024. This Service Proposal shall not be a binding offer or agreement to provide any Services hereunder until TCC countersigns this Service Proposal.

1. Services. TCC will provide the following “***Services***” pursuant to this Service Proposal: Conservation with respect to the Property (defined below).
2. Property. TCC will perform the Services with respect to the following “***Property***,” at the Fees described below:

Estimated Treatment Time: Approximately 12-15 months from date of signed approval and 50% deposit.

3. Fees/Deposit.

a. Fees. The Fees for the Services are as follows:

Total Conservation Fee:	\$112,080.00
Laboratory Materials Fee:	\$11,210.00
Post Treatment Report Fee:	\$2,125.00
Total:	\$125,415.00

51229_51291 (Collection 11 – Metal Objects) Approved

Items: #: 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 18, 19, 22, 23, 24, 34, 36, 37, 38, 40, 41, 42, 45, 46, 47, 48, 49, 50, 51, 52, 53, 58, 62, 63, 64, 65, 66, 84, 86, 88, 96, 100, 103, 104, 108, 110, 111, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 145, 146, 147, 148, 149, 150, 154, 156, 157, 160, 162, 164, 172, 173, 180, & 182.

**Invoicing for the above fees will be submitted directly to the city of Roswell for payment.*

Approved Item(s) _____ Unapproved Item(s): _____

Any Specifications: _____

No storage fees will be charged during the treatment of the Property and for forty-five (45) days after The Conservation Center notifies the Client that treatment has been completed, but will commence at a rate of \$4.00/month/cubic foot of Property beginning on the 46th day after such notification if the Property remain in The Conservation Center's possession.

Storage fees of \$4.00/month/cubic foot of Property will apply for items unapproved for treatment.

- a. Deposit. Given the Fees above, a Deposit in the amount of 50% of the total costs of Services within fifteen (15) days of the Effective Date (as defined in the signature block below) of this Service Proposal. Upon receipt of signed proposal, The Conservation Center will provide an invoice and details for methods of payment.

IN WITNESS WHEREOF, this Service Proposal No. 51229_51291 (Collection 11 – Metal Objects) AUTH FORM 6 has been entered into as of the Effective Date below.

THE CLIENT:

Client Signature: _____

“Effective Date”: _____

Print Name: _____

Accepted by TCC as of the Effective Date:

TCC Signature: _____

Print Name: _____

Title: _____



March 19, 2026

Roswell Museum
1011 N Richardson Ave
Roswell, NM 88201

CLAIM NO. AXIS23031 / 24-10-06834
TCC SERVICE PROPOSAL NO. 51229_51288
(Collection 8 – Leather Objects and Taxidermy)
ITEMS 174, 182, 193

TREATMENT

Treatment estimates have been provided within this proposal for the following TCC Item #s:
174, 182, 193

Please Note: It is the responsibility of the museum to verify/conduct due diligence on items that are subject to the Visual Artists Rights Act of 1990 (VARA) and/or the Native American Graves Protection and Repatriation Act (NAGPRA).

This proposal addresses the conditions and recommended treatments determined to be directly related to the claim. Please note that any pre-loss related conditions will not be addressed with treatment unless they must be stabilized prior to proceeding with treatment related to the claim. All other pre-loss conditions will remain after treatment is complete. Variations in treatment costs are due to the degrees of complexity presented by each individual piece.

This Service Proposal No. 51229_51288 (Collection 8 – Leather Objects and Taxidermy)_ITEMS 174, 182, 193 is an agreement (this “***Service Proposal***”) between International Art Services, Inc. d/b/a The Conservation Center, an Illinois corporation (“***TCC***”), and the client signing this Service Proposal (the “***Client***”). This Service Proposal is governed by and subject to the terms and conditions set forth in that certain client engagement letter agreement, entered into by and between TCC and the Client, dated October 23, 2024. This Service Proposal shall not be a binding offer or agreement to provide any Services hereunder until TCC countersigns this Service Proposal.

1. Services. TCC will provide the following “***Services***” pursuant to this Service Proposal: Conservation with respect to the Property (defined below).
2. Property. TCC will perform the Services with respect to the following “***Property***,” at the Fees described below:

Estimated Timelines:

TREATMENT [ITEMS 174, 182, 193 ONLY]: Approximately 6-8 months from date of signed approval and receipt of 50% deposit

3. Fees/Deposit.

- a. Fees. The Fees for the Services are as follows:

TREATMENT [ITEMS 174, 182, 183 ONLY]

Conservation Fee: \$12,520.00

Laboratory Materials Fee: \$1,255.00

TOTAL TREATMENT FEES [ITEMS 174, 182, 183 ONLY] \$13,775.00

Approved Item(s) _____ Unapproved Item(s): _____

Any Specifications: _____

- b. Deposit. Given the fees above, the Client must remit a Deposit in the amount of 50% of the total costs of Services within fifteen (15) days of the Effective Date (as defined in the signature block below) of this Service Proposal. Upon receipt of signed proposal, The Conservation Center will provide an invoice and details for methods of payment.

IN WITNESS WHEREOF, this Service Proposal No. Service Proposal No. 51229_51288 (Collection 8 – Leather Objects and Taxidermy)_ITEMS 174, 182, 193 has been entered into as of the Effective Date below.

THE CLIENT:

Client Signature: _____

“Effective Date”: _____

Print Name: _____

Accepted by TCC as of the Effective Date:

TCC Signature: _____

Print Name: _____

Title: _____



July 31, 2025

Caroline Brooks
Roswell Museum
1011 N Richardson Ave
Roswell, NM 88201

CLAIM #: AXIS23031 / 24-10-06834
TCC SERVICE PROPOSAL NO. 51229_51286_1 (Collection 6– Textiles)

The Conservation Center strives to uphold the greatest standard of care when preserving and handling your collection. When conserving a piece, our goal is to preserve the artist's original intent by using non-invasive and reversible techniques while utilizing archival-grade materials; thus, forming our treatment philosophy: less is more.

Our Conservators have had an opportunity to examine your artwork. The recommendations and service proposal are as follows:

This proposal addresses the conditions and recommended treatments determined to be directly related to the claim. Please note that any pre-loss related conditions will not be addressed with treatment unless they must be stabilized prior to proceeding with treatment related to the claim. All other pre-loss conditions will remain after treatment is complete. Variations in treatment costs are due to the degrees of complexity presented by each individual piece.

Please Note: It is the responsibility of the museum to verify/conduct due diligence on items that are subject to the Visual Artists Rights Act of 1990 (VARA) and/or the Native American Graves Protection and Repatriation Act (NAGPRA).

This Service Proposal No. **51229_51286_1 (Collection 6– Textiles)** is an agreement (this “***Service Proposal***”) between International Art Services, Inc. d/b/a The Conservation Center, an Illinois corporation (“***TCC***”), and the client signing this Service Proposal (the “***Client***”). This Service Proposal is governed by and subject to the terms and conditions set forth in that certain client engagement letter agreement, entered into by and between TCC and the Client, dated October 23, 2024. This Service Proposal shall not be a binding offer or agreement to provide any Services hereunder until TCC countersigns this Service Proposal.

1. Services. TCC will provide the following “***Services***” pursuant to this Service Proposal: Conservation with respect to the Property (defined below).
2. Property. TCC will perform the Services with respect to the following “***Property***,” at the Fees described below:



3. Fees/Deposit.

a. Fees. The Fees for the Services are as follows:

Total Conservation Fee:	\$16,935.00
Laboratory Materials Fee:	\$1,695.00
Post Treatment Report Fee:	\$300.00
*Total:	\$18,930.00

Return Delivery to be Determined Upon Conclusion of Treatment

51229 51286 1 (Collection 6– Textiles) Approved Items: # 2, 4, 7, 9, 11, 12, 20, 27, 32, 33, 35, & 39

**Invoicing for the above fees will be submitted directly to the city of Roswell*

IMPORTANT NOTE: Storage fees of \$4.00/cubic foot/month/piece of Property **[\$555/month total for the items within this proposal]** will take effect forty-five (45) days after receipt of this proposal and will continue to accrue until this Service Proposal is returned to The Conservation Center.

No storage fees will be charged during the treatment of the Property and for forty-five (45) days after The Conservation Center notifies the Client that treatment has been completed, but will commence at a rate of \$4.00/month/cubic foot of Property beginning on the 46th day after such notification if the Property remain in The Conservation Center's possession.

Storage fees of \$4.00/month/cubic foot of Property will apply for items unapproved for treatment.

b. Deposit. Given the estimated Fees above, a Deposit in the amount of 50% of the total costs of Services within fifteen (15) days of the Effective Date (as defined in the signature block below) of this Service Proposal. Upon receipt of signed proposal, The Conservation Center will provide an invoice and details for methods of payment.

IN WITNESS WHEREOF, this Service Proposal No. 51229_51286_1 (Collection 6– Textiles) Authorization 3 has been entered into as of the Effective Date below.

THE CLIENT:

Client Signature: _____

“Effective Date”: _____

Print Name: _____

Accepted by TCC as of the Effective Date:

TCC Signature: _____

Print Name: _____

Title: _____



THE
CONSERVATION
CENTER

June 19, 2025

Caroline Brooks
Roswell Museum
1011 N Richardson Ave
Roswell, NM 88201

CLAIM #: AXIS23031 / 24-10-06834
TCC SERVICE PROPOSAL NO. 51229_51289 Weaponry (Collection 9)

The Conservation Center strives to uphold the greatest standard of care when preserving and handling your collection. When conserving a piece, our goal is to preserve the artist's original intent by using non-invasive and reversible techniques while utilizing archival-grade materials; thus, forming our treatment philosophy: less is more.

Our Conservators have had an opportunity to examine your artwork. The recommendations and service proposal are as follows:

This proposal addresses the conditions and recommended treatments determined to be directly related to the claim. Please note that any pre-loss related conditions will not be addressed with treatment unless they must be stabilized prior to proceeding with treatment related to the claim. All other pre-loss conditions will remain after treatment is complete. Variations in treatment costs are due to the degrees of complexity presented by each individual piece.

Please Note: It is the responsibility of the museum to verify/conduct due diligence on items that are subject to the Visual Artists Rights Act of 1990 (VARA) and/or the Native American Graves Protection and Repatriation Act (NAGPRA).

This Service Proposal No. 51229_51289 Weaponry (Collection 9) is an agreement (this “***Service Proposal***”) between International Art Services, Inc. d/b/a The Conservation Center, an Illinois corporation (“***TCC***”), and the client signing this Service Proposal (the “***Client***”). This Service Proposal is governed by and subject to the terms and conditions set forth in that certain client engagement letter agreement, entered into by and between TCC and the Client, dated October 23, 2024. This Service Proposal shall not be a binding offer or agreement to provide any Services hereunder until TCC countersigns this Service Proposal.

1. Services. TCC will provide the following “***Services***” pursuant to this Service Proposal: Conservation with respect to the Property (defined below).
2. Property. TCC will perform the Services with respect to the following “***Property***,” at the Fees described below:



3. Fees/Deposit.

a. Fees. The Fees for the Services are as follows:

Total Conservation Fee:	\$23,615.00
Laboratory Materials Fee:	\$2,360.00
Post Treatment Report Fee:	\$400.00
*Total:	\$26,375.00

Return Delivery to be Determined Upon Conclusion of Treatment

51229 51289 Weaponry (Collection 9) Approved Items #: 20, 30, 31,
37, 47, 65, 97, 102, 141, 143, 179, 206, 209, 211, 217, & 224

**Invoicing for the above fees will be submitted directly to the city of Roswell.*

IMPORTANT NOTE: Storage fees of \$4.00/cubic foot/month/piece of Property **[\$555/month total for the items within this proposal]** will take effect forty-five (45) days after receipt of this proposal and will continue to accrue until this Service Proposal is returned to The Conservation Center.

No storage fees will be charged during the treatment of the Property and for forty-five (45) days after The Conservation Center notifies the Client that treatment has been completed, but will commence at a rate of \$4.00/month/cubic foot of Property beginning on the 46th day after such notification if the Property remain in The Conservation Center's possession.

Storage fees of \$4.00/month/cubic foot of Property will apply for items unapproved for treatment.

b. Deposit. Given the estimated Fees above, a Deposit in the amount of 50% of the total costs of Services within fifteen (15) days of the Effective Date (as defined in the signature block below) of this Service Proposal. Upon receipt of signed proposal, The Conservation Center will provide an invoice and details for methods of payment.

IN WITNESS WHEREOF, this Service Proposal No. 51229_51289 Weaponry (Collection 9) Authorization 3 has been entered into as of the Effective Date below.

THE CLIENT:

Client Signature: _____

“Effective Date”: _____

Print Name: _____

Accepted by TCC as of the Effective Date:

TCC Signature: _____

Print Name: _____

Title: _____



THE
CONSERVATION
CENTER

October 2, 2025

Roswell Museum
1011 N Richardson Ave
Roswell, NM 88201

CLAIM NO. AXIS23031 / 24-10-06834
TCC SERVICE PROPOSAL NO. 51229_51290
(Collection 10 – Wooden Objects and Furniture)

The Conservation Center strives to uphold the greatest standard of care when preserving and handling your collection. When conserving a piece, our goal is to preserve the artist's original intent by using non-invasive and reversible techniques while utilizing archival-grade materials; thus, forming our treatment philosophy: less is more.

Our Conservators have had an opportunity to examine your artwork. The recommendations and service proposal are as follows:

This proposal addresses the conditions and recommended treatments determined to be directly related to the claim. Please note that any pre-loss related conditions will not be addressed with treatment unless they must be stabilized prior to proceeding with treatment related to the claim. All other pre-loss conditions will remain after treatment is complete. Variations in treatment costs are due to the degrees of complexity presented by each individual piece.

Please Note: It is the responsibility of the museum to verify/conduct due diligence on items that are subject to the Visual Artists Rights Act of 1990 (VARA) and/or the Native American Graves Protection and Repatriation Act (NAGPRA).

This Service Proposal No. 51229_51290 (Collection 10 – Wooden Objects and Furniture) is an agreement (this “***Service Proposal***”) between International Art Services, Inc. d/b/a The Conservation Center, an Illinois corporation (“***TCC***”), and the client signing this Service Proposal (the “***Client***”). This Service Proposal is governed by and subject to the terms and conditions set forth in that certain client engagement letter agreement, entered into by and between TCC and the Client, dated October 23, 2024. This Service Proposal shall not be a binding offer or agreement to provide any Services hereunder until TCC countersigns this Service Proposal.



3. Fees/Deposit.

a. Fees. The Fees for the Services are as follows:

Total Conservation Fee:	\$136,225.00
Laboratory Materials Fee:	\$13,625.00
Post Treatment Report Fee:	\$950.00
*Total:	\$150,800.00

Return Delivery to be Determined Upon Conclusion of Treatment

51229 51290 (Collection 10 – Wooden Objects and Furniture)

Approved Items #: 2, 4, 6, 7, 9, 12, 20, 27, 29, 33, 34, 35, 40, 42, 45, 46,
48, 49, 58, 65, 68, 76, 77, 79, 83, 84, 85, 87, 89, 91, 93, 94, 95, 96, 101, 102,
105, & 106

**Invoicing for the above fees will be submitted directly to the city of Roswell.*

IMPORTANT NOTE: Storage fees of \$4.00/cubic foot/month/piece of Property **\$2,045.00/month total for the items within this proposal** will take effect forty-five (45) days after receipt of this proposal and will continue to accrue until this Service Proposal is returned to The Conservation Center.

No storage fees will be charged during the treatment of the Property and for forty-five (45) days after The Conservation Center notifies the Client that treatment has been completed, but will commence at a rate of \$4.00/month/cubic foot of Property beginning on the 46th day after such notification if the Property remain in The Conservation Center's possession.

Storage fees of \$4.00/month/cubic foot of Property will apply for items unapproved for treatment.

b. Deposit. Given the estimated Fees above, a Deposit in the amount of 50% of the total costs of Services within fifteen (15) days of the Effective Date (as defined in the signature block below) of this Service Proposal. Upon receipt of signed proposal, The Conservation Center will provide an invoice and details for methods of payment.

IN WITNESS WHEREOF, this Service Proposal No. 51229_51290 (Collection 10 – Wooden Objects and Furniture) Authorization 3 has been entered into as of the Effective Date below.

THE CLIENT:

Client Signature: _____

“Effective Date”: _____

Print Name: _____

Accepted by TCC as of the Effective Date:

TCC Signature: _____

Print Name: _____

Title: _____

**ROSWELL NEW MEXICO
AGENDA ITEM ABSTRACT**

Regular City Council Meeting

4.

Meeting Date: 07/09/2026

COMMITTEE: Finance

CONTACT: Tammi Smith

CHAIR: Kurt Gass

ACTION REQUESTED:

Approval of a budget adjustment of \$50,000.00 for the plan and design of the Roswell First Response Center. (Gass/Halvorson)

BACKGROUND:

Initiated by: Councilor Halvorson

The Roswell Police Department requests the consideration of a budget adjustment of \$500,000.00 for a new headquarters for the Roswell Police Department. This will be called the Roswell First Responder Center. Once approved, we will seek an RFP and open it for RFB. The Roswell Police Department will chair and establish a committee to assist with the design, planning and construction of this new facility and oversight of the project.

FINANCIAL CONSIDERATION

Budget adjustment of \$50,000.00 from the regular budget and not public safety tax.

LEGAL REVIEW:

Legal will review upon request.

BOARD AND COMMITTEE ACTION:

This item was presented to the Public Safety Committee on June 16, 2026. The Committee voted 3-1 to refer the item to the Finance Committee for its review and recommendation. The Finance Committee recommended approval 5-0 at its meeting on July 1, 2026.

STAFF RECOMMENDATION:

Proceed as presented.

**ROSWELL NEW MEXICO
AGENDA ITEM ABSTRACT**

Regular City Council Meeting

5.

Meeting Date: 07/09/2026

COMMITTEE: N/A

CONTACT: N/A

CHAIR: Will Cavin

ACTION REQUESTED:

Resolution 26-35: Weeds - The Resolution shall mandate the cleanup of approximately twenty-one (21) separate properties within the City. (Cavin/Franco)

BACKGROUND:

Initiated by: Toby Franco

At present, no more efficient means are available to enforce the requirements that property within the City limits be kept clean and orderly. Citation of property owners requires that they be present in Roswell. Even the citations do not provide for the actual cleanup and cannot give the City the right to file a lien for the cleanup expense. This procedure is cumbersome, but it should result in the resolution of some more difficult situations.

FINANCIAL CONSIDERATION

Adoption of the resolution will probably cause a number of people to voluntarily clean up their property. Most of the balance will be cleaned up by the City at a cost ranging from \$30 to \$500 for each property, and liens will be filed and later foreclosed. A few people may appeal the resolution to Council, and a hearing will have to be provided to hear their appeals. Overall, the resolution should affect rapid cleanup of this season's weeds and other debris, followed by an extended collection period.

LEGAL REVIEW:

The City Attorney has reviewed the current resolution. Resolutions must be adopted by a majority vote of the entire City Council.

BOARD AND COMMITTEE ACTION:

No action required.

STAFF RECOMMENDATION:

Proceed as presented.

Attachments

ATT 1 Weed Resolution

ATT 2 Resolution 26-35 Weeds Exhibit

CITY OF ROSWELL
RESOLUTION 26-35

A RESOLUTION REQUIRING THE REMOVAL OF CERTAIN RUBBISH, WEEDS, WRECKAGE OR DEBRIS; PROVIDING THAT THE CITY SHALL HAVE A LIEN FOR THE COST OF REMOVAL AND DECLARING CERTAIN PROPERTY TO BE SO COVERED WITH RUBBISH, WEEDS, WRECKAGE OR DEBRIS AS TO CONSTITUTE A PUBLIC NUISANCE PREJUDICIAL TO HEALTH, SAFETY AND GENERAL WELFARE.

WHEREAS, the City Council of the City of Roswell, New Mexico, finds that the premises listed in Exhibit A attached hereto and purportedly owned of record, or occupied by the parties named, have accumulated rubbish, weeds, wreckage or debris so as to be a menace to the public health, safety and general welfare of the inhabitants of the community; and further, that it is in the public interest to require the removal thereof, according to law;

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

1. The premises set forth in Exhibit A are declared to be so covered with rubbish, weeds, wreckage or debris as to constitute a menace to the public comfort, health, safety and general welfare within the purview of Article 3-18-5 NMSA 1978.

2. The owners, occupants or agents in charge of said premises are hereby ordered to remove such accumulated rubbish, weeds, wreckage or debris within ten (10) days of the receipt of notice by certified mail or from the date of publication of this resolution. In the event such removal is not commenced or written objection filed with the City Clerk within ten (10) days after service of a copy of this resolution, then the City Manager is authorized and directed to cause such accumulated rubbish, weeds, wreckage or debris to be removed at the sole cost and expense of the owner, or other parties having an interest in the properties, and further, that the reasonable cost of such removal shall be and become a subsisting and valid lien against such property so removed and the lot or parcel of land from which such removal was made and shall be foreclosed in the manner provided by law for the foreclosure of municipal liens.

3. In the event the owner or other person aggrieved shall file a protest within the time provided, the City Council shall thereafter fix a date for hearing. At the hearing, the protestant shall be entitled to be heard in person, by agent or attorney and the City Council shall consider evidence whether or not its previous action shall be enforced or rescinded; if it shall be determined that the removal order should be enforced.

4. Persons aggrieved by the determination of the City Council have a right to appeal to a court of competent jurisdiction by giving notice of such appeal to the City Council within five (5) days after the day of issuance of such order or decision, together with a petition for court review duly filed with the Clerk of the Court within twenty (20) days of the date of issuance of the order or decision complained of.

ADOPTED, SIGNED AND APPROVED 09th day of July 2026.

CITY SEAL

Timothy Z. Jennings, Mayor

ATTEST:

Amalia Martinez, City Clerk

1006 W 1ST ST WRIGHTS Block 6 Lot 13 E 50FT N 40FT AND Lot 14 E 50' MIGUEL A HUDSON 8520 MACKENZIE DR EL PASO, TX 79907	106 W ALAMEDA ST SOUTH ROSWELL Block 6 Lot S 17 19 MARIA LUISA ARMIJO 74611 YUCCA TREE DR PALM DESERT, CA 92260
1705 W SUMMIT ST S 6 T 11S R 24E SW4NW4SE4 E 90' W 209.7' N 130' S 160' JUAN E, LIDIA LUCERO 69 BOLEY PL ROSWELL, NM 88203	508 S DELAWARE AVE PAULY Block 16 Lot 5 GOMEZ, JORGE LUIS GOMEZ, ESMERALDA 508 S DELAWARE AVE ROSWELL, NM 88203
1707 W SUMMIT ST S 6 T 11S R 24E SW4NW4SE4 E 89.07' W 119.07' N 130' S 160' SYLVESTER, BEATRICE SISNEROS C/O ELOUISE ORTEGA 1621 W SUMMIT ST ROSWELL, NM 88203	APPROX. 1711 W SUMMIT ST S 6 T 11S R 24E W2E2NE4SW4 W 180' E 330' S 540' N 660'/E 330' S 660' N 1320' ANDERSON, PHELPS C/O SUN VALLEY ENERGY CORP PO BOX 1000 ROSWELL, NM 88202
APPROX. 1709 W SUMMIT ST S 6 T 11S R 24E W2E2NE4SW4 W 180' E 330' S 540' N 660'/E 330' S 660' N 1320' ANDERSON, PHELPS C/O SUN VALLEY ENERGY CORP PO BOX 1000 ROSWELL, NM 88202	APPROX. 612 W BLAND ST GEORGE Block 1 GEORGE Block 2 S 6 T 11S R 24E S 6 T 11S R 24E ANDERSON, PHELPS C/O SUN VALLEY ENERGY CORP PO BOX 1000 ROSWELL, NM 88202
112 S KENTUCKY AVE WEST SIDE Block 44 Lot 7 RH TRUST 112 S KENTUCKY AVE ROSWELL, NM 88203	307 S PENNSYLVANIA AVE SOUTH ROSWELL Block 7 Lot 2 DANIEL SANCHEZ 803 VIEJO RASTRO SANTA FE, NM 87505
302 W ALAMEDA ST SOUTH ROSWELL Block 8 Lot 11 AND Lot 13 S 5 T 11S R 24E GABALDON REVOCABLE TRUST, STEVEN J C/O STEVEN J GABALDON - TRUSTEE 2014 SAN JUAN BLVD FARMINGTON, NM 87401	43 WILDY DR NORTH PLAINS PARK 3 Block 4 Lot 18 IDAHO HOUSING AND FINANCE ASSOCIATION 565 W MYRTLE ST BOISE, ID 83702

1422 S ELM AVE JOHNSON & ALLISON S2 BLK 2 LOTS 5-6-7-8 FRUITLAND Block 7 Lot 12 DE LA CERDA, WILLIE 1422 S ELM AVE ROSWELL, NM 88203	1500, 1502 S ELM AVE BUD TAYLOR Lot 1 AND Lot 2 Tract 270, S 9 T 11S R 24E SOUTH ELM AVE CHURCH OF CHRIST 603 GREENBRIAR ST ROSWELL, NM 88203
321 E FOREST ST SOUTH HIGHLANDS REDIVISION Block 13A Lot 2 MORRIS TRUST, DONALD E 14950 S DARR DR PLAINFIELD, IL 60544	700 N ATKINSON AVE BELLE PLAIN Lot 17 Quarter SE S 33 T 10S R 24E MECA COMPANY C/O LELA WRIGHT PO BOX 127 HONDO, NM 88336
311 HAMMOND ST WORLEY SUM PLAT 6 REPLAT Lot 34A MILLER, JUANITA 311 E HAMMOND ST ROSWELL, NM 88203	1601 COTTONWOOD DR FRUITLAND PARK 1 Block 16 Lot 1 LANDAVERDE, ALVARO 151 E ORCHARD PARK RD DEXTER, NM 88230
405 NORTHWOOD DR NORTHWOOD Block 2 Lot 20 LESS E 4' S 21 T 10S R 24E RINKER, DONALD L PO BOX 690942 TULSA, OK 74169	APPROX. 105 E TWIN DIAMOND RD RIVERSIDE NORTH SUMMARY PLAT 1 Lot 2 S 16 T 10S R 24E KROENKE, E STANLEY 211 N STADIUM BLVD STE 207 COLUMBIA, MO 65203
APPROX. 3613 N MAIN ST RIVERSIDE NORTH SUBDIVISION SUMMARY PLAT NO. 5 Lot 1 S 16 T 10S R 24E DOC# 202200124 WD ROSWELL NORTH MAIN LLC 131 MADISON ST NE ALBUQUERQUE, NM 87108	

**ROSWELL NEW MEXICO
AGENDA ITEM ABSTRACT**

Regular City Council Meeting

6.

Meeting Date: 07/09/2026

COMMITTEE: Legal

CONTACT: C. Josh Nairn-Mahan

CHAIR: Will Cavin

ACTION REQUESTED:

Resolution 26-36: Condemnations - Adoption of Resolution 26-36 the Resolution shall require the removal or demolition of three (3) dilapidated structures. (Cavin/Franco)

BACKGROUND:

Initiated by: Toby Franco

These structures constitute a public nuisance harmful to public health, safety, and general welfare.

FINANCIAL CONSIDERATION

Resolution and notice will be served to owners requiring action within fifteen (15) days. Demolition by the City will proceed if no action is taken and a lien will be placed on the property for cost ranging from \$3,000 to \$30,000 for each property for removal.

LEGAL REVIEW:

The City Attorney has reviewed the current resolution. Resolutions must be adopted by a majority vote of the entire City Council.

BOARD AND COMMITTEE ACTION:

This item went before Public Safety Committee meeting on June 16, 2026 and passed (4-0). This item also went through Legal Committee meeting on June 25, 2026 and passed (5-0).

STAFF RECOMMENDATION:

Proceed as presented.

Attachments

ATT 1 Resolution Condemnation

ATT 2 Resolution 25-36 Condemnations

CITY OF ROSWELL
RESOLUTION 26-36

A RESOLUTION REQUIRING THE REMOVAL AND/OR DEMOLITION OF CERTAIN DAMAGED AND DILAPIDATED BUILDINGS, STRUCTURES OR PREMISES; PROVIDING THAT THE CITY SHALL HAVE A LIEN FOR THE COST OF REMOVAL; PRESCRIBING THE PROCEDURE INCIDENT TO SUCH REMOVAL AND/OR DEMOLITION AND DECLARING CERTAIN PROPERTY TO BE IN SUCH STATE OF DISREPAIR, DAMAGE AND DILAPIDATION AS TO CONSTITUTE A DANGEROUS BUILDING AND A PUBLIC NUISANCE PREJUDICIAL TO THE PUBLIC HEALTH, SAFETY AND GENERAL WELFARE.

WHEREAS, it is the opinion of the City Council of the City of Roswell, New Mexico, that those certain buildings or structures upon the premises located as follows and purportedly owned of record, or occupied by the parties hereinafter named, are and have become in such state of disrepair, damage and dilapidation as to be a menace to the public health, safety and general welfare of the inhabitants of the community; and further, that it is in the public interest to require the removal thereof, according to law, by reason of the condition or conditions set forth in Exhibit "A".

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

1. That the buildings or structures set forth in Exhibit "A" are declared to be in such state of disrepair, damage and dilapidation as to constitute a dangerous building within the purview of Roswell Municipal code section 16-12, as well as being a public nuisance prejudicial to the public health, safety and general welfare. That such dangerous buildings or structures set forth, if any, cannot reasonably be repaired so that they will no longer exist in violation of the terms of the ordinance.

2. The owners, occupants, if any, or agent in charge of said premises be, and they hereby are ordered and required to remove such dangerous buildings, or structures within a reasonable time thereafter not to exceed fifteen (15) days from the receipt of notice by certified mail or from date of publication of this resolution as hereinafter provided, and as the case may be. In the event such removal be not commenced by such owner, occupant or agent, or written objection thereto be filed with the City Clerk within ten (10) days after service of a copy of this resolution by certified mail or by publication, requesting a hearing, then and in such event, the City Manager is hereby authorized and directed to cause such dangerous buildings or structures to be removed at the sole cost and expense of the owner, owners or other parties having an interest in said properties, and further, that the reasonable cost of such removal shall be and become a subsisting and valid lien against such property so removed and the lot or parcel or land from which such removal was made and shall be foreclosed in the manner provided by law for the foreclosure of municipal liens. Alternatively, the City Manager may act pursuant to Article 3-18-5 (G) (NMSA, 1978), and cause the dangerous buildings or structures to be removed and give title to them or their components to the removing person or persons.

3. In the event the owner or other interested party aggrieved shall file his protest within the time herein provided, requesting a hearing, on the matter, the City Council shall fix a date for hearing, at which time said Protestants shall be entitled to be heard in person, by agent or attorney, and the City Council shall consider evidence whether or not its previous action should be enforced or rescinded. If it shall be determined that the removal order should be enforced, and the owner(s) shall fail or neglect to comply with said decision of the City Council, they shall have a right of appeal to a court of competent jurisdiction by giving notice of such appeal to the City Council within the (10) days after the date of the City Council decision, together with his petition for court review duly filed with the Clerk of the Court within thirty (30) days of the date of the decision complained of.

4. Upon the adoption of this resolution, it shall be the duty of the City Building Inspector to notify the owner, occupant or agent in charge of such building or structure of the adoption of this resolution by serving a copy thereof upon him by certified mail, return receipt requested; and in the event such owner, occupant or agent cannot be found or served within said City as herein above provided, such notice may be served by posting a copy of said resolution upon the premises complained of, followed by legal publication of said resolution one time in a newspaper of general circulation within the city.

ADOPTED, SIGNED AND APPROVED 09th day of July 2026.

CITY SEAL

Timothy Z. Jennings, Mayor

ATTEST:

Amalia Martinez, City Clerk

Location	Condition	Name
636 ORANGE ST PURDY-NORRIS AMEND Block 1 Lot 3	Dilapidated/ Deterioration Open To Public, Inadequate Maintenance	GONZALEZ, BERNARDINO; GONZALEZ, EMELIA 287 LOPEZ MORLEY LN DEXTER, NM 88230
809 N GARDEN AVE LONG Lot 3	Dilapidated/ Deterioration Open To Public, Inadequate Maintenance	BURRELL, JAMMIE DEE; BURRELL, LAWANDA DIANE 204 SACATON ST ROSWELL, NM 88201
110 S KANSAS AVE OVARDS Block 4 Lot 6	Dilapidated/ Deterioration Open To Public, Inadequate Maintenance	MARIANA QUINTANA GUTIERREZ 707 E TILDEN ST ROSWELL, NM 88203
1201 W MC GAFFEY ST CASA BONITA Block 1 Lot 13	Dilapidated/ Deterioration Open To Public, Inadequate Maintenance	AC & BC ENTERPRISES INC P.O. BOX 388 NORCO, CA 92860

636 ORANGE ST



809 N GARDEN AVE



110 S KANSAS AVE



1201 W MC GAFFEY ST



**ROSWELL NEW MEXICO
AGENDA ITEM ABSTRACT**

Regular City Council Meeting

7.

Meeting Date: 07/09/2026

COMMITTEE: Finance

CONTACT: Tammi Smith

CHAIR: Kurt Gass

ACTION REQUESTED:

Resolution 26-38: Disposal of certain surplus Personal Property — adoption of Resolution 26-38 to dispose of certain surplus personal property listed on the attachment. (Gass/Hicks)

BACKGROUND:

Initiated by: Becky Hicks

This request covers old/obsolete equipment and vehicles currently owned by the City of Roswell. Exhibit A: Items valued at less than \$2,500 and Exhibit B. Items valued at more than \$2,500. Both exhibits are printed on the same sheet for convenience. These items are in a state of disrepair, and/or repair costs would exceed the value of the item, and/or they have exceeded their life expectancy.

FINANCIAL CONSIDERATION

N/A

LEGAL REVIEW:

No Legal review required at this time.

BOARD AND COMMITTEE ACTION:

Finance Committee recommended approval 5-0 at its meeting on July 1, 2026.

STAFF RECOMMENDATION:

Proceed as presented.

Fiscal Impact

BUDGETED? Yes/No:

FISCAL YEAR: 2026

FUNDING/BUDGET SOURCE:

FINANCIAL CONSIDERATION:

None.

Attachments

Surplus Property July 2026

Resolution 26-38 Disposal of Certain Surplus Property

CITY OF ROSWELL
ASSET DISPOSAL LIST
FY2026 RESOLUTION 26-38
JULY 9, 2026

EXHIBIT B - VALUES MORE THAN \$2,500

DEPT	REMOVAL TYPE	DESCRIPTION	COMPUTER SANITIZED Y OR N	PURCHASE COST	SERIAL OR VIN #	TAG #	ASSET #	DEPRECIATED VALUE	ESTIMATED VALUE	AUCTION RESERVE	MINIMUM PRICE
POLICE	AUCTION	2008 FORD F150		\$ 19,000.00	1FTPX14V08F859650	59650	8233	\$ -	\$ 6,525.00 *	\$ 1,000.00	\$ 1,000.00
COMMUNITY DEV	AUCTION	2005 FORD F150		\$ 15,391.60	1FTRF12285NCO4811	569	7514	\$ -	\$ 5,200.00 *	\$ 1,000.00	\$ 1,000.00
WWTP	AUCTION	2010 JOHN DEERE LOADER 444H		\$ 70,590.05	DW444HX561971	389	161	\$ -	\$ 34,000.00	\$ 1,000.00	\$ 1,000.00
SOLID WASTE	AUCTION	2014 AUTOCAR ACX REARLOADER		\$ 216,404.00	5VCACLVFXH216878	302	14366	\$ -	\$ 45,000.00	\$ 5,000.00	\$ 5,000.00
ANIMAL CONTROL	AUCTION	2014 FORD F-150 (WRECKED)		\$ 22,100.00	1FTEX1CM8EK07794	578	14630	\$ -	\$ 13,200.00 *	\$ 1,000.00	\$ 1,000.00

* ESTIMATED FROM BEEN VERIFIED

EXHIBIT A - VALUES LESS THAN \$2,500

DEPT	REMOVAL TYPE	DESCRIPTION	COMPUTER SANITIZED Y OR N	PURCHASE COST	SERIAL OR VIN #	TAG #	ASSET #	DEPRECIATED VALUE	ESTIMATED VALUE	AUCTION RESERVE	MINIMUM PRICE
PARKS	SCRAP	HUSQVARNA BRUSH TRIMMER			032315M011739		CHATEL	N/A	\$ 10.00	\$ -	\$ -
PARKS	SCRAP	SNAPPER PUSH MOWER			2000750482		CHATEL	N/A	\$ 10.00	\$ -	\$ -
PARKS	SCRAP	MULCHER VACUUM BAGGER		\$ 769.99			7909	\$ -	\$ 10.00	\$ -	\$ -
PARKS	SCRAP	LAZER 2 ZERO TURN MOWER		\$ 13,197.00	404673365		25193	\$ 1,413.94	\$ 100.00	\$ -	\$ -
PARKS	SCRAP	LAZER 2 ZERO TURN MOWER		\$ 12,392.00	403127193		24717	\$ -	\$ 100.00	\$ -	\$ -
PARKS	SCRAP	SNAPPER ZERO TURN MOWER		\$ 5,160.70	2012661170		8234	\$ -	\$ 100.00	\$ -	\$ -
PARKS	SCRAP	GROUNDMASTER 7210 ZERO TURN MOWER		\$ 26,034.83	280000115		8476	\$ -	\$ 100.00	\$ -	\$ -
VISITORS CENTER	SCRAP	COMPUTER EQUIPMENT		\$			24751	\$ -	\$ -	\$ -	\$ -
VISITORS CENTER	SCRAP	HP COMPUTER PROBOOK	Y	\$ 595.00	USH739L195	6153	24969	\$ -	\$ -	\$ -	\$ -
WWTP-SEWER	AUCTION	PUMA AIR COMPRESSOR		\$ 2,495.00		6147	24662	\$ -	\$ 100.00	\$ 100.00	\$ 100.00
FIRE DEPARTMENT	AUCTION	KITCHEN STOVE (GAS)		\$ 1,099.99		3031	8073	\$ -	\$ 50.00	\$ 50.00	\$ 50.00

RESOLUTION 26-38

A RESOLUTION AUTHORIZING THE DISPOSAL OF CERTAIN SURPLUS PERSONAL PROPERTY

WHEREAS, the City is the owner of certain personal property, listed in Exhibits A and B to this Resolution; and

WHEREAS, NMSA 1978 § 3-54-2, authorizes the City to dispose of personal property at public or private sale; and

WHEREAS, the City has no use for the said personal property and wishes to dispose of the property, pursuant to § 3-54-2.

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

1. The City has no use for the personal property listed in Exhibit A and B.
2. Each item of personal property listed in Exhibit A, has a value of \$2,500.00 or less, as shown in the Exhibit, and may be sold at a public or private sale for cash without further notice, as provided in Section 3-54-2(A).
3. The personal property listed in Exhibit B may be sold at a public or private sale, upon notice published twice in the Roswell Daily Record, not less than seven days apart, with the last publication not less than fourteen days prior to the sale, as provided for in Sections 3-54-2(B) and (C).
4. Disposal of the personal property listed in Exhibit A and B is hereby authorized, pursuant to NMSA 1978 § 3-54-2.

PASSED, ADOPTED, SIGNED, and APPROVED the 9th day of July 2026.

CITY SEAL

Timothy Z. Jennings, Mayor

ATTEST:

Amalia Martinez, City Clerk

**ROSWELL NEW MEXICO
AGENDA ITEM ABSTRACT**

Regular City Council Meeting

8.

Meeting Date: 07/09/2026

COMMITTEE: Finance

CONTACT: Tammi Smith

CHAIR: Kurt Gass

ACTION REQUESTED:

Resolution 26-40: Support of application to the New Mexico Department of Finance for a possible Community Development Block Grant (CDBG) funding application. (Gass/MacCornack)

BACKGROUND:

Initiated by: James MacCornack

City of Roswell has begun the initial steps of an application to the New Mexico Department of Finance for a possible Community Development Block Grant project. Two public meetings were held on 6/25/2026 and 6/26/2026. The intent is to seek funding for small diameter water line replacements. Proposed project budget is up to \$2,000,000 total project cost, with a 10% match requirement.

FINANCIAL CONSIDERATION

This is for project application support. If awarded, a budget adjustment would be required. Proposed project budget would require a 10% match of up to \$200,000

LEGAL REVIEW:

Resolution has been submitted to City Attorney for review.

BOARD AND COMMITTEE ACTION:

Infrastructure Committee on June 15th, 2026 voted (3-0) to recommend this item to July 2026 Finance Committee. The Finance Committee on July 1, 2026, voted 5-0 to recommend this item to City Council.

STAFF RECOMMENDATION:

Proceed as presented.

Attachments

Resolution 26-40 CGBD Project Application
Draft CDBG Project Budget Estimate
CDBG Application Checklist

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RESOLUTION 26-36

**A RESOLUTION OF THE CITY COUNCIL OF ROSWELL, NEW MEXICO,
AUTHORIZING THE SUBMISSION OF A NEW MEXICO COMMUNITY
DEVELOPMENT BLOCK GRANT PROGRAM APPLICATION TO THE
DEPARTMENT OF FINANCE AND ADMINISTRATION/LOCAL GOVERNMENT
DIVISION; AND AUTHORIZING THE MAYOR TO ACT AS THE CITY OF
ROSWELL'S CHIEF EXECUTIVE OFFICER AND AUTHORIZED
REPRESENTATIVE IN ALL MATTERS PERTAINING TO THE CITY OF
ROSWELL'S PARTICIPATION IN THE COMMUNITY DEVELOPMENT BLOCK
GRANT PROGRAM**

WHEREAS, the need exists within the City of Roswell for neighborhood improvement projects in several low and moderate income neighborhoods, and the City of Roswell desires to apply to the Housing and Urban Development's Community Development Block Grant Program to obtain funding for neighborhood improvement projects; and

WHEREAS, the City Council will hold 2 public hearings for public input and comment (6/25/2026 and 6/26/2026) during the 2026 application process; and

WHEREAS, the City Council finds that there is a significant need to undertake the (Project) to provide adequate services to the community; and

WHEREAS, the City Council determines that the (Project) meets the requirements of the Community Development Block Grant Program; and

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

11 The City of Roswell is hereby authorized to prepare and submit a Community Development Block Grant application to the New Mexico Department of Finance and Administration/Local Government Division for the (Project);

2. That the City Council directs and designates the Mayor as the City of Roswell's Chief Executive Officer and Authorized Representative to act in all matters in connection with this application and the City of Roswell's participation in the New Mexico Community Development Block Grant Program);

3. The City of Roswell officials and staff are directed to do any and all acts necessary to carry out the intent of this Resolution;

4. That the full application amount be up to \$1,800,000 of grant funds to carry out small diameter water line replacements in Roswell, New Mexico;

5. That it further be stated that the City of Roswell is committing up to \$200,000 from its Water Enterprise Fund as a cash contribution toward small diameter water line replacements

1
2 PASSED, ADOPTED, SIGNED and APPROVED _____, _____.
3

4 CITY SEAL
5
6

7 _____
8 Timothy Z. Jennings, Mayor

9 ATTEST
10

11 _____
12 Amalia Martinez, City Clerk

DRAFT

CITY OF ROSWELL
NEW MEXICO

Project Estimate

CDBG Water Line Project
Replacement of Small Diameter Water Lines
James MacCormack, PE

6/1/2026

Page 1 of 1

Engineer's Estimate

ITEM NO.	ITEM DESCRIPTION	UNIT	QUANTITY	UNIT COST	COST
601000	Removal of Structures and Obstructions	L.S.	1.00	\$35,000.00	\$35,000.00
603000	NPDES Permitting & SWPPP	L.S.	1.00	\$20,000.00	\$20,000.00
621000	Mobilization	L.S.	1.00	\$100,000.00	\$100,000.00
663100	Install Fire Hydrant	EACH	16.00	\$5,500.00	\$88,000.00
663726	6" Waterline Installed	LIN.FT.	2,100.00	\$70.00	\$147,000.00
663728	8" Waterline Installed	LIN.FT.	7000.00	\$85.00	\$595,000.00
663898	8" Gate Valve and Valve Box Installed	EACH	10.00	\$5,000.00	\$50,000.00
702800	Traffic Control Plan	L.S.	1.00	\$15,000.00	\$15,000.00
999003	Water/Meter Service and Service Connection	EACH	189.00	\$800.00	\$151,200.00
807000	Construction Staking by the Contractor	L.S.	1.00	\$10,000.00	\$10,000.00
999002	Connection to Existing Waterline, All Sizes, All Piping, Fittings, Joint Restraint & Blocking	EACH	7.00	\$20,000.00	\$140,000.00
999001	Removal and Repair of Roadway, Curb, Sidewalk and Other. (Permanent Repair)	LIN.FT.	9100.00	\$50.00	\$455,000.00
			Sub-Total Construction		\$1,806,200.00
			GRT Tax 8.2708%		\$149,387.19
			Total Construction		\$1,955,587.19
999000	Project Contract Administration	L.S.	1.00	\$40,000.00	\$40,000.00
			Sub-Total Administration		\$40,000.00
			GRT Tax 8.2708%		\$3,308.32
			Total Administration Cost		\$43,308.32
			Total Project Cost		\$1,998,895.51



CDBG Application Checklist (2026)

Organize your application materials into 11 folders, shown in bold blue caps. Each folder should contain the applicable documents listed under each heading. For additional items not named on the checklist, you can include in the folder that seems appropriate or in the "other" folder. Please follow the numbering and naming protocols shown below. Be sure to use the exact file names shown – based on name of your entity.

1. TRANSMITTAL LETTER *(Application Instructions, page 38)*

a. **Transmittal Letter**

Yes ☐ No ☐ File Name: Transmittal Letter_Municipality/County_2026

b. **Certifications of Passed Application Tests**

Yes ☐ No ☐ File Name: Test-Applying Entity Municipality/County_2026

Yes ☐ No ☐ File Name: Test-Project Administrator_Municipality/County_2026

2. CERTIFICATION AND ASSURANCES *(Application Instructions, page 43)*

a. **HUD Applicant Disclosure Report (Exhibit 1-F)**

Yes ☐ No ☐ File Name: 1-F_Municipality/County_2026

b. **Certifications & Federal Assurances**

Yes ☐ No ☐ File Name: Certifications and Assurances_Municipality/County_2026

3. PUBLIC PARTICIPATION *(Application Instructions, pages 13-14)*

a. **Public Hearing Notice - English & Spanish (Exhibit 1-Q)**

Yes ☐ No ☐ File Name: 1-Q_Municipality/County_2026

b. **Evidence of Publication / Posted Notice (Exhibit A)** (if applicable)

Yes ☐ No ☐ N/A ☐ File Name: A_Municipality/County_2026

c. **Affidavit of Publication** (if applicable)

Yes ☐ No ☐ N/A ☐ File Name: Affidavit_Municipality/County_2026

d. **Pre-selection Public Meeting Agenda/Minutes (Exhibit 1-Q-1)**

Yes ☐ No ☐ File Name: 1-Q-1_Municipality/County_2026

e. **Pre-selection Sign-in Sheet(s)**

Yes ☐ No ☐ File Name: Pre-selection Sign-in_Municipality/County_2026

f. **Post-selection Public Meeting Agenda/Minutes (Exhibit 1-Q-2)**

Yes ☐ No ☐ File Name: 1-Q-2_Municipality/County_2026

g. **Post-selection Sign-in Sheet(s)**

Yes ☐ No ☐ File Name: Post-selection Sign-in_Municipality/County_2026

4. **LOW-TO-MODERATE INCOME (LMI)** (*Application Instructions, pages 15-22*)
LMI Type: American Community Survey (ACS), Limited Clientele (LMC), Survey

ACS

- a. **Request for ACS Methodology Approval**
Yes ☐ No ☐ N/A ☐ File Name: ACS Request_Municipality/County_2026
- b. **DFA-CDBG Approval of ACS Methodology**
Yes ☐ No ☐ N/A ☐ File Name: ACS Approval_Municipality/County_2026
- c. **Census Data used to meet low/moderate income requirements**
Yes ☐ No ☐ N/A ☐ File Name: Census_Municipality/County_2026
- d. **Correspondence/Back up Data relevant to the application** (if applicable)
Yes ☐ No ☐ N/A ☐ File Name: LMI Back up_Municipality/County_2026

LIMITED CLIENTELE (LMC)

- e. **Request for Limited Clientele Methodology Approval**
Yes ☐ No ☐ N/A ☐ File Name: LMC Request_Municipality/County_2026
- f. **DFA-CDBG Approval of Limited Clientele Methodology**
Yes ☐ No ☐ N/A ☐ File Name: LMC Approval_Municipality/County_2026
- g. **Correspondence/Back up Data relevant to the application**
Yes ☐ No ☐ N/A ☐ File Name: LMC Back up_Municipality/County_2026

SURVEY

- h. **Request for Survey Methodology Approval**
Yes ☐ No ☐ N/A ☐ File Name: Methodology Request_Municipality/County_2026
- i. **DFA-CDBG Approval of Survey Methodology**
Yes ☐ No ☐ N/A ☐ File Name: Survey Methodology Approval_Municipality/County_2026
- j. **Methodology Materials**
Yes ☐ No ☐ N/A ☐ File Name: Methodology Materials_Municipality/County_2026
- k. **Completed Surveys (Exhibit C)**
Yes ☐ No ☐ N/A ☐ File Name: Completed Survey_Municipality/County_2026
- l. **Income Survey Certification (Exhibit D)**
Yes ☐ No ☐ N/A ☐ File Name: D_Municipality/County_2026
- m. **LMI Worksheet (Exhibit E)**
Yes ☐ No ☐ N/A ☐ File Name: E_Municipality/County_2026
- n. **Spreadsheet Summarizing Survey Results**
Yes ☐ No ☐ N/A ☐ File Name: Spreadsheet Summary Municipality/County_2026
- o. **DFA-CDBG Completed Survey Approval**
Yes ☐ No ☐ N/A ☐ File Name: ACS Request_Municipality/County_2026

5. SITE CONTROL *(Application Instructions, page 37)*

a. CDBG Site Certificate (Exhibit F)

Yes ☐ No ☐ File Name: F_Municipality/County_2026

b. Deed of Trust or other legal document proving ownership, access, right of way

Yes ☐ No ☐ N/A ☐ File Name: Deed of Trust_Municipality/County_2026

c. Map/s

Yes ☐ No ☐ N/A ☐ File Name: Map_Municipality/County_2026

6. APPLICATION FORM *(Application Instructions, pages 44-47)*

a. Application Form (Exhibit G)

Yes ☐ No ☐ File Name: Application-Exhibit G_Municipality/County_2026

b. SAMs Government Clearance (Exhibit 1-X)

Yes ☐ No ☐ File Name: 1-X_Municipality/County_2026

7. CASH MATCH/LEVERAGING *(Application Instructions, pages 23-25)*

a. Resolution for Matching Funds (Exhibit H)

Yes ☐ No ☐ File Name: Matching Funds Resolution_Municipality/County_2026

b. Cash Match - supporting documentation proof

Yes ☐ No ☐ File Name: Cash Match_Municipality/County_2026

c. Leveraging - supporting documentation proof

Yes ☐ No ☐ File Name: Leverage_Municipality/County_2026

8. PROJECT NARRATIVE & SCOPE OF WORK *(Application Instructions, pages 39-42)*

Project Type: Water, Wastewater, Public Facility, Street/Drainage

a. Questions & Answers - for project type(s)

Yes ☐ No ☐ N/A ☐ File Name: QA for Municipality/County_2026

b. Full Scope of work (Exhibit 1-A)

Yes ☐ No ☐ N/A ☐ File Name: Full 1-A_Municipality/County_2026

9. COST ESTIMATES *(Application Instructions, pages 26-28)*

a. Certified Cost Estimates (for applications exceeding \$500,000)

Yes ☐ No ☐ N/A ☐ File Name: Certified Costs_Municipality/County_2026

b. Cost Estimates (for applications at or below \$500,000)

Yes ☐ No ☐ N/A ☐ File Name: Uncertified Costs_Municipality/County_2026

c. Project Cost Financing Summary, full project (Exhibit 1-C)

Yes ☐ No ☐ File Name: Full 1-C_Municipality/County_2026

10. PLANNING AND READINESS *(Application Instructions, pages 29-37)*

a. Infrastructure Capital Improvement Plan (ICIP)

Yes ☐ No ☐ N/A ☐ File Name: ICIP_Municipality/County_2026

b. Asset Management Plan

Yes ☐ No ☐ File Name: Asset Management Plan_Municipality/County_2026

c. **Project Schedule (Exhibit 1-B)**

Yes ☐ No ☐ File Name: 1-B_Municipality/County_2026

d. **Plans and Specifications**

Yes ☐ No ☐ N/A ☐ File Name: Plans - Specs_Municipality/County_2026

e. **Preliminary Engineering Report (PER)**

Yes ☐ No ☐ N/A ☐ File Name: PER_Municipality/County_2026

f. **Professional services** (as per checklist #6 Professional Services)

Yes ☐ No ☐ N/A ☐

g. **Environmental** (as per checklist #7a or 7b)

Yes ☐ No ☐ N/A ☐

11. OTHER

** For a comprehensive list of CDBG exhibits & documents, see the updated [Implementation Manual](#) (2025)*

CDBG Website Links

Application Information, Exhibits & Videos [ACCESS HERE](#)

Implementation Manual, Exhibits & Videos [ACCESS HERE](#)

CDBG Project Managers

Stephanie Kramer, c. (505) 690-4621, Stephanie.Kramer@dfa.nm.gov

Cristina Caltagirone (kal-tah-gee-row-neh), c. (505) 470-0977, Cristina.Caltagirone@dfa.nm.gov

Jaelynn Narvaiz (nar-vice) c. (505) 690-5313, jaelynn.narvaiz@dfa.nm.gov

Domenica Cimino (chee-mee-know), c. (505) 618-0266, domenica.cimino@dfa.nm.gov

Regular City Council Meeting

9.

Meeting Date: 07/09/2026

COMMITTEE: N/A

CONTACT: Amalia Martinez

CHAIR: Mayor Pro Tem

Summary:

Approval of the minutes from the Comprehensive Master Plan Workshop on June 5, 2026

Attachments

06 DRAFT - June 5, 2026 Workshop

1 **City Of Roswell Council Workshop**
2 **City Hall — Mike Mathews Conference Room**
3 **425 N. Richardson Ave.**
4 **Roswell, New Mexico 88201**
5 **Friday, June 5, 2026**
6

7 Notice of this meeting was given to the public in compliance with Sections 10-15-1 through 10-
8 15-4 NMSA 1978 and Resolution 26-12.

9
10 **ROLL CALL**
11

12 The meeting convened at 1:00 p.m. with Mayor Jennings presiding: Councilor Arnold, Councilor
13 Oropesa, Councilor Cavin, Councilor Heldenbrand, Councilor Gass, Mayor Pro Tem Corn and
14 Councilor Johnson, being present. Councilor Halvorson present on GoTo. Councilor Moore and
15 Councilor Marrujo being absent.
16

17 **APPROVAL OF THE AGENDA**
18

- 19 1. Approval of agenda — Approve the agenda for the Friday, June 5, 2026, City Council
20 Workshop
21

22 As this meeting was conducted as a City Council Workshop for discussion and review purposes
23 only, no formal approval of the agenda was required, and no action was taken by the City
24 Council. The workshop proceeded according to the agenda as published
25

26 **NON-ACTION ITEMS**
27

- 28 2. Presentation and discussion of the City of Roswell Comprehensive Master Plan 2026.
29

30 The City Council conducted a detailed review of the draft Comprehensive Master Plan and
31 provided comments on a variety of land use, growth, housing, infrastructure, transportation,
32 and economic development topics. Councilors emphasized the importance of ensuring that
33 population projections and growth estimates accurately reflect anticipated development trends
34 and local conditions. Discussion also focused on future growth areas, particularly north of
35 Second Street, annexation opportunities, connectivity between developing areas, and the need
36 to preserve agricultural lands while accommodating responsible growth. Councilors expressed
37 concern regarding traffic circulation, flood-related access constraints, stormwater management,
38 and the compatibility of residential areas with nearby industrial and recreational uses.
39

40
41 Additional discussion centered on affordable housing, economic development, and critical
42 infrastructure needs. Councilors emphasized the importance of promoting housing
43 affordability, increasing housing options, and coordinating future zoning updates with
44 developers to ensure regulations remain flexible and responsive to community needs. The
45 Council also discussed strategies to support small businesses and entrepreneurs, improve
46 transportation services, and strengthen community partnerships. Significant attention was given

1 to aging water and roadway infrastructure, long-term flood mitigation efforts, landfill capacity
2 concerns, and the need to prioritize investments that enhance community resilience and support
3 sustainable growth. Staff and the consultant team were directed to incorporate the comments
4 and corrections identified during the workshop into the next draft of the Comprehensive Master
5 Plan.

6
7 **CITY MANAGER REPORTS / ANNOUNCEMENTS**

8
9 **ADJOURNMENT**

10
11 Meeting adjourned at 4:15 p.m.

12
13 PASSED, ADOPTED, SIGNED, and APPROVED on this 9th day of July, 2026.

14
15
16
17 (City Seal)

18
19
20 _____
21 Timothy Z. Jennings, Mayor

22
23 _____
24 Amalia Martinez, City Clerk

25 Prepared by: Angela Garcia, Deputy City Clerk
26

Regular City Council Meeting

10.

Meeting Date: 07/09/2026

COMMITTEE: N/A

CONTACT: Amalia Martinez

CHAIR: Mayor Pro Tem

Summary:

Approval of the minutes from the Regular City Council Meeting on June 11, 2026.

Attachments

DRAFT - June 11, 2026, City Council Minutes

REGULAR MEETING
CITY OF ROSWELL COUNCIL - AGENDA
Chaves County Administrative Center
Commission Chambers - #1 St. Mary's Place
Roswell, New Mexico 88203
Thursday, June 11, 2026, at 6:00 p.m.

Notice of this meeting has been given to the public in compliance with Sections 10-15-1 through 10-15-4 NMSA 1978 and Resolution No. 26-12.

The meeting convened at 6:00 p.m. with Mayor Jennings presiding:

ROLL CALL:

Ed Heldenbrand	Present
Carlos Marrujo, Jr.	Present
Darrell Johnson	Present
Kurt Gass	Present
Cristina Arnold	Absent
Will Cavin	Present
Juliana Halvorson	Absent
Robert Corn	Present
Angela Moore	Present
Juan Oropesa	Present

Councilor Moore led in prayer, and Councilor Oropesa led in the Pledge of Allegiance.

1. Approval of agenda — Approve the agenda for the June 11, 2026, Regular City Council Meeting.

MOTION: Mayor Pro Tem Corn moved to remove Item No. 13 from the consent agenda and place it on the regular agenda. Councilor Heldenbrand moved to approve the agenda as amended.

ROLL CALL VOTE:

Ed Heldenbrand	Yes
Carlos Marrujo, Jr.	Yes
Darrell Johnson	Yes
Kurt Gass	Yes
Will Cavin	Yes
Robert Corn	Yes

Angela Moore Yes
Juan Oropesa Yes

MOTION PASSED: 8-0

2. Approval of consent agenda - Approve the consent agenda, items 3-12 for the June 11, 2026, Regular City Council Meeting.

MOTION: Mayor Pro Tem Corn moved to approve the consent agenda. Items 3-12 for the June 11, 2026, Regular City Council Meeting. Councilor Marrujo seconded the motion.

ROLL CALL VOTE:

Ed Heldenbrand Yes
Carlos Marrujo, Jr. Yes
Darrell Johnson Yes
Kurt Gass Yes
Will Cavin Yes
Robert Corn Yes
Angela Moore Yes
Juan Oropesa Yes

MOTION PASSED: 8-0

CONSENT ITEMS (items 3-12 will be approved at the time of the approval of the consent agenda)

3. Proposed Ordinance 26-06 - Approval to advertise for a public hearing for Ordinance 26-06: authorizing the execution and delivery of a loan agreement with New Mexico Finance Authority for improvement projects related to flood damage.

4. Proposed Ordinance 26-07 - Approval to advertise for a public hearing for Ordinance 26-07: An Ordinance to refund the Series 2017 Joint Water & Sewer Improvement Bonds.

Resolution(s)

5. Resolution 26-28: adoption of Resolution 26-28: A resolution for closing the Asset Management Plan Grant from the New Mexico Finance Authority.

6. Resolution 26-30: Weeds - The Resolution shall mandate the cleanup of approximately nine (9) separate properties within the City.

7. Resolution 26-31: adoption of Resolution 26-31: Approving a budget adjustment for the fiscal year ending June 30, 2026.

8. Resolution 26-32: adoption of Resolution 26-32: A Resolution Amending the Roswell Airport Advisory Commission.

9. Resolution 26-33: adoption of Resolution 26-33: Authorize and approve submission of a completed application to NMFA for financial assistance.

10. Resolution 26-34: adoption of Resolution 26-34: authorizing an application for the redemption of Outstanding Joint Water and Sewer Improvement Revenue Bonds.

ROW Leases

11. Recommend approval of Red Mountain Arsenal LLC to enter into a 1-year lease beginning June 1, 2026, and ending May 31, 2027, for building 60 at the Roswell Air Center.

Minutes

12. Approval of the minutes from the Regular City Council meeting on May 14, 2026.

13. Approval of the minutes from the Special City Council meeting on May 21, 2026.

BACKGROUND: Approval of the minutes from the Special City Council meeting on May 21, 2026.

MOTION: Mayor Pro Tem Corn moved to approve the minutes, with pages 149 through 154 removed. Councilor Gass seconded the motion.

VOTE: A voice vote was unanimous

MOTION PASSED: 8-0

NON-ACTION ITEMS (Information Items)

14. Airport Updates (Omar Gonzalez and Fred Telling) Fred Telling provided an update on the Air Races, noting that pilot registration is now open and that participation is projected to exceed

1 120 aircraft this year, with the return of the sport and unlimited classes. He further reported that
2 ticket sales have slowed in recent weeks, which may be attributed to spectators awaiting the
3 announcement of the full lineup of registered racers.

4
5 15. Detective Matthew Shappard - Medal of Valor (Mike Taylor) On September 16, 2025,
6 Officer Shappard responded to a reported incident involving a male subject physically assaulting
7 a female outside the Allsup's located at Country Club and Main. The reporting party advised that
8 the subject may be armed. Upon locating the individual, a foot pursuit ensued, during which the
9 subject produced a firearm and pointed it at Officer Shappard. In response to the immediate and
10 life-threatening risk, Officer Shappard discharged one round from his issued service weapon,
11 striking the subject and neutralizing the threat. Following the use of force, Officer Shappard
12 promptly transitioned to provide medical aid to the subject. Officer Shappard's actions during
13 this incident reflected exceptional courage, professionalism, and sound judgment under rapidly
14 evolving and dangerous conditions.

15
16 16. Sling It Fling It (Brandon Williams) Tokens of appreciation were presented to the Mayor,
17 Councilors, and the City Manager. The city was also formally thanked for its continued trust and
18 support in allowing Sling It Fling It to carry on the tradition of hosting world-class flag football
19 tournaments.

20
21 17. Goddard Baseball Goddard Baseball was recognized as the State Champion. It was also
22 noted that the team achieved an overall GPA of 3.63, reflecting excellence both on the field and
23 in the classroom.

24
25 18. Employee Out-of-State Travel (Informational Only)

26
27 **PUBLIC PARTICIPATION ON AGENDA ITEMS AND NON-AGENDA ITEMS**

28
29 In order to speak, you must sign up prior to the Council Meeting. No individuals signed up to
30 speak, and no public comments were made.

31
32 **NEW BUSINESS / REGULAR ITEMS**

33
34 **FOR THE RECORD:** Councilor Arnold and Councilor Arnold joined the meeting via GoTo at
35 6:10 p.m.

36
37 19. Approval of Mayor Jennings's appointment recommendation to the Roswell Museum Board
38 of Trustees is as follows:

1 Bruce M. Dyleski - Position 4 (1st Term June 12, 2026–March 31, 2029)
2 Bailey Coll - Position 7 (1st Partial Term June 12, 2026 — March 31, 2027)

3
4 **BACKGROUND:** The Roswell Museum Board of Trustees consists of 11 members. Each
5 member shall serve (2) four-year terms.

6
7 **MOTION:** Mayor Pro Tem Corn made a motion for the approval of Mayor Jennings'
8 recommendation of appointment to the Roswell Museum Board of Trustees. Councilor Cavin
9 seconded the motion.

10
11 **VOTE:** A voice vote was unanimous, with Councilor Arnold and Councilor Halvorson
12 participating via GoTo.

13
14 **MOTION PASSED: 10-0**

15
16 20. Consider approval of Mayor Jennings' recommendation of appointments to the Flood
17 Recovery Task Force as follows:

18
19 Position 5 - Michael Sanchez (June 12, 2026–March 31, 2028)

20
21 **BACKGROUND:** The Flood Task Force shall consist of 5 members.

22
23 **MOTION:** Mayor Pro Tem Corn moved for the approval of Mayor Jennings' recommendation
24 of appointments to the Flood Recovery Task Force. Councilor Moore seconded the motion.

25
26 **VOTE:** A voice vote was unanimous, with Councilor Arnold and Councilor Halvorson
27 participating via GoTo.

28
29 **MOTION PASSED: 10-0**

30
31 21. Consider approval of Mayor Jennings' recommendations of the following appointment to the
32 Planning and Zoning Commission as follows:

33
34 Position 4 - Marcus Gonzales (June 12, 2026 - March 31, 2030)

35
36 **BACKGROUND:** The Planning and Zoning Commission consists of 7 members. Each member
37 shall serve 2-four-year terms.

38
39 **DISCUSSION:** A discussion was held regarding the appointment process for boards and
40 commissions. Mayor Tim Jennings requested that the City Clerk provide notification to each

Councilor via email when a vacancy occurs on a board or commission to ensure all Councilors have the opportunity to submit recommendations for consideration.

MOTION: Mayor Pro Tem Corn made a motion for the approval of Mayor Jennings' recommendations for the Planning and Zoning Commission. Councilor Marrujo seconded the motion.

VOICE VOTE: A voice vote was unanimous, with Councilor Arnold and Councilor Halvorson participating via GoTo.

MOTION PASSED: 10-0

Resolution(s)

22. Resolution 26-29: adoption of Resolution 26-29: Authorizing the submittal of the Fiscal Year 2028-2032 Infrastructure Capital Improvements Plan (ICIP).

BACKGROUND: The Infrastructure Committee on 5/18/2026 reviewed the Infrastructure Capital Improvements Plan (ICIP) list of projects and voted on the top five priority projects to be forwarded to the City Council for review and submission to the State of New Mexico. The top five priority projects are:

1. (16) Water Transmission Pipes Replacement \$9,500,000
2. (18) Small Pipe Replacement \$2,500,000
3. (19) Large Pipe Replacement \$10,000,000
4. (68) Flood damage repairs- City-wide \$15,000,000
5. (79) City Hall Deferred Maintenance \$250,000.

AMENDED MOTION: Councilor Halvorson made an amendment to remove Item No. 3 (Project 19), "Large Pipe Replacement" in the amount of \$10,000,000, and replace it with (Project 82), "Property Acquisition for Parking at Fire Station No. 1," in the amount of \$600,000. Councilor Arnold seconded the motion.

ROLL CALL VOTE:

Ed Heldenbrand	No
Carlos Marrujo, Jr.	No
Darrell Johnson	No
Kurt Gass	No
Cristina Arnold	Yes

1	Will Cavin	No
2	Juliana Halvorson	Yes
3	Robert Corn	No
4	Angela Moore	No
5	Juan Oropesa	No

6

7 **MOTION FAILED: 8-2**

8

9 **SECOND AMENDMENT:** Councilor Heldenbrand made an amendment to remove Item No. 5
10 (Project 79), “City Hall Deferred Maintenance” in the amount of \$250,000, and replace it with
11 (Project 61), “S. Washington Reconstruction” in the amount of \$300,000. Councilor Gass
12 seconded the motion.

13

14 **ROLL CALL VOTE:**

15

16	Ed Heldenbrand	Yes
17	Carlos Marrujo, Jr.	Yes
18	Darrell Johnson	Yes
19	Kurt Gass	Yes
20	Cristina Arnold	No
21	Will Cavin	Yes
22	Juliana Halvorson	No
23	Robert Corn	Yes
24	Angela Moore	No
25	Juan Oropesa	No

26

27 **MOTION PASSED: 6-4**

28

29 Following the initial vote, Councilor Cavin changed his vote from yes to no.

30

31 **MOTION TIED: 5-5**

32

33 As a result, Mayor Tim Jennings exercised his voting authority and voted no. The motion
34 subsequently failed.

35

36 **MOTION FAILED: 6-5**

37

38 **ORIGINAL MOTION:** Councilor Johnson moved to adopt Resolution 26-29, authorizing the
39 submittal of the Fiscal Year 2028–2032 Infrastructure Capital Improvements Plan (ICIP). The top
40 five priority projects are:

1. (16) Water Transmission Pipes Replacement \$9,500,000
2. (18) Small Pipe Replacement \$2,500,000
3. (19) Large Pipe Replacement \$10,000,000
4. (68) Flood damage repairs- City-wide \$15,000,000
5. (79) City Hall Deferred Maintenance \$250,000.

Councilor Cavin seconded the motion.

ROLL CALL VOTE:

Ed Heldenbrand	No
Carlos Marrujo, Jr.	No
Darrell Johnson	Yes
Kurt Gass	Yes
Cristina Arnold	No
Will Cavin	Yes
Juliana Halvorson	Yes
Robert Corn	Yes
Angela Moore	Yes
Juan Oropesa	Yes

MOTION PASSED: 7-3

Ordinance(s)

23. Proposed Ordinance 26-05 – Authorize to advertise for a public hearing on the proposed Ordinance 26-05: An Ordinance authorizing the issuance of Industrial Revenue Bonds (Gallagher Solar LLC Project) and Execution Bond Purchase Agreement, Indenture, Lease, and Sublease.

BACKGROUND: Gallagher Solar LLC seeks to develop a 2.70-megawatt (AC) community solar energy facility on two parcels of land (4-137-062-173-063-000000; 4-137-062-189-117-000000), also known as "Lots One and Two (1 & 2) of Gallagher Summary Replat," located at 1612 E 2nd St, Roswell, NM 88201 (The "Property"). The Project was granted a Conditional Use Permit under Zoning Case CUP-25-0046. The Applicant intends to develop all the property with a community solar energy facility. Community solar is a relatively new feature in New Mexico that allows local residents to receive a direct benefit by subscribing to receive credits, which lowers their electricity bills. The 2.70-megawatt system is sufficient to provide credits to approximately 600 homes in Xcel. This facility will produce electric energy through a power generation facility under the "Community Solar Act" for use by the Company, which will constitute an industrial development

1 project. The County has already been contacted and is not opposed to the issuance of this
2 IRB. The Governing Body approved the IRB's inducement resolution in March 2026.

3
4 **FOR THE RECORD:** Councilor Halvorson stepped away at 8:11 p.m.

5
6 **MOTION:** Councilor Cavin moved to authorize to advertise for a public hearing on proposed
7 Ordinance 26-05: An Ordinance authorizing the issuance of Industrial Revenue Bonds
8 (Gallagher Solar LLC Project) and Execution Bond Purchase Agreement, Indenture, Lease, and
9 Sublease. Councilor Johnson seconded the motion.

10
11 **VOICE VOTE: 6-3**

12
13 **MOTION PASSED: 6-3** with Councilor Heldenbrand, Councilor Arnold, and Councilor Moore
14 in opposition.

15
16 **COUNCILOR COMMENTS (Information Only)** Mayor Pro Tem Corn briefly emphasized
17 the importance of maintaining a well-developed Infrastructure Capital Improvement Plan (ICIP)
18 to enhance eligibility for legislative funding.

19
20 **CITY MANAGER REPORTS/ANNOUNCEMENTS (Information Only)** Hessel Yntema
21 reported that the city is currently 76% staffed for the new ambulance service, with operations
22 anticipated to commence on June 18, 2026. He further noted that the Public Affairs Department
23 was awarded a \$75,000 grant to support tourism initiatives.

24
25 **Adjournment**

26
27 The meeting was adjourned at 8:16 p.m.

28
29 Approved on this 9th day of July 2026.

30
31
32 (City Seal)

33
34
35 _____
36 Timothy Z. Jennings, Mayor

37
38 _____
39 Amalia Martinez, City Clerk

40
41
42 Prepared by: Angela Garcia, Deputy City Clerk

Regular City Council Meeting

11.

Meeting Date: 07/09/2026

COMMITTEE: N/A

CONTACT: Amalia Martinez

CHAIR: Mayor Pro Tem

Summary:

Approval of the minutes from the Special City Council Meeting on June 25, 2026.

Attachments

DRAFT - June 25, 2026, Special City Council Meeting Minutes

**Special Meeting, Roswell City Council
Held at City Hall, Mike Mathews Conference Room
425 N. Richardson Ave., Roswell, NM 88201
Thursday, June 25, 2026, at 4:00 P.M.**

Notice of this meeting has been given to the public in compliance with Sections 10-15-1 through 10-15-4 NMSA 1978 and Resolution No. 26-12.

The meeting convened at 4:12 P.M. with Mayor Jennings presiding.

ROLL CALL:

Darrell Johnson (7)	Present
Will Cavin (3)	Present
Juan Oropesa (1)	Present
Cristina Arnold (2)	Present
Ed Heldenbrand (6)	Present
Carlos Marrujo, Jr (9)	Present
Juliana Halvorson (4)	Absent
Angela Moore (10)	Present
Robert Corn (8)	Absent
Kurt Gass (5)	Absent

APPROVAL OF THE AGENDA

1. Approval of agenda — Approve the agenda for the June 25, 2026, Special City Council Meeting.

MOTION: Councilor Cavin moved to approve the agenda. The motion was seconded by Councilor Arnold.

VOTE: A voice vote was unanimous

MOTION PASSED: 7-0

PUBLIC PARTICIPATION ON AGENDA ITEMS - Julie Seiler addressed the Council regarding concerns with local animal control enforcement and public safety. She reported that a neighbor's dog had allegedly attacked individuals in the area. Ms. Seiler stated that she contacted the Roswell Police Department and Animal Services on June 12, 2026, but did not receive a response. She further noted that her neighbor was cited for a dog-at-large violation; however, the case proceeded to Municipal Court, where the neighbor entered a plea of not guilty.

REGULAR ITEMS

3. Resolution 26-29: adoption of Resolution 26-29: Authorizing the submittal of the Fiscal Year 2028-2032 Infrastructure Capital Improvements Plan (ICIP).

BACKGROUND: The Infrastructure Committee on 5/18/2026 reviewed the Infrastructure Capital Improvements Plan (ICIP) list of projects and voted on the top five priority projects to be forwarded to City Council for review and submission to the State of New Mexico. The top five priority projects are:

1. (16) Water Transmission Pipes Replacement \$9,500,000
2. (18) Small Pipe Replacement \$2,500,000
3. (19) Large Pipe Replacement \$10,000,000
4. (68) Flood damage repairs- City-wide \$15,000,000
5. (79) City Hall Deferred Maintenance \$250,000.

MOTION: Councilor Heldenbrand moved to amend Resolution 26-29, Authorizing the Submission of the Fiscal Year 2028–2032 Infrastructure Capital Improvements Plan (ICIP), by: Removing Project No. 16, Water Transmission Pipes Replacement (\$9,500,000), and replacing it with Project No. 42, Playground Equipment Replacement (\$750,000); Removing Project No. 19, Large Pipe Replacement (\$10,000,000), and replacing it with Project No. 61, S. Washington Reconstruction (\$300,000); and Removing Project No. 79, City Hall Deferred Maintenance (\$250,000), and replacing it with Project No. 82, Property Acquisition for Parking at Fire Station No. 1 (\$600,000). Councilor Arnold was the second.

ROLL CALL VOTE:

Darrell Johnson (7)	Yes
Will Cavin (3)	Yes
Juan Oropesa (1)	Yes
Cristina Arnold (2)	Yes
Ed Heldenbrand (6)	Yes
Carlos Marrujo, Jr (9)	Yes
Angela Moore (10)	Yes

MOTION PASSED: 7-0

MOTION: Councilor Johnson made a motion for the adoption of Resolution 26-29: Authorizing the submittal of the Fiscal Year 2028-2032 Infrastructure Capital Improvements Plan (ICIP) as amended. Councilor Marrujo was the second.

1. (42) Playground Equipment Replacement \$750,000
2. (18) Small Pipe Replacement \$2,500,000
3. (61) S. Washington Reconstruction \$ 300,000
4. (68) Flood damage repairs- City-wide \$15,000,000
5. (82) Property Acquisition for parking at Fire Station # 1 \$600,000

86
87 **ROLL CALL VOTE:**

88
89 Darrell Johnson (7) Yes
90 Will Cavin (3) Yes
91 Juan Oropesa (1) Yes
92 Cristina Arnold (2) Yes
93 Ed Heldenbrand (6) Yes
94 Carlos Marrujo, Jr (9) Yes
95 Angela Moore (10) Yes
96

97 **MOTION PASSED: 7-0**

98
99 **ADJOURNMENT**

100
101 Meeting adjourned at 4:52 P.M.

102
103 Approved on this 9th day of July 2026.

104
105
106 (City Seal)

107
108 _____
109 Timothy Z. Jennings, Mayor

110 ATTEST

111
112
113 _____
114 Amalia Martinez, City Clerk

115 Prepared by: Angela Garcia, Deputy City Clerk

Regular City Council Meeting

16.

Meeting Date: 07/09/2026

COMMITTEE: N/A

CONTACT: Amalia Martinez

CHAIR: N/A

Summary:

Employee Out-of-State Travel (Informational Only)

Attachments

Out-of-State Travel - RPD



Roswell Police Department

CHIEF ALBERTO ALDANA



MEMORANDUM

To: City Council Members

From: Chief Alberto Aldana

Date: July 6th, 2026

Subject: Notification of Out-of-State Training for Department Personnel

Dear Council Members,

The following personnel are scheduled for out-of-state training.

1. Tyler Brisco

- **Rank/Position:** K9 Officer
 - **Training Program:** K9 Narcotics Detection
 - **Location:** Honey Grove, Texas
 - **Dates:** July 13th, 2026 – July 25th 2026
 - **Purpose/Objective:** Required as a new K9 Officer
-

This memo is intended for informational purposes. Should you require any additional information, please do not hesitate to contact me.

Sincerely,

Chief Alberto Aldana

**ROSWELL NEW MEXICO
AGENDA ITEM ABSTRACT**

Regular City Council Meeting

17.

Meeting Date: 07/09/2026

COMMITTEE: N/A

CONTACT: Amalia Martinez

CHAIR: N/A

ACTION REQUESTED:

Public hearing: Hold a public hearing and vote on a Restaurant B-Beer, Wine and Spirits License with on premises consumption and with patio service for Application No. BLA-0000018225, Gelis Café, d/b/a/ Gelis Mexican Restaurant, located at 2601 N. Main Street, Roswell, NM 88201. (Corn/Nairn-Mahan)

BACKGROUND:

Initiated by: Gelis Café, d/b/a/ Gelis Mexican Restaurant

Under NMSA 1978 § 60-6B-4, the governing body is required to conduct a public hearing on the application and must, by roll call vote, approve or disapprove the requested application. The hearing is quasi-judicial in nature and must be conducted accordingly.

Gelis Café, d/b/a/ Gelis Mexican Restaurant, Application No. BLA0000018225, located at 2601 N. Main Street, Roswell, NM 88201, has applied for a Restaurant B—Beer, Wine, and Spirits License with on premises consumption and with patio service.

In considering whether to approve or disapprove the application, the governing body may only disapprove of the application if it finds substantial evidence to support one of the following:

- The proposed location is within an area where the laws of New Mexico prohibit the sale of alcoholic beverages; or
- The issuance or transfer would be in violation of zoning or other ordinance of the governing body; or
- The issuance or transfer of a license would be detrimental to the public health, safety, or morals of the residents of the local option district. The governing body is required to notify the Director of the Alcohol and Gaming Division of the New Mexico Regulation and Licensing Department within thirty (30) days of the public hearing whether it has approved or disapproved the application. The City Clerk does this.

FINANCIAL CONSIDERATION

The governing body shall give notice of the Public Hearing required by the Liquor Control Act by publishing a notice of the date, time, and place of the hearing twice during the 30 days prior to the hearing in a newspaper of general circulation within the territorial limits of the governing body. The cost associated with this publication is \$147.28, and comes from the General Fund.

LEGAL REVIEW:

The City Attorney has provided the notes for the Council's consideration of the application under the staff recommendation below.

BOARD AND COMMITTEE ACTION:

Due to the time constraints of the Liquor Control Act the applications due not go to a board or committee.

STAFF RECOMMENDATION:

City staff does not make a specific recommendation, but notes the following for the City Council's

consideration:

- Because the Alcohol and Gaming Division has granted preliminary approval of the application, the applicant has established a prima facie entitlement to the license. The burden of disapproval then shifts to the City.
- New Mexico case law has held that the Director of the Alcohol and Gaming Division of the New Mexico Regulation and Licensing Department may still issue a license to Eli's Bistro Inc., d/b/a/ Eli's Bistro & Bakery, despite municipal disapproval if there is insufficient evidence to support the disapproval, or if the disapproval is not based on the evidence specific to the applicant or the location. A general disapproval of alcoholic beverage sales is not a valid basis for denial of the license and is consequently not relevant to the decision to be made by the governing body.
- There does not appear to be evidence that the location is in the area where the sale of alcoholic beverages is prohibited by state law.
- There does not appear to be evidence that the sale of alcohol at the location would be in violation of any City zoning law or other ordinance.

Attachments

Application - Gelis Mexican Restaurant

June 5, 2026

Certified Mail No.: 7021 2720 0001 2204 6309

City of Roswell

Amalia Martinez, City Clerk
425 N Richardson Ave.
Roswell, NM 88201
Email: corclerk@Roswell-NM.Gov

Lic. No. /Appl. No.: BLA-0000018225
Name of Applicant: GELIS CAFÉ, LLC
Doing Business As: Gelis Mexican Restaurant
Proposed Location: 3601 N. Main St., Roswell, NM 88201

The Director of the Alcoholic Beverage Control Division (ABC) has reviewed the referenced Application and granted **Preliminary Approval**. It is being forwarded to you for Local Option District approval or disapproval of the Liquor License Application.

Notice of the Public Hearing required by the Liquor Control Act **shall be given by the governing body by publishing a notice** of the date, time, and place of the hearing **twice during the 30 days prior to hearing** in a newspaper of general circulation within the territorial limits of the governing body. **The first notice must be published at least thirty (30) days before the hearing. Both publications must occur before a hearing can be conducted.** The notice shall include:

- (A) Name and address of the Applicant/Licensee.
- (B) The action proposed to be taken.
- (C) The location of the licensed premises.

In addition, if the Local Option District has a website, **the Notice shall also be published on the website.**

While the law states that “within forty-five (45) days after receipt of a Notice from the Alcoholic Beverage Control, the governing body shall hold a Public Hearing in the question of whether the department should approve the proposed issuance or license”, we recognize the potential for conflict between the requirement for publication of 30-day notice and the 45-day hearing requirement.

With that in mind, when a local governing body receives a liquor license application from ABC, that governing body has a couple of options:

- 1) Hold a hearing on the license application within the statutory time frame of forty-five (45) days, as required by the Liquor Control Act, and comply with all other statutory and regulatory procedures and notify ABC of your decision within thirty (30) days of the hearing.
- 2) Request from ABC an extension of time, past the forty-five (45) days, designating how much additional time will be needed to conduct the hearing in compliance with all statutory and

regulatory procedures. After the extension is granted and the hearing is held, notify ABC of your decision within thirty (30) days of the hearing.

ABC has no preference in the option you choose.

The governing body is required to send notice by certified mail to the Applicant of the date, time, and place of the Public Hearing. The governing body may designate a Hearing Officer to conduct the hearing. **A record shall be made** of the hearing.

THE APPLICANT IS SEEKING A RESTAURANT B – BEER, WINE AND SPIRITS LICENSE WITH ON PREMISES CONSUMPTION AND WITH PATIO SERVICE.

Within thirty (30) days after the Public Hearing, the governing body shall notify ABC of their decision to approve or disapprove the issuance or transfer of the license by signing the enclosed original Page 1 of the Application. The original Page 1 of the Application must be returned together with the notices of publication. **If the Governing Body fails to either approve or disapprove the issuance or transfer of the license within thirty days after the Public Hearing, the Director may issue the license.**

If the Governing Body disapproves of the issuance or transfer of the license, it shall notify ABC within thirty (30) days, setting forth the reasons for the disapproval. A copy of the Minutes of the Public Hearing shall be submitted to ABC with the Notice of Disapproval (*Page 1 of the Application, noting disapproval*).

Respectfully,

Trinidad
Alderete

Digitally signed by Trinidad
Alderete
Date: 2026.06.05 10:03:52 -06'00'

Trinidad Alderete
Hearing Officer
NM Regulation & Licensing Department
Alcoholic Beverage Control Division
Phone: (505) 469-3172
Email: trinidad.alderete@rld.nm.gov

Enclosures:

1. Page 1 (Business Information Page) *(must be signed and returned w/notices of publication)*
2. Page 2 of the Application (Premises Information Page)
3. Copy of the Zoning Statement
4. Copy of Floor Plan



Alcoholic Beverage Control Division
Restaurant B Intake Application
Application Number: BLA-0000018225



Business Information

Business Information

Business Name: Gelis Cafe LLC
Business Structure: Limited Liability Company
State Tax ID Number: XX-XXXXXX2-00-6
Business Email: geliscafellc@gmail.com

Type of Business: Alcohol
FEIN: XX-XXX6330
Business Phone: 5758029029

Contact Person Information

Contact Person Name: Angelica Woods
Contact Person Email: geliscafellc@gmail.com

Contact Person Phone: 5758029029

Business Mailing Address

Mailing Street: 1108 W SUMMIT ST
Mailing State: NM
Mailing Country: US

Mailing City: Roswell, NM
Mailing Zip Code: 88203

Local Option District Use Only: Local Governing Body of _____ City, County, Village

Public Hearing held on _____ 20_____. Please check one: ☐ Approved ☐ Disapproved

Signature of City/County Official: _____ Title: _____

Alcoholic Beverage Control Division Use Only: ☐ Approved ☐ Disapproved _____

Signed by Director: _____ Date: _____



Alcoholic Beverage Control Division
Restaurant B Intake Application
Application Number: BLA-0000018225



Premises Information

Premises DBA

Premises Doing Business As (DBA): Gelis Mexican Restaurant

Proposed Premises Physical Address

Physical Street: 3601 N. Main St.

Physical Zip Code: 88201

Physical County: Chaves

Local Option District: Roswell

Physical City: Roswell

Physical State: New Mexico

"Local Option District" means a county that has voted to approve the sale, serving or public consumption of alcoholic beverages, OR an incorporated municipality that falls within a county that has voted to approve the sale, serving or public consumption of alcoholic beverages, OR an incorporated municipality of over five thousand population that has independently voted to approve the sale, serving or public consumption of alcoholic beverages under the terms of the Liquor Control Act or any former act.

Ownership

The land and building which is proposed to be the licensed premises is: Owned by Applicant

The following information is required to ensure the issuance of a license to this location will not result in the violation of a county or municipal ordinance.

Zoning

Is the proposed premises location zoned? Yes

You will be required to upload "Copy of Zoning Statement" issued by the local municipality or county. If not applicable, you will be required to upload "Copy of Zoning Statement" or Letter from local government to indicate that there is no zoning for the proposed location.

Specify the zone for proposed premises location (example C-1): C-2

Distance from nearest School

Name of School: Berrendo Elementary School

School City: Roswell

School Zip Code: 88201

School Distance (in feet): More than 1000

Specify the shortest direct line distance from the nearest point of the proposed premises to the nearest point of the property line of the school.

School Street: Pine Lodge

School State: New Mexico

School Country: United States

Distance from nearest Church

Name of Church: Berrendo Baptist Church

Church City: Roswell

Church Zip Code: 88201

Church Distance (in feet): More than 1000

Specify the shortest direct line distance from the nearest point of the proposed premises to the nearest point of the property line of the church.

Church Street: Berrendo

Church State: New Mexico

Church Country: United States



Alcoholic Beverage Control Division
Restaurant B Intake Application
Application Number: BLA-0000018225



Premises Information 2

Please specify the appropriate option for the premises that you have specified in the application?

- ☐ A license has never been issued to the location of the proposed premises.
☐ A license was once issued to the location of the proposed premises but is no longer being operated at the location.
☐ Alcohol operations are currently being performed at the proposed premises by the applicant business.
☒ Alcohol operations are currently being performed at the proposed premises by a business other than the applicant business.

Please provide more details for the option selected in above question?

You can specify more details such as license has become expired non-renewable, business ownership has changed, planning to extend operations of existing premises or planning to buy premises etc.

The previous owner owns a liquor license. He is currently operating a restaurant with alcohol sales. I purchased the building and will be transferring my restaurant to that location.

Licenses at Proposed Premises

Please specify the active New Mexico licenses currently held by the proposed premises.

If you need to view, edit, or delete any records, click the down arrow under action for that specific record.

License Number: DIS-001161

License Type: Dispenser

Questions

Has the applicant business ever had a liquor license denied, suspended, revoked, surrendered, or had any other form of discipline or disciplinary action by a licensing agency in another state or jurisdiction?	No
Has the structure and/or ownership disclosure for the applicant business changed since last reported to the department?	No
Does the applicant business own any (direct/indirect) interest in a liquor license?	Yes

List of Active Business Licenses in Other States

No records to display.

List of Active Business Licenses in New Mexico

No records to display.



Alcoholic Beverage Control Division
Restaurant B Intake Application
Application Number: BLA-0000018225



Payment

Fee Name	Fee Amount
Application Fee	200.00
Resident Agent Fee	50.00
Total Fee Amount:	250.00

Attestation/Oath

Under penalty of perjury, I hereby depose and state that I am the person identified in this application and the information given by me is true and complete to the best of my knowledge and belief. I understand that any information contained in this application may be investigated and any false or dishonest answer to any question in this application may be grounds for denial or revocation of my license.

Attestation Signature: Angelica Woods

Date: 03/07/2026



Community Development

Zoning Verification Letter

For Geli's Café LLC

3601 N Main Street in Roswell, New Mexico 88201

Subd: RIVERSIDE NORTH Block: 1 Lot: 1 Tract: LOT 1 S: 16 T: 10S R: 24E "TIA JUANA'S
BOUNDARY SURVEY PLAT - S23-43 BK:804 PG:38 WD (Roswell, Chaves County)

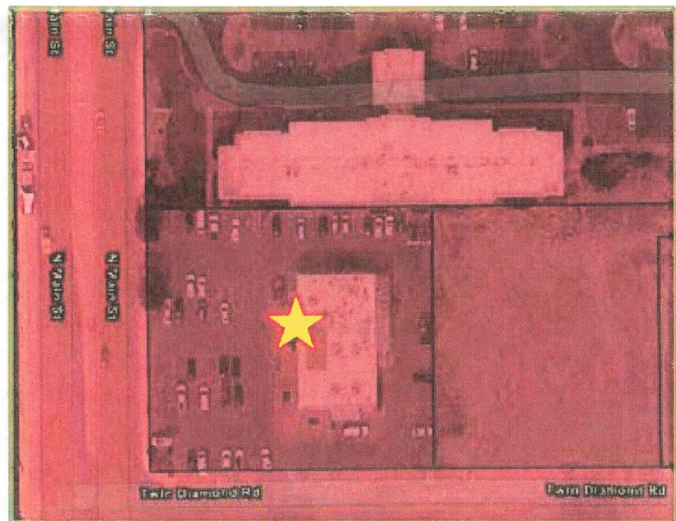
Zoning District: C-2 (Community Commercial District)

March 3, 2026

State of New Mexico
Regulation & Licensing Department
Alcohol and Gaming Division
PO Box 25101
Santa Fe, New Mexico 87504-5101

To Whom It May Concern:

This zoning verification letter is per the request of Angelica Woods, Owner of Geli's Cafe LLC. This letter certifies that according to the City of Roswell's Official Zoning Map, the property located at **3601 N Main Street in Roswell, New Mexico is zoned C-2 (Community Commercial District).**



Source: City of Roswell Zoning Map

Restaurants/Food/Drink/Lounges/Liquor are uses-by-right in the C-2 Zoning District. Per the *Roswell Zoning Ordinance 20-08 Amended August 13, 2020 Article 30: C-2 Community Commercial District Section 2. Use Regulations A. Permitted Uses are as follows:* 20. Restaurants/Food/Drink/Lounges/Liquor.

Note that for a full understanding of what is permitted or prohibited by the City of Roswell's Municipal Code, please refer to the Municipal Ordinance in its entirety through the City's website https://library.municode.com/nm/roswell/codes/code_of_ordinances.

Please contact me with any questions.

Sincerely,

Esperanza DeLeon

Esperanza DeLeon
Planner II
City of Roswell
575.637.6294 e.deleon@roswell-nm.gov

roswell-nm.gov



GELIS CAFE LLC

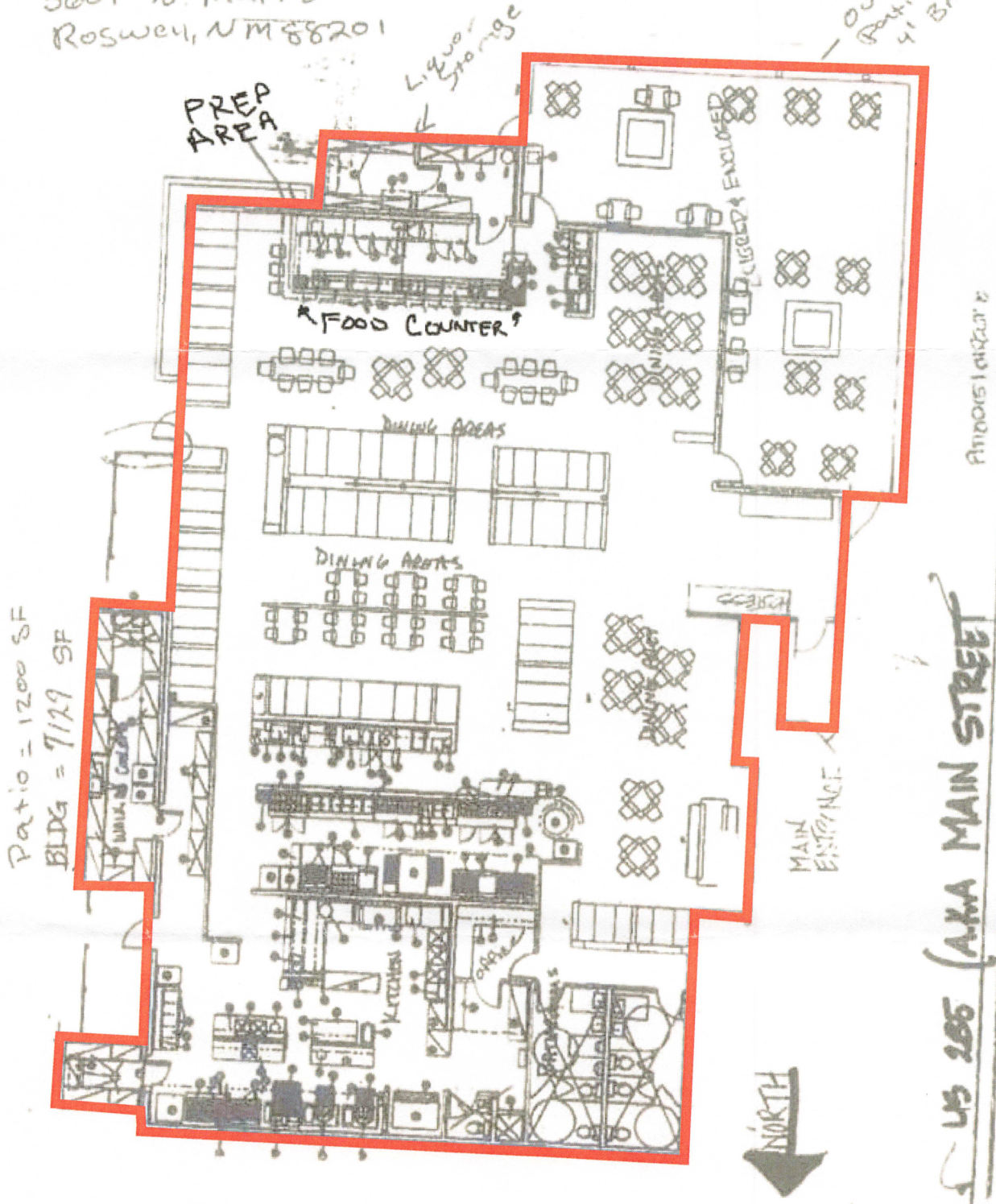
DBA GELIS MEXICAN RESTAURANT

AI-generated content

3601 N. Main St.
Roswell, NM 88201

← Twin Diamond Rd.

Outdoor
Patio
4' Brick wall



Total Square Footage - 8,329

**ROSWELL NEW MEXICO
AGENDA ITEM ABSTRACT**

Regular City Council Meeting

18.

Meeting Date: 07/09/2026

COMMITTEE: Legal

CONTACT: C. Josh Nairn-Mahan

CHAIR: Will Cavin

ACTION REQUESTED:

Ordinance 26-05: Hold a public hearing to consider adopting proposed Ordinance 26-05: An Ordinance authorizing the issuance of Industrial Revenue Bonds (Gallagher Solar LLC Project) and Execution Bond Purchase Agreement, Indenture, Lease, and Sublease. (Cavin/Yntema)

BACKGROUND:

Initiated by: Hessel Yntema IV

Gallagher Solar LLC seeks to develop a 2.70-megawatt (AC) community solar energy facility on two parcels of land (4-137-062-173-063-000000; 4-137-062-189-117-000000), also known as "Lots One and Two (1 & 2) of Gallagher Summary Replat," located at 1612 E 2nd St, Roswell, NM 88201 (The "Property"). The Project was granted a Conditional Use Permit under Zoning Case CUP-25-0046. The Applicant intends to develop all the property with a community solar energy facility. Community solar is a relatively new feature in New Mexico that allows local residents to receive a direct benefit by subscribing to receive credits, which lowers their electricity bills. The 2.70-megawatt system is sufficient to provide credits to approximately 600 homes in Xcel. This facility will produce an electric energy power generation facility under the "Community Solar Act," for use by the Company, which will constitute an industrial development project. The County has already been contacted and is not opposed to the issuance of this IRB. The Governing Body approved the IRB's inducement resolution in March 2026.

FINANCIAL CONSIDERATION

Fiscal Impact - The City will see increased payments over the 15-year life of the project, as well as the schools.

LEGAL REVIEW:

Legally Sufficient.

BOARD AND COMMITTEE ACTION:

At its meeting on May 28, 2026, the Legal Committee recommended a 4-1 approval to present to the full City Council.

STAFF RECOMMENDATION:

City management believes that this is a project that will increase revenue for the City both in the short and long term.

Attachments

Ordinance 26-05: IRB & Execution Bond Purchase Agreement, of Indenture, Lease, and Sublease
Lease Agreement
Indenture
Bond Purchase Agreement
Sublease Agreement

**CITY OF ROSWELL, NEW MEXICO
ROSWELL CITY COUNCIL
ORDINANCE NO. 2026-05**

AUTHORIZING THE ISSUANCE AND SALE OF CITY OF ROSWELL, NEW MEXICO TAXABLE INDUSTRIAL REVENUE BONDS (GALLAGHER SOLAR LLC PROJECT), IN A MAXIMUM PRINCIPAL AMOUNT OF UP TO \$4,800,000 IN ONE OR MORE SERIES TO PROVIDE FUNDS TO FINANCE THE EQUIPPING OF AN INDUSTRIAL REVENUE BOND PROJECT FOR USE BY GALLAGHER SOLAR LLC OR ITS SUCCESSORS OR ASSIGNS; AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDENTURE, A LEASE, A BOND PURCHASE AGREEMENT, THE BONDS AND OTHER DOCUMENTS IN CONNECTION WITH THE ISSUANCE OF THE BONDS AND THE PROJECT; AUTHORIZING A PAYMENT IN LIEU OF TAXES TO THE CITY AND ROSWELL INDEPENDENT SCHOOL DISTRICT NO. 4 BY THE PROJECT COMPANIES; AND MAKING CERTAIN DETERMINATIONS AND FINDINGS RELATING TO THE BONDS AND THE PROJECT; RATIFYING CERTAIN ACTIONS TAKEN PREVIOUSLY; AND REPEALING ALL ACTIONS INCONSISTENT WITH THIS ORDINANCE.

WHEREAS, the City of Roswell (the “City”) is a legally and regularly created, established, organized and existing municipality under the general laws of the State of New Mexico (the “State”); and

WHEREAS, pursuant to New Mexico Statutes Annotated, Sections 3-32-1 through 3-32-16 NMSA 1978, as amended (the “Act”), the City is authorized to acquire industrial revenue projects to be located within the City, to issue industrial revenue bonds and to use the proceeds of such bonds for the purpose of promoting industry and trade by inducing manufacturing, industrial and commercial enterprises to locate or expand in this state, promoting the use of the agricultural products and natural resources of this state and promoting a sound and proper balance in this state between agriculture, commerce and industry; and

WHEREAS, Gallagher Solar LLC (the “Company”), is a limited liability company organized under the laws of the State of Delaware and qualified to do business in the State; and

WHEREAS, the Company has presented to the Roswell City Council, (the “City Council”) a proposal whereby the City would (a) issue its Taxable Industrial Revenue Bonds (Gallagher Solar LLC Project), Series 2026 (the “Bonds”), and (b) acquire solar energy generating equipment and facilities (the “Project Property”), to be located within the corporate boundaries of the City, to be used by the Company for the generation and storage of electrical power; and

WHEREAS, the Company has requested that the City issue industrial revenue bonds for the purpose of providing funds to finance the acquisition, construction, installation, and equipping, of a solar energy power generating facility (the “Project”). The City has been advised by the

1 Company that, neither location approval nor a certificate of convenience and necessity are required
2 prior to commencing construction or operation of the facility pursuant to the laws of the State;
3 and
4

5 **WHEREAS**, under the Company’s proposal, the City would enter into an Indenture (the
6 “Indenture”) with a wholly owned subsidiary of the Company, specifically created to hold the
7 Bond (the “Purchaser”), the Company and a Depositary acceptable to the City and the Purchaser
8 pursuant to which, together with this ordinance (the “Bond Ordinance”), the City would issue the
9 Bonds; and
10

11 **WHEREAS**, under the Company’s proposal, the City and the Company would enter into
12 a Lease (the “Lease”), pursuant to which the Company will lease the Project Property from the
13 City and the Company will make payments sufficient to pay the principal of and interest on the
14 Bonds and to pay all other obligations incurred pursuant to the provisions of the Lease and the
15 Bond Ordinance; and
16

17 **WHEREAS**, the City is authorized to enter into, deliver and perform all of its obligations
18 under the Bond Documents and to issue, execute and deliver the Bonds pursuant to the Act and
19 the Bond Ordinance; and
20

21 **WHEREAS**, the City will not operate the Project as a business or in any manner except as
22 lessor thereof; and
23

24 **WHEREAS**, the Bonds in a principal amount not to exceed \$4,800,000 will be issued,
25 sold and delivered by the City, in a private sale to the Purchaser, pursuant to a bond purchase
26 agreement to be dated as of the initial date of delivery of the Bonds, among the City, the Purchaser
27 and the Company (the “Bond Purchase Agreement”); and
28

29 **WHEREAS**, the proceeds of the Bonds shall be applied to pay the costs of the Project and
30 to pay certain costs associated with the transaction, including all the costs of the City relating to
31 the issuance of the Bonds and the transaction;
32

33 **WHEREAS**, the City Council has determined that it is in the best interest of the City to
34 issue the Bonds and to execute and deliver the Bond Documents, defined below, and other
35 documents related thereto; and
36

37 **WHEREAS**, the City will enter into the following documents in connection with the
38 issuance of the Bond:
39

- 40 1. Lease
- 41 2. Indenture
- 42 3. Bond Purchase Agreement
- 43 4. Bonds
- 44 5. Sublease
- 45

1 The Lease, Indenture, Bond Purchase Agreement, the Sublease and Bonds are collectively
2 referred to in this Bond Ordinance as the “Bond Documents”; and
3

4 **WHEREAS**, the City is authorized to issue the Bonds under the Act and after having
5 considered the Company’s proposal, has concluded that it is desirable at this time to authorize the
6 issuance of the Bonds to finance the Project and that the City’s issuance of the Bonds will
7 constitute and be a valid public purpose; and
8

9 **WHEREAS**, the Bonds shall not be the general obligation of the City within the meaning
10 of any provision of the constitution of New Mexico and shall never constitute an indebtedness of
11 the City within the meaning of any state constitutional provision or statutory limitation, and shall
12 never constitute or give rise to a pecuniary liability of the City or a charge against its general credit
13 or taxing powers; and
14

15 **WHEREAS**, the Company has agreed to make payments in lieu of taxes to both the City
16 and Roswell Independent School District No. 4 with respect to the Project; and
17

18 **WHEREAS**, this City Council has been advised by Sutin, Thayer & Browne A
19 Professional Corporation, as bond counsel (“Bond Counsel”) that the disclosure provisions of Rule
20 15c2-12 of the Securities and Exchange Commission are not applicable to this transaction
21 inasmuch as the Bonds are being sold in a private sale without participation of an underwriter;
22 and
23

24 **WHEREAS**, there has been published in the *Roswell Daily Record*, a newspaper of general
25 circulation in the City, public notice of the City Council’s intention to adopt this Bond Ordinance,
26 which notice contained certain information concerning the ownership, purpose, location and size
27 of the Project and the amount of the Bonds to be issued to finance the Project, which notice was
28 published at least fourteen (14) days prior to final action upon this Bond Ordinance; and
29

30 **BE IT ORDAINED BY THE ROSWELL CITY COUNCIL, THE GOVERNING**
31 **BODY OF THE CITY OF ROSWELL, NEW MEXICO:**
32

33 Section 1. RATIFICATION. All actions not inconsistent with the provisions of this
34 Bond Ordinance previously taken by the City Council and the officials of the City directed toward
35 approval of the issuance and sale of the Bonds be approved and the same hereby are ratified,
36 approved and confirmed.
37

38 Section 2. FINDINGS.
39

40 A. General. The City Council hereby declares that it has considered all
41 relevant information presented to it relating to the Bonds and the Project and hereby finds and
42 determines that the issuance of the Bonds pursuant to the Bond Ordinance to provide funds for the
43 Project is necessary and advisable and in the interest of and will promote industry and trade by
44 inducing manufacturing, industrial and commercial enterprises to locate or expand in this state,
45 promoting the use of the agricultural products and natural resources of this state and promoting a
46 sound and proper balance in this state between agriculture, commerce and industry;

1
2 B. The City Council finds that:

3
4 (1) The Bonds will be issued for the purpose of financing the Project.

5
6 (2) The aggregate face amount of obligations to be issued with respect
7 to financing the Project is not to exceed \$4,800,000.

8
9 (3) The developer of the Project Property is the Company.

10
11 (4) The Project Property is located within the corporate limits of the
12 City.

13
14 (5) The Company has agreed to make certain payments in lieu of taxes
15 owed with respect to the Project and the Project Property to the City and to Roswell Independent
16 School District No. 4

17
18 Section 3. BONDS - APPROVAL, AUTHORIZATION AND DETAIL.

19
20 A. Approval and Sale. The issuance of the Bonds in a principal amount not to
21 exceed \$4,800,000 and the use of the proceeds of the Bonds to finance the cost of the Project
22 including payment of transaction expenses related thereto are hereby approved and confirmed.
23 The sale of the Bonds at par at a purchase price not to exceed \$4,800,000 is approved.

24
25 B. Form and Terms. Subject to the limitations set forth in this Bond
26 Ordinance, the Bonds shall (i) be in the form and denomination and shall be numbered and dated
27 as set forth in the Indenture, (ii) be payable as to principal and interest and subject to optional and
28 mandatory redemption and defeasance in the amounts, upon the conditions and at the times and
29 prices set forth in the Indenture; and (iii) be issued in a principal amount not to exceed \$4,800,000,
30 bearing interest at the rate and maturing on the date set forth in the Indenture.

31
32 C. Execution. The Bonds shall be signed by the Mayor of the City.

33
34 D. Interest Rate. The interest rate on the Bonds shall be four and seven-tenths
35 percent (4.7%).

36
37 Section 4. AUTHORIZATION OF OFFICERS; APPROVAL OF DOCUMENTS;
38 ACTIONS TO BE TAKEN. The Bond Documents in the proposed form presented to the City
39 Council are hereby approved. The Mayor is authorized to approve the final terms and provisions
40 of the Bond Documents on behalf of the City Council, provided that such final terms and
41 provisions are substantially similar to those in this Bond Ordinance and to execute and deliver in
42 the name and on behalf of the City, and the City Clerk or Deputy City Clerk is hereby authorized
43 to attest, as necessary, the Bond Documents.

44
45 The Mayor, the City Manager and other officers of the City shall take such action as is
46 necessary to effectuate the provisions of the Indenture and shall take such action as is necessary in

conformity with the Act to finance the costs of the Project and for carrying out other transactions as contemplated by this Ordinance, and the Bond Documents, including, without limitation, the execution and delivery of any closing documents to be delivered in connection with the sale and delivery of the Bonds.

The Mayor and the City Clerk or the Deputy City Clerk are further authorized to execute, authenticate and deliver such certifications, instruments, documents, letters and other agreements, including leases, subleases, security agreements and subordination agreements and instruments as requested from time to time by the Company or any lender or lenders providing financing for the Project, and to do such other acts and things, either prior to or after the date of delivery of the Bonds, as are necessary or appropriate to consummate the transactions contemplated by the Bond Documents and as are not inconsistent with the terms of this Ordinance.

Section 5. DELIVERY OF BONDS. Upon the execution of the Bond Documents and the satisfaction of the conditions set forth in the Bond Documents, the Bonds shall be executed, authenticated and delivered to the Purchaser. The Bonds shall not be valid for any purpose until the Bonds have been properly authenticated as set forth in the Indenture.

Section 6. FUNDS AND ACCOUNTS. There is established in the Indenture, and on and after the date on which the Bonds are issued there shall be maintained, the funds and accounts as set forth in the Indenture. Other funds and accounts may be established as are necessary under the Indenture.

Section 7. FINDINGS REGARDING PAYMENT OF PRINCIPAL AND OTHER MATTERS. The following determinations are made:

A. The maximum amount necessary in each year to pay the principal of and interest on the Bonds, assuming issuance of the Bonds as of July 2026, in the maximum aggregate principal amount of \$4,800,000 and bearing an interest rate of 4.7%, is as follows:

<u>Year</u>	<u>Total Debt Service</u>	<u>Principal</u>	<u>Interest</u>
2027	\$225,600	\$-0-	\$225,600
2028	\$225,600	\$-0-	\$225,600
2029	\$225,600	\$-0-	\$225,600
2030	\$225,600	\$-0-	\$225,600
2031	\$225,600	\$-0-	\$225,600
2032	\$225,600	\$-0-	\$225,600
2033	\$225,600	\$-0-	\$225,600
2034	\$225,600	\$-0-	\$225,600
2035	\$225,600	\$-0-	\$225,600
2036	\$225,600	\$-0-	\$225,600
2037	\$225,600	\$-0-	\$225,600
2038	\$225,600	\$-0-	\$225,600
2039	\$225,600	\$-0-	\$225,600
2040	\$225,600	\$-0-	\$225,600

2041 \$5,025,600 \$4,800,000 \$225,600

B. The Bonds will bear interest at the rate of four and seven-tenths percent (4.7%).

C. The Bonds may be redeemed at any time without premium.

D. The Company shall pay, or cause to be paid, all costs incurred by the City in connection with the issuance of the Bonds including, without limitation, bond counsel fees and financial advisor fees.

E. It shall not be necessary to deposit any amount in a debt service reserve fund or a repair and replacement reserve fund for the maintenance of the Project Property.

E. The Lease requires that the Company maintain the Project Property in safe repair and in such operating condition as is needed for its operations and carry proper insurance with respect to the Project Property.

F. The Lease requires the Company to make lease payments in an amount sufficient to pay the principal of and interest on the Bonds as principal and interest become due and to pay all Related Costs (as defined in the Lease).

G. The Lease requires the Company to make payments in lieu of taxes with respect to the Project and Project Property to the City and to Roswell Independent School District No. 4.

Section 8. LIMITED OBLIGATIONS. The Bonds shall be a special limited obligation of the City, payable solely from the Basic Rent (as defined in the Lease) paid by the Company to the City as described in the Indenture and any other property or interest of the City specifically pledged under the Indenture and shall never constitute a debt or indebtedness of the City or the State or any political subdivision thereof within the meaning of any provision or limitation of the State Constitution or statutes, and shall not constitute or give rise to a pecuniary liability of the City or a charge against its general credit or taxing power. Nothing contained in the Bond Ordinance or in the Bond Documents or any other instrument shall be construed as obligating the City (except with respect to the Project Property and the application of the revenues therefrom and the proceeds of the Bonds, all as provided in the Bond Documents), nor as incurring a pecuniary liability or a charge upon the general credit of the City or against its taxing powers, nor shall the breach of any agreement contained in the Bond Ordinance, the Bond Documents, the Bonds or any other instrument be construed as obligating the City (except with respect to the Project Property and the application of the revenues therefrom and the proceeds of the Bonds, all as provided in the Bond Documents), nor as incurring a pecuniary liability or a charge upon the general credit of the City or against its taxing power, the City having no power to pay out of its general funds, or otherwise contribute any part of the costs of constructing or equipping the Project Property, nor power to operate the Project Property as a business or in any manner except as lessor of the Project Property.

1 Section 9. APPROVAL OF INDEMNIFICATION. The City Council specifically
2 requires that the Lease contain provisions relating to indemnification which provide that the
3 Company shall indemnify and hold harmless the City and its City Council, officials, employees
4 and agents against liability to the Company, or to any third parties, that may be asserted against
5 the City or the City Council, officials, members, officers, employees or agents with respect to the
6 City's ownership of the Project Property or the issuance of the Bonds and arising from the
7 condition of the Project Property or the acquisition, construction and operation of the Project
8 Property by the Company, except to the extent New Mexico Statutes Annotated Section 56-7-1,
9 1978 Compilation, would preclude such indemnity.

10
11 Section 10. BOND ORDINANCE IRREPEALABLE. After the Bonds are issued, the
12 Bond Ordinance shall be and remain irrepealable until the Bonds, including interest, are fully paid,
13 canceled and discharged or there has been defeasance of the Bonds in accordance with the
14 Indenture.

15
16 Section 11. REPEALER. All bylaws, orders, resolutions and ordinances, or parts
17 thereof, inconsistent with this Bond Ordinance are repealed by this Bond Ordinance but only to
18 the extent of that inconsistency. This repealer shall not be construed to revive any bylaw, order,
19 resolution or ordinance, or part thereof, previously repealed.

20
21 Section 12. SEVERABILITY. If any section, paragraph, clause or provision of the
22 Bond Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or
23 unenforceability of that section, paragraph, clause or provision shall not affect any of the remaining
24 provisions of the Bond Ordinance.

25
26 Section 13. RECORDING; AUTHENTICATION; PUBLICATION; EFFECTIVE
27 DATE. This Ordinance, immediately upon its final passage and approval, shall be authenticated
28 by the signature of the Mayor, and by the signature of the City Clerk or any Deputy City Clerk,
29 and shall be recorded in the Ordinance book of the City, kept for that purpose, and shall be in full
30 force and effect thereafter in accordance with the laws of the State, and notice of adoption thereof
31 shall be published once in a newspaper which maintains an office in, and is of general circulation
32 in the City.

Done this ____th day of _____, 2026.

ATTEST:

CITY OF ROSWELL, NEW MEXICO

By: _____
Amalia Martinez, City Clerk

By: _____
Timothy Z. Jennings, Mayor

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

Josh Nairn-Mahan, City Attorney

DRAFT

CITY OF ROSWELL, NEW MEXICO

and

GALLAGHER SOLAR LLC

LEASE AGREEMENT

Dated as of July __, 2026

Up to \$4,800,000
City of Roswell, New Mexico
Taxable Industrial Revenue Bonds
(Gallagher Solar LLC Project)
Series 2026

CITY OF ROSWELL, NEW MEXICO, a political subdivision of the State of New Mexico (together with its successors and assigns, the “Issuer”), as lessor, and GALLAGHER SOLAR LLC, a Delaware limited liability company (together with its successors and assigns, the “Company”), as lessee, agree:

ARTICLE I RECITALS

Section 1.1. Recitals.

A. The Company has requested that the Issuer issue its Taxable Industrial Revenue Bonds (Gallagher Solar LLC Project), Series 2026 in the maximum principal amount of \$4,800,000 (the “Bonds”). The proceeds of the Bonds will be used to finance the Project (defined below).

B. The Issuer is authorized under Section 3-32-1 to 3-32-16, New Mexico Statutes Annotated, 1978 Compilation (the “Act”) to acquire certain projects and issue its industrial revenue bonds in payment therefore and has determined that it is desirable to acquire the Project (defined below) pursuant to Ordinance No. _____ (the “Bond Ordinance”) and has in the Bond Ordinance authorized the issuance of the Bonds.

C. The Bonds are to be issued under an Indenture dated as of July __, 2026 (together with any and all amendments and supplements, the “Indenture”) among the Issuer, Gallagher Solar Holdings, LLC (together with its successors and assignees, and transferees of the Bonds, the “Purchaser”), the Company and BOKF, NA, as Depositary (the “Depositary”). The Bonds will be a special limited obligation of the Issuer payable solely as therein provided and the Bonds will not constitute a debt or indebtedness or pledge of the credit of the Issuer, and the Purchaser or owners of the Bonds will have no right to have taxes levied by the Issuer or to require the Issuer to use any revenues for the payment of the Bonds, except for Basic Rent (as defined in this Agreement).

D. The proceeds of the Bonds will be used to finance the acquisition of the Project Property (defined below) leased to the Company under this Lease Agreement (together with all amendments and supplements, this “Agreement”).

E. The Bonds are to be purchased under a Bond Purchase Agreement dated as of July __, 2026 (together with any and all amendments and supplements, the “Bond Purchase Agreement”) among the Issuer, the Purchaser and the Company.

F. The Bonds will be secured by the Indenture which constitutes, among other things, a security agreement, lien, and collateral pledge of this Agreement.

In consideration of the promises and the mutual representations and agreements hereinafter contained, the Issuer and the Company agree as follows (provided that any obligation of the Issuer created by or arising out of this Agreement will never constitute an indebtedness of the Issuer or give rise to any pecuniary liability of the Issuer, or a charge against its general credit or taxing powers but will be payable solely out of Basic Rent).

ARTICLE II DEFINITIONS AND RULES OF CONSTRUCTION

Section 2.1. Definitions. All words and terms defined in the Indenture have the same meanings when used in this Agreement. In addition:

“Additional Payments” has the meaning assigned in Section 5.3(b).

“Applicable Environmental Law” means any applicable state, federal or local law, statute, ordinance, regulation, order or rule relating to or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or materials or pertaining to health or the environment, including, without limitation, CERCLA and RCRA, as each is amended and in effect from time to time.

“Basic Rent” has the meaning assigned in Section 5.3(a).

“CERCLA” means the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended.

“Closing Date” means the date of execution and delivery of the Bonds.

“Company Financing” means a transaction or series of transactions involving credit agreements, loan documents, letters of credit, or other instruments evidencing financial obligations to which the Company or any subsidiary or affiliate of the Company is a party entered into or occurring at any time prior to the Closing Date (as defined in the Bond Purchase Agreement) or during the Term and after the date of initial delivery of the Bonds, for the use by the Company or any subsidiary or affiliate of the Company, together with any Company Financing Lien.

“Company Financing Lien” means any pledge, encumbrance or other lien on all or any portion of the Leased Property entered into in connection with a Company Financing

“Construction Completion Date” has the meaning assigned in Section 4.4.

“Issuer PILOT” means the payment in lieu of taxes to be made by the Company to the Issuer in the amounts and on the dates set forth in Section 6.4 hereof.

“Eminent Domain” means the taking of title to, or the temporary use of; all or any part of the Project Property pursuant to eminent domain or condemnation proceedings, or by any settlement or compromise of such proceedings, or any voluntary conveyance of all or any part of the Project Property during the pendency of, or as a result of a threat of, such proceedings.

“Event of Default” has the meaning assigned in Section 8.1.

“Facility” means a solar power generation facility to be operated by the Company on the Project Site located in the City of Roswell, New Mexico, and its related supporting equipment and all improvements thereon for the generation of electricity.

“Indemnatee” has the meaning assigned in Article VI.

“Institutional Investor” means, collectively, any natural person(s) or any entity(ies) who acquire a direct or indirect interest in the Company or in the Project as a part of a transaction to ensure that the Project is owned at least in part by a person or entity able to use the federal renewable electricity production tax credits or investment tax credits and tax depreciation benefits associated with holding an ownership interest in the Project (including any subsequent transferees of any such person(s) or entity(ies)).

“Proceeds,” when used with respect to any insurance proceeds or any award resulting from, or other amount received in connection with, Eminent Domain, means the gross proceeds from the insurance or such award or other amount.

“Project” means the acquisition of the Project Property for use at the Facility.

“Project Property” means that equipment and other personal property as described in Exhibit A attached hereto.

“Project Site” means the real property currently owned by the City of Roswell, New Mexico and located within the boundaries of the City of Roswell, New Mexico described in Exhibit A and leased by the company pursuant to the Site Lease described on Exhibit A.

“RCRA” means the Resource Conservation and Recovery Act of 1976.

“Related Costs” means expenditures incurred or to be incurred with respect to the Project, including, without limitation, the acquisition, installation and construction of the Project Property.

“Rent” means Basic Rent and any Additional Payments under this Agreement.

“School District” means Roswell Independent School District No. 4.

“School District PILOT” means the payment in lieu of taxes to be made by the Company to the School District in the amount and on the dates set forth in section 6.5 hereof.

“State” means the state of New Mexico.

“Term” means the duration of the leasehold estate created by this Agreement pursuant to Section 5.1 hereof.

“TRD” means the New Mexico Taxation and Revenue Department.

Section 2.2. Rules of Construction.

(a) The captions and headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

(b) All references in this Agreement to particular articles, sections or exhibits are references to articles or sections of or exhibits to this Agreement unless some other reference is established.

(c) Any inconsistency between the provisions of this Agreement and the provisions of the Indenture will be resolved in favor of the provisions of this Agreement.

ARTICLE III REPRESENTATIONS

Section 3.1. Issuer Representations. The Issuer represents that, as of the date of delivery of this Agreement:

(a) The Issuer is a political subdivision, organized and existing under the laws of the State.

(b) The Issuer has duly authorized by an ordinance of the governing body of the Issuer adopted at a meeting duly called and held by the affirmative vote of not less than a majority of its members, the execution, delivery and performance of the Bond Documents, the Bonds and the issuance of the Bonds, all for the purpose of financing the Project including the acquisition, construction and equipping of the Project Property and paying certain costs related to the issuance of the Bonds.

(c) To the knowledge of the Issuer, (i) the execution, delivery and performance by the Issuer of the Bond Documents will not conflict with or create a material breach of or material default under the Act or any other law, rule, regulation or ordinance applicable to the Issuer or any agreement or instrument to which the Issuer is a party or by which it is bound, and (ii) there is no action, suit, proceeding, inquiry or investigation by or before any court, public board or body, pending or threatened against the Issuer, which seeks to or does restrain or enjoin the issuance or delivery of the Bonds or the execution and delivery of any of the Bond Documents or in any manner questions the validity or enforceability of the Bonds or any of the Bond Documents.

Section 3.2. Company Representations. The Company represents that, as of the date of delivery of this Agreement:

(a) The Company is a limited liability company duly organized and validly existing under the laws of Delaware, is in good standing under the laws of Delaware, is a duly registered foreign limited liability company authorized to do business in New Mexico, and has duly authorized the execution, delivery and performance of this Agreement and the Bond Purchase Agreement.

(b) The Company has full legal right, power and authority to carry out and consummate the transactions contemplated by this Agreement and the Bond Purchase Agreement, all of which have been duly authorized by all necessary action on the part of the Company.

(c) The execution, delivery and performance by the Company of this Agreement and the Bond Purchase Agreement and the application by the Company of the proceeds

of the issuance and sale of the Bonds as provided in the Bond Documents do not and will not conflict with, contravene, violate or constitute a breach of or default under the articles of organization or operating agreement of the Company or any material agreement to which the Company is a party or by which the Company or its properties or the Project Property is bound or any law, rule, regulation, ordinance, order, consent, or decree, applicable to the Company, its properties or the Project Property if such conflict, contravention, violation, breach or default could materially affect the ability of the Company to perform its obligations under the Bond Documents.

(d) This Agreement and the Bond Purchase Agreement constitute legal, valid and binding obligations of the Company, enforceable against the Company in accordance with their respective terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and general principles of equity.

(e) No Default or Event of Default, or event or condition which, with notice or lapse of time or both, would constitute a Default or an Event of Default, with respect to the Company has occurred and is continuing.

(f) There is no action, suit, proceeding, inquiry or investigation by or before any court, public board or body pending or, to the best of the knowledge of the Company, threatened against the Company, which (i) seeks to or does restrain or enjoin the issuance or delivery of the Bonds or the execution and delivery of any of the Bond Documents, (ii) questions the validity or enforceability of the Bonds or any of the Bond Documents, (iii) questions the authority of the Company to own, lease or operate any of the Project Property, or (iv) if adversely determined, would have a material adverse effect on the Project Property or the Company's ability to perform its obligations under the Bond Documents.

(g) All necessary authorizations, approvals, consents and other orders of any governmental authority or agency for the execution and delivery by the Company of this Agreement and the Bond Purchase Agreement have been obtained and are in full force and effect.

(h) The Company acknowledges that the Issuer has made no warranty or representation, express or implied, that the amount in the Acquisition Fund, as defined in Section 701 of the Indenture, will be sufficient to pay the Related Costs or that the Project Property will be suitable for the Company's needs.

(i) The Company will not use or operate the Project, or permit the Project to be used or operated, in any way which would adversely affect the qualification of the Project as a "project" under the Act. None of the proceeds of the Bonds will be used to provide working capital.

(j) The acquisition, construction and installation of the Project Property by the Company and the operation thereof will comply in all material respects with applicable zoning, planning, building, environmental and other regulations of the governmental authorities having jurisdiction over the Facility, and all permits, licenses, consents and permissions necessary for the Facility have been or will be obtained in due course.

(k) The Project Property is located within the corporate boundaries of the City of Roswell, New Mexico and is or will be an electric generation facility which does not require location approval and a certificate of convenience and necessity prior to construction or operation of the facility pursuant to the New Mexico Public Utility Act, Sections 62-3-1, et seq., NMSA 1978.

(l) No representation made by the Company in this Agreement and no statement made by the Company in any written information, material or report furnished to the Issuer or the Purchaser in connection with the transactions contemplated by this Agreement contains any untrue statement of a material fact, or omits to state a material fact necessary to make the representation or statement, in light of the circumstances under which it is made, not misleading.

(m) The representations of the Company in this Section 3.2 and in any other instrument delivered by the Company in connection with the transactions contemplated by the Bond Documents will survive the execution and delivery of this Agreement, the issuance, sale and delivery of the Bonds for one year as representations of facts existing as of the date of execution and delivery of the Bond Documents or other instrument containing such representation.

ARTICLE IV THE PROJECT AND THE COMPANY

Section 4.1. Acquisition, Equipping and Completion. The Company will acquire and install the Project Property as agent for the Issuer under the Act and applicable TRD regulations. To the extent necessary, after all proceeds of the issuance of the Bonds have been exhausted, the Company will finance the completion of the Project with other funds. The Project Property will at all times during the Term be located within the City of Roswell, New Mexico. The Issuer makes no warranty that the proceeds of the issuance and sale of the Bonds will be sufficient to pay all the Related Costs. The Company will obtain at the necessary time all licenses and permits required for the occupancy and operation of the Project Property.

Section 4.2. Plans and Specifications; Changes. The Company may make changes, supplements, amendments and additions, omissions or substitutions for components of the Project Property without the approval of the Issuer or the Purchaser. If the Company elects to make any such change, supplement, amendment, addition, omission or substitution which would make the description of the Project Property contained in Exhibit A materially inaccurate, the Company will revise the description of the Project Property set forth in Exhibit A, accordingly and will deliver a copy of such revised Exhibit A, certified by an Authorized Company Representative, to the Issuer and the Purchaser. The Issuer and Company will take such further actions as necessary to effect such change including executing, delivering, and recording a bill of sale, assignment and any amendments to the Bond Documents. Notwithstanding the foregoing, the Company will not make any changes, supplements, amendments, additions, omissions, or substitutions or otherwise change or operate the Project Property or permit the Project Property to be operated so as to cause the Project Property not to be a “project” within the meaning of the Act as in effect on the date of issuance of the Bonds, and the Company will not take or omit to take any action which will result in the Bond proceeds being applied in violation of the Bond Documents.

Section 4.3. No Warranty of Condition or Suitability by Issuer. THE COMPONENTS OF THE PROJECT PROPERTY HAVE BEEN DESIGNATED AND SELECTED BY THE COMPANY. THE ISSUER HAS NOT MADE AN INSPECTION OF ANY PORTION OF THE PROJECT PROPERTY. THE ISSUER MAKES NO WARRANTY OR REPRESENTATION, EXPRESS, IMPLIED OR OTHERWISE, WITH RESPECT TO ANY PORTION OF THE PROJECT PROPERTY OR THE LOCATION, USE, DESCRIPTION, DESIGN, MERCHANTABILITY, FITNESS FOR USE FOR ANY PARTICULAR PURPOSE, CONDITION OR DURABILITY OF THE SAME, OR AS TO THE QUALITY OF THE MATERIAL OR WORKMANSHIP IN THE SAME. ALL RISKS INCIDENT TO THE PROJECT PROPERTY ARE TO BE BORNE BY THE COMPANY. THE ISSUER WILL HAVE NO LIABILITY WITH REGARD TO OR ARISING OUT OF ANY DEFECT OR DEFICIENCY OF ANY NATURE IN ANY PORTION OF THE PROJECT PROPERTY, WHETHER PATENT OR LATENT. THE PROVISIONS OF THIS SECTION 4.3 HAVE BEEN NEGOTIATED AND ARE INTENDED TO BE A COMPLETE EXCLUSION AND NEGATION OF ANY WARRANTIES OR REPRESENTATIONS BY THE ISSUER, EXPRESS OR IMPLIED, WITH RESPECT TO ANY PORTION OF THE PROJECT PROPERTY, WHETHER ARISING UNDER THE UNIFORM COMMERCIAL CODE OR ANY OTHER LAW NOW OR HEREAFTER IN EFFECT.

Section 4.4. Construction Completion Date. The Company will complete the Project as promptly as practicable and, in any event, within the five-year anniversary date of this Agreement. On the date the Project is complete and a certificate of occupancy has been obtained for the Facility (if such certificate is required to be obtained) (the “Construction Completion Date”), the Company will deliver to the Issuer and the Depositary a certificate signed by an Authorized Company Representative stating that, except for specified amounts remaining in the Acquisition Fund for any specified Related Costs incurred by the Company but not then due and payable, the Project is complete and all costs of labor, services, materials and supplies in connection with the Project have been paid for or provisions have been made for their payment. After the transfer of remaining moneys in the Acquisition Fund to the Company pursuant to Section 706 of the Indenture, the Company will have sole responsibility for the payment of any Related Costs in excess of the amount specified to be retained in the Acquisition Fund. Upon completion, the Project Property will comply in all material respects with all building codes, and other laws, ordinances, rules and regulations applicable to the Project Property or the Facility.

Section 4.5. Gross Receipts and Compensating Tax. The Company, either on its own behalf or as agent for the Issuer pursuant to Section 4.1 and this Section, will file returns for reporting and paying compensating tax which is due because of the Project and promptly will pay, as a Related Cost, any gross receipts or compensating tax due from the Issuer under any such returns. To the extent consistent with or required by State law, the Issuer will cooperate with the Company in the obtaining of Nontaxable Transaction Certificates from the TRD for delivery to suppliers with respect to the Project Property as may be applicable under the New Mexico Gross Receipts and Compensating Tax Act. The Company shall take delivery of all Project Property as agent of the Issuer and may specify such agency relationship on all purchasing and delivery documentation corresponding to the Project Property. It is the intention of the Issuer and the Company that the Company shall be deemed to be acting as agent for the Issuer with respect to all purchases of Project Property to the extent consistent with the terms set forth herein, even if certain purchasing and delivery documentation may not expressly disclose or identify such agency

relationship. The Company will pay any gross receipts or compensating tax plus applicable penalty and interest which is found by the TRD to be due from the Company or the Issuer because of the purchase or use of the Project Property or any component of the Project Property by the Company or the Issuer. The Company, at its sole expense, may request any rulings from the TRD which the Company determines might be necessary or desirable to clarify the New Mexico gross receipts and compensating tax results of transactions related to the Project and may dispute, at its sole expense, in any manner authorized by the New Mexico Tax Administration Act, any gross receipts or compensating tax liability imposed on the Company or the Issuer because of the Project. The Issuer will, at the sole expense of the Company, join in any reasonable modifications to this Agreement which are necessary or desirable to obtain Nontaxable Transaction Certificates or otherwise reduce the gross receipts and compensating tax imposed on the Company or the Issuer as a result of or in connection with the acquisition, construction and installation of the Project Property and will otherwise cooperate with the Company to address any reasonable request of the Company regarding issues raised by TRD with respect to Non-Taxable Transaction Certificates. The Company will employ Nontaxable Transaction Certificates solely to purchase Project Property and will not employ Nontaxable Transaction Certificates for purchases after the Construction Completion Date or for purchases in amounts greater than the proceeds of the Bonds.

Section 4.6. Compliance With Law. The Company will obtain or cause to be obtained all necessary permits and approvals, for the occupancy, operation and maintenance of the Project Property and will comply in all material respects with all Applicable Environmental Laws and all lawful requirements of any governmental body, agency or department regarding the use, condition or operation of the Project Property. The Company may in good faith contest the validity or the applicability of any such requirement. During the period of such contest and any related appeal, this Section 4.6 will be deemed satisfied with respect to the requirement so contested.

To the extent that the use which the Company makes or intends to make of the Project Property will result in the manufacturing, treatment, refining, transportation, generation, storage, disposal or other release or presence of any hazardous substance or solid waste on or to the Project Property, such use will be in accordance with all applicable law, including any applicable regulations. For purposes of this paragraph, the terms “hazardous substance” and “release” will have the meanings specified in CERCLA, and the term “disposal” (or “disposed”) will have the meaning specified in RCRA; provided, in the event either CERCLA or RCRA is amended so as to broaden the meaning of any term defined thereby, such broader meaning will apply subsequent to the effective date of such amendment, and provided, further, to the extent that the laws of the State establish a meaning for “hazardous substance,” “release,” or “disposal” which is broader than that specified in either CERCLA or RCRA, such broader meaning will apply; provided, further, that the term “hazardous substance” will also include those listed in the U.S. Department of Transportation Table (49 C.P.R. 172.101) and amendments thereto from time to time.

The Company agrees to promptly notify the Purchaser and the Issuer of any violation of any Applicable Environmental Laws of which the Company becomes aware.

Company shall, at Company’s sole cost and expense, remove or take remedial action with regard to any hazardous substance for which any removal or remedial action is required pursuant to any Applicable Environmental Laws. Company shall indemnify, defend, protect and hold the Issuer and the Issuer’s councilors, employees and agents free and harmless from any liability

(including, without limitation, costs, reasonable attorneys and consulting fees, investigation, laboratory fees and litigation expenses) arising out of (a) a release of any hazardous substance in, on or under the Project Site or (b) the violation by Company or its employees, agents or contractors of any Applicable Environmental Laws. The indemnity obligations stated in this Section are in addition to the other indemnity obligations of Company hereunder and shall survive the termination of this Agreement.

Section 4.7. Nuisance Not Permitted. The Company will use reasonable care to not commit a nuisance in connection with its use or occupancy of the Project Property.

Section 4.8. Taxes and Utility Charges. The Company will pay or cause to be paid, as and when due, (i) all taxes, assessments, and governmental and other charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Project Property, (ii) all utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Project Property and (iii) all assessments and charges lawfully made by any governmental body for public improvements that may be secured by any lien on the Project Property. The Company may, in good faith, contest the amount or validity of any such levy, tax, assessment or other charge by appropriate legal proceedings. During the period of such contest and any related appeal, this Section 4.8 will be deemed satisfied with respect to any such levy, tax, assessment or other charge so contested.

Section 4.9. Maintenance. The Issuer will not be under any obligation to, and will not, operate, maintain or repair the Project Property. The Company will, at its own expense, keep the Project Property in safe repair and in such operating condition as is needed for its operations. The Company will use commercially reasonable efforts to renew, repair or replace any inadequate, obsolete, worn out, unsuitable, undesirable, inappropriate or unnecessary equipment to the extent necessary to ensure the continued operation of the Project Property as a “Project” as defined under the Act for the Term of this Lease Agreement.

Section 4.10. Replacement and Removal of Project Property. The Company may replace or remove and/or sell, trade in, exchange or otherwise dispose of any machinery, equipment or fixtures constituting a part of the Project Property, without any responsibility or accountability to the Issuer, and thereby acquire title to such machinery, equipment or fixtures, provided that such replacement or removal will not change the nature of the Project as a qualified “project” as defined in and as contemplated by the Act. Upon request and at the expense of the Company, the Issuer will deliver to the Company appropriate instruments evidencing the acquisition by the Company of title to any machinery, equipment or fixtures permitted by this Section 4.10 to be so replaced or removed. The provisions of Article X govern the delivery and form of any such instruments. The removal from the Project of any portion of the equipment, if any, pursuant to the provisions of this Section will not entitle the Company to any abatement or diminution in amount of the Basic Rent, Additional Payments, School District PILOTs or Issuer PILOTs payable under this Agreement. The Company may acquire machinery, equipment or other property (other than fixtures) which does not constitute a part of the Project Property and title to any such property will not thereby be transferred to the Issuer.

Section 4.11. Eminent Domain; Damage; Destruction. The Company will give prompt notice to the Issuer and the Purchaser of any material damage to or destruction of the Project

Property. If either the Issuer or the Company receives notice of the proposed taking of all or any part of the Project Property by Eminent Domain, it will give prompt notice to the other and the Purchaser. Any such notice will describe generally the nature and extent of such damage, destruction, taking or proposed taking. The Proceeds resulting from the exercise of Eminent Domain with respect to or from any damage to or destruction of all or any portion of the Project Property shall at the option of the Purchaser, be applied to the prepayment of the Bond or paid to the Company.

Section 4.12. Access and Inspection. The Company authorizes the Issuer and the Purchaser and their duly authorized agents during regular business hours, upon two (2) days prior written notice, such rights of access to the Project Property as may be reasonably necessary to inspect the progress of the Project. Such rights of access and entry will not be terminated, curtailed or otherwise limited by any sale, assignment, lease or other transfer of the Project Property by the Company to any other Person.

Section 4.13. Assessment in the Company's Name. If this Agreement has not been terminated on or before the fifteenth anniversary of this Agreement, the Company will take all necessary action to have the Project Property assessed for property tax purposes in the name of the Company on or within thirty (30) days before the fifteenth anniversary of this Agreement, and the Company will pay all ad valorem taxes on the Project Property from and after such date. If the Project Property must be conveyed to the Company to accomplish such assessment, the Company will promptly notify the Issuer and the Issuer will convey the Project Property to the Company, and this Agreement will thereafter be construed to be an installment sale agreement and all terms and provisions of this Agreement will remain in full force and effect. The provisions of Article X govern the manner and form of any such conveyance. Notwithstanding the foregoing, if the Company fails to take all necessary action to have the Project Property assessed for property tax purposes in the name of the Company thirty (30) days before or on the fifteenth anniversary of this Agreement, the Issuer may terminate this Agreement and execute, deliver and cause to be recorded, at the expense of the Company, a quitclaim deed, assignment of easements and a bill of sale with respect to the Project Property. In anticipation of the conveyance of the Project Property by the Issuer to the Company, the Issuer will, upon the request of the Company, deliver to an escrow agent agreed to by the Issuer and the Company appropriate documents, including, but not limited to, a quitclaim deed, an assignment of easements and other real property rights and a bill of sale, prepared by the Company at the Company's expense, conveying to the Company the Issuer's interest in the Project Property; such documents to be delivered to the Company at the time of purchase of the Project Property.

Section 4.14. Use of Project Property.

(a) The Company will use the Project Property or cause the Project Property to be used continuously during the Term as defined in Section 5.1(a) below, so as to constitute a "project" within the meaning of the Act as in effect on the date of issuance of the Bonds. As used in the first sentence of this Section 4.14(a), "continuously" means regularly and on a schedule consistent with that of similar facilities in the United States. Temporary cessation of operations shall not constitute a failure by the Company to comply with this Section 4.14(a) if such temporary cessation is (i) as a result of maintenance or retooling or for repair or replacement of facilities, or due to slack demand or other similar circumstances, in each case not exceeding fifteen (15)

consecutive days (unless the Issuer agrees in writing to a longer period) or (ii) as a result of acts of God or the public enemy, labor disputes or strikes or for any other reason beyond the reasonable control of the Company.

(b) If the Company fails to comply with the first sentence of subsection (a) of this Section 4.14, the Company shall pay to the Issuer an amount equal to all ad valorem, gross receipts and compensating taxes abated as a result of the Project being owned by the Issuer less all amounts paid by the Company pursuant to Sections 6.4 and 6.5.

Section 4.15. Existence. Unless its successor or the transferee of its assets, as the case may be, assumes in writing all of the obligations of the Company under the Bond Documents, the Company will maintain its existence as a limited liability company and will not dispose of all or substantially all of its assets, other than through execution of this Agreement. The Company shall have the right to change its organizational structure if such a change is necessary to permit the Company as restructured to remain eligible for any tax credit, benefit or incentive for alternative energy expenditure established by any local, state or federal government, provided such restructured organization assumes in writing all of the obligations of the Company under the Bond Documents. Original executed copies of such assumption will be delivered to each of the other Parties on or before the effective date of such succession or transfer. To the extent necessary under State law, the Company and its successors or transferees will become and remain authorized to transact business in the State and, if applicable, in good standing in the State.

Section 4.16 Insurance. The Company will keep the Project Property continuously insured against such risks and in such amounts, with such deductible provisions, as are customary in connection with the operation of facilities of the type, location and size comparable to the Project, as reasonably determined by the Company. Each policy of such insurance will show the Company as loss payee and the Issuer as an additional insured under such policies as the respective interests of such parties may appear. Such insurance may, to the extent permitted under applicable law, be provided by blanket policies maintained by the Company, by a captive insurance company controlled by the Company or through self-insurance. Such insurance will include extended coverage insurance and general liability insurance against liability for (i) claims for injuries to or death of any person or damage to or loss of property arising out of or in any way relating to the condition of the Project Property, and (ii) liability with respect to the Project Property under the workers' compensation laws of the State (unless the Company has complied with the requirements of the law of the State for self-insurance).

Section 4.17 Subleases; Granting and Release of Easements; Amending or Modifying Subleases and Easements. The Company may at any time or times cause to be granted subleases, easements, licenses, rights-of-way (temporary or perpetual and including the dedication of public highways) and other rights or privileges in the nature of easements with respect to any property included in the Project and such grant will be free from the lien or security interests created by the Indenture or this Agreement, or the Company may cause to be amended, modified or released existing subleases, easements, licenses, rights-of-way and other rights or privileges in the nature of easements, held with respect to any property included in the Project Property with or without consideration, and the Issuer agrees that it will, at the expense of the Company, execute and deliver any instrument necessary or appropriate to confirm and grant, amend, modify or release any such sublease, easement, license, right-of-way or other right or privilege upon receipt of: (i) a

copy of the instrument of grant, amendment, modification or release, and (ii) a written application of the Company signed by an authorized representative of the Company requesting such instrument and stating (1) that such grant, amendment, modification or release is not detrimental to the proper conduct of the business of the Company, and (2) that such grant, amendment, modification or release will not impair the effective use or materially interfere with the operation of the Project Property; will not materially diminish or impair the security intended to be given by or under this Agreement or the Indenture and will not materially diminish or impair the obligations of the Company under this Agreement or the Indenture.

ARTICLE V LEASE; TERM; POSSESSION; RENT

Section 5.1. Lease of the Project Property; Term.

(a) The Issuer hereby leases the Project Property to the Company pursuant to the terms of this Agreement. This Agreement shall become effective upon its execution and delivery, and the leasehold estate created hereby and the Term shall then begin, and subject to the provisions of this Agreement, the Term shall expire on the earlier of (i) July __, 2041 or (ii) on such earlier date as the payment or redemption and discharge of the whole amount of the principal and interest on the Bonds at the time outstanding shall have been made as provided in the Indenture, or on such earlier date as arrangements satisfactory to the Issuer and the Purchaser for such payment or redemption and discharge of the Bonds shall have been made. The parties acknowledge that the Company may pay, discharge and redeem the Bonds by offsetting amounts owed under the Bonds to the Purchaser against monies owed to the Company by the Purchaser, including but not limited to monies advanced by the Company to the Purchaser in anticipation of making Bond advances under the Indenture.

(b) Upon the termination of this Agreement, all right, title and interest of the Issuer and the Purchaser under this Agreement shall thereupon cease, terminate and become void, the Bonds shall cease to be entitled to any benefit under this Agreement, and, except as otherwise provided in Section 6.7, all covenants, agreements and obligations of the Company to the Purchaser, the Issuer (except for the provisions pertaining to Issuer indemnification), and with respect to the School District, the School District PILOTs, shall thereupon cease, terminate and become void.

Section 5.2. Quiet Enjoyment. So long as no Event of Default has occurred and is continuing, the Issuer will not take any action, other than pursuant to Section 4.11 or Article VIII, to prevent the Company from having quiet and peaceable possession and enjoyment of the Project Property during the Term (except as necessary with respect to Eminent Domain or condemnation for public projects and purposes) and will, at the request of the Company and at the Company's expense, including all expenses incident to any legal action, to the extent that the Issuer may lawfully do so, join in any legal action in which the Company asserts its right to such possession and enjoyment.

Section 5.3. Basic Rent and Additional Payments.

(a) The Company will pay to the Purchaser for the account of the Issuer such amounts at such times as are required to make all payments of principal of, interest on and redemption price of the Bonds in accordance with the terms of the Bonds and the Indenture as and when due (the “Basic Rent”), and the Company shall take all such actions relating to the withholding and reporting of interest as are required by the Internal Revenue Code of 1986, as amended. A copy of the anticipated payment schedule for the Bonds is attached hereto as Exhibit B. The parties acknowledge that the Company may pay, discharge and redeem the Bonds by offsetting amounts owed under the Bonds to the Purchaser against monies owed to the Company by the Purchaser, including but not limited to monies advanced by or on behalf of the Company to or on behalf of the Purchaser in anticipation of making Bonds advances under the Indenture.

(b) The Company will make payments (the “Additional Payments”) to or on behalf of the Issuer and the School District for all actual costs, expenses and taxes (including, but not limited to costs attributable to work performed by in-house staff and the fees of its outside advisors including counsel and its financial advisor) paid or incurred by the Issuer or the School District in connection with (i) the discussion, review, negotiation, preparation, approval, execution and delivery of the Bonds, the Indenture, this Agreement, and the other documents and instruments related hereto and thereto through the Closing Date, all of which amounts shall be paid in full on or before the Closing Date, (ii) any amendments or modifications to any of the foregoing documents, instruments or agreements and the negotiation, preparation, approval, execution and delivery of any and all documents necessary to effect such amendments or modifications, (iii) the enforcement by the Issuer or the School District, during or after the Term of any of the rights or remedies of the Issuer or the School District under any of the foregoing documents, instruments or agreements including without limitation, costs and expenses of collection, whether or not suit is filed, (iv) the servicing and administration of the Bonds during the Term or thereafter, and (v) any requested subordination of the Issuer’s interest in the Project Property to a Lender.

(c) Additional Payments that are not paid when due will bear interest at a rate equal to the prime rate as most recently published in the “Bonds, Rates and Yields” table of the Wall Street Journal, as in effect from time to time, plus 200 basis points until paid in full.

Section 5.4. Obligations Unconditional; Rights of Setoff.

(a) The obligation of the Company to pay Rent and to perform its other obligations under this Agreement is absolute and unconditional and, except as otherwise provided in 5.4(b) below, will not be subject to diminution by setoff, counterclaim, abatement or otherwise, whether as a result of Eminent Domain with respect to, damage to or destruction of or removal of all or any portion of the Project Property or any other event or condition. In the event the Issuer fails to perform its obligations under this Agreement, the Company may, subject to the limitations imposed by Section 11.3, institute such action against the Issuer as the Company may deem necessary to compel performance of those obligations of the Issuer set forth in Sections 4.5, 5.2, 7.1, 7.2, and Article X. The Company may also, at its own cost and expense and in its own name or, if necessary, in the name of the Issuer prosecute or defend any action or proceeding or take any other action involving third parties which the Company deems reasonably necessary in order to secure or protect its title to or its right of possession, occupancy and use of the Project Property. In such event, if no Event of Default has occurred and is continuing, the Issuer will cooperate with the Company, so long as it is not the adverse party, upon receipt of indemnity satisfactory to the

Issuer against any out-of-pocket cost, expense (including reasonable counsel fees and expenses) or liability the Issuer may incur or suffer as a result of or in connection with such cooperation.

(b) Notwithstanding the above paragraph, it is the intention of this Agreement that the Company shall make Basic Rent payments to the Purchaser for the account of the Issuer, in such amounts and at such times as are required to make payments of principal of, interest on and redemption price of the Bond in accordance with the terms of the Bond Documents as and when due, and the parties acknowledge that all such Basic Rent payments may be offset against any monies due and payable to the Company from the Purchaser in connection with any funds advanced by or on behalf of the Company to or on behalf of the Purchaser in anticipation of any Advances to the Acquisition Account (as defined in the Indenture) as provided for under Section 702 of the Indenture. The Purchaser will look only to the Company for payment of the Bonds and upon the security granted in the Indenture for the Company's obligations under this Agreement. As described in Section 7.1, the Issuer will assign and pledge to the Purchaser certain of its rights, title and interests in and to this Agreement including the right to receive payments of Basic Rent hereunder.

Section 5.5. Net Lease. This Agreement will be deemed and construed to be a "net lease," and the Company will pay Rent, absolutely net, and except as set forth in Section 5.4(b) hereof, free of any deductions and without abatement, diminution or setoff.

ARTICLE VI SPECIAL COVENANTS

Section 6.1. Recording and Filing; Further Assurances. The Company will, at the expense of the Company, take all actions that at the time are and from time to time may be reasonably necessary to perfect, preserve, protect and secure the interests of the Issuer and the Purchaser in and to the Rent and in the Project Property, including, without limitation, the recordation of this Agreement and the Indenture, the filing of financing statements and continuation statements and the execution, acknowledgment, delivery, filing and recordation of such other instruments as may reasonably be required in carrying out the intention of or facilitating the performance of this Agreement.

Section 6.2. Claims; Liens. The Company will pay and discharge and will indemnify and hold harmless the Issuer from (a) any lien or charge upon payments by the Company to, or for the account of, the Issuer under this Agreement (other than the Indenture) and (b) any taxes, assessments, impositions and other charges in respect of the Project Property. If any such lien or charge upon payments, or any such taxes, assessments, impositions or other charges, are sought to be imposed, the Issuer will give prompt notice to the Company of any such lien, taxes, assessments, impositions or other charges of which the Issuer has actual notice, and the Company will have the sole right and duty to assume the defense of the same and will have the power to litigate, compromise or settle the same.

Section 6.3. Release and Indemnification.

The Company releases the Issuer, its Councilors, officials, employees and agents (each an "Indemnatee") from, and will indemnify each Indemnatee against all liabilities, claims, costs and

expenses imposed upon, incurred or asserted against any Indemnitee on account of: (a) any loss or damage to property or injury to or death of or loss by any person that may be occasioned by any cause whatsoever pertaining to the installation, maintenance, operation and use of the Project Property; (b) the inaccuracy of any representation by the Company (regardless of whether the Company was aware of such inaccuracy at the time the representation was made) or any breach or default on the part of the Company in the performance of any representation, covenant or agreement of the Company under this Agreement, or any related document, or arising from any acts or failure to act by the Company, or any of its agents, contractors, servants, employees or licensees; (c) the Company's failure to comply with any requirements of this Agreement; (d) suits, legal or administrative proceedings, demands, losses, liabilities, damages, claims, causes of action, costs and expenses resulting from or in any way connected with the presence, release or disposal in or under the Project Site of, any hazardous substances (as defined in CERCLA), hazardous wastes (as defined in RCRA), oils, radioactive materials, asbestos in any form or condition, any pollutant or contaminant or hazardous, dangerous or toxic chemicals, materials or substances within the meaning of any Applicable Environmental Law; (e) any liability, whether under federal or state securities laws or otherwise, that may arise as a result of inaccurate information supplied by the Company in connection with the issuance of the Bonds or any subsequent sale of the Bonds; (f) any other loss, claim, damage, penalty, liability, disbursement, litigation expenses and attorneys' fees or court costs arising out of or in any way relating to the execution or performance of this Agreement, actions taken under the Indenture, the issuance of the Bonds, the ownership or leasing of the Project Property or any other cause whatsoever pertaining to the Project Property; and (g) any claim, action or proceeding brought with respect to the matters set forth in clauses (a) through (f). The Issuer will not be liable to the Company, and the Company releases and discharges the Issuer from any liability for any and all losses, costs, expenses (including attorneys' fees), damages, judgments, claims and causes of action paid, incurred or sustained by the Issuer as a result of or relating to any action, or failure or refusal to act on the part of the Purchaser or the Depositary with respect to the Bonds, the Bond Documents or the transactions contemplated thereby, including without limitation the exercise by the Purchaser of any of its rights thereunder. This Section 6.3 is not intended in any way to detract from provisions of the Bond Documents to the effect that the Issuer is not to incur any pecuniary liability with respect to the transactions contemplated by the Bond Documents.

Notwithstanding the fact that it is the intention of the parties that the Issuer will not incur pecuniary liability by reason of this Agreement or the undertakings of the Issuer under this Agreement, by reason of the issuance of the Bonds, the execution of the Bond Documents, the performance of any act required of it by the Bond Documents, the performance of any act related to the Bond Documents or the Bonds requested of it by the Company or its position as owner or lessor of the Project Property, nevertheless if the Issuer incurs any such pecuniary liability or the same is claimed or sought, then in such event the Company will indemnify and hold harmless the Issuer against all claims by or on behalf of any person arising out of the same and all costs and expenses incurred in connection with any such claim or in connection with any action or proceeding brought thereon, and upon notice from the Issuer, the Company will defend the Issuer in any such action or proceeding.

In case any action or proceeding is brought against any Indemnitee in respect of which indemnity may be sought hereunder, such Indemnitee will give notice of the action or proceeding to the Company, and the Company, upon receipt of that notice, will have the obligation and the

right to assume the defense of the action or proceeding; provided that failure of an Indemnatee to provide such notice will not relieve the Company from any of its obligations under this Section unless that failure prejudices the defense of the action or proceeding by the Company, in which case the liability of the Company under this Section shall be reduced only by an amount equal to the amount of the loss sustained by the Company solely as a result of such failure to notify. The Company will have no obligation to indemnify any Indemnatee with respect to any settlement entered into by such Indemnatee without the prior consent of the Company (which consent will not be unreasonably withheld).

The provisions of this Section will be enforceable by the Issuer to the full extent permitted by law, but will not include the gross negligence or willful misconduct of the Indemnitees. The provisions of this Section will survive the payment of the Bonds and the termination of this Agreement.

Nothing in this Section 6.3 shall be deemed a waiver of or revision to the application of the provisions of the New Mexico Tort Claims Act, NMSA 1978 Section 41-4-1 *et seq.*, as amended, as applicable to the Issuer.

Section 6.4. Payments to Issuer. The Issuer and the Company acknowledge that during the Term, the Project Property will be exempt from property taxation pursuant to Section 7-36-3 NMSA 1978. The total annual fixed payment in lieu of taxes to be paid by the Company is as set forth on Exhibit C (the “Total PILOT”), of which a portion shall be paid to and retained by the Issuer as the Issuer PILOT (as defined below) and a portion of which shall be paid to the School District as the School District PILOT (as defined below). For the purpose of Section 3-32-6.A(2) (b) NMSA 1978, the Total PILOT shall be deemed to be the amount “received” by the Issuer.

The Company shall make an annual fixed payment in lieu of taxes to the Issuer (the “Issuer PILOT”) in the amount of set forth on Exhibit C on the first anniversary date of this Agreement and, thereafter, on each succeeding anniversary date of this Agreement (each such payment date, a “PILOT Payment Date”) during the Term, such Issuer’s PILOT amount representing the Issuer’s respective portion of the Total PILOT.

Section 6.5. Payments to School District. The Company shall make an aggregate annual fixed payment in lieu of taxes to the School District in the amount of set forth on Exhibit C (the “School District PILOT”) on each PILOT Payment Date during the Term, such School District PILOT representing the School District’s respective portion of the Total PILOT. The School District PILOT as set forth herein has been calculated in accordance with the requirements of Section 3-32-6.A(2) NMSA 1978. For the purposes of establishing the minimum School District PILOTs as required under Section 3-32-6.A(2) NMSA 1978, the Company hereby represents that none of the Project Property was subject to New Mexico Property Taxes in the tax year immediately preceding the date of issuance of the Bonds (the “Prior Tax Year”) and, accordingly, no New Mexico Property Taxes were due or payable to any of the School Districts with respect to the Project Property in the Prior Tax Year.

ARTICLE VII ASSIGNMENT, LEASING AND SELLING

Section 7.1. Assignment of Rights by the Issuer. Concurrently with issuance of the Bonds, the Issuer will assign to the Purchaser certain of the Issuer's rights, title and interests in and to this Agreement, pursuant to the Indenture, as security for payment of the principal of, interest on and redemption price of the Bonds. Thereafter, the Purchaser will be vested with, and authorized to exercise, such rights of the Issuer and the Purchaser under this Agreement. The Company consents to such assignment.

Section 7.2. No Other Transfer by Issuer. Except for the assignment described in Section 7.1 and Article X hereof or transfer to the Company in accordance with Section 4.13 or 8.3, the Issuer will not sell, assign, transfer or convey its rights, title or interests in this Agreement or the Project Property, or its obligations under this Agreement. Except for liens created or permitted by the Company, the Issuer will not cause or create any liens on the Project Property and will cooperate with the Company to defend the Project Property and the Company from and against any claims of lien.

Section 7.3. Assignment, Lease, Mortgage and Sale by the Company. The rights of the Company under this Agreement may be assigned, and the rights of the Company in the Project Property may be assigned, subleased, mortgaged or sold as a whole or in part by the Company. The Company may, sublease, mortgage or sell the Project Property and assign its rights under this Agreement, in whole or in part and the Company shall provide the Issuer and the Purchaser with notice of such assignment within thirty (30) days after the effective date of such assignment. Notwithstanding the foregoing, any assignment, sublease, mortgage or sale of Project Property that purports to relieve the Company from liability for making payments of Rent and for the performance of all other obligations of the Company under this Agreement and its obligations for the Project Property, will require the assumption in writing by any assignee, sublessee or purchaser of the obligations of the Company under this Agreement, and, the prior written consent of the Issuer. Any mortgagee or assignee that does not directly hold an interest in the Project Property or whose interest is held solely for security purposes shall have no obligation or liability under this Agreement prior to the time the mortgagee or assignee directly holds an interest in this Agreement or the mortgagee or assignee directly succeeds to absolute title to the Company's interest. A mortgagee or the assignee shall be liable to perform obligations under this Agreement only for and during the period it directly holds such interest or absolute title; provided, however, that such liability shall not include any liability for claims of the Issuer against the Company arising from the Company's failure to perform during the period prior to such mortgagee's or assignee's succession to the Company's interest in and under this Agreement.

Section 7.4 Leasehold Security Deeds / Cooperation of Issuer. The Issuer acknowledges the right of the Company to mortgage and/or give security interests in this Agreement under one or more leasehold security deeds (as the same may be amended, modified, consolidated, extended or refinanced, collectively, the "Leasehold Security Deed") and assign this Agreement, or any part or parts thereof, as collateral security for the Leasehold Security Deed. The Issuer hereby agrees to and will, at the Company's option and at the Company's sole expense, join in the Leasehold Security Deed in order to subject its fee interest in the Project to the lien of such Leasehold Security Deed provided that such Leasehold Security Deed will be fully non-recourse

to the Issuer and the Issuer will, subject to obtaining all necessary approvals of the Issuer's City Council to the extent required under applicable state laws, deliver such resolutions, or other documents or instruments as the holder of the Leasehold Security Deed reasonably requires in connection therewith. If the Company gives a Leasehold Security Deed with respect to this Agreement, or any part or parts hereof, the holder of the Leasehold Security Deed (the "Leasehold Mortgagee") will provide the Issuer and the Purchaser (as assignee of the Issuer under the Indenture) with notice of the Leasehold Security Deed and the name and address of the Leasehold Mortgagee.

Section 7.5 Company Financing Liens. The Company may from time to time grant one or more Company Financing Liens. The Issuer shall reasonably cooperate, at the expense of the Company, in connection with any such grant. In addition, the Issuer will grant such Company Financing Liens on its interest in the Project Property as the Company may from time to time reasonably request, all at the Company's expense, and only so long as the such Company Financing Lien does not involve any pecuniary liability or obligation of the Issuer except with respect to the Project Property and the application of the revenues therefrom.

ARTICLE VIII EVENTS OF DEFAULT AND REMEDIES

Section 8.1. Events of Default Defined. Each of the following events is an "Event of Default":

(a) Failure by the Company to (i) make any Rent payment (excluding PILOT payments) or Additional Payments when due which continues unremedied for a period of thirty (30) days after the provision by the Issuer, the School District or the Purchaser of written notice of non-payment, or (ii) make any Issuer PILOT payment when due which continues unremedied for a period of fifteen (15) days after the provision by the Issuer, the School District or the Purchaser of written notice of non-payment.

(b) Any representation of the Company in any Bond Document or in any document or agreement delivered to any of the other Parties in connection with the transactions contemplated by any Bond Document proves to have been incorrect in any material respect when made and remains incorrect for a period of thirty (30) days after written notice specifying such error and requesting that it be remedied is given by the PILOT unless such error cannot be remedied within thirty (30) days and the Company has instituted corrective action within thirty (30) days after such notice and diligently pursues such action until such failure is remedied.

(c) The filing by the Company of any petition for a decree or order for relief in bankruptcy in any federal or state court, or a court of competent jurisdiction enters an order or decree in an involuntary case under any federal or state bankruptcy, insolvency or similar law, or appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official of the Company or for any substantial part of its property, or ordering the winding-up or liquidation of its affairs and the continuance of any such decree or order unstayed and in effect for a period of sixty (60) consecutive days, or the commencement by the Company of a voluntary case under such law, or the consent by the Company either to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or other similar official) of the Company or

for any substantial part of its property, or the making by it of any assignment for the benefit of creditors, or the taking of action by the Company to authorize or effect any of the foregoing. Provided, however, neither the bankruptcy nor the insolvency of the Company shall be grounds for default as long as all Basic Rent payments, Issuer PILOT payments and Additional Payments, and all other monetary charges payable by the Company under this Agreement are paid in accordance with this Agreement.

(d) Failure by the Company to perform any of its obligations under this Agreement, other than the payment of Basic Rent, PILOT payments and Additional Payments for a period of thirty (30) days after written notice, specifying such failure and requesting that it be remedied, is given to the Company by the Issuer or the Purchaser, unless such failure is of a type which cannot be reasonably remedied within thirty (30) days and the Company has instituted corrective action within thirty (30) days after such notice and diligently pursues such action until such failure is remedied.

Section 8.2. Remedies on Default. If an Event of Default occurs and is continuing, the Purchaser (or its assignee), as the assignee of the Issuer under the Indenture and on behalf of the Issuer, may, but is not required to, take any one or more of the following remedial steps:

(a) By written notice to the Company declare all amounts of Basic Rent payable for the remainder of the Term as are required to provide for the Payment of the Bond and all Additional Payments then owed to be immediately due and payable, whereupon the same will be immediately due and payable; or

(b) Take whatever action at law or in equity may appear necessary or desirable to collect the Rent then due and thereafter to become due or to enforce the performance and observance of any obligation of the Company under this Agreement or the Indenture; or

(c) Exercise any remedies provided for in the Indenture; or

(d) Terminate this Agreement.

As the assignee of the Issuer, subject to Section 8.3, the Purchaser (or its assignee) has the sole right and responsibility for the exercise of any remedies if an Event of Default occurs and is continuing.

Section 8.3. Issuer Remedies. If:

(a) the Company fails to comply with its obligations set forth in Sections 4.4, 4.5, 4.6, 4.7, 4.8, 4.12, 4.13, 4.14, 4.15, 4.16, or 6.3, and such failure continues for thirty (30) days after the Issuer gives the Company written notice of such failure; or

(b) the Company fails to comply with its obligations under 5.3, 6.4, or 6.5, and such failure continues for ten (10) days after the Issuer or Purchaser or its assignee gives the Company written notice of such failure; or

(c) any representation of the Company in any Bond Document or any document or agreement delivered to any of the other Parties in connection with the transactions

contemplated by the Bond Documents proves to have been incorrect in any material respect when made;

then, subject to Section 8.6 hereof, the Issuer may, in addition to exercising any other remedy, take whatever action at law or in equity is necessary to enforce the performance of the obligations of the Company under Sections 4.5, 4.6, 4.7, 4.8, 4.12, 4.13, 4.14, 4.15, 4.16, 5.3(b), 6.3, 6.4, and 6.5, as applicable. The Issuer's rights to enforce the Company's obligations under Sections 4.5, 4.6, 4.7, 4.8, 4.12, 4.13, 4.14, 4.15, 4.16, 5.3(b), 6.3, 6.4, and 6.5 are not assigned to the Purchaser under the Indenture. In addition, the Issuer may also immediately take all steps necessary to have the Project Property immediately assessed for property tax purposes in the name of the Company and this Agreement will thereafter be deemed to be an installment sale agreement. Provided however if any conditions described in paragraphs 8.3(a) (b) or (c) cannot be cured within the time allotted for cure, if the Company initiates within ten (10) days of the Notice of Default and proceeds with due diligence to effect a cure, a default will not be deemed to have occurred provided that the Company cures the default.

Section 8.4. Notice of Default. The non-defaulting party will promptly give notice to the defaulting party of the occurrence of any Event of Default or an event or condition (of which it has actual knowledge) which, with the passage of time or the giving of notice, or both, and in the absence of any corrective action, would result in an Event of Default.

Section 8.5. Agreement to Pay Attorneys' Fees and Expenses. If an Event of Default, or an event which with the giving of notice or the passage of time, or both, would constitute an Event of Default, occurs, and the Issuer incurs expenses, including attorneys' fees, in connection with the enforcement or administration of this Agreement, the Company will reimburse the Issuer for the reasonable expenses so incurred, upon request. Such amounts are deemed to be Additional Payments under Section 5.3.

Section 8.6. Right to Cure Defaults.

(a) To prevent termination of this Agreement, the Purchaser, any Institutional Investor and any mortgagee or assignee of the Company that holds an interest in the Project Property as security shall have a right, but not the obligation, at any time to perform any act necessary to cure any default and to prevent the termination of this Agreement. The Issuer will not terminate or suspend its performance under this Agreement until it first gives written notice of such default to the Purchaser, and allows the Purchaser, any Institutional Investor and such mortgagee or assignee the opportunity to cure such default within the applicable cure period under this Agreement. In addition, if the Purchaser, any Institutional Investor or such mortgagee or assignee gives the Issuer written notice prior to the expiration of the applicable cure period of the Purchaser's, any Institutional Investor's or such mortgagee's or assignee's intention to cure such default (which notice shall include a reasonable description of the time during which it anticipates to cure such default) and is diligently proceeding to cure such default, notwithstanding the applicable cure period under this Agreement the Purchaser, any Institutional Investor or the mortgagee or assignee shall have a period of sixty (60) days (or if such default is for failure by the Company to pay an amount to the Issuer which is due and payable under this Agreement, thirty (30) days) from the Purchaser's, any Institutional Investor's or the mortgagee's or assignee's receipt of the notice of such default from the Issuer to cure such default.

(b) If any default by the Company under this Agreement cannot be cured without obtaining possession of all or part of the Project Property, then any such default shall be deemed remedied if the Purchaser, any Institutional Investor, a mortgagee or assignee (a) in the time period provided in Section 8.3(a) and 8.3(b) and 8.6(a) (including the aggregate cure period provided under Section 8.6(a)) begins appropriate judicial or non-judicial proceedings to obtain the same; (b) diligently prosecutes any such proceedings to completion; and (c) after gaining possession of all or part of the Project Property, diligently proceeds to cure and perform all other obligations as and when the same are due in accordance with the terms of this Agreement. If the Purchaser, any Institutional Investor, a mortgagee or assignee is prohibited by any Court or by operation of any bankruptcy or insolvency laws from commencing or prosecuting the proceedings described above, the period specified above for commencing proceedings shall be extended for the period of such prohibition.

(c) If the Purchaser, any Institutional Investor, mortgagee or assignee (or a receiver requested by a mortgagee) succeeds to the interest of the Company in the Project Property, such successor party shall pay or cause to be paid the Basic Rent, PILOT payments, Additional Payments and all other monetary charges payable by the Company under this Agreement from the date in which the Purchaser, Institutional Investor, mortgagee or assignee (or a receiver requested by a mortgagee) succeeds to such interest and those which accrue thereafter during the term of this Agreement.

Section 8.7. Discontinuance of Proceedings on Default; Position of Parties Restored. In case the Issuer shall have proceeded to enforce any right under this Agreement and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Issuer, then and in every such case, unless otherwise determined in such proceeding or agreed by the Issuer and the Company, the Issuer and the Company will be restored to their former positions and rights under this Agreement with respect to the Project Property and all rights, remedies, and powers of the Issuer will continue as if no such proceedings had been taken.

Section 8.8. Proofs of Claim. In the case of any insolvency, bankruptcy, reorganization, arrangement, adjustment, composition, or other judicial proceedings affecting the Company, the Issuer will, to the extent permitted by law, be entitled to file such proofs of claims and other documents as may be necessary or advisable in order to have claims of the Issuer allowed in such proceedings for the entire amount due and payable by the Company to the Issuer under this Agreement, as the case may be, at the date of the institution of such proceedings and for any additional amounts which may become due and payable after such date.

ARTICLE IX PREPAYMENTS

The Company may at any time (including after the occurrence and during the continuance of an Event of Default) and for any reason cause all or any portion of the Bond to be redeemed in accordance with the provisions of the Indenture by giving notice of such redemption to the Issuer, the Purchaser and, if there are monies on deposit in the Acquisition Account (as defined in the Indenture), to the Depositary not less than forty-five (45) days before the redemption date. Such notice will specify the redemption date and the principal amount of the Bonds to be redeemed. On

the redemption date the Company will prepay the Rent in an amount equal to such principal amount plus accrued interest on such principal amount to the redemption date by payment of such amounts to the Purchaser, will pay all Additional Payments, plus interest, if any, owed to the Issuer, will pay all PILOT payments, if any, owed to the Issuer and the School District, and will pay all payments due under Sections 6.4 and 6.5. The parties acknowledge that the Company may prepay, pay, discharge and redeem the Bonds by offsetting amounts owed under the Bonds to the Purchaser against monies owed to the Company by the Purchaser, including but not limited to monies advanced by the Company to the Purchaser in anticipation of making Bond advances under the Indenture.

ARTICLE X PURCHASE OF PROJECT PROPERTY

The Company will purchase and the Issuer will sell the Project Property for \$1.00 at the expiration or sooner termination of the Term pursuant to the provisions of this Agreement. The Company will give written notice to the Issuer and to the Purchaser, if the Bonds are then unpaid or provision for their payment has not been made, and will specify therein the date of termination and closing such purchase which date shall be the same date and which date will be not less than fifteen (15) nor more than ninety (90) days from the date such notice is mailed. At the closing of such purchase, the Issuer will, upon receipt of the purchase price, deliver to the Company or its nominee appropriate documents, including, but not limited to, a bill of sale, prepared by the Company at the Company's expense, conveying to the Company without representation or warranty the Issuer's interest in the Project Property, as it exists at the time of such purchase, subject only to: (i) those liens and encumbrances, if any, to which the Project Property was subject when conveyed to the Issuer; (ii) those liens and encumbrances created by the Company and/or to the creation or suffering of which the Company consented; (iii) those liens and encumbrances resulting from the failure of the Company to perform any of its obligations under this Agreement; and (iv) any other lien arising as a matter of law. The Company may exercise its rights under this Article X, only to the extent the Company is not in Default or an Event of Default has occurred and is continuing, so long as all Additional Payments and PILOT payments due to the Issuer and the School District are paid on or before the date of closing of such purchase. If the Company fails to take all necessary action to have the Project Property assessed for tax purposes in the name of the Company at the expiration of the Term, the Issuer may execute, deliver and cause to be recorded, at the expense of the Company a bill of sale with respect to the Project Property and other appropriate documents reflecting the termination of this Agreement.

If at the time of closing the Indenture has not been satisfied in full and released of record, a release by the Purchaser of the Indenture will also be delivered to the Company (or its designee).

The right to prepay granted to the Company in this Agreement is and will remain prior and superior to the Indenture.

ARTICLE XI MISCELLANEOUS

Section 11.1. Remedies. No right or remedy conferred on any Party in this Agreement is intended to be exclusive of any other right or remedy conferred on such Party in this Agreement. Except as provided in Section 11.3, each such right or remedy is in addition to every other right or remedy provided in any of the Bond Documents or by law; provided, that the remedies of Purchaser and/or Issuer in respect of an Event of Default or other breach of any Bond Document by the Company shall be limited in all cases to those expressly provided in Article VIII hereof. No delay or omission of any Party to exercise any such right or remedy will impair any such right or remedy or be construed to be a waiver. Every such right or remedy may be exercised from time to time and as often as the relevant Party may deem expedient. No waiver by any Party of any right or remedy with respect to any Default or Event of Default will extend to or affect any other existing or subsequent Default or Event of Default.

Section 11.2. Beneficiaries. Nothing in this Agreement expressed or implied is intended or is to be construed to confer upon any Person other than the Parties and their successors and assigns (and, in the cases of Section 6.3 of this Agreement, the Indemnitees, and Section 6.4, the School District) any right, remedy or claim, legal or equitable.

Section 11.3. Limitation of Issuer's Liability. No agreements or provisions contained in the Bond Documents nor any agreement, covenant or undertaking by the Issuer contained in any document executed by the Issuer in connection with any property of the Company financed, directly or indirectly, out of Bond proceeds or the issuance, sale and delivery of the Bonds will give rise to any pecuniary liability of the Issuer, its officials, employees, agents or members of its governing body or constitute a charge against the Issuer's general credit, or obligate the Issuer financially in any way, except with respect to the revenues available under this Agreement or under the Indenture provided by the Company and pledged to the payment of the Bonds, and their application as provided under the Indenture. No failure of the Issuer to comply with any terms, covenants or agreements in this Agreement or in any document executed by the Issuer in connection with the Bonds will subject the Issuer, its officials, employees, agents and members of its governing body to any pecuniary charge or liability except to the extent that the same can be paid or recovered from the revenues available under this Agreement or under the Indenture provided by the Company and pledged to the payment of the Bonds. Nothing in this Agreement will preclude a proper party in interest from seeking and obtaining, to the extent permitted by law, specific performance against the Issuer for any failure to comply with any term, condition, covenant or agreement herein or in the Indenture; provided, that no costs, expenses or other monetary relief will be recoverable from the Issuer except as may be payable from the funds available under this Agreement or under the Indenture provided by the Company and pledged to the payment of the Bonds.

Notwithstanding any other provisions of this Agreement, none of the provisions of this Agreement shall require the Issuer to expend or risk its own funds or to otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers hereunder unless it shall have first been adequately indemnified to its satisfaction against the cost, expense and liability which may be incurred thereby.

Section 11.4. No Violation of Public Policies Regarding Indemnity. To the extent, if at all, a court of competent jurisdiction determines that Section 56-7-1 NMSA 1978 applies to any indemnification provisions in this Agreement, including certain types of insurance coverage as set forth in Section 56-7-1 NMSA 1978, such provisions shall not apply to or extend to liability, claims, damages, losses or expenses, including attorney fees, arising out of bodily injury to persons or damage to property caused by or resulting from, in whole or in part, the negligence, act or omission of the indemnitee or additional insured, as the case may be, its officers, employees or agents and shall further be limited, if required, by the provisions of Section 56-7-2 NMSA 1978.

Section 11.5. Notices. Any notice, demand, direction, request, consent, approval, report or other instrument authorized or required by this Agreement or the Bond Ordinance to be executed, given or filed will be in writing and will be deemed to have been sufficiently given or filed for all purposes of this Agreement when delivered by hand delivery or by overnight courier or on the third business day following the day on which the same has been mailed by registered or certified mail, postage prepaid, addressed as follows:

If to the Issuer: City of Roswell, New Mexico
 425 N. Richardson Ave.
 Roswell, New Mexico 88201

If to the Purchaser: Gallagher Solar Holdings, LLC
 c/o Gallagher Solar LLC
 [Address]

If to the Company: Gallagher Solar LLC
 [Address]

Any Party may, by notice to the other Parties, designate any further or different addresses to which subsequent notices, certificates or other communications are to be sent.

Section 11.6. Severability. In case any one or more of the provisions of this Agreement is for any reason held to be illegal or invalid, such illegality or invalidity will not affect any other provision of this Agreement, but this Agreement will be construed and enforced as if such illegal or invalid provision had not been contained therein. In case any covenant, stipulation, obligation or agreement of the Issuer or the Company contained in this Agreement is for any reason held to be in violation of law, then such covenant, stipulation, obligation or agreement will be deemed to be the covenant, stipulation, obligation or agreement of the Issuer or the Company to the full extent permitted by law.

Section 11.7. Successors. Wherever the Issuer is referred to in this Agreement, it will be deemed to include its successors and all covenants and agreements in this Agreement will bind and inure to the benefit of the Issuer's successors. Wherever the Company is referred to in this Agreement, it will be deemed to include its successors in interest to the Project Property and all covenants and agreements in this Agreement will bind and inure to the benefit of such successors.

Section 11.8. Title, Headings. The title and headings of the articles, section and subdivisions of this Agreement have been used for convenience only and do not modify or restrict any of the terms or provisions of this Agreement.

Section 11.9. Execution in Counterparts. This Agreement may be executed in multiple counterparts, all of which taken together will constitute one instrument.

Section 11.10. Applicable Law. The validity, construction and effect of this Agreement will be governed by the law of the State of New Mexico applicable to agreements made and to be performed in the State of New Mexico and the proper venue shall be Chaves County.

Section 11.11. Obligations of Issuer Not Obligations of Officials Individually. No obligation under any of the Bond Documents or the Bonds will be deemed to be an obligation of any present or future officer (including, without limitation, City Councilors) or employee of the Issuer in his or her individual capacity, and no officer of the Issuer who executes the Bonds will be personally liable on the Bonds or be subject to any personal liability or accountability by reason of the issuance of the Bonds.

Section 11.12. Payments Due on Days That Are Not Business Days. If the date for any payment due hereunder is not a Business Day, as defined in the Indenture, then such payment will be made on the next Business Day and no interest on such payment will accrue for such period.

Section 11.13. Federal Income Tax Treatment of Lease. The Issuer and the Company acknowledge that this Agreement constitutes a financing for federal income tax purposes and not a lease of the Project Property, to the extent permitted by law. The Issuer and the Company further acknowledge that the Company shall, to the extent permitted by law, be entitled to all federal income tax attributes attributable to ownership of the Project Property, including the right to claim depreciation or cost recovery deductions and the right to claim any federal tax credits (or federal grants in lieu thereof) arising from ownership of the Project Property. Each of the Issuer and the Company agree not to file tax returns inconsistent with this Section 11.13.

Section 11.14. Amendments. This Agreement may be amended only by an instrument executed by the Issuer and the Company and consented to by the Purchaser.

Section 11.15. Further Assurances and Corrective Instruments. The Issuer and the Company agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements and amendments to this Agreement and such further instruments as may reasonably be required for carrying out the intention or facilitating the performance of this Agreement.

The Company may cause a memorandum of this Agreement, in form and substance satisfactory to the Company and the Issuer, in the Issuer's reasonable judgment, to be kept, recorded and filed in such manner and in such places as may be required by law to fully evidence, preserve and protect the leasehold estate of the Company.

[SIGNATURE PAGES FOLLOW]

DATED AS OF _____, 2026.

(SEAL)

CITY OF ROSWELL, NEW MEXICO

Attest:

By: _____
Amalia Martinez, City Clerk

By: _____
Timothy Z. Jennings, Mayor

STATE OF NEW MEXICO)
) ss.
COUNTY OF CHAVES)

This instrument was acknowledged before me on _____, 2026,
by Timothy Z. Jennings, as Mayor of the City of Roswell, New Mexico.

Notary Public

My commission expires:

(Signature Page for Lease Agreement)

By: _____
Name: _____
Its: _____

STATE OF _____)
) ss.
COUNTY OF _____)

Notary Public

My commission expires:

Roswell, NM

EXHIBIT A

PROJECT PROPERTY AND PROJECT SITE

Project Property:

Power Generation Property. All solar generation equipment including solar tracking hardware and software, photovoltaic panels and inverters, support structures, and associated electrical generation equipment used to generate electricity from solar energy and related equipment including transformers, circuit breakers and switching and metering equipment used to connect the solar electrical generation plant to the electric grid and all other equipment and personal property which is now or hereafter acquired with Bond Proceeds and located at the Project Site.

Project Site Lease:

[NTD: Project Site Description]

The Site Lease covers the real property described below:

LEGAL DESCRIPTION:

EXHIBIT B

PAYMENT SCHEDULE
CITY OF ROSWELL, NEW MEXICO
TAXABLE INDUSTRIAL REVENUE BOND
(GALLAGHER SOLAR LLC PROJECT)
SERIES 2026 – \$4,800,000

<u>Year</u>	<u>Total Debt Service</u>	<u>Principal</u>	<u>Interest</u>
1	\$225,600	\$-0-	\$225,600
2	\$225,600	\$-0-	\$225,600
3	\$225,600	\$-0-	\$225,600
4	\$225,600	\$-0-	\$225,600
5	\$225,600	\$-0-	\$225,600
6	\$225,600	\$-0-	\$225,600
7	\$225,600	\$-0-	\$225,600
8	\$225,600	\$-0-	\$225,600
9	\$225,600	\$-0-	\$225,600
10	\$225,600	\$-0-	\$225,600
11	\$225,600	\$-0-	\$225,600
12	\$225,600	\$-0-	\$225,600
13	\$225,600	\$-0-	\$225,600
14	\$225,600	\$-0-	\$225,600
15	\$5,025,600	\$4,800,000	\$225,600

EXHIBIT C
PILOT PAYMENTS

Year	Total PILOT	City PILOT	Roswell * School District PILOT
1	\$7,839.20	\$-	\$-
2	\$5,599.43	\$-	\$-
3	\$3,359.66	\$-	\$-
4	\$2,239.77	\$-	\$-
5	\$2,239.77	\$-	\$-
6	\$2,239.77	\$-	\$-
7	\$2,239.77	\$-	\$-
8	\$2,239.77	\$-	\$-
9	\$2,239.77	\$-	\$-
10	\$2,239.77	\$-	\$-
11	\$2,239.77	\$-	\$-
12	\$2,239.77	\$-	\$-
13	\$2,239.77	\$-	\$-
14	\$2,239.77	\$-	\$-
15	\$2,239.77	\$-	\$-

CITY OF ROSWELL, NEW MEXICO,

GALLAGHER SOLAR HOLDINGS, LLC,
as Purchaser,

GALLAGHER SOLAR LLC,

and

BOKF, NA,
as Depositary

INDENTURE

Dated as of July __, 2026

Securing

Up to \$4,800,000
City of Roswell, New Mexico
Taxable Industrial Revenue Bonds
(Gallagher Solar LLC Project)
Series 2026

CITY OF ROSWELL, NEW MEXICO, a political subdivision existing under the laws of the State of New Mexico (together with its successors and assigns, the “Issuer”) and GALLAGHER SOLAR HOLDINGS, LLC, a Delaware limited liability company (together with its successors and assigns, and transferees of the Bonds (defined below), the “Purchaser”), GALLAGHER SOLAR LLC, a Delaware limited liability company authorized to do business in New Mexico (the “Company”) and BOKF, NA (together with its successors and assigns, the “Depository”), agree:

ARTICLE I - RECITALS

Section 101. The Act. Pursuant to Sections 3-32-1 through 3-32-16, New Mexico Statutes Annotated, 1978 Compilation, as amended (collectively, the “Act”), the Issuer is authorized to acquire, construct and equip certain industrial or commercial projects and to issue industrial revenue bonds to finance such projects and certain related costs. Such bonds are payable by the Issuer solely out of revenue of the leasing of such projects. Such bonds may be further secured by, among other things, a mortgage and lien upon the properties acquired, constructed and equipped as part of the project. Under the Act, a project may include land, buildings, machinery, equipment and other property deemed necessary in connection with such project.

Section 102. Government Proceeding. The Company has presented to the Roswell City Council a proposal relating to the issuance of taxable industrial revenue bonds and the acquisition, construction, installation, and equipping of a solar power generation facility which will constitute an industrial development project. The Issuer, by City Council Ordinance No. _____ adopted on May 14, 2026 (the “Ordinance”), authorized, among other matters, (i) the issuance of its City of Roswell, New Mexico, Taxable Industrial Revenue Bonds (Gallagher Solar LLC Project), Series 2026 (the “Bonds”), in the principal amount not to exceed \$4,800,000 and substantially in the form of Exhibit A and (ii) the execution and delivery of this Indenture.

Section 103. Indenture; Lien; Collateral Pledge. The Bonds are to be issued under this Indenture (together with any and all amendments and supplements, (this “Indenture”), which constitutes a collateral pledge of the Agreement (defined below).

Section 104. The Agreement. The Issuer has entered into a Lease Agreement (together with any and all amendments and supplements, the “Agreement”), dated as of the date of this Indenture, with the Company under which the Issuer has leased the Project Property to the Company, and the Company has agreed to make rental payments in amounts sufficient to pay the principal of, interest on and redemption price of the Bonds. For the purpose of providing security for the payment of the principal of, interest on and redemption price of the Bonds, the Issuer wishes to assign to the Purchaser certain of its interests in the Agreement but reserving its rights under the Agreement to certain payments, reimbursement for certain costs and expenses, and to give consents and to be indemnified.

ARTICLE II - DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 201. Meanings of Words and Terms. All capitalized words and terms defined in the Agreement have the same meanings when used in this Indenture if not also defined in this Indenture. Defined terms in all Bond Documents have consistent meanings unless otherwise expressed. In addition:

“Acquisition Fund” has the meaning assigned in Section 701.

“Act” has the meaning assigned in Section 101.

“Agreement” has the meaning assigned in Section 104.

“Authorized Company Representative” means any one of the persons at the time designated to act on behalf of the Company in a certificate furnished to the Issuer and the Depository containing the specimen signatures of such persons and signed on behalf of the Company by an officer of the Company.

“Bonds” have the meaning assigned in Section 102.

“Bond Documents” means this Indenture, the Agreement and the Bond Purchase Agreement.

“Bond Fund” has the meaning assigned in Section 602.

“Bond Purchase Agreement” means the Bond Purchase Agreement dated the date of the execution and delivery of this Indenture among the Purchaser, the Issuer and the Company.

“Business Day” means any day that is not a Saturday or Sunday or a day on which banking institutions in the State or in the City in which payment is to be made are authorized or required to close.

“Company” has the meaning assigned in the first paragraph of this Indenture.

“Certificate of Qualified Investor” means the certificate attached hereto as Exhibit D.

“Completion Certificate” means a certificate by the Company certifying that the Project is complete and all costs have been paid for or provisions have been made for their payment, in the form attached hereto as Exhibit C.

“Depository” has the meaning assigned in the first paragraph of this Indenture.

“Event of Default” has the meaning assigned in Section 901.

“Final Maturity Date” means _____, 2041.

“Indenture” has the meaning assigned in Section 103.

“Issue Date” means the date of issuance and delivery of the Bond to the Purchaser.

“Issuer” has the meaning assigned in the first paragraph of this Indenture.

“Ordinance” has the meaning assigned in Section 102.

“Parties” means the Company, the Issuer, the Purchaser and the Depository.

“Party” means any one of the Parties.

“Payment Date” means _____ of each year, commencing on July __, 2027.

“Payment of the Bonds” means payment in full of the principal of, interest on and redemption price of the Bonds in accordance with their terms and the provisions of this Indenture and payment of all fees and expenses of the Issuer, the Purchaser and the Depository payable by the Company under this Indenture, the Agreement, or the Bond Purchase Agreement.

“Person” means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision.

“Record Date” means each ____ 15 while the Bonds are outstanding.

“Related Costs” means expenditures incurred or to be incurred by the Company with respect to the Project, including, without limitation, the acquisition, installation, construction, equipping and commissioning of the Project Property.

“State” means the State of New Mexico.

Section 202. Rules of Construction.

(a) The captions and headings in this Indenture are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Indenture.

(b) All references in this Indenture to particular articles, sections or exhibits are references to articles or sections of or exhibits to this Indenture unless some other reference is established.

(c) Any inconsistency between the provisions of the Agreement and the provisions of this Indenture will be resolved in favor of the provisions of the Agreement.

Section 203. Bond Not General Obligations of Issuer. Neither the full faith and credit nor the taxing power of the State or of any of its political subdivisions, including the Issuer, is pledged to the payment of the principal of, interest on or redemption price of the Bonds. The Bonds will be payable by the Issuer solely out of the Basic Rent, proceeds and receipts and other security pledged hereby. The principal of, interest on and redemption price of the Bonds will never constitute a debt or indebtedness or general obligation of the Issuer within the meaning of any State constitutional provision or statutory limitation. The Bonds will never constitute or give rise to a pecuniary liability of the Issuer or be a charge against its general credit or a charge against the general credit or the taxing powers of the State or any political subdivision thereof.

ARTICLE III- GRANT

Section 301. Assignment and Pledge. In consideration of the purchase of the Bonds by the Purchaser, and in order to secure the payment of the principal of (including, without limitation, all sums advanced by the Purchaser, with interest thereon, in accordance with the terms of this Indenture and the other Bond Documents (all references in this Indenture to the payment of principal of the Bonds shall include such sums)), interest on and redemption price of the Bonds, and in order to secure the performance by the Issuer of its obligations under this Indenture and the Bonds, the Issuer assigns and pledges to the Purchaser and grants a security interest to the Purchaser in (i) all the Issuer’s right, title and interest in and to the Agreement and any other easement, lease, sublease, license, concession or other grant of a possessory or use interest in the Project Property to the extent the Issuer has any interest therein but reserving its rights under the Agreement to payments under Sections 4.14, 5.3(b), 6.2, 6.3, 6.4, and 6.5 of the Agreement, to reimbursement for certain costs and expenses, to receive notices, to give consents and to be indemnified; (ii) the moneys and investments in the Acquisition Fund and the Bond Fund and all reserves payable to the Issuer pursuant to the Agreement or this Indenture (including, without limitation, insurance and eminent domain proceeds) with respect to the Project Property; (iii) all lease rentals, revenues, profits, and receipts receivable by or on behalf of the Issuer from the Project Property and (iv) the Project Property.

Section 302. Release. If (i) the principal of and interest on the Bonds are paid by the Issuer in full to the Bond Fund, as provided for herein, (ii) the Purchaser has received all sums due it under the Bond Documents, and (iii) the Issuer keeps, performs and observes all agreements, covenants and provisions under this Indenture, then all obligations of the Issuer as to the Bonds under this Indenture will terminate, and the Purchaser will cancel and discharge the lien of this Indenture and execute and deliver to the Issuer and the Company such instruments in writing as may be required to evidence such discharge. The Clerk and/or the City Manager of the Issuer are authorized to accept a certificate of the Purchaser, that all principal and interest due on the Bonds has been paid as evidence of the satisfaction of this Indenture.

ARTICLE IV- AUTHORIZATION, FORM, EXECUTION AND DELIVERY OF BONDS

Section 401. Authorization; Authorized Amount of the Bonds. The Bonds are hereby authorized to be issued under this Indenture and secured by this Indenture. The Bonds will be issued as a single fully registered bond without coupons, in the maximum principal amount not to exceed \$4,800,000. The Bonds will be numbered consecutively beginning with R-1. The Bonds may not be issued under this Indenture except in accordance with this Article.

Section 402. Form of Bond. The Bonds will be in substantially the form of Exhibit A. The Bonds will be dated the date of the execution and delivery of this Indenture and will bear interest on Advances made pursuant to Section 702 at the rate of four and seven-tenths percent (4.7%). All interest on the Bonds will be calculated from the date of advance for all periods on the basis of a 360-day year of twelve thirty-day months. Accrued interest shall be payable on the Payment Date, with the outstanding principal amount of the Bonds plus all interest thereon due and payable in full on the Final Maturity Date. Principal and interest, as applicable, will be payable by the Issuer from the Basic Rent received from the Company to the owner of the Bonds on the immediately preceding Record Date upon presentation of the Bonds for cancellation at the offices of the Issuer. All payments will be made in lawful money of the United States.

Section 403. Execution and Delivery; Payment. The Bonds will be signed by the Mayor of the Issuer and delivered to the Purchaser on the date of the execution and delivery of this Indenture. Subject to the terms and conditions of the Bond Purchase Agreement, the Purchaser will purchase the Bonds and will pay the purchase price of the Bonds to the Issuer as set forth in Section 701.

Section 404. Registration and Transfer of the Bond. The Company on behalf of the Issuer will cause to be kept at its office a book for the registration and transfer of the Bonds. The registration book will be open to inspection by the Issuer upon advance notice during the Company's normal business hours.

The Bonds, together with the obligation to fund advances thereunder, may be transferred by the Purchaser in whole, but not in part, in person or by duly authorized attorney, in the registration book upon (i) surrender of the Bonds, (ii) delivery of a written transfer instrument, and (iii) compliance with Securities Act of 1933, as amended (the "Federal Securities Act"), and applicable state securities laws as established to the satisfaction of the Issuer, and delivery to the Issuer and the Company of (A) an opinion, in form and substance satisfactory to the Issuer, from legal counsel experienced in securities laws matters, which counsel must be satisfactory to the Issuer, to the effect the transfer complies with the Federal Securities Act and applicable state securities laws and (B) written representations from the transferee, in form and substance satisfactory to the Issuer (including, but not limited to the form of Certificate of Qualified Investor), necessary to establish such compliance all as further set forth in the Bonds form attached as Exhibit A. Such Issuer approval shall be in writing. In the case of a transfer under this Section 404, the Issuer agrees that it will cooperate in delivering a new Bond, registered in the name of the transferee. The

person requesting the transfer will pay any tax or fee or other charge imposed on the transfer and will pay the Issuer's expenses in connection therewith. The Issuer may deem and treat the person in whose name the Bond is registered as the absolute owner thereof for the purpose of receiving payment and for all other purposes, and all such payments made to any such registered owner or upon its written order will be valid and effectual to satisfy and discharge the liability upon the Bond, to the extent of the sum or sums paid; and the Issuer will not be affected by any notice to the contrary.

The Issuer acknowledges that the Purchaser may assign its rights to receive payments of principal, interest and any amounts due under the Bonds to any party without the consent of the Issuer.

Section 405. Lost, Stolen, Destroyed and Mutilated Bond. If the Issuer receives satisfactory evidence that any Bonds have been lost, stolen, destroyed or mutilated and receives satisfactory indemnity, and the mutilated Bonds are surrendered and cancelled, then the Issuer will execute and deliver new Bonds. The applicant for new Bonds will pay any charges and expenses in connection with the issuance of the new Bonds. New Bonds issued under this Section will be an original contractual obligation of the Issuer and will be entitled to all of the benefits of this Indenture. The provisions of this Section with respect to the replacement of the lost, stolen, destroyed or mutilated bonds are exclusive.

Section 406. Cancellation and Destruction of the Bonds by Issuer. If the Bonds are delivered to the Issuer for cancellation, the Bonds will be cancelled immediately and destroyed by the Issuer.

Section 407. Application of Payments for Bonds. All payments received by the Issuer under the Agreement with respect to the Bonds will be applied first to accrued interest on the Bonds on the next date for the payment of such interest and, second, to the unpaid principal of the Bonds. If such payments exceed accrued interest on and the unpaid principal of the Bonds, and any other amounts owed, the excess will be paid to the Company. The parties acknowledge that the Company may pay, discharge and redeem the Bonds by offsetting amounts owed under the Bonds to the Purchaser against monies owed to the Company by the Purchaser, including but not limited to monies advanced by or on behalf of the Company to or on behalf of the Purchaser in anticipation of making Bond advances under this Indenture.

ARTICLE V- REDEMPTION

Section 501. Redemption. If the Company gives notice to the Issuer, the Depositary and the Purchaser pursuant to Article IX of the Agreement that the Company has elected to cause redemption of the Bonds in full or in part and the Company pays the redemption price, all or such portion of the Bonds will be deemed redeemed by the Issuer on the date indicated in such notice at a redemption price equal to the principal amount to be redeemed plus accrued interest on such principal amount to the redemption date. If the Company redeems the Bonds in full before the Completion Date, any monies held in the Acquisition Account shall be returned to the Company.

ARTICLE VI- BOND REVENUES AND FUNDS

Section 601. Source of Payment of the Bonds. The Bonds and all payments by the Issuer under this Indenture are not general obligations of the Issuer, and shall never constitute indebtedness of the Issuer, but are the limited, special obligations of the Issuer payable solely from revenues and receipts derived from the leasing of the Project Property under the Agreement and other security pledged to payment of the Bonds under this Indenture. The Project Property has been leased under the Agreement and the Basic Rent is to be remitted by the Company directly to the Purchaser on or before the Payment Date, subject to the rights of offset set forth in Section 5.4(b) of the Agreement. The portion of the Basic Rent necessary to pay amounts owing on the Bonds is to be deposited in the Bond Fund (except for any payments which are satisfied pursuant to the exercise of the right of offset as set forth in Section 5.4(b) of the Agreement). The Basic

Rent is sufficient in amount to ensure the prompt payment of the principal and accrued interest on the Bonds and the entire amount of the Basic Rent is pledged to the payment of principal and accrued interest on the Bonds.

Section 602. Creation of the Bond Fund, Payments. A fund shall be created for the benefit of Issuer by the Company and designated “Gallagher Solar LLC Project Series 2026 Bond Fund” (the “Bond Fund”). Except to the extent that any payments of principal, interest or redemption price are to be made pursuant to the right of offset set forth in Section 5.4(b) of the Agreement, there will be deposited into the Bond Fund, as and when received (i) the Basic Rent (except to the extent offset pursuant to Section 5.4(b) of the Agreement), and (ii) all other moneys required to be deposited into the Bond Fund pursuant to this Indenture and the Agreement. The interest and other income received on investments of the Bond Fund moneys as provided in Section 708 will be retained in the Bond Fund. The Company covenants that so long as the Bonds are outstanding, it will deposit or cause to be deposited solely from the sources stated in Section 601, into the Bond Fund for Issuer’s account, sufficient sums from revenues and receipts from the Project Property promptly to meet and pay the installments of interest, or of principal and interest, as applicable, on the Bond (except to the extent that any payments of principal, interest or redemption price are to be made pursuant to the right of offset set forth in Section 5.4(b) of the Agreement). The Parties acknowledge that Section 3-32-4 NMSA and Section 3-32-6(C) provides that it is not intended that any municipality itself be authorized to operate any manufacturing, industrial or commercial enterprise under the Act and, accordingly, the Issuer has no intention of taking possession of or operating the Project Property.

Section 603. Use and Custody of the Bond Fund. The moneys in the Bond Fund will be used solely for payment of principal of and interest on the Bonds, except as provided in Sections 604 and 905. The Bond Fund will be in the custody of the Company, and the Company will withdraw sufficient funds from the Bond Fund to pay the installments of principal and interest on the Bonds as due (except to the extent that any payments of principal, interest or redemption price are to be made pursuant to the right of offset set forth in Section 5.4(b) of the Agreement).

Section 604. Repayment to the Company from the Bond Fund. Any amounts remaining in the Bond Fund after actual payment in full of the Bonds, the fees, charges and expenses of the Issuer and the Purchaser, administrative expenses and other amounts required to be paid by the Company under the Agreement will be paid to the Company upon expiration of the Agreement.

Section 605. Investments. Moneys on deposit in the Bond Fund may be invested and reinvested by the Company. Such investments will be deemed at all times to be a part of the Bond Fund. Any interest received on any such investment and any profit realized from such investment will be credited to the Bond Fund. Any loss resulting from any such investment will be charged to the Bond Fund. The Company will use all reasonable efforts to sell at the best price obtainable or present for redemption any such investment when necessary in order to provide cash to meet any payment or transfer from the Bond Fund.

Section 606. Non-presentment of the Bond. If the Bonds are not presented for payment when the final payment of principal and interest is due, and if there are funds sufficient to make such final payment deposited with the Company, all liability of the Issuer for payment of the Bonds will cease. Interest shall not accrue after the Final Maturity Date. The Purchaser will be restricted to such funds for any claim against the Issuer relating to the Bonds.

Section 607. No Liability. Issuer will not be liable or responsible for any misapplication of funds, loss, liability or expense (or failure to realize profits) with respect to the Bond Fund and the Company

shall indemnify and hold Issuer harmless from and against all claims, liabilities of whatsoever nature arising from or relating to the Bond Fund or the Company's management of the Bond Fund.

ARTICLE VII- ACQUISITION FUND

Section 701. Creation of the Acquisition Fund; Deposits. A fund is hereby created with the Depositary and designated "Gallagher Solar LLC Project Series 2026 Acquisition Fund." Subject to the terms of the Bond Purchase Agreement, the Purchaser will purchase the Bonds on the date of execution and delivery of the Indenture and will pay the purchase price of the Bonds through the Advances described in Section 702. The proceeds of the sale of the Bonds, the interest and other income received on investments of the Acquisition Fund moneys as provided in Section 708 will be retained in the Acquisition Fund. The moneys in the Acquisition Fund will be held by the Depositary and will be applied to the payment of Related Costs and, pending such application, will be subject to a lien in favor of the Purchaser or its assignee to secure payment of principal and accrued interest on the Bonds. The Acquisition Fund will be in the custody of the Depositary, and the Depositary is authorized and directed to wire from or issue checks on the Acquisition Fund for the payment of Related Costs pursuant to Section 702.

Section 702. Disbursements. At any time on or after the date hereof, the Company may request Advances at any time from time to time to finance the Project (each, an "Advance") by delivery of a Requisition Notice to the Purchaser and the Depositary in the form attached hereto as Exhibit B (the "Requisition Notice"). On or before the fifth business day following receipt of the Requisition Notice from the Company requesting an Advance, so long as no Event of Default has occurred and is continuing, the Purchaser will pay or cause to be paid the amount of the Advance requested in such Requisition Notice to the Depositary for deposit in the Acquisition Fund, provided, however, that the aggregate amount of such Advances shall not exceed \$4,800,000. The Depositary will make payments of Related Costs from the Acquisition Fund not later than the business day following the date of receipt of payment of the amount of the Advance from Purchaser, provided that immediately available funds are on deposit therein. The records of the Depositary will be conclusive as to the aggregate amount of advances requested and made, absent manifest error. The Purchaser is authorized to endorse on the schedule attached to the Bonds the date and amount of each such advance. Failure to make any such endorsement or any error in such endorsement will not affect the rights or obligations of any of the Parties on or with respect to the Bonds. The Requisition Notice signed by an Authorized Company Representative shall state to whom the payment is to be made, the general purpose for which the obligation to be paid was incurred, and that:

(a) obligations in the stated amounts were incurred for Related Costs and are due and payable (or, if the Company is indicated as the payee, were duly paid by the Company) and that each item is a proper charge against the Acquisition Fund and has not been the subject of a previous withdrawal from the Acquisition Fund; and

(b) to the best knowledge of such Authorized Company Representative there has not been filed with or served upon the Issuer or the Company notice of any lien, right or attachment upon, or claim, other than such lien, right, attachment or claim as are filed or made in the ordinary course of constructing and operating the Project, affecting the right of any such payees to receive payment of, the respective amounts stated in such requisition which has not been released or will not be released simultaneously with the payment of such obligation; and

(c) with respect to any item for payment for labor or to contractors, builders or materialmen, (i) the obligations stated have been properly incurred, (ii) such work was actually performed or such materials or supplies were actually furnished or installed in or about the Project, and (iii) either such materials or supplies are not subject to any lien or security interest or any such lien or security interest will be released or discharged upon payment of the requisition.

Section 703. Records. The Depositary will keep and maintain all Requisition Notices and adequate records pertaining to the Acquisition Fund, and payments made therefrom, which will be open to inspection by the Issuer, the Purchaser, the Company, or their agents, upon advance notice, during normal business hours.

Section 704. Depositary May Rely on Requisitions. All writings, requisitions and certificates received by the Depositary as conditions of payment from the Acquisition Fund, and which are proper and complete on their face, may be conclusively relied upon by the Depositary and will be retained by the Depositary, subject at all reasonable times, upon advance notice, to examination by the other Parties and their respective agents and representatives.

Section 705. Status Reports. At least annually, the Depositary will make a written report covering all receipts and moneys then on deposit in the Acquisition Fund, and will report any investments of such moneys and all transfers and disbursements of such moneys as of and for the preceding year. The reports will be prepared in conformity with the provisions of this Indenture, and copies of each report will be filed with the Purchaser, the Company, and, if requested by the Issuer, with the Issuer, not later than the fifteenth day of the month following the year covered by the report.

Section 706. Completion Date. Upon receipt of a certificate substantially in the form of Exhibit C signed by an Authorized Company Representative establishing the Construction Completion Date, as established in Section 4.4 of the Agreement, the Depositary will set aside in the Acquisition Fund the moneys necessary for the payment of the Related Costs incurred by the Company but not then due or payable as set forth in such certificate, and then will transfer any other moneys remaining in the Acquisition Fund to the Company or its assignee.

Section 707. Payment on Acceleration. If the Purchaser declares the unpaid principal of and accrued interest on the Bond to be immediately due and payable pursuant to Section 902(a), the Depositary will promptly, upon receipt of notice of such declaration from the Purchaser or its assignee, return all moneys then held for the credit of the Acquisition Fund in accordance with Section 905 to the Purchaser or its assignee for application to the unpaid principal of and accrued interest on the Bonds.

Section 708. Investments. Moneys on deposit in the Acquisition Fund may be invested and reinvested by the Depositary, at the written direction of an Authorized Company Representative. Such investments will be deemed at all times to be a part of the Acquisition Fund. Any interest received on any such investment and any profit realized from such investment will be credited to the Acquisition Fund. Any loss resulting from any such investment will be charged to the Acquisition Fund. The Depositary will use all reasonable efforts to sell at the best price obtainable or present for redemption any such investment when necessary in order to provide cash to meet any payment or transfer from the Acquisition Fund. Neither the Depositary nor the Issuer will be responsible for any loss, liability or expense (or failure to realize profits) resulting from any such investment. The Depositary may make any such investment through its own or its affiliated bond or investment department, unless otherwise directed in writing by an Authorized Company Representative.

Section 709. No Liability. Issuer will not be liable or responsible for any misapplication of funds, loss, liability or expense (or failure to realize profits) with respect to the Acquisition Fund and the Company shall indemnify and hold Issuer harmless from and against all claims, liabilities of whatsoever nature arising from or relating to the Acquisition Fund or the Company's management of the Acquisition Fund.

ARTICLE VIII- PARTICULAR COVENANTS AND PROVISIONS

Section 801. Extent of Covenants; Disclaimer of Liability. It is expressly made a condition of this Indenture that any covenants, stipulations, obligations, representations or agreements herein contained or contained in the Bonds or this Indenture do not and will never give rise to a personal or pecuniary liability of any present or future officer, employee or agent of the Issuer, or be a charge against the general credit or taxing powers of the Issuer, and in the event of a breach of such covenant; stipulation, obligation, representation or agreement, no personal or pecuniary liability of any present or future officer, employee or agent of the Issuer, or charge payable by the Issuer directly or indirectly from the revenues of the Issuer, other than the Basic Rent, will arise therefrom. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OR OF ANY OF ITS POLITICAL SUBDIVISIONS, INCLUDING THE ISSUER, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, INTEREST ON OR REDEMPTION PRICE OF THE BONDS. THE PRINCIPAL OF, INTEREST ON AND REDEMPTION PRICE OF THE BONDS WILL NEVER CONSTITUTE A DEBT OR INDEBTEDNESS OR GENERAL OBLIGATION OF THE ISSUER WITHIN THE MEANING OF ANY PROVISION OR LIMITATION OF THE CONSTITUTION OR STATUTES OF THE STATE. THE BONDS OR THIS INDENTURE WILL NEVER CONSTITUTE NOR GIVE RISE TO A PECUNIARY LIABILITY OF THE STATE, ANY OF ITS POLITICAL SUBDIVISIONS OR OF THE ISSUER OR A CHARGE AGAINST ITS GENERAL CREDIT OR TAXING POWERS. NONE OF THE PROVISIONS OF THIS INDENTURE SHALL REQUIRE THE ISSUER TO EXPEND OR RISK ITS OWN FUNDS OR TO OTHERWISE INCUR FINANCIAL LIABILITY IN THE PERFORMANCE OF ANY OF ITS DUTIES OR IN THE EXERCISE OF ANY OF ITS RIGHTS OR POWERS HEREUNDER.

Section 802. Performance; Authority. The Issuer covenants that it will faithfully perform all covenants and provisions contained in this Indenture and in the Bonds. The Issuer represents that it is duly authorized under the Constitution and laws of the State of New Mexico, including the Act, to issue the Bonds, to execute and deliver this Indenture, to grant a security interest in the property described in this Indenture, to pledge the rentals and other revenues described in this Indenture and that it has, to its knowledge, taken all actions required on its part for the issuance of the Bond, and for the execution and delivery of this Indenture and the Agreement.

Section 803. Obligations Under the Agreement. The Issuer: (i) will perform all of its obligations under the Agreement; (ii) will not execute or agree to any change, amendment or modification of or supplement to the Agreement except in accordance with the provisions thereof and Section 1101 of this Indenture; and (iii) will not agree to any abatement, reduction or diminution of the Basic Rent without the written approval of the Purchaser. The parties acknowledge that the Issuer has no obligation to enforce the Agreement but any actions taken by the Issuer to enforce the Agreement shall be at the expense of the Company.

Section 804. Use and Possession by the Company. So long as not otherwise provided in this Indenture or the Agreement, the Company will be permitted to possess, use and enjoy the Project Property so as to carry out its obligations under the Agreement.

Section 805. Instruments of Further Assurance. The Issuer will, at the expense of the Company or the Purchaser, execute, acknowledge, deliver and perform such supplemental indentures or such further acts, instruments, documents and transfers as the Depositary or the Purchaser may reasonably require for better assuring, transferring, mortgaging and pledging unto the Depositary or the Purchaser all the property and revenues and receipts pledged to the payment of the Bond under this Indenture.

Section 806. Recording of Indenture. Supplemental Indentures and Other Documents. The Company will cause this Indenture, the Agreement, and all supplements to this Indenture and the Agreement, as well as all security instruments, financing statements, continuation statements and any other

instruments as may be required, to be recorded or filed in such manner and places as required to fully preserve and protect the security of the Purchaser and the rights of the Depositary, including recording in the real estate records of Chaves County, New Mexico. The Depositary will have no responsibility to make any such filings except for filings as the Company may from time to time request, and the Issuer will have no responsibility to make any such filings.

ARTICLE IX- EVENTS OF DEFAULT AND REMEDIES

Section 901. Events of Default. Each of the following events is an “Event of Default:”

(a) Failure to pay any installment of principal or interest due under the Bonds when due and such failure continues unremedied for a period of 30 days after the provision by the Issuer or the Purchaser of written notice of non-payment;

(b) An Event of Default under the Agreement or any other Bond Document (other than this Indenture) occurs and is continuing;

(c) The Company fails to perform any covenant contained in this Indenture or the Bond Documents, other than as specified in subsections (a) and (b) above, and such failure is not cured within 30 days after receipt by the Company of the written notice of such failure unless the Purchaser shall agree in writing to the extension of such time prior to its expiration.

Section 902. Remedies on Events of Default. Upon the occurrence of an Event of Default, the Purchaser will have the following rights and remedies:

(a) Acceleration. The Purchaser or its assignee may, by written notice given to the other Parties, declare the principal amount of the Bond outstanding to be immediately due and payable and principal and interest thereon will become immediately due and payable; provided, however, that the Purchaser or its assignee, by written notice to the other Parties, may annul such declaration and destroy its effects and waive any such default: (i) if all covenants, conditions and agreements with respect to which such default shall have been made shall be fully performed, (ii) all arrears shall have been paid on any installment of interest and principal which has been theretofore due, plus (to the extent permitted by law) interest thereon from the due dates, and (iii) all reasonable charges and expenses of the Issuer, the Purchaser, the Depositary and their agents and counsel shall have been paid or provided for. Any such declaration that the Bond is due and payable will be deemed to be a redemption of the Bond; and

(b) Suit for Judgment on the Bonds. The Purchaser will be entitled to sue either for the specific enforcement of any covenant or agreement contained herein, or in any of the Bond Documents, or in and of the execution of any power herein granted and/or for and recover judgment, either before or after or during the pendency of any proceedings for the enforcement of the lien of this Indenture or for the enforcement of any of its rights, but any such judgment against the Issuer will be enforceable only against the funds and accounts related to and held under this Indenture for the Bonds. There will not be authorized any deficiency judgment against the Issuer. No recovery of any judgment by the Purchaser will in any manner or to any extent affect the lien of this Indenture or any rights, powers or remedies of the Purchaser hereunder, but such lien, rights, powers and remedies of the Purchaser will continue unimpaired; and

(c) Enforcement of Rights Under Agreement. The Purchaser or its assignee may, as assignee of specified interests of the Issuer in the Agreement, enforce any remedy available to the Issuer under the Agreement (except the remedies of the Issuer pursuant to Section 8.3 of the Agreement) and under any other lease, sublease, license or other grant of a possessory or use interest in the Project Property.

No right or remedy confirmed on any Party hereunder is intended to be exclusive of any other right or remedy confirmed on such Party hereunder, but each and every such right or remedy will be cumulative and in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or by statute; provided, that the remedy of Purchaser in respect of an Event of Default or other breach hereunder or any other Bond Document shall be limited in all cases to those expressly provided in Section 902.

Section 903. Rights and Remedies of Purchaser. The Purchaser will not have the right to institute any suit, action or proceeding in equity or at law for the enforcement of this Indenture or for the execution of any trust related thereto or for the appointment of a receiver or any other remedy hereunder, unless an Event of Default has occurred and is continuing of which the Company has been notified, it being understood and intended that the Purchaser will not have any right in any manner whatsoever to affect, disturb or prejudice the lien of this Indenture by its actions or to enforce any right hereunder except in the manner herein provided. Nothing in this Indenture will, however, affect or impair the right of the Purchaser to enforce the payment of the principal of and interest on the Bond, when due or at and after the maturity thereof, or the obligation of the Issuer to pay the principal and interest on the Bonds at the time and place and from the revenues provided in this Indenture or in the Bonds.

Section 904. Issuer and Depositary Not Responsible. Neither the Issuer nor the Depositary has any responsibility or right to act on behalf of the Purchaser with respect to any Event of Default. All rights and remedies arising from or related to any Event of Default are solely the rights and remedies of the Purchaser; provided that, upon request and at the expense of the Purchaser, the Issuer will cooperate with the Purchaser in the lawful enforcement of such rights and remedies upon receipt of indemnity satisfactory to the Issuer in the Issuer's sole discretion against any out-of-pocket costs and expenses incurred by the Issuer in its sole discretion (including any counsel fees and expenses) or liability the Issuer may incur or suffer as a result of or in connection with such cooperation.

Section 905. Application of Moneys. All moneys received by the Issuer or the Purchaser pursuant to any right given or action taken under the provisions of this Article will, after payment of the cost and expenses of the proceedings resulting in the collection of such moneys and of the expenses, liabilities, and expenses incurred or made by the Issuer and the Purchaser, will be applied first to pay the fees and expenses of the Issuer and the Depositary; then to the payment of charges due the Purchaser pursuant to the Bond Documents, and then to the payment of interest and principal due and unpaid on the Bonds. Whenever moneys are to be applied pursuant to the provisions of this Section, such moneys will be applied at such times, and from time to time, as the Issuer will determine.

Whenever the Bonds and interest thereon have been paid under the provisions of this Section and all expenses and charges of and payments due to the Purchaser, the Issuer and the Depositary (and their respective counsel and agents) under this Indenture and the Agreement have been paid, any balance remaining will be paid to the Company or its assignee as provided in Section 604.

Section 906. Purchaser to File Proofs of Claim. In the case of any insolvency, bankruptcy, reorganization, arrangement, adjustment, composition, or other judicial proceedings affecting the Project Property or the Company, the Purchaser and the Issuer will, to the extent permitted by law, be entitled to file such proofs of claims and other documents as may be necessary or advisable in order to have claims of the Purchaser or the Issuer, respectively, allowed in such proceedings for the entire amount due and payable by the Issuer, or by the Company, as the case may be, under the Indenture or the Agreement, at the date of the institution of such proceedings and for any additional amounts which may become due and payable after such date.

Section 907. Delay or Omission; No Waiver. No delay or omission of the Purchaser to exercise any right or power accruing upon any Event of Default will exhaust or impair any such right or power or shall be construed to be a waiver of any such Event of Default, or acquiescence therein; and every power and remedy given by this Indenture to the Purchaser may be exercised from time to time and as often as may be deemed expedient by the Purchaser.

Section 908. No Waiver of One Default to Affect Another. No waiver of any Event of Default by the Purchaser will extend to or affect any subsequent or any other then existing Event of Default or shall impair any rights or remedies consequent thereon.

Section 909. Discontinuance of Proceedings on Default; Position of Parties Restored. In case the Purchaser shall have proceeded to enforce any right under this Indenture by foreclosure, entry, or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Purchaser, then and in every such case the Issuer and Purchaser will be restored to their former positions and rights under this Indenture with respect to the Project Property and all rights, remedies, and powers of the Purchaser will continue as if no such proceedings had been taken.

Section 910. Waivers of Events of Default. The Purchaser may, in its discretion, waive any Event of Default and its consequences and rescind any declaration of maturity of principal of and interest on the Bonds. In case of any such waiver or rescission, or in case any proceeding taken by the Purchaser on account of any such Event of Default shall have been discontinued or abandoned or determined adversely to the Purchaser, then in every such case the Issuer and the Purchaser shall be restored to their former respective positions and rights hereunder, and the Event of Default which was waived will be considered to be cured, but no waiver or rescission shall extend to any subsequent or other Event of Default, or impair any right consequent thereon.

ARTICLE X-THE DEPOSITARY

Section 1001. Acceptance of Duties. The Depositary accepts the duties imposed on it by this Indenture, but only on the following express terms and conditions:

(a) The Depositary undertakes to perform such duties and only such duties as are specifically set forth in this Indenture and no implied covenants or obligations will be read into this Indenture against the Depositary.

(b) In the absence of negligence or willful misconduct on its part, the Depositary may conclusively rely on certificates or notices furnished to the Depositary and conforming to the requirements of this Indenture or the Agreement, as the case may be; but if any such certificates or notices are specifically required to be furnished to the Depositary under this Indenture or the Agreement, the Depositary will examine the same to determine whether they conform to the requirements of this Indenture or the Agreement, as the case may be.

(c) The Company hereby indemnifies and holds harmless the Depositary from and against any and all loss, liability, cost, damage and expense, including, without limitation, reasonable counsel fees, which the Depositary may suffer or incur by reason of any action, claim or proceeding brought against the Depositary arising out of or relating in any way to this Indenture or any transaction to which the Indenture relates unless such action, claim or proceeding is the result of the negligence or willful misconduct of the Depositary. The indemnification shall survive the resignation, removal and termination of the Depositary. No provision of this Indenture will be construed to relieve the Depositary from liability for its own negligence or willful misconduct.

(d) The Depositary may consult with counsel and other professionals and the advice of such counsel and other professionals shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by the Depositary hereunder in good faith and in reliance thereon.

(e) The Depositary shall be under no obligation to take any action or exercise any right or power under the Indenture unless the Company shall first have provided to the Depositary, its directors, officers, agents and employees, security or indemnity satisfactory to the Depositary against the costs (including without limitation reasonable fees of attorneys), expenses and liabilities that might be incurred by the Depositary in connection herewith.

Section 1002. Compensation. The Company will pay directly to the Depositary its reasonable fees and charges and all of its reasonable expenses (including reasonable counsel fees and expenses).

Section 1003. Qualification. The Depositary must be an association or a corporation organized and doing business under the laws of the United States of America or of any state and be subject to supervision or examination by federal or state banking authorities. If at any time the Depositary ceases to be eligible in accordance with the provisions of this Section 1003, it will resign immediately in the manner and with the effect specified in Section 1004.

Section 1004. Resignation and Removal.

(a) No resignation or removal of the Depositary and no appointment of a successor Depositary will become effective until the acceptance of appointment by the successor Depositary under Section 1005.

(b) The Depositary may resign at any time upon 10 business days' written notice to the other Parties. If an instrument of acceptance by a successor Depositary has not been delivered to the retiring Depositary within 30 days after the giving of such notice of resignation, the retiring Depositary may petition any court of competent jurisdiction for the appointment of a successor Depositary.

(c) The Depositary may be removed at any time by the Company upon 10 business days' written notice to the other Parties.

(d) The Depositary will be automatically removed on the occurrence of the Completion Date of the Project and the application of all moneys on deposit in the Acquisition Fund as provided in Section 706. No successor Depositary will thereafter be appointed and each reference to the Depositary in this Indenture and the Agreement will thereafter be ineffective.

(e) If the Depositary resigns or is removed (except as provided in subsection (d) of this Section 1004), the Company will promptly appoint a successor Depositary and give written notice of such appointment to the Issuer, the Purchaser and the retiring or removed Depositary.

Section 1005. Successor Depositary.

(a) Every successor Depositary appointed under this Indenture will execute, acknowledge and deliver to its predecessor and the other Parties an instrument accepting such appointment, and thereupon such successor Depositary, without any further act, will become fully vested with all the rights, and be subject to all the obligations, of its predecessor; but such predecessor will, nevertheless, on the request of its successor, the Issuer, the Company or the Purchaser execute and deliver an instrument transferring to such successor Depositary all the rights of such predecessor under this Indenture. Every predecessor will deliver all property, including all records relating hereto, and moneys held by it under this

Indenture to its successor. The Issuer and the Purchaser will execute, acknowledge and deliver any instrument, satisfactory to each of them, required by any successor Depositary to more fully and certainly vest in such Depositary the rights vested in the predecessor Depositary by this Indenture.

(b) Notwithstanding any of the foregoing provisions of this Article, any Person qualified to act as Depositary under this Indenture with or into which the Person acting as Depositary may be merged or consolidated, or to which the assets and business of such Person may be sold, will automatically become the successor Depositary.

ARTICLE XI-SUPPLEMENTS AND AMENDMENTS TO INDENTURE

Section 1101. Other Supplemental Indentures. This Indenture may be supplemented or amended only by one or more instruments executed by the Issuer, the Purchaser and the Depositary.

Section 1102. Consent of the Company. Any supplemental indenture affecting the rights of the Company will not be effective unless and until the Company shall have consented in writing to the execution and delivery of such supplemental indenture.

ARTICLE XII- MISCELLANEOUS PROVISIONS

Section 1201. Notices. Any notice, demand, direction, request, consent, report or other instrument authorized or required by any of the Bond Documents to be executed, given or filed (excluding Uniform Commercial Code filings, recordings and other governmental filings) will be in writing and will be deemed to have been sufficiently given or filed for all purposes of the Bond Documents when delivered by hand delivery or on the third Business Day following the day on which the same has been mailed by registered or certified mail, postage prepaid, addressed as follows:

If to the Issuer:	City of Roswell, New Mexico 425 N. Richardson Ave. Roswell, New Mexico 88201
If to the Purchaser:	Gallagher Solar Holdings, LLC c/o Gallagher Solar LLC [Address]
If to the Company:	Gallagher Solar LLC [Address]
If to the Depositary:	BOKF, NA Attn: Cindy Mitchell 100 Sun Avenue NW, Suite 500 Albuquerque, New Mexico 87109

Any Party may, by notice to each of the other Parties, designate any further or different addresses to which subsequent notices, certificates or other communications are to be sent. Receipt by the Issuer, the Company and the Depositary of a notice from a transferee of the Bond will constitute notice of such a different address for the Purchaser.

Section 1202. Remedies. No right or remedy conferred on any Party in any of the Bond Documents is intended to be exclusive of any other right or remedy conferred on such Party in any of the Bond Documents. Each such right or remedy is in addition to every other right or remedy provided in any

of the Bond Documents, or any other applicable agreement or contract; provided, that the remedy of the Issuer or the Purchaser in respect of an Event of Default or other breach hereunder or any other Bond Document shall be limited in all cases to those expressly provided in Section 902 hereunder or Article VIII of the Agreement, as the case may be. No delay or omission of any Party to exercise any such right or remedy will impair any such right or remedy or be construed to be a waiver. Every such right or remedy may be exercised from time to time and as often as the relevant Party may deem expedient. No waiver by any Party of any right or remedy with respect to any default or Event of Default will extend to or affect any other existing or subsequent default or Event of Default.

Section 1203. Beneficiaries. Nothing in any of the Bond Documents expressed or implied is intended or is to be construed to confer upon any Person other than the Parties any right, remedy or claim, legal or equitable.

Section 1204. Severability. In case any one or more of the provisions of any of the Bond Documents or of the Bonds are for any reason held to be illegal or invalid, such illegality or invalidity will not affect any other provision of any of the Bond Documents or of the Bonds, but the Bond Documents and the Bonds will be construed and enforced as if such illegal or invalid provision had not been contained therein. In case any covenant, stipulation, obligation or agreement of the any Party contained in any of the Bond Documents or the Bonds is for any reason held to be in violation of law, then such covenant, stipulation, obligation or agreement will be deemed to be the covenant, stipulation, obligation or agreement of such Party to the full extent permitted by law.

Section 1205. Obligations of Issuer Not Obligations of Officials Individually. No obligation under any of the Bond Documents or the Bonds will be deemed to be an obligation of any present or future officer (including, without limitation, City Councilors) or employee of the Issuer in his or her individual capacity, and no officer of the Issuer who executes the Bonds will be personally liable on the Bonds or be subject to any personal liability or accountability by reason of the issuance of the Bonds.

Section 1206. Payments Due on Days That Are Not Business Days. If the date for any payment called for under any of the Bond Documents or the Bonds is not a Business Day, then such payment will be made on the next Business Day and no interest on such payment will accrue for the period after the scheduled date for such payment.

Section 1207. Limitation of Issuer's Liability. No agreements or provisions contained in any Bond Document nor any agreement, covenant or undertaking by the Issuer contained in any document executed by the Issuer in connection with any property of the Company financed, directly or indirectly, out of Bond proceeds or the issuance, sale and delivery of the Bonds will give rise to any pecuniary liability of the Issuer, its officers, employees, agents or members of its governing body or constitute a charge against the Issuer's general credit, or obligate the Issuer financially in any way, except with respect to the Basic Rent, and its application as provided under this Indenture. No failure of the Issuer to comply with any terms, covenants or agreements in any Bond Document or in any document executed by the Issuer in connection with the Bonds will subject the Issuer, its officers and members of its governing body to any pecuniary charge or liability except to the extent that the same can be paid or recovered from the Basic Rent. Without limiting the requirement to perform its duties or exercise its rights and powers under the Bond Documents upon receipt of appropriate indemnity or payment, none of the provisions of any Bond Document will require the Issuer to expend or risk its own funds or otherwise to incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers under any Bond Document.

Section 1208. Successors. Wherever a Party is referred to in this Indenture, it shall be deemed to include its successors, and all covenants and agreements in this Indenture will bind and inure to the benefit of the such Party's successors.

Section 1209. Title, Headings. The title and headings of the articles, sections and subdivisions of this Indenture have been used for convenience only and will not modify or restrict any of the terms or provisions of this Indenture.

Section 1210. Consents and Approvals. In any action requiring the consent or approval of a party to this Indenture, such consent or approval will not be unreasonably withheld.

Section 1211. Execution in Counterparts. Each of the Bond Documents may be executed in multiple counterparts, all of which taken together will constitute one instrument. Any Party may execute any of the Bond Documents by executing any such counterpart of such Bond Document.

Section 1212. Applicable Law. The validity, construction and effect of each of the Bond Documents will be governed by and construed in accordance with the laws of the State applicable to agreements made and to be performed in the State of New Mexico.

[Remainder of Page Intentionally Left Blank]

DATED AS OF _____, 2026.

(SEAL)

CITY OF ROSWELL, NEW MEXICO

Attest:

By: _____
Amalia Martinez, City Clerk

By: _____
Timothy Z. Jennings, Mayor

(Signature Page for Indenture)

GALLAGHER SOLAR HOLDINGS, LLC
as Purchaser

By: Gallagher Solar LLC, its sole member

By _____
Name: Anthony Pedroni
Its: Vice President

(Signature Page for Indenture)

GALLAGHER SOLAR LLC

By: _____

Name: _____

Its: _____

(Signature Page for Indenture)

BOKF, NA
as Depositary

By: _____
Name: _____
Its: _____

(Signature Page for Indenture)

6453_Indenture.docx

EXHIBIT A
THIS BOND IS TRANSFERABLE ONLY UPON COMPLIANCE
WITH THE RESTRICTIVE TERMS PROVIDED BELOW

No. R-1

Up to \$4,800,000

United States of America
State of New Mexico

City of Roswell, New Mexico
Taxable Industrial Revenue Bonds
(Gallagher Solar LLC Project)
Series 2026

Registered Owner: GALLAGHER SOLAR HOLDINGS, LLC

FINAL MATURITY DATE	INTEREST RATE	ISSUE DATE
_____, 2041	4.7%	July __, 2026

The City of Roswell, a political subdivision of the State of New Mexico existing under the Constitution and laws of the State of New Mexico (the “Issuer”), for value received, promises to pay, solely from the sources described below, to GALLAGHER SOLAR HOLDINGS, LLC (together with its successors and assigns, and transferees as permitted below, the “Purchaser”) - Four Million Eight Hundred Thousand Dollars (\$4,800,000) (subject to prior optional redemption as described below) or so much of such amount as has been advanced by the Purchaser and is outstanding and to pay, solely from such sources, to the Purchaser, interest on principal amounts advanced with respect to this Bond from the dates of such Advances at the Interest Rate specified above (computed on the basis of a 360-day year consisting of twelve 30-day months) until payment of such principal amount. Accrued interest in the amount of four and seven-tenths percent (4.7%) of the outstanding principal amount of the Bonds shall be payable on the Payment Date, with the outstanding principal amount of the Bonds due and payable in full on the Final Maturity Date.

This Bond is issued under and pursuant to the Constitution and laws of the State of New Mexico, particularly Sections 3-32-1 to 3-32-16, NMSA 1978, as amended, and under and pursuant to Ordinance No. _____ duly adopted by the Issuer on May 14, 2026.

The principal of, interest on and redemption price of this Bond are payable solely from Basic Rent derived by the Issuer from the Lease Agreement dated as of July __, 2026 (the “Agreement”) between the Issuer and Gallagher Solar LLC (the “Company”), which has been pledged and assigned by the Issuer to the Purchaser under the Indenture, dated as of July __, 2026 (together with any amendments and supplements, the “Indenture”) among the Issuer, the Purchaser, the Company and BOKF, NA, as Depositary (the “Depositary”).

A-1

Reference is made to the Indenture and the Agreement for the provisions, among others, with respect to the custody and application of the proceeds of the sale of this Bond, the collection and disposition of income and other revenues, a description of the account charged with and pledged to the payment of the principal of, interest on and redemption price of this Bond, the nature and extent of the security, the terms and conditions under which this Bond is issued and amounts are to be advanced with respect to this Bond by the Purchaser, and the rights, duties and obligations of the Issuer, the Company, the Purchaser and the Depositary.

NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF NEW MEXICO OR OF ANY OF ITS POLITICAL SUBDIVISIONS, INCLUDING THE ISSUER, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, INTEREST ON OR REDEMPTION PRICE OF THIS BOND. THE PRINCIPAL OF, INTEREST ON AND REDEMPTION PRICE OF THIS BOND WILL NEVER CONSTITUTE A DEBT OR INDEBTEDNESS OF THE ISSUER WITHIN THE MEANING OF ANY PROVISION OR LIMITATION OF THE CONSTITUTION OR STATUTES OF THE STATE OF NEW MEXICO. THIS BOND WILL NEVER CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE STATE OF NEW MEXICO, ANY OF ITS POLITICAL SUBDIVISIONS OR OF THE ISSUER OR A CHARGE AGAINST THEIR GENERAL CREDIT OR TAXING POWERS.

This Bond may be called for redemption as provided in the Indenture, at the option of the Company as a whole or in part on any date selected by the Company, at a redemption price equal to the principal amount to be redeemed plus interest accrued on such principal amount to the redemption date.

If an Event of Default (as defined in the Indenture) occurs, the Purchaser may cause the then unpaid principal amount of this Bond and all accrued interest to be immediately due and payable as provided in the Indenture. Neither the Issuer nor the Depositary has any right or responsibility to act on behalf of the Purchaser with respect to any Event of Default.

This Bond may be transferred in whole but not in part. SUBJECT TO THE LAST PARAGRAPH OF SECTION 404 OF THE INDENTURE AND NOTWITHSTANDING ANY PROVISION OF THIS BOND TO THE CONTRARY, NEITHER THIS BOND NOR ANY INTEREST IN THIS BOND MAY BE, DIRECTLY OR INDIRECTLY, OFFERED, SOLD, HYPOTHECATED, ENCUMBERED OR OTHERWISE TRANSFERRED OR DISPOSED OF (INDIVIDUALLY AND COLLECTIVELY, A "TRANSFER") EXCEPT IN COMPLIANCE WITH SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), AND APPLICABLE STATE SECURITIES LAWS AS ESTABLISHED TO THE SATISFACTION OF THE ISSUER, AND ANY SUCH PURPORTED TRANSFER OF THIS BOND WILL NOT BE EFFECTIVE UNLESS THE TRANSFEROR PROVIDES TO THE ISSUER, THE DEPOSITARY AND THE COMPANY (A) AN OPINION, IN FORM AND SUBSTANCE SATISFACTORY TO THE ISSUER, FROM LEGAL COUNSEL EXPERIENCED IN SECURITIES LAWS MATTERS, WHICH COUNSEL MUST BE SATISFACTORY TO THE ISSUER, TO THE EFFECT THE TRANSFER COMPLIES WITH THE ACT AND APPLICABLE STATE SECURITIES LAWS AND (B) WRITTEN REPRESENTATIONS FROM THE TRANSFEREE, IN FORM AND SUBSTANCE SATISFACTORY TO THE ISSUER, NECESSARY TO ESTABLISH SUCH COMPLIANCE.

All acts, conditions and things required to happen, exist and be performed precedent to and in the issuance of this Bond and the execution of the Indenture have happened, exist and have been performed as so required.

The validity, construction and performance of this Bond are governed by the law of New Mexico applicable to agreements made and to be performed in New Mexico.

CITY OF ROSWELL, NEW MEXICO

By: _____
Timothy Z. Jennings, Mayor

Attest:

By: _____
Amalia Martinez, City Clerk

(Seal)

6453_Indenture.docx

SCHEDULE OF ADVANCES AND PAYMENTS

<u>Date</u>	<u>Amount Of Advance</u>	<u>Amount of Principal Payment or Redemption</u>	<u>Resulting Principal Amount</u>	<u>Notation Made By</u>
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EXHIBIT B
REQUISITION AND CERTIFICATE NO.

To: GALLAGHER SOLAR HOLDINGS, LLC, as Purchaser
BOKF, NA, as Depositary

The undersigned, pursuant to the Indenture dated as of July __, 2026 (the "Indenture"), among the City of Roswell, New Mexico (the "Issuer"), GALLAGHER SOLAR HOLDINGS, LLC (the "Purchaser"), Gallagher Solar LLC (the "Company") and BOKF, NA (the Depositary), requests on behalf of the Company, the disbursement of \$_____ from the Acquisition Fund (as defined in the Indenture) to pay the following costs and expenses (or to reimburse the Company for payment of such costs and expenses) related to the Project (as defined in the Indenture) or to the issuance of the Bonds (as defined in the Indenture):

<u>Amount</u>	<u>General Classification Of Expenditure</u>	<u>Payee</u>
\$		
Amount of this requisition:	\$	_____

The undersigned certifies that:

- (1) obligations in the stated amounts were incurred for Related Costs (as defined in the Indenture) and are due and payable (or, if the Company is indicated as the Payee, were duly paid by the Company) and that each item is a proper charge against the Acquisition Fund and has not been the subject of a previous withdrawal from the Acquisition Fund; and
- (2) to the best knowledge of the undersigned there has not been filed with or served upon the Issuer or the Company notice of any lien, right or attachment upon, or claim affecting the right of any such payee to receive payment of, the respective amounts stated in such requisition which has not been released or will not be released simultaneously with the payment of such obligation; and
- (3) with respect to any item for payment for labor or to contractors, builders or materialmen, (i) the obligations stated have been properly incurred, (ii) such work was actually performed or such materials or supplies were actually furnished or installed in or about the Project, and (iii) either such materials or supplies are not subject to any lien or security interest or any such lien or security interest will be released or discharged upon payment of this requisition.

DATED: July __, 2026

GALLAGHER SOLAR LLC

By: _____
Name: _____
Title: _____
Authorized Company Representative

EXHIBIT C
COMPLETION CERTIFICATE

The undersigned Authorized Company Representative, pursuant to Section 706 of the Indenture, dated as of July __, 2026 (the "Indenture"), among the City of Roswell, New Mexico, Gallagher Solar Holdings, LLC, as Purchaser, Gallagher Solar LLC (the "Company") and BOKF, NA, as Depositary, states that, except for specified amounts remaining in the Acquisition Fund for any specified Related Costs as described in Appendix A hereto incurred by the Company, but not now due and payable, the Project is complete and all costs of labor, services, materials and supplies in connection with the Project Property have been paid for or provisions have been made for their payment. After the transfer of remaining moneys in the Acquisition Fund to the Company pursuant to Section 706 of the Indenture, the Company will have sole responsibility for the payment of any Related Cost in excess of the amount specified to be retained in the Acquisition Fund.

Moneys set aside for payment of pending expenses equal \$ _____
_____ and total disbursements equal \$ _____

DATED: July __, 2026

GALLAGHER SOLAR LLC

By: _____
Name: _____
Title: _____
Authorized Company Representative

EXHIBIT D
CERTIFICATE OF QUALIFIED INVESTOR

City of Roswell, New Mexico

BOKF, NA, as Depositary

Gallagher Solar LLC

Re: City of Roswell, New Mexico
Taxable Industrial Revenue Bonds
(Gallagher Solar LLC Project), Series 2026

Please be advised that the undersigned is purchasing the captioned Bonds (hereinafter referred to as the “Bonds”). Such purchase is for the account of the undersigned, for the purpose of investment and not with a present intent for distribution or resale. In the event that the undersigned transfers such Bonds, the undersigned shall comply with all provisions of the Indenture dated as of July __, 2026 (as amended from time to time, the “Indenture”), among the City of Roswell, New Mexico (the “Issuer”), GALLAGHER SOLAR HOLDINGS, LLC, as Purchaser, Gallagher Solar LLC (the “Company”) and BOKF, NA, as Depositary (the “Depositary”), as described in the Bonds. The undersigned assumes all responsibility for complying with any applicable federal and state securities laws in such regard and must present to the Depositary, the Issuer and the Company a Certificate of Qualified Investor executed by the proposed transferee, among other things as may be required by the agreements authorizing the Bonds, before such transfer will be effective.

The undersigned acknowledges that it is one of the following:

1. a bank as defined in Section 3(a)(2) of the Securities Act of 1933, as amended (the “Securities Act”), or savings and loan association or other institution as defined in Section 3(a)(S)(A) of the Securities Act, whether acting in its individual or fiduciary capacity; broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”); insurance company as defined in Section 2(13) of the Securities Act; insurance company as registered under the Investment Company Act of 1940 or a business development company as defined in Section 2(a)(48) of that Act; Small Business Investment Company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958; plan established and maintained by a state, its political subdivision, or any agency or instrumentality of a state or its political subdivision, for the benefit of its employees, if such plan has total assets in excess of \$5,000,000; employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors;

2. a private business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940;

3. an organization described in Section 501(c)(3) of the Internal Revenue Code with total assets in excess of \$5,000,000;

4. a natural person whose individual net worth, or joint net worth with that person's spouse, at the time of this purchase exceeds \$1,000,000, excluding the value of the primary residence of such person;

5. a natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with the person's spouse in excess of \$300,000 in each of those years and who reasonably expects reaching the same income level the current year; or

6. one or more of the following, as indicated, that it is acting for its own account or the accounts of other Qualified Institutional Buyers and that it in the aggregate owns and/or invests on a discretionary basis at least \$100 million in securities of issuers that are not affiliated with the Company:

(a) an insurance company, as defined in Section 2(13) of the Securities Act;

(b) an investment company registered under the Investment Company Act of 1940, as amended, or any business development company as defined in Section 2(a)(48) of that Act;

(c) a Small Business Investment Company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958;

(d) a plan established and maintained by a state, its political subdivision or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees;

(e) an employee benefit plan within the meaning of Title I of the Employee Retirement Income Security Act of 1974;

(f) a trust fund whose trustee is a bank or trust company and whose participants are exclusively plans of the types identified in Paragraph (d) or (e) above, and not a trust fund that includes as participants individual retirement accounts or H.R. 10 plans;

(g) a business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940 (the "Investment Advisers Act");

(h) an organization described in Section 501(c)(3) of the Internal Revenue Code, a corporation (other than a bank as defined in Section 3(a)(2) of the Securities Act or a savings and loan association or other institution referenced in Section 3(a)(5)(A) of the Securities Act or a foreign bank or savings and loan association or equivalent institution), partnership or similar business trust; or

(i) an investment adviser registered under the Investment Advisers Act;

7. a dealer registered pursuant to Section 15 of the Exchange Act, acting for its own account or the accounts of other qualified institutional buyers, that in the aggregate owns and invests on a discretionary basis at least \$10 million of securities of issuers that are not affiliated with the dealer, provided that securities constituting the whole or a part of an unsold allotment to or subscription by a dealer as a participant in a public offering shall not be deemed to be owned by such dealer; or

8. a dealer registered pursuant to Section 15 of the Exchange Act acting in a riskless principal transaction on behalf of a qualified institutional buyer; or

9. an investment company registered under the Investment Company Act, acting for its own account or for the accounts of other qualified institutional buyers, that is part of a family of investment

companies which own in the aggregate at least \$100 million in securities of issuers, other than issuers that are affiliated with the investment company or are part of such family of investment companies. "Family of investment companies" means any two or more investment companies registered under the Investment Company Act, except for a unit investment trust whose assets consist solely of shares of one or more registered investment companies, that have the same investment adviser (or, in the case of unit investment trusts, the same depositor), provided that, for purposes of this section:

(a) each series of a series company (as defined in Rule 18f-2 under the Investment Company Act) shall be deemed to be a separate investment company; and

(b) investment companies shall be deemed to have the same adviser (or depositor) if their advisers (or depositors) are majority-owned subsidiaries of the same parent, or if one investment company's adviser (or depositor) is a majority-owned subsidiary of the other investment company's adviser (or depositor);

10. an entity, all of the equity owners of which are qualified institutional buyers, acting for its own account or the accounts of other qualified institutional buyers; or

11. a bank as defined in Section 3(a)(2) of the Securities Act, any savings and loan association or other institution as referenced in Section 3(a)(5)(A) of the Securities Act, or any foreign bank or savings and loan association or equivalent institution, acting for its own account or the accounts of other qualified institutional buyers, that in the aggregate owns and invests on a discretionary basis at least \$100 million in securities of issuers that are not affiliated with it and that has an audited net worth of at least \$25 million as demonstrated in its latest annual financial statements, as of a date not more than 16 months preceding the date of sale in the case of a U.S. bank or savings and loan association, and not more than 18 months preceding such date of sale for a foreign bank or savings and loan association or equivalent institution; or

12. any entity that is acquiring the Bond for the purpose of facilitating investment therein by "qualified institutional buyers" as defined under Rule 144A promulgated under the Securities Act; or

13. Gallagher Solar LLC, the parent or subsidiary thereof, or any affiliated entity.

The undersigned further acknowledges that (i) interest on the Bonds is not exempt from gross income for federal income tax purposes, and (ii) an opportunity was available to obtain and that the undersigned has obtained all materials which were regarded as necessary to evaluate the merits and risks of investment in the Bonds and after such evaluation, the undersigned understands and knows that investment in the Bonds involves certain risks, including, but not limited to, those related to limited security and source for payment of the Bonds and the probable lack of any secondary market for the Bonds.

The undersigned acknowledges, warrants and represents that the undersigned is experienced in transactions such as those relating to the Bonds and that the undersigned is knowledgeable and fully capable of independently evaluating the risks involved in investing in the Bonds. The undersigned further acknowledges that neither the Issuer nor any of its officials, counsel, agents or consultants is responsible for any information contained in or omitted from the materials furnished, whether directly or by any other means, relating to the Bonds and acknowledges that the undersigned will not look and has not looked to any of them to obtain such information on its behalf.

GALLAGHER SOLAR HOLDINGS, LLC,
as Purchaser

By Gallagher Solar LLC, its sole member

By: _____

Name: _____

Its: _____

Address for Notices and
Payment of principal and interest:

c/o Gallagher Solar LLC
[Address]

GALLAGHER SOLAR HOLDINGS, LLC,
CITY OF ROSWELL, NEW MEXICO
and
GALLAGHER SOLAR LLC

BOND PURCHASE AGREEMENT

Dated July __, 2026

Up to \$4,800,000
City of Roswell, New Mexico
Taxable Industrial Revenue Bonds
(Gallagher Solar LLC Project)
Series 2026

BOND PURCHASE AGREEMENT

GALLAGHER SOLAR HOLDINGS, LLC (the “Purchaser”), **CITY OF ROSWELL, NEW MEXICO** (the “Issuer”), and **GALLAGHER SOLAR LLC** (the “Company”), agree:

Section 1. Recitals. The Issuer, the Purchaser, the Company and BOKF, NA, as depository (the “Depository”) have entered into an Indenture dated as of July __, 2026 (the “Indenture”). Pursuant to the Indenture, the Issuer will issue its Taxable Industrial Revenue Bonds (Gallagher Solar LLC Project), Series 2026, in the maximum principal amount of \$4,800,000 (the “Bonds”). Capitalized terms used in this Bond Purchase Agreement (this “Agreement”) but not defined herein shall have the meanings assigned to such terms in the Indenture.

Section 2. Purchase and Delivery. On the basis of the representations and covenants contained in this Agreement and subject to the terms and conditions contained in this Agreement, the Purchaser will purchase the Bonds from the Issuer and the Issuer will sell the Bonds to the Purchaser. As consideration for the sale of the Bonds, the Purchaser will make advances on the Bonds at the times and under the conditions specified in Section 702 of the Indenture. The Issuer will deliver the Bonds to the Purchaser as provided in Section 403 of the Indenture, or at such other time as is mutually agreeable to the Purchaser and the Issuer (the “Closing Date”).

Section 3. Issuer Representations. The Issuer represents that, as of the date of this Agreement:

(a) Each of the representations of the Issuer in the Lease Agreement, dated as of July __, 2026 (the “Lease” and, together with the Indenture and this Agreement, the “Bond Documents”), between the Issuer and the Company, and the Indenture is true and correct as if made on and as of the date of this Agreement.

(b) Pursuant to Ordinance No. _____ duly adopted by the City Council of the City of Roswell on May 14, 2026 (the “Bond Ordinance”), the Issuer duly authorized and approved (i) the execution and delivery by the Issuer of the Bond Documents and the performance by the Issuer of its obligations under the Bond Documents, and (ii) the issuance, execution and delivery of the Bonds. The Bond Ordinance has not been amended, modified or repealed.

Section 4. Company Representations. The Company represents that as of the date hereof:

(a) Each of the representations of the Company in the Lease is true and correct as if made on and as of the date of this Agreement.

(b) This Agreement, the Indenture and the Lease constitute legal, valid and binding obligations of the Company, enforceable against the Company in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors’ rights generally and general principles of equity.

(c) The Company is a Delaware limited liability company, duly organized, validly existing and in good standing under the law of the State of Delaware and is a duly registered foreign limited liability company authorized to do business in the State of New Mexico and has full legal capacity, right, power and authority to own the Company’s properties and conduct the Company’s business. The Company has full legal capacity, right, power and authority to execute and deliver this Agreement, the Indenture and the Lease, to provide for the operation and management of the Project Property, and to take any and all

such action as may be required on its part to carry out, give effect to and consummate the transactions contemplated by this Agreement, the Indenture and the Lease.

(d) Neither the execution and delivery of this Agreement, the Indenture and the Lease, nor the consummation of the transactions contemplated therein or the compliance with the provisions thereof, will conflict with, or constitute on the part of the Company a violation of, or a breach of or default under any material indenture, mortgage, commitment, note or other agreement or instrument to which the Company is a party or by which the Company is bound, or any material order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company or any of its activities or properties. All consents, approvals, authorizations and orders of governmental or regulatory authorities (except as required under state securities laws) which are required for the Company's execution and delivery of, consummation of the transactions contemplated by, and compliance with the provisions of this Agreement, the Indenture and the Lease have been obtained.

(e) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or, to the best of the knowledge of the Company, threatened, against or affecting the Company, or the actions taken or contemplated to be taken by the Company, nor, to the best of the knowledge of the Company, is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the business or financial condition of the Company, or the transactions contemplated by, or the validity or enforceability of, this Agreement, the Indenture or the Lease.

(f) No event has occurred and no condition exists which, upon issuance of the Bonds, would constitute (or with the giving of notice or lapse of time, or both, would constitute) an Event of Default under the Lease.

(g) The Company is not in violation of any provisions of, or in default under any statute, indenture, mortgage, commitment, note or other agreement or instrument to which it is a party or by which it is bound, or any order, rule, regulation or decision of any court or governmental agency or body having jurisdiction over it or any of its activities or properties, which violation would materially and adversely affect its business or financial condition.

Section 5. Purchaser Representations. The Purchaser represents and acknowledges that, as of the date of this Agreement:

(a) The Purchaser is purchasing the Bonds for its own account for investment and with no present intention of distributing or reselling the Bonds or any interest in the Bonds but without prejudice, however, to its right at all times to sell or otherwise dispose of all but not part of the Bond in compliance with the Securities Act of 1933, as amended, the regulations promulgated thereunder, applicable state securities laws and regulations and the terms of the Bonds, upon receipt of appropriate investor representations, an opinion of counsel experienced in securities law matters and satisfactory to the Issuer and in accordance with the applicable terms of the Indenture.

(b) The Purchaser understands that the Bonds are a special limited, and not general, obligation of the Issuer, are payable solely from the Basic Rent received under the Lease and from the security therefor as described in the Indenture but from no other sources. The Purchaser understands that the Bonds are not secured by any obligation or pledge of any monies received or to be received from taxation or from the State or any political subdivision, taxing district, or municipality thereof (including, without limitation, the Issuer), and that the Bonds will never represent or constitute a general obligation, debt or bonded indebtedness of the Issuer, the State, any political subdivision or municipality thereof, and that no right will exist to have taxes levied by the Issuer, the State, any political subdivision or municipality

thereof, for the payment of principal of, premium, if any, and interest on the Bonds. The Purchaser understands that payment of the Bonds depends upon the general credit of the Company, and upon the security granted in the Indenture for the Company's obligations under the Lease.

(c) The Purchaser is an affiliate of the Company and has been afforded the opportunity to discuss the business, assets and financial position of the Company with the officers, employees and auditors of the Company; and has received such information concerning the Company and its business, assets and financial position, and the Project (as defined in the Lease) as it deems necessary in making its decision to purchase the Bonds.

(d) The Purchaser is duly and legally authorized to purchase the Bonds, has such knowledge and experience in financial and business matters (including the ownership of municipal conduit obligations) as are required for, and is capable of, evaluating the merits and risks of its purchase of the Bonds, is aware of the intended use of proceeds of the Bonds, and understands that interest on the Bonds is not excludable from gross income for federal income tax purposes.

(e) The Purchaser understands that neither the Issuer nor any of its officials, counsel, consultants or agents has undertaken to furnish any information with respect to the Company or to ascertain the accuracy of any information furnished to the Purchaser with respect to the Company, and the Purchaser has not requested or received any representations from the Issuer with respect to any such information, its accuracy or completeness. The Purchaser waives any requirement of due diligence in investigation or inquiry on the part of the Issuer, its officials, counsel, agents and consultants and all claims, actions or causes of action which the Purchaser may have from and after the date hereof against the Issuer, its officials, counsel, agents and consultants growing out of any such action which any of the foregoing took, or could have taken, in connection with the authorization, execution, delivery, and sale of the Bonds to the Purchaser or in connection with any statement or representation by the Company which induced the Purchaser to purchase the Bonds.

(f) The Purchaser has received and reviewed copies of the Bond Documents and the Bond Ordinance.

(g) This Agreement constitutes the legal, valid and binding obligation of the Purchaser, enforceable against the Purchaser in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and general principles of equity.

(h) The Purchaser has been informed by the Company and agrees that the Indenture has not been qualified under the Trust Indenture Act of 1939, and that the Bonds (i) are not being registered or otherwise qualified for sale under (a) the Securities Act of 1933, as amended, or (b) the "Blue Sky" laws and regulations of any state, (ii) will not be listed on any stock or other securities exchange, (iii) will not carry a rating from any rating service and (iv) will not be readily marketable. The Purchaser has been informed by the Company and agrees that a legend will be placed on the Bonds certificate or any other documents evidencing ownership of the Bonds to the effect that it has not been registered under the Securities Act of 1933, as amended, or the applicable state "Blue Sky" laws and that it may only be transferred in compliance with the Indenture and applicable securities laws.

(i) The execution, delivery and performance of this Agreement by the Purchaser will not constitute a default under any other agreement by which the Purchaser is bound.

(j) The Purchaser acknowledges that its purchase of the Bonds constitutes a transaction in a bond secured by the Indenture which is, among other things, a personal property security agreement, pursuant to which the Bonds are offered and sold as a unit.

Section 6. Indemnification.

(a) The Company and the Purchaser will, jointly and severally, indemnify, defend and hold harmless the Depositary, as defined in the Indenture, each agent and employee of the Depositary, the Issuer, each City Council member, official, agent or employee of the Issuer and each person, if any, who has the power, directly or indirectly, to direct or cause the direction of the management and policies of the Issuer (each an “Indemnified Party” and, collectively, the “Indemnified Parties”) from and against any and all losses, claims, damages, liabilities, joint or several, or expenses related thereto arising out of or in connection with or caused by any offering, sale or resale of the Bonds in violation of any federal or state securities laws or by an untrue statement or misleading statement or alleged untrue statement or alleged misleading statement of a material fact made to any person or caused by an omission or alleged omission of any material fact in connection with the Bonds or the sale, resale or delivery thereof.

(b) In case a claim is made or any action is brought against one or more of the Indemnified Parties based upon the matters described in the preceding paragraph and in respect of which indemnity is sought against the Company or the Purchaser pursuant to the preceding paragraph, the Indemnified Party or Parties seeking indemnity shall promptly notify the Company and the Purchaser, in writing, and the Company and the Purchaser shall promptly assume or cause the assumption of the defense thereof, including the employment of counsel chosen by the Company and the Purchaser and approved in writing by the Issuer (provided, that such approval by the Issuer shall not be unreasonably withheld), the payment of all expenses (including reasonable counsel fees and expenses) and the right to negotiate and consent to settlement. If the Company and the Purchaser fail to assume or cause the assumption of the defense of such action or to retain counsel reasonably satisfactory to the Issuer within a reasonable time after notice of the commencement of such action, the reasonable fees and expenses of counsel retained by the Indemnified Party shall be paid by the Company or the Purchaser. If any Indemnified Party is advised in a written opinion of counsel that the defenses of such Indemnified Party should be handled by separate counsel, the Company and the Purchaser shall not have the right to assume or cause the assumption of the defense of such Indemnified Party, but the Company and the Purchaser shall be responsible for the fees and expenses of such separate counsel (the “Separate Counsel”) retained by such Indemnified Party. Notwithstanding, and in addition to, any of the foregoing, any one or more of the Indemnified Parties shall have the right to employ separate counsel with respect to any such claim or in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be paid by such Indemnified Party or Indemnified Parties unless the employment of such counsel has been specifically authorized in writing by the Company and the Purchaser. Neither the Company nor the Purchaser shall be liable for any settlement of any such action effected without the written consent of the Company or the Purchaser, but if settled with the written consent of the Company and the Purchaser or if there is a final judgment for the plaintiff in any such action with or without consent, the Company and the Purchaser will indemnify and hold harmless the Indemnified Parties from and against any loss or liability by reason of such settlement or judgment.

(c) In order to provide for just and equitable contribution in circumstances in which the indemnity provided for in this Section 6 is for any reason held to be unavailable to the Indemnified Parties in accordance with its terms, the Purchaser and the Company shall contribute to the aggregate losses, liabilities, claims, damages and expenses of the nature contemplated by this Section 6 incurred by the Indemnified Parties in such proportions as determined by a court having jurisdiction of the matter.

(d) The covenants and agreements of the Purchaser and the Company under this Section 6 are joint and several.

Section 7. Conditions. The obligation of the Purchaser to purchase the Bonds and the obligation of the Issuer to sell the Bonds are subject to satisfaction of the following conditions precedent:

(a) The representations of the Issuer, the Purchaser and the Company in this Agreement will be true and correct on and as of the date the Bonds are issued ("Closing Date") as if made on and as of the Closing Date.

(b) As of the Closing Date, no Default (as defined in the Indenture) or Event of Default (as defined in the Lease) will have occurred and be continuing, and no event will have occurred and be continuing which, with the lapse of time or the giving of notice or both, would constitute a Default or Event of Default.

(c) On or before the Closing Date, all actions required to be taken as of the Closing Date in connection with the Bonds, the Bond Ordinance and the Bond Documents by the Issuer, the Purchaser and the Company will have been taken, and the Issuer, the Purchaser and the Company will each have performed and complied with all agreements, covenants and conditions required to be performed or complied with by the Bond Ordinance and the Bond Documents.

(d) The Indenture will have been duly executed and delivered by the Issuer, the Company, the Purchaser and the Depository. The Lease will have been duly executed by the Issuer and the Company. Each of the Bond Documents, the Bond Ordinance and all other official action of the Issuer relating to the Bonds, the Project (as defined in the Lease) and the Bond Documents will be in full force and effect on the Closing Date and will not have been amended, modified or supplemented on or before the Closing Date.

(e) The Issuer, the Company and the Purchaser will have received the following, each dated the Closing Date:

(i) the approving opinion of Sutin Thayer & Browne, A Professional Corporation, Bond Counsel, substantially in the form of Exhibit A;

(ii) the opinion of counsel to the Company, substantially in the form of Exhibit B;

(iii) the opinion of the Attorney for the Issuer, substantially in the form set forth in Exhibit C;

(iv) the opinion of counsel to the Purchaser, substantially in the form set forth in Exhibit D;

(v) a certificate of and with reference to the Issuer and signed by a duly authorized officer of the Issuer to the effect set forth in subsections (a) and (c) of this Section 7 with respect to the Issuer;

(vi) a certificate of and with reference to the Company signed by a duly authorized officer of the Company to the effect set forth in subsections (a), (b) and (c) of this Section 7;

(vii) a certificate of and with reference to the Purchaser signed by a duly authorized officer of the Purchaser to the effect set forth in (a) and (c) of this Section 7;

(viii) a certificate of the Depositary signed by a duly authorized officer of the Depositary to the effect that (a) he or she is an authorized officer of the Depositary; (b) the Indenture has been duly executed and delivered by the Depositary; (c) the Depositary has all necessary corporate powers required to execute, deliver and perform its obligations under the Indenture; and (d) to the best of his or her knowledge, the execution and delivery by the Depositary of the Indenture and the performance by the Depositary of its obligations under the Indenture will not conflict with or constitute a breach of or default under any law, administrative regulation, consent decree or any agreement or other instrument to which the Depositary is subject or by which the Depositary is bound;

(ix) such additional legal options, certificates, proceedings, instruments and other documents as any such party or Bond Counsel may reasonably request; and

(x) an investment intent letter from the Purchaser in the form of the Certificate of Qualified Investor attached to the Indenture.

If any conditions to the obligations of the Purchaser or the Issuer under this Agreement are not satisfied and if the satisfaction of such conditions is not waived by the Purchaser and the Issuer, then, at the option of the Purchaser or the Issuer, respectively in accordance with their interests (x) the Closing Date will be postponed for such period, not to exceed five business days, as may be necessary for such conditions to be satisfied or (y) the obligations of the Purchaser and the Issuer under this Agreement will terminate, and neither the Purchaser nor the Issuer will have any further obligations or liabilities under this Agreement.

Section 8. Survival. All agreements, covenants and representations and all other statements of the Issuer and the Company and their respective officers set forth in or made pursuant to this Agreement will survive the Closing Date and the delivery of and payment for the Bonds.

Section 9. Notices. Any notice, demand, direction, request, consent, approval, report or other instrument authorized or required by any of the Bond Documents to be executed, given or filed will be in writing and will be deemed to have been sufficiently given or filed for all purposes of the Bond Documents when delivered by hand delivery or on the third Business Day following the day on which the same has been mailed by registered or certified mail, postage prepaid, addressed as follows:

If to the Issuer: City of Roswell, New Mexico
425 N. Richardson Ave.
Roswell, New Mexico 88201

If to the Purchaser: Gallagher Solar Holdings, LLC
c/o Gallagher Solar LLC
[Address]

If to the Company: Gallagher Solar LLC
[Address]

Any Party may, by notice to each of the other Parties, designate any further or different addresses to which subsequent notices, certificates or other communications are to be sent. Receipt by the Issuer and the Company of a Certificate of Qualified Investor in the form attached to the Indenture as Exhibit E, from

a transferee of the Bonds will constitute notice by the transferee of such a different address for the Purchaser.

Section 10. Remedies. No right or remedy conferred on any party in this Agreement is intended to be exclusive of any other right or remedy. No delay or omission of any party to exercise any such right or remedy may be exercised from time to time and as often as the relevant party may deem expedient. No waiver by any party of any right or remedy with respect to any Default or Event of Default will extend to or affect any other existing or subsequent Default or Event of Default.

Section 11. Severability. In case any one or more of the provisions of this Agreement or of the Bonds are for any reason held to be illegal or invalid, such illegality or invalidity will not affect any other provision of any of this Agreement or of the Bonds, but this Agreement and the Bonds will be construed and enforced as if such illegal or invalid provision had not been contained therein. In case any covenant, stipulation, obligation or agreement of the Issuer contained in this Agreement or the Bonds are for any reason held to be in violation of law, then such covenant, stipulation, obligation or agreement will be deemed to be the covenant, stipulation, obligation or agreement of the Issuer to the full extent permitted by law.

Section 12. Obligations of Issuer Not Obligations of Officials Individually. No obligation under any of the Bond Documents or the Bonds will be deemed to be an obligation of any present or future officer (including, without limitation, City Councilors) or employee of the Issuer in his or her individual capacity, and no officer of the Issuer who executes the Bond will be personally liable on the Bonds or be subject to any personal liability or accountability by reason of the issuance of the Bonds.

Section 13. Limitation of Issuer's Liability. No agreements or provisions contained in this Agreement nor any agreement, covenant or undertaking by the Issuer contained in any document executed by the Issuer in connection with any property of the Company financed, directly or indirectly, out of the Bond proceeds or the issuance, sale and delivery of the Bonds will give rise to any pecuniary liability of the Issuer, its officials, employees, agents or members of its governing body or constitute a charge against the Issuer's general credit, or will obligate the Issuer financially in any way, except with respect to the Basic Rent available under the Lease and the Indenture provided by the Company and pledged to the payment of the Bonds, and their application as provided under the Indenture. No failure of the Issuer to comply with any terms, covenants or agreements in this Agreement or in any document executed by the Issuer in connection with the Bonds will subject the Issuer, its officials, employees, agents and members of its governing body to any pecuniary charge or liability except to the extent that the same can be paid or recovered from the funds available under the Lease or the Indenture provided by the Company and pledged to the payment of the Bonds. None of the provisions of the Bond Documents will require the Issuer to expend or risk its own funds or to otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers under the Bond Documents. Nothing in this Agreement will preclude a proper party in interest from seeking and obtaining, to the extent permitted by law, specific performance against the Issuer for any failure to comply with any term, condition, covenant or agreement in any of the Bond Documents; provided, that no costs, expenses or other monetary relief will be recoverable from the Issuer except as may be payable from the funds available under the Lease or the Indenture provided by the Company and pledged to the payment of the Bonds.

Section 14. Title, Headings. The title and headings of the articles and sections of this Purchase Agreement have been used for convenience only and do not modify or restrict any of the terms or provisions hereof.

Section 15. Execution in Counterparts. This Agreement may be executed in counterparts, all of which taken together will constitute one instrument.

Section 16. Applicable Law. The validity, construction and effect of this Agreement will be governed by the law of the State of New Mexico and the proper venue shall be Chaves County.

Section 17. Expenses. All costs and expenses relating to the preparation, issuance, delivery and sale of the Bonds and the preparation, execution and delivery of the Bond Ordinance, the Bond Documents and all other agreements, documents and instruments related to the transactions contemplated by the Bond Documents, including the fees and expenses of Issuer's outside review counsel and the City Attorney, are to be paid by the Company.

Section 18. Performance of the Parties. The respective obligations of the parties hereunder are subject to the performance by each other party hereto of its own obligations hereunder.

[Remainder of this page intentionally left blank]

DATED: _____, 2026

GALLAGHER SOLAR HOLDINGS, LLC
as Purchaser

By Gallagher Solar LLC, its sole member

By: _____

Name: _____

Its: _____

GALLAGHER SOLAR LLC,
as Company

By: _____

Name: _____

Its: _____

(Signature Page for Bond Purchase Agreement)

(SEAL)

CITY OF ROSWELL, NEW MEXICO

Attest:

By: _____
Amalia Martinez, City Clerk

By: _____
Timothy Z. Jennings, Mayor

(Signature Page for Bond Purchase Agreement)

Exhibit A

[Opinion of Bond Counsel]

_____, 2026

City of Roswell, New Mexico
Chaves County, New Mexico

Gallagher Solar Holdings, LLC
[City, State]

Gallagher Solar LLC
[City, State]

BOKF, NA
Albuquerque, New Mexico

\$4,800,000
City of Roswell, New Mexico
Taxable Industrial Revenue Bonds
(Gallagher Solar LLC Project)
Series 2026

Ladies and Gentlemen:

We have acted as Bond Counsel in connection with the issuance and sale by the City of Roswell, New Mexico (the “Issuer”) of its Taxable Industrial Revenue Bonds (Gallagher Solar LLC Project) Series 2026 in the maximum principal amount of \$4,800,000 (the “Bonds”).

The Bonds will bear interest on the outstanding principal amount at a per annum rate equal to four and seven-tenths percent (4.7%). Interest on the Bonds is payable each _____ 1 beginning _____ 1, 2027, with the outstanding principal amount of the Bonds plus all interest thereon due and payable in full at their final maturity.

The Bonds are subject to redemption prior to maturity as described in the Indenture dated as of July __, 2026 (the “Indenture”) among the Issuer and Gallagher Solar Holdings, LLC (the “Purchaser”), Gallagher Solar LLC (the “Company”) and BOKF, NA (the “Depositary”).

The principal of, interest on and redemption price of the Bonds are not general obligations of the Issuer but special obligations payable solely from the revenues pledged under the Indenture. Neither the faith and credit nor the taxing power of the State of New Mexico or of any of its political subdivisions or municipalities, including the Issuer, is pledged to the payment of the principal of, interest on or redemption price of the Bonds. The principal of, interest on and redemption price of the Bonds will never constitute a debt or indebtedness of the Issuer within the meaning of any provision or limitation of the constitution or laws of the State of New Mexico. The Bonds will never constitute nor give rise to a pecuniary liability of the State of New Mexico, any of its political subdivisions or of the Issuer or a charge against their general credit or taxing powers.

In connection with the issuance of the Bonds, we have examined (a) a certified copy of an ordinance passed by the Roswell City Council on May 14, 2026, authorizing the issuance of the Bonds, pursuant to and under the provisions of Sections 3-32-1 through 3-32-16, New Mexico Statutes Annotated, 1978 Compilation, as amended (the “Act”); (b) the executed Bonds; (c) executed counterparts of the Indenture, the Lease Agreement dated as of July __, 2026 (the “Agreement”) between the Issuer and the Company

and the Bond Purchase Agreement dated July __, 2026 (the “Bond Purchase Agreement” and, together with the Indenture and the Agreement, the “Bond Documents”) among the Purchaser, the Issuer and the Company; and (d) such other opinions, documents, certificates and letters as we deemed relevant in rendering this opinion.

Based on such examination, in our opinion:

1. The Issuer is a political subdivision of the State of New Mexico and has the power and authority, under the constitution and laws of the State of New Mexico, including the Act, to execute and deliver the Bond Documents, and to authorize, execute, issue and deliver the Bonds.

2. The terms and provisions of the Bonds and the Bond Documents comply in all respects with the requirements of the Act.

3. The Bonds have been validly authorized, executed and issued in accordance with the law of New Mexico and represent the valid and binding special obligation of the Issuer.

4. The Bond Documents have been duly authorized, executed and delivered by the Issuer and, assuming due authorization, execution and delivery by the other parties to the Bond Documents, constitute legal, valid and binding obligations of the Issuer enforceable against the Issuer in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors’ rights generally and general principles of equity.

5. Neither the offer nor sale of the Bonds to the Purchaser pursuant to the Bond Documents is required to be registered under any federal or New Mexico securities law. The Indenture is not required to be qualified under the Trust Indenture Act of 1939, as amended.

6. The issuance and sale of the Bonds to the Purchaser is not subject to Rule 15c2-12 of the Securities and Exchange Commission.

Our opinion in paragraph 4 above, insofar as it relates to the enforceability of the Indenture, is subject to the following qualifications:

- (i) New Mexico law may require that notice of acceleration be given to the Company before foreclosure of the Indenture. Comer v. Hargrave, 93 N.M. 170, 598 P.2d 213 (1979).
- (ii) We express no opinion as to title to or the priority of any lien on or security interest in any real or personal property.

The foregoing opinions represent our legal judgment based upon a review of existing legal authorities that we deem relevant to render such opinions and are not a guarantee of a result. This letter is issued for the sole benefit of the above addressees and is issued for the sole purpose of the transaction specifically referred to herein. No person other than the above addressees may rely upon this letter without our prior written consent. This letter may not be utilized by you for any other purpose and may not be quoted by you without our express prior written consent, except that this opinion may be included in the transcript of official record of proceedings relating to the issuance and sale of the Bond. Our engagement as Bond Counsel with respect to the issuance and sale of the Bonds terminates upon the date of this letter. We assume no obligation to review or supplement this letter subsequent to its date, whether by reason of a change in the current law, by legislative or regulatory action, by judicial decision or for any other reason.

Exhibit B

[Opinion of Counsel to the Company]

_____, 2026

City of Roswell, New Mexico
Chaves County, New Mexico

Gallagher Solar Holdings, LLC
[City, State]

Gallagher Solar LLC
[City, State]

BOKF, NA
Albuquerque, New Mexico

Ladies and Gentlemen:

I am general counsel to Gallagher Solar LLC (the “Company”) and have been requested to render my opinion in connection with the transactions contemplated by (i) the Lease Agreement dated as of July __, 2026 (the “Agreement”) between the City of Roswell, New Mexico (the “Issuer”) and the Company, (ii) the Bond Purchase Agreement (the “Bond Purchase Agreement”) dated July __, 2026 among Gallagher Solar Holdings, LLC (the Purchaser”), the Issuer and the Company, pursuant to which the Purchaser has agreed to purchase the Issuer’s Taxable Industrial Revenue Bonds (Gallagher Solar LLC Project) Series 2026 in the maximum principal amount of \$4,800,000 to be issued under the Indenture dated as of July __, 2026 (the “Indenture”) among the Issuer, the Purchaser, the Company and the Depositary, and (iii) the Indenture. I have reviewed executed copies of the Bond Documents (as defined below), and certificates of officers of the Company and public officials and have made such other investigations of law and fact as I have deemed necessary. The Agreement, the Indenture and the Bond Purchase Agreement are referred to herein as the Bond Documents.

Based upon the foregoing, in my opinion:

1. The Company is a limited liability company duly organized, validly existing and in good standing under the laws of Delaware, is duly registered as a foreign limited liability company under the laws of New Mexico and has duly authorized the execution, delivery and performance of the Agreement, the Indenture and the Bond Purchase Agreement.
2. The execution, delivery and performance by the Company of the Agreement, the Indenture and the Bond Purchase Agreement will not conflict with, contravene, violate or constitute a breach of or default under the articles of organization or operating agreement of the Company or any law, rule, regulation, ordinance, or, to my knowledge, based on a certificate of an officer of the Company, any order, consent, decree, agreement or instrument to which the Company is a party or by which it or its properties, including the Project Property as defined in the Lease, is bound.
3. All necessary authorizations, approvals, consents and other orders of any governmental authority or agency for the execution and delivery by the Company of the Agreement, the Indenture and the Bond Purchase Agreement have been obtained and are in full force and effect.
4. There is no action, suit, proceeding, inquiry or investigation by or before any court, public board or body pending or, to my knowledge, threatened against the Company, which (i)

B-1

seeks to or does restrain or enjoin the issuance or delivery of the Bond or the execution and delivery of any of the Bond Documents, (ii) in any manner questions the validity or enforceability of the Bonds or any of the Bond Documents, or (iii) questions the authority of the Company to lease or operate any of the Project Property, as defined in the Lease.

5. The Purchaser has full power, authority and legal right to enter the Bond Documents, and has duly authorized, executed and delivered the Bond Documents.

Very truly yours,

Exhibit C

[Opinion of Counsel to Issuer]

_____, 2026

City of Roswell, New Mexico
Chaves County, New Mexico

Gallagher Solar Investments, LLC
[City, State]

Gallagher Solar LLC
[City, State]

BOKF, NA
Albuquerque, New Mexico

Ladies and Gentlemen:

This opinion is being rendered to you in connection with the issuance by the City of Roswell, New Mexico (the “Issuer”) of its Taxable Industrial Revenue Bond (Gallagher Solar LLC Project) Series 2026 in the maximum principal amount of \$4,800,000 (the “Bonds”).

As to questions of fact material to our opinion, we have relied upon the representations of the Issuer contained in Ordinance No. _____ adopted by the Roswell City Council on May 14, 2026 (the “Bond Ordinance”), authorizing the issuance of the Bonds, and in the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation. Capitalized terms not defined herein have the meanings given them in the Bond Ordinance.

In connection with the issuance of this opinion, we have assumed the authenticity and genuineness of all signatures on original documents and the conformity of all copies to the original documents.

Based upon the foregoing, we are of the opinion that, under existing law:

1. The Issuer is a duly organized and validly existing political subdivision of the State of New Mexico under the Constitution and laws of the State of New Mexico.
2. The Bond Ordinance was duly adopted by the Roswell City Council on May 14 , 2026 in accordance with all applicable laws and has not been repealed or rescinded.
3. To our knowledge and without opining as to the legality, validity or enforceability of the Bond, the Indenture, the Lease Agreement and the Bond Purchase Agreement (all as defined in the Bond Ordinance), the adoption of the Bond Ordinance by the City Council of the Issuer will not violate any provision of the laws of the State of New Mexico.
4. To our knowledge, no litigation is now pending or threatened against the Issuer which seeks to or does restrain or enjoin the issuance or delivery of the Bonds, or in any manner questions the authority or proceedings for the issuance of the Bonds.

The foregoing opinions are limited to matters involving the law of the State of New Mexico and the Issuer, and we do not express any opinion as to the laws of any other jurisdiction.

The opinions expressed herein represent our legal judgment and are not a guarantee of result.

This opinion covers only matters expressly addressed herein. No conclusions or statements other than these expressly stated herein are intended and may not be inferred.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Very truly yours,

Exhibit D

[Opinion of Counsel to the Purchaser]

_____, 2026

City of Roswell, New Mexico
Chaves County, New Mexico

Gallagher Solar Holdings, LLC
[City, State]

Gallagher Solar LLC
[City, State]

BOKF, NA
Albuquerque, New Mexico

Ladies and Gentlemen:

I am general counsel to Gallagher Solar Holdings, LLC (the “Purchaser”) and have been requested to render my opinion in connection with the transactions contemplated by (i) the Indenture dated as of July __, 2026 (the “Indenture”) among BOKF, NA as depositary (the “Depositary”), the City of Roswell, New Mexico (the “Issuer”), Gallagher Solar LLC (the “Company”) and the Purchaser, and (ii) the Bond Purchase Agreement (the “Bond Purchase Agreement”) dated July __, 2026 among the Purchaser, the Issuer and the Company, pursuant to which the Purchaser has agreed to purchase the Issuer’s Taxable Industrial Revenue Bonds (Gallagher Solar LLC Project) Series 2026 in the maximum principal amount of \$4,800,000 to be issued under the Indenture. In connection with this transaction, I have examined executed copies of the Bond Documents, certificates of officers of the Purchaser and certificates of public officials and have made such other investigations of law and fact as I have deemed necessary. The Indenture and the Bond Purchase Agreement are referred to herein as the Bond Documents.

Based upon the foregoing, in my opinion:

1. The Purchaser is a limited liability company duly organized and validly existing and in good standing under the laws of Delaware.
2. The execution, delivery and performance by the Purchaser of the Indenture and the Bond Purchase Agreement will not conflict with, contravene, violate or constitute a breach of or default under the articles of organization or the operating agreement of the Purchaser or any law, rule, regulation, ordinance, or, to my knowledge, based on a certificate of an officer of the Purchaser, any order, consent, decree, agreement or instrument to which the Purchaser is a party or by which it or its property is bound.
3. All necessary authorizations, approvals, consents and other orders of any governmental authority or agency for the execution and delivery by the Purchaser of the Indenture and the Bond Purchase Agreement have been obtained and are in full force and effect.
4. There is no action, suit, proceeding, inquiry or investigation by or before any court, public board or body pending or, to my knowledge, threatened against the Purchaser, which (i) seeks to or does restrain or enjoin the issuance or delivery of the Bonds or the execution and delivery of any of the Bond Documents, or (ii) in any manner questions the validity or enforceability of the Bonds or any of the Bond Documents.

5. The Purchaser has full power, authority and legal right to enter the Bond Documents, and has duly authorized, executed and delivered the Bond Documents.

This opinion has been delivered at your request for the purposes in connection with the Bond Documents. Without my prior written consent, this opinion is not to be utilized or quoted for any other purpose and no one other than you is entitled to rely thereon.

Very truly yours,

SUBLEASE AGREEMENT

This Sublease Agreement (this “Agreement”) is entered into as of July __, 2026 by and between Gallagher Solar LLC, a Delaware limited liability company (“Company” or “Lessor”), and the City of Roswell, New Mexico, a municipal corporation existing under the law of the State of New Mexico (“Issuer”, “City” or “Lessee”). Capitalized terms used in this Agreement, but not defined herein, shall have the meanings assigned to such terms in the Bond Lease (defined in Section 3 below).

RECITALS

WHEREAS, the Company wishes to construct a certain project located within the corporate boundaries of the City, for the generation of electricity (the “Project”) consisting of leased land, easements and other property rights on real property leased by the Company and located within the City (the “Project Site”), and all necessary facilities and equipment, including supporting structures and related improvements (the “Improvements” and together with the Project Site, the “Project Property”), and the Company has requested the Issuer to issue a series of its industrial revenue bonds in connection with the Project; and

WHEREAS, Company is the lessee under ground leases in connection with the Project which is referred herein to as the “Project Site Lease” and identified in Exhibit A attached hereto; and

WHEREAS, the Issuer adopted Ordinance No. _____ on May 14, 2026, which authorizes the issuance of up to \$4,800,000 City of Roswell, New Mexico Taxable Industrial Revenue Bonds (Gallagher Solar LLC Project), Series 2026 (the “Bonds”); and

WHEREAS, in order to facilitate the transaction for issuance of the Bonds, which contemplates a lease by the Issuer to the Company of the property covered by the Project Site Lease, the Company and Issuer propose to enter into this Agreement; and

WHEREAS, the Issuer is willing to enter into this Agreement on the terms and conditions set forth herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Sublease and Transfer. Company does hereby sublease and convey to Issuer, and Issuer hereby accepts, all of the Company’s rights and none of its obligations under the Project Site Leases, upon the terms and conditions provided herein. No rent payments will be payable by Issuer to Company or to any other party.

2. Term. This Agreement will terminate when the Bond Lease Terminates.

3. Limitation of Issuer Liability. The parties to this Agreement acknowledge that the Company retains all of its obligations under the Project Site Lease, any easement, right-of-way, or other fractional property interests related to the Project Property and subleased hereby or to be

subleased, and the Company agrees to perform and discharge timely and in full all of its duties, obligations and liabilities under the Project Site Lease during the term of this Agreement. The Company and Issuer agree that the provisions of the lease agreement under which the Issuer leases and subleases the Project Property to the Company (the "Bond Lease") with respect to limitations of the Issuer's liability are deemed to apply with respect to this Agreement and the transaction contemplated hereby. The Company hereby agrees to defend, indemnify and hold harmless the Issuer, members of the Roswell City Council (the "Governing Body"), and officials, employees and agents of the Issuer, against any claims, costs, liabilities and expenses, including reasonable attorney's fees and court costs, arising out of or related to this Agreement, the Project Site Leases, the Project Site, including, but not limited to suits, legal or administrative proceedings, liabilities, damages, claims, costs and expenses resulting from or in any way connected with the presence, release or disposal in or under the Project Site of, any hazardous substances (as defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended), hazardous wastes (as defined in Resource Conservation and Recovery Act of 1976, as amended) or other materials or substances within the meaning of any applicable law, statute, ordinance, regulation, order or rule relating to or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or materials brought on the Project Site by the Company or any equipment or improvements located on or used in connection with the Project Site by the Company. The insurance maintained by Company pursuant to the Bond Lease shall be available if necessary for purposes of indemnification of the Issuer under this Agreement, but the amount of such insurance does not limit any liability of the Company hereunder.

4. Bond Lease. Immediately upon effectiveness of this Agreement, the Company and Issuer will enter into the Bond Lease, pursuant to which Issuer will sublease the property subject to the Project Site Lease and lease the Project Property to the Company, and the terms and conditions of the Bond Lease will govern such arrangement. The parties intend that this Agreement will remain in effect following execution of the Bond Lease and that neither will be merged into the other. Notwithstanding any claim or provision in the Project Site Lease, the Company's environmental indemnity contained in Section 4.6 of the Bond Lease should extend to the Issuer for its protection in connection with its interest in this Agreement.

5. Relationship. Nothing in this Agreement shall be construed as creating a partnership or joint venture between Issuer and Company. Nothing in this Agreement shall be construed to create privity of estate or privity of contract between the Issuer and any lessor under the Project Site Lease.

6. Representations and Warranties of Company. The Company represents and warrants to the Issuer that Company is the tenant under the Project Site Lease and has the capacity to enter into this Agreement with Issuer. The sublease effected under this Agreement is either permitted under the Project Site Lease without the consent of the landlord or, if landlord consent is required under the Project Site Lease, the Company has obtained all consent(s) of the applicable landlords to such subleasing of the Project Site to the Issuer.

7. Obligations of Issuer. Notwithstanding anything to the contrary in this Agreement, the Company acknowledges and agrees that the Issuer shall have no obligation

whatsoever under the Project Site Lease, including any obligation to comply with or perform, or to cause the compliance with or performance of, any of the terms and conditions required to be performed by the Company or other lessee under the Project Site Lease. The Company hereby acknowledges and agrees that the Company is solely responsible for the performance of the obligations of the lessee under the Project Site Lease.

8. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives and such successors and assigns as permitted under this Agreement.

9. This Agreement may be executed in as many counterparts as may be deemed necessary and convenient, and by the different parties hereto on separate counterparts, each of which, when so executed, shall be deemed an original, but all such counterparts shall constitute one and the same instrument. Delivery of a copy of this Agreement bearing an original signature by facsimile transmission, by electronic mail in “pdf” form or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, or by a combination of such means, shall have the same effect as physical delivery of the paper document bearing the original signature. “Originally signed” or “original signature” means or refers to a signature that has not been mechanically or electronically reproduced.

10. This Agreement and the legal relations of the parties hereto shall be governed by and construed and enforced in accordance with the laws of the State of New Mexico, without regard to its principles of conflicts of law.

[Signature pages follow]

IN WITNESS WHEREOF, the parties hereby have executed this Agreement effective as of the date first above written.

GALLAGHER SOLAR LLC,

By: _____

Name:

Title:

ACKNOWLEDGMENT

STATE OF _____)
) ss.

COUNTY OF _____)

This instrument was acknowledged before me on _____, 2026,
by _____, as _____ of Gallagher Solar LLC.

Notary Public

My commission expires: _____

(SEAL)

CITY OF ROSWELL, NEW MEXICO

Attest:

By: _____
Amalia Martinez, City Clerk

By: _____
Timothy Z. Jennings, Mayor

STATE OF NEW MEXICO)
) ss.
COUNTY OF CHAVES)

This instrument was acknowledged before me on _____, 2026,
by Timothy Z. Jennings, as Mayor of the City of Roswell, New Mexico.

Notary Public

My Commission Expires: _____

EXHIBIT A

Project Site Lease

[NTD: Project Site Description]

**ROSWELL NEW MEXICO
AGENDA ITEM ABSTRACT**

Regular City Council Meeting

19.

Meeting Date: 07/09/2026

COMMITTEE: Finance

CONTACT: Tammi Smith

CHAIR: Kurt Gass

ACTION REQUESTED:

Ordinance 26-06: Hold a public hearing to consider adopting proposed Ordinance 26-06: authorizing the execution and delivery of a loan agreement with New Mexico Finance Authority for improvement projects related to flood damage. (Gass/Rogers)

BACKGROUND:

Initiated by Mac Rogers

Requesting approval to advertise for a public hearing on Ordinance 26-06, which authorizes the execution and delivery of a loan agreement with NMFA for improvement projects related to flood damage. As part of the 2025 legislative session, SB 383 authorized an increase in GRT to fund flood recovery bonds. On March 28, 2025, the Council passed Ordinance 25-02, increasing GRT. This agreement would allow the City to sell bonds in September.

FINANCIAL CONSIDERATION

None at this time

LEGAL REVIEW:

Legal has reviewed this item.

BOARD AND COMMITTEE ACTION:

The Legal Committee considered this item at its May 28, 2026, meeting and voted 5-0 to recommend approval to the Finance Committee. The Finance Committee recommended approval at its meeting on June 4, 2026, to be placed on the consent agenda.

STAFF RECOMMENDATION:

Proceed as presented.

Attachments

Ordinance 26-06 authorizing of a loan agreement with NMFA for improvement projects related to flood damage

1

2 STATE OF NEW MEXICO)

3 COUNTY OF CHAVES) ss.

4 CITY OF ROSWELL)

5

6 The City Council (the “Council”) of the City of Roswell (the “City”), in the State
7 of New Mexico, met in open regular session in full conformity with law and the ordinances
8 and rules of the City, in the Chaves County Administrative Center, Council Chambers, #1
9 St. Mary’s Place, Roswell, New Mexico, being the regular meeting place of the Council,
10 at 6:00 p.m., on Thursday, July 9, 2026, at which time there were present and answering
11 the roll call the following members:

Mayor:

Councilors:

Absent:

12 There was officially filed with the City Clerk, the Mayor and each Councilor, a
13 copy of an ordinance in final form, which is as follows:

CITY OF ROSWELL, NEW MEXICO

ORDINANCE NO. _____

AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT AND INTERCEPT AGREEMENT BY AND BETWEEN THE CITY OF ROSWELL, NEW MEXICO (THE “GOVERNMENTAL UNIT”) AND THE NEW MEXICO FINANCE AUTHORITY, EVIDENCING A SPECIAL, LIMITED OBLIGATION OF THE GOVERNMENTAL UNIT TO PAY A PRINCIPAL AMOUNT NOT TO EXCEED \$25,100,000, TOGETHER WITH INTEREST THEREON, FOR THE PURPOSE OF DEFRAYING THE COST TO (I) ACQUIRE, CONSTRUCT, PURCHASE, EQUIP, FURNISH, MAKE ADDITIONS TO, RENOVATE, REHABILITATE, BEAUTIFY, OR OTHERWISE IMPROVE THE CITY’S FLOOD RECOVERY PROJECTS, (II) FUND A LOAN AGREEMENT RESERVE ACCOUNT, AND (III) PAY EXPENSES; PROVIDING FOR THE PLEDGE AND PAYMENT OF THE PRINCIPAL AND INTEREST DUE UNDER THE LOAN AGREEMENT SOLELY FROM THE REVENUES OF THE 0.375% MUNICIPAL FLOOD RECOVERY GROSS RECEIPTS TAX IMPOSED PURSUANT TO GOVERNMENTAL UNIT ORDINANCE NO. _____, ADOPTED _____, 2025, AND SECTION 7-19(D)-19, NMSA 1978, AS AMENDED; APPROVING THE DELEGATION OF AUTHORITY TO MAKE CERTAIN DETERMINATIONS REGARDING THE LOAN AGREEMENT PURSUANT TO THE SUPPLEMENTAL PUBLIC SECURITIES ACT; PROVIDING FOR THE DISTRIBUTION OF MUNICIPAL FLOOD RECOVERY GROSS RECEIPTS TAX REVENUES TO BE REDIRECTED BY THE STATE TAXATION AND REVENUE DEPARTMENT TO THE NEW MEXICO FINANCE AUTHORITY OR ITS ASSIGNS FOR THE PAYMENT OF PRINCIPAL AND INTEREST DUE ON THE LOAN AGREEMENT PURSUANT TO AN INTERCEPT AGREEMENT; APPROVING THE FORM AND TERMS OF, AND OTHER DETAILS CONCERNING THE LOAN AGREEMENT AND INTERCEPT 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 AGREEMENT AND INTERCEPT AGREEMENT.

Capitalized terms used in the following recitals have the same meaning as defined in Section 1 of this Ordinance unless the context requires otherwise.

1 WHEREAS, the Governmental Unit is a legally and regularly created,
2 established, organized and existing municipality under the general laws of the State; and

3
4 WHEREAS, the Governing Body has determined and hereby determines that the
5 Project may be financed with amounts borrowed under the Loan Agreement and that it is
6 in the best interests of the Governmental Unit and its residents that the Loan Agreement
7 and Intercept Agreement be executed and delivered and that the financing of the Project
8 take place by executing and delivering the Loan Agreement; and

9
10 WHEREAS, the Governing Body has determined pursuant to the Act that it may
11 lawfully pledge the Pledged Revenues for the payment of amounts due under the Loan
12 Agreement; and

13
14 WHEREAS, other than as described in the Term Sheet, the Pledged Revenues
15 have not heretofore been pledged to secure the payment of any obligation which is
16 currently outstanding; and

17
18 WHEREAS, the Loan Agreement shall be a special, limited obligation of the
19 Governmental Unit, payable solely from the Pledged Revenues and shall not constitute a
20 general obligation of the Governmental Unit, or a debt or pledge of the faith and credit of
21 the Governmental Unit or the State; and

22
23 WHEREAS, the Governmental Unit desires to provide that distributions of the
24 Pledged Revenues may be redirected to the Finance Authority or its assigns pursuant to an
25 Intercept Agreement between the Governmental Unit and the Finance Authority (the
26 "Intercept Agreement") for the payment of amounts due under the Loan Agreement; and

27
28 WHEREAS, other than the Pledged Revenues, no revenues collected by the
29 Governmental Unit shall be pledged to the Loan Agreement; and

1 WHEREAS, there have been presented to the Governing Body and there presently
2 are on file with the City Clerk this Ordinance and the forms of the Loan Agreement and
3 Intercept Agreement, which are incorporated by reference and considered to be a part
4 hereof; and

5
6 WHEREAS, the Governing Body hereby determines that the improvements
7 financed with the proceeds of the Loan Agreement are to be used for governmental
8 purposes of the Governmental Unit and will not be used for purposes which would cause
9 the Loan Agreement to be deemed a “private activity bond” as defined by the Internal
10 Revenue Code of 1986, as amended; and

11
12 WHEREAS, the Governing Body intends by this Ordinance to authorize the
13 execution and delivery of the Loan Agreement in the amount and for the purposes set forth
14 herein with the final interest rates and principal amount set forth in the Sale Certificate;
15 and

16
17 WHEREAS, pursuant to Sections 6-14-8 through 6-14-11 NMSA 1978, as
18 amended (the “Supplemental Public Securities Act”), the Council is authorized to adopt an
19 ordinance delegating to one or more of its members, City officers, or City employees the
20 authority to sign a contract for the purchase or sale of public securities or to accept a
21 binding bid for public securities and to determine the sale for public securities to be issued
22 so long as such sale is within the parameters established by an authorizing ordinance
23 adopted in conformity with the Supplemental Public Securities Act; and

24
25 WHEREAS, in order to, among other things, allow the City flexibility in setting
26 the pricing date of the Loan and optimize interest rates for the City, the Council desires to
27 grant to the Mayor and City Manager, or any other employee of the City when designated
28 by a certificate signed by the Mayor (collectively, the “Designated Officers”), the authority
29 (a) to determine the terms of the Loan within the parameters set forth herein; and (b) to
30 make any changes with respect thereto from those terms which were before the Council at
31 the time of adoption of this Ordinance, provided such terms do not exceed the parameters
32 set forth for such terms in this Ordinance; and

1 WHEREAS, all required authorizations, consents and approvals in connection
2 with (i) the use and pledge of the Pledged Revenues to the Finance Authority (or its assigns)
3 for the payment of the amounts due under the Loan Agreement, (ii) the use of the proceeds
4 of the Loan Agreement to finance the Project, and (iii) the authorization, execution, and
5 delivery of the Loan Agreement and Intercept Agreement which are required to have been
6 obtained by the date of this Ordinance, have been obtained or are reasonably expected to
7 be obtained.

8
9 NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF
10 THE CITY OF ROSWELL:

11
12 Section 1. Definitions. As used in this Ordinance, the following capitalized
13 terms shall, for all purposes, have the meanings herein specified, unless the context clearly
14 requires otherwise (such meanings to be equally applicable to both the singular and the
15 plural forms of the terms defined):

16
17 “Act” means the general laws of the State, including Sections 3-31-1 through 3-
18 31-12, 6-14-8 through 6-14-12, NMSA 1978, and 7-19(D)-19, NMSA 1978, as amended,
19 and enactments of the Governing Body relating to the Loan Agreement and the Intercept
20 Agreement, including this Ordinance.

21
22 “Aggregate Annual Debt Service Requirement” means the total principal and
23 interest payments due and payable pursuant to the Loan Agreement and on all Parity
24 Obligations secured by a pledge of any of the Pledged Revenues for any one Fiscal Year.

25
26 “Authorized Officers” means, in the case of the Governmental Unit, the Mayor,
27 Manager, Finance Director, and Clerk, and in the case of the Finance Authority the
28 Chairman, Vice-Chairman and Secretary of the Board of Directors and the Chief Executive
29 Officer or any other officer or employee of the Finance Authority designated in writing by
30 an Authorized Officer.

1 “Bonds” means public project revolving fund revenue bonds, if any, issued
2 hereafter by the Finance Authority and specifically related to the Loan Agreement and the
3 Loan Agreement Payments.

4
5 “Closing Date” means the date of execution, delivery and funding of the Loan
6 Agreement.

7
8 “Code” means the Internal Revenue Code of 1986, as amended, and the
9 applicable regulations thereunder.

10
11 “Distributing State Agency” means the department or agency of the State, as
12 described on the Term Sheet, authorized to distribute the Pledged Revenues on behalf of
13 the Governmental Unit.

14
15 “Expense Fund” means the expense fund created pursuant to the Indenture to be
16 held and administered by the Trustee to pay Expenses.

17
18 “Expenses” means the cost of execution of the Loan Agreement and costs of
19 issuance of the Bonds, if any, and the periodic and regular fees and expenses incurred by
20 the Finance Authority in administering the Loan Agreement, including legal fees.

21
22 “Finance Authority” means the New Mexico Finance Authority.

23
24 “Finance Authority Debt Service Account” means the debt service account in the
25 name of the Governmental Unit and held by the Finance Authority to pay principal and
26 interest on the Loan Agreement as the same become due.

27
28 “Fiscal Year” means the period commencing on July 1 in each calendar year and
29 ending on the last day of June of the next succeeding calendar year, or any other twelve-

1 month period which any appropriate authority may hereafter establish for the
2 Governmental Unit as its fiscal year.

3
4 “Governing Body” means the City Council of the Governmental Unit, or any
5 future successor governing body of the Governmental Unit.

6
7 “Governmental Unit” means the City of Roswell, New Mexico.

8
9 “Herein,” “hereby,” “hereunder,” “hereof,” “hereinabove” and “hereafter” refer to
10 this entire Ordinance and not solely to the particular section or paragraph of this Ordinance
11 in which such word is used.

12
13 “Income Fund” means the “City of Roswell, New Mexico Municipal Flood
14 Recovery Gross Receipts Tax Income Fund” created by the Governmental Unit and to be
15 maintained by the Governmental Unit to which all Pledged Revenues are credited.

16
17 “Indenture” means the General Indenture of Trust and Pledge dated as of June 1,
18 1995, as amended and supplemented, by and between the Finance Authority and the
19 Trustee, or the Subordinated General Indenture of Trust and Pledge dated as of March 1,
20 2005, as supplemented, by and between Finance Authority and the Trustee, as determined
21 by the Finance Authority pursuant to a Pledge Notification or Supplemental Indenture (as
22 defined in the Indenture).

23
24 “Intercept Agreement” means the Intercept Agreement between the Governmental
25 Unit and the Finance Authority providing for the direct payment by the Distributing State
26 Agency to the Finance Authority of Pledged Revenues in amounts sufficient to pay Loan
27 Agreement Payments, and any amendments or supplements to the Intercept Agreement.

28
29 “Interest Component” means the portion of each Loan Agreement Payment paid
30 as interest on the Loan Agreement as shown on Exhibit “B” thereto.

1

2 “Loan” means the funds to be loaned to the Governmental Unit by the Finance
3 Authority pursuant to the Loan Agreement.

4

5 “Loan Agreement” means the Loan Agreement dated the Closing Date between
6 the Finance Authority and the Governmental Unit which provides for the financing of the
7 Project and requires payments by or on behalf of the Governmental Unit to the Finance
8 Authority and/or the Trustee and any amendments or supplements thereto, and including
9 the exhibits attached to the Loan Agreement.

10

11 “Loan Agreement Payment” means, collectively, the Principal Component and
12 the Interest Component to be paid by the Governmental Unit as payment of the Loan
13 Agreement as shown on Exhibit “B” thereto.

14

15 “Loan Agreement Payment Date” means each date a payment is due on the Loan
16 Agreement as shown on Exhibit “B” thereto.

17

18 “Loan Agreement Principal Amount” means the original principal amount of the
19 Loan Agreement as shown on the Term Sheet.

20

21 “Loan Agreement Reserve Account” means the loan agreement reserve account
22 established in the name of the Governmental Unit funded from the proceeds of this Loan
23 Agreement and administered by the Trustee pursuant to the Indenture.

24

25 “NMSA” means the New Mexico Statutes Annotated, 1978 compilation, as
26 amended and supplemented.

27

28 “Ordinance” means this Ordinance adopted by the Governing Body on July 9, 2026
29 approving the Loan Agreement and the Intercept Agreement and pledging the Pledged
30 Revenues, as amended from time to time.

1

2 “Parity Obligations” mean the Loan Agreement and any other obligations now or
3 hereafter issued or incurred, payable from or secured by a lien or pledge of the Pledged
4 Revenues and issued with a lien on the Pledged Revenues on parity with the Loan
5 Agreement, including those obligations described on the Term Sheet.

6

7 “Pledged Revenues” means the revenues derived from the Governmental Unit’s
8 0.375% municipal flood recovery gross receipts tax imposed pursuant to Governmental
9 Unit Ordinance No. _____, adopted _____, 2025, and section 7-19(D)-19, NMSA
10 1978, as amended, imposed on all persons engaging in business in the Governmental Unit,
11 which tax equals, subject to the exemptions specified in Section 7-19(D)-9 NMSA 1978,
12 three-eighths of one percent of the gross receipts of all persons engaging in business in the
13 Governmental Unit for the month in which the tax is distributed to the Governmental Unit
14 (provided that the Governmental Unit is not pledging and the term “Pledged Revenues”
15 does not include the state-shared gross receipts tax or any other local option gross receipts
16 tax income received by the City).

17

18 “Principal Component” means the portion of each Loan Agreement Payment paid
19 as principal on the Loan Agreement as shown on Exhibit “B” thereto.

20

21 “Program Account” means the account in the name of the Governmental Unit
22 established under the Indenture and held by the Trustee for deposit of the net proceeds of
23 the Loan Agreement for disbursal to the Governmental Unit for payment of the costs of the
24 Project.

25

26 “Project” means the (i) acquisition, construction, purchase, equipping, furnishing,
27 making additions to, renovating, rehabilitating, beautifying or otherwise improving the
28 Governmental Unit’s flood recovery projects, (ii) funding of a Loan Agreement Reserve
29 Account, and (iii) paying Expenses.

30

31 “Sale Certificate” means one or more certificates executed by the Mayor or City
32 Manager, dated on or before the date of execution of the Loan Agreement, setting forth the
33 final terms of the Loan Agreement.

1

2 “State” means the State of New Mexico.

3

4 “Term Sheet” means Exhibit “A” to the Loan Agreement.

5

6 “Trustee” means BOKF, NA, or any successor trustee company, national or state
7 banking association or financial institution at the time appointed Trustee by the Finance
8 Authority.

9

10 Section 2. Ratification. All action heretofore taken (not inconsistent with the
11 provisions of this Ordinance) by the Governing Body and officers of the Governmental
12 Unit directed toward the completion of the Project and the execution and delivery of the
13 Loan Agreement and the Intercept Agreement, be, and the same hereby are, ratified,
14 approved and confirmed.

15

16 Section 3. Authorization of the Project, the Loan Agreement, and the
17 Intercept Agreement. The Project and the method of financing the Project through the
18 pledge of the Pledged Revenues and the execution and delivery of the Loan Agreement
19 and the Intercept Agreement are hereby authorized and ordered. The Project is for the
20 benefit of the Governmental Unit and its residents.

21

22 Section 4. Findings. The Governmental Unit hereby declares that it has
23 considered all relevant information and data and hereby makes the following findings:

24

25 A. The Project is needed to meet the needs of the Governmental Unit
26 and its residents and the issuance, execution and delivery of the Loan Agreement is
27 necessary or advisable.

28

29 B. Moneys available and on hand for the Project from all sources
30 other than the Loan are not sufficient to defray the cost of the Project.

C. The Pledged Revenues may lawfully be pledged to secure the payment of amounts due under the Loan Agreement.

D. It is economically feasible to defray, in whole or in part, the costs of the Project by the execution and delivery of the Loan Agreement.

E. The Project and the execution and delivery of the Loan Agreement and the Intercept Agreement pursuant to the Act to provide funds for the financing of the Project are necessary and in the interest of the public health, safety and welfare of the residents of the Governmental Unit.

F. The Governmental Unit will complete the Project, in whole or in part, with the net proceeds of the Loan.

G. Other than as described in the Term Sheet, the Governmental Unit does not have any outstanding obligations payable from the Pledged Revenues which it has incurred or will incur prior to the initial execution and delivery of the Loan Agreement and the Intercept Agreement.

H. The net effective interest rate on the Loan will not exceed twelve percent (12.0%) per annum, which is the maximum rate permitted by State law, with the final interest rate approved in the Sale Certificate.

Section 5. Loan Agreement and Intercept Agreement - Authorization and Detail.

A. Authorization. This Ordinance has been adopted by the affirmative vote of a three-quarters majority of all of the members of the Governing Body. For the purpose of protecting the public health, conserving the property, protecting the general

1 welfare and prosperity of the residents of the Governmental Unit and completing the
2 Project, it is hereby declared necessary that the Governmental Unit, pursuant to the Act,
3 pledge the Pledged Revenues and execute and deliver the Loan Agreement and the
4 Intercept Agreement evidencing a special, limited obligation of the Governmental Unit to
5 pay the principal amount not to exceed \$25,100,000, and the pledge of the Pledged
6 Revenues and the execution and delivery of the Loan Agreement and the Intercept
7 Agreement are hereby authorized, subject to final approval of the principal amount and
8 interest rates in a subsequent Sale Certificate. The Governmental Unit shall use the
9 proceeds of the Loan to finance the completion of the Project, fund the Loan Agreement
10 Reserve Account, and to pay Expenses.

11

12 B. Detail. The Loan Agreement and Intercept Agreement shall be in
13 substantially the forms of the Loan Agreement and Intercept Agreement presented at the
14 meeting of the Governing Body at which this Ordinance was adopted. The Loan shall be
15 in an original aggregate principal amount not to exceed \$25,100,000, shall be payable in
16 installments of principal due on June 1 of the years designated in Exhibit "B" to the Loan
17 Agreement and bear interest payable on June 1 and December 1 of each year, commencing
18 on December 1, 2026, at the rates designated in Exhibit "B" to the Loan Agreement, and
19 shall mature no later than June 1, 2046, as approved in the Sale Certificate.

20

21 Section 6. Approval of Loan Agreement and Intercept Agreement. The forms
22 of the Loan Agreement and the Intercept Agreement as presented at the meeting of the
23 Governing Body at which this Ordinance was adopted are hereby approved, subject to final
24 terms as set forth in the Sale Certificate. Authorized Officers are hereby individually
25 authorized to execute, acknowledge and deliver the Loan Agreement and the Intercept
26 Agreement with such changes, insertions and omissions as may be approved by such
27 individual Authorized Officers and as provided in the Sale Certificate, and the Clerk is
28 hereby authorized to affix the seal of the Governmental Unit on the Loan Agreement and
29 the Intercept Agreement and attest the same. The execution of the Loan Agreement and
30 the Intercept Agreement by an Authorized Officer shall be conclusive evidence of such
31 approval.

32

33 Section 7. Special Limited Obligation. The Loan Agreement shall be secured
34 by the pledge of the Pledged Revenues as set forth in the Loan Agreement and shall be
35 payable solely from the Pledged Revenues. The Loan Agreement, together with other
36 obligations of the Governmental Unit thereunder, shall be a special, limited obligation of

1 the Governmental Unit, payable solely from the Pledged Revenues as provided in this
2 Ordinance, Sale Certificate, and the Loan Agreement and shall not constitute a general
3 obligation of the Governmental Unit or the State, and the holders of the Loan Agreement
4 may not look to any general or other fund of the Governmental Unit for payment of the
5 obligations thereunder. Nothing contained in this Ordinance, the Sale Certificate, nor in
6 the Loan Agreement, nor any other instruments, shall be construed as obligating the
7 Governmental Unit (except with respect to the application of the Pledged Revenues), as
8 incurring a pecuniary liability or a charge upon the general credit of the Governmental Unit
9 or against its taxing power, nor shall a breach of any agreement contained in this Ordinance,
10 the Sale Certificate, the Loan Agreement, or any other instrument impose any pecuniary
11 liability upon the Governmental Unit or any charge upon its general credit or against its
12 taxing power. The Loan Agreement shall never constitute an indebtedness of the
13 Governmental Unit within the meaning of any State constitutional provision or statutory
14 limitation and shall never constitute or give rise to a pecuniary liability of the
15 Governmental Unit or a charge against its general credit or taxing power. Nothing herein
16 shall prevent the Governmental Unit from applying other funds of the Governmental Unit
17 legally available therefor to payments required by the Loan Agreement, in its sole and
18 absolute discretion.

19

20 Section 8. Disposition of Proceeds: Completion of the Project.

21

22 A. Program Account, Finance Authority Debt Service Account and
23 Loan Agreement Reserve Account. The Governmental Unit hereby consents to creation
24 of the (i) Finance Authority Debt Service Account to be held and maintained by the Finance
25 Authority, (ii) Program Account to be held by the Trustee pursuant to the Indenture, and
26 (iii) Loan Agreement Reserve Account to be held by the Trustee, each in connection with
27 the Loan. The Governmental Unit hereby approves: (i) of the deposit of the portion of the
28 proceeds of the Loan Agreement in the Program Account, the Loan Agreement Reserve
29 Account, and the Finance Authority Debt Service Account, and (ii) for payment of the
30 Expenses.

31

32 The proceeds derived from the execution and delivery of the Loan Agreement
33 shall be deposited promptly upon the receipt thereof in the Program Account, the Loan
34 Agreement Reserve Account, and the Finance Authority Debt Service Account, as
35 provided in the Loan Agreement and the Indenture.

1

2 The money in the Program Account shall be used and paid out solely for the
3 purpose of completing the Project in compliance with applicable law and the provisions of
4 the Loan Agreement and the Indenture.

5

6 The Governmental Unit will complete the Project with all due diligence.

7

8 B. Completion of the Project. Upon completion of the Project, any
9 balance remaining in the Program Account shall be transferred and deposited into the
10 Finance Authority Debt Service Account, as provided in the Loan Agreement and the
11 Indenture.

12

13 C. Finance Authority and Trustee Not Responsible. The Finance
14 Authority and the Trustee shall in no manner be responsible for the application or disposal
15 by the Governmental Unit or by its officers of the funds derived from the Loan Agreement
16 or of any other funds herein designated.

17

18 Section 9. Deposit of Pledged Revenues, Distributions of the Pledged
19 Revenues and Flow of Funds.

20

21 A. Deposit of Pledged Revenues. Pledged Revenues shall be paid to
22 the Finance Authority for deposit in the Finance Authority Debt Service Account and
23 remittance to the Trustee in an amount sufficient to pay principal, interest and other
24 amounts due under the Loan Agreement.

25

26 B. Termination on Deposits to Maturity. No payment shall be made
27 into the Finance Authority Debt Service Account if the amounts in the Finance Authority
28 Debt Service Account and Loan Agreement Reserve Account total a sum at least equal to
29 the entire aggregate amount to become due as to principal and interest on, and any other
30 amounts due under, the Loan Agreement in which case moneys in such accounts in an
31 amount at least equal to such principal and interest requirements shall be used solely to pay

1 such obligations as the same become due, and any moneys in excess thereof in such
2 accounts shall be transferred to the Governmental Unit and used as provided below.

3
4 C. Use of Surplus Revenues. After making all the payments
5 hereinabove required to be made by this Section, any moneys remaining in the Finance
6 Authority Debt Service Account shall be transferred to the Governmental Unit on a timely
7 basis and shall be applied to any other lawful purpose, including, but not limited to, the
8 payment of Parity Obligations and bonds or obligations subordinate and junior to the Loan
9 Agreement, or other purposes authorized by the Governmental Unit, the Constitution and
10 laws of the State, as the Governmental Unit may from time to time determine.

11
12 Section 10. Lien on Pledged Revenues. Pursuant to the Loan Agreement, the
13 Pledged Revenues are hereby authorized to be pledged to, and are hereby pledged, and the
14 Governmental Unit grants a security interest therein for, the payment of the principal,
15 interest, and any other amounts due under the Loan Agreement, subject to the uses thereof
16 permitted by and the priorities set forth in this Ordinance. The Loan Agreement constitutes
17 an irrevocable lien and a first lien, but not necessarily an exclusive first lien, on the Pledged
18 Revenues with the lien thereon of the Parity Obligations as set forth herein and therein.
19 The Governmental Unit shall not create a lien on the Pledged Revenues superior to that of
20 the Loan Agreement.

21
22 Section 11. Authorized Officers. Authorized Officers are hereby individually
23 authorized and directed to execute and deliver any and all papers, instruments, opinions,
24 affidavits and other documents and to do and cause to be done any and all acts and things
25 necessary or proper for carrying out this Ordinance, the Loan Agreement, the Intercept
26 Agreement and all other transactions contemplated hereby and thereby. Authorized
27 Officers are hereby individually authorized to do all acts and things required of them by
28 this Ordinance, the Loan Agreement, and the Intercept Agreement for the full, punctual
29 and complete performance of all the terms, covenants and agreements contained in this
30 Ordinance, the Loan Agreement, and the Intercept Agreement, including but not limited
31 to, the execution and delivery of closing documents in connection with the execution and
32 delivery of the Loan Agreement and the publication of the summary of this Ordinance set
33 out in Section 17 of this Ordinance (with such changes, additions and deletions as may be
34 necessary).

1 Pursuant to the Supplemental Public Securities Act, Section 6-14-8 et seq.,
2 NMSA 1978, the Mayor or City Manager is hereby delegated authority to execute the Sale
3 Certificate and to determine any or all of the final terms of the Loan Agreement, subject to
4 the parameters and conditions contained in this Ordinance. The Manager shall present the
5 Sale Certificate to the Governing Body in a timely manner, before or after the execution
6 and delivery of the Loan Agreement, at a regularly scheduled public meeting of the
7 Governing Body.

8
9 Section 12. Amendment of Ordinance. This Ordinance may be amended by
10 ordinance of the Governing Body without receipt by the Governmental Unit of any
11 additional consideration, but only with the prior written consent of the Finance Authority.
12 This Ordinance will be supplemented by the terms set forth in the Sale Certificate.

13
14 Section 13. Ordinance Irrepealable. After the Loan Agreement and Intercept
15 Agreement have been executed and delivered, this Ordinance shall be and remain
16 irrepealable until all obligations due under the Loan Agreement shall be fully paid,
17 canceled and discharged, as herein provided.

18
19 Section 14. Severability Clause. If any section, paragraph, clause or provision
20 of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity
21 or unenforceability of such section, paragraph, clause or provision shall not affect any of
22 the remaining provisions of this Ordinance.

23
24 Section 15. Repealer Clause. All bylaws, orders, resolutions and ordinances, or
25 parts thereof, inconsistent herewith are hereby repealed to the extent only of such
26 inconsistency. This repealer shall not be construed to revive any bylaw, order, resolution
27 or ordinance, or part thereof, heretofore repealed.

28
29 Section 16. Effective Date. Upon due adoption of this Ordinance, it shall be
30 recorded in the book of the Governmental Unit kept for that purpose, authenticated by the
31 signatures of the Mayor and Clerk of the Governmental Unit, and the title and general
32 summary of the subject matter contained in this Ordinance (set out in Section 17 below)
33 shall be published in a newspaper which maintains an office and is of general circulation

1 in the Governmental Unit, or posted in accordance with law, and said Ordinance shall be
2 in full force and effect thereafter, in accordance with law.

3
4 Section 17. General Summary for Publication. Pursuant to the general laws of
5 the State, the title and a general summary of the subject matter contained in this Ordinance
6 shall be published in substantially the following form:

7
8 (Form of Summary of Ordinance for Publication)

9
10 City of Roswell, New Mexico

11 Notice of Adoption of Ordinance

12
13 Notice is hereby given of the title and of a general summary of the subject matter
14 contained in Ordinance No. _____ duly adopted and approved by the Governing Body of
15 the City of Roswell, New Mexico, on July 9, 2026. A complete copy of the Ordinance is
16 available for public inspection during the normal and regular business hours of the City
17 Clerk, 425 N. Richardson, Roswell, New Mexico.

18
19 The title of the Ordinance is:

20
21 CITY OF ROSWELL, NEW MEXICO

22 ORDINANCE NO. _____

23
24 AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT
25 AND INTERCEPT AGREEMENT BY AND BETWEEN THE CITY OF ROSWELL,
26 NEW MEXICO (THE "GOVERNMENTAL UNIT") AND THE NEW MEXICO
27 FINANCE AUTHORITY, EVIDENCING A SPECIAL, LIMITED OBLIGATION OF
28 THE GOVERNMENTAL UNIT TO PAY A PRINCIPAL AMOUNT NOT TO EXCEED
29 \$25,100,000, TOGETHER WITH INTEREST THEREON, FOR THE PURPOSE OF

1 DEFRAYING THE COST TO (I) ACQUIRE, CONSTRUCT, PURCHASE, EQUIP,
2 FURNISH, MAKE ADDITIONS TO, RENOVATE, REHABILITATE, BEAUTIFY, OR
3 OTHERWISE IMPROVE THE CITY'S FLOOD RECOVERY PROJECTS, (II) FUND A
4 LOAN AGREEMENT RESERVE ACCOUNT, AND (III) PAY EXPENSES;
5 PROVIDING FOR THE PLEDGE AND PAYMENT OF THE PRINCIPAL AND
6 INTEREST DUE UNDER THE LOAN AGREEMENT SOLELY FROM THE
7 REVENUES OF THE 0.375% MUNICIPAL FLOOD RECOVERY GROSS RECEIPTS
8 TAX IMPOSED PURSUANT TO GOVERNMENTAL UNIT ORDINANCE NO. _____,
9 ADOPTED _____, 2025, AND SECTION 7-19(D)-19, NMSA 1978, AS
10 AMENDED; APPROVING THE DELEGATION OF AUTHORITY TO MAKE
11 CERTAIN DETERMINATIONS REGARDING THE LOAN AGREEMENT
12 PURSUANT TO THE SUPPLEMENTAL PUBLIC SECURITIES ACT; PROVIDING
13 FOR THE DISTRIBUTION OF MUNICIPAL FLOOD RECOVERY GROSS RECEIPTS
14 TAX REVENUES TO BE REDIRECTED BY THE STATE TAXATION AND
15 REVENUE DEPARTMENT TO THE NEW MEXICO FINANCE AUTHORITY OR ITS
16 ASSIGNS FOR THE PAYMENT OF PRINCIPAL AND INTEREST DUE ON THE
17 LOAN AGREEMENT PURSUANT TO AN INTERCEPT AGREEMENT; APPROVING
18 THE FORM AND TERMS OF, AND OTHER DETAILS CONCERNING THE LOAN
19 AGREEMENT AND INTERCEPT AGREEMENT; RATIFYING ACTIONS
20 HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT WITH THIS
21 ORDINANCE; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN
22 CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN
23 AGREEMENT AND INTERCEPT AGREEMENT.

24

25 A general summary of the subject matter of the Ordinance is contained in its title.

26 This notice constitutes compliance with Section 6-14-6, NMSA 1978.

27

28 (End of Form of Summary for Publication)

29

1 PASSED, APPROVED AND ADOPTED THIS 9th DAY OF JULY, 2026.

2

3

4

CITY OF ROSWELL, NEW MEXICO

5

6

7

8

By _____

9

Mayor

10 [SEAL]

11

12

13 ATTEST:

14

15

16

17

By _____

18

Clerk

1 Councilor _____ then moved adoption of the foregoing Ordinance, duly
2 seconded by Councilor _____.

3

4 The motion to adopt said Ordinance, upon being put to a vote, was passed and
5 adopted on the following recorded vote:

6

7 Those Voting Aye: _____

8

9 _____

10

11 _____

12

13 _____

14

15 _____

16

17 _____

18

19 _____

20

21 _____

22

23 _____

24

25 _____

1

2

3

Those Voting Nay: _____

4

5

6

Those Absent: _____

7

8

_____ () members of the Governing Body having voted in favor of said
9 motion, the Mayor declared said motion carried and said Ordinance adopted, whereupon
10 the Mayor and the Clerk signed the Ordinance upon the records of the minutes of the
11 Governing Body.

1 After consideration of matters not relating to the Ordinance, the meeting on the
2 motion duly made, seconded and unanimously carried, was adjourned.

3

4

5

CITY OF ROSWELL, NEW MEXICO

6

7

8

9

By _____

10

Mayor

11

12 [SEAL]

13

14

15 ATTEST:

16

17

18

19 By _____

20 Clerk

21

22

23

24

25

**ROSWELL NEW MEXICO
AGENDA ITEM ABSTRACT**

Regular City Council Meeting

20.

Meeting Date: 07/09/2026

COMMITTEE: Finance

CONTACT: Tammi Smith

CHAIR: Kurt Gass

ACTION REQUESTED:

Ordinance 26-07: Hold a public hearing to consider adopting proposed Ordinance 26-07: An Ordinance to refund the Series 2017 Joint Water & Sewer Improvement Bonds. (Gass/Rogers)

BACKGROUND:

Initiated by: Hessel Yntema IV

This proposed ordinance would authorize the City of Roswell to refinance, pay, and discharge the outstanding Joint Water and Sewer Improvement Bond issued in 2017. It would also provide a mechanism to fund a loan agreement reserve account and provide for the payment of the principal and interest solely from the net revenues of the Joint Water and Sewer Utility System.

FINANCIAL CONSIDERATION

See Fiscal Impact below.

It is anticipated that by refinancing this bond, the City would likely save approximately \$750,000.00.

LEGAL REVIEW:

The proposed ordinance is legally sufficient.

BOARD AND COMMITTEE ACTION:

The Legal Committee considered this item at its May 28, 2026, meeting and voted 5-0 to recommend approval to the Finance Committee. The Finance Committee recommended approval 5-0 at its meeting on June 4, 2026.

STAFF RECOMMENDATION:

Proceed as presented.

Attachments

Ordinance 26-07 Refunding Series 2017 Joint Water and Sewer Bonds
Ordinance 26-07 NMFA Refunding Application
Ordinance 26-07 Updated Time Schedule

1 STATE OF NEW MEXICO)
2 COUNTY OF CHAVES) ss.
3 CITY OF ROSWELL)
4

5 The City Council (the “Council”) of the City of Roswell (the “City”), in the State of New
6 Mexico, met in open regular session in full conformity with law and the ordinances and rules of the
7 City, in the Chaves County Administrative Center, Council Chambers, #1 St. Mary’s Place, Roswell,
8 New Mexico, being the regular meeting place of the Council, at 6:00 p.m., on Thursday, July 9, 2026,
9 at which time there were present and answering the roll call the following members:

Mayor: _____

Councilors: _____

Absent: _____

10 There was officially filed with the City Clerk, the Mayor and each Councilor, a copy of an
11 ordinance in final form, which is as follows:

CITY OF ROSWELL, NEW MEXICO
ORDINANCE NO. _____

AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT BY AND BETWEEN THE CITY OF ROSWELL, NEW MEXICO (THE "GOVERNMENTAL UNIT") AND THE NEW MEXICO FINANCE AUTHORITY (THE "FINANCE AUTHORITY"), EVIDENCING A SPECIAL, LIMITED OBLIGATION OF THE GOVERNMENTAL UNIT TO PAY A PRINCIPAL AMOUNT NOT TO EXCEED \$11,750,000, TOGETHER WITH INTEREST THEREON, FOR THE PURPOSE OF (1) REFINANCING, PAYING AND DISCHARGING THE GOVERNMENTAL UNIT'S OUTSTANDING JOINT WATER AND SEWER IMPROVEMENT REVENUE BONDS, SUBORDINATE SERIES 2017 ISSUED ON FEBRUARY 21, 2017, (2) FUNDING A LOAN AGREEMENT RESERVE ACCOUNT; AND (3) PAYING EXPENSES; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE LOAN AGREEMENT SOLELY FROM THE NET REVENUES FROM THE GOVERNMENTAL UNIT'S JOINT WATER AND SEWER UTILITY SYSTEM; APPROVING THE DELEGATION OF AUTHORITY TO MAKE CERTAIN DETERMINATIONS REGARDING THE LOAN AGREEMENT PURSUANT TO THE SUPPLEMENTAL PUBLIC SECURITIES ACT; RATIFYING ACTIONS HERETOFORE TAKEN; APPROVING THE FORMS OF THE LOAN AGREEMENT AND OTHER DETAILS CONCERNING THE LOAN AGREEMENT; REPEALING ALL ACTION INCONSISTENT WITH THIS ORDINANCE; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN AGREEMENT

Capitalized terms used in the following recitals have the same meaning as defined in Section 1 of this Ordinance unless the context requires otherwise.

WHEREAS, the Governmental Unit is a legally and regularly created, established, organized and existing municipality under the general laws of the State; and

WHEREAS, the Governing Body has determined and hereby determines that the Refunding Project may be financed with amounts borrowed under the Loan Agreement and that it is in the best interest of the Governmental Unit and its residents that the Loan Agreement be executed and delivered and that the financing of the Refunding Project take place by executing and delivering the Loan Agreement; and

WHEREAS, the Governmental Unit may use the Net Revenues to finance the Refunding Project and the Refunding Project will provide for the public health, peace and safety of the Governmental Unit and its residents; and

WHEREAS, The Governmental Unit now owns, operates and maintains water and sewer facilities, which the Governmental Unit hereby declares shall be continued to be operated as a joint public utility; and

1 WHEREAS, the Governmental Unit has heretofore provided for the imposition of rates and
2 charges against users of the System; and
3

4 WHEREAS, the Governing Body has determined that it may lawfully pledge the Net
5 Revenues for the payment of amounts due under the Loan Agreement; and
6

7 WHEREAS, except as described in the Term Sheet, the Net Revenues have not heretofore
8 been pledged to secure the payment of any obligation which is currently outstanding; and
9

10 WHEREAS, the Loan Agreement shall be a special, limited obligation of the Governmental
11 Unit, payable solely from the Net Revenues and shall not constitute a general obligation of the
12 Governmental Unit, or a debt or pledge of the faith and credit of the Governmental Unit or the State;
13 and
14

15 WHEREAS, the Loan Agreement shall be executed and delivered pursuant to the Act, and
16 with an irrevocable first lien, but not necessarily an exclusive first lien, on the Net Revenues; and
17

18 WHEREAS, the Governing Body intends by this Ordinance to authorize the execution and
19 delivery of the Loan Agreement in the amount and for the purposes set forth herein; and
20

21 WHEREAS, there have been presented to the Governing Body and there presently are on
22 file with the City Clerk this Ordinance and the form of the Loan Agreement, which are incorporated
23 by reference and considered to be a part hereof; and

24 WHEREAS, the Governing Body hereby determines that the Refunding Project to be
25 financed with the Loan is to be used for governmental purposes of the Governmental Unit and will
26 not be used for purposes which would cause the Loan Agreement to be deemed a "private activity
27 bond" as defined by the Internal Revenue Code of 1986, as amended; and
28

29 WHEREAS, the Governmental Unit previously issued its Joint Water and Sewer
30 Improvement Revenue Bonds, Subordinate Series 2017 on February 21, 2017 pursuant to Ordinance
31 No. 16-22 adopted on January 12, 2017, as supplemented by Resolution No. 17-04 adopted on January
32 24, 2017, in the original aggregate principal amount of \$18,230,000, of which there is presently
33 outstanding a principal amount of \$11,270,000; and
34

35 WHEREAS, the payments due on the Series 2017 Bonds are subject to redemption at the
36 option of the Governmental Unit at 100% of the principal amount then outstanding, plus accrued
37 interest to the date of redemption; and
38

39 WHEREAS, the Governmental Unit hereby determines that the execution and delivery of
40 the Loan Agreement, under current market conditions, for the purpose of the Refunding Project will
41 result in an over-all reduction of debt service payments to be made by the Governmental Unit from
42 Net Revenues to the benefit of the Governmental Unit, and consequently will provide for the public
43 health, safety and welfare of the Governmental Unit and its residents; and
44

45 WHEREAS, pursuant to Sections 6-14-8 through 6-14-12 NMSA 1978, as amended (the
46 "Supplemental Public Securities Act"), the Governing Body is authorized to adopt a Ordinance

1 delegating to one or more of its members, officers, or employees the authority to sign a Sale
2 Certificate setting forth the terms of the Loan so long as such terms are within the parameters
3 established by an authorizing ordinance or Ordinance adopted in conformity with the Supplemental
4 Public Securities Act; and

5
6 WHEREAS, in order to allow the Governmental Unit flexibility, the Governing Body
7 desires to grant to the Mayor and the City Manager or any other employee of the Governmental Unit
8 when designated by a certificate signed by the Mayor (collectively, the "Designated Officers"), the
9 authority (a) to determine any or all of the following terms of the Loan: (i) the interest and principal
10 payment dates, (ii) the principal amounts, denominations, and maturity dates, (iii) the sale prices, (iv)
11 the interest rates, (v) the interest payment periods, and (vi) the amount of underwriting discount, if
12 any; and (b) to make any changes with respect thereto from those terms which were before the
13 Governing Body at the time of adoption of this Ordinance, provided such terms do not exceed the
14 parameters set forth for such terms in this Ordinance; and

15
16 WHEREAS, the Governmental Unit will approve the specific terms of the Loan and
17 authorize execution of the Loan Agreement in a certification of the Designated Officers pursuant to
18 the terms of this Ordinance as set forth in the Sale Certificate; and

19
20 WHEREAS, all required authorizations, consents and approvals in connection with (i) the
21 use and pledge of the Net Revenues to the Finance Authority (or its assigns) for the payment of
22 amounts due under the Loan Agreement, (ii) the use of the proceeds of the Loan Agreement to finance
23 the Refunding Project, and (iii) the authorization, execution and delivery of the Loan Agreement
24 which are required to have been obtained by the date of this Ordinance, have been obtained or are
25 reasonably expected to be obtained.

26
27 NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY
28 OF ROSWELL:

29
30 Section 1. Definitions. As used in the Ordinance, the following terms shall, for all
31 purposes, have the meanings herein specified, unless the context clearly requires otherwise (such
32 meanings to be equally applicable to both the singular and the plural forms of the terms defined):

33 "Act" means the general laws of the State, including Sections 3-31-1 through 3-31-12 and 6-
34 14-8 through 6-14-12, NMSA 1978, as amended, and enactments of the Governing Body relating to the
35 Loan Agreement, including this Ordinance.

36 "Aggregate Annual Debt Service Requirement" means the total principal and interest
37 payments due and payable pursuant to the Loan Agreement and on all Parity Obligations secured by
38 a pledge of any of the Net Revenues for any one Fiscal Year.

39 "Authorized Officers" means, in the case of the Governmental Unit, the Mayor, Manager,
40 Finance Director, and Clerk, and in the case of the Finance Authority the Chairman, Vice-Chairman
41 and Secretary of the Board of Directors and the Chief Executive Officer or any other officer or
42 employee of the Finance Authority designated in writing by an Authorized Officer.

1 “Bonds” means public project revolving fund revenue bonds, if any, issued hereafter by the
2 Finance Authority and specifically related to the Loan Agreement and the Loan Agreement
3 Payments.

4 “Closing Date” means the date of execution, delivery and funding of the Loan Agreement.

5 “Code” means the Internal Revenue Code of 1986, as amended, and the applicable regulations
6 thereunder.

7 “Completion Date” means the date of final payment of the cost of the Refunding Project.
8

9 “Expenses” means the cost of execution of the Loan Agreement and costs of issuance of the
10 Bonds, if any, and the periodic and regular fees and expenses incurred by the Finance Authority in
11 administering the Loan Agreement, including legal fees.
12

13 “Finance Authority” means the New Mexico Finance Authority.

14 “Finance Authority Debt Service Account” means the debt service account in the name of the
15 Governmental Unit within the Debt Service Fund as defined in the Indenture held and administered
16 by the Finance Authority to pay principal and interest on the Loan Agreement as the same become
17 due.

18 “Fiscal Year” means the period commencing on July 1 in each calendar year and ending on
19 the last day of June of the next succeeding calendar year, or any other twelve-month period which
20 any appropriate authority may hereafter establish for the Governmental Unit as its fiscal year.

21 “Governing Body” means the City Council of the Governmental Unit, and any future
22 successor governing body of the Governmental Unit.

23 “Governmental Unit” means the City of Roswell, New Mexico.

24 “Herein,” “hereby,” “hereunder,” “hereof,” “hereinabove” and “hereafter” refer to the entire
25 Ordinance and not solely to the particular section or paragraph of the Ordinance in which such word
26 is used.

27 “Indenture” means the General Indenture of Trust and Pledge dated as of June 1, 1995, as
28 amended and supplemented, by and between the Finance Authority and the Trustee, as successor
29 trustee, or the Subordinated General Indenture of Trust and Pledge dated as of March 1, 2005, as
30 supplemented, by and between the Finance Authority and the Trustee, as successor trustee, as
31 determined by the Finance Authority pursuant to a Pledge Notification or Supplemental Indenture (as
32 defined in the Indenture).

33 “Interest Component” means the portion of each Loan Agreement Payment paid as interest on
34 the Loan Agreement as shown on Exhibit “B” thereto.

35 “Joint Water and Sewer System,” “Joint System,” “System,” or “Utility” means the
36 municipally owned public utility designated as the Governmental Unit's water system and sanitary
37 sewer system (continued as a joint system) consisting of all properties, real, personal, mixed or

otherwise, now owned or hereafter acquired by the Governmental Unit through purchase, construction or otherwise, and used in connection with said water system and sanitary sewer system of the Governmental Unit and in any way appertaining thereto, whether situated within or without the limits of the Governmental Unit.

“Loan” means the funds in the Loan Agreement Principal Amount to be loaned to the Governmental Unit by the Finance Authority pursuant to the Loan Agreement.

“Loan Agreement” means the Loan Agreement dated the Closing Date between the Finance Authority and the Governmental Unit which provides for the financing of the Refunding Project and requires payments by or on behalf of the Governmental Unit to the Finance Authority and/or the Trustee and any amendments or supplements thereto, and including the exhibits attached to the Loan Agreement.

“Loan Agreement Payment” means, collectively, the Principal Component and the Interest Component to be paid by the Governmental Unit as payment of the Loan Agreement as shown on Exhibit “B” thereto.

“Loan Agreement Principal Amount” means the original principal amount of the Loan Agreement as shown on the Term Sheet and approved in the Sale Certificate.

“Loan Agreement Reserve Account” means the loan agreement reserve account in the name of the Governmental Unit established under the Indenture, funded from the proceeds of the Loan Agreement, and administered by the Trustee pursuant to the Indenture.

“Loan Agreement Reserve Requirement” means, with respect to the Loan, the amount shown as the Loan Agreement Reserve Account Deposit on the Term Sheet, which amount shall not to exceed the least of (i) ten percent (10%) of the Loan Agreement Principal Amount, (ii) 125% of the average annual principal and interest requirements under the Loan Agreement, or (iii) the maximum annual principal and interest requirements under the Loan Agreement.

“Net Revenues” means the revenues of the System after deducting Operation and Maintenance Expenses of the System that are pledged to payment of the Loan Agreement Payments pursuant to the Ordinance and described on the Term Sheet.

“NMSA 1978” means the New Mexico Statutes Annotated, 1978 compilation, as amended and supplemented.

“Operation and Maintenance Expenses” (or a phrase of similar import) means all reasonable and necessary current expenses of the Governmental Unit, paid or accrued, of operating, maintaining and repairing the System, and shall include, without limiting the generality of the foregoing, legal and overhead expense of the various Governmental Unit departments directly related and reasonably allocable to the administration of the System, insurance premiums, the reasonable charges of depository banks and paying agents, contractual services, professional services required by this ordinance, salaries and administrative expenses, labor, the cost of materials and supplies used for current operation, but shall not include any allowance for depreciation, liabilities incurred by the Governmental Unit as the result of its negligence in the operation of the System, extensions, enlargements or betterments, or any charges for the accumulation of reserves for capital replacements.

1 “Ordinance” means this Ordinance as adopted by the Governing Body on July 9, 2026,
2 approving the Loan Agreement and pledging the Net Revenues to the payment of the Loan
3 Agreement, as amended from time to time.

4 “Parity Obligations” means the Loan Agreement and any other obligations, now outstanding
5 or hereafter issued or incurred, payable from or secured by a lien or pledge of the Net Revenues and
6 issued with a lien on the Net Revenues on parity with the Loan Agreement, including those obligations
7 described on the Term Sheet, if any.

8 “Principal Component” means the portion of each Loan Agreement Payment paid as principal
9 on the Loan Agreement as shown on Exhibit “B” thereto.

10 “Program Account” means the account in the name of the Governmental Unit established
11 pursuant to the Indenture and held by the Trustee for the deposit of the net proceeds of the Loan
12 Agreement for disbursement to the Governmental Unit for payment of the costs of the Refunding
13 Project.

14 “Refunding Project” means refunding, paying and discharging the Governmental Unit’s
15 outstanding Series 2017 Bonds maturing on and after June 1, 2027, on the date of execution and
16 delivery of the Loan Agreement.

17 “Revenues” or “gross revenues” from the System means all income and revenues derived by
18 the Governmental Unit from the operation of the System, or any part thereof, whether resulting from
19 extensions, enlargements or betterments to the System, or otherwise, and includes all revenues
20 received by the Governmental Unit or any municipal corporation succeeding to the rights of the
21 Governmental Unit from the System and from the sale and use of water, water service and facilities,
22 sanitary sewer service and facilities, or any combination thereof to the inhabitants of the
23 Governmental Unit (including all territorial annexations which may be made while the Loan
24 Agreement is outstanding), or from the sale and use of water, water service and facilities, sanitary
25 sewer service and sewer facilities, and facilities or any combination thereof, by means of the System
26 owned and operated by the Governmental Unit as the same may at any time exist to serve customers
27 outside the Governmental Unit limits as well as customers within the Governmental Unit limits, and
28 also means income derived from the investment of any money in any of the funds established herein
29 or contained herein (but excluding such income from investments in the Rebate Fund) even though
30 such investment income is to be credited to the particular fund from which such investment is made.

31 “Sale Certificate” means one or more certificates executed by the Mayor or City Manager,
32 pursuant to and as authorized by Section 6-14-10.2, NMSA 1978, setting forth the final terms of the
33 Loan.

34 “Series 2017 Bonds” means the Governmental Unit’s outstanding Joint Water and Sewer
35 Improvement Revenue Bonds, Subordinate Series 2017, issued on February 21, 2017 pursuant to
36 Ordinance No. 16-22 adopted on January 12, 2017, as supplemented by Resolution No. 17-04 adopted
37 on January 24, 2017, in the original aggregate principal amount of \$18,230,000, of which there is
38 presently outstanding a principal amount of \$11,270,000.

39
40 “State” means the State of New Mexico.
41

1 “Term Sheet” means Exhibit “A” to the Loan Agreement.

2 “Trustee” means BOKF, NA, Albuquerque, New Mexico, or any successor trust company,
3 national or state banking association or financial institution at the time appointed the Trustee by the
4 Finance Authority.

5 Section 2. Ratification. All action heretofore taken (not inconsistent with the provisions
6 of this Ordinance) by the Governing Body and officers of the Governmental Unit directed toward the
7 Refunding Project and the execution and delivery of the Loan Agreement be, and the same hereby
8 are, ratified, approved and confirmed.

9 Section 3. Authorization of the Refunding Project and the Loan Agreement. The
10 Refunding Project and the method of financing the Refunding Project through execution and delivery
11 of the Loan Agreement are hereby authorized and ordered. The Refunding Project is for the benefit
12 of the Governmental Unit.

13 Section 4. Findings. The Governmental Unit hereby declares that it has considered all
14 relevant information and data and hereby makes the following findings:

15 A. The Refunding Project is needed to meet the needs of the
16 Governmental Unit and its residents and the execution and delivery of the Loan Agreement is
17 necessary and advisable.

18 B. Moneys available and on hand for the Refunding Project from all
19 sources other than the Loan are not sufficient to defray the cost of the Refunding Project.

20 C. The Net Revenues may lawfully be pledged to secure the payment
21 of amounts due under the Loan Agreement.

22 D. It is economically feasible to defray, in whole or in part, the costs
23 of the Refunding Project by the execution and delivery of the Loan Agreement.

24 E. The Refunding Project and the execution and delivery of the Loan
25 Agreement pursuant to the Act to provide funds for the financing of the Refunding Project are
26 necessary and in the interest of the public health, safety, and welfare of the residents of the
27 Governmental Unit.

28 F. The Governmental Unit will complete the Refunding Project, in
29 whole or in part, with the net proceeds of the Loan.

30 G. Other than as described in the Term Sheet, the Governmental Unit
31 does not have any outstanding obligations payable from Net Revenues which it has incurred or will
32 incur prior to the initial execution and delivery of the Loan Agreement.

33 H. The net effective interest rate on the Loan shall not exceed twelve
34 percent (12.0%) per annum, which is the maximum rate permitted by State law.

35 I. The Refunding Project will result in debt service savings for the
36 Governmental Unit in the amount of at least 3% present value savings.

Section 5. Loan Agreement - Authorization and Detail.

A. Authorization. This Ordinance has been adopted by the affirmative vote of a majority of all of the members of the Governing Body. For the purpose of protecting the public health, conserving the property, protecting the general welfare and prosperity of the residents of the Governmental Unit and completing the Refunding Project, it is hereby declared necessary that the Governmental Unit, pursuant to the Act, execute and deliver the Loan Agreement evidencing a special, limited obligation of the Governmental Unit to pay a principal amount not to exceed \$11,750,000, plus interest, and the execution and delivery of the Loan Agreement are hereby authorized. The Governmental Unit shall use the proceeds of the Loan to (i) finance the Refunding Project, (ii) fund the Loan Agreement Reserve Account, and (iii) pay Expenses.

B. Detail. The Loan Agreement shall be in substantially the form presented at the meeting of the Governing Body at which this Ordinance was adopted. The Loan shall be in an aggregate principal amount not to exceed \$11,750,000, shall be payable in installments of principal due on June 1 of the years designated in Exhibit "B" to the Loan Agreement and bear interest payable on June 1 and December 1 of each year, commencing on December 1, 2026 at the rates designated in Exhibit "B" to the Loan Agreement, all as approved in the Sale Certificate. The Loan shall be placed in a private sale at par and shall have a maximum term of fifteen (15) years. The underwriter's discount for the Loan shall not exceed 2% of the par amount of the Loan.

Section 6. Approval of Loan Agreement. The form of the Loan 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 Agreement with such changes, insertions and omissions as are consistent with this Ordinance and as may be approved by such individual Authorized Officers, and the City Clerk is hereby authorized to affix the seal of the Governmental Unit on the Loan Agreement and attest the same. The execution of the Loan Agreement by an Authorized Officer shall be conclusive evidence of such approval.

Section 7. Special Limited Obligation. The Loan Agreement shall be secured by the pledge of the Net Revenues as set forth in the Loan Agreement and this Ordinance and shall be payable solely from the Net Revenues. The Loan Agreement, together with interest thereon and other obligations of the Governmental Unit thereunder, shall be a special, limited obligation of the Governmental Unit, payable solely from the Net Revenues as provided in this Ordinance and the Loan Agreement and shall not constitute a general obligation of the Governmental Unit or the State, and the holders of the Loan Agreement may not look to any general or other fund of the Governmental Unit for payment of the obligations thereunder. Nothing contained in this Ordinance or in the Loan Agreement, or any other instruments, shall be construed as obligating the Governmental Unit (except with respect to the application of the Net Revenues), as incurring a pecuniary liability or a charge upon the general credit of the Governmental Unit or against its taxing power, nor shall a breach of any agreement contained in this Ordinance, the Loan Agreement, or any other instrument impose any pecuniary liability upon the Governmental Unit or any charge upon its general credit or against its taxing power. The Loan Agreement shall never constitute an indebtedness of the Governmental Unit within the meaning of any State constitutional provision or statutory limitation and shall never constitute or give rise to a pecuniary liability of the Governmental Unit or a charge against its general credit or taxing power. Nothing herein shall prevent the Governmental Unit from applying other

funds of the Governmental Unit legally available therefor to payments required by the Loan Agreement, in its sole and absolute discretion.

Section 8. Disposition of Proceeds: Completion of the Refunding Project.

A. Program Account, Finance Authority Debt Service Account and Loan Agreement Reserve Account. The Governmental Unit hereby consents to creation of the (i) Finance Authority Debt Service Account to be held and maintained by the Finance Authority, (ii) Program Account to be held by the Trustee pursuant to the Indenture, and (iii) Loan Agreement Reserve Account to be held by the Trustee, each in connection with the Loan. The Governmental Unit hereby approves: (i) of the deposit of the portion of the proceeds of the Loan Agreement in the Program Account, the Loan Agreement Reserve Account, and the Finance Authority Debt Service Account, and (ii) for payment of the Expenses.

The proceeds derived from the execution and delivery of the Loan Agreement shall be deposited promptly upon the receipt thereof in the Program Account, Finance Authority Debt Service Account and Loan Agreement Reserve Account, all as provided in the Loan Agreement and the Indenture.

The money in the Program Account shall be used and paid out solely for the purpose of completing the Refunding Project in compliance with applicable law and the provisions of the Loan Agreement and the Indenture.

The Governmental Unit will complete the Refunding Project with all due diligence.

B. Completion of the Refunding Project. Upon completion of the Refunding Project, any balance remaining in the Program Account shall be transferred and deposited into the Finance Authority Debt Service Account, as provided in the Loan Agreement and the Indenture.

C. Finance Authority and Trustee Not Responsible. The Finance Authority and the Trustee shall in no manner be responsible for the application or disposal by the Governmental Unit or by its officers of the funds derived from the Loan Agreement or of any other funds herein designated.

Section 9. Deposit of Net Revenues, Distributions of the Net Revenues and Flow of Funds.

A. Deposit of Net Revenues. Net Revenues shall be paid directly by the Governmental Unit to the Finance Authority for deposit in the Finance Authority Debt Service Account and remittance to the Trustee in an amount sufficient to pay principal, interest, premium, if any, and other amounts due under the Loan Agreement, including sufficient Net Revenues in the Loan Agreement Reserve Account to maintain the Loan Agreement Reserve Requirement.

B. Termination on Deposits to Maturity. No payment shall be made into the Finance Authority Debt Service Account if the amounts in the Finance Authority Debt Service Account and Loan Agreement Reserve Account total a sum at least equal to the entire aggregate amount to become due as to principal and interest on, and any other amounts due under, the Loan

1 Agreement in which case moneys in such accounts in an amount at least equal to such principal and
2 interest requirements shall be used solely to pay such obligations as the same become due, and any
3 moneys in excess thereof in such accounts shall be transferred to the Governmental Unit and used as
4 provided below.

5 C. Use of Surplus Revenues. After making all the payments
6 hereinabove required to be made by this Section, any moneys remaining in the Finance Authority
7 Debt Service Account shall be transferred to the Governmental Unit on a timely basis and shall be
8 applied to any other lawful purpose, including, but not limited to, the payment of any Parity
9 Obligations or bonds or obligations subordinate and junior to the Loan Agreement, or other purposes
10 authorized by the Governmental Unit, the Constitution and laws of the State, as the Governmental
11 Unit may from time to time determine.

12 Section 10. Lien on Net Revenues. Pursuant to this Ordinance and the Loan Agreement,
13 the Net Revenues are hereby authorized to be pledged to, and are hereby pledged, and the
14 Governmental Unit grants a security interest therein for, the payment of the principal, interest, and
15 any other amounts due under the Loan Agreement subject to the uses thereof permitted by and the
16 priorities set forth in this Ordinance. The Loan Agreement constitutes an irrevocable and first lien,
17 but not necessarily an exclusive first lien, on the Net Revenues with the lien thereon of the Parity
18 Obligations as set forth herein and in the Loan Agreement. The Governmental Unit shall not create
19 a lien on the Net Revenues superior to that of the Loan Agreement.

20 Section 11. Authorized Officers; Delegation. Authorized Officers are hereby individually
21 authorized and directed to execute and deliver any and all papers, instruments, opinions, affidavits
22 and other documents and to do and cause to be done any and all acts and things necessary or proper
23 for carrying out this Ordinance, the Loan Agreement, and all other transactions contemplated hereby
24 and thereby. Authorized Officers are hereby individually authorized to do all acts and things required
25 of them by this Ordinance and the Loan Agreement for the full, punctual and complete performance
26 of all the terms, covenants and agreements contained in this Ordinance and the Loan Agreement,
27 including but not limited to, the execution and delivery of closing documents in connection with the
28 execution and delivery of the Loan Agreement, and the publication of the summary of this Ordinance
29 set out in Section 17 of this Ordinance (with such changes, additions and deletions as may be
30 necessary).

31 Pursuant to the Supplemental Public Securities Act, Section 6-14-8 et seq., NMSA 1978, the
32 Mayor and City Manager are each hereby delegated authority to accept and to determine any or all of
33 the final terms of the Loan Agreement and to execute the Sale Certificate, subject to the parameters
34 and conditions contained in this Ordinance. The Mayor or the City Manager shall present the Sale
35 Certificate and the final terms of the Loan Agreement to the Governing Body in a timely manner,
36 before or after execution and delivery of the Loan Agreement, at a regularly scheduled public meeting
37 of the Governing Body.

38 Section 12. Amendment of Ordinance. This Ordinance may be amended by ordinance of
39 the Governing Body without receipt by the Governmental Unit of any additional consideration, but
40 only with the prior written consent of the Finance Authority. This Ordinance will be supplemented
41 by the terms set forth in the Sale Certificate.

1 Section 13. Ordinance Irrepealable. After the Loan Agreement has been executed and
2 delivered, this Ordinance shall be and remain irrepealable until all obligations due under the Loan
3 Agreement shall be fully paid, canceled and discharged, as provided therein.

4 Section 14. Severability Clause. If any section, paragraph, clause or provision of this
5 Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or
6 unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining
7 provisions of this Ordinance.

8 Section 15. Repealer Clause. All bylaws, orders, resolutions and ordinances, or parts
9 thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This
10 repealer shall not be construed to revive any bylaw, order, resolution or ordinance, or part thereof,
11 heretofore repealed.

12 Section 16. Effective Date. Upon due adoption of this Ordinance, it shall be recorded in
13 the book of the Governmental Unit kept for that purpose, authenticated by the signatures of the Mayor
14 and the City Clerk of the Governmental Unit, and the title and general summary of the subject matter
15 contained in this Ordinance (set out in Section 17 below) shall be published in a newspaper which is
16 of general circulation in the Governmental Unit, or posted in accordance with law, and such
17 Ordinance shall be in full force and effect thereafter, in accordance with law.

18 Section 17. General Summary for Publication. Pursuant to the general laws of the State,
19 the title and a general summary of the subject matter contained in this Ordinance shall be published
20 in substantially the following form:

21
22 (Form of Summary of Ordinance for Publication)

23
24 City of Roswell, New Mexico
25 Notice of Adoption of Ordinance
26

27 Notice is hereby given of the title and of a general summary of the subject matter contained
28 in Ordinance No. _____ duly adopted and approved by the Governing Body of the City of Roswell,
29 New Mexico, on July 9, 2026. A complete copy of the Ordinance is available for public inspection
30 during the normal and regular business hours of the City Clerk, 425 N. Richardson, Roswell, New
31 Mexico.

32
33 CITY OF ROSWELL, NEW MEXICO
34 ORDINANCE NO. _____
35

36 AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT BY AND
37 BETWEEN THE CITY OF ROSWELL, NEW MEXICO (THE "GOVERNMENTAL UNIT") AND
38 THE NEW MEXICO FINANCE AUTHORITY (THE "FINANCE AUTHORITY"), EVIDENCING
39 A SPECIAL, LIMITED OBLIGATION OF THE GOVERNMENTAL UNIT TO PAY A
40 PRINCIPAL AMOUNT NOT TO EXCEED \$11,750,000, TOGETHER WITH INTEREST
41 THEREON, FOR THE PURPOSE OF (1) REFINANCING, PAYING AND DISCHARGING THE
42 GOVERNMENTAL UNIT'S OUTSTANDING JOINT WATER AND SEWER IMPROVEMENT
43 REVENUE BONDS, SUBORDINATE SERIES 2017 ISSUED ON FEBRUARY 21, 2017, (2)
44 FUNDING A LOAN AGREEMENT RESERVE ACCOUNT; AND (3) PAYING EXPENSES;

1 PROVIDING FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE LOAN
2 AGREEMENT SOLELY FROM THE NET REVENUES FROM THE GOVERNMENTAL UNIT'S
3 JOINT WATER AND SEWER UTILITY SYSTEM; APPROVING THE DELEGATION OF
4 AUTHORITY TO MAKE CERTAIN DETERMINATIONS REGARDING THE LOAN
5 AGREEMENT PURSUANT TO THE SUPPLEMENTAL PUBLIC SECURITIES ACT;
6 RATIFYING ACTIONS HERETOFORE TAKEN; APPROVING THE FORMS OF THE LOAN
7 AGREEMENT AND OTHER DETAILS CONCERNING THE LOAN AGREEMENT;
8 REPEALING ALL ACTION INCONSISTENT WITH THIS ORDINANCE; AND AUTHORIZING
9 THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND
10 DELIVERY OF THE LOAN AGREEMENT

11
12 A general summary of the subject matter of the Ordinance is contained in its title. This notice
13 constitutes compliance with Section 6-14-6, NMSA 1978.

14
15 (End of Form of Summary for Publication)

PASSED, APPROVED AND ADOPTED THIS 9th DAY OF JULY, 2026.

CITY OF ROSWELL, NEW MEXICO

ATTEST:

Mayor

City Clerk

1 Councilor _____ then moved adoption of the foregoing Ordinance, duly seconded by
2 Councilor _____.

3 The motion to adopt said Ordinance, upon being put to a vote, was passed and adopted on
4 the following recorded vote:

5

6 Those Voting Aye: _____

7

8 _____

9

10 _____

11

12 _____

13

14 _____

15

16 _____

17

18 _____

19

20 _____

21

22 _____

23

24 _____

25

26

27 Those Voting Nay: _____

28

29 Those Absent: _____

30

31 _____ () members of the Governing Body having voted in favor of said motion, the
32 Mayor declared said motion carried and said Ordinance adopted, whereupon the Mayor and the Clerk
33 signed the Ordinance upon the records of the minutes of the Governing Body.

1 After consideration of matters not relating to the Ordinance, the meeting on the motion duly
2 made, seconded and unanimously carried, was adjourned.

3
4
5 CITY OF ROSWELL, NEW MEXICO
6

7 By _____
8 Mayor
9

10 [SEAL]

11 ATTEST:
12

13 By _____
14 Clerk
15



NEW MEXICO
FINANCE AUTHORITY

NMFA Use Only:

App. #:	-PP
FA assigned:	
Legislative Authorization	

**PUBLIC PROJECT REVOLVING FUND
BUILDING APPLICATION**

I. GENERAL INFORMATION

A. APPLICANT /ENTITY

Application Date: 1/9/2026

Applicant/Entity:	City of Roswell, New Mexico				
Address:	425 N Richardson Roswell, NM 88201				
County	Chaves	Census Tract:			
Federal Employer Identification Number (EIN) as issued by the IRS:					
Legislative District:	Senate:		House:		
Phone:	575-624-6700	Fax:		Email Address:	h.yntema@roswell-nm.gov
Individual Completing Application:	Carissa Stone				
Address:	6301 Uptown Blvd. NE Suite 110, Albuquerque NM 87110				
Phone:	505-872-5999	Fax:		Email Address:	carissa.stone@rbccm.com

B. CONSULTING PROFESSIONALS (Bond/Legal Counsel, Architect, Engineer, etc.), if available:

Firm:	Modrall Law Firm				
Contact:	Chris Muirhead				
Address:	500th St. NW Ste 1000, Albuquerque, NM 87102				
Phone:	505-848-1800	Fax:		Email Address:	cmuirhead@modrall.com

C. PRIMARY CONTACT PERSON:

Name:	Hessel Yntema				
Contact:	City Manager, City of Roswell				
Address:	425 N Richardson Roswell, NM 88201				
Phone:	575-624-6700	Fax:		Email Address:	h.yntema@roswell-nm.gov

II. PROJECT SUMMARY

- A. Project Description.** Complete the following information in the provided space below. Include any additional documents that may be useful in reviewing this project, i.e. architectural designs, feasibility studies, business plan, etc.

1. Description of the project.

Refunding of the Series 2017 Joint Water & Sewer Improvement Bonds

- 2. Proposed Project Start Date:** September 2026 **Proposed Project Completion Date:** September 2026
When do you need NMFA funds available? September 2026

3. How will the ongoing maintenance, operation, and replacement of this project be funded?

Not applicable as it is a refunding.

4. Provide a detailed drawdown schedule for project payments. The schedule may reflect monthly or quarterly payments.

B. Total Project Cost & Sources of Funds Detail.

Construction Activities	NMFA Funds Requested	Other Public Funds*	Private Funds	Total
Planning and Design	\$	\$	\$	\$
Construction	\$	\$	\$	\$
Equipment	\$	\$	\$	\$
Infrastructure Activities				
Facility Acquisition	\$	\$	\$	\$
Land Acquisition	\$	\$	\$	\$
Utilities (Electric, Gas, Water, etc.)	\$ 11,500,000	\$	\$	\$
Engineering and Architectural	\$	\$	\$	\$
Contingencies	\$	\$	\$	\$
Project Administration/Legal Fees	\$	\$	\$	\$
Other Cost of Issuance	\$ 100,000	\$	\$	\$
Total Cost:	\$	\$	\$	\$

*Specify any other public funds, and amounts and terms of these funds, i.e. FmHA, CDBG, EPA, etc.

Source	Amount	Terms / # of Years
	\$	
	\$	
	\$	
Total:	\$	

Attach a letter verifying that each non-NMFA funding source has been approved, or is in the process of being approved for this project. Explain any exceptions.

C. Will this project require right-of-way acquisition? Yes ☐ No ☒

If yes, specify any right-of-way needs, and whether acquisition may or may not delay beginning of project.

D. Who will hold title to the land where the project is to be located?

Not applicable

If this is land owned by the Bureau of Land Management, State Land Office, or Tribal Land, please attach lease agreements. (If there is no clear title, attach an explanation of ownership arrangements)

- E. Does this project require a Joint Powers Agreement (JPA)? Yes ☐ No ☒

If yes, provide a copy of the JPA, which should include a list of the current membership.

III. FINANCING

- A. 1. Specify the revenue to be pledged as security for the NMFA loan (a revenue source must be pledged for this type of project).

- ☐ Municipal Local Option GRT – please specify: _____
- ☐ County Option GRT – please specify: _____
- ☐ Other Tax-Based Revenue: _____
- ☐ State-Shared GRT _____
- ☐ Law Enforcement Funds _____
- ☐ Fire Protection Funds _____
- ☒ Net System Revenues: Joint Utility _____
- ☐ Other Revenue: _____

2. Is there an alternative revenue source available to pledge to pay debt service in the event that the primary pledged revenue is unavailable or insufficient? Yes ☐ No ☒ If yes, specify:

3. Preferred financing term: 11 years.

- B. Is any debt being repaid from the revenue source(s) referenced in A (1)? Yes ☐ No ☒

If yes, provide bond or loan documents and payment schedule for any existing debt service being paid from the same revenues that would be used to repay a NMFA loan.

IV. READINESS TO PROCEED ITEMS

- A. The following items must accompany this application in order for this application to be considered complete:

- ☐ Equipment cost breakdown (if applicable)
- ☐ Three most recently completed fiscal year audit reports
- ☐ Current unaudited financials
- ☐ Current fiscal year budget
- ☐ Verification of ownership of land where project will be located
- ☐ Documentation that each non-NMFA project funding source has been approved, or is in the process of being approved (if applicable)
- ☐ Joint Powers Agreement (if applicable)

B. In addition, complete the following information in the provided space below. These items will be required prior to disbursement of NMFA proceeds:

- ☐ Provide a detailed drawdown schedule for project payments
- ☐ Final technical information for the project, stamped and approved by a registered engineer
- ☐ Cost breakdown of the project, certifiable by either an engineer or architect
- ☐ Area map, site map, and floor map (if applicable)
- ☐ Verification of ownership of land where project will be located
- ☐ Documentation that each Non-NMFA project funding source has been approved, or is in the process of being approved (if applicable)
- ☐ Documentation showing status of right-of-way acquisition (if applicable)
- ☐ Explanation of land ownership arrangements (if applicable)
- ☐ List all required permits and licenses necessary to complete this project. Detail the status of each item, a plan of action, and time frame for completing incomplete permits and licenses. Also provide a copy of all permits and licenses.
- ☐ Is there litigation pending which would have a bearing on this project or applicant?
Yes ☐ No ☐
If yes, provide a complete summary of all circumstances relating to such litigation.

- ☐ Indicate the regular meeting dates for your authorizing body: _____

V. CERTIFICATION

I certify that:

We have the authority to request and incur the debt described in this application and, upon award, will enter into a contract for the repayment of any NMFA loans and/or bonds.

We will comply with all applicable state and federal regulations and requirements.

To the best of my knowledge all information contained in this application is valid and accurate and the submission of this application has been authorized by the governing body of the undersigned jurisdiction.

Signature:

Title:

(highest elected official)

Jurisdiction:

Print Name:

Date:

Signature:

Date:

Finance Officer/Director:

CITY OF ROSWELL, NEW MEXICO
Joint Utility Refunding and Flood Recovery GRT Financing Time Schedule
New Mexico Finance Authority

Date	Action	Responsibility
Friday, May 01	Submit Draft Applications to NMFA for June Board Approval	CITY, FA, NMFA
Thursday, June 04	Finance Committee meeting Finance Plan Update and Review of Bond Ordinances	CITY, FA, BC
Thursday, June 11	City Commission Meeting - First Reading of Bond Ordinances and approval of NMFA Application Resolutions	CITY, FA, BC
Friday, June 12	Submit Final Signed NMFA Applications	MA
Thursday, July 02	Finance Committee meeting Bond Ordinance	CITY, FA, BC
Thursday, July 09	City Commission Meeting - Approval of Bond Ordinance	CITY, FA, BC
Monday, July 13	Notice of Adoption published in paper of local circulation	
Thursday, June 25	NMFA Board meeting to Approve Loan	CITY, FA, BC, NMFA
Thursday, July 23	NMFA Board Authorization of Simultaneous Marketing	CITY, FA, BC, NMFA
Wednesday, August 12	Thirty day limitation of action period expires	
Thursday, August 27	Bond Pricing - NMFA Simultaneous Pricing	CITY, FA, BC, NMFA
Thursday, September 03	Closing Documents Circulated	CITY, FA, BC
Thursday, September 10	City Council Presentation of Bond Sale Results	CITY, FA, BC
Thursday, September 17	Bond Closing	SD, RBC, BC, NMFA
Working Group Key		
Code	Participant	Role
CITY	City of Roswell	Issuer
FA	RBC Capital Markets	Municipal Advisor
BC	Modrall Law Firm	Bond Counsel
NMFA	New Mexico Finance Authority	Purchaser

Note 1: Finance Committee meeting first Thursday of the month

Note 2: City Council meeting second Thursday of the month

**ROSWELL NEW MEXICO
AGENDA ITEM ABSTRACT**

Regular City Council Meeting

21.

Meeting Date: 07/09/2026

COMMITTEE: Legal

CONTACT: C. Josh Nairn-Mahan

CHAIR: Will Cavin

ACTION REQUESTED:

Recommend to the City Council the ratification and adoption of the Procurement Policy.
(Cavin/Gomez)

BACKGROUND:

Initiated by: Toni Gomez

The Special Audit recommended that the City promulgate and adopt more robust policies and procedures. This Procurement Policy was drafted as part of that effort.

FINANCIAL CONSIDERATION

There is no direct financial impact associated with this item.

LEGAL REVIEW:

City Attorney has reviewed this item.

BOARD AND COMMITTEE ACTION:

Legal Committee will be the first to consider this item. This was tabled at the May 28, 2026 Legal Committee to be readdressed at the June 25, 2026 Legal Committee.

STAFF RECOMMENDATION:

Proceed as presented.

Attachments

Purchasing Policy



Purchasing

City of Roswell Purchasing Policy

Promulgated May 2026

Approved as to Form:

L. Josh Williams Date: 5/22/26
City Attorney

Policy Approved:

[Signature] Date: 5-22-26
City Manager

Council Ratification Date: _____



**City of Roswell
Procurement Code of Ethics**

Purchasing

All City of Roswell employees, elected officials, and individuals involved in procurement activities shall adhere to the highest standards of ethical conduct in accordance with the New Mexico Procurement Code, Sections 13-1-190 through 13-1-199 NMSA 1978. Any action that is inconsistent with the proper discharge of public duties shall constitute ethical misconduct and may result in a breach of public trust.

Prohibited conduct includes, but is not limited to, participation in procurement decisions involving actual or perceived conflicts of interest, or the use of confidential information for actual or anticipated personal gain, whether for oneself or on behalf of another individual or entity.

A violation of ethical conduct includes the acceptance of money, gifts, gratuities, favors, or anything of value from any individual or entity that a public employee knows, or has reason to know, is seeking to do business with the City or may become a party to a procurement transaction.

All City of Roswell employees shall conduct themselves in a manner that avoids both actual impropriety and the appearance of impropriety. Employees shall not engage in any activity that could reasonably be perceived as influence peddling, favoritism, or undue preference toward any individual or entity.

In maintaining a high standard of ethical conduct, all City of Roswell employees involved in procurement activities shall:

1. Avoid participating in procurement transactions that create, or appear to create, a conflict between personal interests and the interests of City of Roswell.
2. Avoid the intent and appearance of unethical or compromising conduct in relationships, actions, and communications.
3. Never use confidential information as means of obtaining financial enrichment or personal betterment for oneself or for any other person.
4. Decline personal gifts, gratuities, or favors from present or potential suppliers, as such items may influence, or appear to influence, procurement decisions.
5. Focus attention on the objectives and policies of City of Roswell.
6. Promote positive supplier relationships through courtesy and impartiality in all aspects of procurement operations and activities.
7. Strive to obtain the maximum value for each dollar expended.
8. Grant all competitive suppliers equal consideration insofar as New Mexico or federal statutes,

regulations, and City of Roswell policy require.

9. Conduct business with potential and current suppliers in an atmosphere of good faith.
10. Expect honesty in all aspects of sales representation, whether offered verbally, in writing, by advertisement, or by sample.
11. Protect ideas, designs, and information entrusted to the City from improper disclosure or use in competitive purchasing.
12. Make every reasonable effort to negotiate an equitable and mutually agreeable settlement of any controversy with a supplier, insofar as City of Roswell Policy permits.
13. Promote awareness of these ethical practices among City departments and employees involved in procurement.
14. Develop skills, expand knowledge, and conduct business in a manner that demonstrates competence and promotes the procurement profession.

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I. GENERAL PURCHASING

- A. The Chief Procurement Officer ("CPO" or "Procurement Officer") shall serve as the City's procurement authority and may perform the following duties pursuant to the Procurement Code, except that authorized P-Card users may make approved small purchases in accordance with the City's Purchasing Card Policy:
1. Make determinations, including determinations regarding exemptions, pursuant to the Procurement Code;
 2. Issue purchase orders and authorize small purchases pursuant to the Procurement Code; and
 3. Approve procurement pursuant to the Procurement Code.

NMSA 1978, 13-1-95.2.

- B. The City Purchasing Policy shall be in compliance with the rules, regulations and requirements of the State of New Mexico "Public Purchases and Property Act," and the State Procurement Code, Chapter 13 NMSA 1978.

Definition: Purchase: The commitment, obligation, or expenditure of City of Roswell funds to obtain goods, services, construction, or items of tangible personal property.

- C. Purchases shall be made from responsible vendors offering quality goods or services at prices and terms that are in the best interest of the City, with due consideration given to price, quality, availability, delivery, and other relevant factors.
- D. Any purchase made without appropriation or compliance with applicable law and this Policy shall be considered an unauthorized purchase and may be denied payment by the City, subject to applicable law and administrative review.
- E. Unauthorized purchases may include, but are not limited to:
1. Obtaining goods or services prior to required approval or purchase authorization and encumbrance¹;
 2. Dividing or splitting purchases or invoices to avoid approval thresholds, procurement requirements, or card limits; and
 3. Making purchases without sufficient budget authority or required internal approvals.
- F. Tax Exempt Status.: The City of Roswell is exempt from gross receipts tax on purchases of tangible goods. Services and labor are taxable. Departments shall consult the Finance Department when the applicable tax treatment is unclear.
- G. If price and quality are comparable, the person(s) authorized to make a purchase should

NMSA '6-5-3

equally trade with local business firms in an effort to give each City of Roswell vendor as much business as another City vendor.

- H. **Knowledge of Policy:** A copy of this Policy and any approved supplements shall be provided to each affected department, department head, and other designated personnel. Such personnel shall be responsible for becoming familiar with, understanding, and complying with the provisions of this Policy.
- I. **Enforcement:** Apparent violations of this Policy shall be reviewed by the Treasurer, Certified Procurement Officer, City Manager, or designee, as appropriate. If a violation is determined to have occurred, the matter shall be addressed in accordance with the merit system ordinance, other applicable law, City procedures, and any required reporting process. Fraud, waste, or abuse shall be reported to the governing body and State Auditor as provided by law.
- J. The City of Roswell shall follow all exemptions authorized under Section 13-1-98 NMSA 1978 and may utilize other procurement methods authorized by law, including cooperative procurement and related provisions under Sections 13-1-135 through 13-1-137 NMSA 1978, as applicable.
- K. **DISPUTES:** When there is a question or disagreement about the legality or propriety of a purchase between the CPO and City Administration, the matter shall be referred to the City Attorney for legal review and opinion. The City shall proceed in accordance with the City Attorney's legal opinion, applicable law, and the purchasing authority established by this Policy.

II. STANDARD PURCHASING PROCEDURE APPLICABILITY

- A. **Standard Purchasing Procedure Applicability.** "Standard Purchases" are described as systematic, planned, and necessary purchases for administration and operation of a project, division and/or department. Except as otherwise provided in the Emergency Procurement Procedures section of this Policy, all such purchases shall be made in accordance with the standard purchasing procedures set forth herein.
- B. Due to the nature of certain procurements, the following purchases are strongly encouraged to be reviewed or approved through the department or official identified below, regardless of purchase amount:
 - 1. **Information Technology (IT):** All information technology purchases, including electronic or digital equipment to be inventoried or leased, shall be reviewed and approved through the Information Technology Department.
 - 2. **Facilities:** All purchases related to City buildings, grounds, and facilities shall be reviewed and approved through the Engineering Department.
 - 3. **Vehicles:** All vehicle purchases shall be approved through the Procurement Officer in consultation with the Fleet Director.

III. INITIATING A PURCHASE: PO REQUEST

- A. All standard purchases authorized by this Policy shall be initiated through the use of either a City of Roswell Purchasing Card (P-Card) or a City of Roswell PO Request, issued prior to placing an order or making a purchase. A PO Request is the internal, formal request to encumber funds² to acquire goods or services through the City's CPO that can result in a Purchase Order or otherwise valid contract. The "Purchase order" is the document issued by the City's central purchasing office that directs a contractor to deliver items of tangible personal property, services or construction. The Certified Procurement Officer and City Manager reserve the right to approve or deny any purchase request.

NOTE: Before making a PO Request you must verify that you have sufficient funds in the appropriate line. If not, the appropriate line-item adjustment must be requested. Budget adjustments of \$10,000 and under shall be approved by the Treasurer, above \$10,000 but no more than \$60,000 shall be approved by the City Manager, and above \$60,000 shall be approved by the governing body. Any adjustment between funds must be approved by the governing body.

Each PO request shall include the following but is not limited to:

1. **Vendor:** The name of the business or entity to which the purchase order will be issued.
2. **Vendor Number:** New vendor numbers shall be assigned through the Finance Department. The department initiating the purchase shall be responsible for submitting all required vendor documentation, including a current W-9, to the Finance Department.
3. **Terms:** The City of Roswell pays net within 30 days of receipt of invoice unless other arrangements are made and included on this section of the purchase order.
4. **Quantity:** The Specific unit of measure and the approximate quantity requested. Units may include, but are not limited to, "each," "box," "gallons," "reams," or "pounds." If the exact quantity is not known, the user shall provide the best estimate of quantity.
5. **Description:** A description sufficient to identify the goods or services being procured. If the procurement is made under an agreement, contract, bid, RFP, or other solicitation, the applicable agreement or solicitation number shall be referenced.
6. **Estimated Amount:** The estimated total cost of the procurement. If the exact cost is unknown, the requesting department shall provide its best estimate or request a "Blanket or open" PO.
7. **Department:** The name of the department or division initiating the purchase order/requisition.
8. **Authorization:** The requisition shall be approved through the City's purchasing software workflow by the department head or other authorized user, as applicable.

NMSA ² 6-5-3

9. **Account Number:** The appropriate budget line-item account number to be charged. It is the authorized user's responsibility to assign the correct line-item account number to the Purchase Order. Multiple line-item accounts may be included in the Purchase Order.

IV. AUTHORIZATION OF PURCHASE ORDERS

- A. **Authorization of Purchase Orders.** The user department must have an authorized purchase order issued prior to executing the purchase. Purchase orders may be transmitted to vendors by email. The user department shall ensure that the purchase order number is referenced on the invoice submitted to the City for payment. Purchases made prior to obtaining a purchase order are prohibited, except as otherwise provided in the Emergency Procurement Procedures section of this Policy. Any revision to an authorized purchase order shall require approval through the applicable workflow to ensure procurement compliance and the availability of funds.
 1. Purchase orders or pay vouchers are required before work may be performed or goods received. Notice of Awards ("NOA") shall not be issued until there is an encumbrance for the award. NOAs promptly followed by a PO are not a violation of this policy.
- B. **Change orders: Adding different items to a Purchase Order after it has been authorized is prohibited, unless approved by the City Manager, or designee, to ensure compliance; i.e., change orders. Change orders for additional goods and/or services or increases in cost need to be requested prior to work being done. Change orders shall not exceed \$60,000.00 or 10% of the project, whichever is less, without governing body approval.**
- C. **Open Purchase Orders:** For the purpose of this policy, open Purchase Orders are Purchase Orders against which multiple billings will be submitted over a specific period of time. All open Purchase Orders shall be accompanied by any required applicable documentation. An open Purchase Order will be closed out at the end of the fiscal year. The open Purchase Order shall include an estimated total cost of all purchases anticipated during the specific period. It is the user department's responsibility to ensure that the actual invoices for all purchases made using an open Purchase Order be submitted to the Finance Office upon receipt and the final invoice shall be marked **FINAL** to denote closing of the open Purchase Order.

V. INVOICES

- A. **Invoices.** An invoice is an itemized statement submitted by the vendor to the City of Roswell for payment of goods or services provided to the City. It is the responsibility of the vendor to ensure that a valid purchase order has been issued prior to providing goods or services, and the vendor shall include the purchase order number on the invoice submitted to the City for payment. In cases where the purchase order number is not included on the invoice when required, the vendor shall be notified.
 1. The Finance Department, at its discretion, is authorized to return any invoice that does not

reference a valid purchase order number. The City shall not be responsible for purchases made without an executed and authorized purchase order.

- B. The vendor shall be notified that repeated improper invoicing is sufficient cause to exclude the vendor from the City of Roswell's purchasing program. The City may also refuse payment in any case involving an unauthorized purchase.

1. **Verification of Invoices.** All invoices shall be reviewed by user departments prior to payment to ensure that goods or services have been received and to certify authorization for payment. The certification shall include the authorized approval, date of approval, and purchase order number on the invoice, as applicable. It shall be the responsibility of each user department to ensure that outstanding invoices are promptly submitted for payment.
2. **Processing for Payment.** The Finance Department shall ensure that all invoices received are appropriately authorized and certified prior to payment. The Finance Department shall be responsible for ensuring that appropriate procedures are established and followed for payment after invoices are received, including timely payment, receipt of applicable discounts, and avoidance of late charges.

VI. SMALL PURCHASES, QUOTES & COMPETITIVE PURCHASES

- A. General purchasing shall be conducted in compliance with the New Mexico Procurement Code, Sections 13-1-28 through 13-1-199 NMSA 1978. Employees involved in procurement shall comply with applicable ethical standards and shall not participate in procurements were prohibited by law or engage in bribery, gratuities, kickbacks, misuse of confidential information, or other unlawful conduct. Violations may result in administrative, civil, or criminal penalties under applicable law. The New Mexico criminal statutes impose felony penalties for bribes, gratuities and kickbacks. Individuals who knowingly violate the State Procurement Code or State law may face a civil penalty of up to \$1,000 per violation as outlined in the New Mexico State Statute. Moreover, any entity or individual that deliberately breaches the State Procurement Code may be charged with either a misdemeanor (for transactions involving \$50,000 or less) or a fourth-degree felony (for transactions exceeding \$50,000). Authorized users shall attempt to ensure that all purchases are made at best possible prices. **The thresholds below are for the maximum amount per vendor, per fiscal year, for the same item City wide.**

B. Small Purchases (Under \$60,000.00)

Pursuant to Section 13-1-125 NMSA 1978, procurements of services, construction, or items of tangible personal property having a value not exceeding sixty thousand dollars (\$60,000), excluding applicable state and local gross receipts taxes, may be made in accordance with the City's small purchase procedures and applicable law. Procurement requirements shall not be artificially divided for the purpose of qualifying as a small purchase.

1. **Up to \$19,999 - Small Purchases:** Total purchases that fall within this dollar limit may be processed without quotes. Awards can be made without securing competition if the user determines that the price received is reasonable. The user is not precluded from

obtaining quotes from more than one vendor if the user suspects that the price is not reasonable or determines that it is in the best interest of the City.

Note: The Certified Procurement Officer may work to find other purchases, at other prices, if inadequate or insufficient prices are found by the purchaser and may deny any small purchases.

2. **\$20,000 to \$59,999 - Formal Quotes:** Purchases shall be made according to the best obtainable price, or best quality service substantiated with an explanation, and provided by at least three (3) bona fide written quotes on **official** vendor letterhead.

Requirements Applicable to Written Quotations:

- Proper procurement processes are still required for the P-Card.
- The Authorized User shall provide written justification supporting the vendor selected. Such justification may include relevant factors such as price, availability, delivery time, items in stock, shipping costs, compatibility, quality, or other considerations determined to be in the best interest of the City.
- If fewer than three (3) written quotations are obtained because there are not three known vendors able to provide the required goods or services, or because a vendor declines to quote, the using department shall attach the quotations received and document the vendors contacted and the reason fewer than three (3) quotations were obtained.
- Written quotations shall include, at a minimum, the vendor's name, contact name, contact information, items or services quoted, and pricing.
- When a procurement exceeds available budget authority, the using department shall obtain any required budget transfer, budget adjustment, and internal workflow approvals before the procurement proceeds.

3. Professional Services Not Exceeding \$60,000.

1. In accordance with Section 13-1-125 NMSA 1978, the City may procure professional services having a value not exceeding sixty thousand dollars (\$60,000), excluding applicable state and local gross receipts taxes, in accordance with applicable professional services procurement requirements.
2. This provision does not apply to the procurement of landscape architect or surveyor services for state or local public works projects, which shall be procured in accordance with Sections 13-1-120 through 13-1-124 NMSA 1978.

- C. Procurements Exceeding \$60,000** - Procurements of services, construction, or items of tangible property having a total value in excess of sixty thousand dollars (\$60,000) shall be made

through the applicable procurement method authorized under the New Mexico Procurement Code and shall be conducted by or through the Chief Procurement Officer. Pursuant to Section 13-1-102 NMSA 1978, competitive sealed bids shall be used unless another procurement method authorized under the Code is applicable, including competitive sealed proposals under Sections 13-1-111 through 13-1-122 NMSA 1978, procurements under existing contracts under Section 13-1-129 NMSA 1978, or cooperative procurement under Section 13-1-135 NMSA 1978. Such procurements must be approved in the current budget. Procurements not approved in the current budget shall require any necessary budget approval prior to award or issuance of a purchase order, as applicable. Bids or proposals may be rejected by the Chief Procurement Officer, City Manager, Evaluation Committee, or City Council if they exceed available budget authority, are nonresponsive to specifications, or contain irregularities in the solicitation or response. The Chief Procurement Officer reserves the right to delay approval, to seek additional confirmation or information regarding any purchase, and to request additional information.

1. Purchases must be approved in the current budget through the formal budget process that includes City Council Approval. **Purchases not approved in the current budget require approval by the City Council prior to awarding a bid or proposal to a potential vendor.** Proposals and Bids may be rejected by the Chief Purchasing Officer, City Manager, Evaluation Committees or City Council in the event that they are in excess of budgetary limits, are non-responsive to specifications, or due to irregularities in the proposal or bid specifications.
2. The Chief Purchasing Officer reserves the right to delay approval, to seek additional confirmation or information regarding any purchase, and to request additional information.

D. Statewide Contracts, Federal Contracts, Existing Contracts, and Cooperative Procurements. Sealed competitive bids are not required when the City is making a procurement under an applicable statewide contract, federal contract, existing contract, or cooperative procurement authorized under the New Mexico Procurement Code. The Chief Procurement Officer may request additional quotes, pricing, or supporting documentation, at their discretion, when necessary to determine price reasonableness or best value.

1. Purchases may be made when the vendor holds an applicable statewide or federal contract, or when the procurement is made under a qualified and documented procurement conducted by another state or local government agency.
2. Applicable federal, state, or cooperative contract numbers shall be identified on the purchase order or procurement record. Supporting contract documentation shall be maintained in the procurement file in accordance with applicable records retention requirements.
3. The City may purchase items cooperatively through another public body's bid or request for proposal process pursuant to Section 13-1-135 NMSA 1978. Supporting solicitation documents, vendor responses, verification of award, and other relevant documentation shall be maintained in the procurement file.

VII. COMPETITIVE PROCUREMENT EVALUATIONS AND AWARDS

A. Evaluation Committees

When an evaluation committee is used, the Chief Procurement Officer or designee shall appoint committee members appropriate to the procurement. Evaluation committees should include individuals with knowledge of the goods, services, construction, or items of tangible personal property being procured. Subject matter experts may provide technical assistance but shall not score proposals unless appointed as voting committee members. Evaluation committees should be made up of:

1. Users of the good, service, or item of tangible personal property to be purchased is preferred:
 - a. Department Heads are permissible when a User is not available, though persons working with the item most is preferred; and a member from Information Technology (IT), as *needed*, for technical support or guidance. Five (5) persons are recommended, with three (3) persons as a minimum and seven (7) as a maximum.
 - b. People who participated in the pre-procurement process also are ideal members of the Evaluation Committee.
2. When an anticipated award is less than the City Manager's purchase authority, a qualified member of the governing body may be offered a seat on the evaluation committee.
3. Evaluation criteria is not standardized and should be tailored to suit the City's need/specific requirements weighted for "Best Value."
4. A legal representative may be a part of the RFP evaluation, when necessary, in instances where new or alternate terms and conditions or unusual, out of the ordinary, terms and conditions are submitted by an Offeror and/or City of Roswell.
5. The Chief Purchasing Officer may sit in on Evaluation Meetings for technical assistance but will not be an evaluator/voting member of the Evaluation Team unless new or alternate terms and conditions or unusual, out of the ordinary, terms and conditions are submitted by an Offeror and/or City of Roswell.

B. Evaluation Committee Responsibilities.

1. Evaluation committee members shall review proposals in accordance with the evaluation criteria set forth in the solicitation.
2. Evaluation criteria and assigned weights shall be established prior to opening proposals and shall be included in the solicitation documents.
3. During the RFP evaluation process, the Chief Purchasing Officer or person authorized to

release results or communicate with the Offerors. All the Requests for further information or clarification must be forwarded to the Chief Purchasing Officer. The Chief Purchasing Officer may contact the Offeror for clarification of the response. **Any attempt by an Offeror to discuss an RFP with anyone other than the Chief Purchasing Officer should be reported to the Treasurer, City Manager, or designee, and the Chief Purchasing Officer.**

4. While serving as an Evaluation Committee member, all possible perceived or actual conflicts of interest will be disclosed promptly to the Chief Purchasing Officer.
5. All members of the Evaluation Committee shall sign the Evaluation Committee Member Declaration.
6. The City Attorney of Record or representative will review and provide advice on contract terms and conditions.
7. Each Committee member is responsible for reviewing each proposal, attending any Evaluation Committee meeting and attending any finalist presentation or demonstration deemed necessary.
8. Designated subject matter experts will be available to advise the Evaluation Committee of technical matters, but they are not involved in the scoring of Offeror proposals.

C. Confidentiality and Communications.

1. During the evaluation process, proposals and evaluation materials shall be kept confidential to the extent required by the New Mexico Procurement Code. Offerors shall not communicate with evaluation committee members regarding the solicitation. Any attempted communication by an offeror shall be reported to the Chief Procurement Officer.
2. The contents of any proposal shall not be disclosed so as to be available to competing offerors during the negotiation process, until the award of the contract. Pursuant NMSA 1978 13-1-116.

D. Selection and Award.

1. The evaluation criteria for all proposals, except architects, engineers, and surveyors, shall include, but is not limited to the following factors; price (cost), adherence to specifications, availability/delivery, support, capability of vendor. Additionally, when there is no material difference between bids/quotation, local vendors shall be given preference.
2. Bids are awarded based on lowest responsive bid (cost) where all specifications/requirements are met.

3. RFPs shall be evaluated based on the evaluation factors and point system established in the Request for Proposals. Responsive proposals shall be reviewed and scored by the evaluation committee. Award shall be made to the responsible offeror or offerors, as applicable, whose proposal is determined to be most advantageous to the City, taking into consideration the evaluation factors set forth in the Request for Proposals.
4. All bids and Requests for Proposals require governing body approval prior to award when the value of the Contract is in excess of \$250,000.00.

E. Bid/RFP Timelines

1. Invitations for Bids shall be published or noticed not less than ten (10) calendar days prior to the date set for bid opening, in accordance with Section 13-1-104 NMSA 1978. The Certified Procurement Officer may establish a longer response period, when necessary, based on the complexity of the procurement, City Council agenda deadlines, or other operational needs.
2. As a general guideline, RFPs will have a 14-day response period after issuance/advertisement.
3. Awards that require governing body approval shall be submitted to the governing body and/ or its committee(s) as provided under state law and the governing body's Rules of Order.
4. The preceding timelines are a general guideline and may depend on Council meeting schedules. The Certified Purchasing Officer reserves the right to change timelines for bid opening or RFP response time, as necessary, but will try to follow this general timeframe guideline.

F. Specifications.

1. Specifications shall be written to describe the City's needs and **shall not** be drafted in a manner that intentionally favors or excludes a vendor. When brand names, models, or specific standards are used, the solicitation shall allow equivalent products or services unless a written determination supports a more restrictive specification.

G. Procurements Under Existing Contracts or Cooperative Procurements.

1. A separate competitive solicitation is not required when the City is procuring under an applicable state contract, federal contract, existing contract, or cooperative procurement authorized under the New Mexico Procurement Code. Supporting contract and award documentation shall be maintained in the procurement file.

H. Solicitation Timelines and Public Notice

1. Solicitation timelines shall be established by the Chief Procurement Officer based on the

type, complexity, and requirements of the procurement, while allowing sufficient time for competition and any required RFP City approvals.

2. Invitations for Bids and Requests for Proposals, or notices thereof, shall be published once in at least one (1) newspaper of general circulation and posted on the City's designated procurement portal. Additional electronic posting may be used as determined appropriate by the Chief Procurement Officer.
3. Pursuant to Section 13-1-104 NMSA 1978, an Invitation for Bids, or notice thereof, shall be published not less than ten (10) calendar days prior to the date set for bid opening. Public notice of a Request for Proposals shall be given in the same manner pursuant to Section 13-1-113 NMSA 1978.
4. The Chief Procurement Officer may adjust solicitation response periods and timelines, when necessary, based on the procurement schedule, City Council agenda deadlines, complexity of the procurement, or other operational needs, provided all statutory public notice requirements are met.

VIII. EMERGENCY PROCUREMENT

A. Emergency Condition.

1. An emergency condition exists when services, construction, or items of tangible personal property are needed immediately to address a serious threat to public health, welfare, safety, or property, and the procurement cannot be made through normal procurement methods. Emergency procurements shall be made in accordance with Section 13-1-127 NMSA 1978. **Common examples of emergencies include floods, fires, epidemics, riots, acts of terrorism, equipment failures or similar events and includes the planning and preparing for an emergency response.**

B. Competition and Written Determination.

1. The Chief Purchasing Officer and/or City Manager, in concert with the Mayor or designee, within 72 hours, will make a written determination of the basis for the emergency procurement and for the selection of the particular contractor or vendor shall be included in the procurement file. Emergency procurements shall not include the purchase or lease purchase of heavy road equipment.
2. Emergency procurements shall be made using competition to the extent practicable under the circumstances. The written determination shall be included in the procurement file.
3. Any emergency procurement/purchases that are less than the state's small purchase threshold does not have to be reported to the New Mexico General Service Department. Any emergency procurement/purchase exceeding the State's small purchase threshold should be reported to the New Mexico General Service Department and forward the same information to the legislative finance committee.

- C. **Approval and Notification.** Emergency procurements in excess of the City Manager's spending authority shall require notification and ratification by the governing body in accordance with governing body's Rules of Order.
- D. **Limitations and Reporting.** Emergency procurements shall not include the purchase or lease-purchase of heavy road equipment. Any required reporting or recordkeeping for emergency procurements shall be completed in accordance with Sections 13-1-127 and 13-1-128 NMSA 1978.

IX. SPECIAL FUNDS

- A. Funds for specialized activities, such as special boards, undercover operations, inmate cash, etc. shall be specifically appropriated by the City Council. The Treasurer and/or City Manager, or designee, shall be responsible for preparing written supplements, establishing safeguards, provisions, and procedures to ensure appropriate accounting and maximum accountability for such funds. The office or department head shall be the custodian strictly responsible for the appropriate use of these funds. User departments shall designate custodians and alternate custodians of special funds.
- B. When procuring federal funds, the City of Roswell follows the standards set forth by the PDTA Procurement Review Checklist pertaining to the 2 CFR § 200.

X. SOLE SOURCE PROCUREMENT

- A. **Sole Source Purchase:** A contract may be awarded without competitive sealed bids or proposals regardless of the estimated cost when the Chief Purchasing Officer makes a determination, after conducting a due diligence review of available sources and consulting the using department, that there is only one source for the required service, construction or item of tangible personal property. The Chief Purchasing Officer, Treasurer and/or City Manager, or Designee, shall conduct negotiations, as appropriate, as to price, delivery and quantity in order to obtain the price most advantageous to the City of Roswell, under 13-1-126 NMSA 1978. Sole Source Purchases shall be made also under the following provisions:

- 1. The service, construction or item of tangible personal property must be unique and this uniqueness must be substantially related to the intended purpose of the contract.

NOTE: No person may circumvent this requirement by narrowly drafting specifications so only one predetermined source will satisfy the specifications.

- B. . Prior to approval of a sole source procurement the Procurement Administrator will:
Complete the "Sole Source Justification Request Form"
- C. . Following receipt of the Justification Request form, the Chief Purchasing Officer will use diligence in determining the basis for the request and will review available sources and may consult further with the requesting department.

- D.** If the Chief Purchasing Officer determines sole source procurement is justified, they will provide the information to the State of New Mexico for posting on the State's website and post notice of the intent to procure through sole source on the City's website for a minimum of 30 calendar days. After the notice has been posted for 30 days on the State's website and the City's website, and providing no protests have been filed in relation to the posting, the Chief Purchasing Officer can allow the procurement.



**City of Roswell
Purchasing Card (P-Card) Policy**

A. GENERAL PURPOSE

The purpose of the Purchasing Card Program is to streamline and simplify the requisitioning, procurement, and payment process for authorized small purchases made in accordance with the City of Roswell Purchasing Policy. The P-Card is intended to provide an efficient method for approved purchases while maintaining appropriate internal controls, documentation, accountability, and compliance with applicable procurement requirements.

DEFINITIONS

- a. **Purchase:** For the purpose of this policy, "Purchase" is defined as the commitment, obligation and/or expenditure of City of Roswell supervised funds to obtain goods or services.
- b. **Approval:** For the purpose of this policy, "Approval" is defined as the initial of the Reconciler and Department Head of the employee responsible for the purchase.
- c. **Unauthorized Purchase:** For the purpose of this policy an "Unauthorized Purchase" is defined as items, products or services purchased for personal use, splitting purchases (two cardholders paying for one item to avoid going over Cardholder limits described below OR splitting purchases to circumvent any purchasing regulations) or purchases made through any merchant considered being inappropriate for City funds, any alcohol purchased with City funds, sales tax on material or tangible items, and fuel for City vehicles where a Wright Express Card ("WEX") should be utilized. Credit card fees will be accepted. The City does encourage all users to avoid any type of credit card fee when possible.

B. SCOPE

This Policy applies to all City of Roswell employees, officers, elected officials, and other authorized individuals issued or permitted to use a City Purchasing Card.

CARDHOLDER LIMITS

- a. All employees must complete a P-Card Acknowledgment Form prior to receiving a City P-Card.
- b. All cardholders may request an increase to their monthly purchase limit, with the approval of Procurement Officer and City Manager.

- c. No fixed assets are allowed to be purchased through the P-Card. Such purchase can result in the termination of P-Card privileges.

Note - Because not all procurement situations can be defined, the Treasurer, City Manager, or Designee may approve the use of the P-Card in extenuating purchase situations. If special approval is granted, the cardholder shall document the circumstances in explicit detail in their P-Card statement.

Cardholder Group	Monthly Purchase Limit	Single Transaction Limit
Chief Procurement Officer	\$50,000	\$50,000
Elected Official	\$10,000	\$5,000
City Manager	\$10,000	\$5,000
Assistant Manager / Treasurer / Counsel	\$10,000	\$5,000
Supervisors/Managers	\$10,000	\$5,000
Large Group Purchasers (Police & Fire Chief)	\$20,000	\$10,000
Multi-Group Purchasers (IT & Engineering)	\$20,000	\$10,000
Regular Staff	\$20,000	\$5,000

APPROVAL

- a. All purchases made using the P-Card must be approved by the users Reconciler and/or Elected Official/Department Head on the statement indicated by initials and date.
- b. All transactions must be coded and have a description, weekly.

RECONCILIATION

- a. All users or their designated Reconciler shall complete a reconciliation of their P-Card Statement.
- b. The cardholder or Reconciler MUST code their transactions and include a detailed description of the purchase. For example, simply putting "meal" is not enough of a description.
- c. The Finance Department shall distribute the completed P-Card approval list to each department monthly via the City's finance software.
- d. All users shall keep a copy of P-Card Statements for at least one (1) year in their files as a backup and/or for frequent and random auditing purposes as deemed necessary by the Finance Department.
- e. Cardholders must submit an approved travel request with statement when the P-Card is used for travel.

REPORTING

- a. Cardholders shall submit an itemized receipt, or acceptable copy, for each transaction listed on their P-Card statement..
- b. Under circumstances where an itemized receipt is unobtainable, an affidavit from the officer or employee attesting to the expense may be submitted in place of an itemized receipt. Overusing the affidavit form will result in the cancellation of a P-Card. The cardholder must take necessary steps to contact the vendor and request a copy of the itemized receipt and avoid using the affidavit. The affidavit is a replacement of a lost receipt and a statutory requirement that itemized receipts are submitted for reimbursement and with your P-Card statement. In the description, specific purchases are required and the price of the purchase.
- c. It is ultimately the cardholder's responsibility to turn their statement into their approver for review, whether they reconcile their P-Card statement themselves or designate a reconciler within their department to reconcile their P-Card statement. Cardholders can choose to have their designated reconciler turn it in to the cardholder's approver, but any findings pertaining to the statement will be violations towards the cardholder, not the reconciler.
- d. For travel and business reimbursed expenses an itemized receipt is **required**. Please refer to the City Travel Policy.
- e. The total amount of each receipt shall be legible and must match the corresponding transaction on the P-Card statement..
- f. Every receipt must be submitted electronically through the City's finance software.

LOST OR STOLEN CARDS

- a. Employees are responsible for the security of their card and any purchases made on their account. If an employee believes they have lost their card or that it has been stolen, they are to immediately report this information to the issuing bank's Customer Service Department. *Immediately, after reporting to Customer Service, inform your Purchasing Card Administrator in the Finance Department.* It is extremely important to act promptly in the event of a lost or stolen card to avoid City liability for fraudulent transactions. As with a personal charge card, the employee will no longer be able to use the account number after notifying the bank. A new card may be issued on a case-by-case basis within 48 hours of notice to the bank

FRAUD

- a. Fraudulent charges discovered by cardholder must be reported immediately to the Finance Department for dispute of payment.

TERMINATION OF CARD PRIVILEGES: City of Roswell will operate under a one (1) strike policy for any and all violations of this policy. Additional penalties or disciplinary action may result for frequent offenders. A violation includes, but is not limited to, the following:

- a. Failure to reconcile completely and accurately
- b. When use of the P-Card causes budgetary limits are exceeded without prior authorization from City Management or the City Council.
- c. Frequent loss of P-Card.
- d. Purchasing a fixed asset (one item over \$4,999.99)
- e. Purchasing fuel without prior approval from the Finance Department, for a City vehicle assigned to a Wright Express card.
- f. Attempts at splitting purchases as described in "Unauthorized Purchases," above.
- g. Purchases of alcohol.
- h. Any personal purchases.
- i. Misuse of the card in any manner not consistent with this Policy or the Purchasing Policy, or the Travel Policy.
- j. Over-tipping; 20% based on actuals in travel, not to exceed the daily limit as stated in the City's current travel policy.

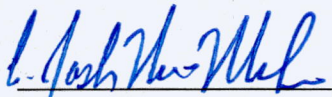
COMPLIANCE MONITORING

- a. Compliance with purchasing guidelines will be reviewed monthly and statements will be audited for compliance.
- b. Failure to comply with the above guidelines for authorized purchases under the City of Roswell Purchasing Policy or this P-Card Policy may result in disciplinary action, cancellation of employee card privileges, possible termination of employment and/or referral to the appropriate authorities for purposes of prosecution.

TERMINATION OF EMPLOYMENT

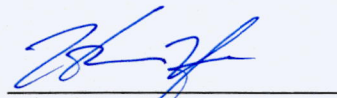
- a. Upon termination of employment, the cardholder shall immediately return the P-Card to their department head or directly to a Program Administrator

Approved as to Form:


City Attorney

Date: 5/22/26

Policy Approved:


City Manager

Date: 5-22-26

**ROSWELL NEW MEXICO
AGENDA ITEM ABSTRACT**

Regular City Council Meeting

22.

Meeting Date: 07/09/2026

COMMITTEE: Finance

CONTACT: Tammi Smith

CHAIR: Kurt Gass

ACTION REQUESTED:

Approval to allocate \$1,850,000 to the Fiscal Year 2027 final budget for site grading, surface leveling, and drainage improvements to redirect stormwater flow within the Air Center.
(Gass/Thompson)

BACKGROUND:

Initiated by: Bobbi Thompson

Surface leveling and grading improvements are necessary to address uneven terrain and redirect stormwater runoff during periods of heavy rainfall. These improvements will help mitigate operational risks associated with standing water, enhance drainage efficiency, and improve the overall safety and functionality of aircraft operations throughout the Air Center.

FINANCIAL CONSIDERATION

Staff requests approval to allocate \$1,850,000 to the Fiscal Year 2027 final budget to complete the proposed site grading and drainage improvement project.

LEGAL REVIEW:

Legal review has been requested to ensure compliance with all applicable regulations and procurement requirements.

BOARD AND COMMITTEE ACTION:

Finance Committee recommended approval 5-0 at its meeting on July 1, 2026.

STAFF RECOMMENDATION:

Proceed as presented.

**ROSWELL NEW MEXICO
AGENDA ITEM ABSTRACT**

Regular City Council Meeting

23.

Meeting Date: 07/09/2026

COMMITTEE: Legal

CONTACT: C. Josh Nairn-Mahan

CHAIR: Will Cavin

ACTION REQUESTED:

Resolution 26-37: Adopt the 2026 Comprehensive Master Plan as the official planning guide to replace the 2016 Comprehensive Master Plan for the City of Roswell, New Mexico. (Cavin/Hildreth)

BACKGROUND:

Initiated by: Merideth Hildreth

The 2026 Roswell Comprehensive Master Plan replaces the 2016 Comprehensive Master Plan as the policy document to guide the city's growth and land use development. Able City, LLC facilitated a year-long process that included Steering Committee Meetings and public input including a week-long charrette with open studio for public comment, a series of focus groups, presentations that showcased concepts and ideas from the public, and an online survey and comment periods. A final public input meeting was held on March 19, 2026. Quantum Consultants contributed engineering components to the plan and planning process, as well as flood control conceptual drawings. The Comprehensive Master Plan, also referred to as Propel Roswell, contains goals pertaining to Land Use & Growth Management, Housing & Neighborhoods, Urban Design, Economic Development, Public Infrastructure & Transportation, Parks & Recreation, and Environmental Resources & Sustainability. An Implementation Chapter is included. The 2026 Comprehensive Master Plan may be viewed on the Propel Roswell website <https://www.propelroswell.com/>

FINANCIAL CONSIDERATION

None at this time.

LEGAL REVIEW:

Legal has reviewed this item.

BOARD AND COMMITTEE ACTION:

The Infrastructure Committee voted to recommend approval of this item to City Council on April 20, 2026. The Legal Committee considered this item on April 23, 2026, and voted to table the item and requested a City Council workshop that was held on June 5, 2026. On June 25, 2026, the Legal Committee made a motion and voted to Take from the Table the item and voted to recommend approval of this item to City Council.

STAFF RECOMMENDATION:

Proceed as presented.

Attachments

Resolution 26-37: 2026 Comprehensive Master Plan

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WHEREAS, the City of Roswell desires to update the current 2016 Comprehensive Master Plan and adopt the 2026 City of Roswell Comprehensive Master Plan to serve as a planning guide for the City of Roswell's future development and growth; and

WHEREAS, adopting the 2026 Comprehensive Master Plan will make it the official planning guide for the City of Roswell; and

ADOPTED, SIGNED, AND APPROVED THIS _____ day of _____, 2026.

Timothy Z. Jennings, Mayor

Amalia Martinez, City Clerk

**ROSWELL NEW MEXICO
AGENDA ITEM ABSTRACT**

Regular City Council Meeting

24.

Meeting Date: 07/09/2026

COMMITTEE: Public Safety

CONTACT: Derek Washichek

CHAIR: Juliana Halvorson

ACTION REQUESTED:

Ordinance 26-08: Authorize to advertise for a public hearing to consider adopting proposed Ord. 26-08 amending fines and penalties through the City of Roswell Code of Ordinances. (Halvorson/Nairn-Mahan)

BACKGROUND:

Initiated by: Will Cavin

From time to time, various issues arise that need to be changed within some City Ordinances. This Ordinance seeks to increase penalties for certain criminal or traffic infractions, align City Code with State Law provisions, and correct various errors and omissions that have inadvertently been included in previous versions of the Ordinances. In part, the need for some of these changes to the penalty assessments is in response to HB 139, which eliminated court fees. The increase in these penalty assessments seeks to correct that unfunded mandate.

FINANCIAL CONSIDERATION

See Fiscal Impact below.

Elimination of court fees caused revenue for the courts to drop, and this would seek to restore some or all of that missing revenue.

LEGAL REVIEW:

The City Attorney drafted this Ordinance.

BOARD AND COMMITTEE ACTION:

The Legal Committee recommended approval 5-0 at its meeting on May 28, 2026. The Public Safety Committee recommended approval 4-0 on June 16, 2026.

STAFF RECOMMENDATION:

Proceed as presented.

Attachments

Original Penalty Assessment

Sec. 24-2. - Same—Amendments to penalty assessments.

(a) *Penalty assessment established.*

- (1) As used in the New Mexico Uniform Traffic Ordinance adopted by reference by the city, penalty assessment misdemeanor means violation of any of the following listed sections of the New Mexico Uniform Traffic Ordinance, for which the listed penalty assessment is established:

Common Name of Offense	Section Violated	Penalty Assessment
Pedestrian Control Signals	12-5-7	\$25.00
Flashing signals	12-5-8	25.00
Display of unauthorized signs, signals or markings	12-5-10	25.00
Speed regulations	12-6-1	
Up to and including ten miles an hour over speed limit		25.00
From 11 up to and including 15 miles an hour over speed limit		35.00
From 16 up to and including 20 miles an hour over speed limit		75.00
From 21 up to and including 25 miles over speed limit		150.00
From 26 up to and including 30 miles an hour over speed limit		250.00
From 31 up to and including 35 miles over speed limit		350.00

Common Name of Offense	Section Violated	Penalty Assessment
More than 36 miles per hour		450.00
Minimum speed regulations	12-6-1.5	25.00
Overtaking a vehicle on the left	12-6-2.3	15.00
Limitations on overtaking on the left	12-6-2.4	15.00
No passing zones and restrictions on passing	12-6-2.7	25.00
Following too closely	12-6-2.13	30.00
Driving on divided streets	12-6-2.14	25.00
Vehicle approaching or entering intersection	12-6-4.1	25.00
Vehicles turning left at intersection	12-6-4.2	25.00
Vehicle entering stop or yield intersection	12-6-4.3	25.00
Limitations on turning around	12-6-5.5	15.00
Starting parked vehicle	12-6-5.7	15.00
Turning and stopping movements and required signals	12-6-5.8	25.00
Stopping, standing and parking	12-6-6	25.00
Special stops required	12-6-7	25.00
Stopping for school bus	12-6-7.3	100.00
Careless driving	12-6-12.4	75.00

Common Name of Offense	Section Violated	Penalty Assessment
Operators and chauffeurs must be licensed	12-6-12.5	50.00
Limitations on backing	12-6-12.9	25.00
Restriction on use of video in motor vehicles	12-6-12.11	25.00
Coasting Prohibited	12-6-12.12	25.00
Animals on street	12-6-13.10	25.00
Driving on mountain streets	12-6-13.11	25.00
Child not in restraint device or safety belt	12-6-13.12	50.00
Unfastened safety belt	12-6-13.13	30.00
Possession or consumption of alcoholic beverages in open containers, first offense	12-6-13.14	50.00
Destructive or injurious material on roadway	12-6-13.5	125.00
Littering	12-6-13.15	300.00
Pedestrian violation	12-6-14	15.00
Pedestrian right of way in crosswalks	12-6-14.2	25.00
Pedestrians to use right half of sidewalks	12-6-14.3	25.00
Crossing at other than crosswalks	12-6-14.4	25.00
Pedestrians on streets	12-6-14.5	25.00
Drivers to exercise due care	12-6-14.8	25.00

Common Name of Offense	Section Violated	Penalty Assessment	
Prohibited acts	12-10-1.1	25.00	
When lighted lamps are required	12-10-1.3	25.00	
Headlamps on vehicles	12-10-1.5	25.00	
Dimming of lights	12-10-1.6	20.00	
Tail lamps	12-10-1.7	25.00	
Vehicles to be equipped with reflectors	12-10-1.8	25.00	
Mufflers, prevention of noise	12.1-1.1-	20.00	
Lamp or flag on projecting load	12-10-1.11	20.00	
Display of current valid registration plate	12-10-4	25.00	
Evidence of registration to be signed and exhibited on demand	12-10-5	20.00	
Unlawful riding	12-6-13.2	100.00	
Boarding or alighting from vehicle	12-6-13.7	15.00	
School zone	12-6-1.2	35.00	
			plus 5.00 every mile over

Common Name of Offense	Section Violated	Penalty Assessment
Stop lamps, signal lamps, and signal devices	12-10-1.9	15.00
Turning and stopping movements and required signals	12-6-5.8	20.00
Windshield to be unobstructed	12-10-1.12	25.00
Basic rule	12-6-1.1	25.00
Emerging from alley, private	12-6-7.1	20.00
Lights and their application vehicle red light	12-5-6c	30.00
Window tint	12-10-1.12	40.00
Permitting unauthorized person to drive	12-6-12.23	40.00
Avoid traffic control device	12-5-3	50.00
Racing on street/exhibition driving	12-6-12.19	100.00
Driving on streets laned for traffic	12-6-2.12	\$50.00

**ROSWELL NEW MEXICO
AGENDA ITEM ABSTRACT**

Regular City Council Meeting

25.

Meeting Date: 07/09/2026

COMMITTEE: Planning & Zoning

CONTACT: Merideth Hildreth

CHAIR: Saul Aguilar

ACTION REQUESTED:

Ordinance 26-09: Zoning Case 26-0084 ANNEX - Consider adopting proposed Ordinance 26-09 to annex 9.56 acres into the municipal boundary to be consolidated with 402 E Brasher Road, zoned I-1 Light Industrial for XCEL ENERGY to build a service center and lay down yard. Legal Summary Subd: SPS SUMMARY REVIEW PLAT Tract: 1B S: 21 T: 11S R: 24E DOC# 202508257 WD (Property Owner: Southwestern Public Service Co). (Corn/Hildreth)

BACKGROUND:

Initiated by: Meredith Hildreth

Southwestern Public Service Company is requesting annexation of 9.56 acres to combine with 10 acres at 402 E Brasher Road, which is already in the Municipal Boundary, to build a proposed XCEL ENERGY Service Center for Trucks and Equipment. After annexation, the applicant will apply for a change in zoning to I-1 Light Industrial that is compatible with I-1 zoning in the municipal boundary to the north and west. Chaves County has provided a letter of "no objection" to the annexation.

FINANCIAL CONSIDERATION

There is no direct financial impact to the City associated with this request.

LEGAL REVIEW:

Upon recommendation or disapproval of a zoning request by the Planning and Zoning Commission, the City Council shall hold a public hearing at its next regular meeting after the appropriate public notice provisions have been met. The City Council shall consider the recommendation of the Planning and Zoning Commission (either approval or denial) and vote on whether to approve or deny the zoning request.

BOARD AND COMMITTEE ACTION:

Planning & Zoning Commission held a public hearing on June 9, 2026, and voted 4-0 to recommend approval of Zoning Case 26-0084 ANNEX to City Council.

STAFF RECOMMENDATION:

Staff recommends City Council vote to approve advertising of a public hearing to be held by City Council at the August 13, 2026, City Council meeting for Zoning Case Annex-26-0084.

Attachments

ANNEX-24-0084 EXHIBITS



EXHIBIT A: ANNEX-26-0084 APPLICATION
CITY OF ROSWELL
ANNEXATION APPLICATION

PO Box 1838 • Roswell, NM 88202-1838
Phone: (575) 637-6280 • ROSWELL-NM.GOV

Property Owner's Name: Southwestern Public Service Co (Xcel Energy) Email: sean.l.frederiksen@xcelenergy.com
Phone: 806-378-2436 Address: 790 S Buchanan, Amarillo, TX 79101

Agent's Name: Kyle Brady Email: Kyle@furmanland.com
Phone: 620-353-4927 Address: 3501 S Georgia St. Amarillo, TX 79109

Physical Address: 402 E BRASHER AVE, ROSWELL, NM 88203

Legal Description of Proposed Zone Change Area (Lot/Block/Subdivision, Tract, Section-Township/Range):
SPS SUMMARY REVIEW PLAT, TRACT 1B S:21 T:11S R:24E

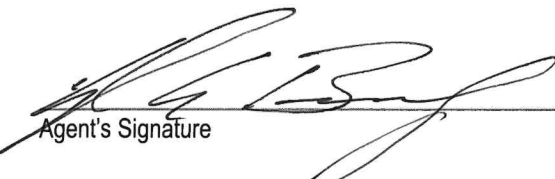
Reason for the Request: (Please attach extra sheet if necessary) ANNEX TRACT 1B,
TO BUILD SERVICE CENTER ON PROPERTY

Proposed Annexation Area: 416,433.60 sq. ft. 9.56 acres

By signing this document, I acknowledge that I have been informed of the dates, times, and locations of the meetings for the Planning and Zoning Commission and City Council and that I and/or my agent shall attend the meetings in order to fulfill the requirements of this application.


Property Owner Signature

4-21-2024
Date


Agent's Signature

4-17-2024
Date

FOR OFFICIAL USE ONLY

P & Z Case #: ANNEX-26-0084 Date: 6-9-2026 Located in Historic District: ☐ Yes ☒ No

Flood Zone: X ETZ Zoning District: NA Current Use: Vacant undeveloped

Comprehensive Master Plan General Development Plan: ☐ Residential ☐ Commercial ☒ Industrial
☐ Park & Open Space ☐ RS Overflight

Quadrant of the city: ☐ NW ☐ NE ☐ SW ☒ SE

All documentation and fees shall be required at the time this application is submitted, unless otherwise noted by Planning and Zoning staff. Application fees are NON-REFUNDABLE.



1. Official 911 address and legal description:
Legal Summary: Subd: SPS SUMMARY REVIEW PLAT Tract: 1B S: 21 T: 11S R: 24E DOC# 202508257 WD
Address: 402 E Brasher Road (once replatted and combined with 402 E Brasher Road that has the Legal Summary Subd: SPS SUMMARY REVIEW PLAT Tracts: 1A S: 21 T: 11S R: 24E DOC# 202508256 WD)
2. Parcel Number: 4-136-065-169-107-000000
3. Total acres to be considered as part of this request: 9.56 acres
4. Names and addresses of all owners as shown in the Chaves County public records:
SOUTHWESTERN PUBLIC SERVICE COMPANY
790 S BUCHANAN STREET
AMARILLO, TX 79101
5. Reason for annexation request:
Property owner requests to ANNEX Tract 1B to combine with Tract 1A to build a service center.
6. Number and types of structures on property:
The property under consideration is currently vacant and not developed.
7. Copy of recorded deed (attach to application).
8. Boundary survey or location map (attach to application).
9. Application for Rezoning and Future Land Use Map Amendment (submitted for future zoning case after Annexation completed).
10. This application submitted by:

Signature of Owner: Sean L. Frederiksen

Print owner name: Sean L. Frederiksen, Southwestern Public Service Co (Xcel Energy)
Address of owner: 790 S Buchanan, Amarillo, TX 79101

STATE OF TEXAS
County of Potter

Before me, _____, on this day personally appeared Sean L. Frederiksen, known to me (or proved to me on the oath of Sean L. Frederiksen or through description of ID) to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office this 26 day of May, 2026.

Kelly J. Thompson
Notary Public

Notary's Secretary of State ID No: 1320 706 12

My commission expires: 6-28-2027



I hereby certify that this instrument was filed for
Record on 11/24/2025 02:30:22 PM
and was duly recorded as Instrument No. 202508257
of the records of Chaves County, NM.

Witness My Hand and Seal of Office
Cindy Fuller
County Clerk, Chaves, NM
Deputy: Vanessa Soza

EXHIBIT A.2 ANNEX-26-0084 WARRANTY DEED PAGE 1 OF 2

WARRANTY DEED

GF#2500630

**Gary Jack DeGraaf and Bradley Bouma, Co-Executors of the Estate of Anna Mae DeGraaf,
deceased who erroneously acquired title as Anna Mae DeGraaf and
VW Properties, LLC, an Arizona limited liability company, for consideration paid,**

grants to: Southwestern Public Service Company, a New Mexico corporation

Whose address is: 790 S. Buchanan Street
Amarillo, TX 79101

the following described property situated in Chaves County, New Mexico.

TRACT 1B of of SPS SUMMARY REVIEW PLAT, in the County of Chaves and State of New Mexico,
as shown on the Official Plat filed in the Chaves County Clerk's Office on November 5, 2025 and
recorded in Book 4 of Plat Records, Chaves County, New Mexico, at Page 47.

SUBJECT to all reservations contained in the Patent and all covenants, easements and restrictions of
record and taxes of current year and there after.

With Warranty Covenants

WITNESS our hands and seals this 20 day of November, 2025.

Estate of Anna Mae DeGraaf

by: [Signature]
Gary Jack DeGraaf, Co-Executor

by: [Signature]
Bradley Bouma, Co-Executor

ACKNOWLEDGEMENT FOR NATURAL PERSONS

STATE OF Texas)
COUNTY OF Hale) ss.

This instrument was acknowledged before me this 20 day of November, 2025 by Gary
Jack DeGraaf, Co- Executor of the Estate of Anna Mae DeGraaf.

My Commission Expires: 10-26-26
[Notary Seal: BILLY LEFEVRE, NOTARY PUBLIC, STATE OF TEXAS, MY COMM. EXP. 10/26/26, NOTARY ID 1138093-5]
[Signature] Notary Public

ACKNOWLEDGEMENT FOR NATURAL PERSONS

STATE OF Texas)
COUNTY OF Hale) ss.

This instrument was acknowledged before me this 20 day of November, 2025
by Bradley Bouma, Co-Executor of the Estate of Anna Mae DeGraaf.

My Commission Expires: 10-26-26
[Notary Seal: BILLY LEFEVRE, NOTARY PUBLIC, STATE OF TEXAS, MY COMM. EXP. 10/26/26, NOTARY ID 1138093-5]
[Signature] Notary Public

City Council

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Roswell, NM

EXHIBIT A.2 ANNEX-26-0084 WARRANTY DEED PAGE 2 OF 2

VW Properties, LLC., a Arizona Limited Liability company

by: Wilmer H. Van Dam
 Wilmer H. Van Dam, Co-Trustee

by: Valerie J. Van Dam
 Valerie J. Van Dam, Co-Trustee

of the Wilmer H. Van Dam and Valerie J. Van Dam Living Trust dated September 1, 1999, Manager of VW Properties, LLC., a Arizona limited liability company

ACKNOWLEDGEMENT

STATE OF Arizona)

COUNTY OF Pima)

This instrument was acknowledged before me this 20th day of November, 2025 by Wilmer H. Van Dam and Valerie J. Van Dam, Co-Trustees of the Wilmer H. Van Dam and Valerie J. Van Dam Living Trust dated September 1, 1999, Manager of VW Properties, LLC., a Arizona limited liability company.

My Commission Expires:
April 5th 2027

Jarrod Liggins
 Notary Public

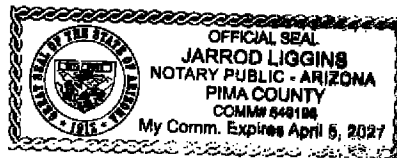


EXHIBIT B

STAFF SUMMARY FOR CASE: ANNEX-26-0084 REQUEST FOR ANNEXATION OF 9.56 ACRES INTO CITY BOUNDARY



Roswell Planning & Zoning Commission

Tuesday, June 9, 2026

Mike Mathews Conference Room at Roswell City Hall
425 N Richardson Avenue
Roswell, NM 88201

APPLICATION: CASE ANNEX-26-0084: Request for annexation of 9.56 acres into City of Roswell Municipal Boundary to be re-platted and combined with the 10.00-acre property at 402 E Brasher Road.

I. Property Under Consideration:

Property Address: 402 E Brasher Road TRACT 1B
Legal Description: Subd: SPS SUMMARY REVIEW PLAT TRACT: 1B S: 21 T: 11S R: 24E DOC# 202508257 WD
Property Owner: SOUTHWESTERN PUBLIC SERVICE COMPANY
Applicant: KYLE BRADY, FURMAN LAND SURVEYORS

II. Site Data:

Site Area: 9.56 acres
UPC(s): 4-136-065-169-107-000000
Existing Land Use: Undeveloped
Proposed Land Use: Annex Tract 1B and combine property with adjacent property to the north addressed as 402 E Brasher Road Subd: SPS SUMMARY REVIEW PLAT TRACT: 1A S: 21 T: 11S R: 24E DOC# 202508256 WD
Existing Zoning: Rural Suburban located in Chaves County ETZ (ETZ-RS)

Table 1: Adjacent Existing Land Use and Zoning to the property under consideration		
Direction:	Land Use:	Zoning:
North	Vacant 10.00-acre TRACT 1A	I-1
South	Undeveloped Land	County
West	Legendary Services	I-1
East	Undeveloped Land with overhead power lines	County

EXHIBIT B

STAFF SUMMARY FOR CASE: ANNEX-26-0084 REQUEST FOR ANNEXATION OF 9.56 ACRES INTO CITY BOUNDARY

Map for ANNEX-26-0084



City of Roswell Zoning Map on Chaves County Assessor's Map

EXHIBIT B

STAFF SUMMARY FOR CASE: ANNEX-26-0084 REQUEST FOR ANNEXATION OF 9.56 ACRES INTO CITY BOUNDARY

III. Intent of Petition:

1. The applicant for **Zoning Case ANNEX-26-0084** is requesting **annexation of 9.56-acre SPS TRACT 1B** into City of Roswell Municipal Boundary.
2. The property under consideration is located contiguous to and south of the TRACT 1A 10-acre property zoned I-1 Light Industrial at 402 E Brasher Road. (Reference: Zoning Case 23-007 ANNEX 402 E Brasher Road. Reference 24-008 ZOC.)
3. The property owner/applicant submitted a Petition for Voluntary Annexation (Exhibit A.1) and a Warranty Deed (Exhibit A.2).
4. Upon City Council's approval of the annexation, SPS (XCEL Energy) plans to build a service center on this property once TRACTS 1A and 1B are consolidated into a 19.56-acre lot.

IV. Planning & Zoning Commission Considerations from Staff Review:

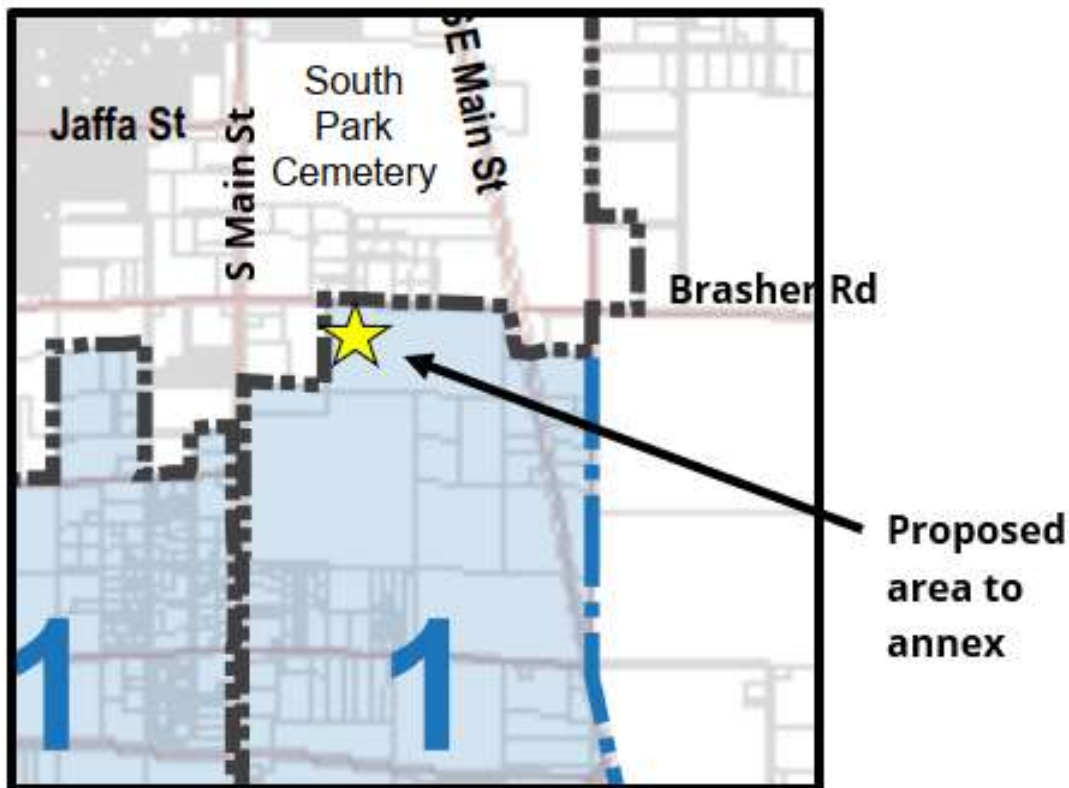
1. The property under consideration is currently located in the Chaves County Extraterritorial Zone (ETZ) and adjacent to the Municipal Boundary.
2. Louis Jaramillo, CFM, CZO, Chaves County Planning and Zoning Director provided a letter dated May 5, 2026, stating "Chaves County has no objection to the proposed annexation." (See Exhibit F.)
3. Once annexed, the property under consideration will be consolidated with 402 E Brasher Road SPS Summary Review Plat Tract 1A. Both Tracts 1A and 1B were originally part of a 39.711-acre tract. In 2024, Roswell City Council approved Ordinance 24-02 the annexation of the 10-acre 402 E Brasher TRACT 1A property that was owned by a different property owner at the time. (Reference: Zoning Case 23-007 ANNEX 402 E Brasher Road.) After the property was annexed into the municipal boundary, City of Roswell Planning & Zoning Commission approved a rezoning of the 10-acre TRACT 1A property to I-1 Light Industrial. (Reference: Zoning Case 24-008 ZOC.)
4. Contiguous properties to the west, 10-acre Tract 1A adjacent to the north, and property across the street on the north side of Brasher Road located within the City of Roswell Municipal Boundary are zoned I-1 Light Industrial.

EXHIBIT B

STAFF SUMMARY FOR CASE: ANNEX-26-0084

REQUEST FOR ANNEXATION OF 9.56 ACRES INTO CITY BOUNDARY

5. Contiguous properties to the south and east are located in the Chaves County Extraterritorial Zone. An easement for overhead power transmission lines is on the properties to the east and south.
6. The property under consideration is identified as a top priority annexation area on the 2016 Comprehensive Master Plan Annexation Priority Map.



7. City of Roswell water and sanitary sewer service lines are located on the north side of Brasher Road and are available to serve the property under consideration for annexation once the TRACT 1B property under consideration is combined with SPS SUMMARY REVIEW PLAT TRACT 1A that has frontage along Brasher Road.
8. Brasher Road is classified as a Minor Arterial on the 2016 Functional Street Classification Plan.

STAFF SUMMARY FOR CASE: ANNEX-26-0084
REQUEST FOR ANNEXATION OF 9.56 ACRES INTO CITY BOUNDARY

- [illegible]

SPS TRACT 1B ANNEXATION PLAT by Furman Land Surveyors, Inc.
See EXHIBITS G.1 and G.2

STAFF SUMMARY FOR CASE: ANNEX-26-0084
REQUEST FOR ANNEXATION OF 9.56 ACRES INTO CITY BOUNDARY

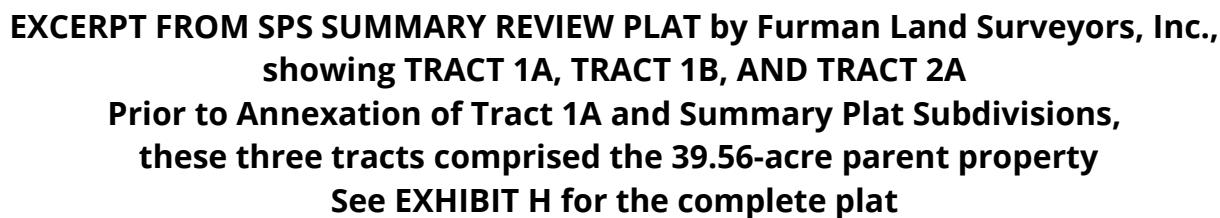
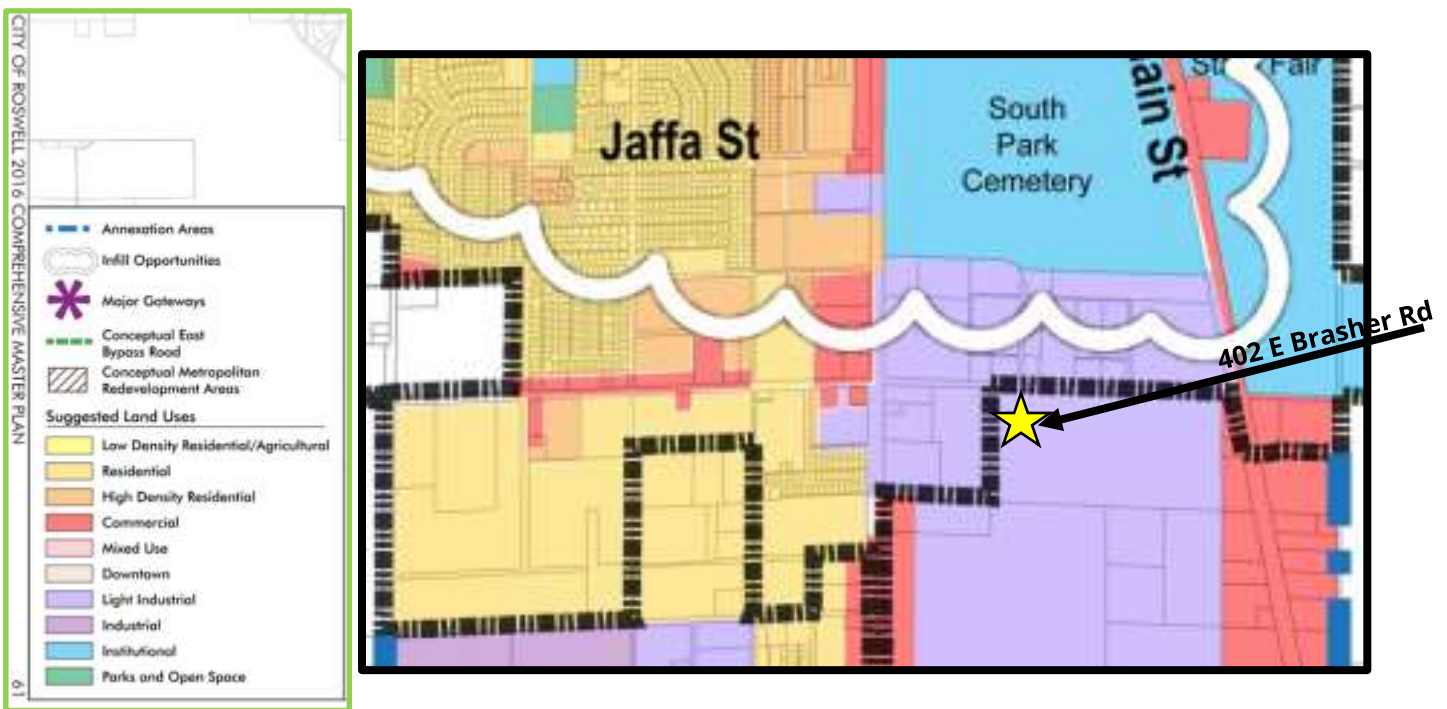


EXHIBIT B

STAFF SUMMARY FOR CASE: ANNEX-26-0084 REQUEST FOR ANNEXATION OF 9.56 ACRES INTO CITY BOUNDARY

10. The City of Roswell City Engineer has reviewed the SPS TRACT 1B Annexation Plat.
11. If Roswell City Council approves the annexation, the applicant intends to request a zone change to the City's I-1 Light Industrial District.
12. The proposed XCEL Energy Service Center for trucks and equipment as an I-1 Light Industrial use is compatible with the surrounding area "preferred development" as indicated on the *2016 Comprehensive Master Plan Preferred Land Use Scenario Map* (see map on page 5 of this document).



Excerpt from 2016 *Comprehensive Master Plan Preferred Land Use Scenario Map*

EXHIBIT B

STAFF SUMMARY FOR CASE: ANNEX-26-0084 REQUEST FOR ANNEXATION OF 9.56 ACRES INTO CITY BOUNDARY



Staff Photo: View of Property looking southwest toward 402 E Brasher Road & 400 E Brasher Road



Staff Photo: View of Property looking southeast toward 402 E Brasher Road

EXHIBIT B

STAFF SUMMARY FOR CASE: ANNEX-26-0084 REQUEST FOR ANNEXATION OF 9.56 ACRES INTO CITY BOUNDARY

V. Findings of Fact (Conclusions of Law):

1. A notice of the time and place of the public hearing for this case was published in the Roswell Daily Record at least fifteen (15) days prior to the date of this hearing.
2. Notifications of the public hearing were mailed via certified mail with return receipt requested to property owners of record, as shown by the Chaves County Assessor Map, with lots or land within one-hundred (100) feet of the area under consideration, excluding public rights-of-way.
3. This agenda, which includes this case, has been posted at City Hall and on the City of Roswell's website for over seventy-two (72) hours as required by State of New Mexico law for a public hearing.
4. As of the time of this writing, the Planning & Zoning Office has received zero (0) written protests, zero (0) verbal protests, and zero (0) inquiries.
5. City of Roswell Zoning Ordinance Article 3: Procedures, Amendments, and Changes; Section 7. Annexation of Territory contains the provisions for annexation.

CITY OF ROSWELL ZONING ORDINANCE

ARTICLE 3. - PROCEDURES, AMENDMENTS, AND CHANGES

Sec. 7. - Annexation of territory.

- A. *Intent of annexations.* Annexation is a legal mechanism by which a municipality may expand its regulatory and taxing authority to adjacent unincorporated land. It can be used as a growth management tool to ensure that land use and development standards in adjoining areas are consistent with land use within the municipality, as well as with the goals and objectives of the community as expressed in the comprehensive master plan. Annexations may be either consensual or unilateral. However, areas to be considered for annexation must be contiguous to the municipal boundary and the municipality must be able to demonstrate the ability to provide services. This allows the municipality to time its utility extensions so that the demand for services does not outstrip its ability to serve the new development.

Municipalities in New Mexico have the authority to annex territory via Section 3, Article 7 of the New Mexico State Statutes (as amended from time to time). Pursuant to Section 3-7-1, NMSA 1978, there are three methods available to municipalities seeking to annex new lands. Each method is based upon specific goals and conditions and illustrates different degrees of legislative delegation of power to municipalities. These three methods include:

EXHIBIT B

STAFF SUMMARY FOR CASE: ANNEX-26-0084

REQUEST FOR ANNEXATION OF 9.56 ACRES INTO CITY BOUNDARY

1. Arbitration method (Sections 3-7-5 through 3-7-10 NMSA 1978) allows a municipality to annex contiguous territory if the municipality can declare that the benefits of annexation can be made within a reasonable time frame to the desired territory.
2. Municipal boundary commission method (Sections 3-7-11 through 3-7-16 NMSA 1978) establishes an independent commission to determine annexation of a territory to the municipality. The municipal boundary commission will meet whenever a municipality petitions to annex a territory or if a majority of the landowners of a territory petition the commission to annex the territory into the municipality.
3. Petition method (Section 3-7-17, NMSA 1978) requires a petition signed by the majority of property owners in a contiguous territory supporting annexation into a municipality.

B. *Annexation procedure.*

1. *All application methods:*

- a. Property must be contiguous with the city's municipal boundary.
- b. Application must be accompanied by a map that shows the external boundary of the territory proposed to be annexed and the relationship of the territory proposed to be annexed to the existing boundary of the municipality.
- c. The city must demonstrate that utilities and services can be provided within a reasonable time frame to the desired territory.
- d. Must include all fees be paid.

2. *Arbitration method:* Application must be accompanied by a plat from a registered land surveyor in the state showing the boundaries of land to be annexed, a legal description of the property to be annexed, a petition from the land owners within the area to be annexed showing at least 51% support for the annexation, and the additional information required on the City of Roswell annexation application form.

3. *Municipal boundary commission method:* City staff shall prepare all necessary documents to present to the city council and the New Mexico Department of Finance and Administration to request the use of the municipal boundary commission to hear the annexation request.

4. ***Petition method:*** An application for an annexation-by-petition shall be accompanied by a plat from a registered land surveyor in the state showing the boundaries of land to be annexed, a legal description of the property to be annexed, and the additional information required on the City of Roswell annexation application form.

EXHIBIT B

STAFF SUMMARY FOR CASE: ANNEX-26-0084

REQUEST FOR ANNEXATION OF 9.56 ACRES INTO CITY BOUNDARY

C. Annexation processes.

1. No annexations shall be adopted until a public hearing has been held by the planning and zoning commission and city council and the 45 day referendum period has expired, shall by ordinance express its consent or rejection to the annexation of such contiguous territory.
2. The planning and zoning commission shall make a recommendation to city council. City council shall decide whether or not to annex the proposed property into city territory. In its deliberations, both bodies shall consider all statements from the applicant, the public, city staff, and its own members. Neither body shall approve the annexation unless it finds the annexation to be in the public interest and not solely in the interest of the applicant.
3. If the ordinance consents to the annexation of the contiguous territory, a copy of the ordinance, with a copy of the plat of the territory so annexed, shall be filed in the office of the county clerk. After the filing, the contiguous territory is part of the municipality. The clerk of the municipality shall also send copies of the ordinance annexing the territory and of the plat of the territory so annexed to the secretary of finance and administration and to the secretary of taxation and revenue.
4. Within 30 days after the filing of the copy of the ordinance in the office of the county clerk, any person owning land within the territory annexed to the municipality may appeal to the district court questioning the validity of the annexation proceedings. If no appeal to the district court is filed within 30 days after the filing of the ordinance in the office of the county clerk or if the court.
5. City council shall acknowledge the zoning district, as zoned in the Chaves County Extra Territorial Zone, for any land incorporated into the city territory, with restrictions, stipulations or amendments per city council. No property shall be rezoned until after it has been legally incorporated into the city limits.

6. Provision 3-7-17 NMSA 1978 (State of New Mexico State Statutes) authorizes annexation through the "Petition Method."
7. The property under consideration is currently under the jurisdiction of the County of Chaves in New Mexico, and the owner submitted a voluntary petition and an application to the City of Roswell Planning & Zoning Office in the Community Development Department requesting annexation to the 9.56-acre tract, and Furman Land Surveyors, Inc., has surveyed the property and drawn the SPS TRACT 1B ANNEXATION PLAT for consideration by the Roswell Planning & Zoning Commission and Roswell City Council.

EXHIBIT B

STAFF SUMMARY FOR CASE: ANNEX-26-0084 REQUEST FOR ANNEXATION OF 9.56 ACRES INTO CITY BOUNDARY

8. The following Exhibits are included:
- Exhibit A Application
 - Exhibit A.1 Petition for Voluntary Annexation
 - Exhibit A.2 Warranty Deed
 - Exhibit B Staff Summary
 - Exhibit C.1 Letter Notifying Surrounding Property Owners (English)
 - Exhibit C.2 Letter Notifying Surrounding Property Owners (Spanish)
 - Exhibit D Notification Area Map
 - Exhibit E Notification Area Addresses
 - Exhibit F Letter From Chaves County
 - Exhibit G.1 SPS TRACT 1B ANNEXATION PLAT
 - Exhibit G.2 TRACT 1B MEETS & BOUNDS DESCRIPTION
 - Exhibit H SPS SUMMARY REVIEW PLAT TRACTS 1A, 1B, 2A Recorded 11/02/2025
 - Exhibit I Proposed ANNEXATION ORDINANCE 26-XX

VI. Action by the Planning & Zoning Commission:

Unless evidence to the contrary is introduced in the public hearing, based on the Land Use and Zoning Considerations, Findings of Fact, materials provided and testimony, it is recommended that the **Planning and Zoning Commission introduce a motion and vote a recommendation for Zoning Case ANNEX-26-0084 to City Council with Findings of Fact and Conclusions of Law.**

EXHIBIT C1: ANNEX-26-0084 LETTER NOTIFYING SURROUNDING PROPERTY OWNERS

(Page 1 of 2)

LETTER SENT VIA CERTIFIED MAIL ON May 18, 2026 TO SURROUNDING PROPERTY OWNERS



**COMMUNITY DEVELOPMENT DEPARTMENT
400 W Second Street
Roswell, NM 88201
Telephone: (575) 637.6280**

RE: PUBLIC HEARING NOTICE for ZONING CASE 26-0084 ANNEX

Dear Property Owner:

You have received this notice via certified mail because Chaves County Assessor information indicates you are a property owner of record within 100 feet of **City of Roswell Planning & Zoning Case ANNEX-26-0084**. This notice informs you of an upcoming public hearing before the City of Roswell Planning and Zoning Commission regarding a Zoning Case for the following property.

DESCRIPTION OF ZONING APPLICATION REQUEST:

CASE ANNEX-26-0084 Request for annexation into City of Roswell boundary

PROPERTY OWNER: Southwestern Public Service Co (Xcel Energy)

APPLICANT: Kyle Brady, Furman Land Surveyors

PROPERTY LOCATION: 9.56- acre property south of 402 E Brasher Rd

LEGAL DESCRIPTION: Subd: SPS SUMMARY REVIEW PLAT Tract: 1B S: 21 T: 11S R: 24E
DOC# 202508257 WD

The City of Roswell Planning and Zoning Commission will hear public comments on the above zoning cases on Date: **TUESDAY, June 9, 2026 at 2:00 p.m. in the Mike Mathews Conference Room at City Hall, located at 425 N Richardson.** You are entitled, although not obligated, to comment either in writing to our office, or in person or online at the hearing.

To be considered, written protests must be submitted to and received by the Planning and Zoning Division no later than noon on the working day prior to the Planning and Zoning Commission meeting. Written comments may be delivered to the Planning & Zoning Division in the Roswell Development Services Office at 400 W Second Street, or sent to: *Planning & Zoning Division, City of Roswell, PO BOX 1838, Roswell, NM 88202-1838 or via email to m.hildreth@roswell-nm.gov.*

**EXHIBIT C1: ANNEX-26-0084 LETTER NOTIFYING SURROUNDING PROPERTY
OWNERS
(Page 2 of 2)**

The **information packet** for these zoning cases will be available no later than 5:00 p.m., on **Friday, June 5, 2026**, and may be viewed at <https://www.roswell-nm.gov/489/Planning-Zoning-Commission>. You may inspect the information packet in detail by calling 575.637.6294 for an appointment at the Planning & Zoning Division in the Roswell Development Services Office at 400 W Second Street. You may obtain copies of the information packet at a cost of 35 cents per sheet. The City's Zoning Ordinance is available online at: https://library.municode.com/nm/roswell/codes/code_of_ordinances?nodeId=COOR_APXAZO

Planning & Zoning Commission will forward a recommendation regarding this case to City Council for final consideration.

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing or meeting, please contact Human Resources at 575-624-6700 at least one week prior to the meeting or as soon as possible. Public documents including the agenda and minutes can be provided in various accessible formats. Please contact the City Clerk at 575-624-6700 if a summary or other type of accessible format is needed.

Respectfully,

Merideth Hildreth

Merideth Hildreth, AICP
Planning & Zoning Administrator

Esperanza DeLeon

Esperanza DeLeon
Planner II

(Area of Notification Map attached)

EXHIBIT C: 26-0084 ANEXO CARTA DE NOTIFICACIÓN A LOS PROPIETARIOS DE LOS INMUEBLES COLINDANTES

(Página 1 de 2)

CARTA ENVIADA POR CORREO CERTIFICADO EL 21 de MAYO DE 2026 A LOS PROPIETARIOS DE LOS INMUEBLES COLINDANTES



**DEPARTAMENTO DE DESARROLLO COMUNITARIO
400 W SECOND STREET
Roswell, NM 88201
Teléfono: (575) 637.6294**

RE: AVISO DE AUDIENCIA PÚBLICA para el CASO DE ZONIFICACIÓN 26-0084 ANEXO

Estimado inquilino o propietario de la propiedad:

Ha recibido este aviso por correo certificado porque la información del Asesor del Condado de Chaves indica que usted es un propietario de registro dentro de los 100 pies del Caso de Planificación y Zonificación de la **Ciudad de Roswell 26-0084 ANEXO**. Este aviso le informa de una próxima audiencia pública de la Comisión de Planificación y Zonificación de la Ciudad de Roswell con respecto a un caso de zonificación para la siguiente propiedad.

DESCRIPCIÓN DE LA SOLICITUD DE ZONIFICACIÓN:

CASO 26-0084 ANEXO

Solicitud de anexión de la parcela 1B, para construir un centro de servicios en la propiedad.

PROPIETARIO:

Southwestern Public Service Company (Xcel Energy)

SOLICITANTE:

Kyle Brady

UBICACIÓN DE LA PROPIEDAD:

402 E Brasher Rd

DESCRIPCIÓN LEGAL:

Subd: LAND DIVISION OF THE NE1/4NW1/4 OF SECTION 21, TOWNSHIP 11 SOUTH, RANGE 24 EAST Tract: 1 S: 21 T: 11S R: 24E DOC# 202302847 WD

La Comisión de Planificación y Zonificación de la Ciudad de Roswell escuchará los comentarios públicos sobre los casos de zonificación anteriores en Fecha: martes 9 de junio de 2026 a las 2:00pm en la sala de conferencias Mike Mathews (sala de conferencias grande) en el ayuntamiento ubicado en 425 N Ricahrdson Ave. Usted tiene derecho, aunque no está obligado, a comentar por escrito a nuestra oficina, en persona, o por internet.

Las protestas deben ser presentadas y recibidas por la Oficina de Planificación y Zonificación a más tardar al mediodía del día hábil anterior a la reunión de la Comisión de Planificación y Zonificación. Los comentarios por escrito pueden ser entregados en persona a la Oficina de Planificación y Zonificación o enviados a: City of Roswell, Planning and Zoning Administrator, PO BOX 1838, Roswell, NM 88202-1838 o por correo electrónico a m.hildreth@roswell-nm.gov.

El **paquete de información** para estos casos de zonificación estará disponible a más tardar a las 5:00 p.m., el **viernes 5 de junio de 2026**, y se puede ver en <https://www.roswell-nm.gov/489/Planning-Zoning-Commission>. Puede inspeccionar el paquete de información en detalle con cita en la Oficina de Planificación y Zonificación (575.637.6294) 400 W Second Street. Se pueden obtener copias del paquete de información en la Oficina de Planificación y Zonificación a un costo de 35 centavos por hoja. La Ordenanza de Zonificación de la Ciudad está disponible en línea en: https://library.municode.com/nm/roswell/codes/code_of_ordinances?nodeId=COOR_APXAZO

Si usted es una persona con una discapacidad que necesita un lector, amplificador, intérprete calificado de lenguaje de señas o cualquier otra forma de ayuda o servicio auxiliar para asistir o participar en la audiencia o reunión, comuníquese con Recursos Humanos al 575-624-6700 al menos una semana antes de la reunión o tan pronto como sea posible. Los documentos públicos, incluidos el orden del día y las actas, pueden facilitarse en varios formatos accesibles. Comuníquese con el Secretario de la Ciudad al 575-624-6700 si se necesita un resumen u otro tipo de formato accesible.

Respetuosamente,

Merideth Hildreth

Merideth Hildreth, AICP

Planning & Zoning Administrator

Esperanza DeLeon

Planner II

(Area Map included)

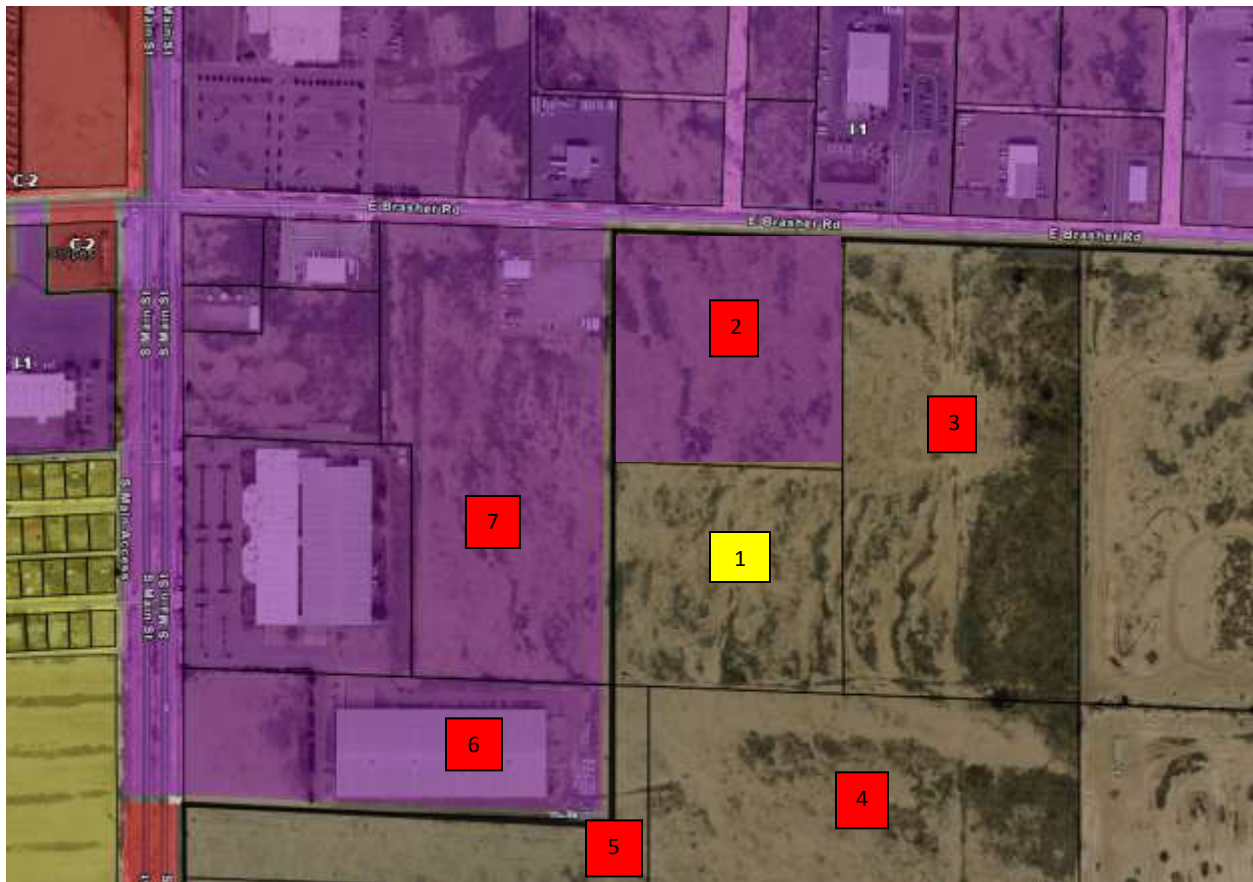
EXHIBIT D: ANNEX-26-0084 NOTIFICATION AREA MAP

Request for annexation of a 9.56-acre property into the Municipal Boundary

Solicitud de anexión de una propiedad de 9,56 acres en el límite municipal

CHAVES COUNTY ASSESSOR'S MAP IDENTIFYING PROPERTY UNDER CONSIDERATION
AND PROPERTIES WITHIN ZONING CASE NOTIFICATION AREA

EL MAPA DEL TASADOR DEL CONDADO DE CHAVES QUE IDENTIFICA LA PROPIEDAD
BAJO CONSIDERACIÓN Y LAS PROPIEDADES DENTRO DEL ÁREA DE NOTIFICACIÓN DE
CASOS DE ZONIFICACIÓN



PROPERTY UNDER CONSIDERATION – PROPERTY SOUTH OF 402 E BRASHER ROAD
Subd: SPS SUMMARY REVIEW PLAT Tract: 1B S: 21 T: 11S R: 24E DOC# 202508257 WD



NOTIFICATION LETTERS SENT TO PROPERTY OWNERS IN NOTIFICATION AREA

EXHIBIT E: 26-0084 ANNEX – NOTIFICATION AREA ADDRESSES

1 (Owner of 402 E Brasher Rd – UNDEVELOPED TRACT)

2 (UNDEVELOPED TRACT EXCEPT FOR OVERHEAD POWER TRANSMISSION LINES)

Southwestern Public Service Company

790 S Bunchanan St

Amarillo, TX 79101

Applicant:

Kyle Brady

3501 S Georgia Street

Amarillo, TX 79101

3

De Graff Estate, Anna Mae; VW Properties, LLC

6620 E Calle Castor

Tucson, AZ 85710

4, 5,6

Fis Company Inc,

4001 S Main Street

Roswell, NM 88203

7

Buena Vida Properties LLC

PO Box 1091

Lovington NM 88260

Tenant or Property Manager

400 E Brasher Rd

Roswell NM 88203

EXHIBIT F ANNEX-26-0084 LETTER FROM CHAVES COUNTY

PLANNING AND ZONING

#1 St. Mary's Place
Chaves County Admin. Bldg.
Roswell, NM 88203
Phone (575)-624-6606



COMMISSIONERS

Dara Dana • District 1
Cliff Ward • District 2
Hub Corn • District 3
Richard "Dick" Taylor • District 4
Michael Perry • District 5

P&Z Director

Louis Jaramillo

County Manager

Bill Williams

May 5, 2026

City of Roswell
Planning and Zoning Commission
500 N. Main St. Ste. 100
Roswell, NM 88201

**CASE 26-0084 ANNEXATION OF TRACT 1B OF
THE SPS SUMMARY REVIEW PLAT**

RE:TRACT 1B OF THE LAND DIVISION OF THE NE/4NW/4 SEC.21, T.11S., R.24E.

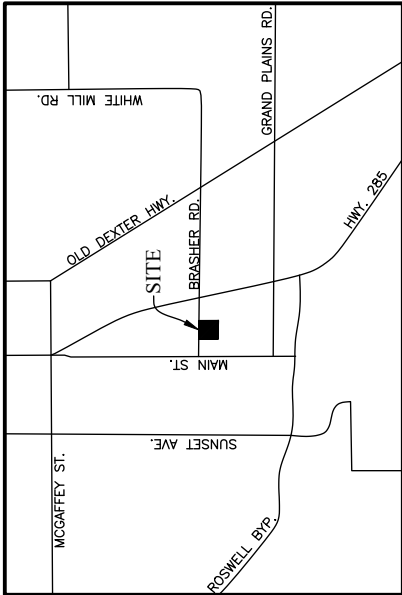
Commissioners and City Councilors:

Chaves County has no objection to the proposed annexation.

Respectfully,

A handwritten signature in blue ink, which appears to read "Louis Jaramillo", is placed above the printed name and title of the signatory.

Louis Jaramillo, CFM, CZO
Planning and Zoning Director
Chaves County
575 624 6562



VICINITY MAP

APPROVAL OF THE CHAVES COUNTY FLOOD COMMISSIONER
State of New Mexico)
County of Chaves)

This is to certify this foregoing replat has been examined and approved by the Chaves County Flood Commissioner.
Chaves County, New Mexico on this ____ Day of _____, 2026

Flood Commissioner: _____ Attest By: _____

APPROVAL OF THE CITY OF ROSWELL
State of New Mexico)
County of Chaves)

This is to certify that this foregoing replat has been examined and approved by the City of Roswell.

Chaves County, New Mexico on this ____ Day of _____, 2026

Per Ordinance # _____

Mayor: _____ Attest By: _____

CONCURRENCE

We concur as to the size and location of easements shown.

XCEL Energy _____ Date _____
New Mexico Gas Company _____ Date _____

DISCLAIMER

In approving this plat, New Mexico Gas Company (NMGC) and the other Public Utilities did not conduct a Title Search of the properties shown hereon. Consequently, NMGC and the other Public Utilities do not waive or release any easement or easement rights which may have been granted by prior plat, replat or other document and which are not shown on this plat.

DESCRIPTION, FREE CONSENT, AND DEDICATION

Be it known that Southwestern Public Service Company is the owner and proprietor of Tract 1B of the SPS Summary Review Plat of the NE/4 NW/4 Section 21, Township 11 South – Range 24 East, N.M.P.M., in the County of Chaves and the State of New Mexico.

Be it further known that the undersigned owner and proprietor of the above described tracts has caused the same to be platted with their free consent and in accordance with their desire into what is known and hereby designated as the SPS Tract 1B Annexation Plat in Chaves County, New Mexico.

In witness thereof the undersigned owner has hereunto set hand on this ____ Day of _____, 2026

Sean L. Frederiksen – Senior Manager Sighting & Land Rights, SPS

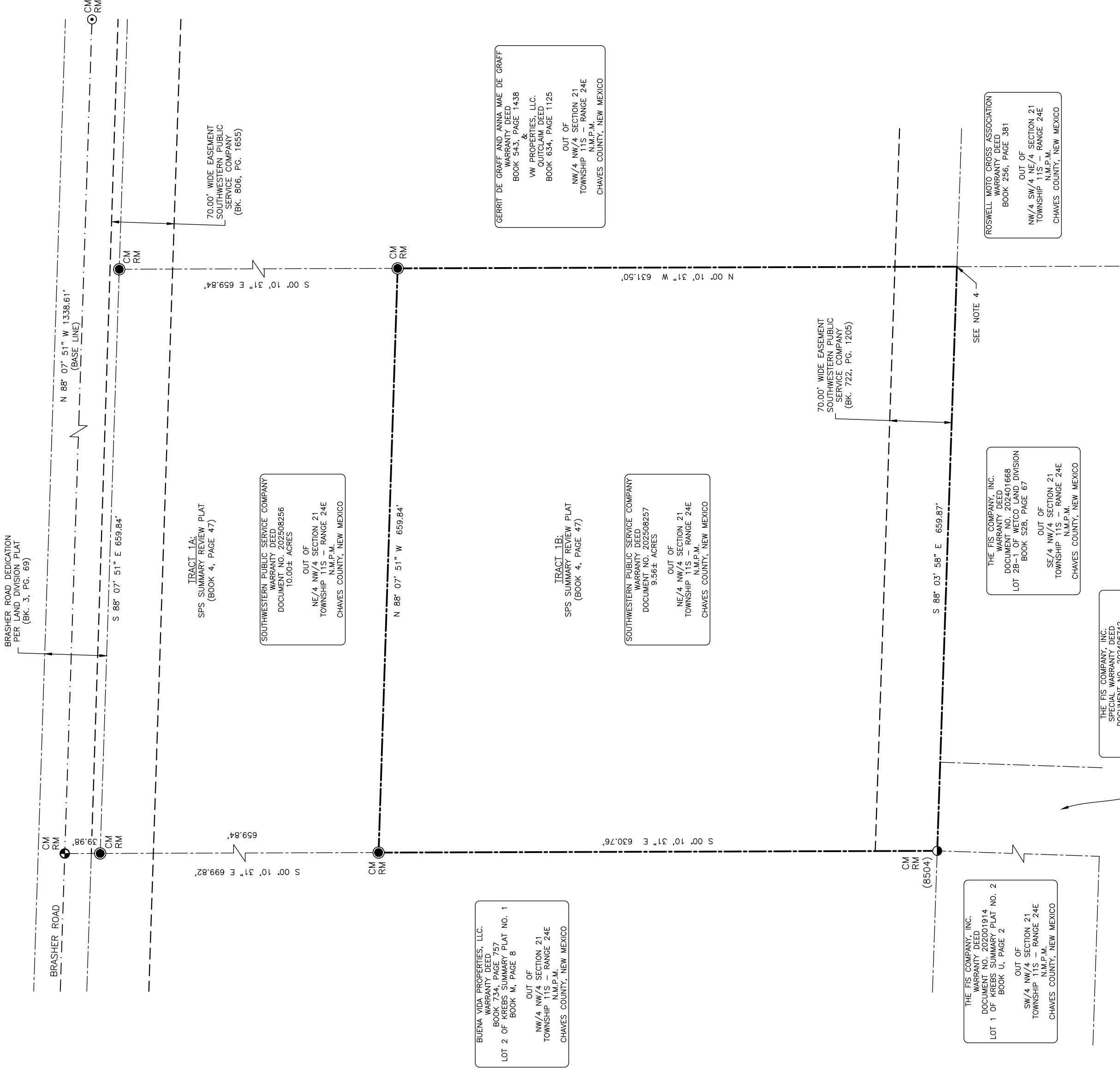
BASIS OF BEARING– Bearings were derived using GPS relative positioning techniques based on an OPUS solution on August 08th, 2025 and are referred to Grid UTM Coordinate System–Zone 13N, NAD (1983).

Distances are Grid.

Combined Factor = 0.99945718

INDEXING INFORMATION FOR THE COUNTY CLERK		RECORDING INFORMATION
COUNTY:	CHAVES, NEW MEXICO	
NAME OF OWNERS:	SOUTHWESTERN PUBLIC SERVICE COMPANY	
GENERAL PROPERTY DESCRIPTION:	NE/4 NW/4 SECTION 21, T11S–R24E N.M.P.M. CHAVES COUNTY, NEW MEXICO	
UNIFORM PARCEL CODE NUMBERS:	4-136-065-169-107	

EXHIBIT G.1 ANNEX-26-0084 SPS TRACT 1B ANNEXATION PLAT
SPS TRACT 1B ANNEXATION PLAT
THE ANNEXATION OF TRACT 1B OF THE SPS SUMMARY REVIEW PLAT OF THE NE/4 NW/4 SECTION 21, TOWNSHIP 11S – RANGE 24E, N.M.P.M., CHAVES COUNTY, NEW MEXICO



NOTES

1. No investigation or independent search for easements of record, encumbrances, restrictive covenants, ownership title evidence, or any other facts that an accurate and current title search may disclose have been made by this Surveyor.
2. All underground utilities positioned from point marks, flags or signs on the ground or as shown to this surveyor by others. These locations are approximate. The utilities were not uncovered as a part of this survey. Other utilities may exist that this surveyor is unaware of. New Mexico 811 Locate Request was submitted on August 8th, 2025, Ticket Number 25AG060887.
3. Subsurface and environmental conditions were not examined or considered as a part of this survey. No statement is made concerning the existence of underground containers and/or facilities which may affect the use or development of this tract.
4. Unable to set monument due to concrete around existing fence posts.

PURPOSE

The purpose of this survey is to Annex Tract 1B of the SPS Summary Review Plat (Book 4, Page 47) being a portion of the NE/4 NW/4 Section 21, Township 11 South – Range 24 East, N.M.P.M., Chaves County, New Mexico, as described in that certain instrument recorded in Document No. 2025082576 as filed in the County Clerk's Office of Chaves County, New Mexico, into The City of Roswell, Chaves County, New Mexico.

Subject to reservations, restrictions, easements of record and in open view and Chaves County property taxes.

FLOOD_ZONE

Subject property is in Flood Zone X according to the FEMA Flood Map Service Center, Community Panel Number 35005C1635D, Effective September 25, 2009.

SURVEY FOR:
SOUTHWESTERN PUBLIC
SERVICE, COMPANY

PAGE 1 OF 1

PRELIMINARY. THIS DOCUMENT SHALL NOT BE RECORDED FOR ANY PURPOSE. THIS DOCUMENT HAS BEEN RELEASED BY KYLE L. BRADY, PS 25645 FOR REVIEW PURPOSES ONLY.

FURMAN LAND SURVEYORS, INC.
SURVEYING - MAPPING - CONSULTING
TEXAS OKLAHOMA NEW MEXICO KANSAS COLORADO

DARYL R. FURMAN, RPS DANIEL R. FURMAN, RPS DONALD R. FURMAN, RPS
HEATHER LYNN LEMMONS, RPS - KYLE L. BRADY, RPS
M. CHASE TINKER, ST. JONATHAN LANDERS, ST
TEXAS FIRM #10092400 & 10092401
P.O. BOX 1416 AMARILLO, TEXAS 79105 (806) 371-4246 FAX (806) 371-4238
P.O. BOX 444 TAMARAC, TEXAS 79409 (806) 344-1467 FAX (806) 344-1462

PROJECT NO. 2536047
DRAWING NO. T:\Dwg 25 \XCB\ 2536047\ Dwg\ 2536047

CERTIFICATE

I, Kyle L. Brady, New Mexico Professional Surveyor No. 25645, do hereby certify that this Boundary Survey Plat and the actual survey on the ground upon which it is based were performed by me or under my direct supervision; that I am responsible for this survey; that this survey meets the Minimum Standards for Surveying in New Mexico; and that it is true and correct to the best of my knowledge and belief. I further certify that this survey is not a land division or subdivision as defined in the New Mexico Subdivision Act. (New Mexico Subdivision Act J.13)

Kyle L. Brady, P.S. No. 25645 Date:

ACKNOWLEDGEMENT

State of New Mexico)
County of Chaves)

This instrument was acknowledged before me on this ____ Day of _____, 2026 by Sean L. Frederiksen, Senior Manager Sighting & Land Rights of Southwestern Public Service Company.

Sean L. Frederiksen

EXHIBIT G.2 ANNEX-26-0084 TRACT 1B METES & BOUNDS DESCRIPTION

SPS TRACT 1B ANNEXATION PLAT:

THE ANNEXATION OF TRACT 1B OF THE SPS SUMMARY REVIEW PLAT BEING A PORTION OF THE NE/4 NW/4 OF SECTION 21, TOWNSHIP 11S, RANGE 24E, N.M.P.M., CONTAINING 9.56 ACRES MORE OR LESS IN CHAVES COUNTY, NEW MEXICO.

(METES AND BOUNDS DESCRIPTION TAKEN FROM SPS SUMMARY REVIEW PLAT)

A 9.56± acre tract of land being out of the Northeast quarter of the Northwest quarter of Section 21, Township 11 South, Range 24 East of the New Mexico Principal Meridian, Chaves County, New Mexico, same being out of that certain tract of land as described in those certain instruments recorded in Book 543, Page 1438 and Book 634, Page 1125 as filed in the County Clerk's Office of Chaves County, New Mexico, also being out of that certain tract of land formerly known as Tract 2 according to the plat or map thereof recorded in Book 3, Page 69 as filed in the County Clerk's Office of Chaves County, New Mexico said 9.56± acre tract of land having been surveyed on the ground by Furman Land Surveyors, Inc. and being described by metes and bounds as follows and being known hereon as Tract 1B:

(Bearings and Distances are Grid UTM Coordinate System-Zone 13N, NAD (1983) using GPS relative positioning techniques based on an OPUS solution on August 8, 2025.
Combined Scale Factor = 0.99945718)

COMMENCING at a 1/2 inch iron rod found and accepted for the West 1/16th corner of said Section 21, from whence a cotton spindle found and accepted for the North quarter corner of said Section 21 bears S. 88° 07' 51" E. (Base Line) 1338.61 feet;

THENCE S. 00° 10' 31" E. along the West line of the Northeast quarter of the Northwest quarter of said Section 21, at 39.98 feet passing a 1/2 inch iron rod with a cap stamped "LANDAVERDE 26407" found and accepted for the Northwest corner of that certain tract of land as described in that certain instrument recorded in Document No. 202302847 as filed in the County Clerk's Office of Chaves County, New Mexico, same being that certain tract of land formerly known as Tract 1 according to the plat or map thereof recorded in said Book 3, Page 69, also being the Northwest corner of that certain 10.00± acre tract of land, also being known as Tract 1A (Simultaneously Surveyed), further being in the South Right-of-Way of Brasher Road according to the plat or map thereof recorded in said Book 3, Page 69, continuing for a total distance of 699.82 feet to a 1/2 inch iron rod with a cap stamped "LANDAVERDE 26407" found and accepted for the Southwest corner of said Tract 1A, and being the Northwest and BEGINNING CORNER of this tract of land;

THENCE S. 88° 07' 51" E. 659.84 feet along the South line of said Tract 1A to a 1/2 inch iron with a cap stamped "LANDAVERDE 26407" found and accepted for the Southeast corner of said Tract 1A, also being in the West line of that certain 20.15± acre tract of land also being known as Tract 2A (Simultaneously Surveyed), and being the Northeast corner of this tract of land;

THENCE S. 00° 10' 31" E. 631.50 feet along the West line of said Tract 2A to a point in the South line of the Northeast quarter of the Northwest quarter of said Section 21, same being the South line of said former Tract 2, and being the Southeast corner of this tract of land;

THENCE N. 88° 03' 58" W. 659.87 feet along the South line of the Northeast quarter of the Northwest quarter of said Section 21, same being the South line of said former Tract 2 to a 1/2 inch iron rod with a cap stamped "8504" found and accepted for the Southwest corner of the Northeast quarter of the Northwest quarter of said Section 21, same being the Southwest corner of said former Tract 2, and being the Southwest corner of this tract of land;

THENCE N. 00° 10' 31" W. 630.76 feet along the West line of the Northeast quarter of the Northwest quarter of said Section 21, same being the West line of said former Tract 2 to the POINT OF BEGINNING and containing 9.56 acres, more or less.

SPS SUMMARY REVIEW PLAT

PORTION OF THE NE/4 NW/4 SECTION 21, TOWNSHIP 11S - RANGE 24E, N.M.P.M., CHAVES COUNTY, NEW MEXICO

TRACT 1A DESCRIPTION

(Formerly Tract 1 as recorded in Book 3, Page 69 of the Chaves County Clerk's Office)

A 10.00± acre tract of land being out of the Northeast quarter of Section 21, Township 11 South, Range 24 East of the New Mexico Principal Meridian, Chaves County, New Mexico, same being that certain tract of land as described in that certain instrument recorded in Document No. 202302847 as filed in the County Clerk's Office of Chaves County, New Mexico, also being formerly known as Tract 1 according to the plat or map thereof recorded in Book 3, Page 69 as filed in the County Clerk's Office of Chaves County, New Mexico said 10.00± acre tract of land having been surveyed on the ground by Furman Land Surveyors, Inc. and being known hereon as Tract 1A;

(Bearings and Distances are Grid UTM Coordinate System-Zone 13N, NAD (1983) using GPS relative positioning techniques based on an OPUS solution on August 8, 2025.

COMMENCING at a 1/2 inch iron rod found and accepted for the North quarter corner of said Section 21, from whence a cotton spindle found and accepted for the North quarter corner of said Section 21 bears S. 88° 07' 51" E. (Base Line) 1338.61 feet;

THENCE S. 00° 10' 31" E. 39.98 feet along the West line of the Northeast quarter of said Section 21 to a 1/2 inch iron rod with a cap stamped "LANDAVERDE 26407" found and accepted for the Northwest corner of said former Tract 1, same being in the South Right-of-Way of Brasher Road according to the plat or map thereof recorded in Book 3, Page 69, and being the Northwest and BEGINNING CORNER of this tract of land;

THENCE S. 88° 07' 51" E. 659.84 feet along the North line of said former Tract 1, same being said South Right-of-Way line of Brasher Road to a 1/2 inch iron rod with a cap stamped "LANDAVERDE 26407" found and accepted for the Northeast corner of said former Tract 1, same being the Northwest corner of that certain 20.15± acre tract of land, also being known as Tract 2A (Simultaneously Surveyed), and being the Northeast corner of this tract of land, from whence a 1/2 inch iron rod with a cap stamped "LANDAVERDE 26407" found and accepted for the Northeast corner of said Tract 2A bears S. 88° 07' 51" E. 678.79 feet;

THENCE S. 00° 10' 31" E. 659.84 feet along the East line of said former Tract 1, same being the West line of said Tract 2A to a 1/2 inch iron rod with a cap stamped "LANDAVERDE 26407" found and accepted for the Southeast corner of said former Tract 1, same being the Northeast corner of that certain 9.56± acre tract of land also being known as Tract 1B (Simultaneously Surveyed), and being the Southeast corner of this tract of land;

THENCE N. 88° 07' 51" W. 659.84 feet along the South line of said former Tract 1, same being the North line of said Tract 1B to a 1/2 inch iron rod with a cap stamped "LANDAVERDE 26407" found and accepted for the Southwest corner of said former Tract 1, same being the Northwest corner of said Tract 1B, also being in the West line of the Southwest quarter of the Northwest quarter of said Section 21, and being the Southwest corner of this tract of land, from whence a 1/2 inch iron rod with a cap stamped "8504" found and accepted for the Southwest corner of the Northwest quarter of said Section 21, same being the Southwest corner of said Tract 1B bears S. 00° 10' 31" E. 630.76 feet;

THENCE N. 00° 10' 31" W. 659.84 feet along the West line of the Northeast quarter of said Section 21, same being the West line of said former Tract 1 to the POINT OF BEGINNING and containing 10.00 acres, more or less.

Notary Public section for Billy Lefevre, State of Texas, commission expires 10-26-26. Includes signature of Gary Decraaf and Anna Mae Decraaf Estate.

APPROVAL OF THE CHAVES COUNTY FLOOD COMMISSIONER

State of New Mexico
County of Chaves)

This is to certify this foregoing replat has been examined and approved by the Chaves County Flood Commissioner.

Chaves County, New Mexico on this 5 Day of NOV, 2025

Attest By: [Signature] Flood Commissioner

INDEXING INFORMATION FOR THE COUNTY CLERK. Includes recording information for State of New Mexico, County of Chaves, and recording details.

TRACT 1B DESCRIPTION

(Being a portion of Tract 2 as recorded in Book 3, Page 69 of the Chaves County Clerk's Office)

A 9.56± acre tract of land being out of the Northeast quarter of Section 21, Township 11 South, Range 24 East of the New Mexico Principal Meridian, Chaves County, New Mexico, same being out of that certain tract of land as described in those certain instruments recorded in Book 543, Page 1438 and Book 634, Page 1125 as filed in the County Clerk's Office of Chaves County, New Mexico, also being out of that certain tract of land formerly known as Tract 2 according to the plat or map thereof recorded in Book 3, Page 69 as filed in the County Clerk's Office of Chaves County, New Mexico said 9.56± acre tract of land having been surveyed on the ground by Furman Land Surveyors, Inc. and being described by metes and bounds as follows and being known hereon as Tract 1B:

(Bearings and Distances are Grid UTM Coordinate System-Zone 13N, NAD (1983) using GPS relative positioning techniques based on an OPUS solution on August 8, 2025.

COMMENCING at a 1/2 inch iron rod found and accepted for the North quarter corner of said Section 21 bears S. 88° 07' 51" E. (Base Line) 1338.61 feet;

THENCE S. 00° 10' 31" E. along the West line of the Northeast quarter of said Section 21, at 39.98 feet passing a 1/2 inch iron rod with a cap stamped "LANDAVERDE 26407" found and accepted for the Northwest corner of that certain tract of land as described in that certain instrument recorded in Document No. 202302847 as filed in the County Clerk's Office of Chaves County, New Mexico, same being that certain tract of land formerly known as Tract 1 according to the plat or map thereof recorded in said Book 3, Page 69, also being the Northwest corner of that certain 10.00± acre tract of land, also being known as Tract 1A (Simultaneously Surveyed), further being in the South Right-of-Way of Brasher Road according to the plat or map thereof recorded in said Book 3, Page 69, continuing for a total distance of 699.82 feet to a 1/2 inch iron rod with a cap stamped "LANDAVERDE 26407" found and accepted for the Southwest corner of said Tract 1A, and being the Northwest and BEGINNING CORNER of this tract of land;

THENCE S. 88° 07' 51" E. 659.84 feet along the South line of said Tract 1A to a 1/2 inch iron rod with a cap stamped "LANDAVERDE 26407" found and accepted for the Southeast corner of said Tract 1A, also being in the West line of that certain 20.15± acre tract of land also being known as Tract 2A (Simultaneously Surveyed), and being the Northeast corner of this tract of land;

THENCE S. 00° 10' 31" E. 631.50 feet along the West line of said Tract 2A to a point in the South line of the Northeast quarter of the Northwest quarter of said Section 21, same being the South line of said former Tract 2, and being the Southeast corner of this tract of land;

THENCE N. 88° 03' 58" W. 659.87 feet along the South line of the Northeast quarter of said Section 21, same being the South line of said former Tract 2 to a 1/2 inch iron rod with a cap stamped "8504" found and accepted for the Southwest corner of the Northeast quarter of said Section 21, same being the Southwest corner of said former Tract 2, and being the Southwest corner of this tract of land;

THENCE N. 00° 10' 31" W. 630.76 feet along the West line of the Northeast quarter of said Section 21, same being the West line of said former Tract 2 to the POINT OF BEGINNING and containing 9.56 acres, more or less.

Notary Public section for Correon Spooling Services, LLC, State of New Mexico, commission expires 10-30-27. Includes signature of Kyle L. Brady.

OWNERS STATEMENT AND AFFIDAVIT section for ALISA RAE SOTO, Notary Public, State of New Mexico, commission expires Oct 3, 2027.

The undersigned being first duly sworn on oath, state: As owners and proprietors, we have of our own free will and consent, caused this plat with its tracts and existing road right-of-way, easements, dedications to be platted. The property described on this plat lies within the planning and platting jurisdiction of Chaves County, New Mexico.

Correon Spooling Services, LLC.

CONCURRENCE

We concur as to the size and location of easements shown.

XCCEL Energy, LLC and New Mexico Gas Company, dated 10-28-25 and 10/31/2025.

CERTIFICATE

I Kyle L. Brady, New Mexico Professional Surveyor No. 25645, do hereby certify that this Boundary Survey Plat and the actual survey on the ground upon which it is based were performed by me or under my direct supervision; that I am responsible for this survey; that this survey meets the Minimum Standards for Surveying in New Mexico; and that it is true and correct to the best of my knowledge and belief. I further certify that this survey is not a land division or subdivision as defined in the New Mexico Subdivision Act (New Mexico Subdivision Act J.13)

Kyle L. Brady, P.S. No. 25645, dated 10-7-25.

TRACT 2A DESCRIPTION

(Being a portion of Tract 2 as recorded in Book 3, Page 69 of the Chaves County Clerk's Office)

A 20.15± acre tract of land being out of the Northeast quarter of the Northwest quarter of Section 21, Township 11 South, Range 24 East of the New Mexico Principal Meridian, Chaves County, New Mexico, same being out of that certain tract of land as described in those certain instruments recorded in Book 543, Page 1438 and Book 634, Page 1125 as filed in the County Clerk's Office of Chaves County, New Mexico, also being out of that certain tract of land formerly known as Tract 2 according to the plat or map thereof recorded in Book 3, Page 69 as filed in the County Clerk's Office of Chaves County, New Mexico said 20.15± acre tract of land having been surveyed on the ground by Furman Land Surveyors, Inc. and being described by metes and bounds as follows and being known hereon as Tract 2A:

(Bearings and Distances are Grid UTM Coordinate System-Zone 13N, NAD (1983) using GPS relative positioning techniques based on an OPUS solution on August 8, 2025.

COMMENCING at a cotton spindle found and accepted for the North quarter corner of said Section 21, from whence a 1/2 inch iron rod found and accepted for the West 1/16th corner of said Section 21 bears N. 88° 07' 51" W. (Base Line) 1338.61 feet;

THENCE S. 00° 12' 26" E. 39.98 feet along the East line of the Northeast quarter of said Section 21 to a 1/2 inch iron rod with a cap stamped "LANDAVERDE 26407" found and accepted for the Northeast corner of said former Tract 2, same being in the South Right-of-Way of Brasher Road according to the plat or map thereof recorded in said Book 3, Page 69, and being the Northeast and BEGINNING CORNER of this tract of land;

THENCE S. 00° 12' 26" E. 1291.14 feet along the East line of the Northeast quarter of said Section 21, same being the East line of said former Tract 2 to a point for the Southeast corner of the Northeast quarter of the Northwest quarter of said Section 21, same being the Southeast corner of said former Tract 2, and being the Southeast corner of this tract of land;

THENCE N. 88° 03' 58" W. 679.54 feet along the South line of the Northeast quarter of said Section 21, same being the South line of said former Tract 2 to a point for the Southwest corner of this tract of land, same being the Southeast corner of that certain 9.56± acre tract of land, also being known as Tract 1B (Simultaneously Surveyed) from whence a 1/2 inch iron rod with a cap stamped "8504" found and accepted for the Southwest corner of the Northeast quarter of the Northwest quarter of said Section 21, same being the Southwest corner of said Tract 1B bears N. 88° 03' 58" W. 659.87 feet;

THENCE N. 00° 10' 31" W. at 631.50 feet passing a 1/2 inch iron rod with a cap stamped "LANDAVERDE 26407" found and accepted for the Southeast corner of that certain 10.00± acre tract of land, also being known as Tract 1A (Simultaneously Surveyed), same being the Northeast corner of said Tract 1B, continuing for a total distance of 1291.34 feet to a 1/2 inch iron rod with a cap stamped "LANDAVERDE 26407" found and accepted for the Northeast corner of said Tract 1A, same being in said South Right-of-Way line of Brasher Road, and being the Northwest corner of this tract of land;

THENCE S. 88° 07' 51" E. 678.79 feet along said South Right-of-Way line of Brasher Road, same being the North line of said former Tract 2, to the POINT OF BEGINNING and containing 20.15 acres, more or less.

Notary Public section for VW Properties, LLC, State of Arizona, commission expires July 20, 2027. Includes signature of Tisham Binkham.

CHAVES COUNTY APPROVAL section with Notary Public seal for Maribel Arizola.

My commission expires: July 20, 2027

OWNERS STATEMENT AND AFFIDAVIT section for State of New Mexico.

The undersigned being first duly sworn on oath, state:

As owners and proprietors, we have of our own free will and consent, caused this plat with its tracts and existing road right-of-way, easements, dedications to be platted. The property described on this plat lies within the planning and platting jurisdiction of Chaves County, New Mexico.

W Properties, LLC.

City of Roswell seal and approval section for City Manager.

SURVEY FOR: SOUTHWESTERN PUBLIC SERVICE, COMPANY

PAGE 2 OF 2

FURMAN LAND SURVEYORS, INC. header with contact information and professional surveyor seal for Kyle L. Brady.

EXHIBIT I: ANNEX-26-0084 PROPOSED ANNEXATION ORDINANCE

ORDINANCE NO. 26-XX

AN ORDINANCE OF THE CITY OF ROSWELL ANNEXING A CERTAIN TRACT OF LAND CONTAINING 9.56 ACRES MORE OR LESS; BEING TRACT 1B OF THE SPS TRACT 1B ANNEXATION PLAT OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 21, TOWNSHIP 11 SOUTH, RANGE 24 EAST OF THE NEW MEXICO PRINCIPAL MERIDIAN, CHAVES COUNTY, NEW MEXICO; PROVIDING FOR REPEAL OF ALL ORDINANCES OR PARTS THEREOF IN CONFLICT HERewith; PROVIDING FOR SEVERABILITY AND FOR AN EFFECTIVE DATE.

BE IT ORDAINED BY THE GOVERNING BODY, THE CITY COUNCIL OF ROSWELL, NEW MEXICO THAT:

WHEREAS, Petition has heretofore been filed seeking annexation of certain lands to the City of Roswell, New Mexico, under and by virtue of the provision of 3-7-17 NMSA 1978, known as the "Petition Method," said lands being described as:

SPS TRACT 1B ANNEXATION PLAT: THE ANNEXATION OF TRACT 1B OF THE LAND DIVISION OF THE NE / 4 NW / 4 OF SECTION 21, TOWNSHIP 11 SOUTH, RANGE 24 EAST, N.M.P.M., CONTAINING 9.56 ACRES MORE OR LESS IN CHAVES COUNTY, NEW MEXICO, ALSO KNOWN AS SPS TRACT 1B ANNEXATION PLAT IN THE VICINITY OF 402 E BRASHER ROAD.

WHEREAS, Said territory hereby sought to be annexed is contiguous to the municipality, and the petitioner represents a majority of the number of acres sought to be annexed; the petition for annexation is accompanied by a map showing the external boundary of the territory proposed to be annexed and the relationship of said territory to the existing boundary of the municipality, and if municipal services can be made available to said territory hereby sought to be annexed.

Section 1. ANNEXATION.

Said parcels or tracts of land herein above described, and the same hereby are annexed as part and parcel of the City of Roswell, New Mexico, for all legal purposes.

Section 2. APPEAL.

Within thirty (30) days after the filing of authenticated copy of this ordinance with survey plat attachment in the office of the County Clerk as aforesaid, any person aggrieved may appeal to the District Court for review of the validity of the annexation proceedings herein.

Section 3. REPEALER.

All ordinances, parts of ordinances or sections of the Municipal Code in conflict or inconsistent herewith be, and the same hereby are repealed to the extent of such conflict or inconsistency. This repealer is not to be construed as reviving any ordinances, parts of ordinances or sections of the Municipal Code heretofore repealed.

Section 4. SEVERABILITY.

If any section, paragraph, clause or provision of this ordinance should for any reason be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other part of this ordinance.

Section 5. EFFECTIVE DATE.

This annexation shall be and become effective after the filing of a duly authenticated copy of this ordinance, together with an official survey plat of the territory hereby annexed in the office of the County Clerk of Chaves County, New Mexico; provided that the effective date hereof shall not be less than five (5) days after publication hereof.

PASSED, ADOPTED, SIGNED and APPROVED the 9th day of July, 2026.

CITY SEAL

Timothy Z. Jennings, Mayor

ATTEST:

Amalia Martinez, City Clerk

**ROSWELL NEW MEXICO
AGENDA ITEM ABSTRACT**

Regular City Council Meeting

26.

Meeting Date: 07/09/2026

COMMITTEE: N/A

CONTACT: C. Josh Nairn-Mahan

CHAIR: N/A

ACTION REQUESTED:

Hold a closed session - pursuant to

NMSA 1978, § 10-15-1H (2), to discuss limited personnel matters pertaining to City Manager,

NMSA 1978, § 10-15-1(H)(5), to discuss attorney-client privileged communication relating to Union Negotiations, in which the City of Roswell is or may become a participant,

NMSA 1978, § 10-15-1H (7), to discuss attorney-client privilege pertaining to threatened or pending litigation in which the public body is or may become a participant relating. (Corn/Nairn-Mahan)

BACKGROUND:

Initiated by: C. Josh Nairn-Mahan

Hold a closed session - pursuant to NMSA 1978, § 10-15-1H (2), to discuss limited personnel matters pertaining to City Manager and NMSA 1978, § 10-15-1(H)(5), to discuss attorney-client privileged communication relating to Union Negotiations, in which the City of Roswell is or may become a participant.

FINANCIAL CONSIDERATION

To be reviewed with the Council

LEGAL REVIEW:

Pursuant to NMSA 1978, § 10-15-1(H) & (I), a majority of a quorum of the City Council may vote to enter closed session to discuss a narrow range of topics. No action may be taken during the closed session.

BOARD AND COMMITTEE ACTION:

There is no board or committee review.

STAFF RECOMMENDATION:

Proceed as presented.
