AGENDA

City Council Regular Meeting
Janell Whitlock Municipal Complex
114 S. Halagueno Street
Carlsbad, New Mexico
June 9, 2026 at 6:00 PM

Invocation – Pledge of Allegiance

1. Carlsbad Department of Development Presentation
2. Project Update - Greene Street/Canal Street Storm Drain Project
3. Routine and Regular Business

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 is desired on a particular item, upon request, that item may be removed from the Routine and Regular Business and be considered separately.

A. Minutes of the City Council Meeting held on May 26, 2026

B. City Personnel Report

C. Monthly Reports

1) Building Department Monthly Report - April 2026

2) Public Works Monthly Report - April 2026

3) Utilities Department Monthly Report- April 2026

D. Set the Date: July 14, 2026

1) Ordinance rezoning part of "C-2" Commercial 2 District to "R-2" Residential 2 District for an approximately 0.092 acre property located at 103 S. Cypress Street

2) Ordinance rezoning part of "R-1" Residential 1 District to "C-1" Commercial 1 District for an approximately 0.78 acre property located at 302 W. Pierce Street

3) Ordinance rezoning part of "R-1" Residential 1 District to "R-2" Residential 2 District for an approximately 0.21 acre property located at 922 Rex Street

4. Consider Approval of Memorandum of Understanding between the City of Carlsbad and Southeast New Mexico College

5. Infrastructure Capital Improvement Plan Preliminary List Presentation for FY2028-2032 for Council Review and Recommendations

6. Consider Approval of Annual City Liquor License Renewals

7. Consider Approval of Annual City Cannabis License Renewals

8. Consider Approval of the Purchase and Sale Agreement for the Purchase of the Carlsbad Event Center, Adjacent Land, and Furniture & Equipment

9. Consider Approval of Resolution 2026-36 a Resolution requiring the removal of the ruins, rubbish, wreckage, debris, and/or weeds at 5217 Sierra Vista Drive Owner: Markwest Energy Co LLC

10. Public Comments and Announcements. All Comments must be respectful and courteous (Three-minute time limit per person)

11. Council Committee Reports

FOR INFORMATION ONLY

Agendas and City Council minutes are available on the City website: cityofcarlsbadnm.com and may be viewed in the Office of the City Clerk during regular business hours.

CARLSBAD CITY COUNCIL MEETING SCHEDULE

• Regular Meeting - June 23, 2026
• Regular Meeting - July 14, 2026

If you require a hearing interpreter, language interpreters or auxiliary aids in order to attend and participate in the above meeting, please contact the City Manager's office at (575) 887-1191 at least 48 hours prior to the scheduled meeting time

NO DOCUMENT FOR THIS AGENDA ITEM

CITY OF CARLSBAD
PROJECT UPDATES

LINKED MINUTES OF A REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF CARLSBAD, NEW MEXICO, HELD IN THE JANELL WHITLOCK MUNICIPAL COMPLEX BUILDING ON MAY 26, 2026, AT 6:00 P.M.

Present:	Richard D. Lopez	Mayor
	Lisa A. Anaya Flores	Councilor
	Edward T. Rodriguez	Councilor
	Karla Niemeier	Councilor
	Anthony Foreman	Councilor
	Mark C. Walterscheid	Councilor
	Jason O. Chavez	Councilor
	Jeff Forrest	Councilor
	Mary Garwood	Councilor
Absent:		
Also Present:	Wendy Austin	City Manager
	Ken Ahrens	Deputy City Manager
	K.C. Cass	Chief of Operations
	Barbra Hogsdon	City Attorney
	Nadine Mireles	City Clerk
	Jalynn Dominguez	Open Meetings Act Manager
	Dina Navarrette	Community Services Director
	Angie Barrios-Testa	Director of Grant Programs
	Mike Abell	Director of Utilities
	Melissa Salcido	Finance Director
	Tony Souza	Fire Chief
	Kyla Gonzales	HR Director
	Allan Henriksen	IT Technician
	Jeff Patterson	Planning Director
	Jessie Rodriguez	Police Chief
	Randy Galindo	Safety and Compliance Director
	Patrick Brownfield	Police Officer
	Clayton Bradley	Bradley Law Office

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Time Stamps and headings below correspond to recording of meeting and the recording is hereby made a part of the official record.

0:00:02 **Call Meeting to Order**

0:00:55 Invocation – Pledge of Allegiance

0:01:34 **1. CITY OF CARLSBAD FINANCIALS – APRIL 2026**

Ms. Salcido reviewed the revenues and expenditures as of April 2026, the tenth accounting period of Fiscal Year 2026.

0:03:05 **2. ROUTINE AND REGULAR BUSINESS**

A. Minutes of the City Council Meeting held on May 12, 2026

B. City Personnel Report

C. Purchasing

1) Consider Approval for Invitation to Solicit Bids for a Zacklift Vehicle Towing System

2) Consider Approval for Invitation to Solicit Bids for Annual Pest Control Services for City Facilities

3) Consider Approval to Award RFP 2026-05 to Life Extension Clinics d/b/a Life Scan Wellness Centers for Comprehensive Health Evaluations for the Carlsbad Fire Department

D. Agreements and Contracts

1) Consider Approval of Agreement between the City of Carlsbad and Public Consulting Group (PCG) for participation in the Ambulance Supplemental Payment Program (ASPP)

2) Consider Approval of Lease Agreement between the City of Carlsbad and Corporate Flight Management, Inc. d/b/a Contour Airlines (Contour), for a Portion of the Cavern City Air Terminal

E. Monthly Reports

1) City Clerk Department Monthly Report - April 2026

2) Community Development Department Monthly Report - April 2026

3) Fire Department Monthly Report - April 2026

4) Planning & Regulation Department Monthly Report - April 2026

0:03:23 **Mayor Lopez asked Chief Souza to briefly discuss item C3, Consider Approval to Award RFP 2026-05 to Life Extension Clinics d/b/a Life Scan Wellness Centers for Comprehensive Health Evaluations for the Carlsbad Fire Department**

Chief Souza presented a request to award a contract to Life Extension Clinics, doing business as Life Scan Wellness Center, for comprehensive health evaluations for the Carlsbad Fire Department. He explained the nature of firefighting exposes personnel to elevated risks of cardiovascular disease and cancer, and annual physical and preventive health screenings can significantly improve early detection and reduce line-of-duty injuries and fatalities. **Chief Souza** noted the City solicited proposals and received one response, from Life Scan Wellness Center.

Mayor Lopez asked whether the provider currently serves other departments in the region. **Chief Souza** said Life Scan provides services to Eddy County Fire and Rescue, the Hobbs Fire Department, and will soon serve the Roswell Fire Department, adding that coordinating services with other agencies helps reduce costs associated with travel.

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Councilor Rodriguez inquired about the term of the agreement. **Chief Souza** stated the contract would be structured as a one-year term with the option for annual renewals for up to five years.

0:06:29 **Mayor Lopez asked Chief Souza to briefly discuss item D1, Consider Approval of Agreement between the City of Carlsbad and Public Consulting Group (PCG) for participation in the Ambulance Supplemental Payment Program (ASPP)**
Chief Souza said the Fire Department is requesting approval to enter into a professional services agreement with Public Consulting Group (PCG) to administer the Ambulance Supplemental Payment Program (ASPP), which allows the City to recover additional federal Medicaid funding based on the actual cost of Emergency Medical Services (EMS). He said the current Medicaid reimbursement rates do not cover the City's operational costs for advanced life support and basic life support transports. He said based on projected transport volumes, the City anticipates receiving approximately $1.38 million in supplemental funding, with nearly $1 million available for reinvestment into frontline equipment and EMS operations. He said PCG will manage all required reporting and compliance services and will be compensated at 15% of recovered federal funds, estimated at approximately $148,000.

Mayor Lopez asked whether the agreement would impact patients in any way. **Chief Souza** said the agreement would not affect patients or pass any additional costs onto them, but instead allows the City to recover the difference between Medicaid reimbursement rates and the actual cost of providing EMS services through federal supplemental funding.

Mayor Lopez asked if the program operates on a reimbursement basis, meaning the City must initially fund participation in the program before receiving reimbursement. **Chief Souza** said while the City pays upfront costs to participate, the City is assured reimbursement of those funds through the program.

Councilor Rodriguez asked whether the 15% fee was a negotiated amount or a standard rate. **Chief Souza** said the 15% is the consulting group's standard rate for administering the program. **Councilor Rodriguez** asked if the fee would be paid from the federal matching funds recovered through the program rather than from additional City funds. **Chief Souza** said the City would receive the federal reimbursement amount with the 15% deducted.

0:11:06 **Mayor Lopez asked Ms. Navarrette to briefly discuss item D2, Consider Approval of Lease Agreement between the City of Carlsbad and Corporate Flight Management, Inc. d/b/a Contour Airlines (Contour), for a Portion of the Cavern City Air Terminal**
Ms. Navarrette presented a request to enter into a lease agreement with Corporate Flight Management, doing business as Contour Airlines, for the use of a portion of the Carlsbad Cavern City Air Terminal. She explained the U.S. Department of

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Transportation selected Corporate Flight Management to provide Essential Air Service at Carlsbad, New Mexico (CNM) for a two-year term beginning March 1, 2026, through February 28, 2028, with an option to renew for one additional two-year term. She said under the agreement, the City would provide the airline with counter space, administrative office space, and an area designated for baggage.

Mayor Lopez asked if this was on their current terminal and asked if we would have to renew this agreement when the new terminal is built. **Ms. Navarrette** said it is included in the agreement for both terminals.

0:12:19 **MOTION**
The motion was made by Councilor Rodriguez and seconded by Councilor Garwood to approve Routine and Regular Business

0:12:28 **VOTE**
The vote was as follows: Yes - Niemeier, Walterscheid, Anaya-Flores, Chavez, Garwood, Foreman, Rodriguez, Forrest; No - None; Absent - None; the motion carried.

0:12:41 **3. CONSIDER APPROVAL OF A PERMIT APPLICATION BY PLAINS ORYX DELAWARE OIL TRANSPORT LLC TO CONSTRUCT AND OPERATE A 6 INCH OIL PIPELINE REFERRED TO AS THE WATER BUFFALO OIL PIPELINE**

Mr. Patterson stated Plains Oryx Delaware Oil Transportation LLC submitted an oil and gas permit application to construct and operate a buried 6-inch steel oil gathering pipeline known as the Water Buffalo Oil Pipeline. He said the pipeline will connect the Permian Resources central tank battery (CTB), referred to as the Water Buffalo (CTB), to a collection and processing location for transportation to downstream markets. He said the proposed pipeline will extend approximately 5.3 miles in length, with approximately 0.42 miles located within City limits. **Mr. Patterson** stated approximately 1.36 miles of the pipeline will be constructed within the Significant Impact Zone of the Wellhead Protection Area, with the remaining portion located in Eddy County. He said the pipeline will be buried at a minimum depth of 36 inches and will operate at pressures not exceeding 740 pounds per square inch (PSI). **Mr. Patterson** said the request was previously presented to the Water and Sewer Commissioners, who approved the permit for construction within the Wellhead Protection Area.

Councilor Chavez asked what additional measures would be taken for the portion of the pipeline located within the Wellhead Protection Area and whether construction standards would differ in that area. **Mr. Patterson** said the pipeline would be installed in accordance with all applicable City regulations and requirements for construction within the protected area.

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Councilor Niemeier asked whether the Water and Sewer Board's approval of the permit application was unanimous. **Mrs. Austin** said the board voted unanimously in favor of approving the permit application.

Councilor Forrest asked whether the proposed pipeline would run along the border of the Bob Forrest Youth Sports Complex. **Mr. Patterson** said the pipeline would be located along the property boundary and would not encroach onto the Bob Forrest Youth Sports Complex.

0:16:57 **Mayor Lopez asked if anyone with an interest in this property would like to address Council. No one appeared.**

0:17:04 **MOTION**
The motion was made by Councilor Forrest and seconded by Councilor Foreman to approve of a permit application by Plains Oryx Delaware Oil Transport LLC to construct and operate a 6 inch oil pipeline referred to as the Water Buffalo Oil Pipeline

0:17:14 **VOTE**
The vote was as follows: Yes - Niemeier, Walterscheid, Chavez, Garwood, Foreman, Rodriguez, Forrest; No - Anaya-Flores; Absent - None; the motion carried.

0:17:33 **4. CONSIDER APPROVAL OF RESOLUTION 2026-35, A RESOLUTION ADOPTING A DESIGNATED METHOD OF DESTRUCTION FOR ELIGIBLE MUNICIPAL RECORDS**
Mrs. Mireles said this is a request for approval to destroy City records that have satisfied the legal retention requirements established under the approved records retention schedule. She said various City departments identified records eligible for destruction and that each department director reviewed and approved the records pertaining to their respective departments. **Mrs. Mireles** said the City Clerk's Department is requesting authorization to apply the approved retention schedules and proceed with the destruction process in accordance with State requirements. She said all records will be securely destroyed through shredding. **Mrs. Mireles** said this process is part of the City's ongoing records management program and helps ensure compliance, organization, and the proper maintenance of municipal records.

Councilor Rodriguez asked where the records would be shredded. **Mrs. Mireles** said the records will be delivered to Carc, and Carc will shred them.

0:19:11 **MOTION**
The motion was made by Councilor Rodriguez and seconded by Councilor Forrest to approve of Resolution 2026-35, a Resolution adopting a designated method of destruction for eligible Municipal records

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0:19:23 **VOTE**
The vote was as follows: Yes - Niemeier, Walterscheid, Anaya-Flores, Chavez, Garwood, Foreman, Rodriguez, Forrest; No - None; Absent - None; the motion carried.

0:19:55 **5. CONSIDER APPROVAL OF ORDINANCE 2026-22, AN ORDINANCE AUTHORIZING THE GRANTING OF AN OIL AND GAS LEASE FOR CERTAIN MINERAL INTERESTS OWNED BY THE CITY OF CARLSBAD, IN CERTAIN PORTIONS OF SECTION 1, TOWNSHIP 23 SOUTH, RANGE 26 EAST, N.M.P.M., TO BLAZE INTERESTS, LLC FOR A $15,574.00 PER NET ACRE LEASE BONUS AND A ONE-FOURTH (1/4TH) ROYALTY**

Mrs. Austin said the City of Carlsbad offered certain City-owned oil and gas mineral rights for lease through a closed bid process coordinated by Clayton Bradley, Esq. of Bradley Law Offices. She said Blaze Interest, LLC submitted the highest of two bids received, from a total of four entities that were invited to participate. She said the proposed lease includes a 25% royalty to the City, which is equal to or greater than standard royalty rates typically received by the New Mexico State Land Office, as well as a lease bonus of $15,574 per net mineral acre, resulting in a total bonus payment of $116,805. She said Mr. Bradley reviewed the lease agreement on behalf of the City and recommends approval.

0:21:57 **A. Public Hearing**

0:22:07 **Mayor Lopez asked if anyone would like to speak regarding the Ordinance. No one appeared and the Mayor declared the public hearing closed and reconvened the Council into regular session**

0:22:12 **B. Consider Approval of Ordinance 2026-22**

0:22:25 **Councilor Garwood** asked if the consultant that the City will use would be Clayton Bradley. **Mrs. Austin** said the City has been working with a consultant in Lubbock, TX. **Mr. Bradley** said the company that has previously done a full mineral title report for the City is Sims Land Company out of Lubbock, TX.

0:23:16 **MOTION**
The motion was made by Councilor Rodriguez and seconded by Councilor Foreman to approve of Ordinance 2026-22, an Ordinance authorizing the granting of an Oil and Gas lease for certain Mineral Interests owned by the City of Carlsbad, in certain portions of Section 1, Township 23 South, Range 26 East, N.M.P.M., to Blaze Interests, LLC for a $15,574.00 per net acre lease bonus and a one-fourth (1/4th) royalty

0:23:29 **VOTE**
The vote was as follows: Yes - Niemeier, Walterscheid, Anaya-Flores, Chavez, Garwood, Foreman, Rodriguez, Forrest; No - None; Absent - None; the motion carried.

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0:23:44 **6. PUBLIC COMMENTS AND ANNOUNCEMENTS. ALL COMMENTS MUST BE RESPECTFUL AND COURTEOUS (THREE-MINUTE TIME LIMIT PER PERSON)**

0:23:57 **7. COUNCIL COMMITTEE REPORTS**

Councilor Garwood reported that she will be attending the New Mexico Recycling Coalition Annual Meeting in Albuquerque, New Mexico, where she will be presenting the results of the recycling study that was conducted.

0:24:41 **8. CONSIDER APPROVAL TO CONVENE INTO CLOSED SESSION PURSUANT TO N.M.S.A. 1978 SECTION 10-15-1(H)(7), DISCUSSION OF THREATENED OR PENDING LITIGATION**

0:24:57 **MOTION**

The motion was made by Councilor Niemeier and seconded by Councilor Anaya-Flores to approve to convene into closed session pursuant to N.M.S.A. 1978 Section 10-15-1(H)(7), discussion of Threatened or Pending Litigation

0:25:23 **VOTE**

The vote was as follows: Yes - Niemeier, Walterscheid, Anaya-Flores, Chavez, Garwood, Foreman, Rodriguez, Forrest; No - None; Absent - None; the motion carried.

0:25:26 Stop Audio Recording Paused

0:25:26 Start Audio Recording [07:07:18 PM]

0:25:27 **9. CONSIDER APPROVAL TO RECONVENE INTO OPEN SESSION**

0:25:29 **MOTION**

The motion was made by Councilor Niemeier and seconded by Councilor Anaya-Flores to approve to reconvene into open session

0:25:35 **VOTE**

The vote was as follows: Yes - Niemeier, Walterscheid, Anaya-Flores, Chavez, Garwood, Foreman, Rodriguez, Forrest; No - None; Absent - None; the motion carried.

0:25:47 **10. CONSIDER APPROVAL OF STATEMENT REGARDING CLOSED SESSION. PURSUANT TO THE REQUIREMENTS OF THE OPEN MEETINGS ACT, THE CLOSED SESSION WAS HELD TO DISCUSS MATTERS PURSUANT TO N.M.S.A. 1978, SECTION 10-15-1(H)(7), N.M.S.A. DISCUSSION OF THREATENED OR PENDING LITIGATION. THIS WAS THE ONLY MATTER DISCUSSED DURING THE CLOSED SESSION**

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Mayor Lopez said Pursuant to the requirements of the Open Meetings Act, NMSA 1978, as amended, Section 10-15-1(H)(7), the closed session held on May 26, 2026, was to Discuss Threatened or Pending Litigation.

0:26:27 **MOTION**

The motion was made by Councilor Anaya-Flores and seconded by Councilor Niemeier to approve the statement regarding the closed session. Pursuant to the requirements of the Open Meetings Act, the closed session was held to discuss matters under NMSA 1978 Section 10-15-1(H)(7), discussion of threatened or pending litigation; this was the only matter discussed during the closed session

0:26:34 **VOTE**

The vote was as follows: Yes - Niemeier, Walterscheid, Anaya-Flores, Chavez, Garwood, Foreman, Rodriguez, Forrest; No - None; Absent - None; the motion carried.

0:26:56 **Adjourned**

With no further business to discuss, the Mayor declared the meeting adjourned at 7:08 PM.

_____

Richard D. Lopez, Mayor

ATTEST:

_____

Nadine Mireles, City Clerk

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CITY OF CARLSBAD

PERSONNEL REPORT

June 9, 2026

APPOINTMENTS:

NAME	DATE	DEPARTMENT	CLASSIFICATION
Kathryn A. Bailey	06/10/26	Police	Integrated Services Coordinator
Mario D. De Leon	06/10/26	Police	BPA Student
Landon C. Holmes	06/10/26	Police	BPA Student
Jeremy J. Jordan	06/10/26	Police	Community Service Officer/Transition to Law Enforcement
Mark A. Ramos	06/10/26	Police	Patrolman 1, Uncertified
Jose A. Renteria Jr.	06/10/26	Parks	Irrigation Maintenance
Siarah R. Torres	06/10/26	Riverwalk Rec.Center	Seasonal Recreation Attendant

TERMINATIONS:

NAME	DATE	DEPARTMENT	CLASSIFICATION	REASON
Diego Alvidrez	05/19/26	Police	Patrolman 1, Uncertified	Resigned
Joey M. Archibeque	05/28/26	Water	Waste Water Operator	Declined Job Offer
Cecilia Calderon	05/20/26	Transit	Transit Clerk	Retired
Joe Espinoza	05/30/26	Water	Caretaker	Retired
John Lopez Jr.	05/18/26	Garage	BPA Student/Garage Student Asst.	Resigned
Margo Lopez	05/26/26	Police	Exec. Administrative Coordinator	Resigned
Diego Montoya	05/30/26	Library	Library Page	Resigned
Josh Moore	05/31/26	Transit	Transit Manager	Resigned
Michelle Robertson	05/30/26	Library	Library Assistant Director	Resigned

INTERNAL TRANSFERS AND PROMOTIONS:

NAME	DATE	DEPARTMENT	CLASSIFICATION
Diane Malone	05/25/26	Solid Waste	Solid Waste Supervisor
Guadalupe Vasquez	05/25/26	Garage	Mechanic 2

CITY OF CARLSBAD

RECOMMENDATION FOR EMPLOYMENT

Richard D. Lopez, Mayor — Wendy D. Austin, City Manager

TO: The Honorable Mayor Richard D. Lopez & Members of the City Council

FROM: Chief Jessie Rodriguez 5/27/2026

SUBJECT: Recommendation for Employment

DATE: 05/27/2026

The following applicant has met all pre-employment requirements and is hereby recommended for employment with the City of Carlsbad subject to a pre-hire medical examination:

General Information:

Name: Kathryn Bailey Classification/Position: Integrated Services Coordinator

Department: Police Department

- [x] Regular [x] Full-time [x] Hourly $30.04 per hour
- [ ] Seasonal [ ] Part-time [ ] Salary $_____ per annum
- [ ] Temporary [ ] On call

Education Level:

- [x] High School Diploma [ ] GED or equivalent
- [x] Associates Degree — Applied Science / Katherine Gibbs College
- [x] Bachelors Degree — Science / Digital Audiences / Arizona State University
- [ ] Masters Degree
- [ ] Other

Employment:

Present or last Employer: Self employed / Kate Bailey LLC

City and State: Carlsbad New Mexico

From February 2019 to Present Classification: Neurodiversty Coach / Digital Course Creator

Duties: coaching digital course creation, client communication, operational management.

Related Experience:

Comments:

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CITY OF CARLSBAD

RECOMMENDATION FOR EMPLOYMENT

Richard D. Lopez, Mayor — Wendy D. Austin, City Manager

TO: The Honorable Mayor Richard D. Lopez & Members of the City Council

FROM: Chief Jessie Rodriguez Asst. Chief

SUBJECT: Recommendation for Employment

DATE: 5/28/2026

The following applicant has met all pre-employment requirements and is hereby recommended for employment with the City of Carlsbad subject to a pre-hire medical examination:

General Information:

Name: Mario De Leon Classification/Position: BPA Student

Department: Police

☐ Regular ☐ Full-time ☒ Hourly $ 13.48 per hour

☐ Seasonal ☒ Part-time ☐ Salary $ _____ per annum

☒ Temporary ☐ On call

Education Level:

☐ High School Diploma ☐ GED or equivalent

☐ Associates Degree _____

☐ Bachelors Degree _____

☐ Masters Degree _____

☒ Other Current CHS Student, graduation 2027

Employment:

Present or last Employer: De Leon Construction, LLC

City and State: Carlsbad, NM

From 6-1-2025 to 8-1-2026 Classification: Construction Worker

Duties: Manual Labor

Related Experience: Mr. De Leon is very interested to serve his community in any capacity. He would like to get into law enforcement or fire services after high school.

Comments: Mario De Leon would be a great choice for a BPA internship because of his strong work ethic, professionalism, and positive attitude. He appears to dependable, eager to learn, and would be a valuable intern to Carlsbad Police Department.

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CITY OF CARLSBAD

RECOMMENDATION FOR EMPLOYMENT

Richard D. Lopez, Mayor — Wendy D. Austin, City Manager

TO: The Honorable Mayor Richard D. Lopez & Members of the City Council

FROM: Chief Jessie Rodriguez Asst. Chief Bobbie Dunte

SUBJECT: Recommendation for Employment

DATE: 5/28/2026

The following applicant has met all pre-employment requirements and is hereby recommended for employment with the City of Carlsbad subject to a pre-hire medical examination:

General Information:

Name: Landon Holmes Classification/Position: BPA Student

Department: Police

☐ Regular ☐ Full-time ☒ Hourly $13.48 per hour

☐ Seasonal ☒ Part-time ☐ Salary $_____ per annum

☒ Temporary ☐ On call

Education Level:

☐ High School Diploma ☐ GED or equivalent

☐ Associates Degree

☐ Bachelors Degree

☐ Masters Degree

☒ Other Current CHS Student, graduation 2027

Employment:

Present or last Employer: Yellow Brix

City and State: Carlsbad, NM

From 09/14/2024 to Present Classification: Host

Duties: Greets customers at the front and seats them at a table.

Related Experience: Mr. Holmes is very interested to gain more knowledge within Carlsbad Police Department. He believes this position would help excel in his professional development.

Comments: Mr. Holmes would be an excellent candidate for a BPA internship due to his initiative, maturity, and commitment to personal growth. He is respectful, motivated, and very eager to develop more of his professional skills.

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CITY OF CARLSBAD

RECOMMENDATION FOR EMPLOYMENT

Richard D. Lopez, Mayor | Wendy D. Austin, City Manager

TO: The Honorable Mayor Richard D. Lopez & Members of the City Council

FROM: Chief Jessie Rodriguez 5/14/2026

SUBJECT: Recommendation for Employment

DATE: 05/11/2026

The following applicant has met all pre-employment requirements and is hereby recommended for employment with the City of Carlsbad subject to a pre-hire medical examination:

General Information:

Name: Jeremy Jordan Classification/Position: Community Service Officer Transition

Department: Police Officer

- ☒ Regular ☒ Full-time ☒ Hourly $ 26.90 per hour
- ☐ Seasonal ☐ Part-time ☐ Salary $ _____ per annum
- ☐ Temporary ☐ On call

Education Level:

- ☐ High School Diploma ☐ GED or equivalent
- ☐ Associates Degree _____
- ☐ Bachelors Degree _____
- ☐ Masters Degree _____
- ☐ Other _____

Employment:

Present or last Employer: Fran's Corner Grill

City and State: Carlsbad, New Mexico

From 02/01/2026 to Present Classification: Works Drive Thru Window

Duties: Works the window, customer service.

Related Experience: _____

Comments: _____

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CITY OF CARLSBAD

RECOMMENDATION FOR EMPLOYMENT

Richard D. Lopez, Mayor — Wendy D. Austin, City Manager

TO: The Honorable Mayor Richard D. Lopez & Members of the City Council

FROM: Chief Jessie Rodriguez 5/20/26

SUBJECT: Recommendation for Employment

DATE: May 20, 2026

The following applicant has met all pre-employment requirements and is hereby recommended for employment with the City of Carlsbad subject to a pre-hire medical examination:

General Information:

Name: Mark Anthony Ramos Classification/Position: Uncertified Officer

Department: Police

- [x] Regular [x] Full-time [x] Hourly $ 30.27 per hour
- [ ] Seasonal [ ] Part-time [ ] Salary $ _____ per annum
- [ ] Temporary [ ] On call

Education Level:

- [x] High School Diploma [ ] GED or equivalent
- [x] Associates Degree — Associates Degree in Criminal Justice
- [ ] Bachelors Degree
- [ ] Masters Degree
- [ ] Other

Employment:

Present or last Employer: ProControl Enviorment Services

City and State: Carlsbad, New Mexico

From 02/24/2026 to 03/14/2026 Classification: Sandblaster

Duties: Prepares metals and tanks for painting and fabrication

Related Experience:

Comments:

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CITY OF CARLSBAD

RECOMMENDATION FOR EMPLOYMENT

Richard D. Lopez, Mayor — Wendy D. Austin, City Manager

TO: The Honorable Mayor Richard D. Lopez & Members of the City Council

FROM: Patrick Cass, Director of Public Works

SUBJECT: Recommendation for Employment

DATE: May 27, 2026

The following applicant has met all pre-employment requirements and is hereby recommended for employment with the City of Carlsbad subject to a pre-hire medical examination:

General Information:

Name: Jose A. Renteria Jr. Classification/Position: Irrigation Maintenance
Department: Parks

☒	Regular	☒	Full-time	☒	Hourly $ 28.43 per hour
☐	Seasonal	☐	Part-time	☐	Salary $ _____ per annum
☐	Temporary	☐	On call		

Education Level:

☒ High School Diploma ☐ GED or equivalent

☐ Associates Degree _____

☐ Bachelors Degree _____

☐ Masters Degree _____

☐ Other _____

Employment:

Present or last Employer: Lakeview Christian Home
City and State: Carlsbad, New Mexico
From February 2020 to April 2026 Classification: Maintenance Tech.
Duties: Repair and maintain outdoor irrigation sprinkler systems. Perform routine maintenance on building systems, machinery,and equipment, etc...

Related Experience: Self Motivator, abililty to learn quickly, strong work ethics, worked with irrigation sprinkler systems.

Comments: _____

CITY OF CARLSBAD

RECOMMENDATION FOR EMPLOYMENT

Richard D. Lopez, Mayor — Wendy D. Austin, City Manager

TO: The Honorable Mayor Richard D. Lopez & Members of the City Council

FROM: Dina Navarrette, Community Development Director

SUBJECT: Recommendation for Employment

DATE: 05/27/2026

The following applicant has met all pre-employment requirements and is hereby recommended for employment with the City of Carlsbad subject to a pre-hire medical examination:

General Information:

Name: Siarah Torres Classification/Position: Recreation Attendant

Department: 145-Riverwalk Recreation Center

- ☐ Regular ☐ Full-time ■ Hourly $ 20.93 per hour
- ■ Seasonal ■ Part-time ☐ Salary $ _____ per annum
- ☐ Temporary ☐ On call

Education Level:

- ■ High School Diploma ☐ GED or equivalent
- ☐ Associates Degree
- ☐ Bachelors Degree
- ☐ Masters Degree
- ☐ Other

Employment:

Present or last Employer: Carlsbad Lifehouse

City and State: Carlsbad, NM

From 8/23/2025 to 3/30/2026 Classification: Residential treatment assistant.

Duties: Give support in substance abuse and mental health recovery.

Related Experience: Siarah has knowledge in enforcing daily program rules and schedules, ensuring a clean and orderly environment as well as working with the clients.

Comments: Siarah has a lot of knowlege and experience working with the public(adults & children) and is enthusiastic to join the City of Carlsbad. She will be a great asset to the Riverwalk Recreation Center.

PF-13 11/25

Post Office Box 1569
Carlsbad, NM 88221-1569
(575) 887-1191
1-800-658-2713
www.cityofcarlsbadnm.com

RICHARD LOPEZ
Mayor
WENDY D. AUSTIN
City Manager

MEMORANDUM

TO : Olga Ramirez
FROM : Amber Crow
SUBJECT : Building Department April 2026

The April Report was prepared by the Building Department for the City Council. There are 156 residential permits, including those for additions, remodels, and new construction, and 63 commercial permits.

230 permits were issued in all.
531 inspections for the month.
$40,699.00 was collected in total fees.

Respectfully,

Amber Crow, CPT

COUNCILORS

Ward 1	Ward 2	Ward 3	Ward 4
LISA A. ANAYA-FLORES	J.J. CHAVEZ	MARY GARWOOD	ANTHONY FOREMAN
EDWARD T. RODRIGUEZ	JEFF FORREST	KARLA NIEMEIER	MARK WALTERSHEID

CITY OF CARLSBAD

PUBLIC WORKS

April 2026

Monthly Reports from:

- **Community Service**
- **Construction**
- **Electrical**
- **Garage**
- **Parks**
- **Street**
- **Cemetery**
- **Transit**

Digitally signed by Patrick Cass
DN: cn=Patrick Cass, o=City of Carlsbad, ou, email=pjcass@cityofcarlsbadnm.com, c=US
Date: 2026.05.28 10:42:51 -06'00'

Reviewed and approved by: Patrick Cass, Director of Public Works

COMMUNITY SERVICE DEPARTMENT

Monthly Work Report
April 2026

Number of Employees 06	No. of days in the Month 30
Holidays 01	No. of days worked in this month 22

Every Friday during the Summertime and every other Friday during the Wintertime, the crew begins and ends each week doing litter control at Eddy House, Spring Park, Ocotillo Trails, Canal, Canyon St., Six Mile Dam Area, Medians on Greene & Eight St., and around the Cascades. The crew power-washes sidewalks, benches, curbs, and gutters on Canyon St. between Greene and Stevens St., cleans the Cotton Patch property, and sprayed bird stop on Canyon St. Clean up the Median entering the Recreation Center.

Week of April 1st through April 3rd

The crew trimmed and cleaned up areas 3 and 4 on Church Street, 8th Street, 12th Street, Texas Street, and Mermod Street.

Week of April 6th through April 10th

The crew cleaned out drains around town from rain, finished trimming and cleaning up on Texas Street and Mermod Street, this included sidewalks, curbs, and gutters. They also trimmed the cleanout drain on South Canal across from Walmart, and power washed benches, curbs, sidewalks, and gutters on Canyon Street and South Mermod.

Week of April 13th through April 17th

The crew cleaned up on Greene Street, under the Bataan Bridge, Kircher and Boyd, and removed mesquite bushes impeding the view of traffic.

Week of April 27th through April 30th

The crew trimmed dead palm leaves at the Cascades, and cleaned up the parade route.

Prepared by: Justin Ramos

Digitally signed by Justin Ramos
DN: cn=Justin Ramos, o=City of Carlsbad, ou=Streets Department, email=jrramos@cityofcarlsbadnm.com, c=US
Date: 2026.05.20 08:37:32 -06'00'

Justin Ramos, Streets Superintendent

CONSTRUCTION DEPARTMENT

Monthly Work Report
April 2026

Number of Employees 13	No. of days in the Month 30
Holidays 0	No. of days worked in this month 22

1. Repaired lock at Project Playground
2. Repaired shower wall at waterpark
3. Installed fence at Friendship Park
4. Installed statues and plaques at Museum
5. Sailboat ramp project
6. Built splash pad
7. Repaired lock at Riverview restrooms
8. Installed cove base on Mesa Street building
9. Repaired lock on MLK Restrooms
10. Repaired rock wall at beach area
11. Adjusted Pules in Mayor's office

Prepared by: _____ Digitally signed by Patrick Cass
DN: cn=Patrick Cass, o=City of Carlsbad, ou, email=pjcass@cityofcarlsbadnm.com, c=US
Date: 2026.05.11 14:27:16 -06'00'

Patrick Cass, Public Works Director

ELECTRICAL DEPARTMENT

Monthly Work Report

April 2026

Number of Employees 09	No. of days in the Month 30
Holidays 0	No. of days worked in this month 22

Number of Jobs Preformed for Individual Departments

1.	Airport	12
2.	Golf Course	05
3.	Parks	27

4. *Waste Water*

a.	Treatment Plant	02		b.	Primary Lift	10
c.	Lift Station	02		d.	Other	15

5. *Water*

a.	Water Wells	04		b.	Double Eagle	03
c.	Yard	02		d.	Other	15

6. *Public Buildings and Yards*

a.	City Hall	02		b.	Library	03
c.	Museum	03		d.	Mesa Senior Rec.	02
e.	Alejandro Ruiz Sr. Center	02		f.	Riverwalk Rec.	05
g.	Rifle Range	02		h.	Community Soup Kitchen	0
i.	Antique Lights	01		j.	Pecos River Village	01
k.	Convention Center	01		l.	Civic Center	0
m.	Avalon Building	03		n.	Literacy Building	0
o.	Public Works Yard	03		p.	Bob Forrest Sports Complex	09
q.	Sign Shop	0		r.	Solid Waste	02
s.	Janell Whitlock Building	01				

7.	Traffic	17
8.	Streets	07
9.	School Crossing Lights	0
10.	Transportation	03
11.	Cascades	10
12.	Sunnyview Catch Basin	0
13.	Underground Line Locates	19
14.	Other	28

Prepared by: _____

Digitally signed by Patrick Cass
DN: cn=Patrick Cass, o=City of Carlsbad, ou, email=pjcass@cityofcarlsbadnm.com, c=US
Date: 2026.05.11 14:26:54 -06'00'

Patrick Cass, Public Works Director

GARAGE

Monthly Work Report

April 2026

Number of Employees 14	No. of Days In the Month 30
Holidays 1	No. of Day Worked In The Month 21

Mechanics performed necessary repairs and adjustments to keep the Public Works equipment and fleet vehicles operable. They performed preventive maintenance checks on various vehicles and equipment as needed to prevent costly repairs in the future. Made service calls for all departments as required.

Lubrication filled fluid levels on refuse collection trucks daily. Delivered fuel to various locations and projects. They perform preventive maintenance on units (changed oil and filters, lubricated, serviced batteries, and cleaned battery cables) according to maintenance schedule. They checked all vehicles anit-freeze levels and steam cleaned parts for mechanics.

Tire repair shop removed, repaired, and reinstalled tires for Public Works equipment and fleet vehicles to keep them in service. Submitted requisitions and Purchase Orders for tire repairs and tire purchase for all departments. Delivered tires to different locations. Make service calls for tire repairs or to air the tires as required. Kept spare tire room supplies and tire inventory current.

Welding shop performed various repairs on vehicles, equipment and structures as needed. They fabricated, built and repaired various projects for all departments within the City as needed.



Digitally signed by Ben Madrid
DN: cn=Ben Madrid, o=City of Carlsbad, ou=Public Works, email=blmadrid@cityofcarlsbadnm.com, c=US
Date: 2026.05.07 08:06:51 -06'00'

Prepared by: _____

Benjamin Madrid Jr., Garage Superintendent

PARKS DEPARTMENT

Monthly Work Report

April 2026

Number of Employees **15**		**No. of days in the Month** **30**
Holidays **0**		**No. of days worked in this month** **22**

The Parks Department continued its commitment to maintaining and enhancing the city's parks and recreational areas to provide a clean, safe, and inviting environment for the public. Staff worked hard throughout the month to complete key maintenance tasks, ensuring our community spaces remain accessible, well-kept, and enjoyable for everyone.

The Parks Department has 15 full-time employees. They are responsible for the safety and maintenance of all city parks. Their duties include mowing, edging, and tree trimming, as well as fencing, painting, sweeping sidewalks, litter control, power washing, planting, and maintaining equipment in City Parks.

The Parks Department is responsible for maintaining the following locations:
Lake Carlsbad Municipal Park, Riverview Park, Lower Tansill Park, Veterans Memorial Park, Carlsbad Dog Park, Millennium Park, North and South James Street Parks, Martin Luther King Park, Hall Addition Park, Cass Park, Davis Park, Troy Young Park, Nick Salcido Fitness Park, Ray Anaya Plaza, Cruz Fernandez Park, Arcadia Park, 8th Street Park, 5th Street Park, Sunset Park, Ira Stockwell Park, McLenathen Park, Lamont Street Park, Smith Park, Spring Park, Heritage Park, Riverside Park, Desert Willow Park, Sawyer Park, the Carlsbad Dog Park, and the Carlsbad Shooting Range.

Prepared by: Michael Hernandez

Digitally signed by Michael Hernandez
DN: cn=Michael Hernandez, o=City of Carlsbad, ou=Parks Department, email=mrhernandez@cityofcarlsbadnm.com, c=US
Date: 2026.04.30 11:56:57 -06'00'

Michael Hernandez, Parks Superintendent

Street
Monthly Work Report
April 2026

Number of Employees 10	No. of days in the Month 30
Holidays 01	No. of days worked in this month 22

The Street Department mows, patches, sweeps streets, repair/clean alleys, and other various jobs as needed in Areas.

Week of April 1st through April 3rd
The Street Department cleared vegetation along access paths, inspected for potholes and cleared debris from shoulders, cleared catch basins at 4th and Elm to prevent blockage, mowed high traffic areas, edge walk ways, and repaired broken split rail fence on hole 3.

Week of April 6th through April 10th
The following tasks were completed by the Street Department:
Crew graded gravel alleys. Patching repairs on access road, inspected culverts, cleared debris after rain, pruned shrubs, and installed new signage near park entrance.

Week of April 13th through April 17th
The Street Department completed the following tasks:
Repaired washout areas in alley behind Main Street, cleaned debris from storm drains, cleared drain ditch near the clubhouse, fertilized greens and touched up flower beds, and power washed parking garage and walkways.

Week of April 27th through April 30th
The Street Department completed the following tasks:
Final inspections for the month including potholes, and weekly cleanups. Cleared drain near dumpster pad, mowing, and repaired irrigation pump nozzle.

2026 Signs and Markings Division of the Street Department

Type of Sign	Repaired	Stripped	Replaced	Installed	Constructed
Stop Signs	**07**		**07**		**07**
Warning Signs	**04**		**09**	**01**	**10**
Guide Signs					
Street Marker Signs	**02**		**04**	**04**	**09**
Regulatory Signs	**05**		**11**	**07**	**18**

Other Work performed by the Signs and Markings Division of the Street Department

- Implemented traffic management for various events and work zones throughout the city, followed by the collection of all traffic control equipment.
- Painted arrows at beach parking lot
- Completed striping of parking stalls and one crosswalk on Park Drive in front of water park area
- Implemented delineator and pavement marker installation, along with pavement painting, at the intersection of Derrick Road and National Parks Highway, resulting in improved stop sign visibility, clearer traffic direction, and enhanced driver compliance
- Cleaned and re-beaded arrows at the intersection of Canal Street and Orchard Lane to enhance driver compliance
- Implemented one traffic counter to monitor traffic patterns

Prepared by: Justin Ramos

Digitally signed by Justin Ramos
DN: cn=Justin Ramos, o=City of Carlsbad, ou=Streets Department, email=jrramos@cityofcarlsbadnm.com, c=US
Date: 2026.05.20 08:37:56 -06'00'

Justin Ramos, Street Superintendent

CEMETERY MONTHLY REPORT
April, 2026

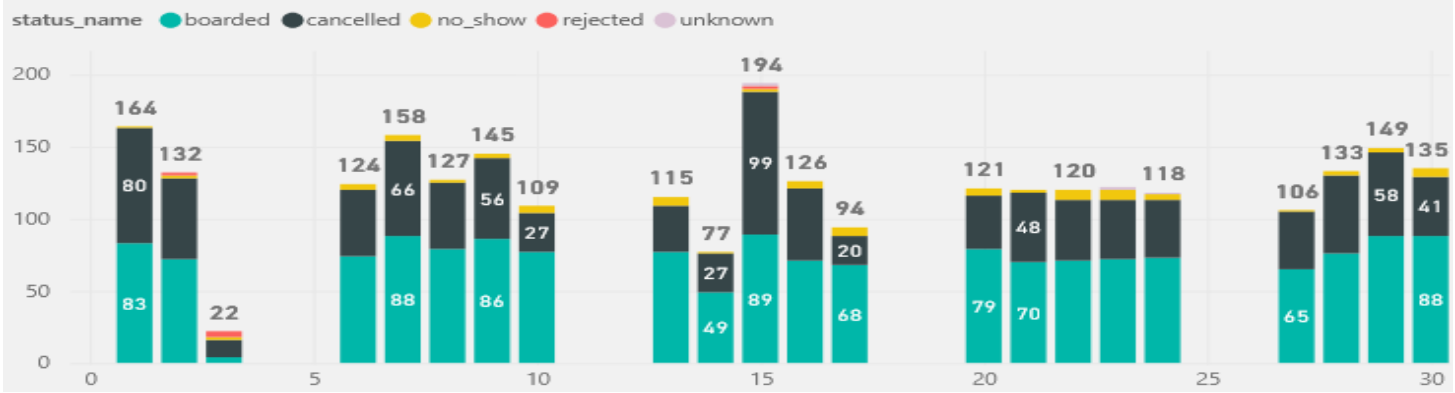
	Carlsbad Cemetery(VA)	Santa Catarina	Sunset Gardens	Total
Number of Interments:	17(0)	4	1	22
Cremations (Columbarium, included)	10(1)	2	1(0)	13(1)
Babyland	0	0	0	0
Indigent	0	0	0	0
Saturday	3	0	0	3
Double Depth	0	0	0	0
SUNDAY/Holiday	0	0	0	0
Disinterment:	0	0	0	0
Sale of Lots: (Columbaria, included)	4(0)	0	0	4(0)
On Payment Plan:	1	0	0	1
Pre-Need: (Columbaria, included)	4(0)	0	0	4(0)
Meetings:	0	0	0	0
Monument Permits:	(0)	0	0	0
Complaint/Incident Reports:	0	0	0	0
Vandalism				
Damaged Stone				
Sunken Grave				
Sunken Marker				
Theft				
Flowers				
Maintenance				
Other				
Correspondence:				

Carlsbad Transit Monthly Report April 2026

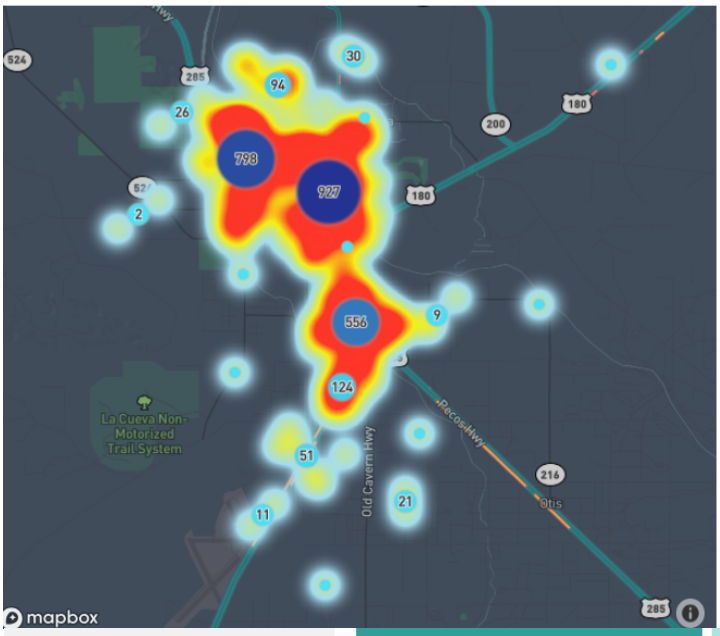
1677
Total boarded passengers

186
Total unique users

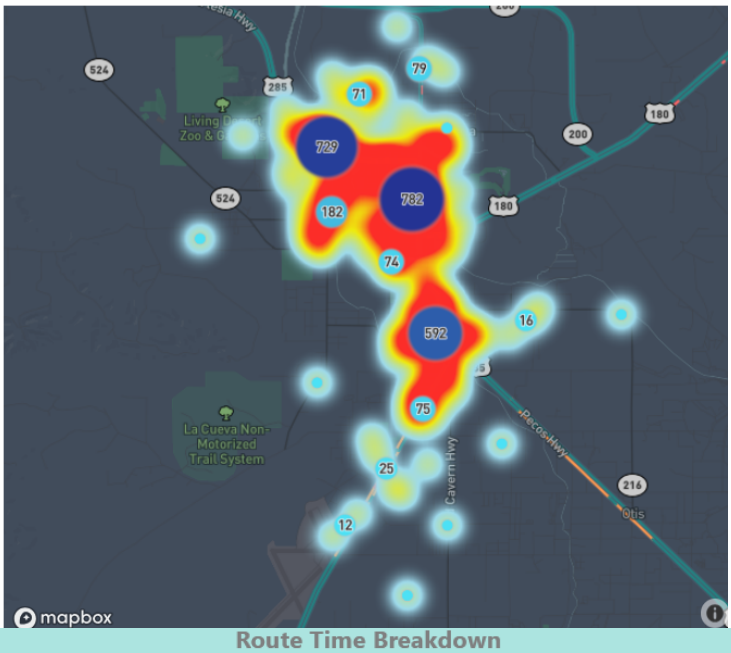
Trip summary



Origin



Destination



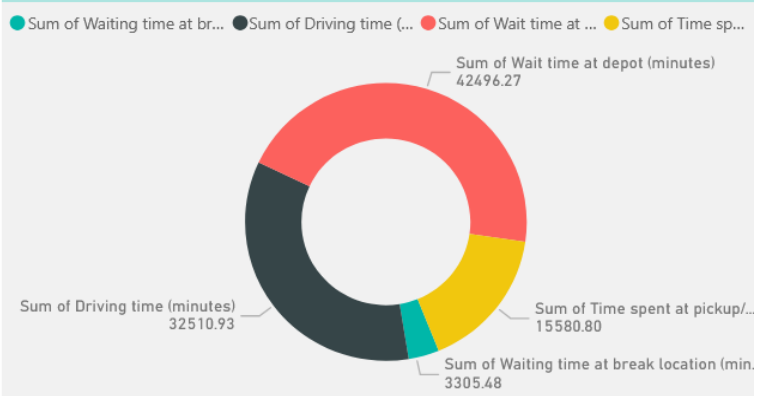
503.26
Average daily distance (Miles)

1613
Total served passengers (including No Shows and excluding Ad Hocs)

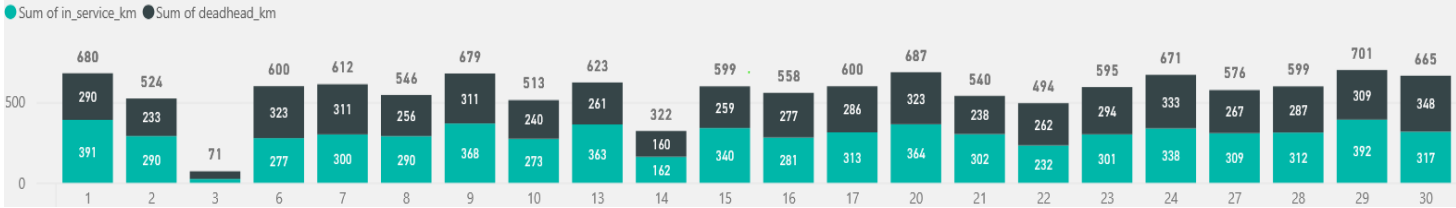
60
Avg total passenger served per hour

32.1
Percentage of shared Trips

Route Time Breakdown



Total Distance Travelled (Miles)





CITY OF CARLSBAD

FY 2025 – 2026

DEPARTMENT OF UTILITIES

APRIL 2026

Ivan M. Abell, Director of Utilities

ENVIRONMENTAL SERVICES REPORT
April 2026

Environmental Services:	***Current Month***	***Previous Month***	***Calendar Year to Date***
State and Federal Environmental Violations by City	0	0	0
Environmental Assessments (CDBG, P&Z, Drilling)	0	0	0
Environmental Compliance Inspections	0	0	0
Criminal Complaints Filed	0	0	0
Environmental Projects or Programs (HHWC & CCR)	1	1	2
Grease Interceptors Inspections	1	1	9

Laboratory: ***Municipal Water Sampling/Analysis:***	***Current Month***	***Previous Month***	***Calendar Year to Date***
Wellfield Chemical Characteristic Analysis	44	53	178
Partial Wellfield Chemical Characteristics	42	42	146
Monitoring Wells Chemical Analysis	4	2	16
Total Coliform Analysis	40	40	160
Fecal Coliform Analysis	0	0	0
Chlorine Residual Tests (DE)	4	5	34
Special Chemicals (BTEX, Ammonia, Nitrite, Cyanide)	13	0	13

Municipal Wastewater Sampling/Analysis (Reads):	***Current Month***	***Previous Month***	***Calendar Year to Date***
Chemical Oxygen Demand Tests	0	0	0
Biochemical Oxygen Demand	15	12	51
Total Suspended Solids Tests	15	12	51
Volatile Alkalinity Tests	0	0	0
E-Coli on Effluent	15	12	51
Metals/TCLP/PCB/M2 Sampling on Sludge	0	0	0
Fecal Coliform Analysis on Sludge (Compost)	2	0	5
Effluent Chemical Characteristic Analysis	1	1	4

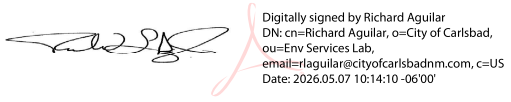
DMR Bench Sheet:	***Current Month***	***Previous Month***	***Calendar Year to Date***
Influent BOD Avg. (Lbs.)	7,603	6,629	30,504
Effluent BOD Avg. (Lbs.)	79.74	45	217
BOD Removal (%)	98.95	99	397
Influent TSS Avg. (Lbs.)	9,852	8,625	37,297
Effluent TSS Avg. (Lbs.)	44.19	43	214
TSS Removal (%)	99.55	100	398

ENVIRONMENTAL SERVICES REPORT
April 2026

Private Well Analysis:	***Current Month***	***Previous Month***	***Calendar Year to Date***
Total Coliform Analysis	43	41	172
Total Coliform Analysis (Construction)	0	0	3
Number of Positives for Confirmation	0	0	1
Chemical Characteristics Analysis	0	0	1
Environment Department Mediated Tests	0	0	0
Lake Carlsbad E-Coli Analysis Performed	0	0	0
Lake Carlsbad Beach Closures Due to Bacterial Count	0	0	0

Golf Course (Reclaimed) Water Analysis (NMED Groundwater Discharge Permit):	***Current Month***	***Previous Month***	***Calendar Year to Date***
Nitrate	5	13	18
Total Kjeldahl Nitrogen	0	0	0
Total Dissolved Solids	1	3	4
E-Coli Analysis	15	37	52
Chemical Characteristics	1	3	4
Other NMED-Required Testing (Chlorides, etc.)	1	3	4

Remarks:



Richard Aguilar,
Environmental Srvs. Superintendent

Solid Waste Department Summary

April 2026

	This Month	Previous Month	Last Year	Calendar Year to Date
Garbage Collection (ARC)				
Number of ARC Trucks in Operation	15 OF 26	15 OF 23	13 of 26	
Tons Collected and Delivered to Landfill	2,462.87	2429.37	1948.3	9,017.39
Number of Trips to Landfill	333	351	273	1,298.00
Residential and Commercial Services				
Number of Residential Services	175	165	329	626
Number of Commercial Services	13	11	41	45
Number of New Residential Services	10	17	7	43
Number of New Commercial Services	2	0	0	4
Container Maintenance				
Number of 3 CuYard Containers Repaired	39	42	41	158
Number of 3 CuYard Containers Replaced	12	10	10	79
Number of 1.5 CuYard Containers Repaired	0	1	0	14
Number of 1.5 CuYard Containers Replaced	0	0	0	0
Number of 96 gallon Containers Repaired	101	95	48	586
Number of 96 gallon Containers Replaced	158	131	31	782
Number of 96 gallon Lids Replaced	55	50	16	391
Number of 96 gallon Wheels Replaced	46	45	23	195
Number of 1.5 CuYard Lids Repaired	0	1	0	14
Number of 3 CuYard Lids Repaired	19	24	16	90
Number of New 96 Gallon Roll-outs	10	17	7	40
Trash/Yard Waste Residential Collection (Grappler)				
Number of Trucks in Operation	4 OF 7	4 OF 7	6 of 9	
Tons of Trash Delivered to Landfill	319.54	290.61	467.1	872.57
Number of Trips to Landfill	133	101	105	340.00
Green Waste Collected and Delivered to WWTP (TONS)	0.00	0	0	0.00
Number of trips to WWTP	0	0	0	0.00

Solid Waste Department Summary

April 2026

Sandpoint Landfill Operation

	This Month	Previous Month	This Month	Calendar Year to Date
Waste Received from Carlsbad (Tons)	5,102.68	4,911.99	5,879.37	18,224.39
Waste Received from Artesia (Tons)	1,989.22	1,970.62	2,137.33	7,402.20
Waste Received from Eddy County (Tons)	2,963.18	3,798.47	5,699.29	13,529.86
Waste Received from Others (Tons)	33.76	431.40	0.00	1,200.53
Tipping Fees received at Gate	$3,722.00	4,644.41	47,161.76	15,752.37
Tipping fees Billed	$139,364.69	142,079.63	327,707.30	519,900.36
Solid Waste Facility Permit Violations	0	0.00	0.00	0.00

Convenience Station

Tons of Trash Collected and Delivered to Landfill	298.78	314.13	434.40	1,070.19
CuYards of Glass	0.00	0.00	0.00	0.00
Tons of Metal	284.61	132.50	22,033.00	485.56
Green Waste Collected and Delivered to WWTP (TONS)	0.00	0.00	392.72	0.00
Number of trips to WWTP	0	0.00	0.00	0.00

Roll Off Rentals

Fees Billed	$60,342.18	$57,465.27	42892.32	$217,581.19
Tons of Refuse Collected and Delivered to Landfill	323.01	$297.17	297.85	$1,135.00
No. of 40 CuYard Containers Rented	0	$0.00	0	$0.00
No. of 30 CuYard Containers Rented	52	$58.00	52	$212.00
No. of 25 CuYard Containers Rented	0	$0.00	0	$0.00
No. of 15 CuYard Containers Rented	0	$0.00	0	$0.00

REMARKS: *No data available

Albert Moisa

Albert Moisa, Solid Waste Superintendent

5-5-26

Date

Carlsbad Municipal Water System Report

Apr-26

Acre Ft.

Production Figures:	This Month	Previous Month	Year to Date
Pumped from Sheep's Draw (Ac. Ft.)	911.78	778.70	2,735.61
Water Imported from Double Eagle (Ac. Ft.)	20.75	13.45	34.20
Water delivered to Livestock (Ac. Ft.)	0.08	0.12	46.26
Water Sold to Apartments (Ac. Ft.)	17.02	12.82	56.63
Water Sold to Commercial Accounts (Ac. Ft.)	194.32	112.38	533.49
Water Sold to Government Accounts (Ac. Ft.)	58.19	19.05	111.87
Water Sold to Industrial Accounts (Ac.Ft.)	0.05	0.04	0.51
Water Sold to Residential Accounts (Ac.Ft.)	582.44	275.64	1,339.71
Record Only Accounts (Ac.Ft.)	1.55	0.55	3.51
Water Sold to Semi-Commercial Accounts (Ac.Ft.	16.73	8.11	42.40
Safe Drinking Water Act Violations	0	0.00	0.00

Wells:

Number in Operation (Sheep's Draw) **	9/9	9/9	
KWH Consumed	750,560	609,040	2,203,360
Capitan Aquifer Level (Ft. from Surface @ #6)	391'5"	391'	
Number of New Water Services Installed	9	22	57

Meters:

Total in Service	13,230	13,211	

Fire Hydrants:

In Service	879	879	
Out of Service	0	0	
Repaired	0	0	0

Remarks:

Anthony Hernandez, Water Superintendent

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CARLSBAD WATER SYSTEM WELL OPERATION
Apr-26

WELL	POWER CONSUMPTION X 400			WATER PRODUCTION X 1000				ENGINE HOUR CLOCK			WATER LEVELS			
	CURRENT MONTH	LAST MONTH	KWH CONSUMED	CURRENT MONTH	LAST MONTH	GALLONS PUMPED	ACRE FEET	CURRENT MONTH	LAST MONTH	HOURS RUN	GPM	STATIC	PUMPED per Hour Meter (gal)	gal/kwh
1	58	26	12,800	278,031	272,615	5,416,000	16.62	2795.9	2740.7	55.2	1,750		5,796,000	525
2	144	70	29,600	119,589	108,506	11,083,000	34.01	13768.7	13606.5	162.2	1,200		11,678,400	420
3	84	17	26,800	708,482	698,118	10,364,000	31.81	40573.9	40469.2	104.7	1,600		10,051,200	375
4	**1751**	1417	133,600	**2,163,613**	2,111,436	52,177,000	160.13	**66917.4**	66419	498.4	**1,750**		52,332,000	257
5	**2092**	1678	165,600	**3,334,860**	3,263,326	71,534,000	219.53	**79534.4**	79063.9	470.5	**1,200**		33,876,000	348
6	164	118	7,360	1,365,620	1,363,302	2,318,000	7.11	14.6		14.6	2,800	391.5	2,452,800	421
7	2117	1666	180,400	2,665,208	2,590,088	75,120,000	230.54	22025.2	22025.2	0.0	1,950		0	424
8	559	551	3,200	1,364,455	1,363,339	1,116,000	3.42	20955.6	20955.6	0.0	1,350		0	389
9	1472	994	191,200	1,819,751	1,751,777	67,974,000	208.61	704.9		704.9	1,600		67,670,400	324
10												400.10		

TOTAL KWH CONSUMED	750,560	TOTAL PUMPED	297,102,000	911.78	TOTAL HOURS RUN	2,010.5	**OIL**	**TOTAL CHLORINE USED**
							19.5	1,859

Reservoir No. 4 Meter		**Total Gallons Pumped Comparison**			**Total Rainfall**	**Notes**
Inlet This Month X 1000	12,743,885	THIS MONTH	297,102,000	911.78	**0.78**	**Wells #4 and #5 on State Trust Land**
		LAST YEAR, SAME MONTH	259,847,000	797.44		
Inlet Last Month X 1000	12,448,335	DIFFERENCE	37,255,000	114.33		
Total Inlet	295,550,000	* corrected				

6

MUNICIPAL WATER SYSTEM
WATER RIGHTS PUMPED (C-76)
ACRE FEET

(9867 Acre Ft. Available Per Year)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
2002	297.16	268.70	440.91	704.96	958.06	1,066.88	1,341.56	1,074.79	774.52	485.05	280.99	155.99	*7849.57*
2003	270.84	203.99	505.94	1,064.03	1,206.94	1,122.78	1,343.98	1,076.39	775.41	685.53	305.27	409.57	*8970.67*
2004	385.42	439.36	489.06	680.19	948.71	1,063.84	1,068.05	798.52	772.40	451.14	364.15	414.64	*7875.48*
2005	332.30	318.24	425.71	655.91	878.61	1,123.12	1,338.81	773.36	830.12	609.54	478.07	445.90	*8209.69*
2006	395.24	416.50	606.61	799.07	1,145.49	1,165.26	1,141.96	699.68	536.40	574.84	453.79	372.30	*8307.14*
2007	386.96	350.66	480.44	665.57	629.51	1,062.65	841.31	964.52	740.42	672.37	485.02	446.90	*7726.33*
2008	452.24	668.55	705.92	934.92	1,060.06	1,454.74	1,040.96	900.29	768.43	684.45	505.09	456.16	*9631.81*
2009	458.70	519.36	694.55	871.85	1,095.02	1,202.19	951.06	980.82	809.14	666.16	529.67	420.61	*9199.13*
2010	422.56	352.26	539.69	327.39	1,150.19	1,219.15	848.31	1,057.28	738.68	677.68	503.09	461.84	*8298.12*
2011	474.73	536.44	800.88	973.90	1,238.89	1,355.98	1,423.54	1,226.62	886.11	776.71	540.43	454.95	*10689.18*
2012	466.85	431.44	701.69	810.10	828.11	1,185.27	901.47	1,013.28	806.85	652.17	480.34	461.15	*8738.72*
2013	423.91	412.36	633.53	822.91	947.12	1,047.09	800.86	925.05	727.29	611.46	451.84	377.93	*8,181.35*
2014	388.31	383.82	557.69	701.51	872.84	1,031.98	1,122.07	893.82	552.90	541.69	414.16	391.00	*7,851.79*
2015	428.54	369.38	490.96	711.13	732.60	903.17	919.01	994.43	789.98	522.56	432.59	418.96	*7,713.31*
2016	408.24	364.58	449.03	573.56	672.93	921.77	1,157.49	791.59	541.42	587.72	443.39	442.94	*7,354.66*
2017	394.41	415.24	615.73	768.14	921.14	883.20	1,007.00	726.66	715.10	536.59	482.95	484.39	*7,950.55*
2018	484.78	402.92	640.20	750.65	991.56	1,023.15	954.69	853.04	684.90	530.89	386.73	404.76	*8,108.27*
2019	392.03	408.30	501.88	712.74	920.31	919.36	931.82	860.57	880.60	570.04	425.02	400.18	*7,922.85*
2020	424.96	402.62	508.41	896.76	983.81	1,161.49	1,242.85	1,055.78	1,045.26	625.06	411.27	463.48	*9,221.75*
2021	368.52	418.64	712.43	726.13	809.60	837.98	793.40	764.24	715.36	652.05	455.84	403.35	*7,657.54*
2022	336.78	376.58	515.94	882.91	973.98	975.97	1,147.87	848.51	773.62	493.31	404.67	435.85	*8,165.99*
2023	330.74	313.20	484.97	823.91	916.36	1,079.94	1,232.41	1,223.34	819.91	621.07	486.28	470.52	*8,802.65*
2024	436.56	468.06	651.21	871.40	1,184.72	1,080.20	1,111.10	1,164.73	813.57	778.98	577.92	470.44	*9,608.89*
2025	541.75	547.72	656.13	797.44	993.74	857.61	927.33	1,054.58	889.55	745.37	543.82	527.65	*9,082.69*
2026	500.80	544.33	778.70	911.78									*2,735.61*

Sheep Draw Water Pumped - Acre Feet 9867 Acre Feet Available Per Year

	January	February	March	April	May	June	July	August	September	October	November	December	Total	Difference 9867
1999	259.97	275.11	485.12	694.64	798.54	839.80	903.86	1,102.11	751.40	534.43	395.59	253.70	7,294.27	2,572.73
Total		535.08	1,020.20	1,714.84	2,513.38	3,353.18	4,257.04	5,359.15	6,110.55	6,644.98	7,040.57	7,294.27		
2000	303.85	377.05	592.71	710.82	1,063.12	1,168.66	1,072.41	1,134.64	886.90	487.13	260.33	278.46	8,336.08	1,530.92
Total		680.90	1,273.61	1,984.43	3,047.55	4,216.21	5,288.62	6,423.26	7,310.16	7,797.29	8,057.62	8,336.08		
2001	379.10	340.60	389.50	714.80	1,129.68	1,083.53	1,341.71	1,074.96	612.54	662.35	356.80	276.27	8,361.84	1,505.16
Total		719.70	1,109.20	1,824.00	2,953.68	4,037.21	5,378.92	6,453.88	7,066.42	7,728.77	8,085.57	8,361.84		
2002	297.16	268.70	440.91	704.96	958.06	1,066.88	1,341.56	1,074.79	774.52	485.05	280.99	155.99	7,849.57	2,017.43
Total		565.86	1,006.77	1,711.73	2,669.79	3,736.67	5,078.23	6,153.02	6,927.54	7,412.59	7,693.58	7,849.57		
2003	270.84	203.99	505.94	1,064.03	1,206.94	1,122.78	1,343.98	1,076.39	775.41	685.53	305.27	409.57	8,970.67	896.33
Total		474.83	980.77	2,044.80	3,251.74	4,374.52	5,718.50	6,794.89	7,570.30	8,255.83	8,561.10	8,970.67		
2004	385.42	439.36	489.06	680.19	948.71	1,063.84	1,068.05	798.52	772.40	451.14	364.15	414.64	7,875.48	1,991.52
Total		824.78	1,313.84	1,994.03	2,942.74	4,006.58	5,074.63	5,873.15	6,645.55	7,096.69	7,460.84	7,875.48		
2005	332.30	318.24	425.71	655.91	878.61	1,123.12	1,338.81	773.36	830.12	609.54	478.07	445.90	8,209.69	1,657.31
Total		650.54	1,076.25	1,732.16	2,610.77	3,733.89	5,072.70	5,846.06	6,676.18	7,285.72	7,763.79	8,209.69		
2006	395.24	416.50	606.61	799.07	1,145.49	1,165.26	1,141.96	699.68	536.40	574.84	453.79	372.30	8,307.14	1,559.86
Total		811.74	1,418.35	2,217.42	3,362.91	4,528.17	5,670.13	6,369.81	6,906.21	7,481.05	7,934.84	8,307.14		
2007	386.96	350.66	480.44	665.57	629.51	1,062.65	841.31	964.52	740.42	672.37	485.02	446.90	7,726.33	2,140.67
Total		737.62	1,218.06	1,883.63	2,513.14	3,575.79	4,417.10	5,381.62	6,122.04	6,794.41	7,279.43	7,726.33		
2008	452.24	668.55	705.91	934.92	1,060.06	1,454.74	1,040.96	900.29	768.43	684.45	505.09	456.16	9,631.80	235.20
Total		1,120.79	1,826.70	2,761.62	3,821.68	5,276.42	6,317.38	7,217.67	7,986.10	8,670.55	9,175.64	9,631.80		
2009	458.70	519.36	694.55	871.85	1,095.02	1,202.19	951.06	980.82	809.14	666.16	529.67	420.61	9,199.13	667.87
Total		978.06	1,672.61	2,544.46	3,639.48	4,841.67	5,792.73	6,773.55	7,582.69	8,248.85	8,778.52	9,199.13		

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Sheep Draw Water Pumped - Acre Feet 9867 Acre Feet Available Per Year

	January	February	March	April	May	June	July	August	September	October	November	December	Total	Difference
														9,867.00
2010	422.56	352.26	539.69	327.39	1,150.19	1,219.15	848.31	1,057.28	738.68	677.68	503.09	461.84	8,298.12	1,568.88
Total		774.82	1,314.51	1,641.90	2,792.09	4,011.24	4,859.55	5,916.83	6,655.51	7,333.19	7,836.28	8,298.12		
2011	474.73	536.44	800.88	973.90	1,238.89	1,355.98	1,423.54	1,226.62	886.11	776.71	540.43	454.95	10,689.18	-822.18
Total		1,011.17	1,812.05	2,785.95	4,024.84	5,380.82	6,804.36	8,030.98	8,917.09	9,693.80	10,234.23	10,689.18		
2012	466.85	431.44	701.69	810.10	828.11	1,185.27	901.47	1,013.28	806.85	652.17	480.34	461.15	8,738.72	1,128.28
Total		898.29	1,599.98	2,410.08	3,238.19	4,423.46	5,324.93	6,338.21	7,145.06	7,797.23	8,277.57	8,738.72		
2013	423.91	412.36	633.53	822.91	947.12	1,047.09	800.86	925.05	727.29	611.46	451.84	377.93	8,181.35	1,685.65
Total		836.27	1,469.80	2,292.71	3,239.83	4,286.92	5,087.78	6,012.83	6,740.12	7,351.58	7,803.42	8,181.35		
2014	388.31	383.82	557.69	701.51	872.84	1,031.98	1,122.07	893.82	552.90	541.69	414.16	391.00	7,851.79	2,015.21
Total		772.13	1,329.82	2,031.33	2,904.17	3,936.15	5,058.22	5,952.04	6,504.94	7,046.63	7,460.79	7,851.79		
2015	482.54	369.38	490.96	711.13	732.60	903.17	919.01	994.43	789.98	522.56	432.59	418.96	7,767.31	2,099.69
Total		851.92	1,342.88	2,054.01	2,786.61	3,689.78	4,608.79	5,603.22	6,393.20	6,915.76	7,348.35	7,767.31		
2016	408.24	364.58	449.03	573.56	672.93	921.77	1,157.49	791.59	541.42	587.72	443.39	442.94	7,354.66	2,512.34
Total		772.82	1,221.85	1,795.41	2,468.34	3,390.11	4,547.60	5,339.19	5,880.61	6,468.33	6,911.72	7,354.66		
2017	394.41	415.24	615.73	768.14	921.14	883.20	1,007.00	726.66	715.10	536.59	482.95	484.39	7,950.55	1,916.45
Total		809.65	1,425.38	2,193.52	3,114.66	3,997.86	5,004.86	5,731.52	6,446.62	6,983.21	7,466.16	7,950.55		
2018	484.78	402.92	640.20	750.65	991.56	1,023.15	954.69	853.04	684.90	530.89	386.73	404.76	8,108.27	1,758.73
Total		887.70	1,527.90	2,278.55	3,270.11	4,293.26	5,247.95	6,100.99	6,785.89	7,316.78	7,703.51	8,108.27		
2019	392.03	408.30	501.88	712.74	920.31	919.37	931.82	860.57	880.60	570.04	425.02	400.18	7,922.86	1,944.14
Total		800.33	1,302.21	2,014.95	2,935.26	3,854.63	4,786.45	5,647.02	6,527.62	7,097.66	7,522.68	7,922.86		
2020	438.73	387.20	523.69	928.40	1,015.17	1,177.81	1,120.57	1,062.19	1,066.47	539.88	430.40	463.48	9,153.99	713.01
Total		825.93	1,349.62	2,278.02	3,293.19	4,471.00	5,591.57	6,653.76	7,720.23	8,260.11	8,690.51	9,153.99		
2021	368.01	418.64	712.43	726.13	809.60	837.98	793.40	764.24	715.36	652.05	455.84	403.35	7,657.03	2,209.97
Total		786.65	1,499.08	2,225.21	3,034.81	3,872.79	4,666.19	5,430.43	6,145.79	6,797.84	7,253.68	7,657.03		
2022	336.78	376.58	515.94	882.91	973.98	975.97	1,147.87	848.51	773.62	493.31	404.67	435.85	8,165.99	1,701.01
Total		713.36	1,229.30	2,112.21	3,086.19	4,062.16	5,210.03	6,058.54	6,832.16	7,325.47	7,730.14	8,165.99		
2023	330.74	313.20	484.97	823.91	916.36	1,079.94	1,232.41	1,223.34	819.91	621.07	486.28	470.52	8,802.65	1,064.35
Total		643.94	1,128.91	1,952.82	2,869.18	3,949.12	5,181.53	6,404.87	7,224.78	7,845.85	8,332.13	8,802.65		
2024	436.56	468.06	651.21	871.40	1,184.72	1,080.20	1,111.10	1,164.73	813.57	778.98	577.92	470.44	9,608.89	258.11
Total		904.62	1,555.83	2,427.23	3,611.95	4,692.15	5,803.25	6,967.98	7,781.55	8,560.53	9,138.45	9,608.89		
2025	541.75	547.72	656.13	797.44	993.74	857.61	927.33	1,054.58	889.55	745.37	543.82	527.65	9,082.69	784.31
Total		1,089.47	1,745.60	2,543.04	3,536.78	4,394.39	5,321.72	6,376.30	7,265.85	8,011.22	8,555.04	9,082.69		
2026	500.80	544.33	778.70	911.78									2,735.61	7,131.39
Total		1,045.13	1,823.83	2,735.61	2,735.61	2,735.61	2,735.61	2,735.61	2,735.61	2,735.61	2,735.61	2,735.61		

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MUNICIPAL WATER SYSTEM
WATER SOLD
ACRE FEET

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
2002	361.07	373.67	374.24	527.03	956.91	1164.77	996.81	977.93	1153.18	607.92	431.21	301.17	8225.93
2003	391.07	304.91	404.05	598.44	999.69	1030.55	1061.59	1169.02	1046.52	731.67	559.33	342.90	8639.75
2004	418.82	310.23	337.47	479.72	685.58	983.31	984.35	814.65	763.90	475.02	413.97	302.17	6969.19
2005	368.27	275.02	299.95	503.81	693.61	840.97	1296.63	886.95	754.89	658.48	468.42	377.74	7424.74
2006	414.11	677.07	450.26	678.99	725.58	1280.61	1083.09	705.47	564.79	572.49	430.08	334.08	7916.62
2007	354.13	318.22	380.07	437.50	653.63	756.31	899.69	774.47	896.99	541.76	530.36	344.60	6887.72
2008	326.32	375.13	413.71	627.22	842.55	1025.43	943.54	855.66	605.32	559.79	494.03	0.00	7068.68
2009	439.03	352.25	614.56	2321.13	1268.55	1211.80	1099.85	927.66	1030.30	765.46	976.92	564.86	11572.39
2010	567.77	471.98	547.89	757.41	1272.59	1066.67	1081.09	913.03	1105.63	1031.30	950.35	786.38	10552.09
2011	444.27	760.40	774.56	1233.94	1338.54	1352.52	1717.55	1405.40	1347.32	924.66	874.25	677.51	12850.91
2012	565.38	642.97	581.75	926.04	848.01	1000.31	1440.24	1151.94	1237.78	866.01	865.02	670.56	10796.01
2013	616.99	671.05	645.27	975.32	1,049.04	1,249.35	944.16	951.65	1,058.15	785.76	592.98	469.93	10009.65
2014	475.55	470.88	507.96	653.04	920.21	1,041.43	1,157.15	978.54	953.20	558.14	550.55	417.07	8683.72
2015	554.03	282.77	520.21	624.18	758.14	800.23	985.58	863.21	1,068.91	639.91	478.42	448.68	8024.27
2016	456.11	302.09	482.13	615.67	708.66	828.42	1,071.60	820.33	623.25	460.13	368.12	305.64	7042.15
2017	389.78	306.60	440.10	639.30	654.47	838.50	1,049.46	698.97	675.47	504.34	369.98	684.50	7251.47
2018	422.34	332.74	345.80	670.09	971.05	975.33	966.38	858.30	871.28	451.67	438.60	355.77	7659.35
2019	393.08	359.27	350.49	565.35	639.70	890.80	994.24	830.84	887.72	711.06	476.89	347.64	7447.08
2020	336.09	374.53	311.89	657.80	838.33	1,080.68	1,158.21	1,069.16	1,120.70	917.05	479.84	350.70	8694.98
2021	414.83	317.62	365.17	767.91	768.47	825.78	709.15	954.68	597.34	740.70	354.75	355.25	7171.65
2022	367.25	360.67	349.75	693.40	752.88	1,174.27	944.39	940.34	746.92	652.02	422.08	417.17	7821.14
2023	415.22	425.35	388.23	673.31	718.62	934.58	1,252.39	1,033.06	956.03	1,031.98	452.53	368.91	8650.21
2024	384.41	379.02	475.27	574.00	915.24	1,068.20	887.98	1,089.86	980.43	700.51	677.08	451.04	8583.04
2025	393.36	439.02	443.56	631.97	810.03	944.17	735.05	1,006.97	787.84	729.49	607.11	440.70	7969.27
2026	395.13	394.09	428.59	870.29									2088.10

*** No info available due to transition of new billing system.**

MUNICIPAL WATER SYSTEM
METERS IN SERVICE

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2002	10,385	10,398	10,360	10,396	10,485	10,486	10,492	10,479	10,512	10,468	10,448	10,534
2003	10,453	10,420	10,550	10,505	10,549	10,682	10,604	10,670	10,688	10,631	10,586	10,606
2004	10,608	10,541	10,617	10,624	10,627	10,678	10,700	10,730	10,671	10,672	10,684	10,597
2005	10,581	10,552	10,635	10,618	10,645	10,733	10,757	10,747	10,725	10,695	10,692	10,669
2006	10,676	10,669	10,663	10,704	10,687	10,759	10,720	10,746	10,739	10,711	10,670	10,645
2007	10,633	10,661	10,679	10,717	10,726	10,814	10,801	10,786	10,740	10,735	10,761	10,753
2008	10,804	10,784	10,809	10,826	10,836	10,880	10,861	10,875	10,820	10,758	10,713	
2009	10,747	10,881	11,126	11,179	11,156	11,232	11,160	11,184	11,158	11,169	11,182	11,107
2010	11,132	11,105	11,201	11,157	11,208	11,221	11,216	11,225	11,201	11,205	11,184	11,165
2011	11,271	11,292	11,256	11,270	11,281	11,349	11,331	11,333	11,327	11,300	11,267	11,224
2012	11,249	11,229	11,277	11,305	11,333	11,353	11,368	11,370	11,319	11,332	11,344	11,321
2013	11,290	11,361	11,415	11,405	11,412	11,450	11,488	11,527	11,507	11,478	11,482	11,442
2014	11,501	11,709	11,803	11,807	11,848	11,893	11,919	11,988	12,001	12,022	11,892	11,993
2015	11,865	11,871	11,916	12,014	11,957	12,153	12,062	12,087	12,020	11,968	11,825	11,978
2016	11,854	12,116	12,166	12,125	12,143	12,224	12,170	12,219	12,162	12,076	11,979	11,948
2017	12,053	12,014	12,173	12,213	12,173	12,223	12,205	12,376	12,213	12,300	12,204	12,288
2018	12,315	12,307	12,329	12,384	12,452	12,531	12,472	12,479	12,467	12,408	12,577	12,352
2019	12,440	12,386	12,556	12,508	12,653	12,656	12,698	12,827	12,644	12,804	12,708	12,653
2020	12,769	12,731	12,859	12,827	12,844	12,926	12,912	13,057	12,996	13,265	12,812	12,799
2021	12,830	12,920	12,945	13,205	13,026	13,162	*	*	*	*	*	*
2022	*	*	*	*	*	*	*	*	*	*	*	12,980
2023	12,572	12,604	12,610	12,646	12,627	12,676	12,706	12,717	12,723	12,736	12,773	12,815
2024	12,803	12,811	12,826	12,843	12,877	12,906	12,912	12,939	12,943	12,981	12,989	12,981
2025	12,995	13,008	13,022	13,066	13,045	13,097	13,091	13,113	13,123	13,150	13,165	13,147
2026	13,134	13,179	13,211	13,230								

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*** No info available due to transition of new billing system.**

AIRPORT WELLS
WATER RIGHTS PUMPED
ACRE FEET

(61.24 Acre Ft. Available Per Year)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
2012	0.59	0.62	1.08	0.83	1.83	3.64	2.31	3.67	2.27	2.01	1.67	1.87	*22.41*
2013	0.89	2.32	2.26	1.18	1.28	1.73	1.9	3.69	2.01	2.62	1.99	1.06	*22.93*
2014	1.86	0.73	1.04	1.55	0.66	0.20	3.17	0.96	0.37	1.89	0.80	0.61	*13.84*
2015	0.03	0.07	0.03	1.02	1.59	2.47	2.57	2.96	2.13	1.35	2.46	1.57	*18.25*
2016	1.14	2.21	3.25	3.48	2.43	1.45	0.064	0.031	0.002	0.016	0.00	0.058	*14.13*
2017	0.07	0	0.16	0.31	0	0.51	0.55	0.022	0.00	0	0.18	0.14	*1.94*
2018	0.00	0.07	0.06	0.082	0.303	0.00	0.002	0.002	0.002	0.002	0.001	0.002	*0.53*
2019	0.00	0.023	0.36	0.56	1.17	2.72	2.13	2.67	2.60	2.60	1.33	1.99	*18.15*
2020	0.48	1.04	0.49	1.47	0.61	1.37	0	0.99	1.55	2.03	0.46	0.35	*10.84*
2021	0.77	0.34	0.45	0.71	0.94	2.01	1	1.56	0.92	0.83	1.21	0.61	*11.35*
2022	0.89	0.62	0.95	0.27	0.21	0.33	0.9	0.08	0.12	0.01	0.03	0	*4.41*
2023	0.00	0.00	0.00	0.40	0.52	3.75	3.61	1.76	0.09	0.08	0.00	0.00	*10.21*
2024	0.58	0.03	0.00	0.05	0.00	0.07	0.01	0.00	0.00	0.00	0.00	0.00	*0.74*
2025	0.00	0.00	0.00	0.04	0.00	0.00	0.00	0.00	0.01	0.00	0.00	0.00	*0.05*
2026	0.03	0.02	0.05	0.00									*0.10*

AIRPORT WELLS
WATER SOLD
ACRE FEET

2011	1.18	1.09	3.76	3.87	3.32	3.91	3.32	1.69	3.5	3.25	3.99	0.81	*33.69*
2012	2.36	2.65	3.77	3.84	1.27	3.02	2.66	4.22	2.62	2.3	2.65	1.28	*32.64*
2013	1.32	1.11	0.88	0.49	0.64	1.67	1.78	2.70	1.22	0.97	1.20	0.95	*14.93*
2014	1.15	0.05	1.51	0.82	0.07	0	0.44	0.27	0.01	0.02	0.01	0.01	*4.36*
2015	0.01	0	0	0	0	1.04	1.78	3.12	1.12	1.60	2.07	1.25	*11.99*
2016	1.4	2.14	2.86	3.35	2.18	1.22	0.04	0.03	0	0.02	0	0	*13.235*
2017	0	0	0.15	0	0	0.48	0.53	0.00	0	0.00	0.00	0	*1.16*
2018	0	0	0	0	0	0	0	0.00	0	0.00	0.00	0	*0*
2019	0	0	0.33	0.052	0	0.031	0.031	0.00	0.37	0.29	0.51	0.08	*1.694*
2020	0.04	6.27	0.38	1.21	0.58	1.17	0.31	0.00	1.5	1.75	0.40	0.29	*13.9*
2021	0.84	0.17	0.42	0.73	0.92	1.9	1.36	1.26	1.17	0.64	0.95	0.79	*11.15*
2022	*	*	*	*	*	*	*	*	*	*	*	*	*0*
2023	0	0	0	0	0.73	0.55	1.35	3.70	0.95	0.15	0.00	0.00	*7.43*
2024	1.77	0.52	0	0.03	0	0.04	0.01	0.00	0	0.00	0.00	0.00	*2.37*
2025	0	0	0	0.04	0	0	0	0.00	0	0.00	0.00	0.00	*0.04*
2026	0	0	0	0									*0*

Note: Water Sold Report is always one month behind.

***no info available**

WATER CUTOFFS

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
2012		227	231	299	198	270	216	274	219	504	293	408	*3139*
2013	260	309	321	438	267	362	267	315	236	254	362	291	*3682*
2014	343	360	433	239	353	185	363	399	288	373	484	307	*4127*
2015	397	254	252	355	256	273	299	303	266	307		535	*3497*
2016	414	440	298	297	360	239	345	163	177	212	240	172	*3357*
2017	268	210	265	279	158	231	170	195	166	228	221	177	*2568*
2018	241	301	120	139	235	153	227	152	206	216	368	199	*2557*
2019	257	270	334	143	238	147	222	251	235	256	341	217	*2911*
2020	172	172	235	0	0	0	0	0	0	643	0	0	*1222*
2021	0	0	0	428	341	255	0	0	0	0	0	0	*1024*
2022	0	0	797	324	394	345	457	285	276	0	0	0	*2878*
2023	506	275	291	318	305	277	319	232	223	248	0	0	*2994*
2024	372	306	296	286	209	193	265	198	212	222	185	230	*2974*
2025	329	310	295	0	232	0	349	281	229	261	230	265	*2781*
2026	308	295	190	202									*995*

SHOOTING RANGE WELL
WATER RIGHTS PUMPED
ACRE FEET

(3 Acre Ft. Available Per Year)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
2013	0.05	0.03	0.12	0.16	0.18	0.28	0.21	0.32	0.16	0.20	0.08	0.05	*1.84*
2014	0.07	0.10	0.16	0.10	0.13	0.29	0.34	0.31	0.17	0.18	0.11	0.10	*2.06*
2015	0.08	0.07	0.12	0.12	0.11	0.12	0.12	0.26	0.21	0.12	0.08	0.09	*1.50*
2016	0.07	0.08	0.10	0.07	0.10	0.22	0.16	0.09	0.04	0.04	0.037	0.031	*1.04*
2017	0.009	0.01	0.03	0.02	0.04	0.10	0.04	0.055	0.046	0.05	0.03	0.034	*0.47*
2018	0.04	0.02	0.04	0.02	0.02	0.03	0.02	0.03	0.025	0.025	0.034	0.058	*0.37*
2019	0.061	0.05	0.06	0.05	0.03	0.03	0.01	0.02	0.02	0.02	0.086	0.080	*0.51*
2020	0.003	0.00	0	0	0.00	0.00	0.05	0.06	0.06	0.043	0.043	0.000	*0.26*
2021	0	0	0	0	0.00	0.03	0.02	0.02	0.09	0.03	0.02	0.04	*0.25*
2022	0.01	0.01	0.02	0.02	0.02	0.01	0.2	0.01	0.02	0.02	0.02	0.02	*0.38*
2023	0.01	0.02	0.02	0.02	0.06	0.02	0.02	0.02	0.02	0.02	0.01	0.01	*0.25*
2024	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.04	0.03	0.04	0.04	0.03	*0.32*
2025	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.03	0.01	*0.24*
2026	0.01	0.02	0.02	0.02									*0.07*

SUNSET GARDEN WELL
WATER RIGHTS PUMPED
ACRE FEET

(28.2 Acre Ft. Available Per Year)

2012											10.75	0	*10.75*
2013	0.00	0.00	0.00	1.51	4.53	4.47	2.98	5.09	1.73	0.51	0.00	0.00	*20.82*
2014	0.00	0.00	0.00	0.00	0.00	0.00	6.81	2.58	0.53	0.00	0.00	0.00	*9.92*
2015	0.00	0.00	0.07	2.68	2.84	1.93	1.13	2.72	4.71	1.47	2.17	0.26	*19.98*
2016	0.13	1.89	3.37	4.30	4.49	4.11	4.66	0.82	0.00	0.00	0.00	0.00	*23.77*
2017	0.00	0.00	2.60	3.92	3.87	3.63	4.18	2.97	0.33	0.00	0.00	1.38	*22.88*
2018	0.00	0.07	0.00	1.48	3.53	3.74	1.57	3.46	2.79	1.00	0.00	0.00	*17.64*
2019	0.00	0.00	0.04	2.56	4.36	4.57	2.72	4.60	3.06	1.04	0.28	0.00	*23.23*
2020	0.13	0.55	1.06	2.53	3.77	1.58	3.97	3.97	3.81	2.46	0.78	0.29	*24.90*
2021	0.0045	0.00	1.06	2.23	3.09	3.29	3.36	2.23	2.60	1.07	1.49	1.41	*21.84*
2022	0.03	0.00	0.31	1.88	3.20	3.74	3.45	2.60	2.30	0.64	0.47	0.70	*19.32*
2023	0.00	0.02	0.73	2.40	3.43	3.49	0.83	3.03	2.09	0.81	0.00	0.00	*16.83*
2024	0.31	1.04	1.20	1.64	3.48	2.63	3.42	3.34	1.33	1.21	0.41	0.21	*20.22*
2025	0.53	0.21	0.82	2.45	1.84	1.01	1.14	2.46	2.97	1.72	0.21	1.37	*16.73*
2026	0.00	0.00	0.00	0.29									*0.29*

WOOD FARM WELLS

1,000,000 325850

*1,000,000 /325850 Formula do not delete

2011	0.08	0.90	11.80	9.78	22.64	22.54	18.60	19.88	37.60	8.30	2.20	0.02	154.34
2012	0.00	4.81	9.11	11.16	11.79	18.76	10.00	11.69	15.24	1.89	0.05	0.64	95.13
2013	0.35	0.61	7.29	12.51	16.04	16.64	10.62	16.57	8.61	4.90	2.34	0.27	*96.75*
2014	1.36	1.79	6.64	10.62	16.04	22.07	21.01	13.50	3.31	4.42	0.12	0.25	*101.13*
2015	0.29	1.31	4.58	13.01	37.20	2.17	11.54	20.96	8.74	1.62	0.44	0.55	*102.41*
2016	0.27	2.67	14.42	13.03	22.09	30.57	33.17	15.94	8.18	15.31	1.38	1.44	*158.47*
2017	1.62	0.93	11.50	17.68	24.58	29.33	29.59	11.05	14.91	8.18	1.56	1.43	*152.36*
2018	5.02	3.40	12.61	15.47	26.22	28.31	27.69	24.12	34.65	5.79	11.50	1.96	*196.74*
2019	4.11	2.42	0.01	14.42	49.65	0.70	25.05	21.72	26.74	13.96	7.00	7.03	*172.81*
2020	1.14	3.17	12.31	28.72	29.58	30.38	32.01	27.83	27.48	11.13	10.67	5.49	*219.91*
2021	6.43	4.67	13.65	12.36	10.29	18.34	18.00	12.59	17.68	14.25	9.66	0.00	*137.92*
2022	1.30	2.77	10.51	18.12	17.91	21.45	25.31	19.20	11.97	11.94	10.19	5.43	*156.10*
2023	10.89	6.93	13.21	15.06	19.29	27.86	35.38	30.59	17.55	10.27	5.52	34.34	*226.89*
2024	4.29	7.87	10.12	14.43	25.54	24.23	22.29	26.53	18.45	19.86	13.03	6.83	*193.47*
2025	4.67	6.99	8.99	11.87	16.46	15.00	13.87	20.00	15.02	15.52	10.77	10.89	*150.05*
2026	8.25	4.79	9.32	12.78									*35.14*

Water Department Summary
Double Eagle Water System
Apr-26
Acre Ft.

Production Figures:

Water:

	This Month	Previous Month	Year to Date
Pumped from Double Eagle (Ac. Ft.)	73.38	99.58	340.55
Water Exported to Carlsbad Municipal System	20.75	13.45	34.20
Water delivered to "Paying Livestock Water" Customers (Ac. Ft	0.83	1.56	3.34
Water delivered to "Free Livestock Water" Customers (Ac. Ft.)	0.73	0.48	2.44
Water sold to "Governmental Domestic Water" Customers (Ac. Ft.)	0.29	0.27	0.89
Water sold "Commercial Domestic Water" Customers (Ac. Ft.)	0.00	0.00	0.01
Water sold to "Industrial Water" customers (Ac. Ft.)	3.94	5.21	18.19
Water delivered to WIPP (Ac. Ft.)	2.92	2.05	7.80

Wells:

Wells in Operation	18	18	
KWH consumed	75,232	99,684	346,210
Total No. of Wells	23	23	
Ogallala Aquifer Level at Hudson 1	126.4'	126'	
Tatum Aquifer Level	130.1'	132'	
Meters in Service	66	66	

Distribution Figures:

Transmission Lines:

Line Extension (feet)	0	0	0
Line Replacement (feet)	0	0	5
Leaks (Main Lines)	2	4	14
Number of Isolating Valves Operated	1	1	7
Number of Pressure Reducing Valves Serviced	0	0	8
Number of Air Relief Valves Serviced	0	1	2

Remarks:

Wells Down - C-3, AMB-1, AMB-3, CR-16, CR-17
* Not available
** No info available due to billing transitioning to new system.

Anthony Hernandez, Water Superintendent

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Double Eagle Well Operation
Apr-26

Well	Status	Water Production				Power Consumption			Motor Hours			Avg GPM
		Present Read	Previous Read	Water Pumped Gallons	Water Pumped Acre Ft.	Present Read	Previous Read	KWH	Current	Previous	Hours Run	
AMBASSADOR # 1	Neptune/ Trident											off
AMBASSADOR # 4	Well Inoperable											
AMBASSADOR # 3	Well Inoperable					14,274	14,080	194	3,648.6	3,648.6	0	off
C-11	McCrometer	63,211,772	63,211,688	84	0.00	255,717	255,556	161	3,522.8	3,522.8	0	
C-10	McCrometer	73,685,467	73,685,467	0	0.00	320,734	320,532	202	6,302.8	6,302.8	0	
C-6	Mc Crometer	61,973,086	61,973,086	0	0.00	84,924	84,848	76	22,861.7	22,861.7	0	140
CAPROCK # 19	Mc Crometer Mag	43,848,958	43,848,958	0	0.00	62,495	62,432	63	23,210.9	23,210.9	0	25
CAPROCK # 13	Mc Crometer	259,391,718	254,874,009	4,517,709	13.86	550,313	539,862	10,451	40,631.4	39,936.1	695.3	140
C-9	McCrometer	80,618,366	80,062,903	555,463	1.70	264,390	263,069	1,321	10,688.4	10,488.4	200	
CAPROCK # 20	Sensus/ Omni	45,098,599	42,084,732	3,013,867	9.25	94,598	88,454	6,144	17,120.5	16,803.8	316.7	150
CAPROCK # 10	Mc Crometer	18,578,902	18,578,902	0	0.00	68,540	68,451	89	941.3	941.3	0	90
C-8	McCrometer	84,519,422	84,065,286	454,136	1.39	260,429	257,280	3,149	8,243.1	8,103.0	140.1	
C-7	McCrometer	47,806,073	47,468,941	337,132	1.03	176,201	175,005	1,196	7,759.4	7,596.4	163	
CAPROCK # 18	Sensus/ Omni	32,062,452	30,410,438	1,652,014	5.07	122,342	118,801	3,541	720.6	481.9	238.7	90
CAPROCK # 6	Neptune/ Trident	10,989,115	10,835,505	153,610	0.47	115,787	115,340	447	30,696.7	30,679.1	17.6	105
CAPROCK # 4	McCrometer	82,140,634	80,413,255	1,727,379	5.30	214,589	208,413	6,176	34,171.6	33,476.1	695.5	45
CAPROCK # 1	Mc Crometer	60,657,878	60,196,603	461,275	1.42	218,549	217,306	1,243	29,634.2	29,420.4	213.8	30
Frontier # 2	Mc Crometer	60,032,829	58,731,840	1,300,989	3.99	68,268	64,696	3,572	25,605.7	25,064.7	541	30
Frontier # 1	Sensus/ Omni	48,962,472	46,241,865	2,720,607	8.35	125,942	119,129	6,813	39,549.3	38,875.1	674.2	50
FRONTIER # 3	Mc Crometer	30,583,048	28,357,022	2,226,026	6.83	65,583	60,751	4,832	632.9	377.6	255.3	140
C-2	Mc Crometer	16,107,775	15,218,260	889,515	2.73	80,445	78,704	1,741	1,665.6	1,595.6	70	160
HUDSON # 1	Octave	62,333,497	62,333,238	259	0.00	342,380	342,192	188	18,580.0	18,555.1	24.9	130
CAPROCK # 14	Mc Crometer	88,019,176	88,019,176	0	0.00	19,284	19,284	0	13,589.3	13,589.3	0	110
CAPROCK # 15A	Mc Crometer	11,162,752	10,549,301	613,451	1.88	30,616	29,190	1,426	11,328.7	11,257.3	71.4	130
CAPROCK # 21	Mc Crometer	127,732,154	124,444,490	3,287,664	10.09	375,640	365,808	9,832	24,533.8	23,901.8	632	65
C-1	Mc Crometer	57,423,036	57,422,891	145	0.00	235,419	235,343	76	24,130.0	24,130.0	0	110
CAPROCK # 2	Well Inoperable											
CAPROCK # 3	Well Inoperable											
CAPROCK # 5	Well Inoperable											
C-5	Well Inoperable											
C-4	Mc Crometer											
C-3	Mc Crometer											
CAPROCK # 17	Mc Crometer											80
CAPROCK # 16	Mc Crometer											off
Boosters			0	0	0.00	614,586	602,316	12,270	10999.9	10,999.9	0	
2 MG RESERVOIR						271	242	29				
Totals				23,911,325	73.38			75,232			4,949.5	

Meter Reads In Barrells
Ambassadors #1 & # 3 - Wells Inoperable
C-3, & Caprock #16 - Wells Inoperable
Meter Changed Out
Meter removed.

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DOUBLE EAGLE WATER SYSTEM
WATER RIGHTS PUMPED
ACRE FEET

7648 Acre Ft. Available Per Year

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
2003	122.27	104.02	106.63	131.16	131.94	108.31	137.27	122.89	129.50	122.80	83.40	125.20	*1,425.39*
2004	94.10	99.14	108.96	88.59	85.29	104.91	80.47	96.62	108.99	99.07	84.00	132.98	*1,183.12*
2005	81.06	73.83	91.00	90.00	110.71	129.71	103.80	125.81	89.55	91.54	92.55	103.75	*1,183.31*
2006	99.66	92.01	109.29	75.35	137.85	132.18	86.22	98.53	96.51	96.88	103.45	82.69	*1,210.62*
2007	73.12	78.65	99.85	73.60	97.46	93.25	114.77	141.58	113.26	111.06	98.79	109.92	*1,205.31*
2008	108.28	117.41	93.89	110.54	91.87	107.59	103.60	134.80	114.37	126.79	119.45	139.80	*1,368.39*
2009	115.53	83.87	105.70	112.09	109.80	124.02	128.01	105.62	101.64	134.59	96.48	98.93	*1,316.28*
2010	98.23	113.03	134.55	139.75	121.56	152.79	139.33	180.08	160.27	158.58	167.75	151.88	*1,717.80*
2011	171.89	131.01	144.73	160.28	185.57	170.30	157.83	137.34	139.25	135.26	137.58	117.98	*1,789.02*
2012	112.77	108.16	110.15	110.62	111.76	186.92	141.80	163.02	72.61	134.45	161.72	175.64	*1,589.62*
2013	164.38	146.44	142.20	145.50	142.80	124.28	97.54	94.88	109.18	103.89	93.63	85.58	*1,450.30*
2014	85.93	86.42	87.69	97.98	125.16	108.77	144.13	120.58	98.47	114.24	102.38	107.72	*1,279.47*
2015	89.83	63.29	89.61	87.98	64.58	50.44	70.24	51.81	37.52	33.59	30.08	30.07	*699.04*
2016	30.64	38.22	36.18	26.75	28.85	34.75	32.22	33.35	23.61	26.72	29.06	31.03	*371.38*
2017	25.7	35.61	28.01	23.74	32.89	38.88	31.35	39.17	34.97	35.18	35.9	30.94	*392.34*
2018	40.13	23.75	34.02	35.14	39.33	42.3	31.46	43.72	38.41	37.23	35.01	31.7	*432.20*
2019	38.5	31.43	38.88	47.10	47.95	27.52	54.21	65.54	52.22	48.53	47.46	38.97	*538.31*
2020	33.11	23.96	37.75	38.84	68.02	54.59	77.21	59.61	62.09	51.36	93.76	34.66	*634.96*
2021	62.14	65.22	46.43	96.87	69.61	96.94	91.63	56.41	120.17	121.64	87.7	85.52	*1,000.28*
2022	68.37	81.29	92.93	110.89	112.75	115	78.14	79.49	131.9	119.22	93.76	138.36	*1,222.10*
2023	108.02	142.18	195.09	128.58	88.51	93.44	86.57	75.07	55.22	73.24	70.51	62.8	*1,179.23*
2024	66.48	43.37	49.18	69.18	51.52	63.67	62.94	123.19	98.03	100.9	77.15	58.82	*864.43*
2025	65.02	81.27	85.94	118.18	69.47	66.83	76.66	138.25	99.95	140.97	74.43	93.36	*1,110.33*
2026	96.99	70.60	99.58	73.38									*340.55*

DOUBLE EAGLE WATER SYSTEM
WATER SOLD/PROVIDED
ACRE FEET

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
2003	103.16	118.81	92.16	100.16	106.02	121.98	117.48	118.48	96.98	96.27	117.92	65.14	1,255
2004	77.06	132.54	98.28	113.37	95.77	156.29	95.71	102.28	75.52	133.76	82.88	78.70	1,242
2005	95.53	53.68	62.88	76.56	70.95	68.86	107.91	88.42	76.59	66.83	88.31	60.69	917
2006	68.06	68.09	64.04	74.07	54.60	73.13	70.56	65.77	63.28	71.94	70.15	67.72	811
2007	63.47	71.20	43.33	64.06	81.36	83.03	80.18	72.46	89.35	38.88	49.77	115.89	853
2008	73.31	54.99	170.85	58.17	113.89	87.58	112.17	93.30	54.07	113.46	87.57	0.00	1,019
2009	133.68	134.89	193.91	128.57	124.42	147.29	149.87	144.41	403.39	204.34	216.64	205.47	2,187
2010	166.20	147.23	156.74	206.90	262.81	159.74	235.21	209.27	261.26	289.04	249.98	202.71	2,547
2011	273.88	296.83	197.17	305.62	293.17	356.46	306.39	341.59	373.96	299.28	332.79	115.34	3,492
2012	70.53	108.07	365.95	127.64	147.59	169.53	110.81	151.82	168.33	94.88	158.73	145.76	1,820
2013	304.62	105.90	114.03	89.49	91.59	72.45	66.60	67.58	58.66	52.40	62.94	49.32	1,136
2014	60.02	54.78	73.24	66.94	80.62	76.05	68.73	80.55	75.86	58.67	67.36	63.32	826
2015	59.07	47.81	31.75	28.16	38.17	18.94	17.79	19.48	17.51	11.21	9.04	8.54	307
2016	11.61	8.13	9.02	7.07	5.58	4.20	7.95	6.37	7.11	4.21	3.57	3.61	78
2017	4.28	4.14	3.55	4.95	3.85	8.38	7.79	4.46	4.83	3.69	4.76	7.98	63
2018	6.59	9.34	3.65	6.59	7.74	7.76	11.90	10.94	10.64	4.89	8.53	4.29	93
2019	8.82	6.04	3.21	5.81	9.53	6.98	9.20	9.01	13.52	11.29	9.57	11.67	105
2020	8.15	8.88	6.63	7.80	8.57	11.79	12.75	11.66	9.38	8.64	8.64	11.87	115
2021	4.34	2.25	8.89	9.73	16.09	8.99	13.45	7.96	8.14	6.35	18.20	7.44	111.83
2022	4.86	4.86	7.35	8.99	11.39	11.67	13.44	12.63	11.79	7.41	8.69	5.88	108.96
2023	9.35	7.06	7.84	10.60	8.74	9.70	13.87	13.02	14.00	10.60	7.83	6.68	119.29
2024	6.61	6.90	6.47	5.51	8.12	10.96	12.28	13.17	12.51	11.93	11.20	7.97	113.63
2025	6.16	7.35	7.50	7.32	7.94	11.27	17.59	11.23	14.31	11.04	11.19	10.05	122.95
2026	6.97	7.95	8.27	10.74									33.93

Note: Free Stock Included

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**** Number includes Paying Livestock/Free Livestock/Gov Domestic/Comm Domestic/Industrial/WIPP**

WASTEWATER TREATMENT PLANT REPORT
April 2026

Wastewater:		Current Month	Previous Month	Calendar Year to Date
Total Effluent Discharge to Pecos River (Acre Ft.)		157.27	169.75	691.69
Treated Reuse Delivered to Mun. Golf Course (Acre Ft.)		50.38	43.78	115.22
Treated Reuse Sold to Rockhouse Ranch (Acre Ft.)		0.00	0.00	48.21
WWTP Irrigation Meter (Acre Ft.)		0.52	0.20	0.95
Total Reuse Pumped		**50.90**	**43.98**	**164.38**
After Hours Control Panel Alarms		8.00	0.00	11.00
KWH Consumed	977x160=	181,420	174560.00	679,180.00
NPDES Permit Violations		0.00	0.00	0.00
Sodium Hyprochloride for Reuse (Gallons)		55.00	50.00	145.00

Septage Disposal Report:		Current Month	Previous Month	Calendar Year to Date
Total Number of Loads		233	239.00	782.00
Taxed Gallons	366476.5 x $.10	$36,647.65	40,783.40	123,154.45
Taxed Manifest Books / $30.00	5 x $30.00	$150.00	150.00	540.00
Subtotal		$36,797.65	40,933.40	123,694.45
5% Tax		$1,839.88	2,046.67	6,184.73
Taxed Billing		$38,637.53	42,980.07	129,879.18
Tax Exempt Gallons	15800 X .10	$1,580.00	2,757.50	8,570.00
Tax Exempt Manifest Books / $30.00	1x $30.00	$30.00		
Taxed Exempt Billing		$1,610.00	2,757.50	8,600.00
Total Billing		$40,247.53	45,737.57	138,479.18

Biosolids:	Current Month	Previous Month	Calendar Year to Date
Total Compost Produced (Cu. Yds.)	432.00	222.00	654.00
Amount of Sludge Sent to Compost Operation (Gals.)	239748.00	296322.00	1,132,852.00

Wastewater Discharge Characteristics:		Previous Month	Permit Limit
Average Biochemical Oxygen Demand (Lbs./Day)	79.74	44.75	293.00
Average Total Suspended Solids (Lbs./Day)	44.19	42.74	1,051.00
Average Flow (Million Gallons/Day)	1.67	1.78	NA
E.Coli (30 Day Avg.)	9.58	2.36	126.00

Remarks:

Matthew E. Warner

Matthew E. Warner, WW Superintendent

SEWER COLLECTIONS REPORT
Apr 26

Collection Lines:

	This Month	Previous Month	Calendar Year to Date
Total Mileage of Main Line in System			**139**
Line Extension (Ft.)	0	0	0
Line Replacement (Ft.)	15	0	20
Repairs on Main Lines	1	1	4
Main Line Stoppages	1	3	12
Number of Manholes and Cleanouts	0	0	0
Manholes Flushed	0	0	0
Manholes Repaired	1	0	3
Customer Service Repairs	1	0	1
Customer Complaints, All Other	4	5	17
Carlsbad Line Location Service	0	0	0
Double Eagle Line Location Service	0	0	0
Ft. Sewer Liner Cleaned/Rodded	5,080	5,615	23,095
Sewer Tap Inspections	0	0	0
Total No. of Customer Services	0	0	0
Total No. of New Cust. Services Installed	0	0	0

Lift Stations:

Total in Service			
Number of After-Hour Control Panel Alarms	9	11	65
Number of Repairs	0	1	1
KWH Consumed, Primary Lift Station	6,240	34,720	84,480
KWH Consumed, All Other Lift Stations	10,375	10,637	30,629



Anthony Hernandez, Water Superintendent
or William Anderson, WWC Superviosr

EFFLUENT DISCHARGE TO PECOS RIVER
ACRE / FEET

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
2000	275.31	248.42	260.88	233.80	316.16	282.37	276.77	278.69	311.94	258.03	349.52	325.73	*3,417.62*
2001	272.21	204.60	217.67	191.40	142.09	236.98	244.68	224.77	225.64	195.79	254.84	265.78	*2,676.45*
2002	266.35	232.01	263.62	256.99	225.81	190.74	250.02	214.79	206.30	244.07	207.28	239.84	*2,797.82*
2003	195.98	143.44	168.79	155.94	169.64	151.16	185.64	183.40	174.65	209.24	209.88	236.34	*2,184.10*
2004	232.32	213.56	223.88	291.51	274.82	213.81	209.05	186.17	199.53	241.73	280.59	208.26	*2,775.23*
2005	184.13	164.12	178.11	168.66	206.41	168.17	167.37	181.58	157.77	173.60	147.12	169.92	*2,066.96*
2006	141.87	127.02	172.99	140.40	140.92	169.70	174.86	188.76	197.39	185.97	178.88	182.23	*2,000.99*
2007	175.29	153.32	169.55	166.88	207.94	153.26	271.96	303.14	316.00	351.48	364.76	305.84	*2,939.42*
2008	259.44	239.22	252.53	246.40	228.69	180.08	206.35	210.09	240.35	261.89	258.89	171.21	*2,755.14*
2009	358.99	231.11	189.22	175.11	196.47	196.37	167.43	158.99	147.30	182.56	165.29	186.18	*2,355.02*
2010	179.80	164.40	171.85	172.47	136.28	138.37	220.04	174.07	196.08	190.49	192.02	181.35	*2,117.22*
2011	177.75	161.00	153.44	128.22	131.87	132.52	140.71	144.86	149.98	149.77	158.14	176.47	*1,804.73*
2012	177.26	133.35	158.96	132.17	197.54	139.17	163.09	149.43	143.97	124.39	140.86	183.20	*1,843.39*
2013	174.54	155.21	161.36	131.65	121.07	133.60	175.46	164.14	177.28	206.07	240.30	209.81	*2,050.49*
2014	210.63	150.47	156.04	153.06	160.67	157.52	218.21	280.09	284.34	255.76	244.57	224.53	*2,495.89*
2015	251.82	212.71	212.94	169.98	208.69	201.13	216.44	237.77	198.80	221.07	202.61	233.28	*2,567.24*
2016	250.84	215.81	203.86	199.36	220.94	213.33	202.97	238.61	251.05	230.03	217.11	202.17	*2,646.08*
2017	226.02	195.23	190.92	172.18	121.62	114.39	132.83	166.44	166.80	172.02	164.66	171.59	*1,994.70*
2018	180.72	134.33	132.78	116.31	115.83	119.59	129.91	152.77	160.73	184.72	166.96	175.48	*1,770.13*
2019	187.77	147.18	151.39	141.14	122.93	147.25	156.34	163.47	171.70	196.57	190.31	181.66	*1,957.71*
2020	171.87	152.55	144.74	108.70	129.17	128.14	127.36	133.91	137.49	147.44	150.85	168.11	*1,700.33*
2021	176.88	166.70	155.81	141.66	147.77	138.68	213.38	233.23	213.59	229.06	205.63	201.46	*2,223.85*
2022	215.85	180.58	165.29	88.93	133.36	132.40	154.29	155.42	159.82	200.87	194.49	193.65	*1,974.95*
2023	195.33	175.90	127.53	162.53	166.59	105.31	32.91	101.38	64.63	215.46	212.03	193.65	*1,753.25*
2024	72.18	28.76	55.80	93.47	16.25	40.56	161.56	151.24	187.60	214.54	240.34	244.17	*1,506.47*
2025	114.35	155.05	167.87	109.21	91.88	58.64	93.15	145.00	233.85	198.00	212.26	233.17	*1,812.43*
2026	186.04	178.63	169.50	157.27									*691.44*

EFFLUENT REUSE
ACRE / FEET

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
2000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	*0.00*
2001	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	*0.00*
2002	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	*0.00*
2003	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	*0.00*
2004	18.94	15.45	17.52	25.36	40.46	43.55	50.58	38.81	31.31	20.14	7.82	8.08	*318.02*
2005	6.96	5.99	14.35	35.49	31.91	43.54	45.14	30.45	37.52	25.95	25.12	20.74	*323.16*
2006	22.68	22.17	23.21	37.40	49.95	99.47	207.81	72.92	23.20	34.28	20.50	17.75	*631.34*
2007	13.63	13.91	24.14	31.79	27.52	49.34	36.59	38.53	32.68	25.42	12.77	13.64	*319.96*
2008	15.06	20.54	21.83	41.29	46.49	48.50	35.56	40.95	22.85	38.63	26.92	7.18	*365.80*
2009	16.77	20.71	26.54	40.51	39.84	41.08	44.08	51.38	49.33	43.70	27.62	11.71	*413.27*
2010	16.58	8.89	23.08	31.79	62.07	61.63	15.10	49.33	28.02	29.55	21.36	18.51	*365.91*
2011	14.69	8.13	38.05	54.54	56.44	52.72	55.45	50.42	49.73	44.67	23.78	7.38	*456.00*
2012	5.82	10.40	24.91	46.25	37.18	50.67	42.51	59.86	50.03	26.67	15.56	8.15	*378.01*
2013	8.68	7.48	21.68	38.81	58.76	53.68	37.15	36.50	21.42	29.52	12.20	14.36	*340.24*
2014	19.88	23.44	34.05	32.20	47.27	54.26	67.18	45.85	21.00	32.05	19.69	28.04	*424.91*
2015	7.33	13.31	21.93	47.89	49.49	75.50	63.51	46.70	44.23	16.48	17.41	12.08	*415.86*
2016	7.43	17.65	41.85	42.00	37.41	34.82	53.26	35.94	29.90	29.75	21.56	18.97	*370.54*
2017	10.85	15.78	32.93	38.92	58.76	70.39	69.88	42.35	41.26	32.46	17.40	10.48	*441.46*
2018	25.29	45.73	62.15	81.04	88.81	83.84	93.81	74.15	55.54	42.74	34.22	15.62	*702.94*
2019	18.09	35.37	50.54	63.17	87.76	78.14	89.60	85.06	68.66	48.29	26.89	27.94	*679.51*
2020	28.16	29.07	40.67	66.70	70.90	67.84	77.07	74.77	58.73	42.58	23.60	10.88	*590.97*
2021	7.76	6.75	44.46	41.16	47.64	63.50	37.20	40.37	10.15	33.27	30.33	13.21	*375.80*
2022	6.81	14.04	38.29	48.19	67.72	82.38	70.77	77.47	75.39	27.51	15.31	14.71	*538.59*
2023	12.63	10.61	83.36	56.85	58.04	127.63	177.03	111.88	140.74	1.90	29.15	29.41	*839.23*
2024	76.73	133.77	117.15	76.28	191.34	168.34	60.29	72.52	38.05	28.83	17.83	2.39	*983.52*
2025	102.73	54.99	63.55	115.15	157.26	99.42	58.32	76.66	36.55	40.04	18.26	13.51	*836.44*
2026	51.98	17.52	43.98	50.9									*164.38*

ORDINANCE NO. 2026-____

AN ORDINANCE REZONING PART OF “C-2” COMMERCIAL 2 DISTRICT TO “R-2” RESIDENTIAL 2 DISTRICT FOR APPROXIMATELY 0.092 ACRES, LOCATED AT 103 S. CYPRESS STREET, LEGALLY DESCRIBED AS LOT 1B, BLOCK 8, GIBSON’S ADDITION BLOCK 8 REPLAT SUBDIVISION, PURSUANT TO SECTION 3-21-1 ET. SEQ. NMSA 1978 AND SECTIONS 56-150(B) AND 56-140(I), CARLSBAD CODE OF ORDINANCES.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF CARLSBAD, EDDY COUNTY, NEW MEXICO, that:

The official zoning map of the City is hereby amended to rezone part of "C-2" Commercial 2 District to "R-2" Residential 2 District, for approximately 0.092 acres, located at 103 S. Cypress St., legally described as:

LOT 1B, BLOCK 8, GIBSON’S ADDITION BLOCK 8 REPLAT SUBDIVISION

INTRODUCED, PASSED, ADOPTED AND APPROVED this 14th day of July, 2026.

_____
RICHARD D. LOPEZ, MAYOR

ATTEST:

_____
CITY CLERK

ORDINANCE NO. 2026-____

AN ORDINANCE REZONING PART OF “R-1” RESIDENTIAL 1 DISTRICT TO “C-1” COMMERCIAL 1 DISTRICT FOR APPROXIMATELY 0.78 ACRES, LOCATED AT 302 WEST PIERCE STREET, LEGALLY DESCRIBED AS LOTS 9 & 34, BLOCK 211, TRACY SUBDIVISION, PURSUANT TO SECTION 3-21-1 ET. SEQ. NMSA 1978 AND SECTIONS 56-150(B) AND 56-140(I), CARLSBAD CODE OF ORDINANCES.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF CARLSBAD, EDDY COUNTY, NEW MEXICO, that:

The official zoning map of the City is hereby amended to rezone part of "R-1" Residential 1 District to "C-1" Commercial 1 District, for approximately 0.78 acres, located at 302 W. Pierce St., legally described as:

LOTS 9 & 34, BLOCK 211, TRACY SUBDIVISION

INTRODUCED, PASSED, ADOPTED AND APPROVED this 14th day of July, 2026.

_____
RICHARD D. LOPEZ, MAYOR

ATTEST:

_____
CITY CLERK

ORDINANCE NO. 2026-____

AN ORDINANCE REZONING PART OF “R-1” RESIDENTIAL 1 DISTRICT TO “R-2” RESIDENTIAL 2 DISTRICT FOR APPROXIMATELY 0.21 ACRES, LOCATED AT 922 REX STREET, LEGALLY DESCRIBED AS LOT 9, BLOCK 17, CARTER UNIT #3 SUBDIVISION, PURSUANT TO SECTION 3-21-1 ET. SEQ. NMSA 1978 AND SECTIONS 56-150(B) AND 56-140(I), CARLSBAD CODE OF ORDINANCES.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF CARLSBAD, EDDY COUNTY, NEW MEXICO, that:

The official zoning map of the City is hereby amended to rezone part of "R-1" Residential 1 District to "R-2" Residential 2 District, for approximately 0.21 acres, located at 922 Rex St., legally described as:

LOT 9, BLOCK 17, CARTER UNIT #3 SUBDIVISION

INTRODUCED, PASSED, ADOPTED AND APPROVED this 14th day of July, 2026.

_____
RICHARD D. LOPEZ, MAYOR

ATTEST:

_____
CITY CLERK

CITY OF CARLSBAD
AGENDA BRIEFING
MEMORANDUM

Council Meeting Date: June 9, 2026

DEPARTMENT: Executive	**BY**: Wendy Austin	**DATE**: 06/03/2026

SUBJECT:
Consider Approval of Memorandum of Understanding between the City of Carlsbad and Southeast New Mexico College

BACKGROUND, ANALYSIS AND IMPACT: (Safety and Welfare/Financial/Personnel/Infrastructure/etc.)
The Memorandum of Understanding between Southeast New Mexico College (SENMC) and the City of Carlsbad (City) will allow the City to serve as the fiscal agent on two (2) grants that were previously awarded to SENMC. Both grants have an expiration date of June 30, 2028, and are related to Capital Outlay and Special Appropriation Funding. The two grants are listed below:

- A2415408: $5,000,000 – Trades X Technologies (T2) Building Construction,
- A24I2088: $600,000 – Trades X Technologies (T2) Building Construction

SENMC shall pay a flat fee of $5,000 to the City for the fiscal management of both grants. Currently, the City has the capacity to assist SENMC as fiscal agent and is proud to be a partner in the T2 Building Construction Project.

DEPARTMENT RECOMMENDATION:
Approve the MOU

BOARD/COMMISSION/COMMITTEE ACTION:
-

Reviewed by:

City Manager: Wendy D Austin	Date: June 4, 2026

Attachments:
1. SENMC-Fiscal Agent

MEMORANDUM OF UNDERSTANDING

SOUTHEAST NEW MEXICO COLLEGE
AND THE
CITY OF CARLSBAD

This Memorandum of Understanding between Southeast New Mexico College and City of Carlsbad (hereinafter, "MOU") is entered into on the 9th day of June, 2026 between the City of Carlsbad (hereinafter, "CITY") and Southeast New Mexico College (hereinafter, "SENMC"), collectively referred to as the "Parties"

WHEREAS, the Department of Finance and Administration (DFA), via the Capital Outlay Advisory Group (COAG), has evaluated the audit status of Southeast New Mexico College to ensure compliance with the Public Finance Accountability Act (PFAA), 6-3B-1 et seq., NMSA 1978. Pursuant to §§ 6-3B-3(A)(1) and 6-3B-3(A)(3), NMSA 1978, a grantee must have completed an annual audit in one of the past two fiscal years, and the most recently completed audit must be a public record. If the most recently completed public record audit is not from either of the two immediately preceding fiscal years, the state agency making the grant must determine that another appropriate entity is able and willing to serve as the grant's fiscal agent; and

WHEREAS, Executive Order 2013-006 issued May 2, 2013, provides that a grantee for appropriations may not receive such funds if its audit does not meet certain requirements unless such funds are received by another appropriate entity acting as a fiscal agent; and

WHEREAS SENMC requires assistance from a qualified local body to serve as fiscal agent to receive Capital Outlay and Special Appropriation Funds; and

WHEREAS SENMC is a local community partner of CITY; and CITY has the necessary expertise, staff, and experience to serve as the fiscal agent to SENMC and to oversee the Procurement Process, including issuance of contracts and payment for services for Capital Outlay and Special Appropriation Funds

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL PROMISES AND REPRESENTATIONS IN THIS MOU, THE PARTIES AGREE AS FOLLOWS:

This Agreement is entered into by and between SENMC and the CITY pursuant to the following purposes, conditions, and terms:

Section 1. PURPOSE.

The purpose of this MOU shall be for the CITY to provide fiscal agent services for the purposes of administering Capital Outlay and Special Appropriation Funds and submitting documents on behalf of Southeast New Mexico College.

Section 2. SCOPE OF WORK.

1. The CITY'S Role and Responsibilities:

   - The CITY shall ensure that grant funds are expended and administered in compliance with all applicable laws, regulations, municipal ordinances and grant agreements and the transactions are appropriately accounted for in compliance with such laws, regulations, and grant agreements.

   - The CITY will ensure safeguarding of grant funds and assets acquired with grant funds and proper accounting thereof in compliance with applicable laws, regulations, municipal ordinances and grant agreement.

   - The CITY will provide oversight to SENMC in preparing requests for bid (RFB) or requests for proposals (RFP) in accordance with SENMC's Procurement Code and the New Mexico & Federal Procurement Code, NMSA § 13-1-1 et seq.

   - The CITY will coordinate with the purchasing agent designated by SENMC to oversee the procurement process and administration of any contracts awarded for the grant funds.

   - The CITY will provide technical assistance as needed.

   - The CITY will review, approve, and sign-off on all disbursement requests including supporting documentation and grants invoices in a timely manner.

   - The CITY will work with DFA to facilitate direct grants reimbursements to SENMC.

   - The CITY will charge SENMC for an agreed upon fee that is associated with oversight and grant management of the Grants.

2. SENMC's role and Responsibilities:

SENMC understands it is still ultimately responsible for executing and complying with all applicable State and Federal laws, its own ordinances and grant agreement requirements as flow down provision, executing procurement responsibilities and subcontractor management, as well as grants, grant and financial management, including CAPS and PARS; quarterly, final and other reporting.

- SENMC will prepare and manage the Requests for Bid ("RFB") or Requests for Proposal ("RFP") pursuant to its own and/or the state Procurement Code for all equipment purchases, design documents and the necessary information to issue a request for proposals or invitation to bid for the Grants.

- Upon completion of the Grants, the equipment purchased shall be the property of SENMC and all purchases shall be placed on SENMC's inventory.

- SENMC will designate a purchasing agent to coordinate with the CITY on the issuance of the requests for bid or proposals, managing the procurement process and administering all contracts issued for the Capital Outlay and Special Appropriation Funds

- SENMC shall provide the CITY with a copy of the executed grant agreement for the grants as listed in **Table A**

- SENMC shall pay the CITY for direct labor costs associated with oversight of the Capital Outlay and Special Appropriation Funds

Section 3. COMPENSATION AND METHOD OF PAYMENT.

SENMC shall pay **a flat fee of $5,000.00.** Payment shall be made on a payment schedule to be negotiated by the Parties, with final payment due upon completion of the grants.

Section 4. TERM.

This agreement shall be from the date of approval to the completion of each grant or until SENMC is relieved of needing a fiscal agent. This agreement may be renewed or terminated upon the written consent of both parties.

Section 5. TERMINATION.

Either party may terminate this MOU upon 30 days' written notice. Such early termination shall not nullify obligations incurred for performance or failure to perform prior to termination.

Section 6. AMENDMENT.

This MOU may be amended at any time by mutual agreement of the parties. Any amendment shall be in writing and executed by the Parties.

Section 7. COMPLIANCE WITH LAWS.

The laws of the State of New Mexico shall govern this agreement, without giving effect to its choice of law provisions. Venue shall be proper in the Fifth Judicial District Court of Eddy County in Carlsbad, New Mexico.

Section 8. STATUS.

The CITY, its employees and agents performing the services pursuant to this MOU are not employees of Southeast New Mexico College. The CITY and its agents and employees shall not accrue leave, retirement, insurance, bonding, use of SENMC vehicles, or any other benefits afforded to the employees of SENMC.

Section 9. ASSIGNMENT.

The CITY shall not assign or transfer any interest in this agreement or assign any claims for money due or to become due under this agreement without the prior written approval of both Parties.

Section 10. SUBCONTRACTING.

The CITY may not subcontract portions of the services to be performed under this agreement without the prior written approval of SENMC.

Section 11. APPROPRIATIONS.

The terms of this MOU are contingent upon sufficient funds being made available by the Department of Finance and Administration of the State of New Mexico for the performance of these grants. If sufficient funds are not made available, this MOU shall terminate. Termination

pursuant to this section shall be effective upon written notice being given by SENMC to the CITY.

Section 12. RELEASE.

The CITY, upon final payment of all amounts due under this MOU, shall release SENMC, its officers, and employees from all liabilities, claims and obligations whatsoever arising from or under this MOU.

Section 13. LIABILITY.

Each Party shall be solely responsible for its own actions and for the actions of its employees, officers, or agents under this MOU. Nothing herein shall be deemed to waive all limitations on liability and other protections under the New Mexico Tort Claims Act. All of the privileges and immunities from liability, exemptions from laws, ordinances and rules, all pension, relief, disability, workmen's compensation and other benefits which apply to the activity of officers, agents or employees of any Party when performing their respective functions within the territorial limits of their respective public agencies, shall apply to them to the same extent while engaged in the performance of their functions and duties extraterritorially under the provisions of this MOU.

Section 14. SCOPE OF AGREEMENT.

This MOU incorporates all the agreements and understandings between the Parties concerning its subject matter, and all agreements and understandings have been merged into this MOU. No prior or contemporaneous agreements or understandings have been merged into this MOU verbal or otherwise, of the parties or their agents concerning the subject matter of this MOU is valid or enforceable unless included in this MOU.

Section 15. NOTICE.

The contact person for each Party and to whom any notice hereunder shall be given are as follows:

Southeast New Mexico College
Kevin W. Beardmore, Ed.D., President
1500 University Drive
Carlsbad, NM 88220
Phone: 575-234-9200
Email: kbeardmore@senmc.edu

City of Carlsbad
Wendy D. Austin, City Manager
101 N. Halagueno St.
Carlsbad, NM 88220
Phone: 575-887-1191
Email: wdaustin@cityofcarlsbadnm.com

IN WITNESS WHEREOF, the Parties have executed this MOU on the dates specified below.

City of Carlsbad

By: _____

Richard D. Lopez, Mayor

Date: _____

SOUTHEAST NEW MEXICO COLLEGE

By: _____

Kevin W. Beardmore, Ed.D., President

Date: 6/9/26

TABLE A

Grant #	Amount	Purpose	Expiration Date
A24I5408	$5,000,000.00	Trades x Technologies Building construction – Higher Education General Obligation Bond (HB 308 2024, Class code I5408, Page 24, Lines 6 and 9, Section 10C, Subsection 2D)	6/30/2028
A24I2088	$600,000.00	Trades x Technologies Building construction – (SB 275 2024, Class Code I2088, Web ID 2082, Section 15, Page 22, Lines 3 and 6)	6/30/2028

Fiscal Agent Rate Structure

Legislative Appropriations and Reauthorizations

Award Type	Amount
All projects up to $500,000	$2,500 per grant award
All projects $501,000 to $5,000,000 for general fiscal agent oversight.	$5,000 per grant award/or for two for the same project as agreed upon.
All other projects that require full grant management services and fiscal agent oversight	$20,000 per grant award

** Fees can be negotiated

CITY OF CARLSBAD
AGENDA BRIEFING
MEMORANDUM

Council Meeting Date: June 9, 2026

DEPARTMENT: Grants	**BY**: Angie Barrios-Testa	**DATE**: 05/12/2026

SUBJECT:
Infrastructure Capital Improvement Plan Preliminary List Presentation for FY2028-2032 for Council Review and Recommendations

BACKGROUND, ANALYSIS AND IMPACT: (Safety and Welfare/Financial/Personnel/Infrastructure/etc.)
The State of New Mexico's Department of Finance & Administration is required by law to develop a five-year plan for capital improvement projects. Although the local governments are not required to participate, the City of Carlsbad participates in the Infrastructure Capital Improvement Plan (ICIP) as a project planning guide.

The City of Carlsbad goes through a series of planning phases to develop its ICIP priorities for capital projects. The first phase was for staff to review last year's FY2027-2031 ICIP list of sixty-seven (67) Municipality Projects and five (5) Senior Citizen Facility projects. Department Directors and City Administration participated in a project development and ranking process. An updated list of projects was provided during the City's public input process, which officially kicked off on March 15, 2026, and ran through April 17, 2026. A public hearing was conducted on April 16, 2026. This year, we received various comments, which were reviewed for possible consideration. New projects have been added based on department review and public input.

As the next phase, the City is pleased to present the attached FY2028-2032 Infrastructure Capital Improvement Plan, listing eighty-three (83) Municipality projects and nine (9) Senior Citizen Facility Projects. This year, the Senior Facility ICIP has the same deadline as the Municipal deadline of July 1, 2026. Staff is requesting any additional recommended changes by Friday, June 12, 2026.

This will allow staff to prepare for the final phase, which is to bring the list to the City Council for approval by formal resolution during the June 23, 2026, regularly scheduled City Council meeting. Staff will finish by uploading all project information to the State by July 1, 2026.

DEPARTMENT RECOMMENDATION:
The City Council to review and recommend any changes to the FY2028-2032 Infrastructure Capital Improvement Plan for the City of Carlsbad.

BOARD/COMMISSION/COMMITTEE ACTION:
-

Reviewed by:

City Manager: Wendy D Austin	Date: June 4, 2026

Attachments:
1. CITY OF CARLSBAD_ICIP Packet

CITY OF CARLSBAD

ICIP FY2028-2032

EXHIBIT A

CITY OF CARLSBAD

INFRASTRUCTURE CAPITAL IMPROVEMENT PLAN FY2028-2032

MUNICIPALITY PRELIMINARY LIST (83 PROJECTS)

1 East Greene St. Waterline
2 Affordable Housing Planning and Infrastructure
3 Solid Waste Transfer Station
4 Carlsbad Police Main Station Renovations
5 Public Safety Communication Equipment Upgrades
6 Playground on the Pecos
7 Public Safety Complex (Fire/EMS/PD)
8 Recycling Program Improvements
9 Old Cavern Hwy Road Reconstruct
10 Derrick Road PRV & Waterline Extension - New
11 Dark Canyon Bridge and Bikeway
12 Shorthorn (Sunset) Park Rehabilitation
13 Carlsbad Cemetery Expansion
14 Shaw Street Lift Station
15 Fire Station Alerting System
16 Carlsbad Dispatch and Emergency Operations Command Center
17 Museum Archives - Collection Annex
18 Repair Riverwalk Recreation Center
19 Sheep's Draw Wellfield Generators
20 Water Park Improvements
21 Lower Tansill Boating and Fishing Recreation Area
22 MainStreet Pedestrian Safety and Public Restrooms
23 PD Vehicle Fleet Replacement
24 Sports Complex LED Lighting Retrofit and Solar Panel Electrical Upgrades
25 Carlsbad Energy Efficiency and Conservation Plan
26 N. Maple Improvements
27 Water System Replacements
28 Civic Center Improvements
29 New Main Fire Station
30 Sage Area Sidewalk Improvements
31 PD Evidence Holding and Processing Facility
32 Carlsbad Sewer Improvements
33 Sewer Line Rehab Program
34 Davis Street Reconstruction
35 E. Chapman Sidewalk Improvements
36 EMS Ambulance Replacements
37 Callaway Drive Sidewalk Improvements
38 Police Department K9 Training Field

39 Hagerman Lift Station
40 City of Carlsbad Community Garden
41 Lower Tansill MLK Park Improvement Initiative
42 Elgin Road Safety Improvements
43 Cherry Lane Park Improvements
44 Library HVAC Renovations
45 Six-Mile Dam Recreation Area
46 MainStreet Wayfinding Signage
47 Mainstreet District Property Acquisition for Public Parking Lot
48 Double Eagle Waterline Replacement
49 W. Orchard Lane Sewer Upgrade/Upsize
50 New Carlsbad Conference and Event Center
51 CID Trails and Bike Path Improvements
52 Electric Vehicle Charging Stations
53 Historic Preservation Plan
54 Fire Personal Protective Gear Replacements
55 La Huerta Water System Improvements
56 PD - Mobile Surveillance Tower
57 Secondary Wastewater Treatment Plant
58 Sports Complex Walking Path
59 Sports Complex Indoor Basketball Center
60 Carlsbad Police Substation Renovations
61 Police Department Security Improvements - New
62 Fire Department Training Facility - New
63 EMS UTV and Transport Trailer - New
64 Sports Complex RV Parking Spaces - New
65 Riverwalk Recreation Center Annex - New
66 Golf Course Improvements - New
67 Parks and Recreation Masterplan - New
68 Dark Canyon Waterline Replacement - New
69 Tree Streets Waterline Replacement - New
70 North Canal Bridge Crossing Waterline Project - New
71 Tatum Wellfield Well Development Design - New
72 Double Eagle South Wellfield Transmission Replacement - New
73 Carlsbad South Sewer Wastewater Treatment Plant - New
74 Carlsbad Belva Lift Station Force Main - 8th Street Force Main - New
75 North Sewer System Upgrades - New
76 Skyline & Belva Lift Station Upgrades - New
77 Carlsbad WWTP Anaerobic Digester Rehabilitation - New
78 East Plaza Railroad Crossing Sewer Line Replacement - New
79 N. Canal Safety Improvements - New
80 Riverside School Area – Sidewalks - New
81 Police Substation at Carlston Ranch - New
82 Cavern Theatre Parking and Annex - New
83 Carlsbad Museum Collections Plan - New

CITY OF CARLSBAD

INFRASTRUCTURE CAPITAL IMPROVEMENT PLAN FY2028-2032

SENIOR FACILITY PROJECT SUMMARIES (9 PROJECTS)

Alejandro Ruiz Senior Center (ARSC)

1 Alejandro Ruiz Senior Center (aka San Jose Senior Center) - Building Renovation
2 Alejandro Ruiz Senior Center Nutritional Program Kitchen Equipment
3 Alejandro Ruiz Senior Center - Kitchen and Dining Area Floor Replacement - New
4 Alejandro Ruiz Senior Center Nutritional Program Vehicles
5 Alejandro Ruiz Senior Center Program Vehicles - New

Carlsbad Adult Respite Center (CARC)

1 Carlsbad Adult Respite Center Vehicles

Cascades Recreation and Wellness Center (CRWC)

1 Cascades Recreation and Wellness Center Expansion and Renovations
2 Cascades Recreation and Wellness Center Meals Equipment - New
3 Cascades Recreation and Wellness Program Equipment - New

EXHIBIT B

CITY OF CARLSBAD

INFRASTRUCTURE CAPITAL IMPROVEMENT PLAN FY2028-2032

MUNICIPALITY PROJECT SUMMARIES (83 PROJECTS)

ID	Rank	Project Title and Project Scope of Work	Funded	Total Amount Needed	Total Project Cost
38907	1	**East Greene St. Waterline** The project involves repurposing approximately 9,750 LF of existing waterline and installing 4,040 LF of new waterline to increase fire flow capacity to industrial park areas along E. Greene St. The length of line impacted is approximately 13,790 LF (approximately 2.6 miles). The project scope includes planning, design, and construction. Phase 1 of this project has a budgetary cost of $1,516,000, which includes engineering, construction, 20% contingency, and NMGRT.	$1,844,000	$11,261,000	$13,105,000
42809	2	**Affordable Housing Planning and Infrastructure** This project is to acquire property and plan, design, and construct infrastructure projects for affordable/attainable housing. Phase I is in process. Future phases include the BLM property and other areas as identified in the planning process.	$1,621,000	$22,500,000	$24,121,000
43948	3	**Solid Waste Transfer Station** To plan, design, construct, and equip a secondary solid waste transfer station. A partnership between the City and the County has been explored in the past, and preliminary discussions and a 2019 feasibility	$ -	$14,575,000	$14,575,000
39093	4	**Carlsbad Police Main Station Renovations** To plan, design, and renovate the Carlsbad Police Department. This request is for Phase II, the renovation of the 1st floor to move Patrol and Records Division, making it more accessible to the public. This project also includes an additional ADA-compliant elevator.	$2,050,000	$2,200,000	$4,250,000
43974	5	**Public Safety Communication Equipment Upgrades** This project is to purchase, equip, and install communication equipment for the Public Safety Departments. Recently, the County upgraded the radio communication tower system, and to communicate without a patch, the Public Safety Departments will need to convert to new 700 MHz-capable equipment (handheld and portable). This project will allow for interoperable communication between public safety and law enforcement agencies. This project is critical for personnel and public safety.	$500,000	$2,700,000	$3,200,000
42829	6	**Playground on the Pecos** To plan, design, construct renovations, and rehab the Playground on the Pecos. The community park was built in 2002 through a grassroots community effort and volunteers.	$ -	$3,250,000	$3,250,000
42815	7	**Public Safety Complex (Fire/EMS/PD)** The City is seeking a new Public Safety Complex north of the Pecos River. This project was originally considering only a fire station, but the City is now exploring a public safety complex instead. Phase I includes planning and acquiring property; Phase II, design; and Phase III, based on the results of planning and design, for future construction.	$500,000	$37,981,668	$38,481,668

22529	8	**Recycling Program Improvements** To plan, design, construct, and equip a facility for a recycling program. The City is currently working on a feasibility study to explore a recycling program with a material production facility to reuse the end product. This project is looking into recycling for environmental sustainability, to help diversify the industrial business economy, and to create additional job opportunities.	$100,000	$3,000,000	$3,100,000
35856	9	**Old Cavern Hwy Road Reconstruct** This project will be a complete rebuild from the subgrade up to the finished surface, from the intersection of Farris St. and Old Cavern Highway at the north end of this phase, to the City limits approximately 600 feet south of Chapman Road. This phase encompasses approximately 5,977 LF of roadway reconstruction.	$3,467,394	$2,418,334	$5,885,728
New	10	**Derrick Road PRV & Waterline Extension** plan, design, and construction	$ -	$1,250,000	$1,250,000
34354	11	**Dark Canyon Bridge and Bikeway** To plan, design, and construct a new bridge at Boyd Dr. and Radio Blvd. crossing Dark Canyon, including a bikeway, in Eddy County.	$4,375,000	$30,000,000	$34,375,000
48811	12	**Shorthorn (Sunset) Park Rehabilitation** To plan, design, construct, and install equipment for a multi-use recreation park in Carlsbad. This project will restore and expand on the park's recreational uses by upgrading fields to turfgrass green fields, constructing pickleball courts, a fenced dog park, upgraded bathroom facilities, shaded pavilions for group gatherings, tree canopy, landscape and maintenance, upgraded walking and biking path, and a parking lot with specifically designated food truck parking, along with public parking.	$1,247,879	$1,000,000	$2,247,879
43949	13	**Carlsbad Cemetery Expansion** To plan, design, and construct the expansion of the cemetery to the west of the existing location.	$ -	$1,000,000	$1,000,000
43950	14	**Shaw Street Lift Station** To plan, design, equip, install, and construct the Shaw Street Lift Station.	$ -	$1,000,000	$1,000,000
43935	15	**Fire Station Alerting System** The Carlsbad Fire Department requests the planning, design, equipment, installation, and implementation (including training) of a station alerting system for its stations in Eddy County. The system enables faster alerting from dispatch, resulting in shorter response times. It allows for increased situational awareness through visual and auditory peripherals throughout the station. Ramp-up alarm tones, which gradually increase in volume, reduce stress and improve firefighter well-being. Automated dispatch alerting streamlines dispatchers' processes, helping reduce stress by 25% during dispatch.	$ -	$600,000	$600,000
42819	16	**Carlsbad Dispatch and Emergency Operations Command Center** Carlsbad Dispatch and Emergency Operations Command Center To plan, design, and construct a consolidated dispatch center as well as an inter-agency Emergency Operations Command Center. Exploring a new facility or renovating an existing city-owned facility.	$ -	$1,750,000	$1,750,000

32729	17	**Museum Archives - Collection Annex** To plan, design, and renovate a facility to be used as an annex to the museum for archives and art displays. Phase I is in process. Additional funding may be needed for Phase II to build an addition to the existing building.	$5,757,422	$500,000	$6,257,422
12794	18	**Repair Riverwalk Recreation Center** To plan, design, equip, furnish, and construct improvements to the Riverwalk Recreation Center. Phase 1-2 improvements are complete. Phase 3 is the conceptual scoping, including the interior and exterior, to maximize this popular facility.	$4,063,551	$6,000,000	$10,063,551
41997	19	**Sheep's Draw Wellfield Generators** To purchase and equip an additional generator for the Sheep's Draw Wellfield.	$700,000	$1,600,000	$2,300,000
43115	20	**Water Park Improvements** Preliminary plan, design, and construct additional improvements to add more amenities based on the preliminary findings, including indoor party spaces, outdoor cabana-style party gathering spaces for small/family gatherings.	$ -	$1,000,000	$1,000,000
42002	21	**Lower Tansill Boating and Fishing Recreation Area** To plan, design, equip, and construct recreation areas with accessibility improvements to pathways and crosswalks, equipment, parking, and lighting improvements.	$3,100,000	$1,500,000	$4,600,000
32790	22	**MainStreet Pedestrian Safety and Public Restrooms** Plan, design, and construct corridor connections as pedestrian walkways to encourage visitors and employees to use them as convenient and safe pedestrian links to downtown. Provide public restrooms for tourists and those using the downtown area.	$ -	$1,900,000	$1,900,000
24132	23	**PD Vehicle Fleet Replacement** To purchase and equip new police vehicles. There is a need to continuously upgrade older marked patrol vehicles due to excessive use, wear, and tear. Maintaining a newer fleet is paramount for both officer and community safety. A continuous replacement system allows for the sustainment of a newer and safer fleet.	$1,000,000	$1,500,000	$2,500,000
42850	24	**Sports Complex LED Lighting Retrofit and Solar Panel Electrical Upgrades** To plan, design, and retrofit additional sports complex lighting to LED for energy savings. Electrical upgrades include solar-powered RV hook-ups	$320,000	$3,169,100	$3,489,100
42009	25	**Carlsbad Energy Efficiency and Conservation Plan** To develop a plan for energy efficiency to better position the City for available Energy conservation funding. Currently developing an Energy Efficiency Strategy to coincide with this project.	$10,000	$100,000	$110,000
43069	26	**N. Maple Improvements** N. Maple sidewalk Improvements and safety signage.	$ -	$447,638	$447,638
43977	27	**Water System Replacements** Plan, design, and construct improvements to the Municipal Water System, including waterline extensions, waterline replacement, minor repairs to booster and pressure reducing stations, repairs to reservoirs, fire lines, and dead-end lines.	$ -	$5,000,000	$5,000,000

35843	28	**Civic Center Improvements** To plan, design, equip, install, and construct improvements to the Walter Gerrells Performing Arts Center (Civic Center) in the City of Carlsbad in Eddy County. The next phase includes a new AV and Lighting system and the replacement of the auditorium seating.	$550,000	$2,750,000	$3,300,000
10953	29	**New Main Fire Station** Fire Station #1. The Carlsbad Fire Department desperately needs a new main facility. Expansion of the Fire Department with additional personnel, vehicles, and equipment in response to a dramatically increased call volume over the last 20 years has severely impacted our dormitory occupancy, living space, training areas, vehicle parking and protection, equipment repair areas, administrative office space, storage, and all operational infrastructure.	$ -	$10,350,000	$10,350,000
37478	30	**Sage Area Sidewalk Improvements** To plan, design, and construct sidewalks on Sage St., Montgomery and Caviness St. in Carlsbad in Eddy County, NM. This project will provide a safe route to school for children in the area. Include ADA ramps and drive pads.	$ -	$498,000	$498,000
29718	31	**PD Evidence Holding and Processing Facility** To plan, design, and construct additional bays to house a vehicle holding facility and processing offices. The City plans to renovate a City-owned facility for this project.	$ -	$1,200,000	$1,200,000
19674	32	**Carlsbad Sewer Improvements** Design and construct the expansion of sewer lines to areas north of the Pecos River where sewer service is not currently available. This project includes the unincorporated area of La Huerta. The project will eliminate the use of septic tanks in an area adjacent to the Pecos River.	$2,378,211	$14,860,537	$17,238,748
22566	33	**Sewer Line Rehab Program** To design a program and purchase or acquire the equipment needed to clean and videotape sewer lines. Design a sewer line rehab program consisting of cleaning and videotaping to identify problems and implementing repairs to existing clay pipe sewer lines that are more than 40 years old.	$ -	$2,349,774	$2,349,774
28179	34	**Davis Street Reconstruction** To design and reconstruct Davis Street with new paving, curb, gutter, sidewalk, water, and sewer lines, and ADA curb returns.	$ -	$1,600,000	$1,600,000
42010	35	**E. Chapman Sidewalk Improvements** To plan, design, and construct sidewalks, including curb, gutter, drainage, drive pads, and ADA curb cuts, as needed along E. Chapman.	$ -	$150,000	$150,000
44015	36	**EMS Ambulance Replacements** EMS Ambulance replacement program. The Fire Department will take a phased approach to replacing its entire EMS fleet. The funding will be used to purchase and fully equip EMS Ambulances each year.	$2,100,000	$3,000,000	$5,100,000
42011	37	**Callaway Drive Sidewalk Improvements** To plan, design, and construct sidewalks, including curb, gutter, drainage, drive-pads, and ADA curb cuts as needed along Callaway Drive.	$ -	$150,000	$150,000

43076	38	**Police Department K9 Training Field** To plan, design, construct, furnish, equip, and install a K-9 training facility for the Carlsbad police department. The new K-9 training facility is exclusively for K-9 training exercises and community demonstrations. Currently, the CPD has four service police dogs and is looking to expand the program to continue drug interdiction and school safety initiatives. The plan is to design a facility with shade structures, kennels, water/sprinkler systems, large obstacles, and barriers for their training. Approximately 40 sq. yd. x 100 sq. yd. size for the entire facility.	$ -	$150,000	$150,000
43100	39	**Hagerman Lift Station** To plan, design, equip, install, and construct the Hagerman Lift Station.	$ -	$1,250,000	$1,250,000
43102	40	**City of Carlsbad Community Garden** To plan, design, and construct a Community Garden in collaboration with the Beautification program. The project will require fencing to protect the garden and the irrigation system.	$ -	$150,000	$150,000
42821	41	**Lower Tansill MLK Park Improvement Initiative** To plan, design, install, equip, and furnish Martin Luther King park improvements in the Lower Tansill area in collaboration with the Beautification program.	$300,000	$300,000	$600,000
43110	42	**Elgin Road Safety Improvements** To plan, design, equip, and install safety improvements along Elgin Road	$ -	$200,000	$200,000
43113	43	**Cherry Lane Park Improvements** To plan, design, furnish, and equip playground improvements to Cherry Lane Park. Exploring zip line equipment along with playground equipment.	$ -	$150,000	$150,000
39059	44	**Library HVAC Renovations** To plan, design, equip, and install new airflow units for the boiler is needed to provide required air handling for separate building areas, incorporate variable-speed drives to improve temperature control, moderate excessive airflow in certain areas, and reduce energy usage.	$ -	$600,000	$600,000
38956	45	**Six-Mile Dam Recreation Area** To plan, acquire property, design, and construct a recreation area at the City's six-mile dam. Phase I includes preliminary design and planning. Phase II will be to construct the recreation area in the existing City right-of-way, including parking improvements. Future phases will connect walking, running, and non-motorized bike trails from the Lower Tansil area along the Pecos River to the new 6 Mile Dam Recreation area.	$ -	$1,000,000	$1,000,000
18723	46	**MainStreet Wayfinding Signage** To plan, design, and install wayfinding signage in downtown MainStreet Carlsbad as well as surrounding areas that include both the Arts and Cultural District and Historical District.	$ -	$80,000	$80,000
42013	47	**Mainstreet District Property Acquisition for Public Parking Lot** To plan, design, acquire, construct, and equip a parking lot along the Main Street district to create more public parking for events and retail shopping/activities.	$-	$800,000	$800,000
15932	48	**Double Eagle Waterline Replacement** To plan, design, construct, and replace existing water lines in the Double Eagle water well field in Carlsbad, NM. The lines to be replaced serve as gathering lines and transmission lines from the two well fields. This project is being phased.	$ 6,559,752	$3,000,000	$9,559,752

39090	49	**W. Orchard Lane Sewer Upgrade/Upsize** The project involves replacing approximately 3,010 linear feet of undersized 12-inch vitrified clay pipe (VCP) with 15-inch C-900 PVC pipe, including new manholes and service laterals, along a utility easement north of West Orchard Lane, near Country Club Way, to the intersection of West Orchard Lane and North Canal Street. The project scope includes planning, design, and construction. This project has a planning level budgetary cost of $1,900,000, which includes engineering, construction, 20% contingency, and NMGRT.	$ -	$1,900,000	$1,900,000
43124	50	**New Carlsbad Conference and Event Center** To complete a feasibility study, plan, and design a new Conference and Event Center or purchase an existing facility in Carlsbad. This project would be an economic opportunity, providing large spaces for industry/business conferences in the area.	$ -	$4,500,000	$4,500,000
43165	51	**CID Trails and Bike Path Improvements** To plan, design, and construct improvements to the Carlsbad Irrigation District through a right-of-use permit. Many city residents use the existing canals within City limits for walking and biking.	$ -	$500,000	$500,000
43168	52	**Electric Vehicle Charging Stations** To plan, design, construct, equip, install, and furnish publicly accessible electric vehicle charging stations in strategically placed areas for public and traveling public use.	$ -	$1,500,000	$1,500,000
44024	53	**Historic Preservation Plan** to develop a plan for a historic preservation plan in the MainStreet/Cultural existing boundary, and add properties in preparation for becoming a Certified Local Government.	$ -	$100,000	$100,000
44025	54	**Fire Personal Protective Gear Replacements** Replace PPE - Structural Fire Fighting PPE (boots, coats, pants, helmet, masks, gloves, hoods) for 50 personnel.	$ -	$350,000	$350,000
44020	55	**La Huerta Water System Improvements** Plan, design, and construct improvements to the La Huerta Water System, including waterline extensions, waterline replacement, minor repairs to booster and pressure reducing stations, repairs to reservoirs, fire lines, and dead-end lines.	$ -	$5,000,000	$5,000,000
43934	56	**PD - Mobile Surveillance Tower** To plan, equip, install, and furnish mobile surveillance towers. Equipment lift for crime prevention: portable devices and technology to monitor and track individuals, vehicles, or activities in real time.	$96,000	$300,000	$300,000
44010	57	**Secondary Wastewater Treatment Plant** to plan, design, equip, and construct a secondary wastewater treatment plant in Carlsbad, in Eddy County. According to the most recent census, the City and Eddy County have experienced a 13% population increase over the last 10 years. The combination of significant growth and the City's efforts to build affordable housing and advance economic development makes it necessary to expand basic infrastructure to sustain it.	$ -	$21,000,000	$21,000,000
43997	58	**Sports Complex Walking Path** To plan, design, equip, furnish, and construct a walking path at the sports complex in Carlsbad, Eddy County. This project would be an ideal location to use for outdoor exercise for individuals and families.	$ -	$1,000,000	$1,000,000

43982	59	**Sports Complex Indoor Basketball Center** To plan, design, equip, furnish, and construct an indoor basketball center at the sports complex in Carlsbad, Eddy County. This project would be an ideal location to add more sports event options.	$ -	$14,253,140	$14,253,140
New	60	**Carlsbad Police Substation Renovations** To plan, design, and renovate the Carlsbad Police Department. The plan is to add an improved entryway with a lobby, an interview and booking room, and admin offices. This project will improve community policing efforts in the southern part of Carlsbad.	$ -	$1,500,000	$1,500,000
New	61	**Police Department Security Improvements** To plan, design, construct, install, and equip Police Department facilities with secure access gates and fences, cameras, outdoor protection barriers, security camera upgrades, lighting, etc. Can be phased by location (main, substation, and other).	$ -	$1,000,000	$1,000,000
New	62	**Fire Department Training Facility** To plan, design, and construct a fire department training facility to facilitate the training of new and current firefighters. The facility will include live fire training buildings and props, a training tower, and classrooms. The fire department currently does not have its own facilities to conduct this type of training.	$ -	$10,350,000	$10,350,000
New	63	**EMS UTV and Transport Trailer** Purchase of an EMS/Ambulance-configured UTV for responses into areas that are difficult to access, as well as large-scale events. Includes equipment and trailer.	$ -	$0	$150,000
New	64	**Sports Complex RV Parking Spaces** To install, equip, and construct RV Parking Spaces.	$434,483.99	$1,500,000	$1,934,484
New	65	**Riverwalk Recreation Center Annex** To design, install, equip, furnish, and construct an annex building adjacent to the main RRC building, and improve the outdoor aesthetics.	$ -	$3,700,000	$3,700,000
New	66	**Golf Course Improvements** To plan, design, and implement improvements to include a trail (cart path), bunkers, a safety net, and tee boxes.	$ -	$2,500,000	$2,500,000
New	67	**Parks and Recreation Masterplan** To hire a consultant to update the parks and recreation master plan to help guide future improvements throughout Carlsbad	$ -	$150,000	$150,000
New	68	**Dark Canyon Waterline Replacement** This project involves the planning and designing phase.	$ -	$185,000	$185,000
New	69	**Tree Streets Waterline Replacement** This project involves the planning and designing phase.	$ -	$190,000	$190,000
New	70	**North Canal Bridge Crossing Waterline Project** This project involves the planning and designing phase.	$ -	$100,000	$100,000
New	71	**Tatum Wellfield Well Development Design** This project involves the planning and designing phase.	$ -	$500,000	$500,000
New	72	**Double Eagle South Wellfield Transmission Replacement** This project involves the planning and designing phase.	$ -	$500,000	$500,000
New	73	**Carlsbad South Sewer Wastewater Treatment Plant** This project involves the planning and designing phase.	$ -	$1,500,000	$1,500,000
New	74	**Carlsbad Belva Lift Station Force Main - 8th Street Force Main** This project involves the planning and designing phase.	$ -	$275,000	$275,000

New	75	**North Sewer System Upgrades** This project involves the planning and designing phase.	$ -	$1,200,000	$1,200,000
New	76	**Skyline & Belva Lift Station Upgrades** This project involves the planning and designing phase.	$ -	$1,400,000	$1,400,000
New	77	**Carlsbad WWTP Anaerobic Digester Rehabilitation** This project involves the planning, design, and construction phases.	$ -	$2,500,000	$2,500,000
New	78	**East Plaza Railroad Crossing Sewer Line Replacement** This project involves the planning, design, and construction phases.	$ -	$2,400,000	$2,400,000
New	79	**N. Canal Safety Improvements** This project will be in the city's public right away. Further assessment is needed.	$ -	$200,000	$200,000
New	80	**Riverside School Area - Sidewalks** This project involves a preliminary plan to assess the need for sidewalks on public right-of-way.	$ -	$200,000	$200,000
New	81	**Police Substation at Carlston Ranch** Preliminary plan to assess the feasibility of another Substation at Carlston Ranch.	$ -	$200,000	$200,000
New	82	**Cavern Theatre Parking and Annex** Preliminary plan to assess for feasibility. This may require property acquisition.	$ -	$200,000	$200,000
New	83	**Carlsbad Museum Collections Plan** To complete a plan document and work towards obtaining AAM Accreditation. AAM certifications pave the way for standards-based assessment and recognition programs that help your museum be the best it can be in fulfilling its public trust, stewardship of collections, and educational roles.	$ -	$250,000	$250,000
		Municipality ICIP Totals	$ 41,230,693	$275,433,191	$316,717,884

CITY OF CARLSBAD

INFRASTRUCTURE CAPITAL IMPROVEMENT PLAN FY2028-2032

SENIOR FACILITY PROJECT SUMMARIES (9 PROJECTS)

ID	Rank	Project Title and Project Scope of Work	Funded	Total Amount Needed	Total Project Cost
36314	1. ARSC	**Alejandro Ruiz Senior Center (aka San Jose Senior Center) - Building Renovation** Plan, design, and construct improvements at the Alejandro Ruiz Senior Center located at 120 Kircher Street in Carlsbad, Eddy County. The project will include Phase IV planning and design for additional activity rooms, storage space, and restrooms on the west side of the building. This future phase will also include improvements to the west entrance to create additional outdoor leisure space.	$9,555,159	$4,500,000	$14,055,156
39116	2. ARSC	**Alejandro Ruiz Senior Center Nutritional Program Kitchen Equipment** To purchase, install, and furnish upgraded kitchen equipment for the Alejandro Ruiz/San Jose Senior Center.	$ -	$200,000	$200,000
TBD	3. ARSC New	**Alejandro Ruiz Senior Center - Kitchen and Dining Area Floor Replacement** Replace the existing flooring in the kitchen and dining areas at the Alejandro Ruiz Senior Center to improve safety, functionality, and overall facility conditions for senior center participants and staff. The project will include removing deteriorated flooring materials and installing new, durable, easy-to-maintain flooring suitable for high-traffic use.	$ -	$750,000	$750,000
39119	4. ARSC	**Alejandro Ruiz Senior Center Nutritional Program Vehicles** To purchase, install, and equip ADA accessible passenger vehicles and food transportation units for the Alejandro Ruiz/San Jose Senior Center.	$739,524	$600,000	$1,339,524
TBD	5. ARSC New	**Alejandro Ruiz Senior Center Program Vehicles** To purchase program vehicles, including transportation carts, etc.	$ -	$320,000	$320,000
42456	1. CARC	**Carlsbad Adult Respite Center Vehicles** To purchase and equip senior program transportation vehicles	$56,250	$250,000	$306,250
40641	1. CRWC	**Cascades Recreation and Wellness Center Expansion and Renovations** Plan, design, construct, equip, and install improvements for the new Senior Center, which will replace the North Mesa Senior Center. The property and building were generously donated by a local foundation. This project will include construction of outdoor improvements, including an LED welcome sign, building signage, fencing, landscaping, shade structures, outdoor furniture, a greenhouse, a garden area, and a portico.	$426,711	$1,760,000	$2,186,711
TBD	2. CRWC New	**Cascades Recreation and Wellness Center Meals Equipment** To purchase the equipment needed to be used as an alternate meals site.	$ -	$100,000	$200,000
TBD	3. CRWC New	**Cascades Recreation and Wellness Program Equipment** To purchase shuttle carts.	$ -	$22,500	$45,000
		Senior Facility ICIP Totals	10,777,641	$8,625,000	$19,402,641

CITY OF CARLSBAD

PROJECT DEVELOPMENT

City of Carlsbad
Infrastructure Capital Improvement Plan (ICIP)
FY2028/2032

Schedule ICIP Deadlines (As of 3/2/2026.ABT)

	Begin	End/Due
Public Meeting Advertising	Saturday, March 14, 2026	Saturday, April 11, 2026
Public Meeting	Thursday, April 16, 2026	Thursday, April 16, 2026
Public Comment Period	Sunday, March 15, 2026	Friday, April 17, 2026
Department (ICIP Project Development):		
Review/Comment-Existing Projects - (Schedule Meetings w/Departments)	Sunday, March 15, 2026	Wednesday, April 1, 2026
New Internal Applications:	Wednesday, April 1, 2026	Friday, April 17, 2026
Project Summary *Required for List	Friday, May 1, 2026	Friday, May 8, 2026
Department Prioritization	Friday, May 1, 2026	Friday, May 8, 2026
Final Cost Estimates		Friday, May 15, 2026
Projected Implementation Timeline		Monday, June 1, 2026
Executive Department Recommed - Municipality & Senior Facility List	Friday, May 8, 2026	Friday, May 15, 2026
City Council Presentation-First Meeting to Present Municipality & Senior Facility ICIP 2028/2032	Monday, June 1, 2026	Tuesday, June 9, 2026
City Council Presentation-Approve Final Municipality & Senior Facility ICIP 2028/2032	Monday, June 15, 2026	Tuesday, June 23, 2026
Enter/Submit Senior Facility Municipality ICIP 2028/2032	Monday, June 15, 2026	Wednesday, July 1, 2026

City of Carlsbad
Infrastructure Capital Improvement Plan FY2028-2032
Preliminary List

Project ID	Rank	Project Title	Current Scope of Work	Funded to Date	2028	2029	2030	2031	2032	Amount Not Yet Funded	Total Project Cost	Current Status/Department Notes
38907	3	**East Greene St. Waterline**	The project involves repurposing approximately 9,750 LF of existing water line and installing 4,040 LF of new waterline to increase fire flow capacities to the industrial park areas along E. Greene St. The length of line that will be impacted is approximately 13,790 LF (approximately 2.6 miles). The project scope includes planning, design, and construction. Phase 1 of this project has a budgetary cost of $1,516,000, which includes engineering, construction, 20% contingency, and NMGRT.	$ 1,844,000	$ 1,516,000	$ 4,303,000	$ 3,929,000	$ 1,513,000	$ -	$11,261,000	$13,105,000	Department Priority #1. **2026 Capital Outlay Pending $1,516,000**
42809	2	**Affordable Housing Planning and Infrastructure**	This project is to acquire property for the planning, design, and construction of infrastructure projects for affordable/attainable housing. Phase I is in process. Future phases include the BLM property and other areas as identified in the planning process.	$ 1,621,000	$ 3,000,000	$ 18,500,000	$ 1,000,000	$ -	$ -	$22,500,000	$24,121,000	Needs to be amended to just plan, design, and construct infrastructure projects for affordable housing.
43948	7	**Solid Waste Transfer Station**	To plan, design, construct, and equip a secondary solid waste transfer station. A partnership between the City and the County has been explored in the past, and preliminary discussions and a feasibility study exist from 2019.	$ -	$ 1,325,000	$ 6,625,000	$ 6,625,000	$ -	$ -	$14,575,000	$14,575,000	Transfer Station - We have feasibility study amounts from 2019.
39093	14	**Carlsbad Police Main Station Renovations**	To plan, design, and renovate the Carlsbad Police Department. This request is for Phase II, the renovation of the 1st floor to move Patrol and Records Division, making it more accessible to the public. This also includes an additional ADA-compliant elevator.	$ 2,050,000	$ 2,200,000	$ -	$ -	$ -	$ -	$ 2,200,000	$4,250,000	Police Department Rank #1. The City is awaiting CDS funding of $250,000 to begin Phase II: 1st-floor renovations. Phase 1 is under construction currently. This will be a priority project for CDS FY28 Federal Requests
43974	24	**Public Safety Communication Equipment Upgrades**	to purchase, equip, and install communication equipment for the Public Safety Departments. Recently, the County upgraded the radio communication tower system and in order to be able to communicate without a patch, the Public Safety Departments will need to convert to the new 700 MHZ capable equipment (handheld and portable). This will allow for Public Safety personnel interoperable communication between public safety and law enforcement agencies. This critical for personnel and public safety.	$ 500,000	$ 2,700,000		$ -	$ -	$ -	$2,700,000	$3,200,000	FD Priority #1 - Need to update for a combined PD and Fire/Combine Dollar amounts as well. The FD received $500k and has applied for AFG funds for the remainder.
42829	23	**Playground on the Pecos**	To plan, design, construct renovations, and rehab to the Playground on the Pecos. The community park built in 2002 through a grassroots community effort and volunteers.	$ -	$ 3,250,000	$ -	$ -	$ -	$ -	$3,250,000	$3,250,000	Project preliminary plan is in process. Made adjustments based on public input. Will be scheduling more stakeholder meetings. This is a safety related priority project for Mayor. Continue seeking funding opportunities like Quality of Life/Rec Grants
42815	6	**Public Safety Complex (Fire/EMS/PD)**	The City is seeking a new Public Safety Complex north of the Pecos River. This project was originally considering only a fire station, but the City is now exploring a public safety complex instead. Phase I includes; planning and acquiring property, Phase II design, Phase III based on results of planning and design for future construction.	$ 500,000	$ 3,700,000	$ 33,115,000	$ 1,166,667	$ -	$ -	$37,981,668	$38,481,668	FD Priority #4 - 2025 Capital Outlay received. Planning process to start.

Project ID	Rank	Project Title	Current Scope of Work	Funded to Date	2028	2029	2030	2031	2032	Amount Not Yet Funded	Total Project Cost	Current Status/Department Notes
22529	8	**Recycling Program Improvements**	To plan, design, construct, and equip a facility for a recycling program. The City is currently working on a feasibility study to explore the idea of a recycling program with material production facility to reuse the end recycled product. This project is looking into recycling for environmental sustainability as well as to help diversify the industrial business economy and to provide additional job creation opportunities.	$ 100,000	$ 300,000	$ 2,700,000	$ -	$ -	$ -	$3,000,000	$3,100,000	FY25 Larger scale recycling related to full circle; production, recycle, full energy.
35856	9	**Old Cavern Hwy Road Reconstruct**	This project will be a complete rebuild from the subgrade up to finished surface, from the intersection of Farris St. and Old Cavern Highway at the north end of this phase, to city limits approximately 600 feet south of Chapman Road. This phase encompasses approximately 5,977 LF of roadway reconstruction.	$ 3,467,394	$ 2,418,334	$ -	$ -	$ -	$ -	$2,418,334	$5,885,728	The budget was updated for FY24 City funding, and $770k in Capital Outlay received.
TBD	New	**Derrick Road PRV & Waterline Extension**	plan, design, and construction	$ -	$ 1,250,000	$ -	$ -	$ -	$ -	$1,250,000	$1,250,000	
34354	10	**Dark Canyon Bridge and Bikeway**	To plan, design, and construct a new bridge at Boyd Dr. and Radio Blvd. crossing Dark Canyon including a bikeway, in Eddy County.	$ 4,375,000	$ 30,000,000	$ -	$ -	$ -	$ -	$30,000,000	$34,375,000	RAISE awarded $1,375.010 for the Preliminary Design. **NMDOT Design $2,201,271.BUILD Grant Application Pending.**
48811	11	**Shorthorn (Sunset) Park Rehabilitation**	To plan, design, construct, and install equipment for a multi-use recreation park in Carlsbad. This project will restore and expand on the park's recreational uses by upgrading fields to turfgrass green fields, constructing pickleball courts, a fenced dog park, upgraded bathroom facilities, shaded pavilions for group gatherings, tree canopy, landscape and maintenance, upgraded walking and biking path, and a parking lot with specifically designated food truck parking along with public parking.	$ 1,247,879	$ -	$ 1,000,000	$ -	$ -	$ -	$1,000,000	$2,247,879	The City will focus on spending the existing funds before another phase is planned.
43949	12	**Carlsbad Cemetery Expansion**	To plan, design, construct expansion of the cemetery to the west of the existing location.	$ -	$ 200,000	$ 800,000	$ -	$ -	$ -	$1,000,000	$1,000,000	Need to focus on property acquisition first
43950	13	**Shaw Street Lift Station**	To plan, design, equip, install, and construct Shaw Street Lift Station	$ -	$ 1,000,000	$ -	$ -	$ -	$ -	$1,000,000	$1,000,000	**2026 Capital Outlay Pending $420,000**
43935	5	**Fire Station Alerting System**	The Carlsbad Fire Department requests to plan, design, equip, install, and implement (including training) a station alerting system for the stations in Carlsbad, Eddy County. The system provides for more rapid alerting from dispatch resulting in reduced response times. It allows for increased situational awareness through visual and auditory peripherals throughout the station. Ramp-up alarm tones, where the volume gradually increases reduce stress and improve firefighter well-being. Automated dispatch alerting streamlines the process for dispatchers, helping to reduce stress. 25% reduction in dispatching.		$ 600,000	$ -	$ -	$ -	$ -	$600,000	$600,000	Fire Department Priority #2
42819	15	**Carlsbad Dispatch and Emergency Operations Command Center**	To plan, design, and construct a consolidated dispatch center as well as an inter-agency Emergency Operations Command Center. Exploring a new facility or renovating an existing city owned facility.	$ -	$ 500,000	$ 1,250,000	$ -	$ -	$ -	$1,750,000	$1,750,000	Police Department Priority #8 In light of possible consolidation talks this is currently at a stand still. PD Rank#5

Project ID	Rank	Project Title	Current Scope of Work	Funded to Date	2028	2029	2030	2031	2032	Amount Not Yet Funded	Total Project Cost	Current Status/Department Notes
32729	16	**Museum Archives - Collection Annex**	To plan, design and renovate a facility to be used as an annex to the museum for archives and art displays. Phase I is in process. Additional funding may be needed for Phase II to build an addition to the existing building.	$ 5,757,422	$ 500,000	$ -	$ -	$ -	$ -	$500,000	$6,257,422	Phase I construction in process.
12794	17	**Repair Riverwalk Recreation Center**	To plan, design, equip, furnish, and construct improvements to the Riverwalk Recreation Center. Phase 1-2 improvements are complete. Phase 3 is the conceptual scoping, and to the interior and exterior to maximize this popular facility.	$ 4,063,551	$ 2,000,000	$ 2,000,000	$ 2,000,000	$ -	$ -	$6,000,000	$10,063,551	
41997	18	**Sheep's Draw Wellfield Generators**	To purchase and equip a additional generators for the Sheep's Draw Wellfield.	$ 700,000	$ 800,000	$ 800,000	$ -	$ -	$ -	$1,600,000	$2,300,000	Capital Outlay Request 2024 #3 Priority ($700k)-Pending Grant Agreement. Requesting additional generators for multiple wells.
43115	19	**Water Park Improvements**	Preliminary plan, design, and construct additional improvements to add more amenities based on the preliminary findings, including indoor party spaces, outdoor cabana-style party gathering spaces for small/family gatherings.	$ -	$ 1,000,000	$ -	-	-	-	$1,000,000	$1,000,000	This is a City initiative.
42002	20	**Lower Tansill Boating and Fishing Recreation Area**	To plan, design, equip and construct recreation areas with accessibility improvements to pathways and crosswalks, equipment, parking and lighting improvements.	$ 3,100,000	$ 500,000	$ 500,000	$ 500,000	`	$ -	$1,500,000	$4,600,000	Areas 1 and 5 are now funded through the Trails+ Program. Continue to focus on trails plus funding opportunity.
32790	21	**MainStreet Pedestrian Safety and Public Restrooms**	Plan, Design and Construct corridor connections as pedestrian walkways to encourage visitors and employees to use them as convenient and safe pedestrian links to downtown. Provide public restrooms for tourists and those using the downtown area.	$ -	$ 100,000	$ 900,000	$ 900,000	$ -	$ -	$1,900,000	$1,900,000	The outdoor restroom is in process, but exploring another indoor restroom.
24132	22	**PD Vehicle Fleet Replacement**	To purchase and equip new police vehicles. The need exists to continuously upgrade older marked patrol vehicles due to excessive use, wear and tear. The necessity to maintain a newer fleet is paramount regarding both officer and community safety. A continuous replacement system allows for sustainment of a newer and safer fleet.	$ 1,000,000	$ 700,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$1,500,000	$2,500,000	Police Department Priority #2. The new request is for $1,500,000 for 15 additional vehicles.
42850	25	**Sports Complex LED Lighting Retrofit and Solar Panel Electrical Upgrades**	to plan, design, and retrofit additional sports complex lighting to LED for energy savings. Electrical upgrades include solar powered electrical RV hook-ups.	$ 320,000	$ 3,169,100	$ -	$ -	$ -	$ -	$3,169,100	$3,489,100	Application to DOE not awarded. No funding yet.
42009	26	**Carlsbad Energy Efficiency and Conservation Plan**	To develop a plan for energy efficiency to better position the City for available Energy conservation funding. Currently developing an Energy Efficiency Strategy to coincide with this project.	$ 10,000	$ 100,000	$ -	$ -	$ -	$ -	$100,000	$110,000	Continue to look for funding opportunities
43069	27	**N. Maple Improvements**	N. Maple sidewalk Improvements and safety signage.	$ -	$ 447,638	$ -	$ -	$ -	$ -	$447,638	$447,638	Need to check feasibility for sidewalks and for the safety signage. Work on feasibility plan.
43977	29	**Water System Replacements**	Plan, design and construct improvements to the Municipal Water System including waterline extensions, waterline replacement, minor repairs to booster and pressure reducing stations, repairs to reservoirs, fire lines and dead end lines.		$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$5,000,000	$5,000,000	

Project ID	Rank	Project Title	Current Scope of Work	Funded to Date	2028	2029	2030	2031	2032	Amount Not Yet Funded	Total Project Cost	Current Status/Department Notes
35843	30	**Civic Center Improvements**	To plan, design, equip, install, and construct improvements to the Walter Gerrells Performing Arts Center (Civic Center) in the City of Carlsbad in Eddy County. The next phase includes new AV and Lighting system and replace auditorium seating.	$ 550,000	$ 2,750,000	$ -	$ -	$ -	$ -	$2,750,000	$3,300,000	
10953	31	**New Main Fire Station**	Plan, design, demolish current station, construct and furnish new Fire Station #1. The Carlsbad Fire Department desperately needs a new main facility. Expansion of the Fire Department with additional personnel, vehicles, and equipment in response to a dramatically increased call volume over the last 20 years has severely impacted our dormitory occupancy, living space, training areas, vehicle parking and protection, equipment repair areas, administrative office space, storage, and all operational infrastructure.	$ -	$ 500,000	$ 1,000,000	$ 8,850,000	$ -	$ -	$10,350,000	$10,350,000	FD Priority #7
37478	32	**Sage Area Sidewalk Improvements**	To plan, design, and construct sidewalks on Sage St., Montgomery and Caviness St. in Carlsbad in Eddy County NM. This project will provide a safe route to school for children in the area. Include ADA ramps, drive pads.	$ -	$ 498,000	$ -	$ -	$ -	$ -	$498,000	$498,000	Work on acquiring funding for plan and design.
29718	33	**PD Evidence Holding and Processing Facility**	To plan, design, and construct additional bays to house a holding facility for vehicles and offices for processing. The City plans to renovate a City-owned facility for this project.	$ -	$ 1,200,000	$ -	$ -	$ -	$ -	$1,200,000	$1,200,000	Police Department priority #4. PD is exploring the Villa Esperanza (.31 acre lot) property as a possible option to demolish and build a metal building with bays. The other location is the municipal shooting range.
19674	35	**Carlsbad Sewer Improvements**	Design and construct expansion of sewer lines to different areas located north of the Pecos River where sewer service is not currently available. This project includes the unincorporated area of La Huerta. The project will eliminate the use of septic tanks in an area adjacent to the Pecos River.	$ 2,378,211	$ 600,000	$ 2,695,695	$ 515,217	$ 3,771,915	$ 7,277,710	$14,860,537	$17,238,748	
22566	36	**Sewer Line Rehab Program**	To design a program and purchase or acquire the equipment needed to clean and video tape sewer lines. Design a sewer line rehab program consisting of cleaning and video-taping to identify problems and implementing repairs to existing clay pipe sewer lines which are more than 40 years old.	$ -	$ 349,774	$ 1,000,000	$ 1,000,000	$ -	$ -	$2,349,774	$2,349,774	Need to update with more details. Focus on specific area/community location
28179	37	**Davis Street Reconstruction**	To design and reconstruct Davis Street with new paving, curb, gutter, sidewalk, water and sewer lines and ADA curb returns.	$ -	$ 300,000	$ 1,300,000	$ -	$ -	$ -	$1,600,000	$1,600,000	Work on acquiring funding for plan and design.
42010	38	**E. Chapman Sidewalk Improvements**	To plan, design, construct sidewalks including curb, gutter, drainage, drive-pads and ADA curb cuts as needed along E. Chapman	$ -	$ 150,000	$ -	$ -	$ -	$ -	$150,000	$150,000	Work on acquiring funding for plan and design.
44015	39	**EMS Ambulance Replacements**	EMS Ambulance replacement program. The Fire Department will take a phased approach to replace all of its EMS fleet. The funding will be to purchase and fully equip EMS Ambulances each year.	$ 2,100,000	$ 600,000	$ 600,000	$ 600,000	$ 600,000	$ 600,000	$3,000,000	$5,100,000	Fire Department Priority #5. **2026 Capital Outlay Pending $600,000 grant agreement.**
42011	40	**Callaway Drive Sidewalk improvements**	To plan, design, construct sidewalks including curb, gutter, drainage, drive-pads and ADA curb cuts as needed along Callaway Drive.	$ -	$ 150,000	$ -	$ -	$ -	$ -	$150,000	$150,000	Needs to be a lower priority until construction of the roundabout is complete.

Project ID	Rank	Project Title	Current Scope of Work	Funded to Date	2028	2029	2030	2031	2032	Amount Not Yet Funded	Total Project Cost	Current Status/Department Notes
43076	41	**Police Department K9 Training Field**	to plan, design, construct, furnish, equip, and install a K-9 training facility for the Carlsbad police department. The new K-9 training facility exclusively for K-9 training exercises and community demonstrations. Currently, the CPD has four service police dogs and is looking to expand the program to continue the drug interdiction and school safety-related programs. The plan is to design a facility with shade structures, kennels, water/sprinkler systems, large obstacles, and barriers to use in their training. Approximately 40 sq. yrd x 100 sq. yrd. size for the entire facility.	$ -	$ 150,000	$ -	$ -	$ -	$ -	$150,000	$150,000	Police Department Priority #7
43100	42	**Hagerman Lift Station**	to plan, design, equip, install, and construct Hagerman Lift Station		$ 1,250,000	$ -	$ -	$ -	$ -	$1,250,000	$1,250,000	Utility Department Priority #5
43102	43	**City of Carlsbad Community Garden**	to plan, design and construct a Community Garden in collaboration with the Beautification program. The project will require fencing to protect the garden and irrigation.	$ -	$ 150,000	$ -	$ -	$ -	$ -	$150,000	$150,000	No department comment
42821	44	**Lower Tansill MLK Park Improvement Initiative**	to plan, design, install, equip, furnish Martin Luther King park improvements in the Lower Tansill area in collaboration with the Beautification program.	$ 300,000	$ 300,000	$ -	$ -	$ -	$ -	$300,000	$600,000	Design is approximately 60% complete. Look for funding opportunities.
43110	45	**Elgin Road Safety Improvements**	to plan, design, equip, and install safety improvements along Elgin Road	$ -	$ 200,000	$ -	$ -	$ -	$ -	$200,000	$200,000	Look for funding opportunities
43113	46	**Cherry Lane Park Improvements**	to plan, design, furnish, equip playground improvements to Cherry Lane Park. Exploring zip liner equipment along with playground equipment.	$ -	$ 150,000	$ -	$ -	$ -	$ -	$150,000	$150,000	Look for funding opportunities
39059	47	**Library HVAC Renovations**	To plan, design, equip, and install new air flow units for the boiler are needed to provide required air handling for separate building areas, incorporate variable speed drives to improve temperature control, moderate excessive air flow to certain areas, and reduce energy usage.	$ -	$ 600,000	$ -	$ -	$ -	$ -	$600,000	$600,000	Department to check with HVAC Tech check for feasibility as internal project
38956	48	**Six-Mile Dam Recreation Area**	To plan, acquire property, design, and construct a recreation area at the City's six-mile dam. Phase I includes preliminary design and planning. Phase II will be to construct the recreation area in the existing City right-of-way, including parking improvements. Future phases will connect walking, running, and non-motorized bike trails from the Lower Tansil area along the Pecos River to the new 6 Mile Dam Recreation area	$ -	$ 1,000,000	$ -	$ -	$ -	$ -	$1,000,000	$1,000,000	Need a feasibility study due to ROW issues. No other department comments
18723	49	**MainStreet Wayfinding Signage**	To plan, design and install wayfinding signage in downtown MainStreet Carlsbad as well as surrounding areas that include both the Arts and Cultural District and Historical District.	$ -	$ 80,000	$ -	$ -	$ -	$ -	$80,000	$80,000	Will discuss with MainStreet about applying directly to MainStreet.
42013	50	**Mainstreet District Property Acquisition for Public Parking Lot**	To plan, design, acquire, construct and equip a parking lot along Main Street district to create more public parking for events and retail shopping/activities.	$ -	$ 160,000	$ 640,000	$ -	$ -	$ -	$800,000	$800,000	

Project ID	Rank	Project Title	Current Scope of Work	Funded to Date	2028	2029	2030	2031	2032	Amount Not Yet Funded	Total Project Cost	Current Status/Department Notes
15932	52	**Double Eagle Waterline Replacement**	To plan, design, construct, and replace existing water lines in the Double Eagle water well field in Carlsbad, NM. The lines to be replaced serve as gathering lines and transmission lines from the two well fields. This project is being phased.	$ 6,559,752	$ 3,000,000	$ -	$ -	$ -	$ -	$3,000,000	$9,559,752	Capital Outlay and EPA (CDS) funding secured for next phase of waterline replacement. Will need to plan and design next phase before construction.
39090	53	**W. Orchard Lane Sewer Upgrade/Upsize**	The project involves replacing approximately 3,010 linear feet of undersized 12-inch vitrified clay pipe (VCP) with 15-inch C-900 PVC pipe, including new manholes and service laterals, from a utility easement north of West Orchard Lane near Country Club Way to the intersection of West Orchard Lane and North Canal Street. The project scope includes planning, design, and construction. This project has a planning level budgetary cost of $1,900,000, which includes engineering, construction, 20% contingency, and NMGRT.	$ -	$ 1,900,000	$ -	$ -	$ -	$ -	$1,900,000	$1,900,000	Utilities Department Priority #4
43124	54	**New Carlsbad Conference and Event Center**	to complete a feasibility study, plan, and design a new Conference and Event Center in Carlsbad. This would be an economic opportunity by providing large spaces for large industry/business conferences in the area.	$ -	$ 500,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$4,500,000	$4,500,000	City Initiative. Continue looking for funding. May change to purchase the existing facility.
43165	56	**CID Trails and Bike Path Improvements**	to plan, design, and construct improvements to the Carlsbad Irrigation District through a right-of-use permit. Many city residents use the existing canals within City limits for walking and biking.	$ -	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$500,000	$500,000	Derived from public input. Need to discuss agreement with CID but currently not feasible. Department recommends removing the project due to lack of cooperation from CID. Received public input again this year.
43168	57	**Electric Vehicle Charging Stations**	to plan, design, construct, equip, install, and furnish publicly accessible electric vehicle charging stations in strategically placed areas for use by the public and the traveling public.	$ -	$ 1,500,000	$ -	$ -	$ -	$ -	$1,500,000	$1,500,000	Applications submitted previously not funded
44024	58	**Historic Preservation Plan**	to develop a plan for a historic preservation plan in the MainStreet/Cultural existing boundary and adding properties in preparation for becoming a Certified Local Government		$ 100,000	$ -	$ -	$ -	$ -	$100,000	$100,000	
44025	59	**Fire Personal Protective Gear Replacements**	Replace PPE - Structural Fire Fighting PPE (boots, coats, pants, helmet, masks, gloves, hoods) for 50 personnel.		$ 350,000	$ -	$ -	$ -	$ -	$350,000	$350,000	Fire Department Priority #8
44020	61	**La Huerta Water System Improvements**	Plan, design and construct improvements to the La Huerta Water System including waterline extensions, waterline replacement, minor repairs to booster and pressure reducing stations, repairs to reservoirs, fire lines and dead-end lines.		$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$5,000,000	$5,000,000	
43934	4	**PD - Mobile Surveillance Tower**	To plan, equip, install, and furnish mobile surveillance towers. Equipment lift for crime prevention: portable devices and technology to monitor and track individuals, vehicles, or activities in real time.	$ 96,000	$ 300,000	$ -	$ -	$ -	$ -	$300,000	$300,000	Police Department Priority #6. The City added funding for 3 units at $32k each for a total of $96k to begin implementation.
44010	64	**Secondary Wastewater Treatment Plant**	to plan, design, equip, and construct a secondary wastewater treatment plant in Carlsbad, in Eddy County. According to the most current census, the city and Eddy County have experienced a 13% population increase in the last ten years. This significant growth, along with the City's work towards building affordable housing and economic development initiatives, makes it necessary to increase basic infrastructure to sustain this growth.	$ -	$ 1,000,000	$ 4,000,000	$ 5,000,000	$ 5,000,000	$ 6,000,000	$21,000,000	$21,000,000	

Project ID	Rank	Project Title	Current Scope of Work	Funded to Date	2028	2029	2030	2031	2032	Amount Not Yet Funded	Total Project Cost	Current Status/Department Notes
43997	66	**Sports Complex Walking Path**	To plan, design, equip, furnish, and construct a walking path at the sports complex, in Carlsbad in Eddy County. This would be an ideal location to use for outdoor exercise for individuals and families.	$ -	$ 200,000	$ 800,000	$ -	$ -	$ -	$1,000,000	$1,000,000	
43982	67	**Sports Complex Indoor Basketball Center**	To plan, design, equip, furnish, and construct an indoor basketball center at the sports complex, in Carlsbad in Eddy County. This would be an ideal location to add more sports event options.	$ -	$ 2,520,148	$ 11,732,992	$ -	$ -	$ -	$14,253,140	$14,253,140	
TBD	New	**Carlsbad Police Substation Renovations**	To plan, design, and renovate the Carlsbad Police Department. The plan is to add an improved entryway with a lobby, an interview and booking room, and admin offices. This will improve community policing efforts in the south part of Carlsbad.	$ -	$ 1,500,000	$ -	$ -	$ -	$ -	$1,500,000	$1,500,000	Police Department Priority #3.
TBD	New	**Police Department Security Improvements**	To plan, design, construct, install, and equip Police Department facilities with secure access gates and fences, cameras, outdoor protection barriers, security camera upgrades, lighting, etc. Can be phased by location (main, substation, and other).	$ -	$ 500,000	$ 500,000	$ -	$ -	$ -	$1,000,000	$1,000,000	Police Department Priority #5
TBD	New	**Fire Department Training Facility**	To plan, design, and construct a fire department training facility to facilitate the training of new and current firefighters. Facility will include live fire training buildings and props, a training tower, and classrooms. The fire department currently does not have its own facilities to conduct this manner of training.	$ -	$ 500,000	$ 1,000,000	$ 8,850,000	$ -	$ -	$10,350,000	$10,350,000	New Project- FD Priority #3
TBD	New	**EMS UTV and Transport Trailer**	Purchase of an EMS/Ambulance-configured UTV for responses into areas that are difficult to access, as well as large-scale events. Includes equipment and trailer.	$ -	$ 150,000	$ -	$ -	$ -	$ -	$0	$150,000	New Project- FD Priority #6
TBD	New	**Sports Complex RV Parking Spaces**	To install, equip, and construct RV Parking Spaces.	$ 434,483.99	$ 1,500,000	$ -	$ -	$ -	$ -	$1,500,000	$1,934,484	
TBD	New	**Riverwalk Recreation Center Annex**	To design, install, equip, furnish, and construct an annex building adjacent to the main RRC building, and improve the outdoor aesthetics.	$ -	$ 2,700,000	$ 500,000	$ 500,000	$ -	$ -	$3,700,000	$3,700,000	
TBD	New	**Golf Course Improvements**	to plan, design, and implement improvements to include a trail (cart path), bunkers, a safety net, and tee boxes.	$ -	$ 2,500,000	$ -	$ -	$ -	$ -	$2,500,000	$2,500,000	
TBD	New	**Parks and Recreation Masterplan**	to hire a consultant to update the parks and recreation master plan to help guide future improvements throughout Carlsbad	$ -	$ 150,000	$ -	$ -	$ -	$ -	$150,000	$150,000	To seek grant funding to complete masterplan which will in turn help support grant applications for future park and recreation projects
TBD	New	**Dark Canyon Waterline Replacement**	plan and design phase	$ -	$ 185,000	$ -	$ -	$ -	$ -	$185,000	$185,000	
TBD	New	**Tree Streets Waterline Replacement**	plan and design phase	$ -	$ 190,000	$ -	$ -	$ -	$ -	$190,000	$190,000	
TBD	New	**North Canal Bridge Crossing Waterline Project**	Plan and design phase	$ -	$ 100,000	$ -	$ -	$ -	$ -	$100,000	$100,000	

Project ID	Rank	Project Title	Current Scope of Work	Funded to Date	2028	2029	2030	2031	2032	Amount Not Yet Funded	Total Project Cost	Current Status/Department Notes
TBD	New	**Tatum Wellfield Well Development Design**	Plan and design phase	$ -	$ 500,000	$ -	$ -	$ -	$ -	$500,000	$500,000	
TBD	New	**Double Eagle South Wellfield Transmission Replacement**	Plan and design phase	$ -	$ 500,000	$ -	$ -	$ -	$ -	$500,000	$500,000	
TBD	New	**Carlsbad South Sewer Wastewater Treatment Plant**	Plan and design phase	$ -	$ 1,500,000	$ -	$ -	$ -	$ -	$1,500,000	$1,500,000	
TBD	New	**Carlsbad Belva Lift Station Force Main - 8th Street Force Main**	Plan and design phase	$ -	$ 275,000	$ -	$ -	$ -	$ -	$275,000	$275,000	
TBD	New	**North Sewer System Upgrades**	Plan and design phase	$ -	$ 1,200,000	$ -	$ -	$ -	$ -	$1,200,000	$1,200,000	
TBD	New	**Skyline & Belva Lift Station Upgrades**	plan, design, and construction	$ -	$ 1,400,000	$ -	$ -	$ -	$ -	$1,400,000	$1,400,000	
TBD	New	**Carlsbad WWTP Anaerobic Digester Rehabilitation**	plan, design, and construction	$ -	$ 2,500,000	$ -	$ -	$ -	$ -	$2,500,000	$2,500,000	
TBD	New	**East Plaza Railroad Crossing Sewer Line Replacement**	plan, design, and construction	$ -	$ 2,400,000	$ -	$ -	$ -	$ -	$2,400,000	$2,400,000	
TBD	New	**N. Canal Safety Improvements**	This will be in the City public right away. Assessment is needed.	$ -	$ -	$ 200,000	$ -	$ -	$ -	$200,000	$200,000	
TBD	New	**Riverside School Area - Sidewalks**	Preliminary plan to assess the need for sidewalks on public right-of-way.	$ -	$ -	$ 200,000	$ -	$ -	$ -	$200,000	$200,000	
TBD	New	**Police Substation at Carlston Ranch**	Preliminary plan to assess the feasibility for another Substation at Carlston Ranch	$ -	$ -	$ 200,000	$ -	$ -	$ -	$200,000	$200,000	
TBD	New	**Cavern Theatre Parking and Annex**	Preliminary plan to assess for feasibility. This may require property acquisition.	$ -	$ -	$ 200,000	$ -	$ -	$ -	$200,000	$200,000	
TBD	New	**Carlsbad Museum Collections Plan**	To complete a plan document and work towards obtaining AAM Accreditation. AAM certifications pave the way for standards-based assessment and recognition programs that help your museum be the best it can be in fulfilling its public trust, collections stewardship, and educational roles.	$ -	$ 250,000	$ -	$ -	$ -	$ -	$250,000	$250,000	
				$ 41,230,693	**$ 106,867,994**	**$ 98,058,687**	**$ 40,806,884**	**$ 12,671,915**	**$ 17,177,710**	**$275,433,191**	**$ 316,717,884**	

City of Carlsbad
Infrastructure Capital Improvement Plan FY2028-2032
Preliminary List - Projects Being Removed

Project ID	Rank	Project Title	Current Scope of Work	Funded to Date	2028	2029	2030	2031	2032	Amount Not Yet Funded	Total Project Cost	Current Status/Department Notes
37463	1	**Primary Sewer Lift Station Wet Well**	To plan and design a second sewer wet well for the City's Primary sewer lift station. All of the City's sewer flows through this critical facility.	$ 1,500,000	$ 4,400,000	$ -	$ -	$ -	$ -	$4,400,000	$5,900,000	Project in process. Fully funded
32648	28	**Fire Station 2 Remodel**	This project will remodel the entire station, add one apparatus bay, and extend the two existing apparatus bays. The current station does not have adequate dormitory or office space for our personnel, and the apparatus bay is not long enough to hold modern firefighting trucks.	$ -	$ 375,000	$ 2,125,000	$ -	$ -	$ -	$2,500,000	$2,500,000	Remove. No longer in alignment with department expansion/reconfiguration.
40424	34	**Fire Station 1 Solar Carport**	Plan and design Fire Station 1 solar carport. This initial phase is mainly for planning to determine cost of construction. This project will provide energy savings as well as protect fire units from the elements.		$ 50,000	$ -	$ -	$ -	$ -	$50,000	$50,000	Remove. No longer in alignment with department expansion/reconfiguration. Can be incorporated with other project proposals.
42012	51	**Library Employee Solar Panel Parking Structure**	To plan, design, construct, install, and equip, solar parking lot parking in the employee parking lot of the Carlsbad Public Library.	$ -	$ 350,000	$ -	$ -	$ -	$ -	$350,000	$350,000	Remove. Changed priority.
43129	55	**Cavern City Airport Concession and Vehicle Rental Renovations**	to plan, design, and construct renovations to reconfigure and renovate the Cavern City Airport Concession area and to add a vehicle rental area customer counter and secured vehicle parking area.	$ -	$ 200,000	$ 500,000	$ 500,000	$ -	$ -	$1,200,000	$1,200,000	Remove. This project is included as part of the future Terminal Design on the Airport's CIP.
44028	60	**Fire Attack Package Standardization Upgrade**	To purchase, equip, and install Fire Attack Package Standardization Upgrades (hoses, nozzles).		$ 100,000	$ -	$ -	$ -	$ -	$100,000	$100,000	Remove. Internally funded through phased purchasing.
44013	62	**Public Library Expansion**	Plan, design, construct improvements to expand the Carlsbad Public Library. The City is looking to find a different location for the Museum to be able to expand the library.	$ -	$ 500,000	$ 1,000,000	$ 100,000	$ -	$ -	$1,600,000	$1,600,000	Remove this project. A new project to be added in the future.
44011	63	**Callaway and Captain Williams Intersection Lighting Improvements**	To purchase, install, intersection lighting at the intersection of Callaway and Captain Williams. This will include replacing all conduit, wiring, fixtures, and below-ground bunkers from Callaway Drive to Captain Williams.	$ -	$ 500,000	$ -	$ -	$ -	$ -	$500,000	$500,000	Applications submitted previously not funded. Look at removing the project from ICIP due to a lack of funding opportunities.
44001	65	**Carlsbad Museum (New) Building Replacement**	To plan, design, furnish, equip, and construct a new building to replace the municipal museum in Carlsbad, Eddy County. The facility is out of space and needs more efficient accommodations to house the city's art collection. The existing facility has been expanded but lacks the appropriate type of space as well as environmental controls for sensitive collections and to host traveling exhibits. The City is looking to purchase property across the street from the existing museum.		$ 400,000	$ 1,800,000	$ 1,000,000	$ -	$ -	$3,200,000	$3,200,000	Remove. The project has changed to remodel existing. A new project to be added in the future.
				#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	

City of Carlsbad
Infrastructure Capital Improvement Plan FY2028-2032
Senior Facility - Preliminary List

Project ID	New Rank	Project Title	Current Scope of Work	Funded to Date	2028	2029	2030	2031	2032	Amount Not Yet Funded	Total Project Cost	Current Status/Department Notes
36314	1. ARSC	**Alejandro Ruiz Senior Center (aka San Jose Senior Center) - Building Renovation**	Plan, design, and construct improvements at the Alejandro Ruiz Senior Center located at 120 Kircher Street in Carlsbad, Eddy County. The project will include Phase IV planning and design for additional activity rooms, storage space, and restrooms on the west side of the building. This future phase will also include improvements to the west entrance to create additional outdoor leisure space.	$ 9,555,156	$ 3,500,000	$ 1,000,000	$ -	$ -	$ -	$4,500,000	$14,055,156	Phase 1-3 funded and under construction. Phase 4 TBD but will apply next funding cycle.
39116	2. ARSC	**Alejandro Ruiz Senior Center Nutritional Program Kitchen Equipment**	To purchase, install, and furnish upgraded kitchen equipment for the Alejandro Ruiz/San Jose Senior Center.	$ -	$ 200,000	$ -	$ -	$ -	$ -	$200,000	$200,000	This will be for equipment replacement but no FY25 application to be submitted
New	TBD	**Alejandro Ruiz Senior Center - Kitchen and Dining Area Floor Replacement**	Replace the existing flooring in the kitchen and dining areas at the Alejandro Ruiz Senior Center to improve safety, functionality, and overall facility conditions for senior center participants and staff. The project will include removal of deteriorated flooring materials and installation of new durable, easy-to-maintain flooring suitable for high-traffic use.	$ -	$ 750,000	$ -	$ -	$ -	$ -	$750,000	$750,000	New Project
39119	3. ARSC	**Alejandro Ruiz Senior Center Nutritional Program Vehicles**	To purchase, install, and equip ADA accessible passenger vehicles and food transportation units for the Alejandro Ruiz/San Jose Senior Center.	$ 739,524	$ 200,000	$ 200,000	$ 200,000	$ -	$ -	$600,000	$1,339,524	Working with SNMCAC to determine next vehicle replacement needs. $577,5000 pending 2026 Capital Outlay.
TBD	New	**Alejandro Ruiz Senior Center Program Vehicles**	To purchase program vehicles, including transportation carts, etc.	$ -	$ 160,000	$ 160,000				$320,000	$320,000	
42456	1. CARC	**Carlsbad Adult Respite Center**	to purchase and equip senior program transportation vehicles	$ 56,250	$ 250,000	$ -	$ -	$ -	$ -	$250,000	$306,250	Verifying if it is allowable as a senior center per ALTSD or if it will be added to the Municipality ICIP list. $56,250 pending 2026 Capital Outlay.
40641	1. NMSRC	**Cascades Recreation and Wellness Center Expansion and Renovations**	Plan, design, construct, equip, and install improvements for the new Senior Center, which will replace the North Mesa Senior Center. The property and building were generously donated by a local foundation. This project will include construction of outdoor improvements, including an LED welcome sign, building signage, fencing, landscaping, shade structures, outdoor furniture, a greenhouse, garden area, and a portico.	$ 426,711	$ 1,600,000	$ 160,000	$ -	$ -	$ -	$1,760,000	$2,186,711	Revised to include improvements and construction at the new facility.
TBD	New	**Cascades Recreation and Wellness Center Meals Equipment**	to purchase the equipment needed to be used as an alternate meals site.	$ -	$ 100,000	$ 100,000				$200,000	$200,000	
TBD	New	**Cascades Recreation and Wellness Program Equipment**	to purchase shuttle carts.	$ -	$ 22,500	$ 22,500	$ -	$ -		$45,000	$45,000	
				$ 10,777,641	**$ 6,782,500**	**$ 1,642,500**	**$ 200,000**	**$ -**	**$ -**	**$ 8,625,000**	**$ 19,402,641**	

CITY OF CARLSBAD

PUBLIC INPUT PROCESS

City of Carlsbad
Infrastructure Capital Improvement Plan (ICIP)
FY 2028-2032
Public Comments

Method Delivered	Date Received	ICIP Project No.	Project	Department	Comment/Question	Response
OpenForms	3/26/2026	43129	CID Trails and Bike Path Improvements	Projects	Improvement of cicycle paths (from flume to Hwy 62/180) along Canal. Possible improvements past the 62/180 intersection with a way for bicycles to safely cross 62/180. The existing bike trail alongside the canal has suffered damage over the last 5 years. In particular, 1. There are several sinkholes throughout the path. 2. There are overgrown tumbleweeds (especially between Lea and Radio/Boyd. 3. The pavement is falling into the canal between Pierce and Blodgett. 4. There is a large pile of dirt just north of Lea where the canal was dredged and the dirt just left beside the bike path. 5. A section of pavement is missing near the Sunset softball field (between Pierce and Blodgett.) 6. The section of trail that crosses Boyd Drive up to California Street is an absolute mess. There is crazy vehicle traffic, and the path that crosses the draw is completely washed out. It is frequently flooded. There are large rocks on the trail on the upper side of the trail on both sides. I am attaching a picture that I took on the west side of Boyd showing the rocks. This entire stretch of trail is rather treacherous. In addition, it would be nice to have some sort of flashing lights on the road whre the trail is crossing. The crossings at Pierce, Texas/Mermod, Lea and especially at San Jose are particularly difficult since traffic is going very fast. Every time there is an attempted repair of the trail, the crew uses a heavy vehicle, which degrades the edges of the asphalt so the trail keeps getting more narrow. In many places, it's a single file trail. I also think it would be nice to extend the bike trail East of 62/180	This project is on the current ICIP. This is CID property and would require additional discussion regarding maintenance and liability.
OpenForms	4/14/2026				Carlsbad needs a third bridge across the Pecos River. The area would be from Calloway Drive across the river to tie into Skyline Drive. This are is expanding with apartment complexes and new homes. If Calloway is shut down when the river floods than the only alternative is the Canal Street bridge or the Green Street bridge. They would be very congested. The second proposal is to increase water pressure in the La Huerta area. More new homes and apartments have greatly reducedc the pressure that was good when I moved here in June of 2012. The third proposal is to maintain the walking, running, bicycle path that runs along the canal. It has become a disgrace since it was first constructed. Very little maintenance has been done on it. This does not look good for a city that is trying to lure retirees to town.	
In Person	4/16/2026	New	Police Substaion-Carlston Ranch Area	Police	PD substation in the future Carlston Ranch	Adding to ICIP
In Person		43949	Carlsbad Cemetery Expansion	Projects	Cemetary expansion	Project is on ICIP

In Person	**22529**	**Recycling Program Improvements**	**Utilities**	Recycling program improvements	Project is on ICIP
In Person	**44001**	**Carlsbad Museum (New) Building Replacement**	**Community Development**	Museum building. Questioned purchasing building across the street. Angie will meet with departments.	This project is being removed. The project is now changed to remodel exisiting facility. A new project could be added in the future.
In Person	**N/A**	**Cherry Lane Park Fence**	**Projects**	Cherry Lane Park improvement. Dogs running around off leash. Would like park to be fenced completely. Temporary solution keep dogs on leash.	The park is already fenced.
	12794	**Repair Riverwalk Recreation Center**	**Community Development**	Recreation Center would like to see more improvements done there. Would like additional amenities.	This project is on ICIP
	42013	**Mainstreet District Property Acquisition for Public Parking Lot**	**Community Development**	Parking lot on Main Street	This project is on ICIP
	42819	**Carlsbad Dispatch and Emergency Operations Center**	**Police**	Carlsbad Dispatch and Emergency Operations. State will move towards consolidation.	Project is on ICIP
	43115	**Water Park Improvements**	**Community Development**	Water Park improvements. Will it expand water park we have or add additional space.	Project is on ICIP
	43110	**Elgin Road Safety Improvements**	**Projects**	Elgin Road Safety Improvements. People want speed bumps added due to people speeding.	Response, do not believe that speed bumps will help.
	32790	**Mainstreet Pedestrian Safety and Public Restrooms/Planning along N. Canal**	**Community Development & Projects**	MainStreet Pedestrian Safety and Public Restrooms. Lots of people running, walking. Would like a sidewalk from North Canal to Orchard to Stop sign at Cherry Lane Park. Or maybe a pathway to keep pedestrians and bicyclist safe. People are constantly speeding around the area.	This is input for existing ICIP and a new possible project for planning improvements along N. Canal
	N/A	**Solar Stop Signs**	**Projects**	Solar stop signs	General request
	New	**Riverside School Area Sidewalks**	**Projects**	Sidewalks around Riverside School	Adding to ICIP - Will need a plan to assess feasibility within the public the right of way.
	N/A	**Pierce Street Crosswalks and Safety Lighting**	**Projects**	Walking lights activated when pedestrian gets near. Wants one on Pierce Street. Crosswalks are terrible. Paint doesn't last.	This is a state highway. Could be referred to the new internal Carlsbad Safety Committee (Long-Range Transportation Plan) for further coordination with NMDOT.
	N/A	**Sheep's Draw Well**	**Utilities**	Sheep's Draw Well	Project is funded through Loan/Grant and in process
	42809	**Affordable Housing Planning and Infrastructure**	**Projects**	Affordable housing planning. Wants to know who will benefit from it.	Staff provided update on affordable/workforce housing initiatives the city is working on implementing
	New	**Cavern Theatre Parking and Annex**	**Community Development**	Interested in the possibility of the City of Carlsbad gathering funds for an addition to the Cavern Theatre, which would be on the north side of the parking lot. So much has been done, however, they feel more can be, such as additional dressing rooms and extra restrooms, so it would open up options for stage performances.	Adding to ICIP
	38956	**Six Mile Dam Recreation Area**	**Projects**	Real bike trail (paved) from the Lower Tansill Dam down to the Six Mile Dam.	Project is on ICIP

City of Carlsbad
Infrastructure Capital Improvement Plan (ICIP)
FY2028/2032

Public Meeting
Janell Whitlock Municipal Annex
City Council Chambers, 114 S. Halagueno St.
Thursday, April 16, 2026, 5:30 pm

- **Sign In**

- **Welcome/Introductions**

- **Infrastructure Capital Improvement Plan (ICIP) Process Overview**
  - **Handouts**
    - Project List – ICIP FY2028/2032 (Unofficial)
    - Comment Card

- **ICIP Deadlines/*Tentative Schedule***
  - **Public Meeting** – April 16, 2026
  - **Public Comment Period** – Open March 15, 2026, through April 17, 2026.
    - **Online comments**: https://us.openforms.com/Form/bc95f347-250b-4a27-96b2-9b744047d1ad
    - **Website ICIP Lists:** https://www.cityofcarlsbadnm.com/Departments/Grant-Program
  - **Department Follow-up (Project Development) –** Ongoing (new April 1, 2026 – June 1, 2026)
    - Internal Applications for feasible projects
    - Cost Estimates
    - Projected Implementation Timeline
    - Department Prioritization
  - **Executive Department Recommended Prioritized ICIP List** - May 8-15, 2026
    - Review Internal Project Applications
    - Prioritized Recommended List based on Feasibility and Critical Need
  - **City Council Presentation – 1st Meeting Recommended Municipality and Senior Facility Lists for Review June 9, 2026**
  - **City Council Approval – Final ICIP 2028/2032 List Approved by Resolution June 23, 2026**
  - **ICIP FY2027/2031 Submittals**
    - Due July 1, 2026
  - **Capital Outlay Requests** – Begin Preparation - Target date October 1, 2026

- **Open Public Comments**

- **Adjourn**

Name	Address	Phone #	Org
Mark Waltenschied	502 Hamilton	575 706 1130	
Randy Galindo	5107 Chaparrales	575-200-8109	
Wendy Austin	1314 W. Riverside Dr.	5753615476	City
Melissa Salado	1907 San Jose Blvd	575-302-5464	City
Edward T. Rodriguez	4711 Caballero Dr	575-302-8007	
Pat Cass	1306 W Thomas	575-302-1937	City
Angie Barrios-Testa			City
Sue & Sam Plumlee	1403 w Howard	361-2022	
Brad Carlsen	2921 Palo Alto	575-318-6115	city
Jessie Rodriguez	602 w. Mermod	575-266-6636	city
Harry Mitchell	1505 Lincoln	575-302-1066	
Edward VanScotter	1507 Jefferson	509 847 8037	city
Kendra Corbin	50 Pueblo Rd	515 371 2596	
Jean Prominski	510 W. Cherry Ln	206-437-3038	
Hatfield, Wyse	101. N. Alabama	575-887-1191	
Shay Gregory	303 W. Riverside	5154257356	
Kayla Gonzales	905 N. Howard St	325-668 7132	City
Sarah Purvis & Drew Purvis	1933 Leanne Dr.	575-243-0688	
Mary Garrard	— on file	on file	
Cynthia Flores	2408 Jackson	575 499-6508	

City of Carlsbad – Infrastructure Capital Improvement Plan

Please use this comment card to provide written input regarding future capital projects. Feel free to add additional sheets as needed. Comments must be postmarked by **April 17, 2026**, and can be submitted via mail, email, or fax.

Mail: City of Carlsbad - City Hall
Attention: Angie Barrios-Testa,
Director of Grant Programs
101 N. Halagueno
Carlsbad, NM 88220

Email: abtesta@cityofcarlsbadnm.com
Phone: 575-887-1191 x7904

Fax: 575-887-8566
Attention: Angie Barrios-Testa

Contact Information (Optional):

Name: _____ Mailing Address: _____

Phone Number: _____ Email Address: _____

COMMENTS:

CITY OF CARLSBAD

HELP SHAPE OUR COMMUNITY'S FUTURE

PUBLIC INPUT MEETING

INFRASTRUCTURE CAPITAL IMPROVEMENT PLAN (ICIP) FY 2028-2032

Roads · Parks · Public Safety · Senior Services · Water & Sewer · Community Facilities

The City of Carlsbad is updating its Infrastructure Capital Improvement Plan (ICIP) — the document that guides major projects and funding priorities for the next five years.

Your input helps determine:

What projects are prioritized?

What funding the City pursues?

How we invest in Carlsbad's future?

DATE: APRIL 16, 2026
TIME: 5:30 p.m.
LOCATION: Janell Whitlock Municipal Annex, 114 S. Halagueno St., Carlsbad nm 88220

This is your opportunity to:
- **Learn about proposed projects**
- **Share your priorities**
- **Ask questions**
- **Help guide future funding decisions**

Door Prizes and
Light refreshments provided.
All residents are encouraged to attend.

If you require hearing interpreters, language interpreters or auxiliary aids in order to attend the meeting, please contact the City Administrator's Office at (575) 887-1191 at least 48 hours prior to the scheduled meeting.

If you are unable to attend the meeting, the City of Carlsbad will offer an open public comment period from March 15, 2026, through April 17, 2026.
You may submit your comments electronically at the following link:
https://us.openforms.com/Form/bc95f347-250b-4a27-96b2-9b744047d1ad

575-887-1191 x7904 **abtesta@cityofcarlsbadnm.com**

CITY OF CARLSBAD

AYÚDENOS A DAR FORMA AL FUTURO DE NUESTRA COMUNIDAD
REUNIÓN PÚBLICA

PLAN DE MEJORAS DE INFRAESTRUCTURA (ICIP) FY 2028-2032

Calles · Parques · Seguridad Pública · Servicios para Personas Mayores · Agua y Alcantarillado · Instalaciones Comunitarias

La Ciudad de Carlsbad está actualizando su Plan de Mejoras de Infraestructura (ICIP), el documento que guía los proyectos principales y las prioridades de financiamiento para los próximos cinco años.

Su participación ayuda a determinar:

Qué proyectos tendrán prioridad?

Qué fondos estatales y federales solicitará la Ciudad?

Cómo invertimos en el futuro de Carlsbad?

FECHA: 16 de abril de 2026
HORA: 5:30 p.m.
LUGAR: Anexo Municipal Janell Whitlock, 114 S. Halagueno St., Carlsbad, NM 88220

Esta es su oportunidad para:
- **Informarse sobre los proyectos propuestos**
- **Compartir sus prioridades**
- **Hacer preguntas**
- **Ayudar a orientar las decisiones sobre financiamiento futuro**

Habrá premios de rifa y refrigerios ligeros.
Todos los residentes están invitados.

Si necesita intérpretes para personas con discapacidad auditiva, intérpretes de idiomas o ayudas auxiliares para asistir a la reunión, por favor comuníquese con la Oficina del Administrador de la Ciudad al (575) 887-1191 al menos 48 horas antes de la reunión programada.

Si no puede asistir a la reunión, la Ciudad de Carlsbad ofrecerá un período de comentarios públicos abiertos del 15 de marzo de 2026 al 17 de abril de 2026.
Puede enviar sus comentarios electrónicamente en el siguiente enlace:
https://us.openforms.com/Form/bc95f347-250b-4a27-96b2-9b744047d1ad

575-887-1191 x7904

abtesta@cityofcarlsbadnm.com

CITY OF CARLSBAD
AGENDA BRIEFING
MEMORANDUM

Council Meeting Date: June 9, 2026

DEPARTMENT: City Clerk	**BY**: Nadine Mireles	**DATE**: 05/01/2026

SUBJECT:
Consider Approval of Annual City Liquor License Renewals

BACKGROUND, ANALYSIS AND IMPACT: (Safety and Welfare/Financial/Personnel/Infrastructure/etc.)
Annually, the City Clerk's Office requests the City Council's approval of all City Liquor License renewals. The City Liquor Licenses are renewed yearly upon the payment of a $250.00 fee and proof of a State Issued Liquor License. Attached is the current list of Liquor Licenses in the City of Carlsbad.

DEPARTMENT RECOMMENDATION:
The Department recommends approval of all existing Liquor Licenses subject to receipt of proof of a City Business Registration, a NM State Liquor License and payment of the Annual City Liquor License fee of $250.00

BOARD/COMMISSION/COMMITTEE ACTION:
-

Reviewed by:

City Manager: Wendy D Austin	Date: June 4, 2026

Attachments:
1. 2026 Master Vendor List

2026 City Liquor Licenses

Business Name	DBA	Address
Carnitas El Mayo LLC	Carnitas El Mayo LLC	2704 San Jose Blvd
BW Gas & Convenience Retail, LLC	Allsups #102499	1807 E Greene Street
BW Gas & Convenience Retail, LLC	Allsups #102404	4412 National Parks Highway
BW Gas & Convenience Retail, LLC	Allsups #102219	920 W Mermod St
BW Gas & Convenience Retail, LLC	Allsups #102243	102 E Church Street
BW Gas & Convenience Retail, LLC	Allsups #102269	2301 W Lea Street
BW Gas & Convenience Retail, LLC	Allsups #102285	3220 National Parks Highway
BW Gas & Convenience Retail, LLC	Allsups #102195	2417 W Pierce Street
BW Gas & Convenience Retail, LLC	Allsups #102190	1010 S Canal Street
7 - Eleven Inc	7-Eleven Store#42579	2005 W Pierce St
United Supermarkets	Albertsons Market #665	202 W Church
Rosys Mexican Restaurant	Rosys Mexican Restaurant	1511 S Canal Street
Blazing Wings INC	Buffalo Wild Wings #656	1801 W Pierce St
Foreman Holdings LLC	Golf Society LLC	1609 W Pierce St
Yellow Brix	Yellow Brix	201 N Canal Street
Stevens Inn Inc	Stevens Inn Inc	1829 S Canal
CVS Pharmacy Inc	CVS Pharmacy Inc	801 N Canal St
RR Pizza LLC	Pizza Inn - Pierce St	1210 W Pierce St
RR Pizza LLC	Pizza Inn - National Parks Highway	3005 National Parks Highway
Lucys Mexicali Restaurant & Cantina	Lucys Mexicali Restaurant & Cantina	710 S Canal St
NMCO LLC	Northgate Shell - NMCO LLC	1311 W Pierce St
NMCO LLC	South Y Shell 1250	3024 National Parks Highway
NMCO LLC	Fiesta Shell 1270	1725 S Canal
NMCO LLC	La Huerta Shell 1290	1401 N Canal
NMCO LLC	Windmill Shell 1280	3128 National Parks Highway
NMCO LLC	Church St Shell 1260	713 N Canal
Boots on the Ground	VFW Post 8703	1914 San Jose Blvd
American Legion Post #7	American Legion Post #7	2311 Legion Ave
BPOE Lodge #1558	BPOE Lodge #1558	1558 Elks Dr
Brinker Restaurant Corporation	Chilis Grill & Bar	2249 S Canal St
Dark Stranger Meadery	Dark Stranger Meadery	4002 S John Wesley Hardon
Dragon China Buffet	Dragon China Buffet	2125 S Canal St
El Diamante	El Diamante	106 W Bonbright St

2026 City Liquor Licenses

Reyes Lara El Agave LLC	EL Jimador	509 S Canal St
D&J Guadalupe Mountain Brewing LLC - Small Brewer	Guadalupe Mountain Brewing	3324 National Parks Highway
D&J Guadalupe Mountain Brewing LLC - Winegrower	Guadalupe Mountain Brewing	3324 National Parks Highway
Carlsbad Opetator HH	Hyatt House Carlsbad/Event	4019/4017 National Parks Highway
La Tienda Thriftway	La Tienda Thriftway	1301 S Canal St
Loap Management	Lucky Bull Grill	220 W Fox
Mi Casita	Mi Casita	302 N Main
Milton's Brewing - Whole Sale	Milton's Brewing - Whole Sale	213 W Mermod
Milton's Brewing - Small Brewer	Milton's Brewing - Small Brewer	213 W Mermod
Red Chimney Pit BBQ LLC	Red Chimney Bar B Que	817 N Canal St
Riverside Country Club	Riverside Country Club	1421 W Orchard Lane
Roque Burritos LLC	Roque Burritos LLC	1401 W Mermod St
Hernandez Taqueria Jalisco LLC	Taqueria Jalisco	4103 National Parks Highway
LWH Group LLC	Tokyo Japanese Steakhouse & Sushi Ba	1479 W Pierce Street
Trinity Hotel - Restaurant	Trinity Hotel - Restaurant	201 S Canal St
Trinity Hotel - Dispenser	Trinity Hotel - Dispenser	201 S Canal St
Walmart Stores East, LP	Walmart #868	2401 S Canal St
Blades at Cascades LLC DBA Cascades Grill	Blades at Cascades LLC DBA Cascades G	400-2 Cascades Ave Suite 115
La Regia Mexican Restaurant	La Regia Mexican Restaurant	1801 S. Canal St
Mei's Foodie Hub	Mei's Foodie Hub	409 S Canal St
Last Chance Ranch, LLC	Noisy Water Winery - grower	108 N Canyon
Last Chance Ranch, LLC	Noisy Water Winery - Dispensery	108 N Canyon
Lake Carlsbad Golf Course	Lake Carlsbad Golf Course	901 Muscatel Ave

CITY OF CARLSBAD
AGENDA BRIEFING
MEMORANDUM

Council Meeting Date: June 9, 2026

DEPARTMENT: City Clerk	**BY**: Nadine Mireles	**DATE**: 05/01/2026

SUBJECT:
Consider Approval of Annual City Cannabis License Renewals

BACKGROUND, ANALYSIS AND IMPACT: (Safety and Welfare/Financial/Personnel/Infrastructure/etc.)
The City Clerk's Office requests the City Council's approval of all City Cannabis License renewals. The Cannabis Licenses are renewed yearly upon the payment of a $250.00 fee and proof of a State Issued Cannabis License. Attached is the current list of Cannabis Licenses in the City of Carlsbad.

DEPARTMENT RECOMMENDATION:
The Department recommends approval of all Cannabis Licenses subject to receipt of proof of a City Business Registration, a NM State Cannabis License and payment of the Annual City Cannabis License fee of $250.00

BOARD/COMMISSION/COMMITTEE ACTION:
-

Reviewed by:

City Manager: Wendy D Austin	Date: June 4, 2026

Attachments:
1. Cannabis Master Vendor List

2026 Cannabis License

Business	DBA	Address
Livmoor LLC	Livmoor Gardens	2700 E Greene St
Global T.H.C	Global T.H.C	611 N Canal
THC Cavern City	THC Cavern City	108 E Church St
R. Greenleaf Organics, Inc	R. Greenleaf Organics, Inc	800 W Pierce St
R. Greenleaf Organics, Inc	R. Greenleaf Organics, Inc	800 1/2 W Pierce St
Tree Amigos Cannabis	Tree Amigos Cannabis	221 S Canyon St
Stoned Ape Canna Co	Stoned Ape Canna Co	1031 N Thomas
Stoned Ape Canna Co	Stoned Ape Canna Co	1101 W Pierce St
The Cannabis Store LLC	The Cannabis Store LLC	516 S Canal St
Bud Board Dispensary	Bud Board Dispensary	401 S Canyon St
Bud Board Dispensary	Bud Board Dispensary	618 W Pierce St
Falcon Pharms, LLC	Falcon Pharms, LLC	2700 E Greene St
Hypnotic Hemp	Hypnotic Hemp	204 W Pecan St
NM Canna Co	NM Canna Co	1410 N Canal St
New Mexico Top Organics Ultra Health	Ultra Health	1300 S Canal St Suite 7
Pecos Valley Production	Pecos Valley Production	812 N Canal
Pecos Valley Production	Pecos Valley Production	810 W Mermod
TKO Cannabis LLC	TKO Cannabis LLC	2302 W Pierce St
TKO Cannabis LLC	TKO Cannabis LLC	1215 S Canal St
Process Management Control LLC	Process Management Control LLC	3106 E Greene St
Process Management Control LLC	Process Management Control LLC	3106 E Greene St
Process Management Control LLC	Process Management Control LLC	3106 E Greene St
Dreamz Cannabis	Dreamz Cannabis	2521 S Canal St

CITY OF CARLSBAD
AGENDA BRIEFING
MEMORANDUM

Council Meeting Date: June 9, 2026

DEPARTMENT: Executive	**BY**: Wendy Austin	**DATE**: 06/03/2026

SUBJECT:
Consider Approval of the Purchase and Sale Agreement for the Purchase of the Carlsbad Event Center, Adjacent Land, and Furniture & Equipment

BACKGROUND, ANALYSIS AND IMPACT: (Safety and Welfare/Financial/Personnel/Infrastructure/etc.)

The City was approached by the owners of the Carlsbad Event Center, to purchase the event center and the adjacent land. The Carlsbad Event Center is located at 4017 National Parks Highway, and the adjacent land, to the east of the event center, is located at 4015 National Parks Highway. The owners of the property are Carlsbad Event Center, LLC and Carlsbad HH, LLC. Previously, City Administration met with the Carlsbad City Council, in a closed session meeting, to discuss the purchase of the property and the Carlsbad City Council directed City Administration to further assess the value of the property and take the appropriate steps to purchase the property, if appropriate. During the closed session meeting, it was agreed that that event center could generate additional income for the City. Additionally, it was agreed that the City needs a larger, more modern facility for hosting its own meetings and events.

Per Section 2-48 – *Acquisition or disposition of real property*, of the City of Carlsbad Ordinances, City Administration ordered an appraised report of the property.

SMS Appraisals & Environmental Services, Inc. appraised the property for $3,020,000. The owners of the property initially offered to sell the property to the City for $3,500,000 and has since agreed to sell the property for $3,418,179. The appraised value of $3,020,000 does not include the furniture & equipment the owner has agreed to sell to the City, including but not limited to the AV system, the surveillance system, dance floor, portable stage, tables, chairs, commercial ice machine, commercial refrigerator, and commercial freezer. In addition, there were several value-added items not included in the appraisal, including an acoustical partition that divides the facility in half, concrete payment (versus asphalt), and the extra costs of the electrical and plumbing systems. City Administration evaluated the appraisal and the construction and furniture & equipment invoices that were provided by the owner, which support the original and additional costs of these items. The City applied depreciation to these items and believes that $3,418,179 is a fair amount for the event center, the adjacent land, and the furniture & equipment.

The City's Legal Department worked with the owner's legal representation to prepare the *Purchase and Sale Agreement*. If it is the pleasure of the Carlsbad City Council to vote in favor of the agreement, allowing for any minor changes to the agreement, this will allow the City Manager to purchase the Carlsbad Event Center for the City of Carlsbad for $3,418,179, including the adjacent land, and the furniture & equipment.

DEPARTMENT RECOMMENDATION: Approve the agreement for the purchase of the Carlsbad Event Center, adjacent land, and furniture & equipment
BOARD/COMMISSION/COMMITTEE ACTION: -
Reviewed by:

City Manager: Wendy D Austin	Date: June 4, 2026

Attachments:

1. City Council Packet-Event Center

Sec. 2-48. - Acquisition or disposition of real property.

(a) The mayor or city manager is authorized to enter into contracts for the acquisition or disposition of any interest in real property, subject to the approval of the city council as provided below:

(1) The mayor or city manager may acquire real property when sufficient money, designated for the acquisitions of the property, has been previously appropriated by the city council through the budget or other action approved by city council.

(2) All other real property contracts shall not be executed until a majority of the city council has approved and sufficient money has been appropriated by the city council.

(b) All contracts subject to subsection (a) shall be reported or presented to the city council with a written communication describing circumstances, benefits, and responsibilities of the contract, and the property's appraised value.

(Ord. No. 2025-18, 10-28-25)


CARLSBAD H-2 LLC
CARLSBAD H-2 LLC
4017
4023
4015
4019
National Parks Highway
4020

Docusign Envelope ID: FC702A16-DEC9-8F23-83A1-B6BA67CF4D34

PURCHASE AND SALE AGREEMENT
(Effective Date: April ___, 2026)
(To be completed by Title Company)

This Purchase and Sale Agreement (the "**Agreement**") is made and entered into by and between **Carlsbad Event Center, LLC** (the "**Event Center Seller**") and **Carlsbad HH, LLC** (the "**HH Seller**")**,** both New Mexico limited liability companies (said entities are also called the "**Sellers**"); and **City of Carlsbad, New Mexico,** a Municipality of the State of New Mexico (the "**Buyer**").

1. **Sale of Properties**. On the terms and conditions in this Agreement, Sellers hereby agree to sell and convey to Buyer, and Buyer hereby agrees to purchase and acquire from Sellers, the following:

(A) The following from Event Center Seller:

(1) The surface estate of that certain tract of land containing approximately 0.922 acres, located in the city of Carlsbad, Eddy County, New Mexico (the "**Event Center Land**") described on Exhibit A-1 and depicted on the plat attached hereto as Exhibit A-2, together with, all and singular, the convention center facility and all other improvements, and fixtures situated thereon and used in the operation of the Convention Center (the "**Event Center Property**"), and all rights and appurtenances pertaining thereto, including any right, title and interest of Event Center Seller in and to adjacent streets, alleys, or rights of way. The municipal address of the Convention Property is 4017 National Parks Highway, Carlsbad, New Mexico 88210, and

(2) All furniture and equipment listed on Schedule I annexed hereto (the " **Event Center Personal Property**") used in the operation of the Convention Center and located at the Event Center Property.

(B) The following from HH Seller: the surface estate of that certain tract of land containing approximately 1.920 acres, located in the city of Carlsbad, Eddy County, New Mexico (the "**HH Land**") described on Exhibit B-1 and depicted on the plat attached hereto as Exhibit B-2, together with, all and singular, the improvements and fixtures situated thereon, and all rights and appurtenances pertaining thereto, including any right, title and interest of the HH Seller in and to adjacent streets, alleys, and rights-of-way (the HH Land and such improvements, fixtures and appurtenances are collectively called the "**HH Property**").

(Collectively, the Event Center Property, the Event Center Personal Property and the HH Property are called the "**Properties**.")

2. **Purchase Price**.

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(A) The purchase price for the Properties equals **$3,418,176.00** (the "**Purchase Price**") allocated between the Event Center Property and the HH Property as follows:

(1) To the Event Center Property, the sum of $3,000,000; and

(2) To the HH Property, the sum of $418,176.00, which is based upon $5.00 per square foot of land comprising the HH Land. (If the gross square feet of the HH Property is more or less than 83,562.00 square feet of land as shown by the survey of the HH Land, the Purchase Price will be adjusted accordingly.)

(B) The Purchase Price for the Properties is payable by Buyer to Sellers through Stewart Title Company, 7801 Academy Road, N.E., Bldg. 1, Suite 101, Albuquerque, NM 87122. Attention: Mary Martinez, Phone 505-346-5412. E-mail: Mary.martinez@Stewart.com. (the "**Title Company**"), in its capacity as escrow agent, at the Closing in immediately available funds.

3. **Title and Survey**.

3.1 **Title Commitment**. Within ten (10) business days after the Effective Date, Sellers agree to order, at its sole cost and expense, a current commitment to issue an ALTA Owner's Policy of Title Insurance to the extent permitted by New Mexico law for the Properties (the "**Title Commitment**") countersigned by the Title Company, committing to insure good and marketable fee simple title to the Properties in Buyer as the proposed insured subject only to the standard exclusions from coverage, the standard conditions and stipulations, the standard exceptions from coverage and any additional items added by the Title Company to Schedule B of the Title Commitment. The Title Commitment furnished to Buyer must be accompanied by legible copies of all instruments that create or evidence title affecting the Properties.

3.2 **Survey**. Sellers agree to furnish Buyer and the Title Company a copy of existing surveys of the Event Center Land and the HH Land (the "**Existing Surveys**"). Buyer reserves the right to obtain a new or updated survey of the Properties (the "**Updated Surveys**") at its sole cost, which shall be subject to Buyer's approval in its sole discretion.

3.3 **Review of Title Commitment and Survey**. Buyer has a period of thirty (30) calendar days after delivery of the Title Commitment to Buyer (the "**Title Review Period**") in which to review the Title Commitment and the Existing Surveys or Updated Surveys, if obtained by Buyer, and give written notice to Sellers specifying Buyer's objections, if any, to the Title Commitment and the Existing Surveys or Updated Surveys ("**Buyer's Objections**"). If Buyer fails to give written notice specifying Buyer's Objections to Sellers before the end of the Title Review Period, then all exceptions to title shown on Schedules B and C of the Title Commitment will be deemed to be Permitted Exceptions. (Notwithstanding the foregoing, Sellers agree to discharge any and all mortgages, delinquent taxes, mechanics liens,

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judgments, and other monetary encumbrances affecting the Properties and none of such matters constitute Permitted Exceptions or need be included as objections by Buyer.)

As used in this Agreement, "**Permitted Exception(s)**" means, with respect to the Properties: (A) the lien for property taxes for the year of the Closing; (B) all exceptions or conditions shown on the Existing or Updated Surveys (to which Buyer either did not timely object or to which Buyer timely objected but thereafter waived such objections); (C) all typed (not printed) exceptions contained in Schedule B of the Title Commitment, to which Buyer either did not timely object or to which Buyer timely objected but thereafter waived such objections under Section 3.4; (D) any lien or encumbrance affecting the Properties arising or resulting from the actions or omissions of Buyer; and (E) any other encumbrance affecting the Properties expressly approved in writing by Buyer.

3.4 **Sellers' Obligation to Cure; Buyer's Right to Terminate**. If Buyer delivers to Sellers written notice of its Objections before the end of the Title Review Period, then Sellers may, but are not obligated to, within ten (10) business days of the date of receipt of such notice (the "**Cure Period**"), give written notice ("**Sellers' Title Cure Notice**") to Buyer of Sellers' intention to satisfy some or all of Buyer's Objections. Sellers' election to cure shall be binding upon Sellers. If Sellers fail to timely give such notice or if Sellers refuse to satisfy all of Buyer's Objections, then Buyer has the option, as its sole option, to notify Sellers in writing within fifteen (15) calendar days after the expiration of the Cure Period, to either:

(A) Waive its right to further object to any Objections that Sellers has refused to satisfy, in which event those Objections asserted by Buyer are deemed waived; or

(B) Terminate this Agreement, in which event Sellers and Buyer will have no further obligations, one to the other, with respect to the subject matter of this Agreement except as otherwise provided in this Agreement.

If Buyer fails to exercise said option granted in this Section 3.4, then Buyer is deemed to have elected the option set forth in Section 3.4(A).

4. **Inspection**.

4.1 **Inspection Period**. Buyer has the right, during the thirty (30) day period following the Effective Date of this Agreement (the "**Inspection Period**"), to make such examinations, studies, appraisals, inspections, engineering, environmental, and insurance underwriting tests and investigations, of the Properties (the "**Inspections**"), as Buyer may deem advisable. Such Inspections include Buyer's review of true copies of the Due Diligence Materials described in Section 5.3. Sellers shall cooperate with Buyer in making available the Properties for Buyer's Inspections and delivering the information described in Section 5.3 that is within

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Sellers' possession or control. Buyer may also re-inspect the Properties before Closing to verify that the Properties have remained in substantially the same condition as during the Inspection Period.

4.2 **Termination Right**. If Buyer determines that the Properties or the purchase thereof is unacceptable for any reason, then Buyer, in its sole discretion, may terminate this Agreement by written notice to Sellers on or before the expiration of the Inspection Period. If Buyer properly terminates this Agreement under the provisions of this Section 4.2, neither Party has any further rights, duties or obligations to the other hereunder. Buyer's failure to deliver the Termination Notice to Sellers before the end of the Inspection Period is deemed Buyer's election to waive its right to terminate this Agreement under the provisions of this Section 4.2.

4.3 **Delivery of Due Diligence Materials**. Sellers agrees to deliver, within ten (10) business days after the Effective Date, any available documentation and information related to the Properties, including environmental reports, surveys (the "**Due Diligence Materials**") in Sellers' possession or control. Sellers make no representation or warranty as to the accuracy or completeness of the Due Diligence Materials, and Buyer's reliance thereon shall be governed by Section 5.4.

5. **Representations and Warranties**.

5.1 **Sellers' Representations and Warranties**. Each of the Sellers represents and warrants to Buyer as follows, which representations and warranties are true and correct in all material respects as of the Effective Date and will be true and correct in all material respects on the Closing Date.

(A) Sellers have the full right, power, and authority to sell and convey to Buyer the Properties under the terms of this Agreement and to carry out Sellers' obligations hereunder, and all requisite action necessary to authorize Sellers to enter into this Agreement and to perform their obligations hereunder has been, or on the Closing Date will have been, taken, and this Agreement constitutes a valid and binding obligation of Sellers, enforceable in accordance with its terms.

(B) There are no adverse or other parties in possession of the Properties, or of any part thereof as lessees, tenants at sufferance, or trespassers, except under the Permitted Exceptions.

(C) Neither of the Sellers has received any written notice of any pending condemnation action with respect to all or any portion of the Properties, and there are no existing condemnations or other legal proceedings affecting the existing use of the Properties by any governmental authority having jurisdiction over or affecting all or any part of the Properties.

(D) Event Center Seller has good and marketable title to the Event Center

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Property, free and clear of any claim, lien, encumbrance, easement, restriction, or other charge, except for the Permitted Exceptions.

(E) HH Seller has good and marketable title to the HH Property, free and clear of any claim, lien, encumbrance, easement, restriction, or other charge, except for the Permitted Exceptions.

(F) To the best of Sellers' current actual knowledge, the Properties are not in violation of any applicable law.

(G) To the best of Sellers' current actual knowledge, the Properties have not, at any time during Sellers' ownership been used for the manufacture, processing, distribution, use, treatment, storage, disposal, placement, transport or handling of toxic materials, hazardous wastes or hazardous substances (as those terms are defined in the Resource Conservation and Recovery Act of 1976, as amended (42 U.S.C. Section 6901 et seq.) or the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended (42 U.S.C. Section 9601 et seq.); oils; petroleum-derived compounds; or pesticides.

(H) Except as expressly referred to in this Agreement and shown on the Title Commitment, there are no liens or security interest against the Properties, nor are there any actions pending that would result in the creation of any lien against the Properties.

5.2 **Buyer's Representations and Warranties**. Buyer represents and warrants to Sellers as follows, which representations and warranties are true and correct in all material respects as of the Effective Date and will be true and correct in all material respects on the Closing Date.

(A) Buyer has the full right, power, and authority to purchase the Properties as provided in this Agreement and to carry out Buyer's obligations hereunder, and all requisite action necessary to authorize Buyer to enter into this Agreement and to perform Buyer's obligations hereunder has been, or on the Closing Date will have been, taken, and this Agreement constitutes a valid and binding obligation of Buyer, enforceable in accordance with its terms.

(B) At Closing, Buyer will have lawfully available funds appropriated and authorized for payment of the Purchase Price at Closing.

5.3 **Survival Period**. The representations, warranties, and covenants made by Sellers and Buyer survive the Closing in accordance with the terms set forth below and subject to applicable law; provided, however, that (i) the representations and warranties of Sellers shall survive for a period of two (2) years after the Closing Date, (ii) the representations and warranties of Buyer shall survive for a period of

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one (1) year after the Closing Date, (iii) the representations set forth in Sections 5.1(A), 5.1(D), and 5.1(E) shall survive indefinitely, and (iv) any covenants that by their terms are to be performed after Closing shall survive until performed. No claim for breach of any representation or warranty may be brought unless written notice of such claim is given within the applicable survival period, and any such claim must be filed, if at all, within such survival period.

5.4 **AS IS; NO RELIANCE**. Except with respect to the representations and warranties expressly set forth in this Agreement, Sellers hereby disclaim any and all warranties, guaranties, or representations, whether express or implied, oral or written, past, present, or future, of, as to, or concerning (A) the nature, condition, or suitability of the Properties, including, without limitation, the water, soil, geology, or the suitability thereof for any use, or any income or expenses relating thereto; (B) the manner of construction, condition, or state of repair (or lack of repair) of any improvements located on the Properties; (C) the condition of the Event Center Personal Property; (D) the nature and extent of any easement, right-of-way, lease, possession, lien, encumbrance, license, reservation, or restriction affecting the Properties; or (E) the compliance of the Properties or the operation thereof with any applicable laws, rules, ordinances, or regulations.

Buyer acknowledges that it has been afforded a full opportunity to inspect the Properties and to conduct such investigations, examinations, and studies as Buyer deems necessary or appropriate, and that Buyer is acquiring the Properties based solely upon its own independent investigation and evaluation and not in reliance upon any representation or statement of Sellers except as expressly set forth in this Agreement.

If Sellers provide or have provided any documents, summaries, reports, opinions, or other work product of third parties, including, without limitation, consultants, surveyors, engineers, architects, title companies, or governmental authorities (collectively, "**Third-Party Materials**"), such Third-Party Materials are provided solely for Buyer's convenience. Sellers make no representation or warranty as to the accuracy or completeness of such Third-Party Materials, and Buyer agrees that Sellers shall have no liability with respect thereto.

Buyer agrees to accept the Properties at Closing in their present "AS IS, WHERE IS" condition, with all faults, subject only to the representations and warranties expressly set forth in this Agreement.

The provisions of this Section 5.4 shall survive the Closing.

6. **Conditions Precedent to Closing**.

6.1 **Conditions Precedent to Buyer's Obligations**. Buyer is not obligated to consummate the transaction described in this Agreement unless:

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(A) No material change has occurred in the matters reflected in the Title Commitment or the Existing Surveys or Updated Surveys;

(B) Sellers has performed in all material respects all of the agreements, covenants, and obligations contained in this Agreement to be performed or complied with by Sellers on or before the Closing Date;

(C) All representations and warranties made by Sellers hereunder are true, complete and accurate in all material respects as of the Closing Date; and

(D) The Title Company is prepared to deliver the ALTA Owner's Policy of Title Insurance described in Section 3.1 as soon as practicable after the Closing.

6.2 **Conditions Precedent to Sellers' Obligations**. Sellers shall not be obligated to consummate the transaction described in this Agreement unless:

(A) Buyer has performed in all material respects all of the agreements, covenants, and obligations contained in this Agreement to be performed or complied with by Buyer hereunder on or before the Closing Date; and

(B) All representations and warranties made by Buyer hereunder are true and correct in all material respects as of the Closing Date.

6.3 **Termination if Conditions Precedent not Satisfied or Waived**. If any of the conditions precedent to the performance of a party's obligations under this Agreement have not been satisfied, waived, or deemed waived by the party for whose benefit such condition exists (the "**Non-Performing Party**"), then the party for whose benefit such condition exists may, at its option, by written notice delivered to the Non-Performing Party and the Title Company terminate this Agreement, in which event Buyer and Sellers will have no further obligations, one to the other, with respect to the subject matter of this Agreement, except for obligations that expressly survive termination.

7. Closing.

7.1 **Closing**. The "**Closing**" (herein so called) shall be held at the offices of the Title Company, at 10 a.m., on June 1, 2026 (the "**Closing Date**").

7.2 **Sellers' Obligations at Closing**. At Closing, Sellers shall deliver to the Title Company for recordation or delivery to Buyer, as applicable, the following:

(A) **Deed**. A Special Warranty Deed (the "**Deed**") executed by each of the Sellers conveying to Buyer fee simple title to the Properties owned by such Sellers, free and clear of any and all liens, encumbrances, conditions, easements, assessments, restrictions, and other conditions except for the Permitted Exceptions;

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(B) **Assignment and Assumption Agreement** executed by the Event Center Seller and Buyer whereby Event Center Seller assigns to Buyer all bookings of the Convention Center for the use of the center after Closing, subject to the approval rights of Buyer under Section 11(B), and Buyer assumes the obligation to comply with any such booking contracts for the use of the Convention Center post-Closing, in the form approved by the parties;

(C) **Bill of Sale** executed by the Event Center Seller conveying to Buyer title to the Event Center Personal Property;

(D) **Title Policy**. The ALTA Owner's Policy of Title Insurance, naming Buyer as insured, in the amount of the Purchase Price, ensuring that Buyer owns good and marketable fee simple title to the Properties, subject to the Permitted Exceptions;

(E) **Possession**. Sellers shall deliver to Buyer exclusive possession of the Properties, subject to the Permitted Exceptions;

(F) **Foreign Person**. An affidavit certifying that Sellers are not a "foreign person", as defined in the federal Foreign Investment in Real Property Tax Act of 1980, and the 1984 Tax Reform Act, as amended;

(G) **Authority**. Evidence of Sellers' authority and capacity to close this transaction; and

(H) **Title Company Documents**. All other documents reasonably required by the Title Company to consummate the transaction contemplated by this Agreement.

7.3 **Buyer's Obligation at Closing**. At Closing, Buyer shall deliver to the Title Company for payment or delivery to Sellers, as applicable, the following:

(A) **Purchase Price**. The Purchase Price, payable by check or wire transfer of immediately available funds;

(B) **Authority**. Evidence of Buyer's authority and capacity to close this transaction; and

(C) **Title Company Documents**. All other documents reasonably required by the Title Company to consummate the transaction contemplated by this Agreement.

7.4 **Proration**. Ad valorem taxes, rental, utilities, and all other sums customarily prorated in the closing of similar properties in Eddy County, New Mexico, will be prorated as of 12 a.m. on the Closing Date. Ad valorem taxes relating to the

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Properties for the calendar year in which the Closing occurs are prorated based upon the best available estimates of the amount of taxes that will be due and payable and Buyer is entitled to a credit against the Purchase Price at the Closing in the amount of Sellers' pro rata share of such taxes and assessments through the Closing Date. As soon as the actual amount of taxes and assessments for such year is known, Sellers and Buyer agree to readjust the amount of taxes and assessments to be paid by each party, with the result that Sellers shall pay for those taxes and assessments attributable to the period prior to the date of Closing and Buyer shall pay for those taxes and assessments attributable to the period of time from and after the Closing Date. Any such adjustment shall be made within a reasonable time after such amounts become known.

7.5 **Closing Costs**.

(A) Sellers agree to pay, on the Closing Date, the basic premium for the ALTA Owner's Policy of Title, one-half of any escrow fees, all recording costs for any title curative document and Sellers' share of customary charges of the Title Company, and the legal fees of Sellers' counsel in negotiating, preparing, and closing this transaction.

(B) Buyer agrees to pay, on the Closing Date, any deletion, endorsement or other such charges related to the ALTA Owner's Policy of Title, cost of the loan title policy, Updated Survey, all recording costs for the Deed, and Buyer's share of customary charges of the Title Company and the legal fees of Buyer's counsel in negotiating, preparing, and closing this transaction.

(C) With respect to any prepaid booking fees received by the Event Center Seller, Buyer is entitled to a credit for such booking fees to the extent such fees are non-refundable by the customer reserving space in the Convention Center post-Closing.

8. **Default**.

8.1 **Buyer's Remedies**. If Sellers fail to close this Agreement for any reason other than Buyer's default or a termination of this Agreement pursuant to an express termination right set forth herein, Sellers shall be in default. In such event, Buyer shall have the right to seek specific performance of this Agreement. If Sellers convey or encumber the Properties to a third party, or otherwise take any action that renders specific performance unavailable, Buyer may terminate this Agreement and pursue any remedies available at law or in equity, including recovery of its actual damages.

8.2 **Sellers' Remedies**. If Buyer fails to close this Agreement for any reason other than Sellers' default or a termination of this Agreement pursuant to an express termination right set forth herein, Buyer shall be in default. Sellers' sole remedy shall be to terminate this Agreement.

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8.3 **Effect of Termination; Appropriation.** Upon any termination of this Agreement, the parties shall have no further rights or obligations hereunder except for those that expressly survive termination. Notwithstanding anything in this Agreement to the contrary, Buyer's obligations under this Agreement are subject to the appropriation and availability of funds, and nothing herein shall be construed to require Buyer to expend funds not lawfully appropriated.

9. **Condemnation**. If, before the Closing, any action is initiated or threatened to take all or any portion of the Properties by eminent domain proceedings or by deed in lieu thereof, Buyer may either (A) terminate this Agreement, in which event neither party shall have any further obligations hereunder (except as expressly provided herein); or (B) consummate the Closing, in which event all proceeds, awards, or other compensation attributable to such taking shall be paid to Buyer at Closing if previously received by Sellers, or, if not yet received, shall be assigned to Buyer at Closing. Sellers shall not settle or compromise any such condemnation proceeding without Buyer's prior written consent, which shall not be unreasonably withheld. Sellers shall promptly, and in no event later than three (3) business days after receipt of notice thereof, notify Buyer in writing of any such action or threat thereof, together with copies of all notices and correspondence received by Sellers relating thereto.

10. **Operation of Properties**.

(A) Sellers shall keep the Properties in the same manner and in substantially the current condition of the Properties as of the date of this Agreement, reasonable wear and tear excepted.

(B) With respect to the operations of the Convention Center, Event Center Seller agrees to continue to conduct the operations of the Convention Center in the same manner as it now conducts such operations including soliciting and confirming new bookings or reservations for the use of the Convention Center. With respect to any bookings for the use of the Convention Center for any period after Closing, Buyer has the right to approve such bookings, which approval may not be unreasonably withheld or delayed. In this regard, Event Center Seller agrees to notify Buyer's representative of any proposed bookings, and the failure of Buyer to respond to any such proposed bookings within five (5) days of receipt of its receipt of a proposed bookings will be deemed an "acceptance" thereof.

11. **Brokerage Commission**. Each party hereto represents to the other party that no broker has engaged in connection with the transactions contemplated hereby. Each party shall be responsible for any claims for fees or commissions of any broker employed or alleged to have been employed by such party; provided, however, that Buyer's obligations under this Section are subject to applicable law, including any limitations on municipal liability.

12. **Miscellaneous Provisions**.

12.1 **Notices**. All notices, demands, requests, and other communications required or

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permitted to be given, and any exercise of a right of termination provided by this Agreement, must be in writing and shall be deemed effective (i) upon personal delivery, or (ii) whether actually received or not, when deposited in the U.S. mail, certified or registered mail, return receipt requested, postage prepaid, addressed as set forth below, or to such other address as a Party may designate by written notice to the other Party. Notices may also be given by electronic mail; provided, however, that email notice shall be deemed effective if the sending Party does not receive an automated notice of delivery failure or undeliverability, and email shall not be effective for notices of default or termination unless expressly acknowledged by the receiving Party. Counsel for Sellers or Buyer may give notice under this Agreement on behalf of such party.

If to Sellers:

Carlsbad Event Center, LLC
and Carlsbad HH, LLC
c/o Carlsbad Group Holdings, LLC
2700 Missouri Ave, Suite 3
Las Cruces, New Mexico 88011
Telephone: (575) 532-8310
Email: dparmeter@crestlinebuilding.com

With a copy to (for notice purposes only):

Merton B. Goldman, Esq.
5915 Silver Springs Drive, Suite 8B
El Paso, Texas 79912
Telephone: (915) 760-6880
Email: mgoldman@goldmanlawtx.com

If to Buyer:

City of Carlsbad, New Mexico
Attn: City Manager
101 N. Halagueno Street
Carlsbad, New Mexico 88220
Telephone: (575) 887-1191
Email: wdaustin@cityofcarlsbadnm.com

With a copy to (for notice purposes only):

City Attorney
City of Carlsbad
101 N. Halagueno Street
Carlsbad, New Mexico 88220
Telephone: (575) 887-1191

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Email: bthodgson@cityofcarlsbadnm.com

12.2 **Assignment**. Buyer may not assign this Agreement without the prior written consent of Sellers, which consent shall not be unreasonably withheld, conditioned, or delayed; provided, however, that Buyer may assign this Agreement without such consent to any governmental entity, department, agency, or instrumentality, or to any entity controlling, controlled by, or under common control with Buyer, and Buyer shall remain liable for its obligations under this Agreement.

12.3 **Attorneys' Fees**. If there is any legal proceeding brought in relation to this Agreement or transaction contemplated hereby, each party is obligated to pay its own attorneys' fees, and all other litigation expenses.

12.4 **Integration**. This Agreement contains the complete agreement between the parties with respect to the Properties and cannot be modified except by written agreement. The parties agree that there are no oral agreements, understandings, representations or warranties made by the parties which are not expressly set forth in this Agreement. Any prior written agreements, understandings, representations or warranties between the parties will be deemed merged into and superseded by this Agreement, unless such prior written agreement expressly provides that it survives the execution of this Agreement.

12.5 **Binding Effect**. This Agreement will inure to the benefit of, and will be binding upon, the parties to this Agreement and their respective heirs, legal representatives, successors, and assigns, subject to applicable law.

12.6 **Time for Performance**. Time is of the essence with respect to each provision of this Agreement, and all time periods and deadlines shall be strictly enforced.

12.7 **Business Day**. If any date of performance under this Agreement falls on a Saturday, Sunday, or a day on which the offices of the City of Carlsbad are closed for business, such date will be extended to the next day on which the offices of the City of Carlsbad are open for business.

12.8 **Governing Law**. The Agreement shall be governed by and construed in accordance with the laws of the State of New Mexico. Unless otherwise provided in this Agreement, all obligations of the parties under this Agreement shall be performed Eddy County, New Mexico. Any legal proceeding arising out of or relating to this Agreement shall be brought exclusively in the Fifth Judicial District Court in and for Eddy County, New Mexico.

12.9 **Severability**. If any provision of this Agreement is held to be invalid, illegal, or unenforceable by a court of competent jurisdiction, such provision will not affect any other provisions, and this Agreement will be construed as if such provision were severed and deleted from this Agreement.

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12.10 **Construction**. Whenever the context requires, words of any gender include all genders. All references to Articles and Sections refer to Articles and Sections of this Agreement, and all references to Exhibits are to exhibits attached hereto, each of which is incorporated herein for all purposes. The words "herein," "hereto," "hereof," and "hereunder" and words of similar import when used in this Agreement refer to this Agreement as a whole and not to any particular provision.

12.11 **Effective Date**. The "**Effective Date**" of this Agreement means the date on which the last of Sellers and Buyer executes this Agreement.

12.12 **Confidentiality**. Notwithstanding anything in this Agreement to the contrary, this Agreement and all documents, materials, and information related to this transaction are subject to disclosure under the New Mexico Inspection of Public Records Act, NMSA 1978, Sections 14-2-1 through 14-2-12, as amended ("IPRA"). The parties acknowledge that the City of Carlsbad is a public body subject to IPRA and cannot guarantee the confidentiality of any information except to the extent it is exempt from disclosure under applicable law. Any designation by a party of information as "confidential" or "proprietary" shall be advisory only and is not binding on the City, and the City shall make all determinations regarding disclosure in accordance with IPRA and other applicable law.

12.13 **Counterparts**. This Agreement may be executed in any number of counterparts. Each counterpart shall be deemed an original and all counterparts will, collectively, constitute one and the same agreement.

12.14 **Electronic Signatures**. Executed signature pages of this Agreement delivered by facsimile or transmitted electronically in Portable Document Format ("PDF") or similar electronic means shall be treated as originals and shall have the legal force and effect as originals, and the parties waive any right to object to such treatment.

12.15 **No Waiver of Sovereign Immunity.** Nothing in this Agreement shall be construed as a waiver of the immunity of Buyer under the New Mexico Tort Claims Act or any other applicable law, except to the extent such immunity has been expressly waived by law.

SIGNATURE PAGES FOLLOW

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SELLERS' SIGNATURE PAGE

TO

AGREEMENT FOR PURCHASE AND SALE OF REAL AND PERSONAL PROPERTY

BY AND BETWEEN

CARLSBAD EVENT CENTER, LLC,
and
CARLSBAD HH, LLC,
each a New Mexico limited liability company
(collectively, "Sellers")

and

CITY OF CARLSBAD, NEW MEXICO,
a municipality of the State of New Mexico
("Buyer")

EXECUTED as of the Effective Date.

SELLERS:

Carlsbad Event Center, LLC,
a New Mexico limited liability company
By: Carlsbad Group Holdings, LLC, a New Mexico limited liability company

By:	DocuSigned by: David L. Parmeter 442E1604D27B481...	By:	DocuSigned by: 1924BF4F38E2459...
Name:	David L. Parmeter	Name:	Ameen F. Ayoub
Title:	Manager	Title:	Manager
Date:	4/21/2026	Date:	4/21/2026

Carlsbad HH, LLC,
a New Mexico limited liability company
By: Carlsbad Group Holdings, LLC, a New Mexico limited liability company

By:	DocuSigned by: David L. Parmeter 442E1604D27B481...	By:	DocuSigned by: 1924BF4F38E2459...
Name:	David L. Parmeter	Name:	Ameen F. Ayoub
Title:	Manager	Title:	Manager
Date:	4/21/2026	Date:	4/21/2026

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BUYER'S SIGNATURE PAGE
TO
AGREEMENT FOR PURCHASE AND SALE
OF REAL AND PERSONAL PROPERTY

BY AND BETWEEN

CARLSBAD EVENT CENTER, LLC,
and
CARLSBAD HH, LLC,
each a New Mexico limited liability company
(collectively, "Sellers")

and

CITY OF CARLSBAD, NEW MEXICO,
a municipality of the State of New Mexico
("Buyer")

EXECUTED as of the Effective Date.

BUYER:

CITY OF CARLSBAD, NEW MEXICO,
a municipality of the State of New Mexico

By: _____
Name: Wendy D. Austin
Title: City Manager
Date: _____

Docusign Envelope ID: FC702A16-DEC9-8F23-83A1-B6BA67CF4D34

Receipt of a fully executed copy of the Agreement.

TITLE COMPANY: **Stewart Title Company**

By:_____
Name:_____
Title:_____

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Scheduled I

Item description	*Count*	*Serial Number*
Banquet Table Large	47	
Banquet Table Small	15	
8ft Standard Table	20	
6ft Standard Table	20	
Schoolie Table	132	
60 degree brown table	2	
60 degree gray table	6	
Cocktail Table	25	
Chairs	599	
Podium	2	
Microphone (Corded)	2	
Microphone (Wireless)	3	
Microphone (Lapel)	2	
Stage Panels	6	
Rails for Stage	2	
2 Step Stage Stairs with Railing	2	
Dance Floor Panel	30	
Dance Floor Metal Edging	22	
Linen Metal Rack	2	
Banquet Table Cart	1	
Table Cart	2	
Stacked Chair Dolly	2	
Dance floor Cart	1	
Flags	2	
Slim Rectangular Trash Can	8	
Portable Bar Station	2	
LCD Projector	2	
Audio/Video tablet	2	
HDMI Cord	5	
Audio Receiver	4	
Ice Machine	1	N08555F
Commercial Freezer	1	7069388
Commercial Refrigerator	1	7070219
Chrome Wire Security Liquor Cage	1	
Stainless Steel Work Table	1	

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EXHIBIT A-1

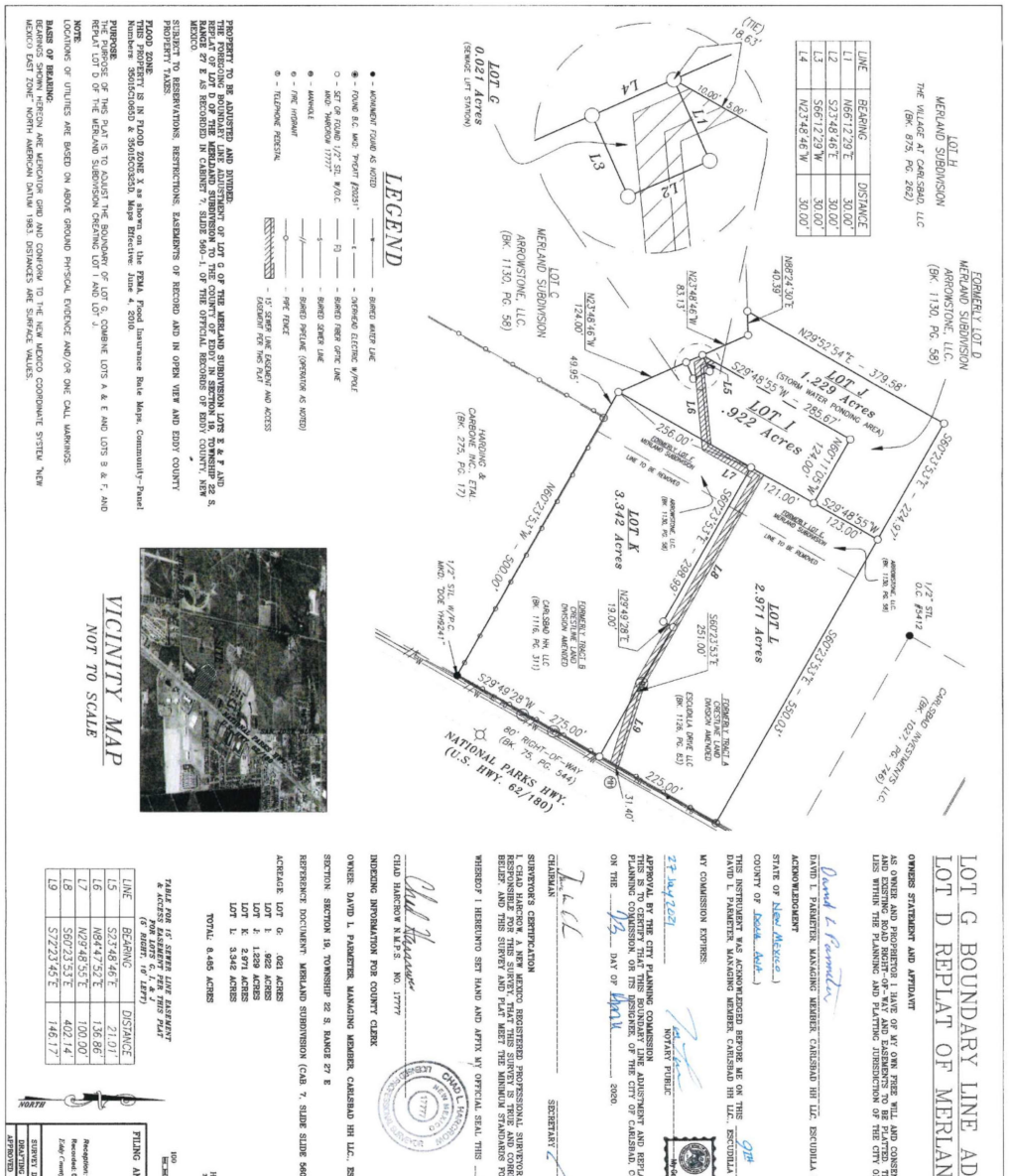
Legal Description of Convention Center Land

Lot I (0.922 acres) of the Merland Replat Lot D and Boundary Line Adjustment Lot G, to the County of Eddy County, New Mexico in Section 19, Township 22 S, Range 27 E, N.M.P.M. Eddy County, New Mexico, as shown on the official filed plat recorded in Cabinet 7, Slide 695, in the office of the County Clerk of Eddy County, New Mexico

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EXHIBIT A-2

Plat of Convention Center Land



Docusign Envelope ID: FC702A16-DEC9-8F23-83A1-B6BA67CF4D34

EXHIBIT B-1

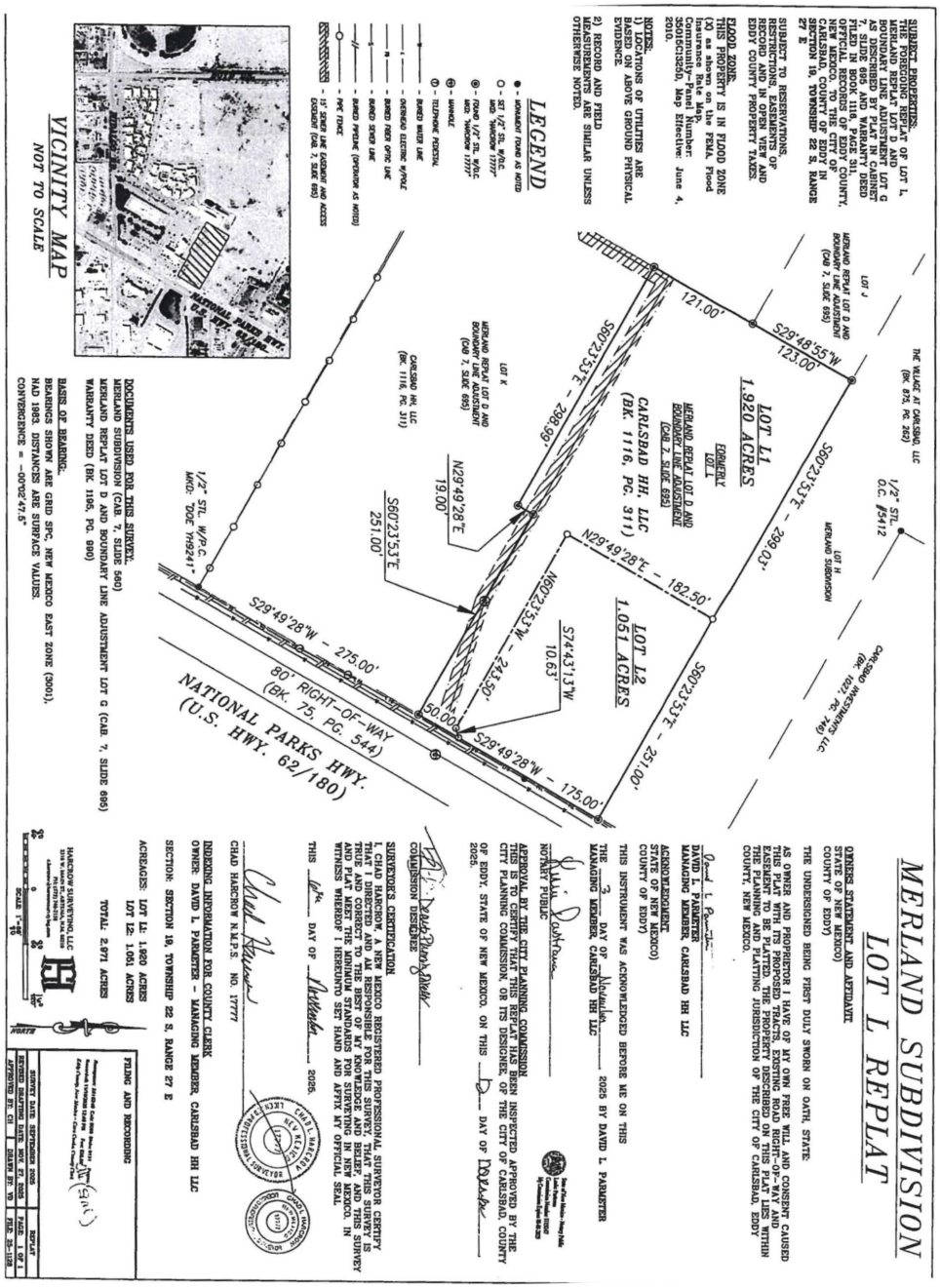
Legal Description of Carlsbad HH Land

Lot L1 (1.920 acres) of the Merland Subdivision Replat Lot L, to the County of Eddy County, New Mexico in Section 19, Township 22 S, Range 27 E, N.M.P.M. Eddy County, New Mexico, as shown on the official filed plat recorded in Cabinet 9, Slide 131, in the office of the County Clerk of Eddy County, New Mexico.

Docusign Envelope ID: FC702A16-DEC9-8F23-83A1-B6BA67CF4D34

EXHIBIT B-2

Plat of Carlsbad HH Land



FILE NO. 26-051954
APPRAISAL REPORT

EVENT CENTER
4017 NATIONAL PARKS HIGHWAY
CARLSBAD, NEW MEXICO

OWNER OF RECORD: CARLSBAD CONVENTION FACILITY, LLC

PREPARED FOR

KENNETH CASS
CITY OF CARLSBAD
114 S. HALAGUENO STREET
CARLSBAD, NEW MEXICO 88220

EFFECTIVE DATE OF VALUE: MAY 12, 2026

PREPARED BY

SMS APPRAISAL/ENVIRONMENTAL SERVICES, INC.
STEVEN M. SPARKS, MAI, CEI
5109 82ND STREET, SUITE 7, PMB: #210
LUBBOCK, TEXAS 79424-3099

May 28, 2026

Attn.: Kenneth Cass
City of Carlsbad
114 S. Halagueno Street
Carlsbad, New Mexico 88220

Re: Appraisal – Event Center @ 4017 National Parks Highway, Carlsbad, NM.

I have inspected and appraised the property described herein. Conditions pertinent to or indicative of the value of the property were investigated. The subject of this report is an event center that contains a gross building area of 8,000 SF. The improvements are situated on a 2.842 Acres (123,798 SF) tract of land located on the west side of National Parks Highway, north of Hidalgo Road in Carlsbad, New Mexico.

This appraisal report sets forth my findings and conclusions derived therefrom, together with plats, maps, photographs, etc., as are considered essential to explain the process followed in preparing the appraisal. The Appraisal Institute conducts a voluntary program of continuing education for its designated members. Members who meet the minimum standards of this program are awarded periodic educational certification. Steven M. Sparks is currently certified under this program. The appraisal has been made in compliance with the requirements of the Code of Professional Ethics and the Standards of Professional Practice of the Appraisal Institute. To the best of my knowledge, this appraisal conforms to FDIC Rules and Regulations codified in 12 C.F.R. 323, and with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation, and FIRREA.

The "As Is" Fee Simple Market Value of the subject, considering all assumptions and limiting conditions stated herein, as of May 12, 2026, was **$3,020,000**.

5109 82ND STREET ● SUITE #7, PMB: #210 ● LUBBOCK, TEXAS 79424
TELEPHONE (806) 855-2527
APPRAISALS@SMSWT.COM

PURPOSE OF THE APPRAISAL: The purpose of this appraisal is to provide the appraiser's best estimate of the "As Is" Market Value of the subject as of the effective date, being the Fee Simple interest. Market Value is defined as follows:

> "The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:
>
> a. buyer and seller are typically motivated;
>
> b. both parties are well informed or well advised, and each acting in what they consider their own best interest;
>
> c. a reasonable time is allowed for exposure in the open market;
>
> d. payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
>
> e. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

(**Source: Office of the Comptroller of the Currency under 12 CFR, Part 34, Subpart C-Appraisals, 34.42 Definitions [f].**)

INTENDED USE & USER (CLIENT) OF REPORT: For the sole purpose of assisting the City of Carlsbad (Client) and/or its assigns in estimating the market value of the subject property for loan underwriting purposes.

INTEREST VALUED: **Fee Simple Interest –** Source: Appraisal Institute, The Dictionary of Real Estate Appraisal, 7th Edition (Chicago: Appraisal Institute, 2022), as "Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat."

EFFECTIVE DATE OF VALUE: May 12, 2026

DATE OF REPORT: May 28, 2026

APPRAISAL DEVELOPMENT AND REPORTING PROCESS:

In preparing this appraisal, the appraiser...

- inspected the site on May 12, 2026.
- gathered information on cost new and depreciation, plus land sales; which are necessary in the appraisal process.
- confirmed and analyzed the data and applied the cost approach.

The appraiser believes the primary approach to value is the cost approach. Rent & sale comparables that are similar to the subject are nonexistent considering the size and operation of the subject as an event center. Thus, the income and sales comparison approaches were not employed in this analysis. Elimination of the income & sales comparison approaches does not materially impact my valuation estimate.

Per USPAP 2026-2027, this is an Appraisal Report. It is presented in a summarized format with supporting documentation retained in the appraiser's files.

It should be noted that the undersigned have experience in appraising properties considered similar to the subject, in the subject market area, and therefore comply with the competency rule as outlined by USPAP (2026/2027 Edition).

SALES HISTORY: The subject is currently owned by Carlsbad Convention Facility, LLC. The subject is currently under negotiations between the current owner and the City of Carlsbad, with this appraisal report establishing an agreed upon sales price. Based on my investigation of available records the subject has not sold over the past three years (5/12/2023 – 5/12/2026). Additionally, the appraiser is not aware of any listings, options, or contracts associated with the subject.

DESCRIPTION OF REAL ESTATE APPRAISED:

Regional Area Analysis – The subject property is located on the west side of National Parks Highway, north of Hidalgo Road in Carlsbad, being geographically located in the southeast section of New Mexico. The southeast quadrant of New Mexico includes the major cities of Alamogordo, Artesia, Carlsbad, Clovis, Hobbs, Lovington, Portales, Roswell, and Ruidoso. The larger cities that are within 100 to 300 miles of Carlsbad include Las Cruces and Albuquerque, New Mexico; Amarillo, Lubbock, Midland-Odessa, and El Paso, Texas. Carlsbad has a mild climate, characteristic of high altitude, dry continental climates. The area has an average elevation of 3,100 feet above sea level, being located at the foothills of the Guadalupe Mountains, on the edge of the Chihuahuan Desert.

The primary mode of transportation for Carlsbad and Eddy County is via automobile or truck, with the area being well served by several state highways. Public utilities are adequate with all forms (water, sanitary sewer, natural gas, electricity, and telephone).

The most recent population estimate (2020 Census) reports a population of 62,314 for Eddy County and 32,238 for the City of Carlsbad. It should be noted that population estimates differ in Unincorporated areas. According to the American Community Survey three-year estimates, it was 16,334 in 2013, while the total Eddy County population was estimated to be 55,471. Based on a water use study and new employment, however, the county's resident population could be as high as 71,000 to 100,000.

The following chart reveals building permit trends in Carlsbad since 2019.

YEAR	NEW RESIDENTIAL	NEW COMMERCIAL	TOTAL
2019	$56,464,061	$35,937,973	$92,402,034
2020	$30,286,381	$17,516,508	$47,802,889
2021	$10,417,225	$11,893,105	$22,310,330
2022	$32,194,442	$39,115,920	$71,310,362
2023	$68,088,184	$33,091,066	$101,179,250
2024	$52,932,296	$43,845,085	$96,777,381
2025	$54,769,628	$23,097,917	$77,867,545

Based on Multiple Listing Service (MLS) data, the following chart reveals the total number of residential units sold, total dollar sales volume, year-end listings, residential lots sold, and average lot price since 2018.

Description	2018	2019	2020	2021	2022	2023	2024	2025
Total Residential Units Sold	587	513	548	506	497	474	490	290
Average Sales Price	$209,4738	$242,309	$260,233	$258,265	$267,287	$271,430	$307,915	$304,192
Listings as of 12/31	48	95	119	108	124	90	66	118
Residential Lots Sold	55	112	59	56	66	63	50	76

Carlsbad Medical Center operates a 144-bed facility and provides outstanding medical service to the citizens of Carlsbad and Eddy County. Carlsbad municipal schools maintain a student population of over 7,199, with 429 teachers.

Entertainment in the area is abundant with many museums, galleries, libraries, etc. available, as well as various public recreational facilities.

The population trends have affected the economic picture of Eddy County and the City of Carlsbad reporting areas. Eddy County reported a 2025 (annual average) civilian labor force of 31,624 people, with a total of 31,366 people employed, revealing an unemployment rate of 3.3%. The most recent unemployment rate (3/26) is 4.8% (labor force @ 32,592) for Eddy County, as compared to March 2025 (4.1%; labor force @ 31,170). Unemployment rates are somewhat stable, due to improvements in the oil and gas economy.

As of recently, oil prices have improved and are currently at $103.00+/-. Prices are slowly increasing at the present time, with growth currently limited by demand. The timing of a recovery, and the possible impact it could have on the local economy, is dependent upon supply and demand regaining a state of equilibrium. At this time, one can only speculate as to what the impact "may" be; however, time will be the final arbiter. It should be noted that general spending, travel, auto sales, and new construction have been on the decline over this time period, while unemployment levels increased. Although these indicators point to a diminishing economy, there have been no noticeable indicators that point to declining values or market rental levels in the real estate sector.

The regional economy is dependent upon agriculture, extractive mineral production, manufacturing, tourism, military bases, and state-funded colleges. The primary economic factors that influence the region are the oil and gas industry, farming, ranching, and the dairy industry. Eddy County is more economically diversified than surrounding counties, due to the Waste Isolation Pilot Plant (WIPP) that has brought significant federal spending to the county. Eddy County also has a significant impact from tourism, primarily due to the Carlsbad Caverns National Park. In addition, agriculture and the oil and gas industry play a big part in the Eddy County economy. The largest employers in Carlsbad and Eddy County are the Carlsbad Municipal School, Washington TRU Solutions, Mosaic, Intrepid and the Carlsbad

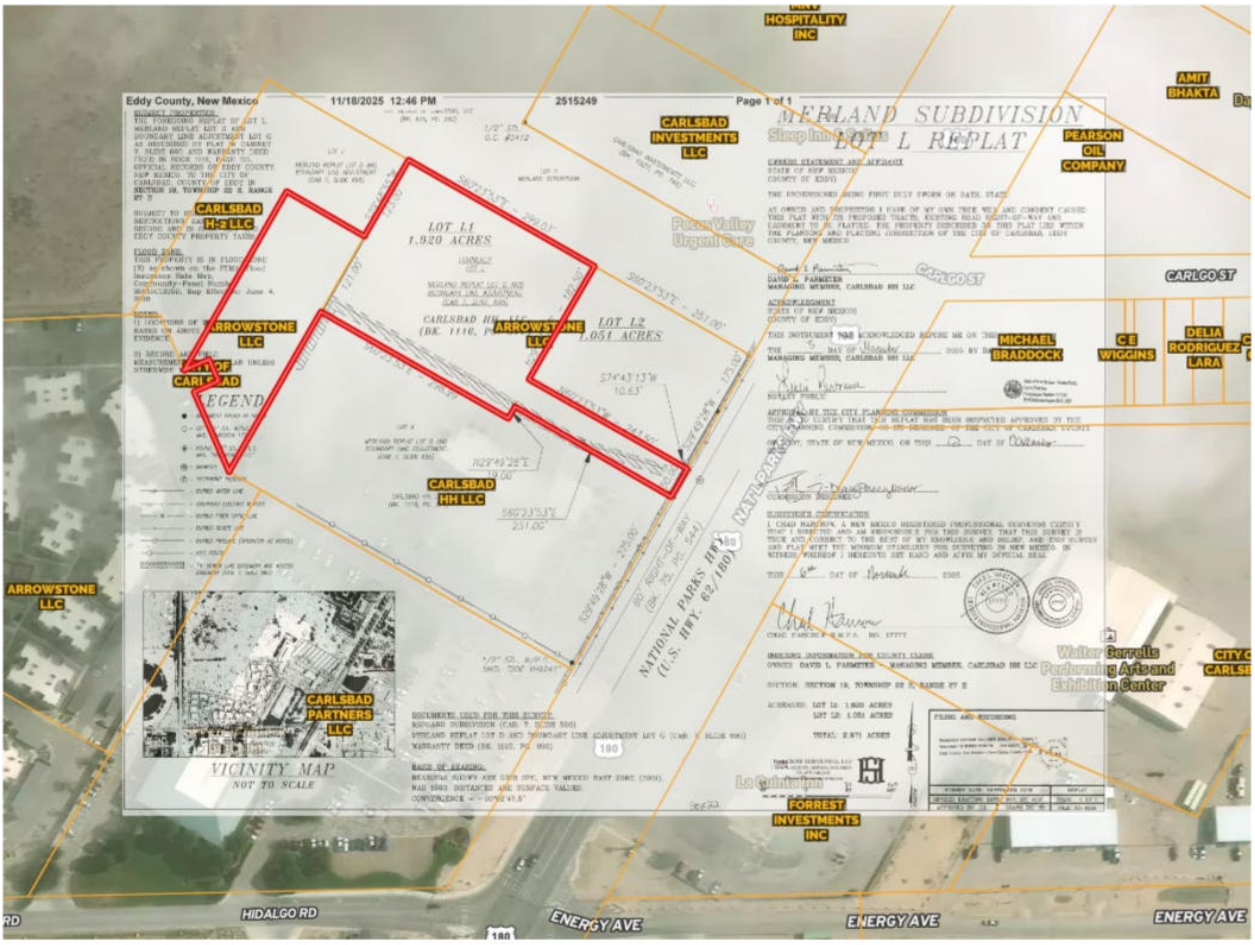
Medical Center. The Carlsbad economy is somewhat more diversified than other towns in the region. Although gross receipts taxes continue to increase, there is no anticipation of fast growth in Carlsbad. The lower interest rates and the overall economic improvement in Carlsbad have stimulated both the residential portion of the economy and commercial portions of the economy. At present, after a period of decline, oil and gas prices are beginning to strengthen. This factor will impact future growth and development.

Neighborhood Analysis – The subject property is located on the west side of National Parks Highway, north of Hidalgo Road in the southwest sector of the City of Carlsbad. Neighborhood boundaries include U.S. 180 (Greene Street) to the north, and the Carlsbad city limits to the east, west and south. The Carlsbad Central Business District is basically at the intersection of US 180 and US 82, being densely developed with commercial and office uses, plus county government offices. These types of uses are also located on Canal Street (US 82), as it extends south from this intersection. Canal Street and Greene Street are two of the most heavily developed commercial corridors in the city. New construction in the southern portion of Carlsbad has been extensive, being concentrated around the new Wal-Mart. This development has been retail oriented, plus restaurants, branch banks, and hotels. Other new commercial development has occurred or is underway along the National Parks Highway, being an extension of Canal Street. This new development is primarily hotel construction; plus light industrial oil field service (office/warehouse) type uses. Within the subject neighborhood, several new hotels have been completed (TownPlace Suites, La Quinta Inn, Suites & Sleep Inn, Quality Inn & Suites, etc.).

Site Description - According to the available survey, the total land area associated with the subject is equal to 2.842 acres or 123,798 SF. The is legally described as follows:

> "Lot 1 & Lot L1, Replat of Merland Subdivision, City of Carlsbad, Eddy County, New Mexico."

The subject site is irregular in shape as indicated by the following outline. The site maintains frontage along National Parks Highway by a 50' arm that extends from the site. As a result, the overall utility is below average.



As discussed, the subject site is located west of the National Parks Highway, and north of Hidalgo Road. The National Parks Highway is the primary north/south transportation route in Carlsbad. This roadway merges (north) with the Pecos Highway to become Canal Street as it extends north through Carlsbad. At present, no traffic count is available.

The topography of the tract is level with an adequate slope to allow proper drainage, with a retention pond (not part of subject) that is west and north of the subject site. Overall, the subject site is at street grade with surrounding uses. Based upon maps obtained from the United States Department of Agriculture, Soil Conservation Service, there appears to be one soil type located within the confines of the subject site. The soil type associated with the site is Reagan loam, 0 to 3 percent slopes. The landform associated with this soil type is alluvial fans, and fan remnants. A typical soil profile is loam from 0 to 82 inches. This soil type is well drained, while the runoff class is low, and the depth to a restrictive feature, plus the water table is more than 80 inches.

Based on the available flood insurance rate map (Panel No. 35015C1325D, Dated 6/4/10), the subject is not located in a flood hazard area, being located in Zone X.

A 15" sewer line and access easement extends from the National Parks Highway, and along a portion of the east and south boundaries of the subject site. No title policy was made available to the appraiser. However, based upon the available survey, there appears to be no easements that impact the subject site. Thus, it is assumed that no adverse easements exist that would affect the overall utility of the subject.

The subject site has access to all city water and sanitary sewer service. Electricity, gas and telephone service are also reported to be available to the site.

The subject site is presently zoned "C-2", Commercial District. The purpose of this district is to provide for light commercial and retail uses which serve a city-wide or regional area. Such districts should have frontage on primary roadways. Because of the retail and commercial nature of the permitted uses, compatibility with adjacent residential areas must also be carefully considered. This zoning district allows a variety of retail, office and commercial type uses, plus event center development.

Following is a list of zoning restrictions in regards to yard requirements, lot width, lot area, and parking requirements.

ZONING RESTRICTIONS		
Yard Requirements	**Front Yard**	None
	Rear	None
	Side	10’
Lot Width		No requirements for commercial use.
Lot Area		No requirements for commercial use.
Height		No requirements for commercial use.
Parking		Dependent upon use

No study concerning deed restrictions has been conducted by the appraiser. Only a detailed search by a title company or attorney can provide positive assurance of the existence or absence of deed restrictions. However, for the purpose of this appraisal, it is assumed that there are no deed restrictions which adversely affect development of the subject site.

The appraiser has researched the area with regard to the presence of hazardous materials in or around the subject property. After conversations with the City of Carlsbad Building Inspector and Health Department, there is no knowledge of any hazardous materials in the immediate area of the subject site. In addition, there are no surrounding land uses that would suggest that hazardous conditions might be present in the immediate area. Although the appraiser is a Certified Environmental Inspector through the Environmental Assessment Association, it is beyond the scope of this report to provide a full ESA. The value conclusion contained in this report is based on the assumption that no hazardous materials exist within the subject site or immediate area.

Improvement Description - The subject has a total gross building area of 8,000 SF and employed as a convention center. Basic construction of the improvements is a wood framed building. The exterior is an exterior insulated finish system (EIFS) over sheathing, plus an aluminum and glass storefront system and rock wainscot at the entry elevation. The frame is primarily wood, with a steel beam that bisects the building to provide support. The roof is sloped with a wood deck supported by wood joists, with a built-up cover, while the foundation is a concrete slab on grade. Front entry doors are aluminum and glass, with a metal sectional overhead door at the south elevation.

Within the central core are two convention halls, with a movable partition. The combined size is 5,200 SF. A pre-function lobby is located at the primary entry, with men's and women's restrooms at each end. Each banquet room maintains a storage room to the rear. A warm-up kitchen is also located at the rear with access to each convention hall. Built-in cabinets, plus an appliance package located in the kitchen.

Relative to interior finishout, the ceiling is primarily a suspended acoustical tile system, with decorative areas, and recessed fluorescent lights; plus areas of gypsum board (taped, bedded and painted) with can spot lights or suspended fixtures. Interior walls are gypsum board that is taped, bedded and painted. Floor cover is a combination of carpet squares, ceramic tile, and luxury vinyl tile. The improvements are served by a package heating and air-conditioning system, being roof mounted. The subject is also sprinklered (wet system) for fire protection, plus maintains a sound system.

Site improvements include concrete paved parking (51 spaces) and parking lot lighting, concrete sidewalks along each elevation, raised concrete curb planters, plus moderate landscaping (desert scape), and property signage. It should be noted that shared parking is available via the adjacent Hyatt House hotel.

Based on the site size (123,798 SF) and building area (8,000 SF), the revealed land-to-building ratio is 15.47:1. Given the layout and use of the improvements on the site, this is believed to be at market levels. As a result, no excess land area is available to sell as a separate economic unit.

The improvement's original construction date is 2020, being in excellent condition and well maintained over the life of the improvements. The estimated effective age of improvements is believed to be 3 years. Thus, the subject suffers from physical incurable depreciation of 7% (3/45), being based on an average economic life of 45 years and a remaining economic life of 42 years. It is also believed that no form of economic obsolescence impact the subject.

The subject property improvements are considered modern and are functional in design for their intended use. The configuration of the improvements on the subject site and the interior floor plan are considered to be functional, based upon my comparison with other similar and competitive uses. Thus, no functional obsolescence is present.

An Environmental Transaction Screen or Phase I ESA has not been performed in association with this appraisal. No specific hazards were noted based on the limited scope of this analysis, and it is suggested that a Phase I ESA or Environmental Transaction Screen be performed. Overall, my conclusion of value is based on the assumption that no environmental hazards impact the subject.

An additional concern, relative to any improved property, is its compliance with the Americans with Disabilities Act (ADA). The final regulations and accessibility guidelines published by the U.S. Department of Justice in 1991 will greatly increase the access for all disabled people to public accommodations and commercial facilities. The subject property is existing construction and should meet all ADA standards.

Tax Analysis – The subject is taxed as being non-residential, inside the city limits (Carlsbad). The 2025 combined mill rate is $28.700/$1,000. The parcel number associated with the subject is R203412 & R204854. Within New Mexico, the assessed value is one-third of the full value. The 2026 full market value for the subject is $963,242 (land @ $69,988; improvements @ $893,254), while the taxable value is $321,081. Thus, taxes are equal to $9,215 (rounded). In addition, all due taxes have been paid. It should be noted that the 2025 mill rate has not been published at this time.

HIGHEST AND BEST USE:

Highest and Best use as though vacant - The physical characteristics associated with the subject site are adequate for most forms of moderate scale commercial development with no limiting factors. The subject is located within the Carlsbad city limits and is currently zoned "C-2," Commercial District. A convention center is an allowed use in this zoning district. Typically, financial feasibility relative to development of this type of use is associated with location to include access, visibility, traffic counts, and surrounding development. The overall traffic count is adequate at this location at the present time. Visibility is good at the subject location, and there is a significant amount of supporting development in proximity. Once again, when considering the locational attributes of the subject property, a convention center is believed to be maximally productive and the highest and best use of the subject.

Highest and Best use As improved - Over the near term, the subject site, as a convention center building, should offer a higher return on the investment and there is no legal, alternative use that would presently justify removal of the existing improvements as of the date of appraisal.

The highest and best use of the subject, as of 5/12/2026, is for the development of a convention center. The most probable buyer is an owner-user.

SUMMARY OF ANALYSIS AND VALUATION:

Cost Approach: The Cost Approach involves the following steps:

1. An estimate of land value by direct comparison or alternative methods.

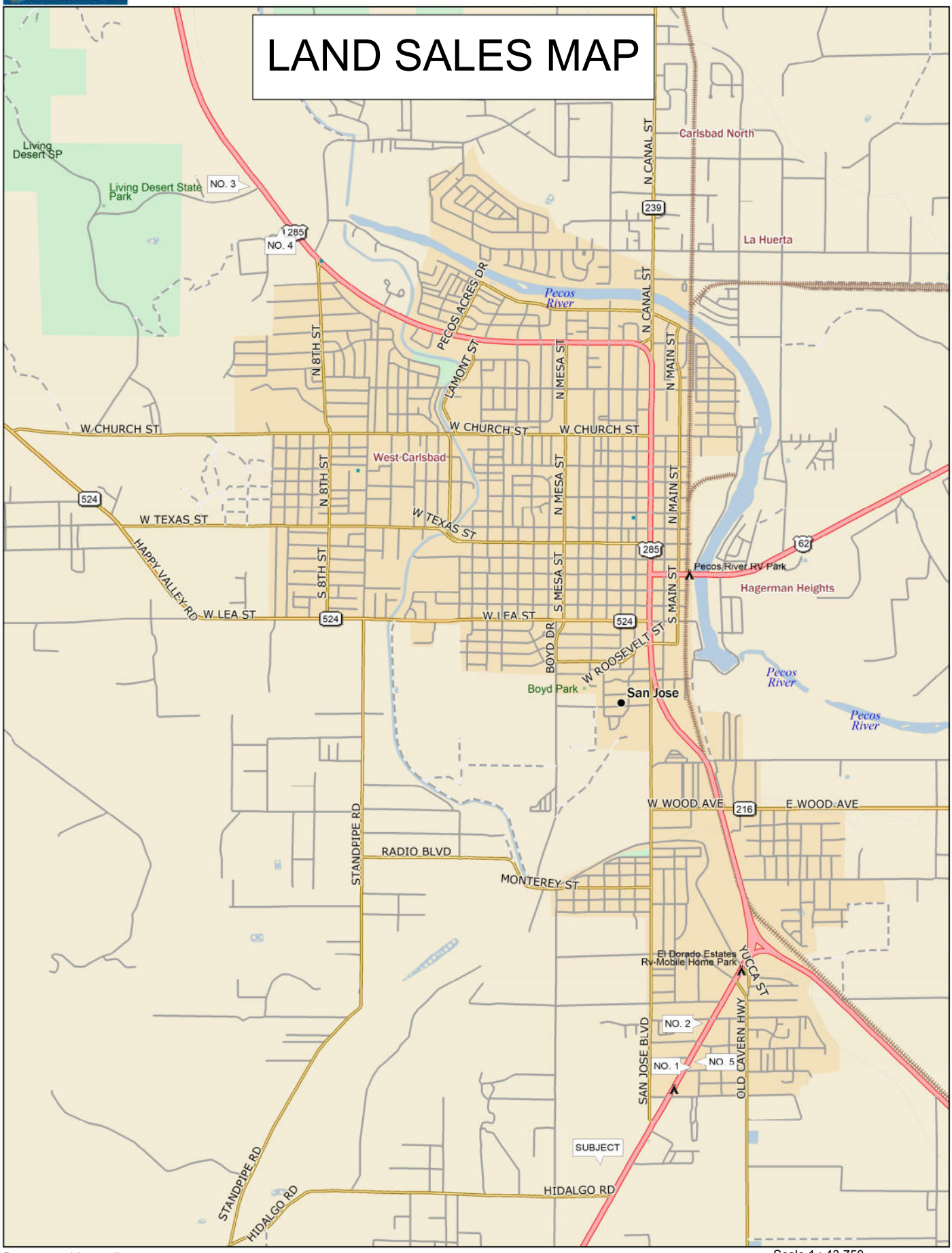
2. An estimate of replacement cost of the improvements. This is the cost of reproducing a new replica property on the basis of current prices with the same or very similar material or one with similar utility.

3. An estimate of accrued depreciation as appropriate which is subtracted from the estimated costs new.

4. Land value is then added to the depreciated value of the improvements. The total of the two is the value estimate by the Cost Approach.

Land Valuation - The value of the site was estimated by employing the Sales Comparison Approach. Detailed information regarding each sale is located in the Addendum as Exhibit C. A map and summary of these land sales is as follows:

LAND SALES MAP



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www.delorme.com

TN
MN (6.2°E)

Scale 1 : 43,750
1" = 3,645.8 ft
Data Zoom 12-2

SMS APPRAISAL

LAND SALES SUMMARY						
#	LOCATION	DATE	SIZE/SF	ZONING	FRONTAGE	SALES PRICE/AC
1	NEC of National Parks Hwy. & Hamilton St.	2/19	38,768	C-2	Two Sides	$10.83
2	SWC of National Parks Hwy. & Pecan St.	11/21	49,223	C-2	Two sides	$12.15
3	NWC of W. Pierce St. & Skyline Rd.	4/23	61,071	C-2	Three sides	$8.68
4	NWC of W. Pierce St. & University Dr.	11/23	144,550	C-2	Two sides	$5.02
5	SEC of National Parks Hwy. & K St.	3/24	45,738	C-2	Two sides	$20.07
Subject @ 4017 National Parks Hwy.			**123,798**	**C-2**	**One side**	-

The following analyzes the most comparable properties as compared to the subject property ("+" adjustments indicate that the comparable is inferior to the subject and must be adjusted upward; "-" adjustments indicate that the comparable is superior to the subject and must be adjusted downward; and "0" indicates that the comparable and subject are similar overall in this factor of comparison and no adjustment is warranted).

The sales available and obtained by the appraiser are the most comparable in this market and are believed to be a good indication of a range in value. Sale Nos. 1, 2 & 3 are considered most comparable and will be employed in the adjustment chart. The sales price per SF unit of comparison appears to be more applicable in this market. The adjustment chart that follows will be a comparison of the available sales to the subject.

ADJUSTMENT GRID				
	Subject	**No. 1**	**No. 2**	**No. 3**
Price/SF		$10.83	$12.15	$8.68
Sale Date Time Adj.		2/19 -0-	11/21 -0-	4/23 -0-
Conditions of Sale Adj.		Cash Eq. -0-	Cash Eq. -0-	Cash Eq. -0-
Adj. Price		$10.83	$12.15	$8.68
Size/Ac. Adj.	123,798	38,768 -10%	49,223 -10%	61,071 -10%
Location Adj.	Good	Similar -0-	Similar -0-	Inferior +25%
Zoning Adj.	C-2	C-2 -0-	C-2 -0-	C-2 -0-
Utility Frontage Shape Utilities Adj.	Good 1 side Irregular All	Superior 2 Sides (-5%) Rect. (-10%) All (-0-) -15%	Superior 2 Sides (-5%) Rect. (-10%) All (-0-) -15%	Superior 2 Sides (-5%) Rect. (-10%) All (-0-) -15%
Total Net Adjustment		**-25%**	**-25%**	**-0-**
Adjusted Sale Price		**$8.12**	**$9.11**	**$8.68**
ADJUSTMENT ANALYSIS				
Number of Adjustments		2	2	3
Total Gross Adjustment		25%	25%	50%

EXPLANATION OF ADJUSTMENTS

Date of Sale/Time - The effective date of this appraisal is May 12, 2026. The sales utilized in this analysis occurred between February 2019 and April 2023. Based on the analysis of each sale, it appears that no increase or decrease in land values have occurred over this time period. Thus, no adjustment will be applied in this instance.

Conditions of Sale – Each of the adjusted sales were believed to be arm's length, with no adjustment necessary for conditions of sale.

Size – Nos. 1, 2 & 3 – The subject site contains 123,798 SF, being larger than each of the sales, which range in size from 38,768 SF to 61,071 SF. Thus, negative adjustments are warranted for each of the sales.

Location – No. 3 - The subject property is located on the west side of National Parks Highway, north of Hidalgo Road. The subject has no actual frontage along a roadway and is just west and adjacent to a Hyatt House lodging facility. Area development is good in quality and appeal, but this is not a densely developed area of the city. Overall, the subject location is good.

Sale Nos. 1 & 2 are located off National Park Highway, being in close proximity to the subject with similar surrounding development. Thus, Nos. 1 & 2 did not warrant adjustments for location.

Sale No. 3 is located at the NWC of W. Pierce Street and Skyline Road in Carlsbad. This site is located in the northern portion of the City of Carlsbad. This is a good location but lacks the extensive development along National Parks Highway that the subject has. Additionally, based on a paired sales analysis between Nos. 2 & 3, a positive adjustment for location is warranted.

Zoning –Despite differences in zoning, any variances have been accounted for in the adjustment for location. Thus, no adjustments are required for zoning.

Utility – Nos. 1, 2 & 3 - In comparing utility or usefulness of the comparables to the subject site, I have considered road frontage, shape or configuration of the tract, topography, flood plain status, availability of utilities. With regard to utilities and flood, each of the sales are similar with no adjustments needed. With regard to frontage, Nos. 1, 2 & 3 are each accessed by two sides of frontage, being superior to the subject. The subject is irregular in shape, being back acreage with a long arm extending to National Parks Highway. Each of the sales are rectangular and warranted negative adjustments for shape. Thus, each of the sales are superior and needed negative adjustments for utility.

Site Value Conclusion:

The range of prices after adjustments varied from a low on Sale No. 1 of $8.12/SF to a high of $9.11/SF on Sale No. 2. Adjustments were necessary for size & utility (Nos. 1, 2 & 3); plus location (No. 3). As a result, Sale No. 3 required the greatest (three) number of adjustments, followed by Nos. 1 & 2 with the least (two) number of adjustments. However, Nos. 1 & 2 required the largest (25%) total net adjustment, followed by No. 3 with the smallest (0%) total net adjustment.

After all adjustments and considering the physical factors of the subject site (size, location & utility), a value of **$8.70/SF** is considered reasonable and valid for the subject. Thus, the subject land value is calculated as follows:

SIZE/SF		PRICE/SF		INDICATED VALUE
123,798	X	$8.70	=	$1,077,043
ROUNDED TO $1,080,000				

Building Cost Estimates - Several methods may be implemented to estimate the replacement cost of the improvements, such as the cost per square foot method, cost per cubic foot method, or the quantitative survey method.

The cost per square foot method was selected by the appraiser for the subject improvements. The cost figures utilized were obtained from the Marshall & Swift Telenet computer system, and the estimate includes such indirect costs as architect's fees, contractor's overhead and profit, loan fees and interim construction financing.

The estimated value of the subject property by the Cost Approach is summarized on the following pages:

CoreLogic - Swift Estimator
Segregated Estimator - Detailed Report

General Information

Estimate ID:	26-051954
Property Owner:	Carlsbad Convention Facility, LLC
Address:	4017 National Parks Highway
City:	Carlsbad
State:	NM
ZIP/Postal Code:	88220
Surveyed By:	SMS
Survey Date:	5/12/2026
Cost as of Date:	05/2026

Summary

Section	Cost New	Depreciation	Depreciated Cost
Section 1 : Convention Center	$1,772,692	$0	$1,772,692
TOTAL COST	$1,772,692	$0	$1,772,692

Section 1

Occupancy:	Convention Center
Class:	D - Wood or Steel Framed Exterior Walls
Quality:	Fair
Condition:	6 - Excellent
Number of Stories:	1
Average Story Height:	24
Floor Area:	8000

Detailed Totals

Component	Units	Cost	Cost New	Depr	Depr Cost
Excavation & Site Preparation:					
Site Preparation	8,000	$.54	$4,320		$4,320
Foundation:					
Concrete, Open Shell Type	8,000	$1.67	$13,360		$13,360
Frame:					
Wood Posts & Beams	8,000	$9.67	$77,360		$77,360
H Beams, 10"	80	$108.75	$8,700		$8,700
Width : 8					
Subtotal			$86,060	$0	$86,060
Floor Structure:					
Concrete on Ground	8,000	$6.92	$55,360		$55,360
Vapor Barrier	8,000	$1.34	$10,720		$10,720
Subtotal			$66,080	$0	$66,080
Floor cover:					
Carpet and Pad	4,925	$5.64	$27,777		$27,777
Hardener and Sealer on Concrete	1,784	$1.58	$2,819		$2,819
Tile, Ceramic	476	$19.62	$9,339		$9,339
Vinyl Composition Tile	815	$7.32	$5,966		$5,966
Subtotal			$45,901	$0	$45,901
Ceiling:					
Acoustical, Mineral Fiber	5,739	$3.25	$18,652		$18,652
Drywall, Taped & Painted	2,261	$3.34	$7,552		$7,552
Suspended Ceiling	5,739	$2.48	$14,233		$14,233
Ceiling Insulation	8,000	$1.27	$10,160		$10,160
Subtotal			$50,597	$0	$50,597
Interior Construction:					
Interior Construction, Framed	8,000	$59.54	$476,320		$476,320
Plumbing:					
Plumbing	8,000	$7.82	$62,560		$62,560

Fire Protection:					
Sprinklers	8,000	$5.18	$41,440		$41,440
Fire Control Room Panel, 75 Zones	1	$21,166.44	$21,166		$21,166
Smoke Detector, Wired	8	$701.36	$5,611		$5,611
Subtotal			$68,217	$0	$68,217
Heating, Cooling & Ventilation:					
Package Heating & Cooling	8,000	$15.46	$123,680		$123,680
Electrical:					
Electrical, Finished	8,000	$15.99	$127,920		$127,920
Exterior Wall:					
Synthetic Plaster on Rigid Insulation	7,880	$32.15	$253,342		$253,342
Ashlar Stone Veneer	400	$60.20	$24,080		$24,080
Sheathing	7,880	$1.60	$12,608		$12,608
Insulation	7,880	$1.16	$9,141		$9,141
Subtotal			$299,171	$0	$299,171
Store front:					
Storefront without Display Areas	360	$60.82	$21,895		$21,895
Roof Structure:					
Wood Joists, Wood Deck	8,000	$8.83	$70,640		$70,640
Roof Cover:					
Built-Up Composition	8,000	$3.36	$26,880		$26,880
Built-in construction:					
Appliance Allowance	1	$3,103.76	$3,104		$3,104
Subtotal Superstructure	**8,000**	**$193.34**	**$1,546,705**	**$0**	**$1,546,705**
Other Non Superstructure:					
Security	1	$5,000.00	$5,000		$5,000
Sound	1	$10,000.00	$10,000		$10,000
Subtotal			$15,000	$0	$15,000
Nonsuperstructure Subtotal	**8,000**	**$1.87**	**$15,000**	**$0**	**$15,000**
Replacement Cost New	**8,000**	**$195.21**	**$1,561,705**		
Depreciated Cost					$1,561,705
Yard Improvements:					
Signage	1	$8,000.00	$8,000		$8,000
Parking Lot Lighting	31,228	$.57	$17,800		$17,800
Paving, Asphalt	31,228	$4.08	$127,410		$127,410
Paving, Concrete, Reinforced	1,710	$6.99	$11,953		$11,953
Landscaping	15,224	$3.01	$45,824		$45,824
Subtotal			$210,987	$0	$210,987
NonBuilding Subtotal			**$210,987**	**$0**	**$210,987**
Total Cost			**$1,772,692**	**$0**	**$1,772,692**

Cost data by CoreLogic, Inc.

Except for items and costs listed under “Addition Details,” this SwiftEstimator report has been produced utilizing current cost data and is in compliance with the Marshall & Swift Licensed User Certificate. This report authenticates the user as a current Marshall & Swift user.



Developer's overhead and profit allowance is considered a legitimate cost item; which applies a profit motivation to the resultant value estimate. Typically, such costs range from 5% to 15% of total project costs. An estimate of 5% is deemed reasonable. In addition, soft costs which include title fees, legal and accounting fees, financing expenses and any temporary improvements, etc. An estimate of 5% of total reproduction cost will be employed in this report. In addition, a gross receipts tax of 7.3958% will be included.

Depreciation

Depreciation is vested in physical, functional and economic items. Physical depreciation is defined as a reduction in utility resulting from impairment in physical condition. This is separated as two types:

1. Curable - refers to items of deferred maintenance.

2. Incurable - this is deterioration that is not practical or economically feasible to correct.

The improvement's original construction date is 2020, being in excellent condition and well maintained over the life of the improvements. The estimated effective age of improvements is believed to be 3 years. Thus, the subject suffers from physical incurable depreciation of 7% (3/45), being based on an average economic life of 45 years and a remaining economic life of 42 years.

Economic/external obsolescence is the impairment of desirability or useful life from factors external to the property, such as economic forces or environment changes which affect supply/demand relationships in the market. The subject is an existing convention center located in Carlsbad, New Mexico. It is the appraiser's opinion that the Carlsbad market supports the quality and attractiveness of the subject property, and as a result, the subject is not impacted by economic/external obsolescence.

Functional obsolescence is the impairment of functional capacity or efficiency. It reflects the loss in value due to defects, deficiencies or super adequacies that affect the property item itself or its relation with other items comprising a larger property. It is the inability of a structure to adequately perform the function for which it is currently employed. It can be curable or incurable. As mentioned in the Subject Property section, the improvements are considered to be functional in design, with no areas of functional obsolescence.

Following is a summary and cost estimate of the subject property.

COST ESTIMATE SUMMARY

Total direct cost of improvements		$1,772,692
Plus: Developers O & P, & Soft Costs @ 10%		177,269
Plus: Gross Receipts Tax @ 7.3958%		131,105
Total cost of improvements		$2,081,066
Less: Depreciation		
Physical (Incurable) (7% - 3/45 age/life)	$145,675	
Total Depreciation		$ 145,675
Depreciated Value of Improvements		$1,935,391
Plus: Land Value (By Comparison)		$1,080,000
Total Depreciated Value of the Improvements		$3,015,391
Indicated Total "As Is" Property Value by the Cost Approach		$3,020,000

$3,020,000

THREE MILLION AND TWENTY THOUSAND DOLLARS

Reconciliation and Value Conclusion:

Cost Approach: **$3,020,000**

The cost approach revealed a value of $3,020,000 in regard to the subject. Overall, based on my analysis of the subject property the estimated "As Is" Fee Simple Market Value of the subject, considering all assumptions and limiting conditions stated herein, as of May 12, 2026, was **$3,020,000**.

MARKETING/EXPOSURE PERIOD

Market value is based on the premise that a reasonable time is allowed for exposure in the open market, considering the property type and local market conditions. Reasonable exposure time is one of a series of conditions (i.e., typically motivated buyer and seller, both parties well-informed) under which the current sale is presumed to occur. Exposure time precedes the effective date of appraisal. This fact is substantiated by related facts in the appraisal process: the use of current cost information and supply/demand conditions as of the effective date of appraisal, the analysis of historical sales information (sold after exposure and after completion of negotiations between the seller and buyer), and the analysis of future income expectancy estimated from the effective date of appraisal.

The number of available new construction convention center sales in the subject neighborhood is limited. The subject is currently in excellent condition, with a good location in Carlsbad. Because of this factor, it is believed that the subject would attract investor interest if offered for sale. The estimate of market value is based on a marketing and/or exposure period of 12 months.

GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

It is assumed that title to the property herein appraised is good and merchantable, and in fee simple. The value is reported without regard to questions of title, boundaries, encroachments, environmental regulations, licenses, or other matters of a legal nature unless noncompliance has been stated, defined, and considered in the appraisal report.

Also, the value is estimated under the assumption that there will be no international nor domestic political, economic, nor military actions that will seriously affect real estate values throughout the country.

Certain information concerning market and operating data was obtained from others. A rent roll was not provided to the appraiser. This information is verified and checked, where possible, and is used in this appraisal only if it is believed to be accurate and correct. However, such information is not guaranteed. Dimensions and areas of the subject property and of the comparables were obtained by various means and are not guaranteed to be exact.

Real estate values are influenced by a large number of external factors. The data contained herein is all of the data I consider necessary to support the value estimate. I have not knowingly withheld any pertinent facts, but I do not guarantee that I have knowledge of all factors which might influence the value of the subject property. Due to rapid changes in external factors, the value estimate is considered reliable only as of the date of appraisal.

Opinions of value contained herein are estimates. This is the definition of an appraisal. There is no guarantee, written or implied, the subject property will sell for such amounts. The value estimated assumes that the property is under responsible ownership and has competent and prudent management.

The appraiser will not be required to give testimony or attendance in court or before other legal authority by reason of this appraisal without prior agreement and arrangement between the employer and the appraiser.

Disclosure of the contents of this appraisal report is governed by the By-Laws and Regulations of the Appraisal Institute.

Neither all nor any part of the contents of this report (especially any opinions, analysis, or conclusions concerning value, the identity of the appraiser or the firm with which he is connected, or any reference to the Appraisal Institute or the MAI Designation) shall be disseminated to the public through advertising media, public relations media, news media, sales media, prospectus for securities, or any other public means of communication without prior written consent and approval of the undersigned.

It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structure which would render it more or less valuable, except as stated in this report. No responsibility is assumed for such conditions or engineering which may be required to discover them. It is assumed that a prudent owner/buyer would allow the inspection of the property by a qualified soils or structure engineer if conditions required.

The distribution of the total valuation in this report between land and improvements applies only under the reported Highest and Best Use of the land. The allocations of value for land and improvements, if presented, must not be used in conjunction with any other appraisal and are invalid if so used.

No environmental impact studies were either requested or made in conjunction with this appraisal, and the appraiser hereby reserves the right to alter, amend, revise, rescind any of the value opinions based upon any subsequent environmental impact studies, research, or investigation.

This appraisal was prepared by SMS Appraisal Services and consists of trade secrets and commercial or financial information which are privileged and confidential and exempted from disclosure under 5 U.S.C. 552 (b) (4). Please notify Steven M. Sparks of any request of reproduction of this appraisal.

Under no circumstances shall the company's or appraiser's liabilities exceed the fee actually collected for this report, and then only in case of a gross error which would have materially affected the appraiser's value opinion as of the date of valuation. Thus, by accepting this report, acknowledgment is made that a value opinion is an opinion only, and not a provable fact. As a personal opinion, valuation may vary between appraisers based on the same facts. Therefore, the company and the appraiser warrants only that the value conclusion is the best opinion as of the exact day of valuation.

No investigation was made by the appraiser to determine if asbestos, fiberglass, or synthetic mineral fiber products are present in improved properties. The existence of such fibers, if any, would have to be determined by a qualified inspector. It is assumed that there are no asbestos, fiberglass, synthetic material fiber products, nor other contaminants present that would materially affect value.

The ADA extends to individuals with disabilities civil rights protection similar to those provided to persons previously on the basis of race, sex, national origin and religion under the Civil Rights Act of 1964. One objective of the ADA is to make accessible to persons with disabilities all buildings and other facilities open to the general public on the same basis that those buildings and facilities are available to persons without disabilities. Existing buildings were required to be brought into compliance by July 1992. The appraiser is not an expert in this matter and unless it is specified otherwise in the report, the value conclusion assumes the subject will not be adversely affected by this act.

Specific Assumptions and Limiting Conditions

None.

CERTIFICATE

- I certify that, to the best of my knowledge and belief....
- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- As of the date of the appraisal, I have no present or prospective interest or bias in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, I, Steven M. Sparks have completed the requirements under the continuing education program of the Appraisal Institute.
- Garrett T. Sparks personally inspected the property that is the subject of this report. Steven M. Sparks and Garrett T. Sparks prepared the analyses, conclusions and opinions concerning the real estate that are set forth in this appraisal report.
- No one provided significant real property appraisal assistance to the person's signing this certification.

- This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or approval of a loan.

- I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

- It is noted that while it is possible that the subject property could sell within a shorter or longer time period, it is my opinion that a more probable marketing and/or exposure time for this property is one year.

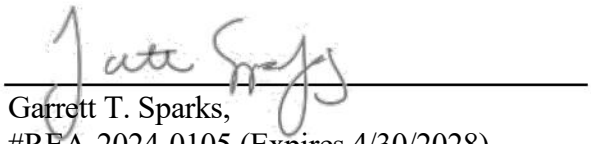
- Based on the foregoing and after consideration of all pertinent factors affecting the subject, it is my opinion that the estimated Fee Simple "As Is" Market Value of the subject, considering all assumptions and limiting conditions, as of May 12, 2026, was:

$3,020,000

THREE MILLION AND TWENTY THOUSAND DOLLARS



Steven M. Sparks, MAI, CEI
#1114-G (Expires 4/30/2028)



Garrett T. Sparks,
#REA-2024-0105 (Expires 4/30/2028)

REAL ESTATE APPRAISAL QUALIFICATIONS
OF STEVEN M. SPARKS, MAI, CEI

PROFESSIONAL AFFILIATIONS

Member, Appraisal Institute (#8985)
Certified General Real Estate Appraiser in Texas (#TX-1322593-G), and New Mexico (001114-G).
Realtor, Lubbock Association of Realtors
Certified Environmental Inspector (CEI), Environmental Assessment Association

The Appraisal Institute conducts a mandatory program of continuing education for its designated members. MAI's and SRA's who meet the minimum standard of this program are awarded periodic educational certification. As of the date of this report, I have completed the requirements under the continuing education program and I am currently certified under this program.

EDUCATION

Graduate of Texas Tech University, B.B.A., Petroleum Land Management 1983

Courses include: Farm and Ranch Appraisal, Real Estate Law, Corp. Finance I and II, Real Estate Fundamentals. General background in management finance, marketing, business law, accounting and economics; Dean's List.

Professional Courses - Appraisal Institute: Real Estate Appraisal Principles, Basic Valuation Procedures, Capitalization Theory & Techniques Part A, Capitalization Theory & Techniques Part B, Standards in Professional Practice, Case Studies, Report Writing, Demonstration Report and Comprehensive Exam.

Resolution Trust Corporation - Affordable Housing Appraisal Seminar
Residential Case Study - Appraisal Institute (2/94)
Performing Phase I Site Assessments - EAA (5/94)
Fair Lending and the Appraiser - Appraisal Institute (10/94)
Market Extractions - Appraisal Institute (1/96)
Appraisal of Retail Properties - Appraisal Institute (10/96)
The High Tech Appraisal Office - Appraisal Institute (1/96)
Appraising Nursing Home Facilities - Appraisal Institute (2/97)

EXPERIENCE

1984-Present:
- Appraisal/Environmental of all types of Commercial, Residential, Farm and Ranch Real Estate.
- Appraisal/Environmental experience to include single-family residences, apartments, shopping centers, hotels, office buildings, movie theaters, industrial buildings, land developments, single family subdivisions and vacant land. Past experience in the overbuilt markets of Dallas/Fort Worth (1984-1992) and New England (4/92-6/93).

NMRLD
NEW MEXICO
REGULATION &
LICENSING DEPARTMENT

State of New Mexico

Real Estate Appraisers

HEREBY CERTIFIES THAT

Steven M. Sparks

HAVING GIVEN SATISFACTORY EVIDENCE OF THE COMPLETION OF
PROFESSIONAL AND OTHER REQUIREMENTS PRESCRIBED BY LAW
IS GRANTED A LICENSE TO PRACTICE IN THE STATE OF NEW MEXICO

General Certified Appraiser

License No. 1114-G Issued 09/07/1994 Expires 04/30/2028

THIS LICENSE SHOULD BE CONSPICUOUSLY POSTED IN PLACE OF BUSINESS OR AS REQUIRED BY LAW

QUALIFICATIONS OF GARRETT T. SPARKS

PROFESSIONAL ASSOCIATIONS

State Authorized – Certified General Real Estate Appraiser (Texas) #TX-1381276-G
State Authorized – Certified General Real Estate Appraiser (New Mexico) #REA-2024-0105

EDUCATION

Bachelors of Science – Agricultural & Economics
– Texas A&M University, College Station, Texas – 2018

Courses Include: Farm & Ranch Appraisal, Agriculture Law, Statistics and Business Calculus. General Background in economics, marketing, business, accounting and management.

Professional Courses: Basic Appraisal Principles; Basic Appraisal Procedures; Uniform Standards of Professional Appraisal Practice; General Appraiser Market Analysis Highest and Best Use; General Appraiser Site Valuation and Cost Approach; General Appraiser Sales Comparison Approach; General Report Writing and Case Studies; Statistics, Modeling, and Finance.

PROFESSIONAL EXPERIENCE

06/2018 – 07/2021	Appraiser Trainee – CBRE – Valuation & Advisory Services
07/2021 – 1/2023	Appraisal Trainee – SMS Appraisal/Environmental Services, Inc.
1/2023 – Present	Certified General Appraiser – SMS Appraisal/Environmental Services, Inc.

NMRLD
NEW MEXICO
REGULATION &
LICENSING DEPARTMENT

State of New Mexico

Real Estate Appraisers

HEREBY CERTIFIES THAT

Garrett Tate Sparks

HAVING GIVEN SATISFACTORY EVIDENCE OF THE COMPLETION OF
PROFESSIONAL AND OTHER REQUIREMENTS PRESCRIBED BY LAW
IS GRANTED A LICENSE TO PRACTICE IN THE STATE OF NEW MEXICO

General Certified Appraiser

License No. REA-2024-0105 Issued 06/12/2024 Expires 04/30/2028

THIS LICENSE SHOULD BE CONSPICUOUSLY POSTED IN PLACE OF BUSINESS OR AS REQUIRED BY LAW

ADDENDUM

Exhibit A

ENGAGEMENT LETTER

SMS Appraisal & Environmental
5109 82nd Street Suite 7, PMB #210
Lubbock, TX 79424

SMS APPRAISAL

Date of Agreement: Tuesday, April 7, 2026

City of Carlsbad
Kenneth Cass
114 S. Halagueno Street
Carlsbad, New Mexico 88220
kccass@cityofcarlsbadnm.com

SMS Appraisal and Environmental
Steve Sparks, MAI, CEI
5109 82nd Street, Suite 7, #210
Lubbock, Texas 79424
(806) 855-2527
appraisals@smswt.com

PO: 22606736

PROFESSIONAL SERVICE AGREEMENT ("Agreement")

This Professional Services Agreement (this "Agreement") is made and entered into on April 7, 2026 (the "Effective Date"), by and between SMS Appraisal & Environmental and City of Carlsbad (herein referred to as "Client").

Project Name	Carlsbad Convention Center
Property Identification	4017 National Parks Hwy, Carlsbad, NM 88220
Property Type	Land
Interest Valued	Fee Simple Interest
Intended User(s)	The appraisal will be prepared for the above-mentioned client. Intended users include the client. *Note: No other users are intended by Appraiser. Appraiser shall consider the intended users when determining the level of detail to be provided in the Appraisal Report.* *The client is also hereby informed that if this engagement is directly with the owner of the Property, the Appraisal may not be accepted by many federally insured lenders due to FIRREA Compliance and would likely not be accepted for future financing of said property.*
Intended Use	The report to be performed under this Agreement ("Appraisal") is intended for Acquisition/Disposition, Establish Sales Price. *Note: No other use is intended by Appraiser. The intended use as stated shall be used by Appraiser in determining the appropriate Scope of Work for the assignment.*
Type of Value	As-Is
Date of Value	Date of inspection
Report Type	Appraisal Report
Level of Analysis	Summary
Professional Fee	**$2,500**
Expenses	Fees include all associated expenses.
Payment Terms	Client agrees to remit payment for services rendered pursuant to this Agreement in full prior to the scheduled property inspection. Appraiser shall issue an invoice detailing the fees specified in this Agreement, and payment must be received by Appraiser no later than two (2) business days before the inspection date. Failure to provide payment within this timeframe may result in delays or cancellation of the scheduled services.

SCOPE OF WORK

Site Inspection	Interior and exterior observation, on-site
Valuation Approaches	Appraiser will provide the Appraisal in accordance with Uniform Standards of Professional Appraisal (USPAP), The Code of Professional Ethics of the Appraisal Institute, Standards of Professional Appraisal Practice of the Appraisal Institute, and State Licensing Laws. Appraiser will research relevant market data, and perform analysis to the extent necessary to produce credible appraisal results. The scope of work will be included in the Appraisal. A copy of the Assumptions and Limiting Conditions, which appear in the Appraisal, is available upon request. *Note: Appraiser shall use all approaches necessary to develop a credible opinion of value.*
Delivery	**4 weeks (effective from the date of the signed/returned engagement contract)**
Number of Reports	One (1) Electronic Final Appraisal
Acceptance Date	These specifications are subject to modification based on client acceptance.

PROPERTY DATA REQUEST

Please forward any additional materials you would consider relevant in the analysis of the subject property. Such items may include, as applicable, an accurate property description, site survey, current rent roll, copies of leases, at least three years of historical operating statements, purchase and sale agreement(s) within the last three years, title report, any environmental reports or other third party reports, or any other sources of information known to exist that may impact the valuation of the property.

Our ability to honor the terms of this Agreement will require Client's prompt response. If you have questions regarding the enclosed, please feel free to contact me. SMS Appraisal & Environmental appreciates this opportunity to be of service to you on this assignment and looks forward to serving you. If you have additional questions, please contact us.

I, Kenneth Cass, agree to the above stated terms and authorize SMS Appraisal & Environmental to prepare the above referenced appraisal.

_____ Date: _____

Kenneth Cass

Property Contact: _____ Phone Number: _____

Respectfully,

SMS APPRAISAL & ENVIRONMENTAL



Steve Sparks, MAI, CEI
Senior Appraiser

TERMS AND CONDITIONS

CONFIDENTIALITY

Appraiser shall not provide a copy of the written Appraisal Report to, or disclose the results of the appraisal prepared in accordance with this Agreement to, any party other than Client, unless Client authorizes, except as stipulated in the Confidentiality Section of the Ethics Rule of the Uniform Standards of Professional Appraisal Practice (USPAP).

USE OF EMPLOYEES OR INDEPENDENT CONTRACTORS

Appraiser may use employees or independent contractors at Appraiser's discretion to complete the assignment, unless otherwise agreed by the parties. Notwithstanding, Appraiser shall sign the written Appraisal Report and take full responsibility for the services provided as a result of this Agreement.

SERVICES NOT PROVIDED

The fees set forth in this Agreement apply to the appraisal services rendered by Appraiser as set forth in this Agreement. Unless otherwise specified herein, Appraiser's services for which the fees in this Agreement apply shall not include meetings with persons other than Client or Client's agents or professional advisors; Appraiser's deposition(s) or testimony before judicial, arbitration or administrative tribunals; or any preparation associated with such depositions or testimony. Any additional services performed by Appraiser not set forth in this Agreement will be performed on terms and conditions set forth in an amendment to this Agreement, or in a separate agreement.

TESTIMONY AT COURT OR OTHER PROCEEDINGS

Unless otherwise stated in this Agreement, Client agrees that Appraiser's assignment pursuant to this Agreement shall not include Appraiser's participation in or preparation for, whether voluntarily or pursuant to subpoena, any oral or written discovery; sworn testimony in a judicial, arbitration or administrative proceeding; or attendance at any judicial, arbitration or administrative proceeding relating to this assignment.

CHANGES TO AGREEMENT

Any changes to the assignment as outlined in this Agreement shall necessitate a new Agreement. The identity of the Client, intended users, or intended use; the date of value; type of value; or property appraised cannot be changed without a new Agreement.

CANCELLATION

Client may cancel this Agreement at any time prior to Appraiser's delivery of the Appraisal Report upon written notification to Appraiser. Client shall pay Appraiser for work completed on assignment prior to Appraiser's receipt of written cancellation notice, unless otherwise agreed upon by Appraiser and Client in writing.

GOVERNING LAW AND JURISDICTION

This Agreement shall be governed by the law of the state in which Appraiser's office as specified in this Agreement is located, exclusive of that state's choice of law rules. The parties agree that any legal proceeding brought by either party to interpret or enforce this Agreement, or to enforce an arbitration award entered pursuant to this Agreement, shall be brought in a state or federal court having jurisdiction over the location of Appraiser's office as specified in this Agreement, and the parties hereby waive any objections to the personal jurisdiction of said court.

APPRAISER INDEPENDENCE

Appraiser cannot agree to provide a value opinion that is contingent on a predetermined amount. Appraiser cannot guarantee the outcome of the assignment in advance. Appraiser cannot ensure that the opinion of value developed as a result of this Assignment will serve to facilitate any specific objective of Client or others or advance any particular cause. Appraiser's opinion of value will be developed competently and with independence, impartiality and objectivity.

NOTICES

Any notice or request required or permitted to be given to any party shall be given in writing and shall be delivered to the receiving party by: a) registered or certified mail, postage prepaid; (b) overnight courier, such as Federal Express, United Parcel Service or equivalent; or (c) hand delivery. The address for delivery of any notice shall be the address for the party as specified in this Agreement, or at such other address as party may designate by written notice to the other party in conformance with this paragraph. Unless otherwise specified herein, notice shall be effective the date it is postmarked or given to a third party for delivery to the receiving party, whether or not the receiving party signs for or accepts delivery of such notice.

NO THIRD-PARTY BENEFICIARIES

Nothing in this Agreement shall create a contractual relationship between Appraiser or Client and any third party, or any cause of action in favor of any third party. This Agreement shall not be construed to render any person or entity a third party beneficiary of this Agreement, including, but not limited to, any third parties identified herein.

MEDIATION & ARBITRATION

In the event of a dispute concerning the subject matter of this Agreement, the parties shall in good faith attempt to resolve such dispute by negotiation between the parties' principals, or, if such negotiation is unsuccessful, by mediation conducted by a third-party mediator. If such mediation results in an impasse, the parties shall submit their dispute to binding arbitration. Such mediation or, if necessary, binding arbitration shall be conducted pursuant to

the mediation procedures or the commercial arbitration rules of the American Arbitration Association. Any arbitration shall be conducted in the city in which Appraiser's office as specified herein is located. The parties shall share equally the costs of any mediation. In the event of binding arbitration, the arbitrators shall, in addition to any relief appropriate to be awarded to the prevailing party, enter an award in favor of the prevailing party for that party's costs of the arbitration, including the party's reasonable attorneys' fees and arbitration expenses incurred in prosecuting or defending the arbitration proceeding. Subject to the right of the prevailing party to recover its share of the costs of the arbitration services pursuant to the arbitrator's award, the costs of the arbitration services shall be borne equally by the parties. If the prevailing party seeks judicial confirmation of any arbitration award entered pursuant to this Agreement, the court shall, in addition to any other appropriate relief, enter an award to the prevailing party in such confirmation proceeding for its reasonable attorneys' fees and litigation expenses incurred in confirming or successfully opposing the confirmation of such an award.

SPECIAL OR CONSEQUENTIAL DAMAGES

Neither party shall under any circumstances be liable to the other party for special, exemplary, punitive or consequential damages, including, without limitation, loss of profits or damages proximately caused by loss of use of any property, whether arising from either party's negligence, breach of the Agreement or otherwise, whether or not a party was advised, or knew, of the possibility of such damages, or such possibility was foreseeable by that party. In no event shall Appraiser be liable to Client for any amounts that exceed the fees and costs paid by Client to Appraiser pursuant to this Agreement.

ASSIGNMENT

Neither party may assign this Agreement to a third party without the express written consent of the other party, which the non-assigning party may withhold in its sole discretion. In the event this Agreement is assigned by mutual consent of the parties, it shall become binding on the assigning party's permitted assigns.

SEVERABILITY

In the event any provision of this Agreement shall be determined to be void or unenforceable by any court of competent jurisdiction, then such determination shall not affect any other provision of this Agreement and all such other provisions shall remain in full force and effect. Template for Agreement for Professional Valuation Services

CLIENT'S DUTY TO INDEMNIFY APPRAISER

Client agrees to defend, indemnify and hold harmless Appraiser from any damages, losses or expenses, including attorneys' fees and litigation expenses at trial or on appeal, arising from allegations asserted against Appraiser by any third party that if proven to be true would constitute a breach by Client of any of Client's obligations, representations or warranties made in this Agreement, or any violation by Client of any federal, state or local law, ordinance or regulation, or common law (a "Claim"). In the event of a Claim, Appraiser shall promptly notify Client of such Claim, and shall cooperate with Client in the defense or settlement of any Claim. Client shall have the right to select legal counsel to defend any Claim, provided that Appraiser shall have the right to engage independent counsel at Appraiser's expense to monitor the defense or settlement of any Claim. Client shall have the right to settle any Claim, provided that Appraiser shall have the right to approve any settlement that results in any modification of Appraiser's rights under this Agreement, which approval will not be unreasonably withheld, delayed or conditioned.

CLIENT'S REPRESENTATIONS AND WARRANTIES

Client represents and warrants to Appraiser that (1) Client has all right, power and authority to enter into this Agreement; (2) Client's duties and obligations under this Agreement do not conflict with any other duties or obligations assumed by Client under any agreement between Client and any other party; and (3) Client has not engaged Appraiser, nor will Client use Appraiser's Appraisal Report, for any purposes that violate any federal, state or local law, regulation or ordinance or common law.

EXTENT OF AGREEMENT

This Agreement represents the entire and integrated agreement between the Client and Appraiser and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by a written instrument signed by both Client and Appraiser. This Agreement includes the following Appendices, which are incorporated into, and made a part of this Agreement:

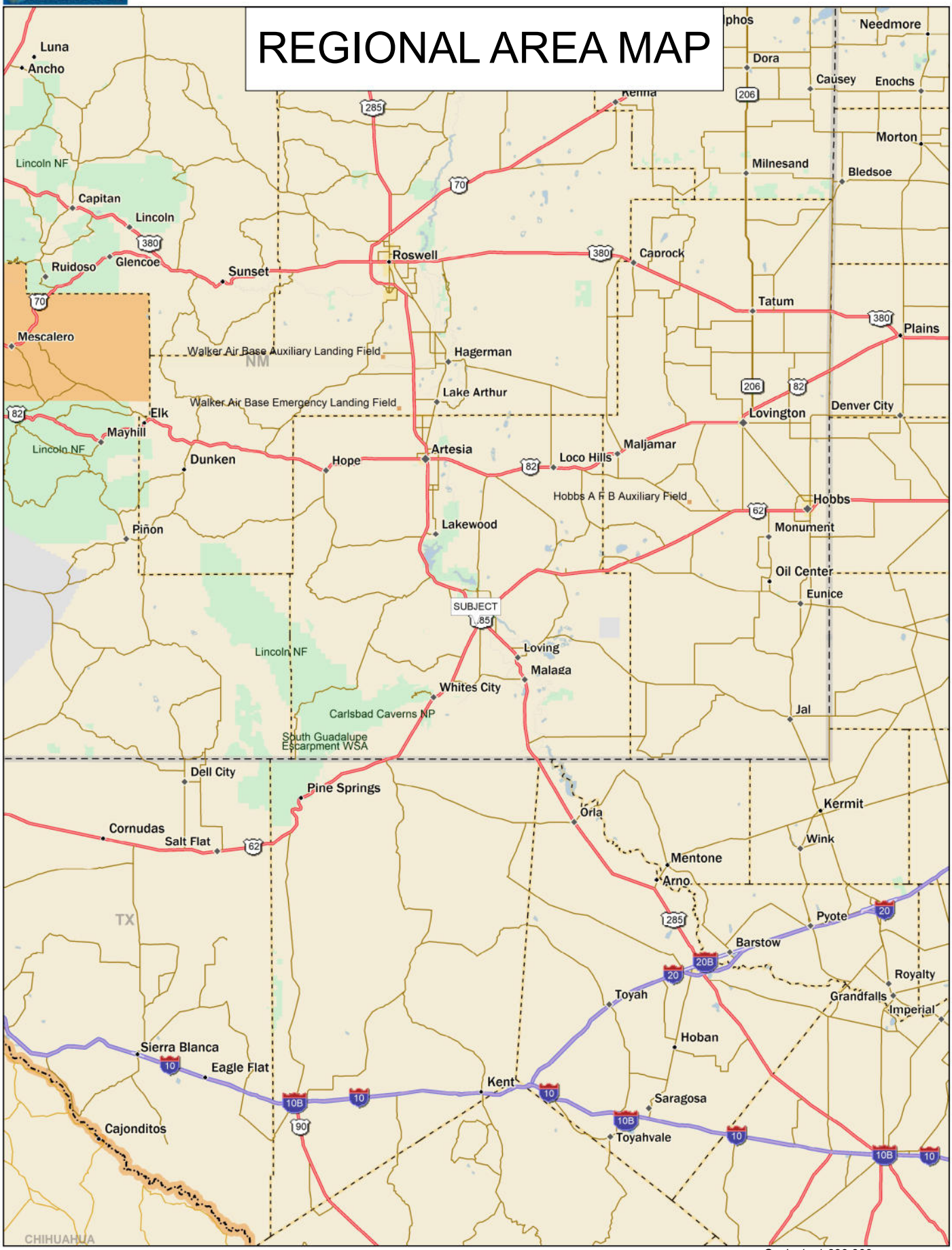
Appendix A: Extraordinary Assumptions and Hypothetical Conditions contained within the appraisal report

Appendix B: Information Request

Exhibit B

MAPS, PLATS, & PHOTOGRAPHS

REGIONAL AREA MAP

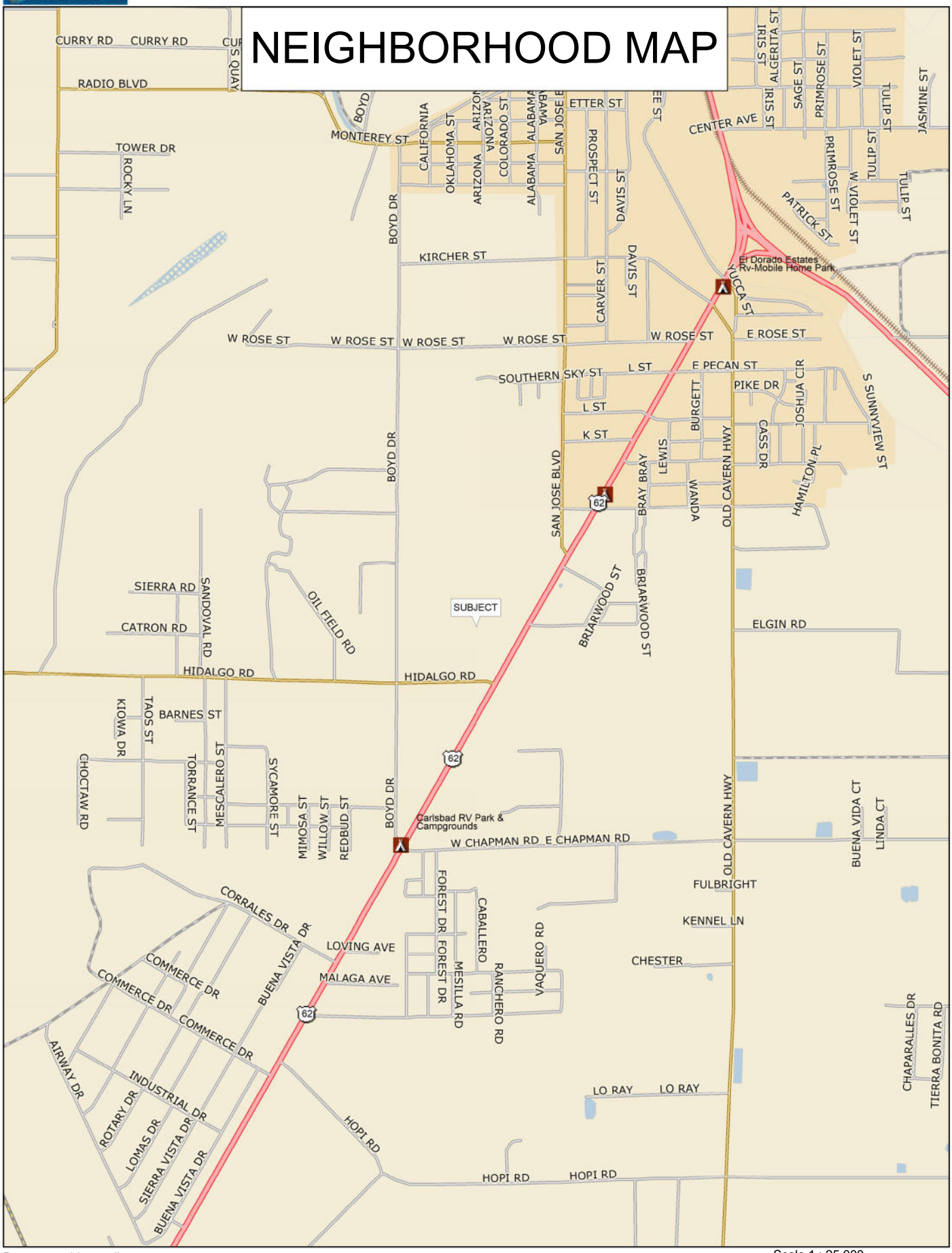


Data use subject to license.
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www.delorme.com

TN
MN (6.2°E)

Scale 1 : 1,600,000
1" = 25.25 mi
Data Zoom 7-0

NEIGHBORHOOD MAP

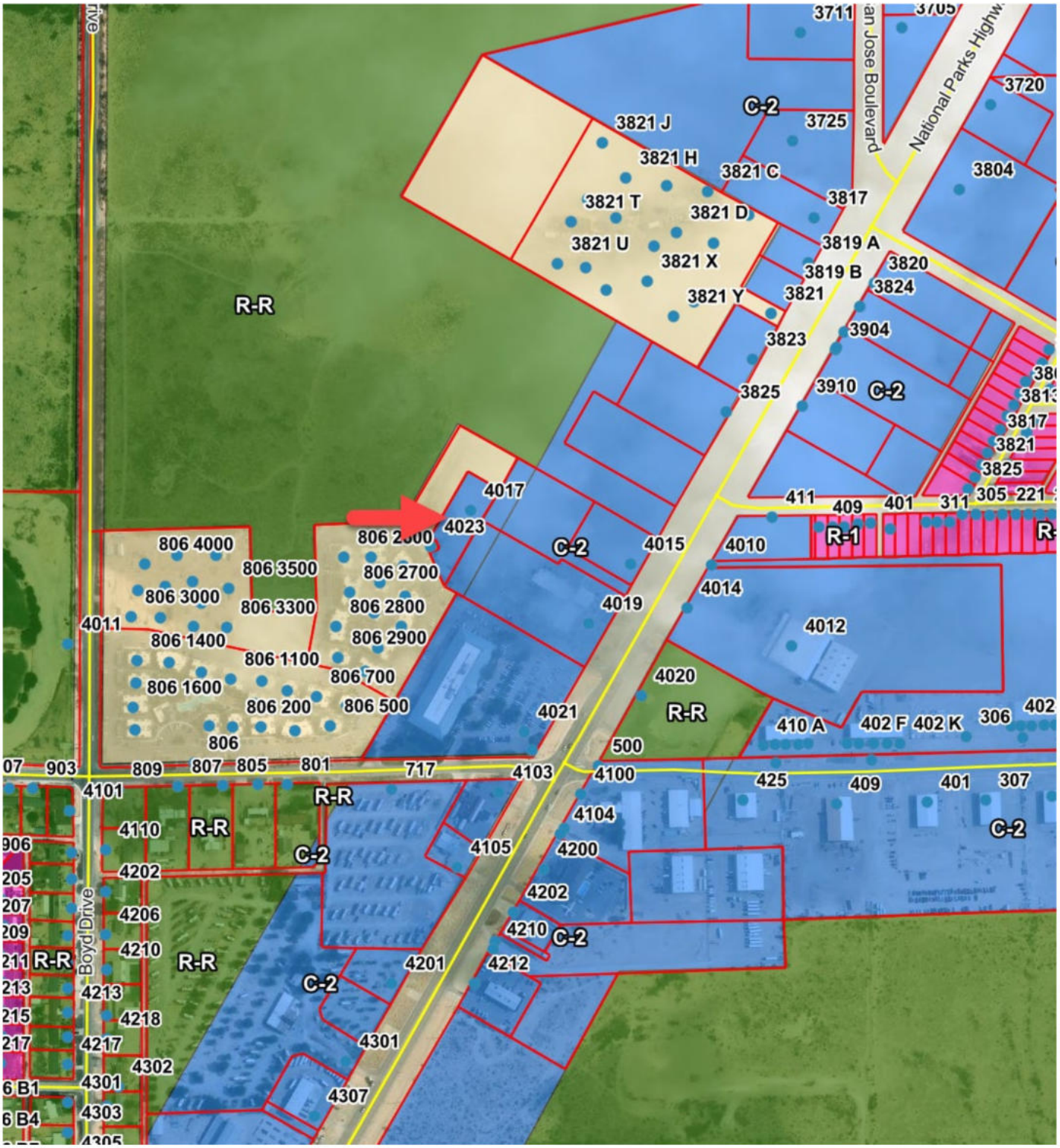


Data use subject to license.
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www.delorme.com

TN
MN (6.2°E)

Scale 1 : 25,000
0 600 1200 1800 2400 3000 ft
0 200 400 600 800 1000 m
1" = 2,083.3 ft
Data Zoom 13-0

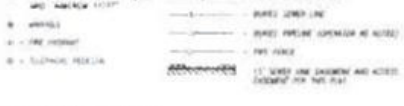
ZONING MAP


R-R
C-2
R-1
3711
3705
3720
3725
3804
3821 J
3821 H
3821 C
3821 T
3821 D
3821 U
3821 X
3821 Y
3817
3819 A
3819 B
3820
3824
3821
3823
3904
3825
3910
3813
4017
4023
4015
4010
4014
4019
4012
4020
4021
411
409
401
311
305
221
806 4000
806 3500
806 2700
806 3000
806 3300
806 2800
4011
806 1400
806 2900
806 1100
806 700
806 1600
806 200
806 500
806
410 A
402 F
402 K
306
402
500
07
903
809
807
805
801
717
4103
4100
425
307
4101
4110
4104
4105
4200
906
205
4202
207
4206
209
4210
211
213
4213
215
4218
217
4217
4302
4301
6 B1
4303
6 B4
4212
4201
4301
4307
Boyd Drive
National Parks Highway
San Jose Boulevard



LINE	BEARING	DISTANCE
L1	N61°12'29"E	30.00
L2	S27°48'45"E	30.00
L3	S61°12'29"W	30.00
L4	N27°48'45"W	30.00

LEGEND



(PROPERTY TO BE ADJUSTED AND DIVIDED)
THE FORTHCOMING BOUNDARY LINE ADJUSTMENT OF LOT G OF THE MERLAND SUBDIVISION LOTS E & F AND REPLAT OF LOT D OF THE MERLAND SUBDIVISION TO THE COUNTY OF EDDY IN SECTION 18, TOWNSHIP 22 S, RANGE 27 E AS RECORDED IN CABINET 'I' SLIDE 540 'L' OF THE OFFICIAL RECORDS OF EDDY COUNTY, NEW MEXICO

SUBJECT TO RESERVATIONS, RESTRICTIONS, EASEMENTS OF RECORD AND IN OPEN VIEW AND EDDY COUNTY PROPERTY TAXES.

FLOOD ZONE
TYED PROPERTY LI IN FLOOD ZONE X as shown on the FEMA Flood Insurance Rate Maps Community-Panel Numbers 350150004D & 350150041D Maps Effective June 4, 2010

PURPOSE
THE PURPOSE OF THIS PLAT IS TO ADJUST THE BOUNDARY OF LOT G, COMBINE LOTS A & F AND LOTS G & F AND REPLAT LOT D OF THE MERLAND SUBDIVISION CREATING LOT I AND LOT J.

NOTE
LOCATIONS OF UTILITIES ARE BASED ON VISUAL GROUND PHYSICAL EVIDENCE AND/OR ONE CALL MARKING

BASIS OF BEARING
BEARINGS SHOWN HEREON ARE MEASURED GRID AND LOCATION TO THE NEW MEXICO COORDINATE SYSTEM 1983 NEW MEXICO EAST ZONE, NORTH AMERICAN DATUM 1983. DISTANCES ARE SURFACE VALUES.



VICINITY MAP
NOT TO SCALE

LOT G BOUNDARY LINE ADJUSTMENT AND LOT D REPLAT OF MERLAND SUBDIVISION

OWNERS STATEMENT AND AFFIDAVIT

AS OWNER AND PROPRIETOR I HAVE OF MY OWN FREE WILL AND CONSENT CAUSED THIS PLAT TO BE DRAWN AND EXISTING ROAD RIGHT-OF-WAY AND EASEMENTS TO BE PLATTED. THE PROPERTY DESCRIBED ON THIS PLAT LIES WITHIN THE PLANNING AND PLATTING JURISDICTION OF THE CITY OF CARLSBAD EDDY COUNTY, NEW MEXICO

DAVID L. PARMETER, MANAGING MEMBER CARLSBAD NM LLC, ESCUDILLA DRIVE LLC, & ARROWSTONE LLC

ACKNOWLEDGMENT

STATE OF (NEW MEXICO)

COUNTY OF (EDDY)

THIS INSTRUMENT WAS ACKNOWLEDGED BEFORE ME ON THIS 10th DAY OF April, 2019 BY DAVID L. PARMETER, MANAGING MEMBER CARLSBAD NM LLC, ESCUDILLA DRIVE LLC, & ARROWSTONE LLC

MY COMMISSION EXPIRES:

27 Aug 2019

NOTARY PUBLIC

APPROVAL BY THE CITY PLANNING COMMISSION
THIS IS TO CERTIFY THAT THIS BOUNDARY LINE ADJUSTMENT AND REPLAT HAS BEEN APPROVED BY THE CITY PLANNING COMMISSION, OR ITS ORDINANCE, OF THE CITY OF CARLSBAD, COUNTY OF EDDY, STATE OF NEW MEXICO

ON THE 12 DAY OF April, 2019

CHAIRMAN

SECRETARY

SURVEYOR'S CERTIFICATION
I, CRAIG HARCROW, A NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR, CERTIFY THAT I DIRECTED AND AM RESPONSIBLE FOR THIS SURVEY THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO OR WITHIN

WITNESS I HEREUNTO SET HAND AND AFFIX MY OFFICIAL SEAL THIS 16th DAY OF April, 2019

CRAIG HARCROW N.M.P.S. NO. 17777

INDEXING INFORMATION FOR COUNTY CLERK

OWNER: DAVID L. PARMETER, MANAGING MEMBER CARLSBAD NM LLC, ESCUDILLA DRIVE LLC, & ARROWSTONE LLC

SECTION: SECTION 18, TOWNSHIP 22 S, RANGE 27 E

REFERENCE DOCUMENT: MERLAND SUBDIVISION (CAB. 'I', SLIDE 540) (L)

ACREAGE: LOT G: 1.621 ACRES
LOT J: 1.229 ACRES
LOT I: .922 ACRES
LOT K: 3.342 ACRES
LOT L: 2.923 ACRES
TOTAL: 9.665 ACRES

TABLE FOR 15' SEWER LINE EASEMENT & 10' GAS EASEMENT FOR THIS PLAT FOR LOTS I, J & L (5' RIGHT, 10' LEFT)

LINE	BEARING	DISTANCE
L5	S27°48'45"E	51.70
L6	N84°41'24"E	36.94
L7	N27°48'45"W	100.00
L8	S61°23'53"W	402.14
L9	S27°23'45"E	148.17

HARCROW SURVEYING, LLC
1004 N. MARLAND, ROSWELL, NM 88201
PH: (575) 622-6221

SCALE: 1"=100'

FILING AND RECORDING

Recorded in Book 1007 Page 1
Date: 12/18/2019 11:08 AM
Fee: $25.00
Linda S. McDonald, Eddy County Clerk, Deputy

DRAWING DATE: SEPTEMBER 12, 2018	REPLAT
DRAFTING DATE: SEPTEMBER 20, 2018	PAGE 1 OF 1
APPROVED BY: CH | DRAWN BY: TS	FILE: 18-87

SURVEY

Eddy County, New Mexico | 11/18/2025 12:46 PM | 2515249 | Page 1 of 1

MERLAND SUBDIVISION
LOT L REPLAT

SUBJECT PROPERTIES:
THE FOREGOING REPLAT OF LOT L, MERLAND REPLAT LOT D AND BOUNDARY LINE ADJUSTMENT LOT G AS DESCRIBED BY PLAT IN CABINET 7, SLIDE 695 AND WARRANTY DEED FILED IN BOOK 1116, PAGE 311, OFFICIAL RECORDS OF EDDY COUNTY, NEW MEXICO. TO THE CITY OF CARLSBAD, COUNTY OF EDDY IN **SECTION 19, TOWNSHIP 22 S, RANGE 27 E**

SUBJECT TO RESERVATIONS, RESTRICTIONS, EASEMENTS OF RECORD AND IN OPEN VIEW AND EDDY COUNTY PROPERTY TAXES.

FLOOD ZONE:
THIS PROPERTY IS IN FLOOD ZONE (X) as shown on the FEMA, Flood Insurance Rate Map, Community–Panel Number: 35015C1325D, Map Effective: June 4, 2010.

NOTES:
1) LOCATIONS OF UTILITIES ARE BASED ON ABOVE GROUND PHYSICAL EVIDENCE.

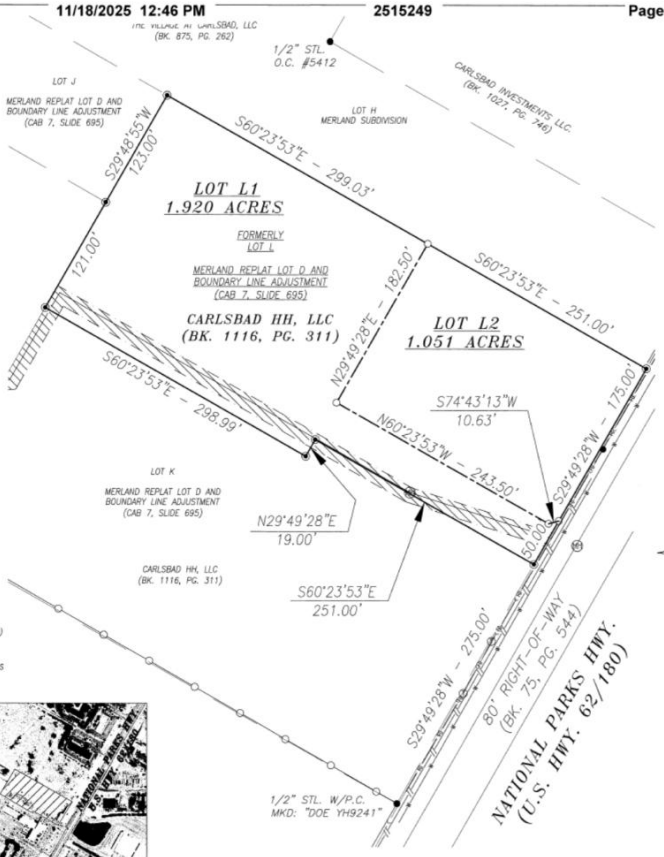
2) RECORD AND FIELD MEASUREMENTS ARE SIMILAR UNLESS OTHERWISE NOTED.

LEGEND

- ● – MONUMENT FOUND AS NOTED
- ○ – SET 1/2" STL. W/O.C. MKD: "HARCROW 17777"
- ◉ – FOUND 1/2" STL. W/O.C. MKD: "HARCROW 17777"
- MH – MANHOLE
- T – TELEPHONE PEDESTAL
- W – BURIED WATER LINE
- E – OVERHEAD ELECTRIC W/POLE
- FO – BURIED FIBER OPTIC LINE
- S – BURIED SEWER LINE
- P – BURIED PIPELINE (OPERATOR AS NOTED)
- PF – PIPE FENCE
- 15' SEWER LINE EASEMENT AND ACCESS EASEMENT (CAB. 7, SLIDE 695)



VICINITY MAP
NOT TO SCALE



DOCUMENTS USED FOR THIS SURVEY:
MERLAND SUBDIVISION (CAB. 7, SLIDE 560)
MERLAND REPLAT LOT D AND BOUNDARY LINE ADJUSTMENT LOT G (CAB. 7, SLIDE 695)
WARRANTY DEED (BK. 1195, PG. 990)

BASIS OF BEARING:
BEARINGS SHOWN ARE GRID SPC, NEW MEXICO EAST ZONE (3001), NAD 1983. DISTANCES ARE SURFACE VALUES.
CONVERGENCE = -00°02'47.5"

30X22

OWNERS STATEMENT AND AFFIDAVIT
STATE OF NEW MEXICO)
COUNTY OF EDDY)

THE UNDERSIGNED BEING FIRST DULY SWORN ON OATH, STATE:

AS OWNER AND PROPRIETOR I HAVE OF MY OWN FREE WILL AND CONSENT CAUSED THIS PLAT WITH ITS PROPOSED TRACTS, EXISTING ROAD RIGHT-OF-WAY AND EASEMENT TO BE PLATTED. THE PROPERTY DESCRIBED ON THIS PLAT LIES WITHIN THE PLANNING AND PLATTING JURISDICTION OF THE CITY OF CARLSBAD, EDDY COUNTY, NEW MEXICO.

David L Parmeter
DAVID L. PARMETER
MANAGING MEMBER, CARLSBAD HH LLC

ACKNOWLEDGMENT
STATE OF NEW MEXICO)
COUNTY OF EDDY)

THIS INSTRUMENT WAS ACKNOWLEDGED BEFORE ME ON THIS THE 5 DAY OF November, 2025 BY **DAVID L. PARMETER MANAGING MEMBER, CARLSBAD HH LLC**

Julie Pastrana
NOTARY PUBLIC

State of New Mexico - Notary Public
Julie Pastrana
Commission Number 1131547
My Commission Expires 03-03-2029

APPROVAL BY THE CITY PLANNING COMMISSION
THIS IS TO CERTIFY THAT THIS REPLAT HAS BEEN INSPECTED APPROVED BY THE CITY PLANNING COMMISSION, OR ITS DESIGNEE, OF THE CITY OF CARLSBAD, COUNTY OF EDDY, STATE OF NEW MEXICO. ON THIS 12 DAY OF November 2025.

COMMISSION DESIGNEE

SURVEYOR'S CERTIFICATION
I, CHAD HARCROW, A NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR CERTIFY THAT I DIRECTED AND AM RESPONSIBLE FOR THIS SURVEY. THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO. IN WITNESS WHEREOF I HEREUNTO SET HAND AND AFFIX MY OFFICIAL SEAL

THIS 6TH DAY OF November, 2025.

CHAD HARCROW N.M.P.S. NO. 17777

INDEXING INFORMATION FOR COUNTY CLERK
OWNER: **DAVID L. PARMETER – MANAGING MEMBER, CARLSBAD HH LLC**

SECTION: **SECTION 19, TOWNSHIP 22 S, RANGE 27 E**

ACREAGES: **LOT L1: 1.920 ACRES**
LOT L2: 1.051 ACRES

TOTAL: 2.971 ACRES

HARCROW SURVEYING, LLC
216 W. MAIN ST, ARTESIA, N.M. 88210
PH: (575) 746-2158
charcrow@harcrowsurveying.com

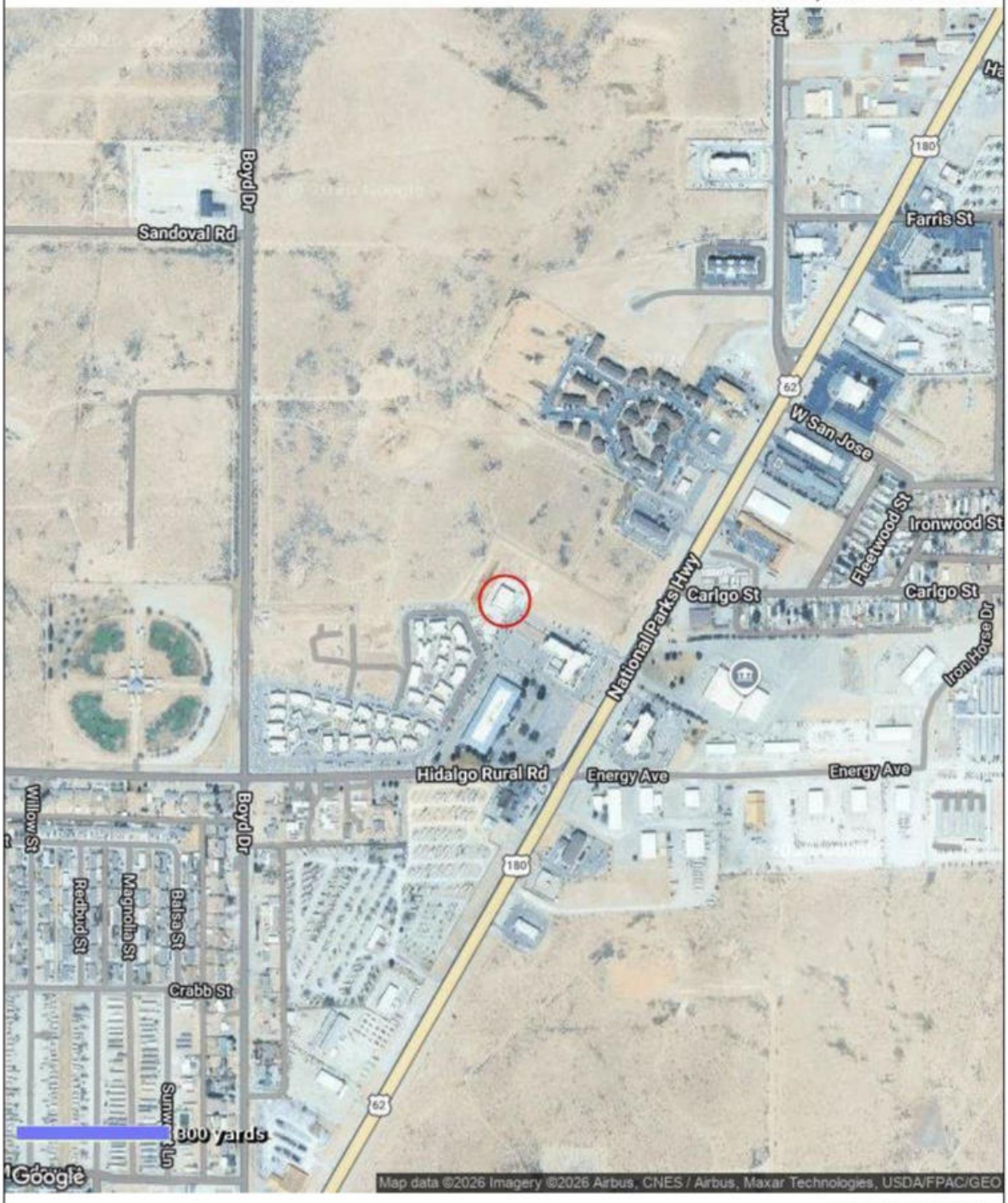
SCALE 1"=60'

FILING AND RECORDING
Reception: 2515249 Cab: 0008 Slide: 0131 Pages: 1
Recorded: 11/18/2025 12:46 PM Fee: $25.00
Eddy County, New Mexico – Cara Cuadis, County Clerk

SURVEY DATE: SEPTEMBER 2025	REPLAT
REVISED DRAFTING DATE: NOV. 27, 2025	PAGE: 1 OF 1
APPROVED BY: CH	DRAWN BY: VD
	FILE: 25-1128

InterFlood by a la mode

Prepared for: SMS Appraisal/Environmental Services, Inc.
4017 National Parks Hwy
Carlsbad, NM 88220-9082



MAP DATA

FEMA Special Flood Hazard Area: **No**
Map Number: **35015C1325D**
Zone: **X**
Map Date: **June 04, 2010**
FIPS: **35015**

MAP LEGEND

Areas inundated by 500-year flooding
Areas inundated by 100-year flooding
Velocity Hazard
Protected Areas
Floodway
Subject Area

Powered by CoreLogic®

AERIAL PHOTOGRAPH



SUBJECT PHOTOGRAPHS



1. Typical exterior view of the subject.



2. Typical exterior view of the subject.

SUBJECT PHOTOGRAPHS

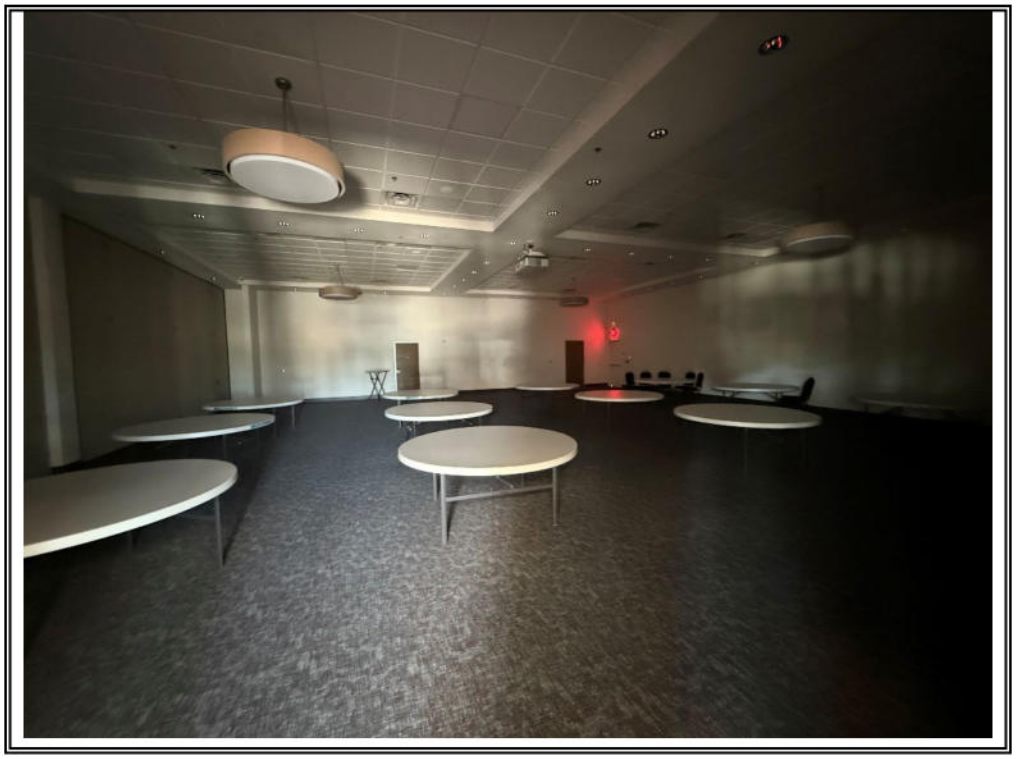


3. Typical exterior view of the subject.

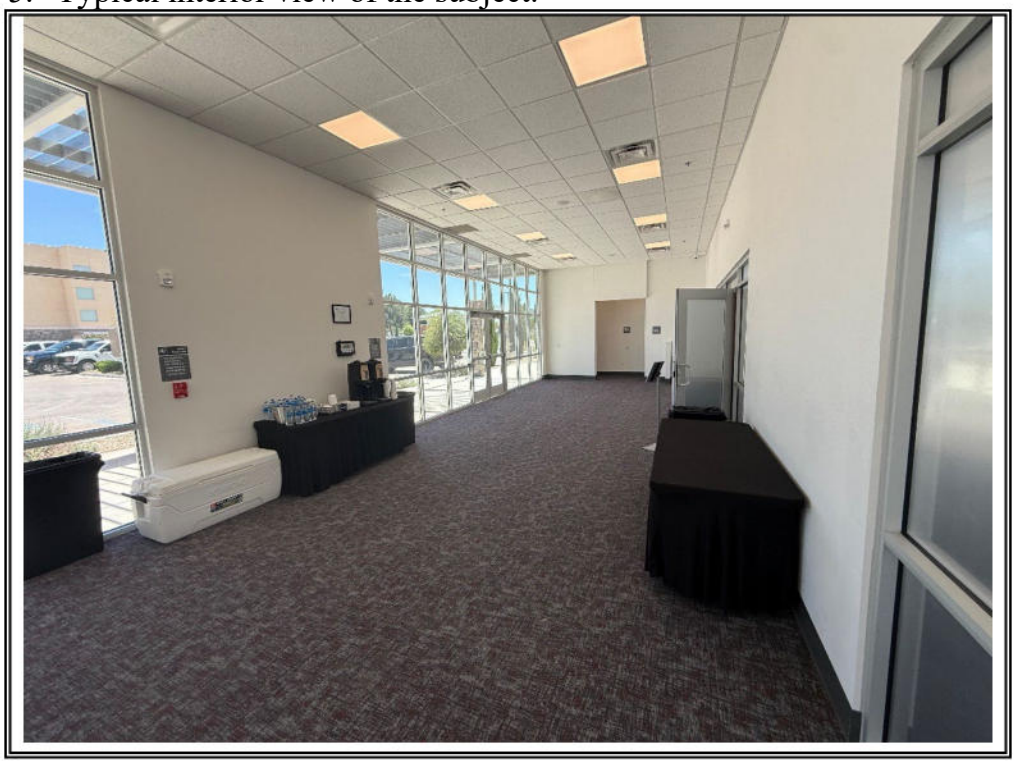


4. Typical exterior view of the subject.

SUBJECT PHOTOGRAPHS



5. Typical interior view of the subject.



6. Typical interior view of the subject.

Exhibit E

DETAILED LAND SALES

LAND SALE NO. 1



Location:	3518 National Parks Highway (NEC of National Parks Hwy. & Hamilton St.), Carlsbad, NM.
Legal Description:	Block 1 of Holiday Addition, City of Carlsbad, Eddy County, NM.
Grantor:	Robert L. Knox & Grace Knox, Co-Trustees of the Knox Revocable Trust
Grantee:	CNB Bank
Sale Date:	2/14/19
Size:	38,768 SF (0.89 Acres)
Zoning:	C-2, Commercial
Recordation:	1119/1023
Sales Price:	$420,000 (Quoted)
Unit of Comparison:	$10.83/SF
Terms:	Cash
Shape:	Rectangular
Frontage:	138.45' (NPH); 278.8' (Hamilton St.)
Flood Plain:	None
Topography:	Level
Utilities:	All available
Verified:	Appraisers files
Comments:	Future branch bank.

LAND SALE NO. 2



Location:	SWC of the National Parks Highway and Pecan Street (101 W. Pecan St.)
Grantor:	Henry McDonald
Grantee:	O'Reilly Automotive Stores, Inc.
Sale Date:	11/8/21
Size:	1.13 Acres (49,223 SF)
Zoning:	C-2, Commercial District
Legal Description:	1.13 Acres out of Section 19, T22S, R27E, City of Carlsbad, Eddy County, NM.
Recordation:	1154/409
Sales Price:	$598,059
Unit of Comparison:	$12.15/SF (Quoted)
Terms:	Cash to seller
Verified:	Broker
Shape:	Rectangular
Frontage:	National Parks Hwy. and Pecan St.
Flood Plain:	None
Topography:	Level
Utilities:	All available

LAND SALE NO. 2 (Continued)

Comments:	An O'Reilly Auto Parts store is expected. Improvements were located on site, but were expected to be razed by the seller.

LAND SALE NO. 3



Location:	NWC of W. Pierce St. and Skyline Road
Grantor:	Carlsbad Developers, LLC
Grantee:	Mightywash Properties, LLC
Sale Date:	4/3/23
Size:	1.402 Acres (61,071 SF)
Zoning:	C-2, Commercial District
Legal Description:	Lot 5, Skyline Subdivision, City of Carlsbad, Eddy County, NM.
Recordation:	1169/843
Sales Price:	$530,000
Unit of Comparison:	$8.68/SF (Quoted)
Terms:	Cash to seller
Verified:	Broker/MLS
Shape:	Rectangular
Frontage:	Skyline Road, Skyline Circle & W. Pierce St.
Flood Plain:	None
Topography:	Sloping
Utilities:	All available
Comments:	Future tunnel car wash.

LAND SALE NO. 4



Location:	NWC of W. Pierce Street & University Drive
Grantor:	T&D Properties
Grantee:	Southeast New Mexico College
Sale Date:	11/18/2023
Size:	144,550 SF
Zoning:	C-2
Recordation:	1175/1194
Sales Price:	$725,000 (Quoted)
Unit of Comparison:	$5.02/SF (Calculated)
Terms:	Cash to seller
Verified:	Appraiser's files
Shape:	Triangular
Frontage:	W. Pierce Street and University Drive
Flood Plain:	None
Topography:	Sloping
Utilities:	All available
Comments:	Access from Pierce street is limited.

LAND SALE NO. 5



Location:	SEC of National Parks Hwy. & K St.
Grantor:	R & S Investments, LLC
Grantee:	McDonalds Real Estate Company
Sale Date:	3/15/24
Size:	1.05 Acres (45,738 SF)
Zoning:	C-2, Commercial District
Legal Description:	Lot 11B, Block 6, Merchant First Addition Second Redivision Replat #2, City of Carlsbad, Eddy County, NM.
Recordation:	1180/613
Sales Price:	$918,132 (Quoted)
Unit of Comparison:	$20.07/SF
Terms:	Cash to seller
Verified:	Broker
Shape:	Rectangular
Frontage:	National Parks Hwy. & K. St.
Flood Plain:	None
Topography:	Level
Utilities:	All available
Comments:	McDonalds Restaurant Site

City of Carlsbad, NM
Purchase Analysis
Carlsbad Convention Center
as of: June 2026

Item	Value
Appraisal Report	**3,020,000**
Building Value Added	
Acoustical Partition	62,281
Less Depreciation *	(5,695)
Variance between cost of Asphalt & Concrete Paving	69,609
Less Depreciation *	(5,573)
Variance between Electrical appraisal and actual invoice	101,080
Less Depreciation *	(9,381)
Variance between Plumbing appraisal and actual invoice	62,480
Less Depreciation *	(5,452)
Equipment (not included in appraisal report)	
AV System, Surveillance System, Dance Floor, Portable Stage, Tables/Chairs, Ice Machine, etc.	256,835
Less Depreciation ^	(123,140)
	3,423,044
Owener's Offer	3,418,176
Variance	4,868

* 40 Year Depreciation on Value Added Building
^ 7 Year Depreciation on Equipment

Carlsbad Event Center

	Actual Cost	Appraisor Cost	Difference
Earthwork	$ 55,800	$ 4,320	$ 51,480
Paving	$ 208,972	$ 139,363	$ 69,609
Curbs & Walks	$ 42,500	$ -	$ 42,500
Conc Rundowns	$ 8,980	$ -	$ 8,980
Conc Lite Pole Bases	$ 3,200	$ -	$ 3,200
Precast Parking Bumpers	$ 1,050	$ -	$ 1,050
Acoustical Partition	$ 62,281	$ -	$ 62,281
Storefront, Window Walls	$ 35,370	$ 21,895	$ 13,475
Drywall	$ 19,626	$ 7,552	$ 12,074
Paint	$ 13,881	incl above	$ 13,881
Ceramic Tile	$ 19,577	$ 9,339	$ 10,238
Carpet Tile	$ 42,810	$ 5,966	$ 36,844
Signage -Bldg & Interior	$ 17,775	$ -	$ 17,775
Fire Sprinkler Sys	$ 48,300	$ 41,440	$ 6,860
Plumbing	$ 125,040	$ 62,560	$ 62,480
HVAC	$ 143,860	$ 123,680	$ 20,180
Electrical	$ 229,000	$ 127,920	$ 101,080
Security Sys	$ 5,925	$ -	$ 5,925
Sound System	$ 79,850	$ -	$ 79,850
	$ 1,163,797	$ 544,035	$ 619,762

Carlsbad Event Center
Furniture & Fixtures

Item	Description	Amount
MityLite	Dance Floor & Cart	$ 28,000.00
MityLite	Banquet Chairs & Chair Carts	$ 31,191.00
MityLite	Buffet Tables, Rectangle Tables	$ 37,947.00
Lifetime	Round Tables, Cocktail Tables, Rectangle Tables, Table Cart	$ 28,949.49
Ed's Refrigeration	Ice Machine	$ 10,037.35
Amrose Mgmt	Commercial Freezer, Refrigerator, 3 Compartment Sink, Stainless Steel Work Table	$ 13,450.00
Webstaurant Store	54" Black Portable Bar with 5-Bottle Speed Rail	$ 4,016.15
The Stage Depot	Portable Stage System with Carpet, Steps, Guard Rails, Skirt & Dolly	$ 8,200.83
OnlineEEI.com	Break-Apart Aluminum Backdrop Kit with Black Drapes	$ 820.93
Amazon	Mobile Chrome Wire Security Cage	$ 796.87
Amazon	American Flag & New Mexico Flag Indoor Set with Poles	$ 542.10
Staples	2 Full Podiums with Microphones & 1 Tabletop Podium	$ 1,554.18
Amazon	8 - 23 gallon Slim Trash Cans & Black Spandex Covers	$ 341.32
Tableclothsfactory	Black Linens - Round & Rectangle Table Cloths, Cocktail Table Covers, Skirt Clips, Table Skirts	$ 3,228.43
Amazon	60-Key Slotted Key Cabinet with Combination Lock	$ 43.00
Amazon	Black Rectangle & Round Spandex Cocktail Table Skirts	$ 478.39
Sam's Club	2 Steel Wire Shelving Units & Utility Cart	$ 324.69
Apex Technologies	2 Indoor Dome Cameras	$ 1,138.40
Apex Technologies	Surveillance System - 4 Outdoor Cameras & Recorder	$ 5,925.00
Apex Technologies	A/V System - Projectors, Motorized Screens, Amplifier, Speakers, Microphones	$ 79,850.00
	Total	**$ 256,835.13**

3814

CRESTLINE BUILDING CORPORATION
2700 Missouri Ave. Ste. #3 – Las Cruces, NM 88011
Phone: (575) 532-8310 Fax: (575) 532-8312

Purchase Order

This number must appear on all shipments, invoices, delivery forms and correspondence.

VENDOR:
NORCON Industries, Inc.
Attn: Randy Lopez
5412 E. Calle Cerritos
Guadalupe, AZ 85283
Phone:(505)343-8801; Fax:(505)344-4788
Email: randy.l@norconnm.com

SHIP TO:
Crestline Building Corp.
c/o Convention Center at Hyatt House
4019 National Parks Hwy
Carlsbad, NM 88220
Attn: Juan Navarro (915)490-4253

Order Date	Ship Via:	F.O.B.	Delivery Date Required	Mark For	Special Terms
5 Oct 2022	Bestway	Jobsite	ASAP	Juan Carlos Navarro	NET 30

PLEASE FURNISH THE FOLLOWING, SUBJECT TO CONDITIONS SET FORTH BELOW AND ALL TERMS AND CONDITIONS STATED ON REVERSE

Qty	Rec'd	Description	Unit Price	Amount
		Provide 5 copies of Manufacturer's Literature within 7 days of issue date of this Purchase Order for review and approval by Owner and Architect.		
1 Each		Lot of Operable Walls by Mordernfold as quoted by NORCON dated 8/16/2022; one (1) each – 29'0" x 14'0" Acousti-Seal Encore Paired Panel Operable Partition and one (1) each – 29'6" x 14'0" Acousti-Seal Encore Paired Panel Operable Partition with 54 STC. This Vendor shall supply, install, and adjust for a fully operational and Professional installation.....		$ 62,281.42

*** **NOTE: This PO# 3814 shall replace and supersede PO# 3813 entirely.** ****

Vendor shall sign and return yellow copy of this purchase order to our office indicating his acceptance of all terms and conditions under which it is issued.

Subtotal	**$ 62,281.42**
Sales Tax	**EXEMPT**
Total	**$ 62,281.42**

Vendor Name:

By: _____

Title: _____

Crestline Building Corporation:

By: _____
Zachary J. Theus / Vice President - Construction

NORCON INDUSTRIES, INC.

• ARIZONA LIC. 058670 / 058671 • NEW MEXICO LIC. 51909
• UTAH LIC. 8378503-5501 • IDAHO PUBLIC WORKS 013159-D-4

FOLLOWING A TRADITION OF BUSINESS IN ARIZONA SINCE 1917

August 16, 2022

PROJECT: **Hyatt House Convention Center – Carlsbad, NM**

PLANS DATED: **06/24/2020** - SPECIFICATIONS DATED: **Not Provided**

Please note if you are GC that will be using Textura for this project, please add 0.22% to the overall contract price.

WE ARE PLEASED TO OFFER PRICING FOR THE ABOVE PROJECT AS FOLLOWS:

OPERABLE WALLS *by Modernfold*

One (1) ea. – 29'-0" W x 14'-0" H Acousti-Seal Encore Paired Panel Operable Partition
One (1) ea. – 26'-6" W x 14'-0" H Acousti-Seal Encore Paired Panel Operable Partition

- **54 STC** Rating
- Steel Skin
- Fabric Finish
- #17 Bracket Suspension System
- Full Leaf Butt Hinges
- Standard Expandable Closure
- A2 Bottom Seal
- Pocket Only / No Pocket Door

The above as noted herein, **Furnished & Installed:** **$62,281.42**

VE OPTION – STC RATING

One (1) ea. – 29'-0" W x 14'-0" H Acousti-Seal Legacy Paired Panel Operable Partition
One (1) ea. – 26'-6" W x 14'-0" H Acousti-Seal Legacy Paired Panel Operable Partition

- **50 STC** Rating
- Steel Skin
- Fabric Finish
- #17 Bracket Suspension System
- Full Leaf Butt Hinges
- Standard Expandable Closure
- A2 Bottom Seal
- Pocket Only / No Pocket Door

The above as noted herein, **Furnished & Installed:** **$55,459.23**

3852

CRESTLINE BUILDING CORPORATION
2700 Missouri Ave, Ste. #3 – Las Cruces, NM 88011
Phone: (575) 532-8310 Fax: (575) 532-8312

Purchase Order
This number must appear on all shipments, invoices, delivery forms and correspondence.

VENDOR:
Casey Carpet of Las Cruces, Inc.
c/o Hank Schweinebraten
1515 W. Amador Ave
Las Cruces, NM 88005

SHIP TO:
Crestline Building Corp.
c/o Convention Center at Hyatt House
4017 National Parks Hwy
Carlsbad, NM 88220

Order Date	Ship Via:	F.O.B.	Delivery Date Required	Mark For	Special Terms
7 Feb. 2023	Common Carrier	Jobsite	As Requested	Gary Arrieta	NET 30

PLEASE FURNISH THE FOLLOWING, SUBJECT TO CONDITIONS SET FORTH BELOW AND ALL TERMS AND CONDITIONS STATED ON REVERSE

Qty	Rec'd	Description	Unit Price	Amount

Supply and install materials as listed in Casey Carpet of Las Cruces, Inc. quote dated 27 January 2023.

Supply and install Carpet and 6" Rubber Covebase per plans:

Rooms 100 & 102 – Carpet – Intrigue Tantalize

Rooms 104 & 106 – Carpet – Artisian Sloe

Covebase – Johnsonite – DC-20 6"

Price includes expenses, floor preparations and delivery. Customer to provide 2 hotel rooms for 2 nights.

Vendor shall sign and return yellow copy of this purchase order to our office indicating his acceptance of all terms and conditions under which it is issued.

Subtotal	**$ 42,810.00**
Sales Tax	**EXEMPT**
Total	**$ 42,810.00**

Vendor Name:

By: _____

Title: _____

Crestline Building Corporation:

By: _____
Zachary J. Theus / VP - Construction

Casey Carpet of Las Cruces, Inc.
FlooringAMERICA
1515 WEST AMADOR AVE.
LAS CRUCES, NEW MEXICO 88005
(575) 523-9595 * FAX (575) 523-9641
FlooringAMERICA

January 27,2023

Crestline Building Corporation

ATTN: Zach Theus

JOB: Convention Center at Hyatt House
4017 National Parks HWY Carlsbad, NM

Bid to supply and install Carpet and Covebase per plans.

Rooms 100 & 102- Carpet- Intrigue Tantalize
Rooms 104 & 106- Carpet- Artisan Sloe
Covebase- Johnsonite- DC-20 6inch

Price includes expenses, floor preparations and delivery. Customer supply Hotel rooms. (2 rooms and 2 nights)

Total: $42,810.00

Thank you,

Henry G. Schweinebraten
President
Casey Carpet of Las Cruces, Inc.

Commercial and Residential

JESUS RAMOS

(915) 630-8641
8335 San Lorenzo Ave. • El Paso, TX 79907

DATE: 2-24-23

CUSTOMER'S ORDER NO.:

TO: Crestline Building Corp
2700 Missouri
Las Cruces NM

SHIP TO: Hyatt Place Corpus
Carlsbad NM

SEASON	SHIPPED VIA	TERMS	F.O.B.

QUANTITY	DESCRIPTION	UNIT	AMOUNT	
380	S.F. 6 X 6 Quarry	3.00	1140	00
57	LF Cove base	3.00	171	00
1200	SF Wall tile	2.75	3300	00
460	Mosiac Tile	2.75	1265	00
	TOTAL		5876	00

716 090 09035

OK TO PAY

RLP

MARAZZI daltile

INVOICE

PLEASE REMIT TO
PO BOX 209058
DALLAS , TX 75320-9058

DATE SHIPPED	INVOICE NUMBER	PAGE
02/10/2023	0139586068	1
DATE INVOICED	**BOL NUMBER**	**POOL**
02/10/2023	144-100005	

TEL:9155933161

CRESTLINE BUILDING CORP
2700 MISSOURI AVE STE 3
LAS CRUCES NM 88011-9135

CRESTLINE BLDG CORP
4017 NATIONAL PARK HWY
CARLSBAD NM 88220-9082

****DUPLICATE****

ACCOUNT NO	CUST PAYER	GROUP KEY	CUSTOMER PO	JOB NAME
218164001	218164	218164	HYATT HOUSE CARLSBAD	HYATT HOUSE

CUST REQ.DATE	ORDER DATE	TERMS	ORIGINAL INV.NO	ORIG.INV.DATE
02/10/2023	01/27/2023	NET 30 DAYS		

SHIPPED VIA	SHIPPED FROM	SALES SLIP NO	ORDER NO	PRICE LIST
DAL-TILE GENERIC	4144-EL PASO	144-38583	Y138559761	LIST PRICE

QTY ORD UOM	ITEM NUMBER DESCRIPTION	QTY PRICE UOM	NET PRICE PER UNIT	EXTENDED PRICE
417.960 FT2	070915HEXMS1P2 Architectural Gray, Hexagon, 1.5, Matte	417.960 FT2	5.75/FT2	2,403.27
1500.240 FT2	0190412MOD1P1 4X12 MOD WALL 0190 ARCTIC WHITE	1500.240 FT2	2.85/FT2	4,275.68
130.000 PC	0190A34C1MOD1P2 A34C1MOD 4X12 C/B 0190 ARCTIC WHITE	130.000 PC	8.42/PC	1,094.60
2.000 PC	0190SCR34011P1 SCR3401 0190 ARCTIC WHITE STD	2.000 PC	2.59/PC	5.18
2.000 PC	0190SCL34011P1 SCL3401 0190 ARCTIC WHITE STD	2.000 PC	2.54/PC	5.08
30.000 PC	0190S44C9MOD1P1 S44C9MOD 12" SIDE 0190 ARCTIC WHITE	30.000 PC	4.80/PC	144.00
18.000 PC	0T03QB3565U1P Ashen Gray, QB3565, CB Incorner, Matte	18.000 PC	10.36/PC	186.48
2.000 PC	0T03QCR3565U1P Ashen Gray, QCR3565, Cove BC, Matte	2.000 PC	7.64/PC	15.28
	Continued*			

CUSTOMER NAME	PAYER	INVOICE NO	INVOICE SUMMARY AMOUNT
CRESTLINE BUILDING CORP	218164	139586068 DATE 02/10/2023	PAYABLE IN US DOLLARS 13,386.27

Past Due Balances are subject to a service charge of 1% per month(12% annual) or a maximum legal rate under applicable state laws, whichever is less.
Use wet cutting and personal protective equipment when cutting tile, stone, and quartz. See SDS at www.daltile.com for details.

MARAZZI daltile

INVOICE

PLEASE REMIT TO
PO BOX 209058
DALLAS , TX 75320-9058

DATE SHIPPED	INVOICE NUMBER	PAGE
02/10/2023	0139586068	2
DATE INVOICED	**BOL NUMBER**	**POOL**
02/10/2023	144-100005	

TEL:9155933161

CRESTLINE BUILDING CORP
2700 MISSOURI AVE STE 3
LAS CRUCES NM 88011-9135

CRESTLINE BLDG CORP
4017 NATIONAL PARK HWY
CARLSBAD NM 88220-9082

****DUPLICATE****

ACCOUNT NO	CUST PAYER	GROUP KEY	CUSTOMER PO	JOB NAME
218164001	218164	218164	HYATT HOUSE CARLSBAD	HYATT HOUSE

CUST REQ.DATE	ORDER DATE	TERMS	ORIGINAL INV.NO	ORIG.INV.DATE
02/10/2023	01/27/2023	NET 30 DAYS		

SHIPPED VIA	SHIPPED FROM	SALES SLIP NO	ORDER NO	PRICE LIST
DAL-TILE GENERIC	4144-EL PASO	144-38583	Y138559761	LIST PRICE

QTY ORD UOM	ITEM NUMBER DESCRIPTION	QTY PRICE UOM	NET PRICE PER UNIT	EXTENDED PRICE
2.000 PC	0T03QCL3565U1P Ashen Gray, QCL3565, Cove BC, Matte	2.000 PC	7.64/PC	15.28
145.800 FT2	070915HEXMS1P2 Architectural Gray, Hexagon, 1.5, Matte	145.800 FT2	5.75/FT2	838.35
30.000 FT2	CW2221BJMS1P Cashmere, Brick Joint, 2X1, Glass	30.000 FT2	13.76/FT2	412.80
583.000 FT2	0T03661P Ashen Gray, Square, 6X6, Matte	583.000 FT2	2.90/FT2	1,690.70
14.000 EA	555531/2DSEX50 MAP DAL DS50 EX DALSTIK TYPE 1 3.5 GAL	14.000 EA	42.00/EA	588.00
20.000 EA	000000009999626916 CBP VERSABOND GRAY 50#	20.000 EA	14.99/EA	299.80
12.000 EA	000000009999575416 CBP PLYBLNDPLUS S #542 GRAYSTONE 25#	12.000 EA	21.99/EA	263.88
210.000 PC	0T03Q3565U1P Ashen Gray, Q3565, Cove Base, Matte	210.000 PC	2.27/PC	476.70

Continued*

CUSTOMER NAME	PAYER	INVOICE NO	INVOICE SUMMARY AMOUNT
CRESTLINE BUILDING CORP	218164	139586068 DATE 02/10/2023	PAYABLE IN US DOLLARS 13,386.27

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Use wet cutting and personal protective equipment when cutting tile, stone, and quartz. See SDS at www.daltile.com for details.

MARAZZI daltile

INVOICE

PLEASE REMIT TO
PO BOX 209058
DALLAS , TX 75320-9058

DATE SHIPPED	INVOICE NUMBER	PAGE
02/10/2023	0139586068	3
DATE INVOICED	**BOL NUMBER**	**POOL**
02/10/2023	144-100005	

TEL:9155933161

CRESTLINE BUILDING CORP
2700 MISSOURI AVE STE 3
LAS CRUCES NM 88011-9135

CRESTLINE BLDG CORP
4017 NATIONAL PARK HWY
CARLSBAD NM 88220-9082

****DUPLICATE****

ACCOUNT NO	CUST PAYER	GROUP KEY	CUSTOMER PO	JOB NAME
218164001	218164	218164	HYATT HOUSE CARLSBAD	HYATT HOUSE

CUST REQ.DATE	ORDER DATE	TERMS	ORIGINAL INV.NO	ORIG.INV.DATE
02/10/2023	01/27/2023	NET 30 DAYS		

SHIPPED VIA	SHIPPED FROM	SALES SLIP NO	ORDER NO	PRICE LIST
DAL-TILE GENERIC	4144-EL PASO	144-38583	Y138559761	LIST PRICE

QTY ORD UOM	ITEM NUMBER DESCRIPTION	QTY PRICE UOM	NET PRICE PER UNIT	EXTENDED PRICE
	TRANSPORTATION & ENERGY SURCHARGE			572.19
	FREIGHT			99.00
	SUB TOTAL			13,386.27
	TAX EXEMPT # 02/171364-00-2			
	INVOICE TOTAL			13,386.27
	INVOICE WEIGHT = 11135.720 LB			
			TO BE RECEIVED BY: 03/12/2023	

CUSTOMER NAME	PAYER	INVOICE NO	INVOICE SUMMARY AMOUNT
CRESTLINE BUILDING CORP	218164	139586068 DATE 02/10/2023	PAYABLE IN US DOLLARS 13,386.27

Past Due Balances are subject to a service charge of 1% per month(12% annual) or a maximum legal rate under applicable state laws, whichever is less.
Use wet cutting and personal protective equipment when cutting tile, stone, and quartz. See SDS at www.daltile.com for details.

MARAZZI daltile

INVOICE

PLEASE REMIT TO
PO BOX 209058
DALLAS , TX 75320-9058

DATE SHIPPED	INVOICE NUMBER	PAGE
02/21/2023	0139667625	1
DATE INVOICED	**BOL NUMBER**	**POOL**
02/21/2023		

TEL:9155933161

CRESTLINE BUILDING CORP
2700 MISSOURI AVE STE 3
LAS CRUCES NM 88011-9135

CRESTLINE BUILDING CORP
11185 PELLICANO DR
EL PASO TX 79935-5304

****DUPLICATE****

ACCOUNT NO	CUST PAYER	GROUP KEY	CUSTOMER PO	JOB NAME
218164001	218164	218164	HYATT HOUSE CARLSBAD	HYATT HOUSE CARLSBAD

CUST REQ.DATE	ORDER DATE	TERMS	ORIGINAL INV.NO	ORIG.INV.DATE
02/21/2023	02/21/2023	NET 30 DAYS		

SHIPPED VIA	SHIPPED FROM	SALES SLIP NO	ORDER NO	PRICE LIST
PICKUP	4144-EL PASO	144-38686	Y138755515	LIST PRICE

QTY ORD UOM	ITEM NUMBER DESCRIPTION	QTY PRICE UOM	NET PRICE PER UNIT	EXTENDED PRICE
2.000 EA	000000009999533551 SCHLU SCHIENE AE60	2.000 EA	9.15/EA	18.30
12.000 EA	000000009999575395 CBP PLYBLNDPLUS S #60 CHARCOAL 25#	12.000 EA	21.99/EA	263.88
1.000 EA	000000009999618899 CBP AMIX GROUT RELEASE 1 GAL	1.000 EA	19.00/EA	19.00
	TRANSPORTATION & ENERGY SURCHARGE			13.55
	SUB TOTAL			314.73
	TAX EXEMPT # STATE FORM			
	INVOICE TOTAL			314.73
	INVOICE WEIGHT = 310.280 LB			
			TO BE RECEIVED	BY: 03/23/2023

CUSTOMER NAME	PAYER	INVOICE NO	INVOICE SUMMARY AMOUNT
CRESTLINE BUILDING CORP	218164	139667625 DATE 02/21/2023	PAYABLE IN US DOLLARS 314.73

Past Due Balances are subject to a service charge of 1% per month(12% annual) or a maximum legal rate under applicable state laws, whichever is less.
Use wet cutting and personal protective equipment when cutting tile, stone, and quartz. See SDS at www.daltile.com for details.

Diesel Enterprises, LLC

PO Box 519
Dona Ana, NM 88032

MAR 2 0 2023

Invoice

Date	Invoice #
3/20/2023	1882

Bill To
Crestline Building Corporation 2700 Missouri Suite #3 Las Cruces, NM 88011

Description	Amount
Carlsbad Event Center - Dirt work	20,000.00
Curbs 1672 lf x 20.00	33,440.00
Sidewalks, ramp and steps 1400 sf x $6.50	9,100.00
Rundowns 798 sf x 10.00	7,980.00
Rip Rap	1,000.00
Concrete paving	207,396.00
Light pole bases	3,200.00

Approved:_____
Job:_____
ph_____cc:_____$_____
ph_____cc:_____$_____
ph_____cc:_____$_____

It's been a pleasure working with you!

Total $282,116.00

Diesel Enterprises, LLC

PO Box 519
Dona Ana, NM 88032

MAR 2 0 2023

Invoice

Date	Invoice #
3/20/2023	1882

Bill To
Crestline Building Corporation 2700 Missouri Suite #3 Las Cruces, NM 88011

Description	Amount
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Rip Rap	1,000.00
Concrete paving	207,396.00
Light pole bases	3,200.00

Approved:_____
Job:_____
ph_____cc:_____$_____
ph_____cc:_____$_____
ph_____cc:_____$_____

It's been a pleasure working with you!

Total $282,116.00

Diesel Enterprises, LLC

PO Box 519
Dona Ana, NM 88032

MAR 2 0 2023

Invoice

Date	Invoice #
3/20/2023	1882

Bill To
Crestline Building Corporation 2700 Missouri Suite #3 Las Cruces, NM 88011

Description	Amount
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Rundowns 798 sf x 10.00	7,980.00
Rip Rap	1,000.00
Concrete paving	207,396.00
Light pole bases	3,200.00

Approved:_____
Job:_____
ph_____cc:_____$_____
ph_____cc:_____$_____
ph_____cc:_____$_____

It's been a pleasure working with you!

Total $282,116.00

DIESEL Enterprises LLC.

P.O. Box 519
Dona Ana, NM 88032

Invoice

Date	Invoice #
9/18/2020	1743

Bill To
Crestline Building Corporation 2700 Missouri Suite #3 Las Cruces, NM 88011

Description	Amount
Hyatt Convention Center - Concrete walk along front of building - 1200 sq feet x $6.10	7,320.00

030 - 031001-5 sidewalks

Approved: RLP
Job: ~~100~~ Conv Center
Concrete ph 010 cc: ~~10160~~ $ 7320—
ph _____ cc: _____ $ _____
ph _____ cc: _____ $ _____

It's been a pleasure working with you!

Total $7,320.00

CRESTLINE BUILDING CORP. 270[illegible] 'SSOURI AVE. #3 LAS CRUCES, NEW MEXICO 88011

Rel No 05714

43445

Vendor: CARLSBAD COPPERSTONE, LLC

Check: 43445

Check date: 02/03/2023

Invoice #	Invoice Date		Gross Amount	Retn Amount	Net Amount
Lowes in e	02/03/2023	CARLSBAD COPPERSTONE	4,423.00	0.00	4,423.00

Check Amount *****4,423.00

JAN 0 9 2023

PAYMENT STUB

Account: 9800 424065 5 Statement Date: 01/02/23 Page: 1 of 3 Account: 9800 424065 5

Earn rewards on items you already buy on this Lowe's Commercial Account with Lowe's MVPs Pro Rewards program. Visit lowes.com/pro to learn more and login today.

CARLSBAD COPPERSTONE
ATTN: AP
2700 MISSOURI AVENUE
SUITE 3
LAS CRUCES, NM 88011-9135

PLEASE INDICATE ADDRESS CHANGES

CARLSBAD COPPERSTONE 169372
ATTN: AP R111
2700 MISSOURI AVENUE
SUITE 3
LAS CRUCES, NM 88011-9135

PAYMENT ADDRESS
Lowe's
P.O. Box 530954
Atlanta GA 30353-0954

Customer Service Online at www.lowescredit.com
This account is already registered.
See Your Online Admin to get a User ID & Password

Account Balance Summary

Current Invoices & Returns	$ 4,423.00
1-30 Days Past Due	$ 0.00
31-60 Days Past Due	$ 0.00
Over 60 Days Past Due	$ 0.00
Unapplied Payments & Adjustments	$ 0.00
Statement Balance	**$ 4,423.00**

Amount Due

NO PAYMENT IS DUE

AMOUNT ENCLOSED $_____

FOR PAYMENT ENCLOSED PLEASE CHECK ONE OF THE FOLLOWING OPTIONS:

☐ Payment is for entire amount billed. Please apply to all invoices.

☐ Payment is for specific invoices. Please indicate by ☑ beside the invoices/returns/unapplied payments you are paying/applying and return the payment stub(s) with your check.

☐ Apply enclosed payment to oldest invoice(s).

Approved: DLP
Job: 716
ph 090 cc 09020 $ 4423
ph_____ cc_____ $_____
ph_____ cc_____ $_____

Send payments to:
Lowe's
P.O. Box 530954
Atlanta GA 30353-0954

Send Billing/General Inquiries to:
P.O. Box 965054
Orlando. FL 32896-5054

For Customer Service: call 1-866-232-7443

Tear Here

9800424065 5 000000000

Purchases, returns, and payments made just prior to the statement date may not appear until the next month's statement. Any payments received after 5pm on any business day or on any day other than a business day, at the address above, will be credited on the next business day. If the payment is made at a location other than such address, credit may be delayed.

PLEASE RETURN ALL STUBS WITH YOUR PAYMENT
Retain left portion for your records.

-Continue-

PAYMENT STUB

ACCOUNT ACTIVITY

Account Number : 9800 424065 5

Current Invoices & Returns

Date	Invoice	Original Amount	Due Date	Store/City	Reference
11/25/22	902727 -KBKMOZ	$ 4,423.00	02/20/23	3167 CARLSBAD, NM	
Subtotal		$ 4,423.00			

Invoice	Please Indicate by ☑ Invoices You are Paying	Date & Amount Due
902727	☐	11/25/22 $ 4,423.00
Subtotal		$ 4,423.00

Tear Here

Account Balance Summary
9800 424065 5

Total
$ 4,423.00

-Continue-

Job Site
Hyatt House Convention Center
Carlsbad, New Mexico

1978

1/20/23

Hugo Martinez (574) 649-7567

Convention Center Completed

Total - $17,556

Job Site **1982**
Eagle Ranch Apt.
Las Cruces, New Mexico 3/20/23

MAR 2 1 2023

Hugo Martinez (574) 649-7567

RC Channel Walls Bldg. 4
$1,780
RC Channel Walls Bldg. 5
$2,968
RC Channel Walls Bldg. 6
$1,780
RC Channel Walls Bldg. 7
$2,365
RC Channel Walls Bldg. 8
$2,365
RC Channel Walls Bldg. 9
Change Order Bldg. 5 approved by Zach
Remove bathroom back wall and replace with ½ inch durock, retape and retexture
$1,320
Bldg. 1 Electrical Patches
$750
Convention Center Change Order
Patches done by electricians
1st trip
$450
2nd trip- Patches done by Scott and Repair Projector Openings
$320
3rd trip- Patches for bifold doors
$320

$1090

OK to Pay
DZP
Drywall Patches
Conv Ctr

Diesel Enterprises, LLC

PO Box 519
Dona Ana, NM 88032

MAR 2 0 2023

Invoice

Date	Invoice #
3/20/2023	1882

Bill To
Crestline Building Corporation 2700 Missouri Suite #3 Las Cruces, NM 88011

Description	Amount
Carlsbad Event Center - Dirt work	20,000.00
Curbs 1672 lf x 20.00	33,440.00
Sidewalks, ramp and steps 1400 sf x $6.50	9,100.00
Rundowns 798 sf x 10.00	7,980.00
Rip Rap	1,000.00
Concrete paving	207,396.00
Light pole bases	3,200.00

Approved:_____
Job:_____
ph_____cc:_____$_____
ph_____cc:_____$_____
ph_____cc:_____$_____

It's been a pleasure working with you!

Total $282,116.00

STANDARD SUBCONTRACT FORM

THIS SUBCONTRACT, made this **18th day of December 2019**, by and between **Caliper Construction** doing business as an **Earthwork and Utilities subcontractor** with **Crestline Building Corporation** with principal office at **2700 Missouri Ave. Suite 3, Las Cruces, NM 88011 (575-532-8310/Fax: 532-8312)** (hereinafter called Contractor, WITNESSETH:

That the Subcontractor and the Contractor, in consideration of the covenants and agreements herein contained, mutually agree as follows:

SECTION 1. The Subcontractor agrees to furnish all labor, material, an equipment and perform all work described in Section 2 hereof for the construction of **Hyatt Place and Hyatt House Convention Center** (hereinafter sometimes called Construction Project), located at **4019 National Parks Highway, Carlsbad, NM 88220** for **Crestline Building Corporation** (hereinafter called Owner), in accordance with the terms of this contract.

Drawings and Specifications dated variously (see attached list **Exhibit A**) prepared by **Vistas Unlimited** forming a part of the Contract between the Contractor and the Owner, all of which shall be considered part of this Agreement by reference thereto, copies of which are on file at the office of the Contractor and are available at all times.

==========

SECTION 2. The Subcontractor and the Contractor agree that the materials and/or services to be furnished and the work to be done by the Subcontractor are:

EARTHWORK:
Furnish all necessary labor, materials, equipment, supervision, tools, supplies, insurance, payroll taxes and incidentals required for a complete earthwork job as required by the contract plans and specifications, local building code requirements, all civil plans, and the soils report by Geo-test dated September 21, 2018 (copy previously provided). This includes all rough and fine grading earth work for the Hyatt Place and Hyatt House Convention Center. This includes transition grading as necessary between finish grades shown on plans for pads, streets, curbs, etc to the limits of construction as shown on civil drawings.
Scope of work includes but is not limited to the following:

1. Provide all clearing and grubbing, earthwork cut, fill, over excavation of building pads, pre-wetting, vibratory roller and other required compaction, disposal, and rough grading of site, building pads, and streets. Building pads shall be graded to blue top grades +/- 1/10th of one foot. Streets and walks shall be graded to +/- 2/10th of one foot. All landscaping areas shall be graded to +/- 2/10th of one foot. All excess overbuilding of pads shall be graded by this Subcontractor to provide drainage swales between building pads, parking, and drives. Drainage swales shall create drainage patterns as indicated on the grading, and erosion control plans.
2. This Subcontractor shall provide all compaction water as required for earthwork including dust control. This Subcontractor includes all work required by the Erosion Control Plan and SWPPP requirements for this project including dirt berms, construction entry, concrete washout, and on-site pond wattles, and silt fencing.
3. This Subcontractor shall provide all earth moving in compliance with the soils report recommendations. All building pads shall be compacted to 95% of optimum density per modified proctor. The General Contractor shall provide property pins for horizontal control and benchmark for vertical control. This subcontractor shall provide all layout and field engineering required for layout and field engineering as required for the building pad, street sub-grade, curbs, walks, fine grading, drainage swales, etc. This Subcontractor shall use reasonable care to protect and preserve the property pins and benchmarks provided by the General Contractor. The Contractor/Owner shall provide soils testing.
4. All building pads shall be overbuilt to blue top grades an additional three (3) feet in each direction beyond the outer most walls or building foundation system. Drainage patterns

shall be established between these pads, and adjacent street and parking grades (see civil drawing for specific grading and drainage patterns and direction.)

5. This Subcontractor shall complete all work required for the concrete rundowns in the drainage pond.

GENERAL ITEMS:

1. This Subcontractor agrees to properly staff, equip, and supervise the project so as to maintain the production schedule established for the project as posted in the Contractor's job-site office trailer and attached hereto. This shall include full-time supervision as it relates to production, safety, and quality of all work included in this Subcontractor's scope-of-work.
2. This Subcontractor agrees to submit pay request using Contractor's pay request forms. These requests shall be properly executed and submitted to the field office by the 20th of each month for payment on or about the 10th of the month following but not until Contractor receives payment from Owner. A 5% retainage will be held on this Subcontractor until the project completion or Owner releases retainage to Contractor.
3. No payment will be made to this Subcontractor until written verification is submitted to General Contractor regarding Workman's Compensation Insurance coverage and General Liability coverage.
4. Subcontractor agrees to comply with all provisions of the Immigration Reform and Control Act of 1986 Public Law 99-603 (S-1200, dated 11/5/86 (the "ACT") in regard to the unlawful employment of aliens. Specifically, but not by way of limitation, Subcontractor agrees to comply with and adhere to the Employment Verification System described in Section 101 of said Act and to refrain from Unfair Immigration Employment Practices described in Section 102 of said Act. Moreover, Subcontractor agrees to require that all employees performing work in connection with the project comply with such laws. Subcontractor agrees to indemnify and hold Owner and Contractor harmless from any and all liability, damages, claims, and/or penalties (civil or criminal) including court cost and reasonable attorney's fees, arising directly or indirectly out of Subcontractor's failure to strictly adhere to and comply with the terms of said Act or Subcontractor's failure to insure compliance by employees as provided herein.
5. This Subcontractor shall take precautions to protect the work in place of other trades and shall notify the superintendent prior to installation of any conflict with other trades regarding correct installation of his work. He shall also remove from the site on a daily basis or as directed by the project superintendent any debris generated by his work or workers in or around the building and site.
6. This Subcontractor warrants to the Owner, Architect, and Contractor that materials and equipment furnished under this Subcontract will be of good quality and new unless otherwise required or permitted by the Subcontract Documents, that the Work of this Subcontract will be free from defects not inherent in the quality required or permitted, and that the Work will conform to the requirements of the Subcontract Documents. Work not conforming to these requirements, including substitutions not properly approved and authorized, may be considered defective. The Subcontractor's warranty excludes remedy for damage or defect caused by abuse, modifications not executed by the Subcontractor, improper or insufficient maintenance, improper operation, or normal wear and tear under normal usage. This warranty shall be in addition to and not in limitation of any other warranty or remedy required by law or by the Subcontract Documents. Notwithstanding other provisions of the Subcontract Documents, Subcontractor provides a one-year warranty of all materials and workmanship performed by this Subcontractor, which starts at the Date of Owner Acceptance as defined by the Certificate of Substantial Completion signed by Owner, Architect, and General Contractor.

7. This subcontractor shall provide all surveying, and horizontal and vertical control staking as required for the completion of the earthwork.

8. Total Contract price is broken down as follows:

Mobilization:		**incl below**
Earthwork:	**Hyatt Place**	**$ 120,100.00**
	Hyatt House Convention Center	**$ 35,800.00**
TOTALS		**$ 155,900.00**

SECTION 3. The Subcontractor expressly covenants and agrees to keep himself thoroughly informed as to the progress of the job, to begin work within 10 days after notification by the Contractor, to prosecute the work continuously and uninterruptedly with all possible speed, and to complete the entire work covered by this Subcontract at such time as not to interfere with or delay performance of the General Contractor of the work of any other subcontractor. Furthermore, Subcontractor agrees to furnish and maintain in first-class operating condition a sufficient amount of equipment, machinery, tools, implements and supplies, and to furnish all material and all labor, including Superintendent's overhead and field accounting, and all things whatsoever required or convenient to properly carry out and perform the work herein specified, and to perform all work required by this Subcontract strictly in accordance with the General Contract, a copy of which is on file in the office of the Contractor and is available for inspection at all times. The term "General Contract," as used in this Subcontract, shall be deemed to mean the Contract between the Contractor and Owner, together with all the provisions, general conditions, plans, drawings, specifications, and addends which are part thereof or referred to therein (and with all of which the Subcontractor acknowledges he is familiar), as well as any additions thereto and modifications thereof subsequently made.

This Subcontract contemplates a complete installation covering the work described hereinbefore shall be all-inclusive under common usage in the industry and/or as may reasonably be inferred by the contract plans and specifications. Because these plans, drawings, specifications, and addenda thereto are an essential element of this Subcontract, the Subcontractor's failure to thoroughly check and verify the scope and extent of them shall not act to modify or mitigate the complete responsibility therein contemplated as to the work to be performed.

In the event the Subcontractor fails to carry on such work at such rates of progress as are specified under the terms hereof, the Contractor may, at its option, require the Subcontractor to increase the number of men and/or the amount of equipment employed in the performance of said work to such extent as the Contractor may deem necessary or desirable, or Contractor may exercise any other right or remedy it may have, including, but not limited to, the termination of this Subcontract.

SECTION 4. IN CONSIDERATION WHEREOF, the Contractor agrees to pay the Subcontractor for the full and faithful performance of his work the sum **ONE HUNDRED FIFTY-FIVE THOUSAND NINE HUNDRED AND NONE/100 ($155,900.00) see breakdown above**, subject to additions and deductions for changes as may be agreed upon in writing and subject to the other terms of the Subcontract; provided, however, that no payments are to be made unless the Subcontractor's rate of progress, work done and material and/or services furnished are satisfactory to the Owner and Contractor and are herein agreed upon. Payments to Subcontractor shall be made in the following manner:

The Subcontractor shall submit to the Contractor applications for progress payments in a manner acceptable to the Contractor, and in such reasonable time as to enable the Contractor to

apply for payment on the basis of the Subcontractor's work within the time specified under the articles pertaining to the progress payments in the specifications or General Contract. The Contractor shall pay the Subcontractor for work satisfactorily performed within a reasonable time after receipt from Owner of the amounts due for Contractor's work.

However, Contractor shall be under no obligation to pay Subcontractor for any work done on this construction project until Contractor has been paid therefore by Owner, and the provisions hereof, stating the time of progress and final payments and the amount thereof, are subject to the condition that Contractor shall receive from Owner progress and/or final payments in at least the amounts payable to Subcontractor on account of work done by Subcontractor on this construction project, otherwise, the time when such payments shall be due Subcontractor shall be postponed until Contractor has received same from Owner. Subcontractor shall not be entitled to receive final payment under this Subcontract or construction project until the entire amount of work to be done hereunder has been accepted by Owner and a complete release of any and all claims against Contractor has been delivered by Subcontractor to Contractor. The acceptance of such release shall not relieve Subcontractor of liability for defects in said work, which may thereafter be discovered.

SECTION 5. Insofar as the provisions of the General Contract do not conflict with specific provisions herein contained, they, and each of them, are hereby incorporated into this Subcontract as fully as if completely rewritten herein. The Subcontractor agrees to be bound to the Contractor by all the terms of the General Contract applicable to this Subcontract and to assume toward Contractor with respect to the work and all operations of Subcontractor on this construction project all of the obligations and responsibilities that Contractor by the General Contract assumes toward Owner. The Subcontractor agrees that it will so perform this Subcontract as not to violate any terms, covenants or conditions of the General Contract. The relationship of the Subcontractor hereunder toward Contractors shall be the same as the Contractor toward the Owner under the General Contract, and the relationship of the Contractor hereunder to the Subcontractor shall be the same as that of the Owner toward the Contractor under the General Contract.

SECTION 6. In case of any dispute between the Subcontractor and Contractor, Subcontractor agrees to be bound to Contractor to the same extent that Contractor is bound to Owner by the terms of the General Contract and by any and all decisions or determinations made there under by the party or board so authorized in the General Contract. Subcontractor also agrees to be bound to Contractor to the same extent the Contractor is bound to Owner by the final decision of a court of competent jurisdiction, whether or not Subcontractor is a party to such proceeding. If such dispute is prosecuted or defended by Contractor against Owner under the terms of the General Contractor in court action, Subcontractor agrees to furnish all documents, statements, witnesses, and other information required by Contractor for such purpose and to pay or reimburse Contractor for all expenses and costs, if any, incurred in connection therewith. It is expressly understood that as to any and all work done and agreed to be done by the Subcontractor, and as to any and all materials or services furnished or agreed to be furnished by Subcontractor, and as to any and all damages, if any, incurred by Subcontractor, in connection with this construction project, Contractor shall never be liable to Subcontractor to any greater extent that Owner is liable to Contractor. No dispute shall interfere with the progress of construction and Subcontractor shall proceed with its work as directed.

SECTION 7. The Subcontractor shall furnish the Contractor with such partial releases and waivers of lien from its material men and creditors as the Contractor may request from time to time on labor and/or material and/or other claims and final releases and waivers of lien at the time of final payment on this Subcontract.

SECTION 8. The Subcontractor shall furnish, if requested by the Contractor, sworn affidavits from time to time in accordance with the form provided by the Contractor, which shall state amounts due or to become due, amounts paid, and any other information clearly to indicate the financial condition of the Subcontractor insofar as it relates to labor and material furnished and to be furnished under this Subcontract; and the Subcontractor agrees to pay as they accrue (and to protect, indemnify and hold the Contractor harmless against) any and all liens and claims of persons claiming to have performed labor or to have furnished material, appliances, insurance or services in connection therewith. If at any time there shall be any lien or claim against the

Subcontractor and/or Contractor for labor, materials, appliances, insurance or services used in said work for which, if established, the Contractor is of the opinion it might be directly or indirectly liable, then the Contractor may retain out of any money due or to become due the Subcontractor an amount sufficient to indemnify the Contractor against liability or loss by reason of such lien or claim, including the reasonable cost of any litigation there under, until the same shall be effectively satisfied, discharged or cancelled; or the Contractor may take such other steps as it may deem necessary to protect itself against any claims. If at any time the Contractor shall determine that the Subcontractor's financial condition has become, in the opinion of the Contractor, unsatisfactory, the Subcontractor shall furnish security satisfactory to the Contractor within three (3) days after written notice to its last known address, and in default of furnishing such security, the Contractor shall have the option to cancel this Subcontract. In case of such cancellations, the right of the Contractor shall be the same as if the Subcontractor had failed to perform this Subcontract.

SECTION 9. The terms of payment provided herein shall not make it incumbent on the Contractor to make payments in an amount that would not leave a sufficient balance to cover the retained percentage, together with an amount sufficient to satisfy all obligations of the Subcontractor for labor, materials, etc., furnished or to be furnished under this Subcontract.

SECTION 10. The Subcontractor agrees that moneys received for the performance of this Subcontract shall be used first for payment of labor, material, and services entering into this work, and said moneys shall not b diverted to satisfy obligations of the Subcontractor on other contracts.

SECTION 11. The Subcontractor agrees to protect the Owner and Contractor against all costs or claims for transportation, freight, and express, on men, materials, and equipment to and/or from the job, and for all other incidental expenses in connection with its work and to prepay the transportation charges on all materials, etc. shipped.

SECTION 12. The Subcontractor agrees to pay the scale of wages prescribed in the General Contract, or the scale prescribed by law in case the General Contract provides no such scale. If the Subcontractor shall fail in any respect to perform the covenants contained in this paragraph, the Contractor shall have the option to cancel this Subcontract forthwith. All penalties stated in General Contract shall be applicable hereunder as between the Subcontractor and the Contractor, except as otherwise expressly provided herein.

SECTION 13. Contractor may at any time, by written order and without notice to the Sureties, make changes in the work herein contracted, and Subcontractor shall proceed with the work as directed. If the same causes an increase or decrease in the contract price or in the time required for performance, an equitable adjustment shall be made; and the contract shall be modified in writing accordingly, all subject, however, to the terms of Section 30 below. But nothing herein contained shall excuse the Subcontractor from proceeding with the prosecution of the work as changed.

SECTION 14. The Subcontractor shall carry and pay for on his operations hereunder: (1) Workmen's Compensation and Employer's Liability Insurance; (2) Motor Vehicle Liability insurance covering all owned, non-owned or hired vehicles; (3) Comprehensive General Liability Insurance to include (a) Completed Operations coverage, (b) Independent Contractors coverage, (c) Contractual coverage for the agreement contained in the Contractor's Subcontract form, (d) Removal of the Explosion-Collapse-Underground Damage exclusions where applicable. The limits of liability under these policies shall meet the minimums set forth in Contractor's Certificate of Insurance form. The Contractor shall be named as additional insured with regard to general liability on a primary and non-contributory basis for both ongoing and completed operations. In addition, Contractor shall be named as an additional insured with regard to motor vehicle liability insurance. All insurance shall be in companies acceptable to the Contractor, rated A- or better by AM Best and subcontractor shall furnish Contractor with Certificates of Insurance reflecting said limits, terms, and conditions. Upon request, Subcontractor will furnish Contractor with duplicate originals of said policies. Each policy of insurance will carry an endorsement providing for waiver by the insurer of right of subrogation against Contractor and Owner. Subcontractor shall comply with all provisions of OSHA.

SECTION 15. All work covered by this Agreement done at the site of construction or in preparing or delivering materials to the site shall be at the risk of Subcontractor alone. Subcontractor agrees to save, indemnity and keep harmless Contractor against any and all liability, claims, judgments, or demands, including the obligations of Contractor on account of any similar agreement Contractor has with Owner, including demands arising from injuries or death of persons (Subcontractor's employees included) and damage to property, arising directly or indirectly out of the obligations herein undertaken or out of the operations conducted by Subcontractor, save and except claims or litigation arising through the sole negligence or sole willful misconduct of Contractor, and will make good to and reimburse Contractor for any expenditures, including reasonable attorney's fees, Contractor may make by reason of such matters and, if requested by Contractor, will defend any such suits at the sole cost and expense of Subcontractor.

SECTION 16. The Subcontractor agrees to pay, and does hereby accept full and exclusive liability for the payment of, any and all contributions or taxes for Unemployment Insurance and/or Old Age Retirement Benefit, Pensions or Annuities, now or hereafter imposed by the Government of the United States and/or by the Government of any sate or territory of the United States, which are measured by the wages, salaries or other remuneration paid to persons employed by the Subcontractor on work performed under the terms of this Subcontract; also, Subcontractor agrees to pay, and hereby accepts full and exclusive liability for the payment of, any and all Sales or Use Taxes, or taxes measured by receipts in connection with the work under this Subcontract.

SECTION 17. The Subcontract takes precedence over any and all proposals, correspondence and oral agreement made prior to the date hereof. This Subcontract includes all changes and addenda to date.

SECTION 18. The Subcontractor agrees to pay (and to protect and indemnify the Contractor against any liability for) any damages sustained by another subcontractor, material man or other party supplying labor, materials and/or services in the performance of the work covered by the General Contract resulting from this subcontractor's acts or omissions (whether or not negligent), failure to perform, delays in performance or default in the performance of the work to be done under this Subcontract.

SECTION 19. IT IS EXPRESSLY UNDERSTOOD AND AGREED that time shall be considered the essence of the contract on the part of the Subcontractor. The Subcontractor expressly agrees to perform all work herein described and the several parts thereof, continuously, energetically and expeditiously, in full accord with the requirements of the General Contract as determined by the Contract and at such times and in such order as the Contractor considers necessary to keep the same sufficiently in advance of other parts of the building and/or project, and to avoid delay in the completion of the construction as a whole. The Subcontractor agrees to reimburse the Contractor for any loss, damage or expense, including (but not restricted to) any penalty or liability for damages incurred by Contractor to Owner which is due to Subcontractor's failure to deliver any and all material as required, or to perform properly any and all work in keeping with the progress of the general construction work, or to perform properly any term, covenant or condition contained in this Subcontract, or which is due to any breach of any of the provisions of this Subcontract, or which is due to delays in performance of the General Contract caused by Subcontractor; and it is further agreed that if the Subcontractor fails diligently to prosecute the work required to be done under this Subcontract in any particular, or if he fails to make such progress required by the Contractor in order to keep sufficiently ahead of the Contractor's other operations, or if the Subcontractor shall abandon said work, or any part thereof, or fails in any way to perform the conditions of this Subcontract on his part to be performed, or shall become insolvent or make an assignment for the benefit or creditors, or commit an act of bankruptcy or have a petition in bankruptcy filed by or against him, or shall die or otherwise become physically or mentally disabled, the Contractor shall have the right, if it so elects, and without prejudice to any other right it may have, immediately and without notice to terminate this Subcontract and/or take any steps it deems advisable to secure necessary labor and material, by contractor otherwise, and may take over all of said Subcontractor's equipment, tools and supplies which may be either at the site of the work or enroute to the site where the work is being performed, and may prosecute the work to completion, using any moneys due and owing Subcontractor to mitigate Contractor's expense.

In case Contractor deems this procedure necessary for the proper conduct of the work, all moneys expended therefore, including (but not restricted therein) the cost of materials, labor, subcontracts, transportation, equipment expense and rentals thereon, supplies, services, insurance, taxes, appliances, tools, teams, utilities, power used or consumed, supervision, administration, job overhead, travel, legal and accounting fees and expenses, Contractor's general overhead as allocated to the work and other costs and expenses incurred or sustained by the Contractor, plus ten percent (10%) of the actual cost of the work performed as set for the as well as the amount of claims against Subcontractor paid by Contractor or for which it deems itself liable shall be deducted from the Contract Price stated herein, and if such total sum exceeds the amount otherwise due to Subcontractor hereunder. Subcontractor agrees to pay to Contractor the full amount of such excess, together with interest thereon at the highest rate permitted by applicable law until paid; or in case of any default on the part of the Subcontractor, the Contractor may exercise any other right or remedy available to it.

SECTION 20. Subcontractor unconditionally warrants and guarantees all labor and/or material and/or services employed and furnished by or to it in performing the work and agrees promptly to amend and make good, upon demand by the Contractor or Owner, and at Subcontractor's expense, any and all defects due to imperfect workmanship and/or materials and/or damages resulting there from, to the entire approval and acceptance of the Contractor and Owner and/or architect or their authorized representatives. Should the Subcontractor refuse or neglect to proceed at once with the correction of rejected or defective materials and/or workmanship, after receiving notice to do so, then the Contractor shall have the right and power to have the defects remedied or changes made at the expense of Subcontractor, and the Subcontractor agrees to pay Contract on demand any and all loss and/or expense paid or incurred by Contractor in remedying such defects, and/or making such changes, plus ten percent (10%) of such amounts to cover supervision, insurance, overhead, etc., together with interest on said total sum at the highest rate permitted by applicable law until paid. Furthermore, Subcontractor agrees to perform (and to protect Contractor from any liability thereon) Contractor's guarantees and undertakings in the General Contract insofar as it pertain to the work covered by this Subcontract. The obligations set forth in this paragraph are continuing and shall survive completion of the construction project and acceptance of work, and making final payment to Subcontractor shall not relieve subcontractor of its obligations and liabilities hereunder.

SECTION 21. The obligation of the Subcontractor to perform and complete all work covered by this Subcontract to the satisfaction of Contractor and Owner is absolute and without exception. Subcontractor shall effectively secure and protect its material and work and shall bear and be liable for all loss and/or damage of any kind in connection therewith at any time prior to final completion and acceptance thereof by Owner, unless said loss or damage is solely caused by direct negligence of the Contractor. Subcontractor shall reimburse Contractor on demand for any breakage or other damage to other work or materials occasioned by the Subcontractor in the execution of this Subcontract.

SECTION 22. If the Subcontractor deems that surfaces or work to which his work is to be applied or affixed are unsatisfactory or unsuitable, written notification of said conditions shall be given to the Contractor before proceeding or taking remedial action; otherwise no consideration will be given to claims for extra compensation or non-responsibility in connection therewith.

SECTION 23. The Subcontractor shall provide at its own expense whatever utilities, services, storage shed, work shops and offices that are necessary for the performance of this Subcontract, and shall remove and thoroughly clean the premises at the completion of the work. If the Subcontractor has occasion to utilize any of the facilities of the General Contractor, if available, it shall pay a proportion of the cost thereof, determined on the basis of the proportionate number of employees using such from month to month.

SECTION 24. The Subcontractor shall clean up and remove from the site as directed by the Contractor all rubbish and debris resulting from its work: also, it shall clean up to the satisfaction of Owner and Contractor, all dirt, grease, marks, etc., from walls, ceilings, floors, fixtures, etc., deposited or placed thereon as a result of the execution of this Subcontract. If the Subcontractor refuses or fails to perform this cleaning as directed by the Contractor, the

Contractor shall have the right and power to proceed with said cleaning, and the Subcontract will on demand repay to the Contractor the actual cost of said labor plus ten percent (10%) of such costs to cover supervision, insurance, overhead, etc., together with interest on said total sum at the rate of eight percent (8%) per annum until paid.

SECTION 25. Contractor may (but is not obligated to) carry builder's risk (installation) insurance on this construction project. Should Contractor carry this insurance, then Subcontractor shall have an interest therein to the benefits afforded by the policy in the same manner as the Contractor, with the same coverages and deductibles apply to any loss or claim as the Subcontractor's interest may appear at time of loss or claim. Subcontractor agrees it will assume the responsibility to determine whether Contractor is providing builder's risk insurance for its benefit, and in no event will Subcontractor hold Contractor liable of any loss sustained because of a lack of insurance coverage or for the amount of the deductible for any one occurrence which may be applicable. In no way will General Contractor be held liable for reimbursement to the Subcontractor (if General Contractor is carrying Builder's Risk) to the extent to which the General contractor is to be reimbursed.

SECTION 26. The Subcontractor shall furnish promptly all samples, lists, drawings, cuts, schedules, etc., required in connection with its work, but approval of same does not relieve it of its responsibility of complying with the requirements of the drawings and specifications of the General contract. All transportation costs on samples and drawings furnished by the Subcontractor shall be paid by it.

SECTION 27. The Subcontractor shall furnish all guaranties, bonds, operating instruction, etc., as required by the specifications and/or General Contract, and shall, if requested by the Contractor, furnish to the Contractor adequate performance and payment bonds in form of amounts and with surely acceptable to the Contractor.

SECTION 28. The Subcontractor shall hold and save the Contractor harmless from any liability including costs and expenses, for or on account of any patented or unpatented invention, article or appliance manufactured or used in the performance of this Subcontract, including their use by the Owner.

SECTION 29. The Subcontractor shall give its personal superintendence to the work or have a competent foreman or superintendent, satisfactory to the General Contractor, on the work at all times during progress, with authority to act for it. Subcontractor shall not employ any workmen in the performance of this Subcontract whose employment might be reasonably objected to by the Contract, the Owner or the architect and/or engineer.

SECTION 30. The Subcontractor agrees to make any claims for extension of time or for damages for delays or claims for alleged extra work or additional compensation, or otherwise, to the Contractor in the same manner as provided in the General Contract for like claims of the Contractor upon the Owner, and in such times as will enable the Contractor to present such claims to the Owner for payment or recognition: and the Contractor will not be liable to the Subcontractor on any claim not timely or properly presented, or until allowed by the Owner.

SECTION 31. Subcontractor agrees to comply with all statutory or contractual safety requirements applying to his work, including those contained in the Williams-Steiger Occupational Safety & Health Act of 1970, the Walsh-Healy Act, and all other applicable federal and state occupational safety and health laws, and the safety program, rules and practices established by the Contractor. Subcontractor shall be responsible for and shall pay any monetary penalties assessed by any governmental agency for the violation of any safety act in the performance of his work and shall indemnify and hold Contractor harmless from any such monetary penalty incurred by Contractor by reason of Subcontractor's violations. In the event that Subcontractor violates any safety requirement which by direction of any governmental agency and/or owner results in a suspension of work on the project, in whole or in part, Subcontractor shall be liable to Contractor for all damages and expenses resulting from such suspension.

SECTION 32. In the event either Contractor or Subcontractor institutes suit in court against the other party, or against the surety of such party, in connection with any dispute or

matter arising under this Agreement, the party which prevails in that suit shall be entitled to recover from the other its attorney's fees in reasonable amount, which shall be determined by the court and included in the judgment in said suit.

SECTION 33. In the event that Subcontractor shall cease to perform its work hereunder diligently or shall fail to timely provide all materials and or labor due to labor problems, whether or not they directly or indirectly involve the subcontractors employees, and if subcontractor is unable or unwilling to resume full and faithful performance of its obligations under this subcontract within 48 hours after notice from Contractor to do so, then Contractor may at anytime thereafter terminate this Subcontractor and Subcontractor shall be entitled to compensation if any, in accordance with the terms of Section 19.

SECTION 34. It will be the responsibility of the Subcontractor to obtain and pay for necessary licenses, fees and permits as required for its work. Should pre-registration be required, the Subcontractor warrants that it has complied with such prerequisites. Subcontractor shall comply with all federal, state or local statutes, ordinances, regulations, rules, orders and directives relating to discrimination in employment, and shall comply with the provisions, if any, in the Prime Contract on that subject, insofar as his own employees or employees of his subcontractors are concerned.

SECTION 35. The Subcontractor agrees not to assign or subcontract this Subcontract, or any part thereof, or any interest therein, without first obtaining the written consent of the Contractor. The Subcontractor agrees not to assign or attempt to assign any moneys due or to become due to the Subcontractor under this Subcontract without first obtaining the written consent of the Contractor, and no such assignment shall be binding on Contractor unless and until accepted in writing by contractor.

SECTION 36. Clauses of the General Contract require to be inserted in this Subcontract are deemed to be a part hereof whether or not they are attached hereto.

SECTION 37. The general contractor will furnish the subcontractor (1) set of plans, specifications and amendments. If additional sets are required, they will be furnished at the request of the Subcontractor, and at the cost of reproduction thereof will be for the account of the Subcontractor.

SECTION 38. Contractor shall not be liable to this subcontractor, its material men, labors, or subcontractors for any damages, loss or expenses sustained by any of them resulting from acts or omissions (whether or not negligent), failure to perform delays in performance or defaults or another subcontractor, material man or supplier or service in connection with the performance of any of the work covered by the General Contract.

SECTION 39. Although drawn by Contractor, this Subcontract shall, in the event of any dispute over its meaning or application, be interpreted fairly and reasonably, and neither more strongly for or against either party.

SECTION 40. Waiver of any breach hereof shall not constitute a waiver of any subsequent breach of the same or any other provisions hereof.

SECTION 41. If at any time any controversy should arise between the Contractor and Subcontractor with respect to any matter or thing involved in this Subcontract or construction project, which controversy is not controlled or determined by Section 6 above or other provisions of this Subcontract, then the decision of the Contractor shall be followed by the Subcontractor, and said controversy shall be decided as follows: (i) The Subcontractors shall conclusively be bound by and abide by the Contractor's decision, unless the Subcontractor shall commence arbitration proceedings as hereinafter provided within thirty days following such decision. (ii) If the Subcontractor decided to appeal from the decision of the Contractor, then the controversy shall be decided by arbitration in accordance with the rules of the American Arbitration Association, and the arbitration decision shall be final and binding on both parties; provided, however, that proceedings before the American Arbitration Association shall be commenced by Subcontractor not later than 30 days following contractor's decision. (iii) No dispute shall interfere with the progress of the general construction, and Subcontractor shall proceed with its

work. (iv) If arbitration is conducted by Owner and Contractor concerning any dispute between them, which likewise involves a dispute between Contractor and subcontractor, then Subcontractor agrees to a joint arbitration with Owner, Contractor and Subcontractor, as well as with any other parties thereto before one arbitration board which shall determine all of said disputes.

SECTION 42. Subcontractor shall insert in all of its own subcontracts and purchase orders a provision incorporating therein, by reference, all terms and provisions of the General Contract and of this Subcontract not inconsistent with the contract between Subcontractor and its own subcontractors and suppliers; and there shall be specifically incorporated in all of such subcontracts and purchase orders Section 6 of this Subcontract relating to "Disputes," and binding such subcontractors and suppliers of this Subcontract to all provisions thereof just as if such subcontractors and suppliers of this Subcontractor were parties to this Subcontract.

SECTION 43. In the event the General contract is terminated prior to completion, Subcontractor shall be entitled to payment for its work actually completed on the same basis as the Contractor is paid under the terms of the General contract, if a termination clause is a part of the contract terms. Otherwise, the Subcontractor shall be entitled only to payment for the work actually completed by it at the pro rate of the price herein set forth unless Contractor itself receives additional compensation or damages on account of such termination; in which event, Subcontractor shall be entitled to such proportion of the additional compensation or damages actually received as is equitable under all of the circumstances. Nothing herein contained shall require Contractor to make any claim against Owner for such additional compensation or damages in the event of termination before completion, and it is specifically agreed that the failure of Contractor to prosecute any such claim against Owner shall not entitle Subcontractor to any claim for additional compensation or damages against Contractor.

SECTION 44. Subcontractor agrees to request payment for work described in this contract by submitting the attached pay request form on the 25th day of each month for payment on the following 10th of the month.

SECTION 45. Subcontractor understands that it is his responsibility while working on the project to comply with all OSHA regulations and guidelines, per provisions of Section 31.

SECTION 46. Subcontractor agrees to promptly execute any partial and final lien releases as requested by the General contractor. In addition, subcontractor agrees to provide General contractor with a list of material suppliers sub-subcontractors upon request.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement for themselves, their heirs, executors, successors, administrators and assigns on the day and year first above written. Further, the Contractor and Subcontractor each certify that the person executing this Subcontract in its name has full corporate authority to bind the corporation to the terms hereof, or if partnership or individual ownership, to bind the company or owner. Acceptance occurs only by Subcontractor executing this Agreement as prepared by the Contractor.

_____
Subcontractor

CRESTLINE BUILDING CORPORATION

By:_____
Title:

By:_____
DAVID L. PARMETER, PRESIDENT

Seal of Corporation

Signed

STANDARD SUBCONTRACT FORM

THIS SUBCONTRACT, made this **15th day of September 2022,** by and between **Service Electric,** doing business as an **Electrical Subcontractor** with principal office at **3716 Commercial NE, Albuquerque, NM 87107 (P:505-345-1955/F:505-345-0593)** (hereinafter called the Subcontractor), and **Crestline Building Corporation** with principal office at **2700 Missouri Ave. Suite 3 Las Cruces, NM 88011 (P: 575-532-8310/F: 575-532-8312)** (hereinafter called Contractor), WITNESSETH:

That the Subcontractor and the Contractor, in consideration of the covenants and agreements herein contained, mutually agree as follows:

SECTION 1. The Subcontractor agrees to furnish all labor, material, an equipment and perform all work described in Section 2 hereof for the construction of the **Convention Center at Hyatt House** (hereinafter sometimes called Construction Project), located at **4017 National Parks Hwy, Carlsbad NM 88220** for **Carlsbad HH, LLC** (hereinafter called Owner), in accordance with the terms of this Subcontract, and in accordance with the terms of the General Contract between the Owner and the Contractor, dated **September, 2022**, and the General and Special Conditions.

Drawings and Specifications (listing attached) prepared by **Vista Unlimited** forming a part of the Contract between the Contractor and the Owner, all of which shall be considered part of this Agreement by reference thereto, copies of which are on file at the office of the Contractor and are available at all times.

SECTION 2. The Subcontractor and the Contractor agree that the materials and/or services to be furnished and the work to be done by the Subcontractor are:

Furnish all the necessary labor, materials, equipment, supplies, supervision, insurance, applicable taxes and incidentals required for a complete electrical job in complete accordance with the plans and specifications (see attached) and local building code requirements and the Applicable Electrical Code (*Code)*. This subcontract includes but is not limited to the following:

1. Provide/submit five sets of manufacturer's literatures, shop drawings, etc. for all materials proposed for use on this project including load calculations if required.

2. This Subcontractor shall pay all applicable fees and obtain permits required for this Subcontractor's work.

3. This Subcontractor shall provide all excavation and backfill as required for the underground conduit including the underground conduit, pull wire, sub-feeders, etc. as required to bring the electrical service to the building meter panel from the point where the electrical utility discontinues their service. This Subcontractor acknowledges he has fully reviewed the electric company requirements and will provide any and all material and labor as required to provide complete and functioning electrical service and this Subcontractor guarantees he has included all work not part of the basic service provided by the electric company.

4. This Subcontractor shall furnish and install all meter bases, conduit, main disconnects, etc. for power including proper labeling of same per electric company's requirements. Provide all site trenching and conduct required by electric, and broadband and/or DSL provider.

5. Provide main service feed from existing utility transformer new building.

6. All panel and secondary feeders to be copper conductors.

7. Branch Circuitry to be MC Cable for all lighting and power circuits.

8. Provide box/conduit rough-in for cameras, security, gates, and Door Access System. Cable and equipment by Tenant.

9. Provide box/conduit rough-in for Voice/Data Systems. Cable and equipment by Owner.

10. Furnish and install all conduit, conductors, disconnect switches, outlet boxes, panel boards, telephone boxes and plates, receptacles, switches, fuses, motors, starters, grounding systems, pull wires and empty conduits for other systems as specified or required. All switch and outlet devices to be style with finish, as specified or selected by owner. Use arc-fault circuit breakers per *Code* requirements.

11. Subcontractor shall label and mark all devices and breakers.

12. This Subcontractor shall furnish and install all smoke detectors including strobes and audible alarms where required by *Code* and local building officials. This Subcontractor shall design and supply & install Fire Alarm System as specified or required by *Code*. This Subcontractor shall submit design as prepared by an appropriate Fire Prevnetion Engineer licensed in the State of New Mexico to the Authority Having Jurisdiction for permit review and approval.

13. This Subcontractor shall furnish and install wire, conduit, connectors, and electrical accessories to electrically connect equipment furnished by others to include ducted exhaust fans, air-conditioning equipment, including pigtails.

14. This Subcontractor shall coordinate with the electric and utility company all locations for the electrical service entrance to building; telephone service location will be as required by the phone company.

15. This Subcontractor shall provide for all roof penetrations for his work and shall properly seal all electrical penetrations through the roof or exterior walls and draft stops including fire caulking where necessary.

16. This Subcontractor shall provide temporary electrical service on the site so as to provide power within 50 feet of the building.

17. This Subcontractor shall provide all wiring and raceway conduit as specified or required by *Code*. GFI outlets are to be installed where required by *Code*.

18. This Subcontractor shall furnish and install all electrical service, breakers, service wire, armorflex, disconnects, etc. as required for all heating and cooling equipment, pumps, hot water heaters, etc.

19. This Subcontractor shall furnish and install all electrical and light fixtures specified for use on this project including the appropriate LED lamps and bulbs. Fixtures shall be as specified or as approved by Owner.

20. This subcontractor shall furnish and install all site lighting as shown to include underground direct burial cable, photocells, control clocks, lamp poles, lamp bases and miscellaneous incidentals together with the light fixtures including lamps.

21. This subcontractor shall provide all field trenching, excavating, and backfilling as required for their work.

22. This Subcontractor agrees to properly staff, equip, and supervise the project so as to maintain the production schedule established for the project as posted in the Contractor's job-site office trailer. This shall include full-time supervision as it relates to production, safety, and quality of all work included in this Subcontractor's scope-of-work.

23. This Subcontractor agrees to submit pay requests using Contractor's pay request forms. These requests shall be properly executed and submitted to the field office by the 20th of each month for payment on or about the 10th of the month following but not until Contractor receives payment from Owner. A 5% retainage will be held on this Subcontractor until the project completion or Owner releases retainage to Contractor.

24. No payment will be made to this Subcontractor until written verification is submitted to the General Contractor regarding Workman's Compensation Insurance coverage and General Liability coverage.

25. Subcontractor agrees to comply with all provisions of the Immigration Reform and Control Act of 1986 Public Law 99-603 {S-1200}, dated 11/5/86 (the 'ACT") in regard to the unlawful employment of aliens. Specifically, but not by way of limitation, Subcontractor agrees to comply with and adhere to the Employment Verification System described in Section 101 of said Act and to refrain from Unfair Immigration Employment Practices described in Section 102 of said Act. Moreover, Subcontractor agrees to require that all employees performing work in connection with the project comply with such laws. Subcontractor agrees to indemnify and hold Owner and Contractor harmless from any and all liability, damages, claims, and/or penalties (civil or criminal) including court cost and reasonable attorney's fees, arising directly or indirectly out of Subcontractor's failure to strictly adhere to and comply with the terms of said Act or Subcontractor's failure to ensure compliance by employees as provided herein.

26. This Subcontractor shall take precautions to protect the work in place of other trades and shall notify the superintendent prior to installation of any conflict with other trades regarding correct installation of his work. He shall also remove from the site on a daily basis or as directed by the project superintendent any debris generated by his work or workers in or around the building and site.

27. The Subcontractor warrants to the Owner, Architect and Contractor that materials and equipment furnished under this Subcontract will be of good quality and new unless otherwise required or permitted by the Subcontract Documents, that the Work of this Subcontract will be free from defects not inherent in the quality required or permitted, and that the Work will conform to the requirements of the Subcontract Documents. Work not conforming to these requirements, including substitutions not properly approved and authorized, may be considered defective. The Subcontractor's warranty excludes remedy for damage or defect caused by abuse, modifications not executed by the Subcontractor, improper or insufficient maintenance, improper operation, or normal wear and tear under normal usage. This warranty shall be in addition to and not in limitation of any other warranty or remedy required by law or by the Subcontract Documents.

28. Provide a complete fire alarm system to monitor all fire flow at building. Include phone lines, modules, strobes, bells, automatic dialers, etc. as required for a complete and functioning Fire Alarm System for monitoring the fire sprinklers distribution system shut off valves including valves at backflow preventer including tamper switch monitoring.

29. **The total contract price is: $229,000.00** (*see attached breakdown and schedule of values*)

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SECTION 3. The Subcontractor expressly covenants and agrees to keep himself thoroughly informed as to the progress of the job, to begin work within 10 days after notification by the Contractor, to prosecute the work continuously and uninterruptedly with all possible speed, and to complete the entire work covered by this Subcontract at such time as not to interfere with or delay performance of the General Contract or of the work of any other subcontractor. Furthermore, Subcontractor agrees to furnish and maintain in first-class operating condition a sufficient amount of equipment, machinery, tools, implements and supplies, and to furnish all material and all labor, including Superintendent's overhead and field accounting, and all things whatsoever required or convenient to properly carry out and perform the work herein specified, and to perform al work required by this Subcontract strictly in accordance with the General Contract, a copy of which is on file in the office of the Contractor and is available for inspection at all times. The term "General Contract," as used in this Subcontract, shall be deemed to mean the Contract between the Contractor and Owner, together with all the provisions, general conditions, plans, drawings, specifications, and addends which are part thereof or referred to therein (and with all of which the Subcontractor acknowledges he is familiar), as well as any additions thereto and modifications thereof subsequently made.

This Subcontract contemplates a complete installation covering the work described hereinbefore shall be all-inclusive under common usage in the industry and/or as may reasonably be inferred by the contract plans and specifications. Because these plans, drawings, specifications, and addenda thereto are an essential element of this Subcontract, the Subcontractor's failure to thoroughly check and verify the scope and extent of them shall not act to modify or mitigate the complete responsibility therein contemplated as to the work to be performed.

In the event the Subcontractor fails to carry on such work at such rates of progress as are specified under the terms hereof, the Contractor may, at its option, require the Subcontractor to increase the number of men and/or the amount of equipment employed in the performance of said work to such extent as the Contractor may deem necessary or desirable, or Contractor may exercise any other right or remedy it may have, including, but not limited to, the termination of this Subcontract.

SECTION 4. IN CONSIDERATION WHEREOF, the Contractor agrees to pay the Subcontractor for the full and faithful performance of his work the **TWO HUNDRED TWENTY-NINE THOUSAND AND NONE DOLLARS ($229,000.00)** subject to additions and deductions for changes as may be agreed upon in writing and subject to the other terms of the Subcontract; provided, however, that no payments are to be made unless the Subcontractor's rate of progress, work done and material and/or services furnished are satisfactory to the Owner and Contractor and are herein agreed upon. Payments to Subcontractor shall be made in the following manner:

The Subcontractor shall submit to the Contractor applications for progress payments in a manner acceptable to the Contractor, and in such reasonable time as to enable the Contractor to apply for payment on the basis of the Subcontractor's work within the time specified under the articles pertaining to the progress payments in the specifications or General Contract. The Contractor shall pay the Subcontractor for work satisfactorily performed within a reasonable time after receipt from Owner of the amounts due for Contractor's work.

However, Contractor shall be under no obligation to pay Subcontractor for any work done on this construction project until Contractor has been paid therefore by Owner, and the provisions hereof, stating the time of progress and final payments and the amount thereof, are subject to the condition that Contractor shall receive from Owner progress and/or final payments in at least the amounts payable to Subcontractor on account of work done by Subcontractor on this construction project, otherwise, the time when such payments shall be due Subcontractor shall be postponed until Contractor has received same from Owner. Subcontractor shall not be entitled to receive final payment under this Subcontract or construction project until the entire amount of work to be done hereunder has been accepted by Owner and a complete release of any and all claims against Contractor has been delivered by Subcontractor to Contractor. The acceptance of such release shall not relieve Subcontractor of liability for defects in said work, which may thereafter be discovered.

SECTION 5. Insofar as the provisions of the General Contract do not conflict with specific provisions herein contained, they, and each of them, are hereby incorporated into this Subcontract as fully as if completely rewritten herein. The Subcontractor agrees to be bound to the Contractor by all the terms of the General Contract applicable to this Subcontract and to assume toward Contractor with respect to the work and all operations of Subcontractor on this construction project all of the obligations and responsibilities that Contractor by the General Contract assumes toward Owner. The Subcontractor agrees that it will so perform this Subcontract as not to violate any terms, covenants or conditions of the General Contract. The relationship of the Subcontractor hereunder toward Contractors shall be the same as that of Contractor toward the Owner under the General Contract, and the relationship of the Contractor hereunder to the Subcontractor shall be the same as that of the Owner toward the Contractor under the General Contract.

SECTION 6. In case of any dispute between the Subcontractor and Contractor, Subcontractor agrees to be bound to Contractor to the same extent that Contractor is bound to Owner by the terms of the General Contract and by any and all decisions or determinations made there under by the party or board so authorized in the General Contract. Subcontractor also

agrees to be bound to Contractor to the same extent the Contractor is bound to Owner by the final decision of a court of competent jurisdiction, whether or not Subcontractor is a party to such proceeding. If such dispute is prosecuted or defended by Contractor against Owner under the terms of the General Contract or in court action, Subcontractor agrees to furnish all documents, statements, witnesses, and other information required by Contractor for such purpose and to pay or reimburse Contractor for all expenses and costs, if any, incurred in connection therewith. It is expressly understood that as to any and all work done and agreed to be done by the Subcontractor, and as to any and all materials or services furnished or agreed to be furnished by Subcontractor, and as to any and all damages, if any, incurred by Subcontractor, in connection with this construction project, Contractor shall never be liable to Subcontractor to any greater extent that Owner is liable to Contractor. No dispute shall interfere with the progress of construction and Subcontractor shall proceed with its work as directed.

SECTION 7. The Subcontractor shall furnish the Contractor with such partial releases and waivers of lien from its material men and creditors as the Contractor may request from time to time on labor and/or material and/or other claims and final releases and waivers of lien at the time of final payment on this Subcontract.

SECTION 8. The Subcontractor shall furnish, if requested by the Contractor, sworn affidavits from time to time in accordance with the form provided by the Contractor, which shall state amounts due or to become due, amounts paid, and any other information clearly to indicate the financial condition of the Subcontractor insofar as it relates to labor and material furnished and to be furnished under this Subcontract; and the Subcontractor agrees to pay as they accrue (and to protect, indemnify and hold the Contractor harmless against) any and all liens and claims of persons claiming to have performed labor or to have furnished material, appliances, insurance or services in connection therewith. If at any time there shall be any lien or claim against the Subcontractor and/or Contractor for labor, materials, appliances, insurance or services used in said work for which, if established, the Contractor is of the opinion it might be directly or indirectly liable, then the Contractor may retain out of any money due or to become due the Subcontractor an amount sufficient to indemnify the Contractor against liability or loss by reason of such lien or claim, including the reasonable cost of any litigation there under, until the same shall be effectively satisfied, discharged or cancelled; or the Contractor may take such other steps as it may deem necessary to protect itself against any claims. If at any time the Contractor shall determine that the Subcontractor's financial condition has become, in the opinion of the Contractor, unsatisfactory, the Subcontractor shall furnish security satisfactory to the Contractor within three (3) days after written notice to its last known address, and in default of furnishing such security, the Contractor shall have the option to cancel this Subcontract. In case of such cancellations, the right of the Contractor shall be the same as if the Subcontractor had failed to perform this Subcontract.

SECTION 9. The terms of payment provided herein shall not make it incumbent on the Contractor to make payments in an amount that would not leave a sufficient balance to cover the retained percentage, together with an amount sufficient to satisfy all obligations of the Subcontractor for labor, materials, etc., furnished or to be furnished under this Subcontract.

SECTION 10. The Subcontractor agrees that moneys received for the performance of this Subcontract shall be used first for payment of labor, material, and services entering into this work, and said moneys shall not b diverted to satisfy obligations of the Subcontractor on other contracts.

SECTION 11. The Subcontractor agrees to protect the Owner and Contractor against all costs or claims for transportation, freight, and express, on men, materials, and equipment to and/or from the job, and for all other incidental expenses in connection with its work and to prepay the transportation charges on all materials, etc. shipped.

SECTION 12. The Subcontractor agrees to pay the scale of wages prescribed in the General Contract, or the scale prescribed by law in case the General Contract provides no such scale. If the Subcontractor shall fail in any respect to perform the covenants contained in this paragraph, the Contractor shall have the option to cancel this Subcontract forthwith. All penalties stated in General Contract shall be applicable hereunder as between the Subcontractor and the Contractor, except as otherwise expressly provided herein.

SECTION 13. Contractor may at any time, by written order and without notice to the Sureties, make changes in the work herein contracted, and Subcontractor shall proceed with the work as directed. If the same causes an increase or decrease in the contract price or in the time required for performance, an equitable adjustment shall be made; and the contract shall be modified in writing accordingly, all subject, however, to the terms of Section 30 below. But nothing herein contained shall excuse the Subcontractor from proceeding with the prosecution of the work as changed.

SECTION 14. The Subcontractor shall carry and pay for on his operations hereunder: (1) Workmen's Compensation and Employer's Liability Insurance; (2) Motor Vehicle Liability insurance covering all owned, non-owned or hired vehicles; (3) Comprehensive General Liability Insurance to include (a) Completed Operations coverage, (b) Independent Contractors coverage, (c) Contractual coverage for the agreement contained in the Contractor's Subcontract form, (d) Removal of the Explosion-Collapse-Underground Damage exclusions where applicable. The limits of liability under these policies shall meet the minimums set forth in Contractor's Certificate of Insurance form. The Contractor shall be named as additional insured on a primary and non-contributory basis. All insurance shall be in companies acceptable to the Contractor, and subcontractor shall furnish Contractor with Certificates of Insurance on special forms provided by Contractor for this purpose. Upon request, Subcontractor will furnish Contractor with duplicate originals of said policies. Each policy of insurance will carry an endorsement providing for waiver by the insurer of right of subrogation against Contractor and Owner. Subcontractor shall comply with all provisions of OSHA. The minimum limits of insurance coverage we require are as follows:

General Liability:
Bodily Injury and Property Damage: $1,000,000 Occurrence,
$2,000,000 Aggregate

Automobile Liability:
Bodily Injury & Property Damage Combined Single Limit: 1,000,000
Standard Workman's Compensation Employer's Liability:
Bodily Injury by Accident: $100,000.00 Each Accident
Bodily Injury by Disease: $500,000.00 Policy Limit
Bodily Injury by Disease: $100,000.00 Each Employee

SECTION 15. All work covered by this Agreement done at the site of construction or in preparing or delivering materials to the site shall be at the risk of Subcontractor alone. To the fullest extent permitted by law, the Subcontractor agrees to save, indemnify and keep harmless Contractor, Owner, Architect, Architect's consultants, and agents and employees of any of them from and against any and all liability, claims, judgments, or demands, including the obligations of Contractor on account of any similar agreement Contractor has with Owner, including demands arising from injuries or death of persons (Subcontractor's employees included) and damage to property, arising directly or indirectly out of the obligations herein undertaken or out of the operations conducted by Subcontractor, save and except claims or litigation arising through the sole negligence or sole willful misconduct of Contractor, and will make good to and reimburse Contractor for any expenditures, including reasonable attorney's fees, Contractor may make by reason of such matters and, if requested by Contractor, will defend any such suits at the sole cost and expense of Subcontractor.

SECTION 16. The Subcontractor agrees to pay, and does hereby accept full and exclusive liability for the payment of, any and all contributions or taxes for Unemployment Insurance and/or Old Age Retirement Benefit, Pensions or Annuities, now or hereafter imposed by the Government of the United States and/or by the Government of any sate or territory of the United States, which are measured by the wages, salaries or other remuneration paid to persons employed by the Subcontractor on work performed under the terms of this Subcontract; also, Subcontractor agrees to pay, and hereby accepts full and exclusive liability for the payment of, any and all Sales or Use Taxes, or taxes measured by receipts in connection with the work under this Subcontract.

SECTION 17. The Subcontract takes precedence over any and all proposals, correspondence and oral agreement made prior to the date hereof. This Subcontract includes all changes and addenda to date.

SECTION 18. The Subcontractor agrees to pay (and to protect and indemnify the Contractor against any liability for) any damages sustained by another subcontractor, material man or other party supplying labor, materials and/or services in the performance of the work covered by the General Contract resulting from this subcontractor's acts or omissions (whether or not negligent), failure to perform, delays in performance or default in the performance of the work to be done under this Subcontract.

SECTION 19. IT IS EXPRESSLY UNDERSTOOD AND AGREED that time shall be considered the essence of the contract on the part of the Subcontractor. The Subcontractor expressly agrees to perform all work herein described and the several parts thereof, continuously, energetically and expeditiously, in full accord with the requirements of the General Contract as determined by the Contract and at such times and in such order as the Contractor considers necessary to keep the same sufficiently in advance of other parts of the building and/or project, and to avoid delay in the completion of the construction as a whole. The Subcontractor agrees to reimburse the Contractor for any loss, damage or expense, including (but not restricted to) any penalty or liability for damages incurred by Contractor to Owner which is due to Subcontractor's failure to deliver any and all material as required, or to perform properly any and all work in keeping with the progress of the general construction work, or to perform properly any term, covenant or condition contained in this Subcontract, or which is due to any breach of any of the provisions of this Subcontract, or which is due to delays in performance of the General Contract caused by Subcontractor; and it is further agreed that if the Subcontractor fails diligently to prosecute the work required to be done under this Subcontract in any particular, or if he fails to make such progress required by the Contractor in order to keep sufficiently ahead of the Contractor's other operations, or if the Subcontractor shall abandon said work, or any part thereof, or fails in any way to perform the conditions of this Subcontract on his part to be performed, or shall become insolvent or make an assignment for the benefit or creditors, or commit an act of bankruptcy or have a petition in bankruptcy filed by or against him, or shall die or otherwise become physically or mentally disabled, the Contractor shall have the right, if it so elects, and without prejudice to any other right it may have, immediately and without notice to terminate this Subcontract and/or take any steps it deems advisable to secure necessary labor and material, by contractor otherwise, and may take over all of said Subcontractor's equipment, tools and supplies which may be either at the site of the work or enroute to the site where the work is being performed, and may prosecute the work to completion, using any moneys due and owing Subcontractor to mitigate Contractor's expense.

In case Contractor deems this procedure necessary for the proper conduct of the work, all moneys expended therefore, including (but not restricted therein) the cost of materials, labor, subcontracts, transportation, equipment expense and rentals thereon, supplies, services, insurance, taxes, appliances, tools, teams, utilities, power used or consumed, supervision, administration, job overhead, travel, legal and accounting fees and expenses, Contractor's general overhead as allocated to the work and other costs and expenses incurred or sustained by the Contractor, plus ten percent (10%) of the actual cost of the work performed as set for the as well as the amount of claims against Subcontractor paid by Contractor or for which it deems itself liable shall be deducted from the Contract Price stated herein, and if such total sum exceeds the amount otherwise due to Subcontractor hereunder. Subcontractor agrees to pay to Contractor the full amount of such excess, together with interest thereon at the highest rate permitted by applicable law until paid; or in case of any default on the part of the Subcontractor, the Contractor may exercise any other right or remedy available to it.

SECTION 20. Subcontractor unconditionally warrants and guarantees all labor and/or material and/or services employed and furnished by or to it in performing the work and agrees promptly to amend and make good, upon demand by the Contractor or Owner, and at Subcontractor's expense, any and all defects due to imperfect workmanship and/or materials and/or damages resulting there from, to the entire approval and acceptance of the Contractor and Owner and/or architect or their authorized representatives. Should the Subcontractor refuse or neglect to proceed at once with the correction of rejected or defective materials and/or workmanship, after receiving notice to do so, then the Contractor shall have the right and power

to have the defects remedied or changes made at the expense of Subcontractor, and the Subcontractor agrees to pay Contract on demand any and all loss and/or expense paid or incurred by Contractor in remedying such defects, and/or making such changes, plus ten percent (10%) of such amounts to cover supervision, insurance, overhead, etc., together with interest on said total sum at the highest rate permitted by applicable law until paid. Furthermore, Subcontractor agrees to perform (and to protect Contractor from any liability thereon) Contractor's guarantees and undertakings in the General Contract insofar as it pertains to the work covered by this Subcontract. The obligations set forth in this paragraph are continuing and shall survive completion of the construction project and acceptance of the work and making final payment to Subcontractor shall not relieve subcontractor of its obligations and liabilities hereunder.

SECTION 21. The obligation of the Subcontractor to perform and complete all work covered by this Subcontract to the satisfaction of Contractor and Owner is absolute and without exception. Subcontractor shall effectively secure and protect its material and work and shall bear and be liable for all loss and/or damage of any kind in connection therewith at any time prior to final completion and acceptance thereof by Owner, unless said loss or damage is solely caused by direct negligence of the Contractor. Subcontractor shall reimburse Contractor on demand for any breakage or other damage to other work or materials occasioned by the Subcontractor in the execution of this Subcontract.

SECTION 22. If the Subcontractor deems that surfaces or work to which his work is to be applied or affixed are unsatisfactory or unsuitable, written notification of said conditions shall be given to the Contractor before proceeding or taking remedial action; otherwise, no consideration will be given to claims for extra compensation or non-responsibility in connection therewith.

SECTION 23. The Subcontractor shall provide at its own expense whatever utilities, services, storage shed, work shops and offices that are necessary for the performance of this Subcontract and shall remove and thoroughly clean the premises at the completion of the work. If the Subcontractor has occasion to utilize any of the facilities of the General Contractor, if available, it shall pay a proportion of the cost thereof, determined on the basis of the proportionate number of employees using such from month to month.

SECTION 24. The Subcontractor shall clean up and remove from the site as directed by the Contractor all rubbish and debris resulting from its work: also, it shall clean up to the satisfaction of Owner and Contractor, all dirt, grease, marks, etc., from walls, ceilings, floors, fixtures, etc., deposited or placed thereon as a result of the execution of this Subcontract. If the Subcontractor refuses or fails to perform this cleaning as directed by the Contractor, the Contractor shall have the right and power to proceed with said cleaning, and the Subcontract will on demand repay to the Contractor the actual cost of said labor plus ten percent (10%) of such costs to cover supervision, insurance, overhead, etc., together with interest on said total sum at the rate of eight percent (8%) per annum until paid.

SECTION 25. Contractor may (but is not obligated to) carry builder's risk (installation) insurance on this construction project. Should Contractor carry this insurance, then Subcontractor shall have an interest therein to the benefits afforded by the policy in the same manner as the Contractor, with the same coverages and deductibles apply to any loss or claim as the Subcontractor's interest may appear at time of loss or claim. Subcontractor agrees it will assume the responsibility to determine whether Contractor is providing builder's risk insurance for its benefit, and in no event will Subcontractor hold Contractor liable of any loss sustained because of a lack of insurance coverage or for the amount of the deductible for any one occurrence which may be applicable. In no way will General Contractor be held liable for reimbursement to the Subcontractor (if General Contractor is carrying Builder's Risk) to the extent to which the General contractor is to be reimbursed.

SECTION 26. The Subcontractor shall furnish promptly all samples, lists, drawings, cuts, schedules, etc., required in connection with its work, but approval of same does not relieve it of its responsibility of complying with the requirements of the drawings and specifications of the General contract. All transportation costs on samples and drawings furnished by the Subcontractor shall be paid by it.

SECTION 27. The Subcontractor shall furnish all guaranties, bonds, operating instruction, etc., as required by the specifications and/or General Contract, and shall, if requested by the Contractor, furnish to the Contractor adequate performance and payment bonds in form of amounts and with surely acceptable to the Contractor.

SECTION 28. The Subcontractor shall hold and save the Contractor harmless from any liability including costs and expenses, for or on account of any patented or unpatented invention, article or appliance manufactured or used in the performance of this Subcontract, including their use by the Owner.

SECTION 29. The Subcontractor shall give its personal superintendence to the work or have a competent foreman or superintendent, satisfactory to the General Contractor, on the work at all times during progress, with authority to act for it. Subcontractor shall not employ any workmen in the performance of this Subcontract whose employment might be reasonably objected to by the Contract, the Owner or the architect and/or engineer.

SECTION 30. The Subcontractor agrees to make any claims for extension of time or for damages for delays or claims for alleged extra work or additional compensation, or otherwise, to the Contractor in the same manner as provided in the General Contract for like claims of the Contractor upon the Owner, and in such times as will enable the Contractor to present such claims to the Owner for payment or recognition: and the Contractor will not be liable to the Subcontractor on any claim not timely or properly presented, or until allowed by the Owner.

SECTION 31. Subcontractor agrees to comply with all statutory or contractual safety requirements applying to his work, including those contained in the Williams-Steiger Occupational Safety & Health Act of 1970, the Walsh-Healy Act, and all other applicable federal and state occupational safety and health laws, and the safety program, rules and practices established by the Contractor. Subcontractor shall be responsible for and shall pay any monetary penalties assessed by any governmental agency for the violation of any safety act in the performance of his work and shall indemnify and hold Contractor harmless from any such monetary penalty incurred by Contractor by reason of Subcontractor's violations. In the event that Subcontractor violates any safety requirement which by direction of any governmental agency and/or owner results in a suspension of work on the project, in whole or in part, Subcontractor shall be liable to Contractor for all damages and expenses resulting from such suspension.

SECTION 32. In the event either Contractor or Subcontractor institutes suit in court against the other party, or against the surety of such party, in connection with any dispute or matter arising under this Agreement, the party which prevails in that suit shall be entitled to recover from the other its attorney's fees in reasonable amount, which shall be determined by the court and included in the judgment in said suit.

SECTION 33. In the event that Subcontractor shall cease to perform its work hereunder diligently or shall fail to timely provide all materials and or labor due to labor problems, whether or not they directly or indirectly involve the subcontractors employees, and if subcontractor is unable or unwilling to resume full and faithful performance of its obligations under this subcontract within 48 hours after notice from Contractor to do so, then Contractor may at anytime thereafter terminate this Subcontractor and Subcontractor shall be entitled to compensation if any, in accordance with the terms of Section 19.

SECTION 34. It will be the responsibility of the Subcontractor to obtain and pay for necessary licenses, fees and permits as required for its work. Should pre-registration be required, the Subcontractor warrants that it has complied with such prerequisites. Subcontractor shall comply with all federal, state or local statutes, ordinances, regulations, rules, orders and directives relating to discrimination in employment, and shall comply with the provisions, if any, in the Prime Contract on that subject, insofar as his own employees or employees of his subcontractors are concerned.

SECTION 35. The Subcontractor agrees not to assign or subcontract this Subcontract, or any part thereof, or any interest therein, without first obtaining the written consent of the Contractor. The Subcontractor agrees not to assign or attempt to assign any moneys due or to

become due to the Subcontractor under this Subcontract without first obtaining the written consent of the Contractor, and no such assignment shall be binding on Contractor unless and until accepted in writing by contractor.

SECTION 36. Clauses of the General Contract require to be inserted in this Subcontract are deemed to be a part hereof whether or not they are attached hereto.

SECTION 37. The General Contractor will furnish the Subcontractor (1) set of plans, specifications and amendments. If additional sets are required, they will be furnished at the request of the Subcontractor, and at the cost of reproduction thereof will be for the account of the Subcontractor.

SECTION 38. Contractor shall not be liable to this subcontractor, its material men, labors, or subcontractors for any damages, loss or expenses sustained by any of them resulting from acts or omissions (whether or not negligent), failure to perform delays in performance or defaults or another subcontractor, material man or supplier or service in connection with the performance of any of the work covered by the General Contract.

SECTION 39. Although drawn by Contractor, this Subcontract shall, in the event of any dispute over its meaning or application, be interpreted fairly and reasonably, and neither more strongly for or against either party.

SECTION 40. Waiver of any breach hereof shall not constitute a waiver of any subsequent breach of the same or any other provisions hereof.

SECTION 41. If at any time any controversy should arise between the Contractor and Subcontractor with respect to any matter or thing involved in this Subcontract or construction project, which controversy is not controlled or determined by Section 6 above or other provisions of this Subcontract, then the decision of the Contractor shall be followed by the Subcontractor, and said controversy shall be decided as follows: (i) The Subcontractors shall conclusively be bound by and abide by the Contractor's decision, unless the Subcontractor shall commence arbitration proceedings as hereinafter provided within thirty days following such decision. (ii) If the Subcontractor decided to appeal from the decision of the Contractor, then the controversy shall be decided by arbitration in accordance with the rules of the American Arbitration Association, and the arbitration decision shall be final and binding on both parties; provided, however, that proceedings before the American Arbitration Association shall be commenced by Subcontractor not later than 30 days following contractor's decision. (iii) No dispute shall interfere with the progress of the general construction, and Subcontractor shall proceed with its work. (iv) If arbitration is conducted by Owner and Contractor concerning any dispute between them, which likewise involves a dispute between Contractor and subcontractor, then Subcontractor agrees to a joint arbitration with Owner, Contractor and Subcontractor, as well as with any other parties thereto before one arbitration board which shall determine all of said disputes.

SECTION 42. Subcontractor shall insert in all of its own subcontracts and purchase orders a provision incorporating therein, by reference, all terms and provisions of the General Contract and of this Subcontract not inconsistent with the contract between Subcontractor and its own subcontractors and suppliers; and there shall be specifically incorporated in all of such subcontracts and purchase orders Section 6 of this Subcontract relating to "Disputes," and binding such subcontractors and suppliers of this Subcontract to all provisions thereof just as if such subcontractors and suppliers of this Subcontractor were parties to this Subcontract.

SECTION 43. In the event the General contract is terminated prior to completion, Subcontractor shall be entitled to payment for its work actually completed on the same basis as the Contractor is paid under the terms of the General contract, if a termination clause is a part of the contract terms. Otherwise, the Subcontractor shall be entitled only to payment for the work actually completed by it at the pro rate of the price herein set forth unless Contractor itself receives additional compensation or damages on account of such termination; in which event, Subcontractor shall be entitled to such proportion of the additional compensation or damages actually received as is equitable under all of the circumstances. Nothing herein contained shall require Contractor to make any claim against Owner for such additional compensation or

damages in the event of termination before completion, and it is specifically agreed that the failure of Contractor to prosecute any such claim against Owner shall not entitle Subcontractor to any claim for additional compensation or damages against Contractor.

SECTION 44. Subcontractor agrees to request payment for work described in this contract by submitting the attached pay request form on the 20th day of each month for payment on the following 10th of the month.

SECTION 45. Subcontractor understands that it is his responsibility while working on the project to comply with all OSHA regulations and guidelines, per provisions of Section 31.

SECTION 46. Subcontractor agrees to promptly execute any partial and final lien releases as requested by the General contractor. In addition, subcontractor agrees to provide General contractor with a list of material suppliers sub-subcontractors upon request.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement for themselves, their heirs, executors, successors, administrators and assigns on the day and year first above written. Further, the Contractor and Subcontractor each certify that the person executing this Subcontract in its name has full corporate authority to bind the corporation to the terms hereof, or if partnership or individual ownership, to bind the company or owner. Acceptance occurs only by Subcontractor executing this Agreement as prepared by the Contractor.

Service Electric Co.
Subcontractor

By: M. a. Alde
Title:

CRESTLINE BUILDING CORPORATION

By: David L Parmeter
DAVID L. PARMETER, PRESIDENT

SERVICE ELECTRIC CO. ELECTRICAL CONTRACTOR EST. 1970

Signed

STANDARD SUBCONTRACT FORM

THIS SUBCONTRACT, made this **9th day of November 2022**, by and between **Kaufman Fire Protection Systems, Inc.** doing business as a **fire protection subcontractor** with principal office at **751 Rankin Rd NE, Albuquerque, NM 87107 (505-884-2447; FAX: 505-884-2616)** (hereinafter called the Subcontractor), and **Crestline Building Corporation** with principal office at **2700 Missouri Ave, Suite 3, Las Cruces, NM 88011 (575-532-8310/Fax: 575-532-8312)** (hereinafter called Contractor, WITNESSETH:

That the Subcontractor and the Contractor, in consideration of the covenants and agreements herein contained, mutually agree as follows:

SECTION 1. The Subcontractor agrees to furnish all design/engineering, labor, material, and equipment and to perform all work described in Section 2 hereof for the construction of **Convention Center at Hyatt House** (hereinafter sometimes called Construction Project), located at **4017 National Parks Hwy, Carlsbad NM 88220** for **Carlsbad HH, LLC** (hereinafter called Owner), in accordance with the terms of this Subcontract, and in accordance with the terms of the General Contract between the Owner and the Contractor, dated **September 2022**, and the General and Special Conditions.

Drawings and Specifications prepared by **Vistas Unlimited (see Exhibit A—List of Drawings)** forming a part of the Contract between the Contractor and the Owner, all of which shall be considered part of this Agreement by reference thereto, copies of which are on file at the office of the Contractor and are available at all times.

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SECTION 2. The Subcontractor and the Contractor agree that the materials and/or services to be furnished and the work on be done by the Subcontractor are:

Furnish all necessary design/engineering, permits, materials, labor, equipment, supervision, licenses, and other miscellaneous items for a complete design & build fire protection and sprinkler system for the Convention Center at Hyatt House (8,000 +/- SF) all in accordance with the drawings and plans (including all revisions to date) and federal, state, and local fire codes and insurance requirements. Work includes but is not limited to:

1. Provide all work from the 4" diameter fire line stub-out inside the fire riser mechanical room to and including all required sprinkler heads. All field layout will be the responsibility of this subcontractor.

2. Furnish and install the main riser complete with all fittings, valves, flow and tamper switches and alarm appurtenances therewith, gauges, hose valves, and all other items required by code.

3. Hang all pipe straight and plumb and use manufactured hangars and supports that are designed for such use. Cutting and notching of frame members must be in accordance with the Uniform Plumbing Codes and International Plumbing Codes.

4. Furnish and install all the necessary sprinklers in all locations and either interior or exterior that are required by the local and state fire codes. Submit sprinkler head types for approval by owner as to style and type. Coordinate location with other trades.

5. Insulation of the roof will be installed above the sprinkler piping so that the fire sprinkler system is in the heated envelope.

6. Provide all design including six copies of complete fire sprinkler system drawings and calculations sealed by a licensed fire protection engineer in the state of New Mexico for approval by the State Insurance Board, local building inspection department and fire department. Provide three sets of approved plans and specifications complete with submittals showing the types, sizes, and locations of all sprinkler heads to General Contractor.

7. This subcontractor shall provide for all floor, wall, and roof penetrations for his work and shall properly seal all such penetrations through the roof, exterior walls, interior walls, and/or floor systems.

8. This subcontractor shall protect the work of other trades at all times, flush all sprinkler lines and perform charge-up of system, and remove all debris from the site on a daily basis or as instructed by the project superintendent.

9. This subcontractor shall coordinate all fire sprinkler work with fire alarm system where required by code.

10. This subcontractor agrees to properly staff, equip, and supervise the project so as to maintain the production schedule established for the project as posted by the Contractor. This shall include full time supervision as it relates to production, safety, and quality of all work included in this subcontractor's scope-of-work.

11. This subcontractor agrees to submit pay requests using Contractor's pay request forms. These requests shall be properly executed and submitted to the field office by the 20th of each month for payment on or about the 10th of the month following but not until Contractor receives payment from owner. A 5% retainage will be held on this subcontractor until the project completion or owner releases retainage to Contractor.

12. No payment will be made to this subcontractor until written verification is submitted to the General Contractor regarding Workman's Compensation Insurance coverage and General Liability coverage.

13. Subcontractor agrees to comply with all provisions of the Immigration Reform and Control Act of 1986 Public Law 99-603 {S-1200}, dated 11/5/86 (the 'ACT") in regard to the unlawful employment of aliens. Specifically, but not by way of limitation, Subcontractor agrees to comply with, and adhere to, the Employment Verification System described in Section 101 of said Act and to refrain from Unfair Immigration Employment Practices described in Section 102 of said Act. Moreover, Subcontractor agrees to require that all employees performing work in connection with the project comply with such laws. Subcontractor agrees to indemnify and hold Owner and Contractor harmless from any and all liability, damages, claims, and/or penalties (civil or criminal) including court cost and reasonable attorney's fees, arising directly or indirectly out of subcontractor's failure to strictly adhere to and comply with the terms of said Act or subcontractor's failure to ensure compliance by employees as provided herein.

14. This subcontractor shall take precautions to protect the work in place of other trades and shall notify the superintendent prior to installation of any conflict with other trades regarding correct installation of his work. He shall also remove from the site on a daily basis or as directed by the project superintendent any debris generated by his work or workers in or around the building and site.

15. This subcontractor accepts full responsibility for his work in place against all defects and damages until final acceptance by Owner. At such time subcontractor guarantees his workmanship and materials for a period of one year from the date of final acceptance of project by Owner.

16. ~~This subcontractor shall supply, the Contractor will install, the underground stainless steel sweep transitioning from the underground supply line to the vertical riser assembly~~.

17. Total contract price is: **$48,300.00**

18. Kaufman Fire Protection Systems, Inc. proposal letter of November 8, 2022, is made part of this contract but does not supersede above requirements.

19. This subcontractor shall provide the wet pipe automatic fire sprinkler system installed in the above referenced property. The systems will be designed and installed as per NFPA standards and Kaufman Fire Protection Systems, Inc. approved shop drawings. The following is included: Design – complete fire sprinkler drawings and calculations sealed

by a fire protection engineer registered and licensed in the state of New Mexico; Material – wet system piping & hangers, semi-recessed heads, labor, tools and equipment to complete the project. Kaufman Fire Protection Systems, Inc. will connect to a 4" standard flange 6" above the finished floor inside the building.

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SECTION 3. The Subcontractor expressly covenants and agrees to keep himself thoroughly informed as to the progress of the job, to begin work within 10 days after notification by the Contractor, to prosecute the work continuously and uninterruptedly with all possible speed, and to complete the entire work covered by this Subcontract at such time as not to interfere with or delay performance of the General Contract or of the work of any other subcontractor. Furthermore, Subcontractor agrees to furnish and maintain in first-class operating condition a sufficient amount of equipment, machinery, tools, implements and supplies, and to furnish all material and all labor, including Superintendent's overhead and field accounting, and all things whatsoever required or convenient to properly carry out and perform the work herein specified, and to perform al work required by this Subcontract strictly in accordance with the General Contract, a copy of which is on file in the office of the Contractor and is available for inspection at all times. The term "General Contract," as used in this Subcontract, shall be deemed to mean the Contract between the Contractor and Owner, together with all the provisions, general conditions, plans, drawings, specifications, and addends which are part thereof or referred to therein (and with all of which the Subcontractor acknowledges he is familiar), as well as any additions thereto and modifications thereof subsequently made.

This Subcontract contemplates a complete installation covering the work described hereinbefore shall be all-inclusive under common usage in the industry and/or as may reasonably be inferred by the contract plans and specifications. Because these plans, drawings, specifications, and addenda thereto are an essential element of this Subcontract, the Subcontractor's failure to thoroughly check and verify the scope and extent of them shall not act to modify or mitigate the complete responsibility therein contemplated as to the work to be performed.

In the event the Subcontractor fails to carry on such work at such rates of progress as are specified under the terms hereof, the Contractor may, at its option, require the Subcontractor to increase the number of men and/or the amount of equipment employed in the performance of said work to such extent as the Contractor may deem necessary or desirable, or Contractor may exercise any other right or remedy it may have, including, but not limited to, the termination of this Subcontract.

SECTION 4. IN CONSIDERATION WHEREOF, the Contractor agrees to pay the Subcontractor for the full and faithful performance of his work the sum **FORTY-EIGHT THOUSAND THREE HUNDRED DOLLARS AND ZERO CENTS ($48,300.00 USD)**, subject to additions and deductions for changes as may be agreed upon in writing and subject to the other terms of the Subcontract; provided, however, that no payments are to be made unless the Subcontractor's rate of progress, work done and material and/or services furnished are satisfactory to the Owner and Contractor and are herein agreed upon. Payments to Subcontractor shall be made in the following manner:

The Subcontractor shall submit to the Contractor applications for progress payments in a manner acceptable to the Contractor, and in such reasonable time as to enable the Contractor to apply for payment on the basis of the Subcontractor's work within the time specified under the articles pertaining to the progress payments in the specifications or General Contract. The Contractor shall pay the Subcontractor for work satisfactorily performed within a reasonable time after receipt from Owner of the amounts due for Contractor's work.

However, Contractor shall be under no obligation to pay Subcontractor for any work done on this construction project until Contractor has been paid therefore by Owner, and the provisions hereof, stating the time of progress and final payments and the amount thereof, are subject to the condition that Contractor shall receive from Owner progress and/or final payments in at least the amounts payable to Subcontractor on account of work done by Subcontractor on this construction project, otherwise, the time when such payments shall be due Subcontractor shall be postponed until Contractor has received same from Owner. Subcontractor shall not be entitled to receive final payment under this Subcontract or construction project until the entire amount of work to be done hereunder has been accepted by Owner and a complete release of any

and all claims against Contractor has been delivered by Subcontractor to Contractor. The acceptance of such release shall not relieve Subcontractor of liability for defects in said work, which may thereafter be discovered.

SECTION 5. Insofar as the provisions of the General Contract do not conflict with specific provisions herein contained, they, and each of them, are hereby incorporated into this Subcontract as fully as if completely rewritten herein. The Subcontractor agrees to be bound to the Contractor by all the terms of the General Contract applicable to this Subcontract and to assume toward Contractor with respect to the work and all operations of Subcontractor on this construction project all of the obligations and responsibilities that Contractor by the General Contract assumes toward Owner. The Subcontractor agrees that it will so perform this Subcontract as not to violate any terms, covenants or conditions of the General Contract. The relationship of the Subcontractor hereunder toward Contractors shall be the same as the Contractor toward the Owner under the General Contract, and the relationship of the Contractor hereunder to the Subcontractor shall be the same as that of the Owner toward the Contractor under the General Contract.

SECTION 6. In case of any dispute between the Subcontractor and Contractor, Subcontractor agrees to be bound to Contractor to the same extent that Contractor is bound to Owner by the terms of the General Contract and by any and all decisions or determinations made there under by the party or board so authorized in the General Contract. Subcontractor also agrees to be bound to Contractor to the same extent the Contractor is bound to Owner by the final decision of a court of competent jurisdiction, whether or not Subcontractor is a party to such proceeding. If such dispute is prosecuted or defended by Contractor against Owner under the terms of the General Contract or in court action, Subcontractor agrees to furnish all documents, statements, witnesses, and other information required by Contractor for such purpose and to pay or reimburse Contractor for all expenses and costs, if any, incurred in connection therewith. It is expressly understood that as to any and all work done and agreed to be done by the Subcontractor, and as to any and all materials or services furnished or agreed to be furnished by Subcontractor, and as to any and all damages, if any, incurred by Subcontractor, in connection with this construction project, Contractor shall never be liable to Subcontractor to any greater extent that Owner is liable to Contractor. No dispute shall interfere with the progress of construction and Subcontractor shall proceed with its work as directed.

SECTION 7. The Subcontractor shall furnish the Contractor with such partial releases and waivers of lien from its material men and creditors as the Contractor may request from time to time on labor and/or material and/or other claims and final releases and waivers of lien at the time of final payment on this Subcontract.

SECTION 8. The Subcontractor shall furnish, if requested by the Contractor, sworn affidavits from time to time in accordance with the form provided by the Contractor, which shall state amounts due or to become due, amounts paid, and any other information clearly to indicate the financial condition of the Subcontractor insofar as it relates to labor and material furnished and to be furnished under this Subcontract; and the Subcontractor agrees to pay as they accrue (and to protect, indemnify and hold the Contractor harmless against) any and all liens and claims of persons claiming to have performed labor or to have furnished material, appliances, insurance or services in connection therewith. If at any time there shall be any lien or claim against the Subcontractor and/or Contractor for labor, materials, appliances, insurance or services used in said work for which, if established, the Contractor is of the opinion it might be directly or indirectly liable, then the Contractor may retain out of any money due or to become due the Subcontractor an amount sufficient to indemnify the Contractor against liability or loss by reason of such lien or claim, including the reasonable cost of any litigation there under, until the same shall be effectively satisfied, discharged or cancelled; or the Contractor may take such other steps as it may deem necessary to protect itself against any claims. If at any time the Contractor shall determine that the Subcontractor's financial condition has become, in the opinion of the Contractor, unsatisfactory, the Subcontractor shall furnish security satisfactory to the Contractor within three (3) days after written notice to its last known address, and in default of furnishing such security, the Contractor shall have the option to cancel this Subcontract. In case of such cancellations, the right of the Contractor shall be the same as if the Subcontractor had failed to perform this Subcontract.

SECTION 9. The terms of payment provided herein shall not make it incumbent on the Contractor to make payments in an amount that would not leave a sufficient balance to cover the retained percentage, together with an amount sufficient to satisfy all obligations of the Subcontractor for labor, materials, etc., furnished or to be furnished under this Subcontract.

SECTION 10. The Subcontractor agrees that moneys received for the performance of this Subcontract shall be used first for payment of labor, material, and services entering into this work, and said moneys shall not b diverted to satisfy obligations of the Subcontractor on other contracts.

SECTION 11. The Subcontractor agrees to protect the Owner and Contractor against all costs or claims for transportation, freight, and express, on men, materials, and equipment to and/or from the job, and for all other incidental expenses in connection with its work and to prepay the transportation charges on all materials, etc. shipped.

SECTION 12. The Subcontractor agrees to pay the scale of wages prescribed in the General Contract, or the scale prescribed by law in case the General Contract provides no such scale. If the Subcontractor shall fail in any respect to perform the covenants contained in this paragraph, the Contractor shall have the option to cancel this Subcontract forthwith. All penalties stated in General Contract shall be applicable hereunder as between the Subcontractor and the Contractor, except as otherwise expressly provided herein.

SECTION 13. Contractor may at any time, by written order and without notice to the Sureties, make changes in the work herein contracted, and Subcontractor shall proceed with the work as directed. If the same causes an increase or decrease in the contract price or in the time required for performance, an equitable adjustment shall be made; and the contract shall be modified in writing accordingly, all subject, however, to the terms of Section 30 below. But nothing herein contained shall excuse the Subcontractor from proceeding with the prosecution of the work as changed.

SECTION 14. The Subcontractor shall carry and pay for on his operations hereunder: (1) Workmen's Compensation and Employer's Liability Insurance; (2) Motor Vehicle Liability insurance covering all owned, non-owned or hired vehicles; (3) Comprehensive General Liability Insurance to include (a) Completed Operations coverage, (b) Independent Contractors coverage, (c) Contractual coverage for the agreement contained in the Contractor's Subcontract form, (d) Removal of the Explosion-Collapse-Underground Damage exclusions where applicable. The limits of liability under these policies shall meet the minimums set forth in Contractor's Certificate of Insurance form. The Contractor shall be named as additional insured with regard to general liability on a primary and non-contributory basis for both ongoing and completed operations. In addition, Contractor shall be named as an additional insured with regard to motor vehicle liability insurance. All insurance shall be in companies acceptable to the Contractor, rated A- or better by AM Best and subcontractor shall furnish Contractor with Certificates of Insurance reflecting said limits, terms, and conditions. Upon request, Subcontractor will furnish Contractor with duplicate originals of said policies. Each policy of insurance will carry an endorsement providing for waiver by the insurer of right of subrogation against Contractor and Owner. Subcontractor shall comply with all provisions of OSHA.

SECTION 15. All work covered by this Agreement done at the sit of construction or in preparing or delivering materials to the site shall be at the risk of Subcontractor alone. Subcontractor agrees to save, indemnity and keep harmless Contractor against any and all liability, claims, judgments, or demands, including the obligations of Contractor on account of any similar agreement Contractor has with Owner, including demands arising from injuries or death of persons (Subcontractor's employees included) and damage to property, arising directly or indirectly out of the obligations herein undertaken or out of the operations conducted by Subcontractor, save and except claims or litigation arising through the sole negligence or sole willful misconduct of Contractor, and will make good to and reimburse Contractor for any expenditures, including reasonable attorney's fees, Contractor may make by reason of such matters and, if requested by Contractor, will defend any such suits at the sole cost and expense of Subcontractor.

SECTION 16. The Subcontractor agrees to pay, and does hereby accept full and exclusive liability for the payment of, any and all contributions or taxes for Unemployment Insurance and/or Old Age Retirement Benefit, Pensions or Annuities, now or hereafter imposed by the Government of the United States and/or by the Government of any sate or territory of the United States, which are measured by the wages, salaries or other remuneration paid to persons employed by the Subcontractor on work performed under the terms of this Subcontract; also, Subcontractor agrees to pay, and hereby accepts full and exclusive liability for the payment of, any and all Sales or Use Taxes, or taxes measured by receipts in connection with the work under this Subcontract.

SECTION 17. The Subcontract takes precedence over any and all proposals, correspondence and oral agreement made prior to the date hereof. This Subcontract includes all changes and addenda to date.

SECTION 18. The Subcontractor agrees to pay (and to protect and indemnify the Contractor against any liability for) any damages sustained by another subcontractor, material man or other party supplying labor, materials and/or services in the performance of the work covered by the General Contract resulting from this subcontractor's acts or omissions (whether or not negligent), failure to perform, delays in performance or default in the performance of the work to be done under this Subcontract.

SECTION 19. IT IS EXPRESSLY UNDERSTOOD AND AGREED that time shall be considered the essence of the contract on the part of the Subcontractor. The Subcontractor expressly agrees to perform all work herein described and the several parts thereof, continuously, energetically and expeditiously, in full accord with the requirements of the General Contract as determined by the Contract and at such times and in such order as the Contractor considers necessary to keep the same sufficiently in advance of other parts of the building and/or project, and to avoid delay in the completion of the construction as a whole. The Subcontractor agrees to reimburse the Contractor for any loss, damage or expense, including (but not restricted to) any penalty or liability for damages incurred by Contractor to Owner which is due to Subcontractor's failure to deliver any and all material as required, or to perform properly any and all work in keeping with the progress of the general construction work, or to perform properly any term, covenant or condition contained in this Subcontract, or which is due to any breach of any of the provisions of this Subcontract, or which is due to delays in performance of the General Contract caused by Subcontractor; and it is further agreed that if the Subcontractor fails diligently to prosecute the work required to be done under this Subcontract in any particular, or if he fails to make such progress required by the Contractor in order to keep sufficiently ahead of the Contractor's other operations, or if the Subcontractor shall abandon said work, or any part thereof, or fails in any way to perform the conditions of this Subcontract on his part to be performed, or shall become insolvent or make an assignment for the benefit or creditors, or commit an act of bankruptcy or have a petition in bankruptcy filed by or against him, or shall die or otherwise become physically or mentally disabled, the Contractor shall have the right, if it so elects, and without prejudice to any other right it may have, immediately and without notice to terminate this Subcontract and/or take any steps it deems advisable to secure necessary labor and material, by contractor otherwise, and may take over all of said Subcontractor's equipment, tools and supplies which may be either at the site of the work or enroute to the site where the work is being performed, and may prosecute the work to completion, using any moneys due and owing Subcontractor to mitigate Contractor's expense.

In case Contractor deems this procedure necessary for the proper conduct of the work, all moneys expended therefore, including (but not restricted therein) the cost of materials, labor, subcontracts, transportation, equipment expense and rentals thereon, supplies, services, insurance, taxes, appliances, tools, teams, utilities, power used or consumed, supervision, administration, job overhead, travel, legal and accounting fees and expenses, Contractor's general overhead as allocated to the work and other costs and expenses incurred or sustained by the Contractor, plus ten percent (10%) of the actual cost of the work performed as set for the as well as the amount of claims against Subcontractor paid by Contractor or for which it deems itself liable shall be deducted from the Contract Price stated herein, and if such total sum exceeds the amount otherwise due to Subcontractor hereunder. Subcontractor agrees to pay to Contractor the full amount of such excess, together with interest thereon at the highest rate permitted by

applicable law until paid; or in case of any default on the part of the Subcontractor, the Contractor may exercise any other right or remedy available to it.

SECTION 20. Subcontractor unconditionally warrants and guarantees all labor and/or material and/or services employed and furnished by or to it in performing the work and agrees promptly to amend and make good, upon demand by the Contractor or Owner, and at Subcontractor's expense, any and all defects due to imperfect workmanship and/or materials and/or damages resulting there from, to the entire approval and acceptance of the Contractor and Owner and/or architect or their authorized representatives. Should the Subcontractor refuse or neglect to proceed at once with the correction of rejected or defective materials and/or workmanship, after receiving notice to do so, then the Contractor shall have the right and power to have the defects remedied or changes made at the expense of Subcontractor, and the Subcontractor agrees to pay Contract on demand any and all loss and/or expense paid or incurred by Contractor in remedying such defects, and/or making such changes, plus ten percent (10%) of such amounts to cover supervision, insurance, overhead, etc., together with interest on said total sum at the highest rate permitted by applicable law until paid. Furthermore, Subcontractor agrees to perform (and to protect Contractor from any liability thereon) Contractor's guarantees and undertakings in the General Contract insofar as it pertain to the work covered by this Subcontract. The obligations set forth in this paragraph are continuing and shall survive completion of the construction project and acceptance of work, and making final payment to Subcontractor shall not relieve subcontractor of its obligations and liabilities hereunder.

SECTION 21. The obligation of the Subcontractor to perform and complete all work covered by this Subcontract to the satisfaction of Contractor and Owner is absolute and without exception. Subcontractor shall effectively secure and protect its material and work and shall bear and be liable for all loss and/or damage of any kind in connection therewith at any time prior to final completion and acceptance thereof by Owner, unless said loss or damage is solely caused by direct negligence of the Contractor. Subcontractor shall reimburse Contractor on demand for any breakage or other damage to other work or materials occasioned by the Subcontractor in the execution of this Subcontract.

SECTION 22. If the Subcontractor deems that surfaces or work to which his work is to be applied or affixed are unsatisfactory or unsuitable, written notification of said conditions shall be given to the Contractor before proceeding or taking remedial action; otherwise no consideration will be given to claims for extra compensation or non-responsibility in connection therewith.

SECTION 23. The Subcontractor shall provide at its own expense whatever utilities, services, storage shed, work shops and offices that are necessary for the performance of this Subcontract, and shall remove and thoroughly clean the premises at the completion of the work. If the Subcontractor has occasion to utilize any of the facilities of the General Contractor, if available, it shall pay a proportion of the cost thereof, determined on the basis of the proportionate number of employees using such from month to month.

SECTION 24. The Subcontractor shall clean up and remove from the site as directed by the Contractor all rubbish and debris resulting from his work: also, he shall clean up to the satisfaction of Owner and Contractor, all dirt, grease, marks, etc., from walls, ceilings, floors, fixtures, etc., deposited or placed thereon as a result of the execution of this Subcontract. If the Subcontractor refuses or fails to perform this cleaning as directed by the Contractor, the Contractor shall have the right and power to proceed with said cleaning, and the Subcontract will on demand repay to the Contractor the actual cost of said labor plus ten percent (10%) of such costs to cover supervision, insurance, overhead, etc., together with interest on said total sum at the rate of eight percent (8%) per annum until paid.

SECTION 25. Contractor may (but is not obligated to) carry builder's risk (installation) insurance on this construction project. Should Contractor carry this insurance, then Subcontractor shall have an interest therein to the benefits afforded by the policy in the same manner as the Contractor, with the same coverages and deductibles apply to any loss or claim as the Subcontractor's interest may appear at time of loss or claim. Subcontractor agrees it will assume the responsibility to determine whether Contractor is providing builder's risk insurance for its benefit, and in no event will Subcontractor hold Contractor liable of any loss sustained

because of a lack of insurance coverage or for the amount of the deductible for any one occurrence which may be applicable. In no way will General Contractor be held liable for reimbursement to the Subcontractor (if General Contractor is carrying Builder's Risk) to the extent to which the General contractor is to be reimbursed.

SECTION 26. The Subcontractor shall furnish promptly all samples, lists, drawings, cuts, schedules, etc., required in connection with its work, but approval of same does not relieve it of its responsibility of complying with the requirements of the drawings and specifications of the General contract. All transportation costs on samples and drawings furnished by the Subcontractor shall be paid by it.

SECTION 27. The Subcontractor shall furnish all guaranties, bonds, operating instruction, etc., as required by the specifications and/or General Contract, and shall, if requested by the Contractor, furnish to the Contractor adequate performance and payment bonds in form of amounts and with surely acceptable to the Contractor.

SECTION 28. The Subcontractor shall hold and save the Contractor harmless from any liability including costs and expenses, for or on account of any patented or unpatented invention, article or appliance manufactured or used in the performance of this Subcontract, including their use by the Owner.

SECTION 29. The Subcontractor shall give its personal superintendence to the work or have a competent foreman or superintendent, satisfactory to the General Contractor, on the work at all times during progress, with authority to act for it. Subcontractor shall not employ any workmen in the performance of this Subcontract whose employment might be reasonably objected to by the Contract, the Owner or the architect and/or engineer.

SECTION 30. The Subcontractor agrees to make any claims for extension of time or for damages for delays or claims for alleged extra work or additional compensation, or otherwise, to the Contractor in the same manner as provided in the General Contract for like claims of the Contractor upon the Owner, and in such times as will enable the Contractor to present such claims to the Owner for payment or recognition: and the Contractor will not be liable to the Subcontractor on any claim not timely or properly presented, or until allowed by the Owner.

SECTION 31. Subcontractor agrees to comply with all statutory or contractual safety requirements applying to his work, including those contained in the Williams-Steiger Occupational Safety & Health Act of 1970, the Walsh-Healy Act, and all other applicable federal and state occupational safety and health laws, and the safety program, rules and practices established by the Contractor. Subcontractor shall be responsible for and shall pay any monetary penalties assessed by any governmental agency for the violation of any safety act in the performance of his work and shall indemnify and hold Contractor harmless from any such monetary penalty incurred by Contractor by reason of Subcontractor's violations. In the event that Subcontractor violates any safety requirement which by direction of any governmental agency and/or owner results in a suspension of work on the project, in whole or in part, Subcontractor shall be liable to Contractor for all damages and expenses resulting from such suspension.

SECTION 32. In the event either Contractor or Subcontractor institutes suit in court against the other party, or against the surety of such party, in connection with any dispute or matter arising under this Agreement, the party which prevails in that suit shall be entitled to recover from the other its attorney's fees in reasonable amount, which shall be determined by the court and included in the judgment in said suit.

SECTION 33. In the event that Subcontractor shall cease to perform its work hereunder diligently or shall fail to timely provide all materials and or labor due to labor problems, whether or not they directly or indirectly involve the subcontractors employees, and if subcontractor is unable or unwilling to resume full and faithful performance of its obligations under this subcontract within 48 hours after notice from Contractor to do so, then Contractor may at anytime thereafter terminate this Subcontractor and Subcontractor shall be entitled to compensation if any, in accordance with the terms of Section 19.

SECTION 34. It will be the responsibility of the Subcontractor to obtain and pay for necessary licenses, fees and permits as required for its work. Should pre-registration be required, the Subcontractor warrants that it has complied with such prerequisites. Subcontractor shall comply with all federal, state or local statutes, ordinances, regulations, rules, orders and directives relating to discrimination in employment, and shall comply with the provisions, if any, in the Prime Contract on that subject, insofar as his own employees or employees of his subcontractors are concerned.

SECTION 35. The Subcontractor agrees not to assign or subcontract this Subcontract, or any part thereof, or any interest therein, without first obtaining the written consent of the Contractor. The Subcontractor agrees not to assign or attempt to assign any moneys due or to become due to the Subcontractor under this Subcontract without first obtaining the written consent of the Contractor, and no such assignment shall be binding on Contractor unless and until accepted in writing by contractor.

SECTION 36. Clauses of the General Contract require to be inserted in this Subcontract are deemed to be a part hereof whether or not they are attached hereto.

SECTION 37. The general contractor will furnish the subcontractor (1) set of plans, specifications and amendments. If additional sets are required, they will be furnished at the request of the Subcontractor, and at the cost of reproduction thereof will be for the account of the Subcontractor.

SECTION 38. Contractor shall not be liable to this subcontractor, its material men, labors, or subcontractors for any damages, loss or expenses sustained by any of them resulting from acts or omissions (whether or not negligent), failure to perform delays in performance or defaults or another subcontractor, material man or supplier or service in connection with the performance of any of the work covered by the General Contract.

SECTION 39. Although drawn by Contractor, this Subcontract shall, in the event of any dispute over its meaning or application, be interpreted fairly and reasonably, and neither more strongly for or against either party.

SECTION 40. Waiver of any breach hereof shall not constitute a waiver of any subsequent breach of the same or any other provisions hereof.

SECTION 41. If at any time any controversy should arise between the Contractor and Subcontractor with respect to any matter or thing involved in this Subcontract or construction project, which controversy is not controlled or determined by Section 6 above or other provisions of this Subcontract, then the decision of the Contractor shall be followed by the Subcontractor, and said controversy shall be decided as follows: (i) The Subcontractors shall conclusively be bound by and abide by the Contractor's decision, unless the Subcontractor shall commence arbitration proceedings as hereinafter provided within thirty days following such decision. (ii) If the Subcontractor decided to appeal from the decision of the Contractor, then the controversy shall be decided by arbitration in accordance with the rules of the American Arbitration Association, and the arbitration decision shall be final and binding on both parties; provided, however, that proceedings before the American Arbitration Association shall be commenced by Subcontractor not later than 30 days following contractor's decision. (iii) No dispute shall interfere with the progress of the general construction, and Subcontractor shall proceed with its work. (iv) If arbitration is conducted by Owner and Contractor concerning any dispute between them, which likewise involves a dispute between Contractor and subcontractor, then Subcontractor agrees to a joint arbitration with Owner, Contractor and Subcontractor, as well as with any other parties thereto before one arbitration board which shall determine all of said disputes.

SECTION 42. Subcontractor shall insert in all of its own subcontracts and purchase orders a provision incorporating therein, by reference, all terms and provisions of the General Contract and of this Subcontract not inconsistent with the contract between Subcontractor and its own subcontractors and suppliers; and there shall be specifically incorporated in all of such subcontracts and purchase orders Section 6 of this Subcontract relating to "Disputes," and

binding such subcontractors and suppliers of this Subcontract to all provisions thereof just as if such subcontractors and suppliers of this Subcontractor were parties to this Subcontract.

SECTION 43. In the event the General contract is terminated prior to completion, Subcontractor shall be entitled to payment for its work actually completed on the same basis as the Contractor is paid under the terms of the General contract, if a termination clause is a part of the contract terms. Otherwise, the Subcontractor shall be entitled only to payment for the work actually completed by it at the pro rate of the price herein set forth unless Contractor itself receives additional compensation or damages on account of such termination; in which event, Subcontractor shall be entitled to such proportion of the additional compensation or damages actually received as is equitable under all of the circumstances. Nothing herein contained shall require Contractor to make any claim against Owner for such additional compensation or damages in the event of termination before completion, and it is specifically agreed that the failure of Contractor to prosecute any such claim against Owner shall not entitle Subcontractor to any claim for additional compensation or damages against Contractor.

SECTION 44. Subcontractor agrees to request payment for work described in this contract by submitting the attached pay request form on the 25th day of each month for payment on the following 10th of the month.

SECTION 45. Subcontractor understands that it is his responsibility while working on the project to comply with all OSHA regulations and guidelines, per provisions of Section 31.

SECTION 46. Subcontractor agrees to promptly execute any partial and final lien releases as requested by the General contractor. In addition, subcontractor agrees to provide General contractor with a list of material suppliers sub-subcontractors upon request.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement for themselves, their heirs, executors, successors, administrators and assigns on the day and year first above written. Further, the Contractor and Subcontractor each certify that the person executing this Subcontract in its name has full corporate authority to bind the corporation to the terms hereof, or if partnership or individual ownership, to bind the company or owner. Acceptance occurs only by Subcontractor executing this Agreement as prepared by the Contractor.

Kaufman Fire Protection
Subcontractor

By: _____
Title: President

Seal of Corporation

CRESTLINE BUILDING CORPORATION

By: David L. Parmeter
DAVID L. PARMETER, PRESIDENT

STANDARD SUBCONTRACT FORM

THIS SUBCONTRACT, made this **3rd day of October 2022**, by and between **Universal Heating and Cooling** doing business as an **HVAC Subcontractor** with principal office at **5075 El Camino Real Las Cruces, NM 88007 (Phone: 575-640-5015);** hereinafter called the Subcontractor), and **Crestline Building Corporation** with principal office at **2700 Missouri Ave Suite 3, Las Cruces, NM 88011 (P: 575-532-8310/F: 575-532-8312)** (hereinafter called Contractor), WITNESSETH:

That the Subcontractor and the Contractor, in consideration of the covenants and agreements herein contained, mutually agree as follows:

SECTION 1. The Subcontractor agrees to furnish all labor, material, an equipment and perform all work described in Section 2 hereof for the construction of **Convention Center at Hyatt House** (hereinafter sometimes called Construction Project), located at **4017 National Parks Highway, Carlsbad, NM 88220** for **Carlsbad HH, LLC.** (hereinafter called Owner), in accordance with the terms of this Subcontract, and in accordance with the terms of the General Contract between the Owner and the Contractor, dated **September, 2022**, and the General and Special Conditions.

Drawings and Specifications (listing attached) prepared by **Vista Unlimited** forming a part of the Contract between the Contractor and the Owner, all of which shall be considered part of this Agreement by reference thereto, copies of which are on file at the office of the Contractor and are available at all times.

SECTION 2. The Subcontractor and the Contractor agree that the materials and/or services to be furnished and the work to be done by the Subcontractor are:

HVAC:

Furnish all labor, supervision, materials, tools, equipment, insurance, applicable taxes, and incidentals required for a complete installation of all heating and air conditioning and ventilating systems as required by the contract plans and specifications. This subcontract includes but is not limited to the following:

1. Furnish and install all air ducts, duct installation, supply and return air registers, grilles, louvers, and thermostats as required and/or specified for a complete and functioning heating, cooling, and ventilating system all in accordance with the contract drawings and specifications.

2. Furnish all labor and materials as necessary to make penetrations through walls, ceilings, and roofs as required for a complete installation of this Subcontractor's work.

3. Furnish and install escutcheon plates, roof jacks, flashings, sealants, fire caulking, etc. for all penetrations required or described above.

4. Furnish and install 9 each combination gas heating/refrigerated cooling package units as specified with all duct work, registers, grills, condensate drain lines, frame support. Also provide exhaust fans in public restroom and food prep-room.

5. All duct work will be installed level and square and will be properly secured to eliminate any noise or vibration and all joints and sheet metal will be sealed and secured to eliminate any noise or vibration in all joints. Sheet metal will be sealed if required to eliminate air leaks.

6. This Subcontractor shall provide five copies of shop drawings, manufacturer's literature etc. for all materials and equipment proposed for use on this project for review and approval by the Architect/Owner.

7. This Subcontractor shall be responsible for the start-up and systems balancing of the heating and cooling systems during their first season of use.

8. This Subcontractor shall furnish and install the condensate drain lines complete with escutcheons where necessary.

9. This Subcontractor shall obtain and pay for all permits required for his work.

10. Furnish and install economizers on all package units with factory curbs and hail guards.

11. Furnish and install programable T-stats installed where Contractor designates.

12. Furnish high-capacity 300 CFM low zone exhaust fans at restrooms and food prep room.

GENERAL:

1. This Subcontractor agrees to properly staff, equip, and supervise the project so as to maintain the production schedule established for the project as posted in the Contractor's job-site office trailer. This shall include full-time supervision as it relates to production, safety, and quality of all work included in this Subcontractor's scope-of-work.

2. This Subcontractor agrees to submit pay requests using Contractor's pay request forms. These requests shall be properly executed and submitted to the field office by the 20th of each month for payment on or about the 10th of the month following but not until Contractor receives payment from Owner. A 5% retainage will be held on this Subcontractor until the project completion or Owner releases retainage to Contractor.

3. No payment will be made to this Subcontractor until written verification is submitted to the General Contractor regarding Workman's Compensation Insurance coverage and General Liability coverage.

4. Subcontractor agrees to comply with all provisions of the Immigration Reform and Control Act of 1986 Public Law 99-603 {S-1200}, dated 11/5/86 (the 'ACT") in regard to the unlawful employment of aliens. Specifically, but not by way of limitation, Subcontractor agrees to comply with and adhere to the Employment Verification System described in Section 101 of said Act and to refrain from Unfair Immigration Employment Practices described in Section 102 of said Act. Moreover, Subcontractor agrees to require that all employees performing work in connection with the project comply with such laws. Subcontractor agrees to indemnify and hold Owner and Contractor harmless from any and all liability, damages, claims, and/or penalties (civil or criminal) including court cost and reasonable attorney's fees, arising directly or indirectly out of Subcontractor's failure to strictly adhere to and comply with the terms of said Act or Subcontractor's failure to insure compliance by employees as provided herein.

5. This Subcontractor shall take precautions to protect the work in place of other trades and shall notify the superintendent prior to installation of any conflict with other trades regarding correct installation of his work. He shall also remove from the site on a daily basis or as directed by the project superintendent any debris generated by his work or workers in or around the building and site.

6. The Subcontractor warrants to the Owner, Architect and Contractor that materials and equipment furnished under this Subcontract will be of good quality and new unless otherwise required or permitted by the Subcontract Documents, that the Work of this Subcontract will be free from defects not inherent in the quality required or permitted, and that the Work will conform to the requirements of the Subcontract Documents. Work not conforming to these requirements, including substitutions not properly approved and authorized, may be considered defective. The Subcontractor's warranty excludes remedy for damage or defect caused by abuse, modifications not executed by the Subcontractor, improper or insufficient maintenance, improper operation, or normal wear and tear under normal usage. This warranty shall be in addition to and not in limitation of any other warranty or remedy required by law or by the Subcontract Documents.

7. This subcontractor accepts full responsibility for his work in place against all defects and damages until final acceptance by Owner. At such time subcontractor guarantees his workmanship and materials for a period of one year from the date of final acceptance of project by Owner.

8. Total Contract price is:

HVAC:

Install Exhaust fans & vents.	$ 5,000.00
Install Roof top HVAC unit.	$80,000.00
Install Ductwork	$44,860.00
Set registers & final inspection.	$14,000.00

TOTAL: $143,860.00

SECTION 3. The Subcontractor expressly covenants and agrees to keep himself thoroughly informed as to the progress of the job, to begin work within 10 days after notification by the Contractor, to prosecute the work continuously and uninterruptedly with all possible speed, and to complete the entire work covered by this Subcontract at such time as not to interfere with or delay performance of the General Contractor of the work of any other subcontractor. Furthermore, Subcontractor agrees to furnish and maintain in first-class operating condition a sufficient amount of equipment, machinery, tools, implements and supplies, and to furnish all material and all labor, including Superintendent's overhead and field accounting, and all things whatsoever required or convenient to properly carry out and perform the work herein specified, and to perform all work required by this Subcontract strictly in accordance with the General Contract, a copy of which is on file in the office of the Contractor and is available for inspection at all times. The term "General Contract," as used in this Subcontract, shall be deemed to mean the Contract between the Contractor and Owner, together with all the provisions, general conditions, plans, drawings, specifications, and addends which are part thereof or referred to therein (and with all of which the Subcontractor acknowledges he is familiar), as well as any additions thereto and modifications thereof subsequently made.

This Subcontract contemplates a complete installation covering the work described hereinbefore shall be all-inclusive under common usage in the industry and/or as may reasonably be inferred by the contract plans and specifications. Because these plans, drawings, specifications, and addenda thereto are an essential element of this Subcontract, the Subcontractor's failure to thoroughly check and verify the scope and extent of them shall not act to modify or mitigate the complete responsibility therein contemplated as to the work to be performed.

In the event the Subcontractor fails to carry on such work at such rates of progress as are specified under the terms hereof, the Contractor may, at its option, require the Subcontractor to increase the number of men and/or the amount of equipment employed in the performance of said work to such extent as the Contractor may deem necessary or desirable, or Contractor may exercise any other right or remedy it may have, including, but not limited to, the termination of this Subcontract.

SECTION 4. IN CONSIDERATION WHEREOF, the Contractor agrees to pay the Subcontractor for the full and faithful performance of his work the **ONE HUNDRED FORTY-THREE THOUSAND EIGHT HUNDRED SIXTY DOLLARS AND NO CENT ($143,860.00)** subject to additions and deductions for changes as may be agreed upon in writing and subject to the other terms of the Subcontract; provided, however, that no payments are to be made unless the Subcontractor's rate of progress, work done and material and/or services furnished are satisfactory to the Owner and Contractor and are herein agreed upon. Payments to Subcontractor shall be made in the following manner:

The Subcontractor shall submit to the Contractor applications for progress payments in a manner acceptable to the Contractor, and in such reasonable time as to enable the Contractor to apply for payment on the basis of the Subcontractor's work within the time specified under the

articles pertaining to the progress payments in the specifications or General Contract. The Contractor shall pay the Subcontractor for work satisfactorily performed within a reasonable time after receipt from Owner of the amounts due for Contractor's work.

However, Contractor shall be under no obligation to pay Subcontractor for any work done on this construction project until Contractor has been paid therefore by Owner, and the provisions hereof, stating the time of progress and final payments and the amount thereof, are subject to the condition that Contractor shall receive from Owner progress and/or final payments in at least the amounts payable to Subcontractor on account of work done by Subcontractor on this construction project, otherwise, the time when such payments shall be due Subcontractor shall be postponed until Contractor has received same from Owner. Subcontractor shall not be entitled to receive final payment under this Subcontract or construction project until the entire amount of work to be done hereunder has been accepted by Owner and a complete release of any and all claims against Contractor has been delivered by Subcontractor to Contractor. The acceptance of such release shall not relieve Subcontractor of liability for defects in said work, which may thereafter be discovered.

SECTION 5. Insofar as the provisions of the General Contract do not conflict with specific provisions herein contained, they, and each of them, are hereby incorporated into this Subcontract as fully as if completely rewritten herein. The Subcontractor agrees to be bound to the Contractor by all the terms of the General Contract applicable to this Subcontract and to assume toward Contractor with respect to the work and all operations of Subcontractor on this construction project all of the obligations and responsibilities that Contractor by the General Contract assumes toward Owner. The Subcontractor agrees that it will so perform this Subcontract as not to violate any terms, covenants, or conditions of the General Contract. The relationship of the Subcontractor hereunder toward Contractors shall be the same as that of Contractor toward the Owner under the General Contract, and the relationship of the Contractor hereunder to the Subcontractor shall be the same as that of the Owner toward the Contractor under the General Contract.

SECTION 6. In case of any dispute between the Subcontractor and Contractor, Subcontractor agrees to be bound to Contractor to the same extent that Contractor is bound to Owner by the terms of the General Contract and by any and all decisions or determinations made there under by the party or board so authorized in the General Contract. Subcontractor also agrees to be bound to Contractor to the same extent the Contractor is bound to Owner by the final decision of a court of competent jurisdiction, whether or not Subcontractor is a party to such proceeding. If such dispute is prosecuted or defended by Contractor against Owner under the terms of the General Contractor in court action, Subcontractor agrees to furnish all documents, statements, witnesses, and other information required by Contractor for such purpose and to pay or reimburse Contractor for all expenses and costs, if any, incurred in connection therewith. It is expressly understood that as to any and all work done and agreed to be done by the Subcontractor, and as to any and all materials or services furnished or agreed to be furnished by Subcontractor, and as to any and all damages, if any, incurred by Subcontractor, in connection with this construction project, Contractor shall never be liable to Subcontractor to any greater extent that Owner is liable to Contractor. No dispute shall interfere with the progress of construction and Subcontractor shall proceed with its work as directed.

SECTION 7. The Subcontractor shall furnish the Contractor with such partial releases and waivers of lien from its material men and creditors as the Contractor may request from time to time on labor and/or material and/or other claims and final releases and waivers of lien at the time of final payment on this Subcontract.

SECTION 8. The Subcontractor shall furnish, if requested by the Contractor, sworn affidavits from time to time in accordance with the form provided by the Contractor, which shall state amounts due or to become due, amounts paid, and any other information clearly to indicate the financial condition of the Subcontractor insofar as it relates to labor and material furnished and to be furnished under this Subcontract; and the Subcontractor agrees to pay as they accrue (and to protect, indemnify and hold the Contractor harmless against) any and all liens and claims of persons claiming to have performed labor or to have furnished material, appliances, insurance or services in connection therewith. If at any time there shall be any lien or claim against the Subcontractor and/or Contractor for labor, materials, appliances, insurance or services used in

said work for which, if established, the Contractor is of the opinion it might be directly or indirectly liable, then the Contractor may retain out of any money due or to become due the Subcontractor an amount sufficient to indemnify the Contractor against liability or loss by reason of such lien or claim, including the reasonable cost of any litigation there under, until the same shall be effectively satisfied, discharged or cancelled; or the Contractor may take such other steps as it may deem necessary to protect itself against any claims. If at any time the Contractor shall determine that the Subcontractor's financial condition has become, in the opinion of the Contractor, unsatisfactory, the Subcontractor shall furnish security satisfactory to the Contractor within three (3) days after written notice to its last known address, and in default of furnishing such security, the Contractor shall have the option to cancel this Subcontract. In case of such cancellations, the right of the Contractor shall be the same as if the Subcontractor had failed to perform this Subcontract.

SECTION 9. The terms of payment provided herein shall not make it incumbent on the Contractor to make payments in an amount that would not leave a sufficient balance to cover the retained percentage, together with an amount sufficient to satisfy all obligations of the Subcontractor for labor, materials, etc., furnished or to be furnished under this Subcontract.

SECTION 10. The Subcontractor agrees that moneys received for the performance of this Subcontract shall be used first for payment of labor, material, and services entering into this work, and said moneys shall not b diverted to satisfy obligations of the Subcontractor on other contracts.

SECTION 11. The Subcontractor agrees to protect the Owner and Contractor against all costs or claims for transportation, freight, and express, on men, materials, and equipment to and/or from the job, and for all other incidental expenses in connection with its work and to prepay the transportation charges on all materials, etc. shipped.

SECTION 12. The Subcontractor agrees to pay the scale of wages prescribed in the General Contract, or the scale prescribed by law in case the General Contract provides no such scale. If the Subcontractor shall fail in any respect to perform the covenants contained in this paragraph, the Contractor shall have the option to cancel this Subcontract forthwith. All penalties stated in General Contract shall be applicable hereunder as between the Subcontractor and the Contractor, except as otherwise expressly provided herein.

SECTION 13. Contractor may at any time, by written order and without notice to the Sureties, make changes in the work herein contracted, and Subcontractor shall proceed with the work as directed. If the same causes an increase or decrease in the contract price or in the time required for performance, an equitable adjustment shall be made; and the contract shall be modified in writing accordingly, all subject, however, to the terms of Section 30 below. But nothing herein contained shall excuse the Subcontractor from proceeding with the prosecution of the work as changed.

SECTION 14. The Subcontractor shall carry and pay for on his operations hereunder: (1) Workmen's Compensation and Employer's Liability Insurance; (2) Motor Vehicle Liability insurance covering all owned, non-owned or hired vehicles; (3) Comprehensive General Liability Insurance to include (a) Completed Operations coverage, (b) Independent Contractors coverage, (c) Contractual coverage for the agreement contained in the Contractor's Subcontract form, (d) Removal of the Explosion-Collapse-Underground Damage exclusions where applicable. The limits of liability under these policies shall meet the minimums set forth in Contractor's Certificate of Insurance form. The Contractor shall be named as additional insured on a primary and non-contributory basis. All insurance shall be in companies acceptable to the Contractor, and subcontractor shall furnish Contractor with Certificates of Insurance on special forms provided by Contractor for this purpose. Upon request, Subcontractor will furnish Contractor with duplicate originals of said policies. Each policy of insurance will carry an endorsement providing for waiver by the insurer of right of subrogation against Contractor and Owner. Subcontractor shall comply with all provisions of OSHA. The minimum limits of insurance coverage we require are as follows:

General Liability:
Bodily Injury and Property Damage: $1,000,000 Occurrence,
$2,000,000 Aggregate

Automobile Liability:
Bodily Injury & Property Damage Combined Single Limit: 1,000,000
Standard Workman's Compensation Employer's Liability:
Bodily Injury by Accident: $100,000.00 Each Accident
Bodily Injury by Disease: $500,000.00 Policy Limit
Bodily Injury by Disease: $100,000.00 Each Employee

SECTION 15. All work covered by this Agreement done at the site of construction or in preparing or delivering materials to the site shall be at the risk of Subcontractor alone. To the fullest extent permitted by law, the Subcontractor agrees to save, indemnify and keep harmless Contractor, Owner, Architect, Architect's consultants, and agents and employees of any of them from and against any and all liability, claims, judgments, or demands, including the obligations of Contractor on account of any similar agreement Contractor has with Owner, including demands arising from injuries or death of persons (Subcontractor's employees included) and damage to property, arising directly or indirectly out of the obligations herein undertaken or out of the operations conducted by Subcontractor, save and except claims or litigation arising through the sole negligence or sole willful misconduct of Contractor, and will make good to and reimburse Contractor for any expenditures, including reasonable attorney's fees, Contractor may make by reason of such matters and, if requested by Contractor, will defend any such suits at the sole cost and expense of Subcontractor.

SECTION 16. The Subcontractor agrees to pay, and does hereby accept full and exclusive liability for the payment of, any and all contributions or taxes for Unemployment Insurance and/or Old Age Retirement Benefit, Pensions or Annuities, now or hereafter imposed by the Government of the United States and/or by the Government of any state or territory of the United States, which are measured by the wages, salaries or other remuneration paid to persons employed by the Subcontractor on work performed under the terms of this Subcontract; also, Subcontractor agrees to pay, and hereby accepts full and exclusive liability for the payment of, any and all Sales or Use Taxes, or taxes measured by receipts in connection with the work under this Subcontract.

SECTION 17. The Subcontract takes precedence over any and all proposals, correspondence and oral agreement made prior to the date hereof. This Subcontract includes all changes and addenda to date.

SECTION 18. The Subcontractor agrees to pay (and to protect and indemnify the Contractor against any liability for) any damages sustained by another subcontractor, material man or other party supplying labor, materials and/or services in the performance of the work covered by the General Contract resulting from this subcontractor's acts or omissions (whether or not negligent), failure to perform, delays in performance or default in the performance of the work to be done under this Subcontract.

SECTION 19. IT IS EXPRESSLY UNDERSTOOD AND AGREED that time shall be considered the essence of the contract on the part of the Subcontractor. The Subcontractor expressly agrees to perform all work herein described and the several parts thereof, continuously, energetically and expeditiously, in full accord with the requirements of the General Contract as determined by the Contract and at such times and in such order as the Contractor considers necessary to keep the same sufficiently in advance of other parts of the building and/or project, and to avoid delay in the completion of the construction as a whole. The Subcontractor agrees to reimburse the Contractor for any loss, damage or expense, including (but not restricted to) any penalty or liability for damages incurred by Contractor to Owner which is due to Subcontractor's failure to deliver any and all material as required, or to perform properly any and all work in keeping with the progress of the general construction work, or to perform properly any term, covenant or condition contained in this Subcontract, or which is due to any breach of any of the provisions of this Subcontract, or which is due to delays in performance of the General Contract caused by Subcontractor; and it is further agreed that if the Subcontractor fails diligently to prosecute the work required to be done under this Subcontract in any particular, or if he fails to

make such progress required by the Contractor in order to keep sufficiently ahead of the Contractor's other operations, or if the Subcontractor shall abandon said work, or any part thereof, or fails in any way to perform the conditions of this Subcontract on his part to be performed, or shall become insolvent or make an assignment for the benefit or creditors, or commit an act of bankruptcy or have a petition in bankruptcy filed by or against him, or shall die or otherwise become physically or mentally disabled, the Contractor shall have the right, if it so elects, and without prejudice to any other right it may have, immediately and without notice to terminate this Subcontract and/or take any steps it deems advisable to secure necessary labor and material, by contractor otherwise, and may take over all of said Subcontractor's equipment, tools and supplies which may be either at the site of the work or enroute to the site where the work is being performed, and may prosecute the work to completion, using any moneys due and owing Subcontractor to mitigate Contractor's expense.

In case Contractor deems this procedure necessary for the proper conduct of the work, all moneys expended therefore, including (but not restricted therein) the cost of materials, labor, subcontracts, transportation, equipment expense and rentals thereon, supplies, services, insurance, taxes, appliances, tools, teams, utilities, power used or consumed, supervision, administration, job overhead, travel, legal and accounting fees and expenses, Contractor's general overhead as allocated to the work and other costs and expenses incurred or sustained by the Contractor, plus ten percent (10%) of the actual cost of the work performed as set for the as well as the amount of claims against Subcontractor paid by Contractor or for which it deems itself liable shall be deducted from the Contract Price stated herein, and if such total sum exceeds the amount otherwise due to Subcontractor hereunder. Subcontractor agrees to pay to Contractor the full amount of such excess, together with interest thereon at the highest rate permitted by applicable law until paid; or in case of any default on the part of the Subcontractor, the Contractor may exercise any other right or remedy available to it.

SECTION 20. Subcontractor unconditionally warrants and guarantees all labor and/or material and/or services employed and furnished by or to it in performing the work and agrees promptly to amend and make good, upon demand by the Contractor or Owner, and at Subcontractor's expense, any and all defects due to imperfect workmanship and/or materials and/or damages resulting there from, to the entire approval and acceptance of the Contractor and Owner and/or architect or their authorized representatives. Should the Subcontractor refuse or neglect to proceed at once with the correction of rejected or defective materials and/or workmanship, after receiving notice to do so, then the Contractor shall have the right and power to have the defects remedied or changes made at the expense of Subcontractor, and the Subcontractor agrees to pay Contract on demand any and all loss and/or expense paid or incurred by Contractor in remedying such defects, and/or making such changes, plus ten percent (10%) of such amounts to cover supervision, insurance, overhead, etc., together with interest on said total sum at the highest rate permitted by applicable law until paid. Furthermore, Subcontractor agrees to perform (and to protect Contractor from any liability thereon) Contractor's guarantees and undertakings in the General Contract insofar as it pertain to the work covered by this Subcontract. The obligations set forth in this paragraph are continuing and shall survive completion of the construction project and acceptance of the work and making final payment to Subcontractor shall not relieve subcontractor of its obligations and liabilities hereunder.

SECTION 21. The obligation of the Subcontractor to perform and complete all work covered by this Subcontract to the satisfaction of Contractor and Owner is absolute and without exception. Subcontractor shall effectively secure and protect its material and work and shall bear and be liable for all loss and/or damage of any kind in connection therewith at any time prior to final completion and acceptance thereof by Owner, unless said loss or damage is solely caused by direct negligence of the Contractor. Subcontractor shall reimburse Contractor on demand for any breakage or other damage to other work or materials occasioned by the Subcontractor in the execution of this Subcontract.

SECTION 22. If the Subcontractor deems that surfaces or work to which his work is to be applied or affixed are unsatisfactory or unsuitable, written notification of said conditions shall be given to the Contractor before proceeding or taking remedial action; otherwise no consideration will be given to claims for extra compensation or non-responsibility in connection therewith.

SECTION 23. The Subcontractor shall provide at its own expense whatever utilities, services, storage shed, work shops and offices that are necessary for the performance of this Subcontract and shall remove and thoroughly clean the premises at the completion of the work. If the Subcontractor has occasion to utilize any of the facilities of the General Contractor, if available, it shall pay a proportion of the cost thereof, determined on the basis of the proportionate number of employees using such from month to month.

SECTION 24. The Subcontractor shall clean up and remove from the site as directed by the Contractor all rubbish and debris resulting from its work: also, it shall clean up to the satisfaction of Owner and Contractor, all dirt, grease, marks, etc., from walls, ceilings, floors, fixtures, etc., deposited or placed thereon as a result of the execution of this Subcontract. If the Subcontractor refuses or fails to perform this cleaning as directed by the Contractor, the Contractor shall have the right and power to proceed with said cleaning, and the Subcontract will on demand repay to the Contractor the actual cost of said labor plus ten percent (10%) of such costs to cover supervision, insurance, overhead, etc., together with interest on said total sum at the rate of eight percent (8%) per annum until paid.

SECTION 25. Contractor may (but is not obligated to) carry builder's risk (installation) insurance on this construction project. Should Contractor carry this insurance, then Subcontractor shall have an interest therein to the benefits afforded by the policy in the same manner as the Contractor, with the same coverages and deductibles apply to any loss or claim as the Subcontractor's interest may appear at time of loss or claim. Subcontractor agrees it will assume the responsibility to determine whether Contractor is providing builder's risk insurance for its benefit, and in no event will Subcontractor hold Contractor liable of any loss sustained because of a lack of insurance coverage or for the amount of the deductible for any one occurrence which may be applicable. In no way will General Contractor be held liable for reimbursement to the Subcontractor (if General Contractor is carrying Builder's Risk) to the extent to which the General contractor is to be reimbursed.

SECTION 26. The Subcontractor shall furnish promptly all samples, lists, drawings, cuts, schedules, etc., required in connection with its work, but approval of same does not relieve it of its responsibility of complying with the requirements of the drawings and specifications of the General contract. All transportation costs on samples and drawings furnished by the Subcontractor shall be paid by it.

SECTION 27. The Subcontractor shall furnish all guaranties, bonds, operating instruction, etc., as required by the specifications and/or General Contract, and shall, if requested by the Contractor, furnish to the Contractor adequate performance and payment bonds in form of amounts and with surely acceptable to the Contractor.

SECTION 28. The Subcontractor shall hold and save the Contractor harmless from any liability including costs and expenses, for or on account of any patented or unpatented invention, article or appliance manufactured or used in the performance of this Subcontract, including their use by the Owner.

SECTION 29. The Subcontractor shall give its personal superintendence to the work or have a competent foreman or superintendent, satisfactory to the General Contractor, on the work at all times during progress, with authority to act for it. Subcontractor shall not employ any workmen in the performance of this Subcontract whose employment might be reasonably objected to by the Contract, the Owner or the architect and/or engineer.

SECTION 30. The Subcontractor agrees to make any claims for extension of time or for damages for delays or claims for alleged extra work or additional compensation, or otherwise, to the Contractor in the same manner as provided in the General Contract for like claims of the Contractor upon the Owner, and in such times as will enable the Contractor to present such claims to the Owner for payment or recognition: and the Contractor will not be liable to the Subcontractor on any claim not timely or properly presented, or until allowed by the Owner.

SECTION 31. Subcontractor agrees to comply with all statutory or contractual safety requirements applying to his work, including those contained in the Williams-Steiger Occupational Safety & Health Act of 1970, the Walsh-Healy Act, and all other applicable federal

and state occupational safety and health laws, and the safety program, rules and practices established by the Contractor. Subcontractor shall be responsible for and shall pay any monetary penalties assessed by any governmental agency for the violation of any safety act in the performance of his work and shall indemnify and hold Contractor harmless from any such monetary penalty incurred by Contractor by reason of Subcontractor's violations. In the event that Subcontractor violates any safety requirement which by direction of any governmental agency and/or owner results in a suspension of work on the project, in whole or in part, Subcontractor shall be liable to Contractor for all damages and expenses resulting from such suspension.

SECTION 32. In the event either Contractor or Subcontractor institutes suit in court against the other party, or against the surety of such party, in connection with any dispute or matter arising under this Agreement, the party which prevails in that suit shall be entitled to recover from the other its attorney's fees in reasonable amount, which shall be determined by the court and included in the judgment in said suit.

SECTION 33. In the event that Subcontractor shall cease to perform its work hereunder diligently or shall fail to timely provide all materials and or labor due to labor problems, whether or not they directly or indirectly involve the subcontractors employees, and if subcontractor is unable or unwilling to resume full and faithful performance of its obligations under this subcontract within 48 hours after notice from Contractor to do so, then Contractor may at any time thereafter terminate this Subcontractor and Subcontractor shall be entitled to compensation if any, in accordance with the terms of Section 19.

SECTION 34. It will be the responsibility of the Subcontractor to obtain and pay for necessary licenses, fees and permits as required for its work. Should pre-registration be required, the Subcontractor warrants that it has complied with such prerequisites. Subcontractor shall comply with all federal, state or local statutes, ordinances, regulations, rules, orders and directives relating to discrimination in employment, and shall comply with the provisions, if any, in the Prime Contract on that subject, insofar as his own employees or employees of his subcontractors are concerned.

SECTION 35. The Subcontractor agrees not to assign or subcontract this Subcontract, or any part thereof, or any interest therein, without first obtaining the written consent of the Contractor. The Subcontractor agrees not to assign or attempt to assign any moneys due or to become due to the Subcontractor under this Subcontract without first obtaining the written consent of the Contractor, and no such assignment shall be binding on Contractor unless and until accepted in writing by contractor.

SECTION 36. Clauses of the General Contract require to be inserted in this Subcontract are deemed to be a part hereof whether or not they are attached hereto.

SECTION 37. The General Contractor will furnish the Subcontractor (1) set of plans, specifications and amendments. If additional sets are required, they will be furnished at the request of the Subcontractor, and at the cost of reproduction thereof will be for the account of the Subcontractor.

SECTION 38. Contractor shall not be liable to this subcontractor, its material men, labors, or subcontractors for any damages, loss or expenses sustained by any of them resulting from acts or omissions (whether or not negligent), failure to perform delays in performance or defaults or another subcontractor, material man or supplier or service in connection with the performance of any of the work covered by the General Contract.

SECTION 39. Although drawn by Contractor, this Subcontract shall, in the event of any dispute over its meaning or application, be interpreted fairly and reasonably, and neither more strongly for or against either party.

SECTION 40. Waiver of any breach hereof shall not constitute a waiver of any subsequent breach of the same or any other provisions hereof.

SECTION 41. If at any time any controversy should arise between the Contractor and Subcontractor with respect to any matter or thing involved in this Subcontract or construction project, which controversy is not controlled or determined by Section 6 above or other provisions of this Subcontract, then the decision of the Contractor shall be followed by the Subcontractor, and said controversy shall be decided as follows: (i) The Subcontractors shall conclusively be bound by and abide by the Contractor's decision, unless the Subcontractor shall commence arbitration proceedings as hereinafter provided within thirty days following such decision. (ii) If the Subcontractor decided to appeal from the decision of the Contractor, then the controversy shall be decided by arbitration in accordance with the rules of the American Arbitration Association, and the arbitration decision shall be final and binding on both parties; provided, however, that proceedings before the American Arbitration Association shall be commenced by Subcontractor not later than 30 days following contractor's decision. (iii) No dispute shall interfere with the progress of the general construction, and Subcontractor shall proceed with its work. (iv) If arbitration is conducted by Owner and Contractor concerning any dispute between them, which likewise involves a dispute between Contractor and subcontractor, then Subcontractor agrees to a joint arbitration with Owner, Contractor and Subcontractor, as well as with any other parties thereto before one arbitration board which shall determine all of said disputes.

SECTION 42. Subcontractor shall insert in all of its own subcontracts and purchase orders a provision incorporating therein, by reference, all terms and provisions of the General Contract and of this Subcontract not inconsistent with the contract between Subcontractor and its own subcontractors and suppliers; and there shall be specifically incorporated in all of such subcontracts and purchase orders Section 6 of this Subcontract relating to "Disputes," and binding such subcontractors and suppliers of this Subcontract to all provisions thereof just as if such subcontractors and suppliers of this Subcontractor were parties to this Subcontract.

SECTION 43. In the event the General contract is terminated prior to its completion, Subcontractor shall be entitled to payment for its work actually completed on the same basis as the Contractor is paid under the terms of the General contract, if a termination clause is a part of the contract terms. Otherwise, the Subcontractor shall be entitled only to payment for the work actually completed by it at the pro rate of the price herein set forth unless Contractor itself receives additional compensation or damages on account of such termination; in which event, Subcontractor shall be entitled to such proportion of the additional compensation or damages actually received as is equitable under all of the circumstances. Nothing herein contained shall require Contractor to make any claim against Owner for such additional compensation or damages in the event of termination before completion, and it is specifically agreed that the failure of Contractor to prosecute any such claim against Owner shall not entitle Subcontractor to any claim for additional compensation or damages against Contractor.

SECTION 44. Subcontractor agrees to request payment for work described in this contract by submitting the attached pay request form on the 20th day of each month for payment on the following 10th of the month.

SECTION 45. Subcontractor understands that it is his responsibility while working on the project to comply with all OSHA regulations and guidelines, per provisions of Section 31.

SECTION 46. Subcontractor agrees to promptly execute any partial and final lien releases as requested by the General contractor. In addition, subcontractor agrees to provide General contractor with a list of material suppliers sub-subcontractors upon request.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement for themselves, their heirs, executors, successors, administrators and assigns on the day and year first above written. Further, the Contractor and Subcontractor each certify that the person executing this Subcontract in its name has full corporate authority to bind the corporation to the terms hereof, or if partnership or individual ownership, to bind the company or owner. Acceptance occurs only by Subcontractor executing this Agreement as prepared by the Contractor.

_____	**CRESTLINE BUILDING CORPORATION**
Subcontractor	
By:_____	By:_____
Title:	**DAVID L. PARMETER, PRESIDENT**

Seal of Corporation

THE SHERWIN WILLIAMS CO.
1301 W PIERCE ST
CARLSBAD NM 88220 4018

SHERWIN-WILLIAMS.

Visit www.sherwin-williams.com
Store 707387
(575) 885-7990
Fax: (575) 885-5929

JOB 14 ARROWSTONE APTS

SHIPPED TO:

806 HIDALGO RD

CHARGE INVOICE
No. 9528-0
TRC# 457742
PAGE 1 OF 1
PO# ARROWSTONE/REC CENTER
ORDER: OE0140762A707387
DATE: 01/17/2023
TIME: 07:13 AM
2-Q184
E17/13668

ACCOUNT: **2307-3060-8**

CRESTLINE BUILDING CORP/
2700 MISSOURI AVE STE 3
LAS CRUCES NM 88011 9135

TERMS: NET PAYMENT DUE ON FEB. 20th

SALES NUMBER	SIZE	PRODUCT	DESCRIPTION	QTY	PRICE	VALUE
6501-32632	5 GAL	B28W8601	HIBILD PRMR/SRFCR	80	14.97	1197.60N
			DISCOUNT ($)			-354.40
			Pricing Accommodation			

Thank You
receipt required for refund

SUBTOTAL BEFORE TAX	**843.20**
7.520% SALES TAX:1-328822000	**0.00**
CHARGE	**$843.20**

MERCHANDISE RECEIVED IN GOOD ORDER BY:

ORDERED BY:BENJAMIN

STORE HOURS
SUNDAY: 10:00 AM - 4:00 PM
MONDAY - FRIDAY: 7:00 AM - 6:00 PM
SATURDAY: 8:00 AM - 5:00 PM

Approved: DLR
Job: 716
ph 090 cc 09045 $ 843.20
ph_____ cc_____ $_____
ph_____ cc_____ $_____

THE SHERWIN WILLIAMS CO.
1301 W PIERCE ST
CARLSBAD NM 88220 4018

SHERWIN-WILLIAMS.

Visit www.sherwin-williams.com
Store 707387
(575) 885-7990
Fax: (575) 885-5929
JOB 14 ARROWSTONE APTS

CHARGE INVOICE
No. 9786-4
TRC# 457742
PAGE 1 OF 1
PO# ARROWSTONE/REC CENTER
ORDER: OE0140917Q707387
DATE: 01/23/2023
TIME: 09:51 AM
2-Q184
E21/13668

ACCOUNT: **2307-3060-8**

CRESTLINE BUILDING CORP/
2700 MISSOURI AVE STE 3
LAS CRUCES NM 88011 9135

SHIPPED TO:

ARROWSTONE
806 HIDALGO RD
CARLSBAD NM 88220

TERMS: NET PAYMENT DUE ON FEB. 20th

SALES NUMBER	SIZE	PRODUCT	DESCRIPTION	QTY	PRICE	VALUE
6508-65033	5 GAL	B20W12651	PM 200 0 EG EXTRA **Color: SW7004 SNOWBOUND** **CCE*Color Cast** **OZ** **32** **64** **128** G2 New Green - 1 - 1 R2 Maroon - 1 - 1 Y3 Deep Gold - 1 - 1 Sher-Color Formula SNOWBOUND	75	36.72	2754.00N
6508-65033	5 GAL	B20W12651	PM 200 0 EG EXTRA	5	36.72	183.60N

Thank You
receipt required for refund

SUBTOTAL BEFORE TAX	**2937.60**
7.520% SALES TAX:1-328822000	**0.00**
CHARGE	**$2937.60**

MERCHANDISE RECEIVED IN GOOD ORDER BY:

DELIVERED TO:BEN

STORE HOURS
SUNDAY: 10:00 AM - 4:00 PM
MONDAY - FRIDAY: 7:00 AM - 6:00 PM
SATURDAY: 8:00 AM - 5:00 PM

Approved: DW
Job: 716
ph 090 cc: 09045 $ 2937.60
ph_____ cc:_____ $_____
ph_____ cc:_____ $_____

...AMS CO.
...ST
...M 88220 4018

ACCOUNT: **2307-3060-8**

CRESTLINE BUILDING CORP/
2700 MISSOURI AVE STE 3
LAS CRUCES NM 88011 9135

(575) 532-8310

SHERWIN-WILLIAMS.

Visit www.sherwin-williams.com
Store 707387
(575) 885-7990
Fax: (575) 885-5929
JOB 1 CRESTLINE BUILDING CORP/

CHARGE
INVOICE
No. 3359-6
TRC# 457742
PAGE 1 OF 1
PO# COVENTION CENTER
ORDER: OE0143254Q707387
DATE: 04/10/2023
TIME: 03:29 PM
2-Q184
E54/13668

TERMS: 2% 10 DAYS, NET PAYMENT DUE ON MAY 20

SALES NUMBER	SIZE	PRODUCT	DESCRIPTION	QTY	PRICE	VALUE
6403-89151	GALLON	A6W151	A100 EX FL EXTRA	1	28.38	28.38N
			Custom: MANUAL			
			CCE*Color Cast **OZ** **32** **64** **128**			
			R4 New Red - 10 - -			
			Y1 Yellow 2 30 - -			
			Custom Manual Match			
			MANUAL			
6509-70841	4 INCH	104303400	CS POLY KNIT 4 X 3/4	2	5.18	10.36
180-6488	9 INCH	106488900	COVER SW SHEEPSKIN	1	16.99	16.99
8000-03204	5 GAL	NA	HL 2152 FDTP WB WH	10	31.99	319.90N

Thank You
receipt required for refund

SUBTOTAL BEFORE TAX	**375.63**
7.520% SALES TAX:1-328822000	**2.06**
CHARGE	**$377.69**

MERCHANDISE RECEIVED IN GOOD ORDER BY:

BEN

STORE HOURS
SUNDAY: 10:00 AM - 4:00 PM
MONDAY - FRIDAY: 7:00 AM - 6:00 PM
SATURDAY: 8:00 AM - 5:00 PM

Approved: OLP
Job: 716
ph 090 cc: 09045 $377.69
ph _____ cc: _____ $_____
ph _____ cc: _____ $_____

E SHERWIN WILLIAMS CO.
1301 W PIERCE ST
CARLSBAD NM 88220 4018

SHERWIN-WILLIAMS.

Visit www.sherwin-williams.com
Store 707387
(575) 885-7990
Fax: (575) 885-5929
JOB 1 CRESTLINE BUILDING CORP/

CHARGE INVOICE
No. 4410-6
TRC# 457742
PAGE 1 OF 1
PO# CONVENTION CENTER

ACCOUNT: **2307-3060-8**

DATE: 05/01/2023
TIME: 08:15 AM
2-Q184
E17/13668

CRESTLINE BUILDING CORP/
2700 MISSOURI AVE STE 3
LAS CRUCES NM 88011 9135

(575) 532-8310

TERMS: 2% 10 DAYS, NET PAYMENT DUE ON JUNE 20

SALES NUMBER	SIZE	PRODUCT	DESCRIPTION	QTY	PRICE	VALUE
7907-99993	GALLON	B54W101	IND EN PURE WHITE	1	39.91	39.91N
132-6784	11 OZ	WL1102A	POWERHOUSE BEIGE	7	3.48	24.36N
180-1281	EACH	980742990	4-SIDED HD 5GL GRID	4	4.24	16.96
155-1969	EACH	CR200	CR200 RACHET GUN1/10	3	7.56	22.68N
6509-70841	4 INCH	104303400	CS POLY KNIT 4 X 3/4	2	5.18	10.36

Thank You
receipt required for refund

SUBTOTAL BEFORE TAX	**114.27**
7.520% SALES TAX:1-328822000	**2.05**
CHARGE	**$116.32**

MERCHANDISE RECEIVED IN GOOD ORDER BY:

BE

STORE HOURS
SUNDAY: 10:00 AM - 4:00 PM
MONDAY - FRIDAY: 7:00 AM - 6:00 PM
SATURDAY: 8:00 AM - 5:00 PM

Approved: DA
Job: 716
ph 090 cc: 09045 $ 116.32
ph _____ cc: _____ $ _____
ph _____ cc: _____ $ _____

Crestline Building Corporation
Transaction Detail By Account
January through December 2023

	Type	Date	Num	Name	Memo	Class	Clr	Split	Amount	
50000 · Job Labor										
	Paycheck	01/27/2023	DD6218	Convention Center	Direct Deposit	GL Codes:Painting Int - 98305		10000 · Cash Payroll	385.00	
	Paycheck	01/27/2023	DD6223	Convention Center	Direct Deposit	GL Codes:Painting Int - 98305		10000 · Cash Payroll	222.00	
	Paycheck	02/03/2023	DD6247	Convention Center	Direct Deposit	GL Codes:Painting Int - 98305		10000 · Cash Payroll	385.00	
	Paycheck	02/03/2023	DD6252	Convention Center	Direct Deposit	GL Codes:Painting Int - 98305		10000 · Cash Payroll	222.00	
	Paycheck	03/31/2023	DD6484	Convention Center	Direct Deposit	GL Codes:Painting Int - 98305		10000 · Cash Payroll	385.00	
	Paycheck	03/31/2023	DD6488	Convention Center	Direct Deposit	GL Codes:Painting Int - 98305		10000 · Cash Payroll	222.00	
	Paycheck	04/21/2023	DD6550	Convention Center	Direct Deposit	GL Codes:Painting Int - 98305		10000 · Cash Payroll	444.00	
	Paycheck	04/21/2023	DD6551	Convention Center	Direct Deposit	GL Codes:Painting Int - 98305		10000 · Cash Payroll	298.00	
	Paycheck	04/21/2023	DD6572	Convention Center	Direct Deposit	GL Codes:Painting Int - 98305		10000 · Cash Payroll	444.00	
	Paycheck	04/21/2023	DD6573	Convention Center	Direct Deposit	GL Codes:Painting Int - 98305		10000 · Cash Payroll	770.00	
	Paycheck	04/21/2023	DD6577	Convention Center	Direct Deposit	GL Codes:Painting Int - 98305		10000 · Cash Payroll	444.00	
	Paycheck	05/05/2023	DD6633	Convention Center	Direct Deposit	GL Codes:Painting Int - 98305		10000 · Cash Payroll	385.00	
	Paycheck	05/12/2023	DD6663	Convention Center	Direct Deposit	GL Codes:Painting Int - 98305		10000 · Cash Payroll	385.00	4,991.00
Total 50000 · Job Labor									4,991.00	
TOTAL									4,991.00	

Southeast Readi-Mix Products, Inc.
P.O. Box 1987
Carlsbad, NM 88221-1987
Phone: (575) 885-2181
Fax: (575) 887-2228

Invoice

DATE	INVOICE #
10/20/2022	461719

BILL TO:

CRESTLINE BUILDING CORPORATION
2700 Missouri
Suite 3
LAS CRUCES NM 88011

CUST CODE: 720

PROJECT:

SHIP TO:

4019 National Parks Highway

ZONE:
P.O. NUMBER:
ORDER CODE: 400
SHIP DATE: 10/20/2022
TERMS: NET 30

TICKET	ITEM CODE	DESCRIPTION	QUANTITY	PRICE EACH	TOTAL
489459	BASE	BASE COURSE	22.60	$18.25	$412.45
489459	DELIVERY	DELIVERY CHARGE	22.60	$4.00	$90.40
489459	ENV	ENVIRONMENTAL FEE	1.00	$2.50	$2.50
489459	FUEL	FUEL SURCHARGE	22.60	$.65	$14.69
489460	BASE	BASE COURSE	23.57	$18.25	$430.15
489460	DELIVERY	DELIVERY CHARGE	23.57	$4.00	$94.28
489460	ENV	ENVIRONMENTAL FEE	1.00	$2.50	$2.50
489460	FUEL	FUEL SURCHARGE	23.57	$.65	$15.32
489461	BASE	BASE COURSE	22.33	$18.25	$407.52
489461	DELIVERY	DELIVERY CHARGE	22.33	$4.00	$89.32
489461	ENV	ENVIRONMENTAL FEE	1.00	$2.50	$2.50
489461	FUEL	FUEL SURCHARGE	22.33	$.65	$14.51

Approved: DLP
Job: 716
ph 020 cc: 02146 $ 1576.14
ph _____ cc: _____ $ _____
ph _____ cc: _____ $ _____

TOTAL QUANTITY:	68.50 tn	SUBTOTAL:	$1,576.14
		TOTAL TAX:	$.00
		INVOICE TOTAL:	$1,576.14

NICHOLS PRINTING, INC.

Diesel Enterprises, LLC

PO Box 519
Dona Ana, NM 88032

MAR 2 0 2023

Invoice

Date	Invoice #
3/20/2023	1882

Bill To
Crestline Building Corporation 2700 Missouri Suite #3 Las Cruces, NM 88011

Description	Amount
Carlsbad Event Center - Dirt work	20,000.00
Curbs 1672 lf x 20.00	33,440.00
Sidewalks, ramp and steps 1400 sf x $6.50	9,100.00
Rundowns 798 sf x 10.00	7,980.00
Rip Rap	1,000.00
Concrete paving	207,396.00
Light pole bases	3,200.00

Approved:_____
Job:_____
ph_____cc:_____$_____
ph_____cc:_____$_____
ph_____cc:_____$_____

It's been a pleasure working with you!

Total $282,116.00

METRO MECHANICAL INC.

Las Cruces, NM 88005
Las Cruces, NM 88005

Invoice

Date	Invoice #
12/20/2022	8047

Bill To
Crestline Building Corporation 2700 Missouri Ave, Suite 3 Las Cruces, New Mexico 88011

P.O. No.	Terms	Project
		Hyatt House Hotel - Carlsbad

Quantity	Description	Rate	Amount
	EXTRA: Plumbing for 2 - added Mop Sinks		
	Material	1,820.00	1,820.00
	Labor	3,100.00	3,100.00
	Hotel	440.00	440.00
	Fuel Charge	80.00	80.00

Thank you for your business.

Total $5,440.00

METRO MECHANICAL INC.
Las Cruces, NM 88005
Las Cruces, NM 88005

MAR 2 0 2023

Invoice

Date	Invoice #
3/17/2023	8091

Bill To
Crestline Building Corporation 2700 Missouri Ave, Suite 3 Las Cruces, New Mexico 88011

P.O. No.	Terms	Project
		Hyatt House Hotel - Carlsbad

Quantity	Description	Rate	Amount
	Hyatt House Hotel Convention Center		
	EXTRA: Install Fire Backflow Preventer	2,600.00	2,600.00

Approved:_____
Job:_____
ph_____cc:_____$_____
ph_____cc:_____$_____
ph_____cc:_____$_____

Thank you for your business.

Total $2,600.00

STANDARD SUBCONTRACT FORM

THIS SUBCONTRACT, made this **5th day of December 2022**, by and between **Metro Mechanical, INC** doing business as **Plumbing Subcontractor** with principal office at **745 S Compress Rd (Phone: 575-527-1044);** hereinafter called the Subcontractor), and **Crestline Building Corporation** with principal office at **2700 Missouri Ave Suite 3, Las Cruces, NM 88011 (P: 575-532-8310/F: 575-532-8312)** (hereinafter called Contractor), WITNESSETH:

That the Subcontractor and the Contractor, in consideration of the covenants and agreements herein contained, mutually agree as follows:

SECTION 1. The Subcontractor agrees to furnish all labor, material, an equipment and perform all work described in Section 2 hereof for the construction of **Carlsbad Convention Facility LLC** (hereinafter sometimes called Construction Project), located at **4017 National Parks Highway Carlsbad, NM 88022** for **Carlsbad Convention Facility, LLC.** (hereinafter called Owner), in accordance with the terms of this Subcontract, and in accordance with the terms of the General Contract between the Owner and the Contractor, dated **September, 2022**, and the General and Special Conditions.

Drawings and Specifications (listing attached) prepared by **Vista Unlimited** forming a part of the Contract between the Contractor and the Owner, all of which shall be considered part of this Agreement by reference thereto, copies of which are on file at the office of the Contractor and are available at all times.

SECTION 2. The Subcontractor and the Contractor agree that the materials and/or services to be furnished and the work to be done by the Subcontractor are:

PLUMBING:

Furnish all labor, supervision, materials, tools, equipment, insurance, applicable taxes and incidentals for a complete installation of the building plumbing, including water, sewer, condensate drains, and roof drains. All work will be in accordance with the contract plans and specifications and local building code requirements. This subcontract includes but is not limited to the following:

1. Required permits and fees necessary for the building plumbing system.

2. Provide submittals of the shop drawings, catalogues, brochures, manufacturer's literature etc. for all material and equipment proposed for use on this project for review and approval by the Architect/Owner.

3. All excavation layout, backfill (including sand bedding of all underground pipes) and compaction for all work as required.

4. Furnish all labor and materials for the building sanitary sewer system to and including the double cleanouts at approximately 5' outside of buildings to 4" diameter stub out at lift station. Sanitary sewer system is a gravity flow type. This subcontractor shall insure all pipe installed with uniform and adequate slope per code requirements. Tie-in to 4" exterior SS line located at the sewage lift station shall be by this subcontractor. Coordinate with utility work to ensure utility stub-out is lower than plumbing stub-out. Install building sewer drains as high as code allows insuring adequate slope to utility tie-in.

5. Furnish all labor and materials for a complete gas distribution system from the building gas meter/regulator and continue gas service to all gas appliances in building including water heater and air conditioning equipment. Including hook up of all gas appliances including shut off valves, etc.

6. Furnish all labor and materials for the complete installation of the sanitary sewer, hot and cold water, and the building plumbing systems outside of buildings, which will include layout, backfill, and compaction for all work below grade or under slab, including required sleeve, block outs, etc.

7. Furnish and install all pipes, fittings, valves, hose bibs (frost proof), traps, clean-outs, valve boxes, including covers, access panels required for plumbing pipe, insulation as specified.(for hot and cold water lines), hot and cold water service, all plumbing fixtures complete with fittings, traps, hot water heaters including pans and drains expansion tanks at water heaters, pressure relief valves, exterior drain lines for hot water generators, complete with all piping, escutcheons, accessories, properly run to the exterior of the building. Provide all flush valve type toilets and urinals, lavatory trim, kitchen sink trim, kitchen valves, FHA straps to assure adequate protection of piping run inside walls, strapping for all piping to secure against hammer noise, air hammers where required to minimize water plumbing noise and vibration, all plumbing, and fixtures. It is understood the plumbing as installed by this subcontractor shall provide a complete and operable building plumbing system. Plumbing fixtures shall be as specified.

8. Provide roof drains and overflows including all piping. Overflow to be six inches above roof and drain to exterior via piping and spout, 12" above finish floor.

9. Furnish all sleeves for pipes passing through concrete stem walls. Install roof jacks, flashings, sealants, fire caulking, fire stops, etc. for all plumbing and roof penetrations of building plumbing systems through walls, floors, and roofs. Furnish escutcheon plates for all plumbing penetrations through interior walls.

GENERAL:

1. This Subcontractor agrees to properly staff, equip, and supervise the project so as to maintain the production schedule established for the project as posted in the Contractor's job-site office trailer. This shall include full-time supervision as it relates to production, safety, and quality of all work included in this Subcontractor's scope-of-work.

2. This Subcontractor agrees to submit pay requests using Contractor's pay request forms. These requests shall be properly executed and submitted to the field office by the 20th of each month for payment on or about the 10th of the month following but not until Contractor receives payment from Owner. A 5% retainage will be held on this Subcontractor until the project completion or Owner releases retainage to Contractor.

3. No payment will be made to this Subcontractor until written verification is submitted to the General Contractor regarding Workman's Compensation Insurance coverage and General Liability coverage.

4. Subcontractor agrees to comply with all provisions of the Immigration Reform and Control Act of 1986 Public Law 99-603 {S-1200}, dated 11/5/86 (the 'ACT") in regard to the unlawful employment of aliens. Specifically, but not by way of limitation, Subcontractor agrees to comply with and adhere to the Employment Verification System described in Section 101 of said Act and to refrain from Unfair Immigration Employment Practices described in Section 102 of said Act. Moreover, Subcontractor agrees to require that all employees performing work in connection with the project comply with such laws. Subcontractor agrees to indemnify and hold Owner and Contractor harmless from any and all liability, damages, claims, and/or penalties (civil or criminal) including court cost and reasonable attorney's fees, arising directly or indirectly out of Subcontractor's failure to strictly adhere to and comply with the terms of said Act or Subcontractor's failure to ensure compliance by employees as provided herein.

5. This Subcontractor shall take precautions to protect the work in place of other trades and shall notify the superintendent prior to installation of any conflict with other trades regarding correct installation of his work. He shall also remove from the site on a daily basis or as directed by the project superintendent any debris generated by his work or workers in or around the building and site.

6. The Subcontractor warrants to the Owner, Architect and Contractor that materials and equipment furnished under this Subcontract will be of good quality and new unless

otherwise required or permitted by the Subcontract Documents, that the Work of this Subcontract will be free from defects not inherent in the quality required or permitted, and that the Work will conform to the requirements of the Subcontract Documents. Work not conforming to these requirements, including substitutions not properly approved and authorized, may be considered defective. The Subcontractor's warranty excludes remedy for damage or defect caused by abuse, modifications not executed by the Subcontractor, improper or insufficient maintenance, improper operation, or normal wear and tear under normal usage. This warranty shall be in addition to and not in limitation of any other warranty or remedy required by law or by the Subcontract Documents.

7. This subcontractor accepts full responsibility for his work in place against all defects and damages until final acceptance by Owner. At such time subcontractor guarantees his workmanship and materials for a period of one year from the date of final acceptance of project by Owner.

8. Total Contract price is:

TOTAL: $117,000.00

SECTION 3. The Subcontractor expressly covenants and agrees to keep himself thoroughly informed as to the progress of the job, to begin work within 10 days after notification by the Contractor, to prosecute the work continuously and uninterruptedly with all possible speed, and to complete the entire work covered by this Subcontract at such time as not to interfere with or delay performance of the General Contractor of the work of any other subcontractor. Furthermore, Subcontractor agrees to furnish and maintain in first-class operating condition a sufficient amount of equipment, machinery, tools, implements and supplies, and to furnish all material and all labor, including Superintendent's overhead and field accounting, and all things whatsoever required or convenient to properly carry out and perform the work herein specified, and to perform all work required by this Subcontract strictly in accordance with the General Contract, a copy of which is on file in the office of the Contractor and is available for inspection at all times. The term "General Contract," as used in this Subcontract, shall be deemed to mean the Contract between the Contractor and Owner, together with all the provisions, general conditions, plans, drawings, specifications, and addends which are part thereof or referred to therein (and with all of which the Subcontractor acknowledges he is familiar), as well as any additions thereto and modifications thereof subsequently made.

This Subcontract contemplates a complete installation covering the work described hereinbefore shall be all-inclusive under common usage in the industry and/or as may reasonably be inferred by the contract plans and specifications. Because these plans, drawings, specifications, and addenda thereto are an essential element of this Subcontract, the Subcontractor's failure to thoroughly check and verify the scope and extent of them shall not act to modify or mitigate the complete responsibility therein contemplated as to the work to be performed.

In the event the Subcontractor fails to carry on such work at such rates of progress as are specified under the terms hereof, the Contractor may, at its option, require the Subcontractor to increase the number of men and/or the amount of equipment employed in the performance of said work to such extent as the Contractor may deem necessary or desirable, or Contractor may exercise any other right or remedy it may have, including, but not limited to, the termination of this Subcontract.

SECTION 4. IN CONSIDERATION WHEREOF, the Contractor agrees to pay the Subcontractor for the full and faithful performance of his work the **ONE HUNDRED SEVENTEEN THOUSAND DOLLARS AND NO CENT ($117,000.00)** subject to additions and deductions for changes as may be agreed upon in writing and subject to the other terms of the Subcontract; provided, however, that no payments are to be made unless the Subcontractor's rate of progress, work done and material and/or services furnished are satisfactory to the Owner and Contractor and are herein agreed upon. Payments to Subcontractor shall be made in the

following manner:

The Subcontractor shall submit to the Contractor applications for progress payments in a manner acceptable to the Contractor, and in such reasonable time as to enable the Contractor to apply for payment on the basis of the Subcontractor's work within the time specified under the articles pertaining to the progress payments in the specifications or General Contract. The Contractor shall pay the Subcontractor for work satisfactorily performed within a reasonable time after receipt from Owner of the amounts due for Contractor's work.

However, Contractor shall be under no obligation to pay Subcontractor for any work done on this construction project until Contractor has been paid therefore by Owner, and the provisions hereof, stating the time of progress and final payments and the amount thereof, are subject to the condition that Contractor shall receive from Owner progress and/or final payments in at least the amounts payable to Subcontractor on account of work done by Subcontractor on this construction project, otherwise, the time when such payments shall be due Subcontractor shall be postponed until Contractor has received same from Owner. Subcontractor shall not be entitled to receive final payment under this Subcontract or construction project until the entire amount of work to be done hereunder has been accepted by Owner and a complete release of any and all claims against Contractor has been delivered by Subcontractor to Contractor. The acceptance of such release shall not relieve Subcontractor of liability for defects in said work, which may thereafter be discovered.

SECTION 5. Insofar as the provisions of the General Contract do not conflict with specific provisions herein contained, they, and each of them, are hereby incorporated into this Subcontract as fully as if completely rewritten herein. The Subcontractor agrees to be bound to the Contractor by all the terms of the General Contract applicable to this Subcontract and to assume toward Contractor with respect to the work and all operations of Subcontractor on this construction project all the obligations and responsibilities that Contractor by the General Contract assumes toward Owner. The Subcontractor agrees that it will so perform this Subcontract as not to violate any terms, covenants, or conditions of the General Contract. The relationship of the Subcontractor hereunder toward Contractors shall be the same as that of Contractor toward the Owner under the General Contract, and the relationship of the Contractor hereunder to the Subcontractor shall be the same as that of the Owner toward the Contractor under the General Contract.

SECTION 6. In case of any dispute between the Subcontractor and Contractor, Subcontractor agrees to be bound to Contractor to the same extent that Contractor is bound to Owner by the terms of the General Contract and by any and all decisions or determinations made there under by the party or board so authorized in the General Contract. Subcontractor also agrees to be bound to Contractor to the same extent the Contractor is bound to Owner by the final decision of a court of competent jurisdiction, whether or not Subcontractor is a party to such proceeding. If such dispute is prosecuted or defended by Contractor against Owner under the terms of the General Contractor in court action, Subcontractor agrees to furnish all documents, statements, witnesses, and other information required by Contractor for such purpose and to pay or reimburse Contractor for all expenses and costs, if any, incurred in connection therewith. It is expressly understood that as to any and all work done and agreed to be done by the Subcontractor, and as to any and all materials or services furnished or agreed to be furnished by Subcontractor, and as to any and all damages, if any, incurred by Subcontractor, in connection with this construction project, Contractor shall never be liable to Subcontractor to any greater extent that Owner is liable to Contractor. No dispute shall interfere with the progress of construction and Subcontractor shall proceed with its work as directed.

SECTION 7. The Subcontractor shall furnish the Contractor with such partial releases and waivers of lien from its material men and creditors as the Contractor may request from time to time on labor and/or material and/or other claims and final releases and waivers of lien at the time of final payment on this Subcontract.

SECTION 8. The Subcontractor shall furnish, if requested by the Contractor, sworn affidavits from time to time in accordance with the form provided by the Contractor, which shall state amounts due or to become due, amounts paid, and any other information clearly to indicate the financial condition of the Subcontractor insofar as it relates to labor and material furnished

and to be furnished under this Subcontract; and the Subcontractor agrees to pay as they accrue (and to protect, indemnify and hold the Contractor harmless against) any and all liens and claims of persons claiming to have performed labor or to have furnished material, appliances, insurance or services in connection therewith. If at any time there shall be any lien or claim against the Subcontractor and/or Contractor for labor, materials, appliances, insurance or services used in said work for which, if established, the Contractor is of the opinion it might be directly or indirectly liable, then the Contractor may retain out of any money due or to become due the Subcontractor an amount sufficient to indemnify the Contractor against liability or loss by reason of such lien or claim, including the reasonable cost of any litigation there under, until the same shall be effectively satisfied, discharged or cancelled; or the Contractor may take such other steps as it may deem necessary to protect itself against any claims. If at any time the Contractor shall determine that the Subcontractor's financial condition has become, in the opinion of the Contractor, unsatisfactory, the Subcontractor shall furnish security satisfactory to the Contractor within three (3) days after written notice to its last known address, and in default of furnishing such security, the Contractor shall have the option to cancel this Subcontract. In case of such cancellations, the right of the Contractor shall be the same as if the Subcontractor had failed to perform this Subcontract.

SECTION 9. The terms of payment provided herein shall not make it incumbent on the Contractor to make payments in an amount that would not leave a sufficient balance to cover the retained percentage, together with an amount sufficient to satisfy all obligations of the Subcontractor for labor, materials, etc., furnished or to be furnished under this Subcontract.

SECTION 10. The Subcontractor agrees that moneys received for the performance of this Subcontract shall be used first for payment of labor, material, and services entering into this work, and said moneys shall not b diverted to satisfy obligations of the Subcontractor on other contracts.

SECTION 11. The Subcontractor agrees to protect the Owner and Contractor against all costs or claims for transportation, freight, and express, on men, materials, and equipment to and/or from the job, and for all other incidental expenses in connection with its work and to prepay the transportation charges on all materials, etc. shipped.

SECTION 12. The Subcontractor agrees to pay the scale of wages prescribed in the General Contract, or the scale prescribed by law in case the General Contract provides no such scale. If the Subcontractor shall fail in any respect to perform the covenants contained in this paragraph, the Contractor shall have the option to cancel this Subcontract forthwith. All penalties stated in General Contract shall be applicable hereunder as between the Subcontractor and the Contractor, except as otherwise expressly provided herein.

SECTION 13. Contractor may at any time, by written order and without notice to the Sureties, make changes in the work herein contracted, and Subcontractor shall proceed with the work as directed. If the same causes an increase or decrease in the contract price or in the time required for performance, an equitable adjustment shall be made; and the contract shall be modified in writing accordingly, all subject, however, to the terms of Section 30 below. But nothing herein contained shall excuse the Subcontractor from proceeding with the prosecution of the work as changed.

SECTION 14. The Subcontractor shall carry and pay for on his operations hereunder: (1) Workmen's Compensation and Employer's Liability Insurance; (2) Motor Vehicle Liability insurance covering all owned, non-owned or hired vehicles; (3) Comprehensive General Liability Insurance to include (a) Completed Operations coverage, (b) Independent Contractors coverage, (c) Contractual coverage for the agreement contained in the Contractor's Subcontract form, (d) Removal of the Explosion-Collapse-Underground Damage exclusions where applicable. The limits of liability under these policies shall meet the minimums set forth in Contractor's Certificate of Insurance form. The Contractor shall be named as additional insured on a primary and non-contributory basis. All insurance shall be in companies acceptable to the Contractor, and subcontractor shall furnish Contractor with Certificates of Insurance on special forms provided by Contractor for this purpose. Upon request, Subcontractor will furnish Contractor with duplicate originals of said policies. Each policy of insurance will carry an endorsement providing for waiver by the insurer of right of subrogation against Contractor and Owner.

Subcontractor shall comply with all provisions of OSHA. The minimum limits of insurance coverage we require are as follows:

General Liability:
Bodily Injury and Property Damage: $1,000,000 Occurrence,
$2,000,000 Aggregate

Automobile Liability:
Bodily Injury & Property Damage Combined Single Limit: 1,000,000
Standard Workman's Compensation Employer's Liability:
Bodily Injury by Accident: $100,000.00 Each Accident
Bodily Injury by Disease: $500,000.00 Policy Limit
Bodily Injury by Disease: $100,000.00 Each Employee

SECTION 15. All work covered by this Agreement done at the site of construction or in preparing or delivering materials to the site shall be at the risk of Subcontractor alone. To the fullest extent permitted by law, the Subcontractor agrees to save, indemnify and keep harmless Contractor, Owner, Architect, Architect's consultants, and agents and employees of any of them from and against any and all liability, claims, judgments, or demands, including the obligations of Contractor on account of any similar agreement Contractor has with Owner, including demands arising from injuries or death of persons (Subcontractor's employees included) and damage to property, arising directly or indirectly out of the obligations herein undertaken or out of the operations conducted by Subcontractor, save and except claims or litigation arising through the sole negligence or sole willful misconduct of Contractor, and will make good to and reimburse Contractor for any expenditures, including reasonable attorney's fees, Contractor may make by reason of such matters and, if requested by Contractor, will defend any such suits at the sole cost and expense of Subcontractor.

SECTION 16. The Subcontractor agrees to pay, and does hereby accept full and exclusive liability for the payment of, any and all contributions or taxes for Unemployment Insurance and/or Old Age Retirement Benefit, Pensions or Annuities, now or hereafter imposed by the Government of the United States and/or by the Government of any state or territory of the United States, which are measured by the wages, salaries or other remuneration paid to persons employed by the Subcontractor on work performed under the terms of this Subcontract; also, Subcontractor agrees to pay, and hereby accepts full and exclusive liability for the payment of, any and all Sales or Use Taxes, or taxes measured by receipts in connection with the work under this Subcontract.

SECTION 17. The Subcontract takes precedence over any and all proposals, correspondence and oral agreement made prior to the date hereof. This Subcontract includes all changes and addenda to date.

SECTION 18. The Subcontractor agrees to pay (and to protect and indemnify the Contractor against any liability for) any damages sustained by another subcontractor, material man or other party supplying labor, materials and/or services in the performance of the work covered by the General Contract resulting from this subcontractor's acts or omissions (whether or not negligent), failure to perform, delays in performance or default in the performance of the work to be done under this Subcontract.

SECTION 19. IT IS EXPRESSLY UNDERSTOOD AND AGREED that time shall be considered the essence of the contract on the part of the Subcontractor. The Subcontractor expressly agrees to perform all work herein described and the several parts thereof, continuously, energetically and expeditiously, in full accord with the requirements of the General Contract as determined by the Contract and at such times and in such order as the Contractor considers necessary to keep the same sufficiently in advance of other parts of the building and/or project, and to avoid delay in the completion of the construction as a whole. The Subcontractor agrees to reimburse the Contractor for any loss, damage or expense, including (but not restricted to) any penalty or liability for damages incurred by Contractor to Owner which is due to Subcontractor's failure to deliver any and all material as required, or to perform properly any and all work in keeping with the progress of the general construction work, or to perform properly any term, covenant or condition contained in this Subcontract, or which is due to any breach of any of the

provisions of this Subcontract, or which is due to delays in performance of the General Contract caused by Subcontractor; and it is further agreed that if the Subcontractor fails diligently to prosecute the work required to be done under this Subcontract in any particular, or if he fails to make such progress required by the Contractor in order to keep sufficiently ahead of the Contractor's other operations, or if the Subcontractor shall abandon said work, or any part thereof, or fails in any way to perform the conditions of this Subcontract on his part to be performed, or shall become insolvent or make an assignment for the benefit or creditors, or commit an act of bankruptcy or have a petition in bankruptcy filed by or against him, or shall die or otherwise become physically or mentally disabled, the Contractor shall have the right, if it so elects, and without prejudice to any other right it may have, immediately and without notice to terminate this Subcontract and/or take any steps it deems advisable to secure necessary labor and material, by contractor otherwise, and may take over all of said Subcontractor's equipment, tools and supplies which may be either at the site of the work or enroute to the site where the work is being performed, and may prosecute the work to completion, using any moneys due and owing Subcontractor to mitigate Contractor's expense.

In case Contractor deems this procedure necessary for the proper conduct of the work, all moneys expended therefore, including (but not restricted therein) the cost of materials, labor, subcontracts, transportation, equipment expense and rentals thereon, supplies, services, insurance, taxes, appliances, tools, teams, utilities, power used or consumed, supervision, administration, job overhead, travel, legal and accounting fees and expenses, Contractor's general overhead as allocated to the work and other costs and expenses incurred or sustained by the Contractor, plus ten percent (10%) of the actual cost of the work performed as set for the as well as the amount of claims against Subcontractor paid by Contractor or for which it deems itself liable shall be deducted from the Contract Price stated herein, and if such total sum exceeds the amount otherwise due to Subcontractor hereunder. Subcontractor agrees to pay to Contractor the full amount of such excess, together with interest thereon at the highest rate permitted by applicable law until paid; or in case of any default on the part of the Subcontractor, the Contractor may exercise any other right or remedy available to it.

SECTION 20. Subcontractor unconditionally warrants and guarantees all labor and/or material and/or services employed and furnished by or to it in performing the work and agrees promptly to amend and make good, upon demand by the Contractor or Owner, and at Subcontractor's expense, any and all defects due to imperfect workmanship and/or materials and/or damages resulting there from, to the entire approval and acceptance of the Contractor and Owner and/or architect or their authorized representatives. Should the Subcontractor refuse or neglect to proceed at once with the correction of rejected or defective materials and/or workmanship, after receiving notice to do so, then the Contractor shall have the right and power to have the defects remedied or changes made at the expense of Subcontractor, and the Subcontractor agrees to pay Contract on demand any and all loss and/or expense paid or incurred by Contractor in remedying such defects, and/or making such changes, plus ten percent (10%) of such amounts to cover supervision, insurance, overhead, etc., together with interest on said total sum at the highest rate permitted by applicable law until paid. Furthermore, Subcontractor agrees to perform (and to protect Contractor from any liability thereon) Contractor's guarantees and undertakings in the General Contract insofar as it pertains to the work covered by this Subcontract. The obligations set forth in this paragraph are continuing and shall survive completion of the construction project and acceptance of the work and making final payment to Subcontractor shall not relieve subcontractor of its obligations and liabilities hereunder.

SECTION 21. The obligation of the Subcontractor to perform and complete all work covered by this Subcontract to the satisfaction of Contractor and Owner is absolute and without exception. Subcontractor shall effectively secure and protect its material and work and shall bear and be liable for all loss and/or damage of any kind in connection therewith at any time prior to final completion and acceptance thereof by Owner, unless said loss or damage is solely caused by direct negligence of the Contractor. Subcontractor shall reimburse Contractor on demand for any breakage or other damage to other work or materials occasioned by the Subcontractor in the execution of this Subcontract.

SECTION 22. If the Subcontractor deems that surfaces or work to which his work is to be applied or affixed are unsatisfactory or unsuitable, written notification of said conditions shall be given to the Contractor before proceeding or taking remedial action; otherwise, no

consideration will be given to claims for extra compensation or non-responsibility in connection therewith.

SECTION 23. The Subcontractor shall provide at its own expense whatever utilities, services, storage shed, work shops and offices that are necessary for the performance of this Subcontract and shall remove and thoroughly clean the premises at the completion of the work. If the Subcontractor has occasion to utilize any of the facilities of the General Contractor, if available, it shall pay a proportion of the cost thereof, determined on the basis of the proportionate number of employees using such from month to month.

SECTION 24. The Subcontractor shall clean up and remove from the site as directed by the Contractor all rubbish and debris resulting from its work: also, it shall clean up to the satisfaction of Owner and Contractor, all dirt, grease, marks, etc., from walls, ceilings, floors, fixtures, etc., deposited or placed thereon as a result of the execution of this Subcontract. If the Subcontractor refuses or fails to perform this cleaning as directed by the Contractor, the Contractor shall have the right and power to proceed with said cleaning, and the Subcontract will on demand repay to the Contractor the actual cost of said labor plus ten percent (10%) of such costs to cover supervision, insurance, overhead, etc., together with interest on said total sum at the rate of eight percent (8%) per annum until paid.

SECTION 25. Contractor may (but is not obligated to) carry builder's risk (installation) insurance on this construction project. Should Contractor carry this insurance, then Subcontractor shall have an interest therein to the benefits afforded by the policy in the same manner as the Contractor, with the same coverages and deductibles apply to any loss or claim as the Subcontractor's interest may appear at time of loss or claim. Subcontractor agrees it will assume the responsibility to determine whether Contractor is providing builder's risk insurance for its benefit, and in no event will Subcontractor hold Contractor liable of any loss sustained because of a lack of insurance coverage or for the amount of the deductible for any one occurrence which may be applicable. In no way will General Contractor be held liable for reimbursement to the Subcontractor (if General Contractor is carrying Builder's Risk) to the extent to which the General contractor is to be reimbursed.

SECTION 26. The Subcontractor shall furnish promptly all samples, lists, drawings, cuts, schedules, etc., required in connection with its work, but approval of same does not relieve it of its responsibility of complying with the requirements of the drawings and specifications of the General contract. All transportation costs on samples and drawings furnished by the Subcontractor shall be paid by it.

SECTION 27. The Subcontractor shall furnish all guaranties, bonds, operating instruction, etc., as required by the specifications and/or General Contract, and shall, if requested by the Contractor, furnish to the Contractor adequate performance and payment bonds in form of amounts and with surely acceptable to the Contractor.

SECTION 28. The Subcontractor shall hold and save the Contractor harmless from any liability including costs and expenses, for or on account of any patented or unpatented invention, article or appliance manufactured or used in the performance of this Subcontract, including their use by the Owner.

SECTION 29. The Subcontractor shall give its personal superintendence to the work or have a competent foreman or superintendent, satisfactory to the General Contractor, on the work at all times during progress, with authority to act for it. Subcontractor shall not employ any workmen in the performance of this Subcontract whose employment might be reasonably objected to by the Contract, the Owner or the architect and/or engineer.

SECTION 30. The Subcontractor agrees to make any claims for extension of time or for damages for delays or claims for alleged extra work or additional compensation, or otherwise, to the Contractor in the same manner as provided in the General Contract for like claims of the Contractor upon the Owner, and in such times as will enable the Contractor to present such claims to the Owner for payment or recognition: and the Contractor will not be liable to the Subcontractor on any claim not timely or properly presented, or until allowed by the Owner.

SECTION 31. Subcontractor agrees to comply with all statutory or contractual safety requirements applying to his work, including those contained in the Williams-Steiger Occupational Safety & Health Act of 1970, the Walsh-Healy Act, and all other applicable federal and state occupational safety and health laws, and the safety program, rules and practices established by the Contractor. Subcontractor shall be responsible for and shall pay any monetary penalties assessed by any governmental agency for the violation of any safety act in the performance of his work and shall indemnify and hold Contractor harmless from any such monetary penalty incurred by Contractor by reason of Subcontractor's violations. In the event that Subcontractor violates any safety requirement which by direction of any governmental agency and/or owner results in a suspension of work on the project, in whole or in part, Subcontractor shall be liable to Contractor for all damages and expenses resulting from such suspension.

SECTION 32. In the event either Contractor or Subcontractor institutes suit in court against the other party, or against the surety of such party, in connection with any dispute or matter arising under this Agreement, the party which prevails in that suit shall be entitled to recover from the other its attorney's fees in reasonable amount, which shall be determined by the court and included in the judgment in said suit.

SECTION 33. In the event that Subcontractor shall cease to perform its work hereunder diligently or shall fail to timely provide all materials and or labor due to labor problems, whether or not they directly or indirectly involve the subcontractors employees, and if subcontractor is unable or unwilling to resume full and faithful performance of its obligations under this subcontract within 48 hours after notice from Contractor to do so, then Contractor may at anytime thereafter terminate this Subcontractor and Subcontractor shall be entitled to compensation if any, in accordance with the terms of Section 19.

SECTION 34. It will be the responsibility of the Subcontractor to obtain and pay for necessary licenses, fees and permits as required for its work. Should pre-registration be required, the Subcontractor warrants that it has complied with such prerequisites. Subcontractor shall comply with all federal, state or local statutes, ordinances, regulations, rules, orders and directives relating to discrimination in employment, and shall comply with the provisions, if any, in the Prime Contract on that subject, insofar as his own employees or employees of his subcontractors are concerned.

SECTION 35. The Subcontractor agrees not to assign or subcontract this Subcontract, or any part thereof, or any interest therein, without first obtaining the written consent of the Contractor. The Subcontractor agrees not to assign or attempt to assign any moneys due or to become due to the Subcontractor under this Subcontract without first obtaining the written consent of the Contractor, and no such assignment shall be binding on Contractor unless and until accepted in writing by contractor.

SECTION 36. Clauses of the General Contract require to be inserted in this Subcontract are deemed to be a part hereof whether or not they are attached hereto.

SECTION 37. The General Contractor will furnish the Subcontractor (1) set of plans, specifications and amendments. If additional sets are required, they will be furnished at the request of the Subcontractor, and at the cost of reproduction thereof will be for the account of the Subcontractor.

SECTION 38. Contractor shall not be liable to this subcontractor, its material men, labors, or subcontractors for any damages, loss or expenses sustained by any of them resulting from acts or omissions (whether or not negligent), failure to perform delays in performance or defaults or another subcontractor, material man or supplier or service in connection with the performance of any of the work covered by the General Contract.

SECTION 39. Although drawn by Contractor, this Subcontract shall, in the event of any dispute over its meaning or application, be interpreted fairly and reasonably, and neither more strongly for or against either party.

SECTION 40. Waiver of any breach hereof shall not constitute a waiver of any subsequent breach of the same or any other provisions hereof.

SECTION 41. If at any time any controversy should arise between the Contractor and Subcontractor with respect to any matter or thing involved in this Subcontract or construction project, which controversy is not controlled or determined by Section 6 above or other provisions of this Subcontract, then the decision of the Contractor shall be followed by the Subcontractor, and said controversy shall be decided as follows: (i) The Subcontractors shall conclusively be bound by and abide by the Contractor's decision, unless the Subcontractor shall commence arbitration proceedings as hereinafter provided within thirty days following such decision. (ii) If the Subcontractor decided to appeal from the decision of the Contractor, then the controversy shall be decided by arbitration in accordance with the rules of the American Arbitration Association, and the arbitration decision shall be final and binding on both parties; provided, however, that proceedings before the American Arbitration Association shall be commenced by Subcontractor not later than 30 days following contractor's decision. (iii) No dispute shall interfere with the progress of the general construction, and Subcontractor shall proceed with its work. (iv) If arbitration is conducted by Owner and Contractor concerning any dispute between them, which likewise involves a dispute between Contractor and subcontractor, then Subcontractor agrees to a joint arbitration with Owner, Contractor and Subcontractor, as well as with any other parties thereto before one arbitration board which shall determine all of said disputes.

SECTION 42. Subcontractor shall insert in all of its own subcontracts and purchase orders a provision incorporating therein, by reference, all terms and provisions of the General Contract and of this Subcontract not inconsistent with the contract between Subcontractor and its own subcontractors and suppliers; and there shall be specifically incorporated in all of such subcontracts and purchase orders Section 6 of this Subcontract relating to "Disputes," and binding such subcontractors and suppliers of this Subcontract to all provisions thereof just as if such subcontractors and suppliers of this Subcontractor were parties to this Subcontract.

SECTION 43. In the event the General contract is terminated prior to its completion, Subcontractor shall be entitled to payment for its work actually completed on the same basis as the Contractor is paid under the terms of the General contract, if a termination clause is a part of the contract terms. Otherwise, the Subcontractor shall be entitled only to payment for the work actually completed by it at the pro rate of the price herein set forth unless Contractor itself receives additional compensation or damages on account of such termination; in which event, Subcontractor shall be entitled to such proportion of the additional compensation or damages actually received as is equitable under all of the circumstances. Nothing herein contained shall require Contractor to make any claim against Owner for such additional compensation or damages in the event of termination before completion, and it is specifically agreed that the failure of Contractor to prosecute any such claim against Owner shall not entitle Subcontractor to any claim for additional compensation or damages against Contractor.

SECTION 44. Subcontractor agrees to request payment for work described in this contract by submitting the attached pay request form on the 20th day of each month for payment on the following 10th of the month.

SECTION 45. Subcontractor understands that it is his responsibility while working on the project to comply with all OSHA regulations and guidelines, per provisions of Section 31.

SECTION 46. Subcontractor agrees to promptly execute any partial and final lien releases as requested by the General contractor. In addition, subcontractor agrees to provide General contractor with a list of material suppliers sub-subcontractors upon request.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement for themselves, their heirs, executors, successors, administrators and assigns on the day and year first above written. Further, the Contractor and Subcontractor each certify that the person executing this Subcontract in its name has full corporate authority to bind the corporation to the terms hereof, or if partnership or individual ownership, to bind the company or owner. Acceptance occurs only by Subcontractor executing this Agreement as prepared by the Contractor.

_____	**CRESTLINE BUILDING CORPORATION**
Subcontractor	
By:_____	By:_____
Title:	**DAVID L. PARMETER, PRESIDENT**

Seal of Corporation

CRESTLINE BUILDING CORPORATION
2700 Missouri Ave, Ste. #3, Las Cruces, NM 88011
Phone: (575) 532-8310 Fax: (575) 532-8312

Purchase Order 3846
This number must appear on all shipments, invoices, delivery forms and correspondence.

VENDOR:
Apex Technologies LLC.
P.O. Box 13210
Las Cruces, NM 88013
P:(575)527-9070
E: joshtillery@apextechnologiesnm.com

SHIP TO:
Crestline Building Corp.
c/o Convention Center at Hyatt House
4017 National Parks Hwy
Carlsbad, NM 88220

Order Date	Ship Via:	F.O.B.	Delivery Date Required	Mark For	Terms
23 Jan. 2023	Common Carrier	Jobsite	As Requested	Zach Theus	Net 30

PLEASE FURNISH THE FOLLOWING, SUBJECT TO CONDITIONS SET FORTH BELOW AND ALL TERMS AND CONDITIONS STATED ON REVERSE

Qty	Rec'd	Description	Unit Price	Amount
1 Each		Surveillance System – Apex shall provide, pre-wire and install 5 cameras (4 exterior, 1 interior) with an 8 channel 2 TB Recorder. Apex shall connect this system to the existing Hyatt House network for remote viewing and search capabilities.		$ 5,925.00
1 Each		A/V System – Apex shall provide and install two new 10K Lumen Projectors and 4 motorized 164" Diagonal screens. Apex will provide and install approximately 20 ceiling mounted speakers to cover the ballroom(s), lobby/Pre-Function Area, and restrooms along with two touch screen control panels in the ballrooms. Apex will provide and install a 4 zone music system, an HDMI matrix switch, wireless microphones, and input panels.		$ 79,850.00

This Purchase Order #3846 is based on Apex Technologies Proposal dated January 20, 2023.

Vendor shall sign and return yellow copy of this purchase order to our office indicating his acceptance of all terms and conditions under which it is issued.

Subtotal	**$ 85,775.00**
Sales Tax	**EXEMPT**
Total	**$ 85,775.00**

Vendor Name:

By: _____

Title: _____

Crestline Building Corporation:

By: _____
Zachary J. Theus / Vice President - Construction

Apex Technologies
(575) 527-9070 Office

P.O. Box 13210
Las Cruces, NM 88013
Contact: Joshua Tillery: 575-640-2605
E-mail: joshtillery@apextechnologiesnm.com

January 20th, 2023

Proposal To:
Crestline Building Corporation
Hyatt House Convention, NM
RE: A/V and Surveillance System Install

Thank you for the opportunity to partner with and assist you in all of your security needs!

1. Scope of Work

I. Surveillance System

Apex proposes to install a new surveillance system. Apex will pre-wire and install 5 cameras, 4 exterior, 1 interior along with an 8 Channel 2TB Recorder. Apex will connect the cameras into the customer's network to allow for remote view and search capabilities.

II. A/V System

Apex proposes to install two new projectors along with 4 recessed motorized 164" Diagonal Screens. Apex will install approximately 20 speakers to cover the ballroom, lobby and restrooms along with two touch screen control panels in the ballrooms. Apex will install a 4 zone music system, a HDMI matrix switch, wireless microphones and input panels.

2. Pricing

I. Surveillance System

• 1 each 8 Channel Recorder with POE	$1,650.00
• 4 each 5 Megapixel Outdoor Cameras with IR	$2,000.00
• 1 each 5 Megapixel Indoor Dome Camera	$300.00
• 1 each UPS Battery Backup	$125.00
• Wire, Labor, Installation and Training	$1,850.00
Surveillance System:	$5,925.00+tax

II. A/V System

• 2 each 10000 Lumen Sony Pro Projectors with Lenses	$30,000.00
• 2 each Projector Mounts with Brackets/Plates	$1,600.00
• 4 each 164" Diagonal Motorized Projector Screens	$11,000.00

• 1 each HDMI Matrix	$2,000.00
• 2 each Touch Screen Panel	$2,400.00
• Controllers/Adapters	$4,200.00
• 1 each 4 Zone Processor	$1,400.00
• 1 each Amplifier	$2,000.00
• 20 each In-Ceiling Speakers	$7,000.00
• 2 each Wireless Microphones	$1,500.00
• 1 each Rack with Shelves/Power Conditioner	$2,500.00
• Trip Charge, Wire, Labor, Installation and Training	$14,250.00
A/V System:	$79,850.00+tax

3. Warranty

All surveillance equipment comes with 5 year manufacturer warranty, AV equipment with Manufacturer warranty, 90 day warranty on labor.

This proposal is valid until January 31st, 2023. The above prices, specifications and conditions are satisfactory and accepted. Apex Technologies is authorized to begin work as specified. Require a 65% deposit upon authorization with a balance of 35% due upon completion of installation and training. Invoices not paid within 30 days of completion of installation and training are subject to a 1.25% monthly finance charge.

_____ _____

Authorized Customer Representative Date

R3 Images
2015 Arlington Ave
Las Cruces, NM 88001
r2usa4@yahoo.com

INVOICE

BILL TO
Crestline Building Corporation
1401 S Don Roser Dr B2
Las Cruces, NM 88011
United States

INVOICE # 1218
DATE 02/28/2023
DUE DATE 02/28/2023
TERMS Due on receipt

DATE	DESCRIPTION	QTY	RATE	AMOUNT
	3' x 65' Custom Signage - Channel Letters (Lighted) "CARLSBAD EVENT CENTER"	1	17,775.00	17,775.00
	1/2 Down to begin job; Remainder due upon completion/delivery of product.	1	0.00	0.00

Thank You for supporting this small business. We value your patronage.

SUBTOTAL	17,775.00
TAX	0.00
TOTAL	17,775.00
BALANCE DUE	**$17,775.00**

716
100 16005
OK To PAY
DLP

x 50% Down
$8 887.50

CRESTLINE BUILDING CORPORATION
2700 Missouri Ave., Ste. #3 – Las Cruces, NM 88011
Phone: (575) 532-8310 Fax: (575) 532-8312

Purchase Order 3630
This number must appear on all shipments, invoices, delivery forms and correspondence.

VENDOR:
Canyon Glass Company
c/o John E. Davis
2810 Chico Court
El Paso, TX 79903-2406
P:(915)562-0014; F:(915)562-0018

SHIP TO:
Crestline Building Corp.
c/o Hyatt House Storage Bldg
4019 National Parks Hwy
Carlsbad, NM 88220

COPY

Gary Arrieta (575)649-9430

Order Date	Ship Via:	F.O.B.	Delivery Date Required	Mark For	Special Terms
28 Feb 2020	Common Carrier	Jobsite	ASAP	Gary Arrieta	NET 30

PLEASE FURNISH THE FOLLOWING, SUBJECT TO CONDITIONS SET FORTH BELOW AND ALL TERMS AND CONDITIONS STATED ON REVERSE

Qty	Rec'd	Description	Unit Price	Amount
1 Lot		This P.O. #3630 per Canyon Glass Co. Quote dated 2/6/2020. Supply and install aluminum storefront and glazing. 2" x 4.5" Clear anodized storefront system glazed with 1" LowE over clear insulated units, tempered per code. Spandrel Glazing where scheduled. Wide style doors with surface applied closers, rim panic hardware, ADA bottom rails, standard hardware including offset pivots, push/pulls, weather stripping, and locks/thumb turns.		

Please provide 3 complete sets of shop drawings before any materials are ordered or fabrication begins for review and approval by the general contractor, architect, and developer/owner.

EXCLUDE: Cleaning and protecting aluminum and glass.
In Field Certified Air Infiltration and Water Infiltration Testing
Tax, opening prep, and wood blocking.

Vendor shall sign and return yellow copy of this purchase order to our office indicating his acceptance of all terms and conditions under which it is issued.

Subtotal	**$21,374.00**
Sales Tax	**EXEMPT**
Total	**$21,374.00**

Vendor Name:

By: _____

Title: _____

Crestline Building Corporation:

By: _____
Zachary J. Theus / Vice President - Construction

PROPOSAL

CANYON GLASS COMPANY
2810 CHICO COURT
EL PASO, TEXAS, 79903-2406

OFFICE: (915) 562-0014
FAX #: (915) 562-0018
NM Lic. # 82260

WE PROPOSE TO FURNISH AND INSTALL MATERIALS AS DESCRIBED BELOW FOR:

PROJECT: *Storage Building to Hyatt House*
LOCATION: *Carlsbad, NM*

IN ACCORDANCE WITH PLANS CONSISTING OF SHEETS NUMBERED:
DATED: AND SPECIFICATIONS DATED:

FOR THE SUM OF: *Twenty-one thousand three hundred seventy-four and No/100 dollars $21,374.00*

Supply and install aluminum storefront and glazing.
2" x 4 ½" clear anodized storefront system glazed with 1" LowE over clear insulated units, tempered per code.
Wide style ADA doors with panic exit hardware, continuous hinges, pulls and surface mounted closers.
2 total 25' x 12' frames.

**Heavy wall mullions will be used due to height of frames for wind load.*

EXCLUDE: ***Cleaning and protecting aluminum and glass.***
In Field Certified Air Infiltration and Water Infiltration Testing
Opening prep, wood blocking, interior finish out, mirrors

*** Price good for* ***30*** *days*

NET:_____.
ACCEPTED BY:_____.
TITLE:_____.
DATE:_____.

BY:_____JOHN E. DAVIS.
TITLE:_____President/Estimator_____.
DATE:_____February 6, 2020_____.

CRESTLINE BUILDING CORPORATION
2700 Missouri Ave., Ste. #3 – Las Cruces, NM 88011
Phone: (575) 532-8310 Fax: (575) 532-8312

Purchase Order 3847
This number must appear on all shipments, invoices, delivery forms and correspondence.

VENDOR:
Canyon Glass Company
c/o John E. Davis
2810 Chico Court
El Paso, TX 79903-2406
P:(915)562-0014; F:(915)562-0018

SHIP TO:
Crestline Building Corp.
c/o Convention Center at Hyatt House
4017 National Parks Hwy
Carlsbad, NM 88220

Juan Navarro (915)490-4253

Order Date	Ship Via:	F.O.B.	Delivery Date Required	Mark For	Special Terms
24 Jan. 2023	Common Carrier	Jobsite	ASAP	Juan Navarro	NET 30

PLEASE FURNISH THE FOLLOWING, SUBJECT TO CONDITIONS SET FORTH BELOW AND ALL TERMS AND CONDITIONS STATED ON REVERSE

Qty	Rec'd	Description	Unit Price	Amount
1 Lot		This P.O. #3847 per Canyon Glass Co. Quote dated 1/17/2023. Supply, Deliver, Install, and Adjust and Interior Storefront to include wide stile ADA Doors and frames in Clear Anodized finish ¼" clear tempered glass.....		$ 13,996.00

Vendor shall sign and return yellow copy of this purchase order to our office indicating his acceptance of all terms and conditions under which it is issued.

Subtotal	**$13,996.00**
Sales Tax	**EXEMPT**
Total	**$13,996.00**

Vendor Name:

By: _____

Title: _____

Crestline Building Corporation:

By: _____
Zachary J. Theus / Vice President - Construction

PROPOSAL

CANYON GLASS COMPANY
2810 CHICO COURT
EL PASO, TEXAS, 79903-2406

OFFICE: (915) 562-0014
FAX #: (915) 562-0018
NM Lic. # 82260

WE PROPOSE TO FURNISH AND INSTALL MATERIALS AS DESCRIBED BELOW FOR:

PROJECT: *Hyatt Hotel Convention Center Interior Doors*
LOCATION: *Carlsbad, New Mexico*

IN ACCORDANCE WITH PLANS CONSISTING OF SHEETS NUMBERED:
DATED: AND SPECIFICATIONS DATED:

FOR THE SUM OF: *Thirteen Thousand Nine Hundred Ninety Six and 00/100 Dollars. $13,996.00*

Supply and install.
-2 thus 13'-10 1/2" x 7'-11 3/4" Aluminum Storefronts with pair of 6'-0" x 7'-0" Doors.
-Framing is 1 3/4" x 4 1/2" Center Glaze Non-Thermal.
-Aluminum Doors are Wide Stile with manufacturer's standard hardware including, Top/Bottom Offset Pivots, Standard Concealed Vertical Rod Panics, Pull Handles, Standard Threshold, Surface Mounted Door Closer.
-Aluminum finish is Clear Anodized.
-Glass is 1/4" Clear Tempered.

EXCLUDE: ***Cleaning and protecting aluminum and glass.***
In Field Certified Air Infiltration and Water Infiltration Testing.
Wood Blocking, Opening Preparation, Furring, and Grounds.
Master Keying.
Custom Door Hardware, Electrified Hardware.

** *Price good for* ***30*** *days*

NET:_____.
ACCEPTED BY:_____.
TITLE:_____.
DATE:_____.

BY:_____JOHN E. DAVIS.
TITLE:_____President/Estimator_____.
DATE:_____1/17/2023_____.

CRESTLINE BUILDING CORPORATION
2700 Missouri Ave., Ste. #3 – Las Cruces, NM 88011
Phone: (575) 532-8310 Fax: (575) 532-8312

Purchase Order 3865
This number must appear on all shipments, invoices, delivery forms and correspondence.

VENDOR:
ATI – Window Tinting & Graphics
c/o Shanon Windecker
1920 E. Lohman
Las Cruces, NM 88001
P:(575)526-5755; F:(575)526-5799

SHIP TO:
Crestline Building Corp.
c/o Convention Center at Hyatt House
4017 National Parks Hwy
Carlsbad, NM 88220

Juan Navarro (915)490-4253

Order Date	Ship Via:	F.O.B.	Delivery Date Required	Mark For	Special Terms
3 May 2023	Common Carrier	Jobsite	ASAP	Juan Navarro	NET 30

PLEASE FURNISH THE FOLLOWING, SUBJECT TO CONDITIONS SET FORTH BELOW AND ALL TERMS AND CONDITIONS STATED ON REVERSE

Qty	Rec'd	Description	Unit Price	Amount
1 Lot		This P.O. #3865 per ATI Quote dated 4/24/2023. Supply, Deliver, Install, Interior Storefront Glass Privacy Film (SXS M300 Brushed Metal) at two (2) Interior Storefront Aluminum Assemblies.....		$ 2,695.00

Vendor shall sign and return yellow copy of this purchase order to our office indicating his acceptance of all terms and conditions under which it is issued.

Subtotal	**$2,695.00**
Sales Tax	**EXEMPT**
Total	**$2,695.00**

Vendor Name:

By: _____

Title: _____

Crestline Building Corporation:

By: _____
Zachary J. Theus / Vice President - Construction

WINDOW TINTING & GRAPHICS
LAS CRUCES, NM
1920 E. Lohman
Las Cruces, NM 88001
Shop (575) 526-5755 • Fax (575) 526-5799
www.atdtintlc.com

CrestLine	Zach Theus		04/24/23
			APPOINTMENT DATE

#	DIMENSIONS W (in.)	DIMENSIONS H (in.)	AREA	SQ. FT.	LINEAR FT.	CSQ		COST
								$0.00
								$0.00
			Install SXS M300					$0.00
			Brushed Metal					$0.00
			2 Entrance Areas					$2,695.00
								$0.00
								$0.00
			Price Includes					
			Trip Fee					$0.00
			and Install					$0.00
								$0.00
								$0.00
								$0.00
								$0.00
								$0.00
								$0.00
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								$0.00
								$0.00
								$0.00
								$0.00
								$0.00
								$0.00
					ADDITIONAL CHARGES			
					TOTAL SQ. FT.			$0.00
					TOTAL LINEAR FT.			$0.00
					SUB TOTAL			
					TAX			
					TOTAL			$2,695.00

CITY OF CARLSBAD
AGENDA BRIEFING
MEMORANDUM

Council Meeting Date: June 9, 2026

DEPARTMENT: Legal	**BY**: Barbara Hodgson	**DATE**: 06/02/2026

SUBJECT:
Consider Approval of Resolution 2026-36 a Resolution requiring the removal of the ruins, rubbish, wreckage, debris, and/or weeds at 5217 Sierra Vista Drive Owner: Markwest Energy Co LLC

BACKGROUND, ANALYSIS AND IMPACT: (Safety and Welfare/Financial/Personnel/Infrastructure/etc.)

The property at **5217 Sierra Vista Dr.** is in a commercial area located at the intersection of Sierra Vista Drive and Industrial Drive. The Eddy County Assessor's Office lists **MarkWest Energy, West Texas Gas CO LLC** as owning or having an interest in the property. There are four (4) vacant land parcels. One (1) of which has a cell phone tower on the property.

The property has been inspected by the Code Enforcement Office at various times in 2025 and cited for violations of the International Property Maintenance Code, 2009 Ed., which has been adopted by the City (Code sec. 8.1). The owner has been cited for violating Code sec. 22-66, overgrown weeds, Code sec. 22-03, open storage of junk, trash or debris, and Code sec. 22-64 accumulation of weeds between property line and middle of alley.

The Fire Marshall inspected the property on March 24, 2026, and found it presents an **extreme fire hazard** due to violations of the International Fire Code, 2021 Ed., due to the accumulation of combustible waste materials, weeds, and other growth.

Code Enforcement mailed a Final Notice of Violation and required corrective actions, dated September 29,2025, to the owner at its recorded address (539 S. Main St. Findlay, OH 45840). The Final Notice was received by the owner, **Markwest Energy, West Texas Gas Co., LLC.**

A Resolution has been prepared for consideration by City Council. If adopted, the Resolution would require the property owner or representative to remove all ruins, dilapidated structures, rubbish, wreckage, debris and weeds from the property within thirty days of the service of the Resolution. The Resolution will also be published in a newspaper of general circulation in Carlsbad. If the owners or their representatives do not perform the required corrective action or file an objection with the City Clerk, the City will arrange to have the work performed and place a lien against the property to recover the reasonable costs of the work.

On May 29, 2026, a certified letter was sent to **MarkWest Energy West Texas Gas Co LLC** at the address on the records of the County, which invited them to attend the meeting at which the resolution will be proposed.

DEPARTMENT RECOMMENDATION:

BOARD/COMMISSION/COMMITTEE ACTION:
City Council - APPROVED

Reviewed by:

City Manager: Wendy D Austin	Date: June 4, 2026

Attachments:

1. 5217 Sierra Vista Dr Res. (3)

RESOLUTION NO. 2026-36

A RESOLUTION FINDING 5217 SIERRA VISTA DR TO BE COVERED WITH RUINS, RUBBISH, WRECKAGE, DEBRIS, AND/OR WEEDS AND REQUIRING THE REMOVAL OF THE RUINS, RUBBISH, WRECKAGE, DEBRIS, AND/OR WEEDS

WHEREAS, the records of the Eddy County Assessor's Office show **MarkWest Energy West Texas Gas CO LLC Property Tax Dept** to be the owner of or to have an interest in the property commonly known as **5217 Sierra Vista Dr**, Carlsbad, Eddy County, New Mexico, and more particularly described as:

Subd: Lot 6, Block 2, Carlsbad Airport Industrial Park Unit 2 Subdivision
Lot 7, Block 2, Carlsbad Airport Industrial Park Unit 2 Subdivision
Lot 8, Block 2, Carlsbad Airport Industrial Park Unit 2 Subdivision
Lot 9, Block 2, Carlsbad Airport Industrial Park Unit 2 Subdivision

hereinafter referred to as “Property”, and

WHEREAS, the Property has been inspected by the Carlsbad Code Enforcement Officer and the City Fire Marshal; and

WHEREAS, the Code Enforcement Officer and the Fire Marshal found that the Property has not been adequately maintained; and

WHEREAS, the Property contains a large amount of ruins, rubbish, wreckage, and/or debris, and some weeds; and

WHEREAS, the Property is in an unsafe condition and constitutes a hazard to the surrounding properties, residents and passersby; and

WHEREAS, the Code Enforcement Officer found that the specific violations, under Code of Ordinances of the City of Carlsbad, at the Property include, but are not limited to those listed on the attached Exhibit “A”; and

WHEREAS, the City Fire Marshal has inspected the Property and found that the specific violations at the Property under Fire Code include, but are not limited to those listed on the attached Exhibit “B”; and

WHEREAS, the Property and all ruins, rubbish, wreckage, debris, and weeds are a menace to the public comfort, health, peace, and safety and require removal forthwith;

NOW THEREFORE, BE IT RESOLVED by the Governing Body of the City of Carlsbad, Eddy County, New Mexico that:

1. A copy of this Resolution shall be served on the record owner, as shown by the real estate records of the County Clerk, occupants, or agents in charge of the Property. Such service shall be in person if such a person can be found within the City of Carlsbad, New Mexico after a reasonable search.

2. If a record owner, occupant, or agent in charge of the Property cannot be located within the City of Carlsbad, New Mexico, notice shall be by posting at the Property and by publishing this Resolution one time in a newspaper in general circulation in the City of Carlsbad.

3. Within ten days of either the receipt of a copy of this Resolution or the posting and publishing of this Resolution, the owner, occupant, or agent in charge of the Property shall either:

A. Commence removing all ruins, rubbish, wreckage, debris, and weeds from the premises; or

B. File a written objection with the Carlsbad Municipal Clerk at 101 N. Halagueno, Carlsbad, New Mexico 88220 and request a hearing before the City Council.

4. If a written objection is filed as required, the City Council shall proceed as directed by Chapter 22, Article II of the Code of Ordinances, City of Carlsbad, New Mexico.

5. The removal of the ruins, rubbish, wreckage, debris, and weeds shall:

A. Begin immediately;

B. Proceed properly and with diligence; and

C. Be completed in a timely manner;

D. BUT IN NO CASE SHALL SUCH WORK TAKE LONGER THAN THIRTY (30) DAYS FROM THE DATE THE RESOLUTION WAS SERVED UNLESS THE CARLSBAD CITY COUNCIL CONSENTS IN WRITING TO AN EXTENSION.

6. Any removal of the ruins, rubbish, wreckage, debris, or weeds shall leave the property from which the materials have been removed in a clean, level, and safe condition, suitable for further occupancy or construction and with all excavations filled.

7. If the owner, occupant, or agent in charge does not commence the removal of the stated items, and if no written objection is filed as required, or if the removal of the stated items is not completed in a timely manner, the City may remove the ruins, rubbish, wreckage, debris, and/or weeds at the cost and expense of the owner.

8. The reasonable cost of such a removal shall constitute a lien against the ruins, rubbish, wreckage, debris, and/or weeds so removed and against the lot or parcel of land from which it was removed.

9. The City Clerk shall make out, sign, attest, file, and record in the office of the Eddy County Clerk's Office, a claim of lien upon the described premises.

10. The lien shall bear interest at the rate of twelve percent (12%) per annum, compounded at simple interest, from the date of recording until paid, together with reasonable attorney's fees for the foreclosure of the same. The lien shall be foreclosed in any manner proved by an applicable state lien foreclosure law.

INTRODUCED, PASSED, ADOPTED, AND APPROVED this _____day of June, 2026.

_____
RICHARD D. LOPEZ, MAYOR

ATTEST:

_____
NADINE MIRELES, CITY CLERK

CITY OF CARLSBAD
Planning, Engineering, and Regulation Department
114 S. Halagueno, PO Box 1569
Carlsbad, New Mexico 88220
Phone (575) 885-1185, Fax (575) 628-8379

CODE ENFORCEMENT REPORT

Case Number:	Date of Complaint:	Complaint Taken By:
CE- 25 - 448	9-2-2025	C. Gaytan
	Complainant Name:	**Phone Number:**

Complaint Location:
5217 Sierra Vista Dr

Details of Complaint:
Overgrown Weeds

Primary Structure:	Photographs Taken (attach):	CE District:
☐ Residential ■ Commercial	■ Yes	☐ North
☐ Occupied ■ Vacant	☐ No	■ South
☐ Secured ☐ Unsecured		
☐ No structure on property		

Narrative:
Code Enforcement (C. Gaytan) Inspected this proerpty on 9/2/2025. Overgrown weeds were covering the majority of the parcels. Code Enforcment attempted reaching out to the company listed on the sign at the property without success. A second phone call was made on 9/30/2025 and the number was no longer in service. Letters were mailed on 9/2/2025 & 9/15/2025. Upon inspection on 4/21/2026, the issues at the property have not been addressed. This property is a fire hazard.

Disposition of Case:

☐ No Basis for Complaint: _____
■ Mailed Notice of Violation/Date: 9/2/2025 & certified 9/15/2025
☐ Door Hanger Notice of Violation/Date: _____
☐ Verbal Warning/Date: _____
☐ Referred to Other Agency: _____
☐ Other: _____

Code Enforcement Signature	Printed Name	Date
	Ttrysha Ortiz	4/21/2026

Report Information:
Entered into Database on: _____ By: _____

Page ___ of ___

Exhibit A

15 CITY OF CARLSBAD
Planning, Engineering, and Regulation Department
Code Enforcement Division
114 S. Halagueno, PO Box 1569
Carlsbad, New Mexico 88220
Phone (575) 885-1185, Fax (575) 885-9871

NOTICE OF CODE VIOLATION

Date: 09-15-2025
Case: CE- 25 - 448
Address: N of 5217 Sierra Vista Dr
Carlsbad, New Mexico 88220

Name and Address of Property Owner or Occupant*
MARKWEST ENERGY WEST TEXAS GAS CO LLC
PROPERTY TAX DEPT
539 S MAIN ST
FINDLAY, OH 45840
Parcel #'s 4-156-132-237-128, 4-156-132-230-139,
4-156-132-224-150, 4-156-132-217-160

FINAL NOTICE

The following violation(s) of the Carlsbad Code of Ordinances have been identified as existing on your property. It is your responsibility, if you have any control over the property, to take immediate action to correct these violation(s), even if you do not actually occupy the property or if the property is occupied by others.

COMPLETION OF CORRECTIVE ACTION(S) IS REQUIRED NO LATER THAN: 09-25-2025.

CORRECTIVE ACTION TO BE TAKEN (WHAT YOU SHOULD DO) BEFORE DEADLINE:
Please cut weeds and dispose of all debris properly for all the above mentioned parcel properties. Thank you for your compliance. Any questions call 575-885-1185 ext. 3229.

CODE VIOLATED:
Cutting and removal—Duty of owner (CCO 22-66): It shall be the duty of the owner to cut the weeds and remove the cuttings or any accumulation of weeds or cause the weeds to be cut and cause the cuttings or any accumulation of weeds to be removed as often as necessary in order to comply with the provisions set out in sections 22-64 and 22-6

CODE VIOLATED:
WASTE STORAGE (CCO 22-03): Any land, within the city, used for open storage of junk, trash or debris is hereby declared to be a public nuisance, and such use of land is prohibited in the city

CODE VIOLATED:
EXCESS WEEDS - LOTS (CCO 22-64): It shall be unlawful for any owner having charge or control of any lot within the city to permit or maintain on any such lot, including the area located between the property line and the middle of the alley adjacent to the property, and the area located between the property line and the curb, and the area located ten feet outside the property line where there is no curb, any growth of weeds to a greater height than 12 inches, or any accumulation of weeds.

Note: Specific details regarding the applicable ordinance may be obtained from the Code Enforcement Division Office listed above. The complete Code of Ordinances may be found on the City of Carlsbad website: www.cityofcarlsbadnm.com or in the office of the City Clerk.

The required Corrective Active listed above must be initiated immediately and be completed no later than the deadline. Failure to comply with the Ordinances of the City of Carlsbad is subject to specific actions. If the owner of the property cannot be located or refuses compliance, the City may initiate condemnation procedures under Chapter 22, Article II, of the Carlsbad Code of Ordinances to remedy the violation. Under this procedure the City will file a claim of lien against the premises in the amount of the expenditure by the City to correct each violation. Optionally, the City may seek a judgment in Municipal Court for the maximum penalty allowed by ordinance for violation of municipal ordinances. Unless a lesser maximum penalty or a specific penalty is established by ordinance for a particular offense, a fine of not more than $500 or imprisonment for not more than 90 days, or both, plus court costs, may be imposed by the court.

*Property and owner information is received from the Eddy County Assessor's Office, Occupant, or City records.

Code Enforcement Signature	Cesar G Printed Name	09-15-2025 Date

USPS Tracking®

FAQs >

Remove X

Tracking Number:

70202450000092279559

Copy Add to Informed Delivery (https://informeddelivery.usps.com/)

Latest Update

Your item was picked up at the post office at 9:17 am on September 29, 2025 in FINDLAY, OH 45840.

Get More Out of USPS Tracking:

USPS Tracking Plus®

Delivered

Delivered, Individual Picked Up at Post Office

FINDLAY, OH 45840
September 29, 2025, 9:17 am

See All Tracking History

What Do USPS Tracking Statuses Mean? (https://faq.usps.com/s/article/Where-is-my-package)

Feedback

Text & Email Updates ⌄

USPS Tracking Plus® ⌄

Product Information ⌄

See Less ^

Track Another Package

Enter tracking or barcode numbers

N of 5217 Sierra Vista

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Markwest Energy West TX Gas Co LLC
Property Tax Dept
539 S. Main St
Findlay, OH 45840

9590 9402 8930 4064 8267 49

2. Article Number (Transfer from service label)

7020 2450 0000 9227 9559

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X ☐ Agent ☐ Addressee

B. Received by (Printed Name) C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☑ No

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☑ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery
- Mail
- Mail Restricted Delivery
- 00)
- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

PS Form 3811, July 2020 PSN 7530-02-000-9053 Domestic Return Receipt

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS, FOLD AT DOTTED LINE

CERTIFIED MAIL®

7020 2450 0000 9227 9559

7020 2450 0000 9227 9559

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®

OFFICIAL USE

Certified Mail Fee
$

Extra Services & Fees (check box, add fee as appropriate)
- ☐ Return Receipt (hardcopy) $
- ☐ Return Receipt (electronic) $
- ☐ Certified Mail Restricted Delivery $
- ☐ Adult Signature Required $
- ☐ Adult Signature Restricted Delivery $

Postage
$

Total Postage and Fees
$

Postmark Here

Sent To
Markwest Energy West TX Gas Co LLC Property Tax Dept
Street and Apt. No., or PO Box No.
539 S. Main St
City, State, ZIP+4®
Findlay OH 45840

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

15 CITY OF CARLSBAD
Planning, Engineering, and Regulation Department
Code Enforcement Division
114 S. Halagueno, PO Box 1569
Carlsbad, New Mexico 88220
Phone (575) 885-1185, Fax (575) 885-9871

NOTICE OF CODE VIOLATION

Date: 09-02-2025
Case: CE- 25 - 448
Address: N of 5217 Sierra Vista Dr
Carlsbad, New Mexico 88220

Name and Address of Property Owner or Occupant*
MARKWEST ENERGY WEST TEXAS GAS CO LLC
PROPERTY TAX DEPT
539 S MAIN ST
FINDLAY, OH 45840
Parcel #'s 4-156-132-237-128, 4-156-132-230-139,
4-156-132-224-150, 4-156-132-217-160

The following violation(s) of the Carlsbad Code of Ordinances have been identified as existing on your property. It is your responsibility, if you have any control over the property, to take immediate action to correct these violation(s), even if you do not actually occupy the property or if the property is occupied by others.

COMPLETION OF CORRECTIVE ACTION(S) IS REQUIRED NO LATER THAN: 09-12-2025.

CORRECTIVE ACTION TO BE TAKEN (WHAT YOU SHOULD DO) BEFORE DEADLINE:
Please cut weeds and dispose of all debris properly for all the above mentioned parcel properties. Thank you for your compliance. Any questions call 575-885-1185 ext. 3229.

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CODE VIOLATED:
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Note: Specific details regarding the applicable ordinance may be obtained from the Code Enforcement Division Office listed above. The complete Code of Ordinances may be found on the City of Carlsbad website: www.cityofcarlsbadnm.com or in the office of the City Clerk.

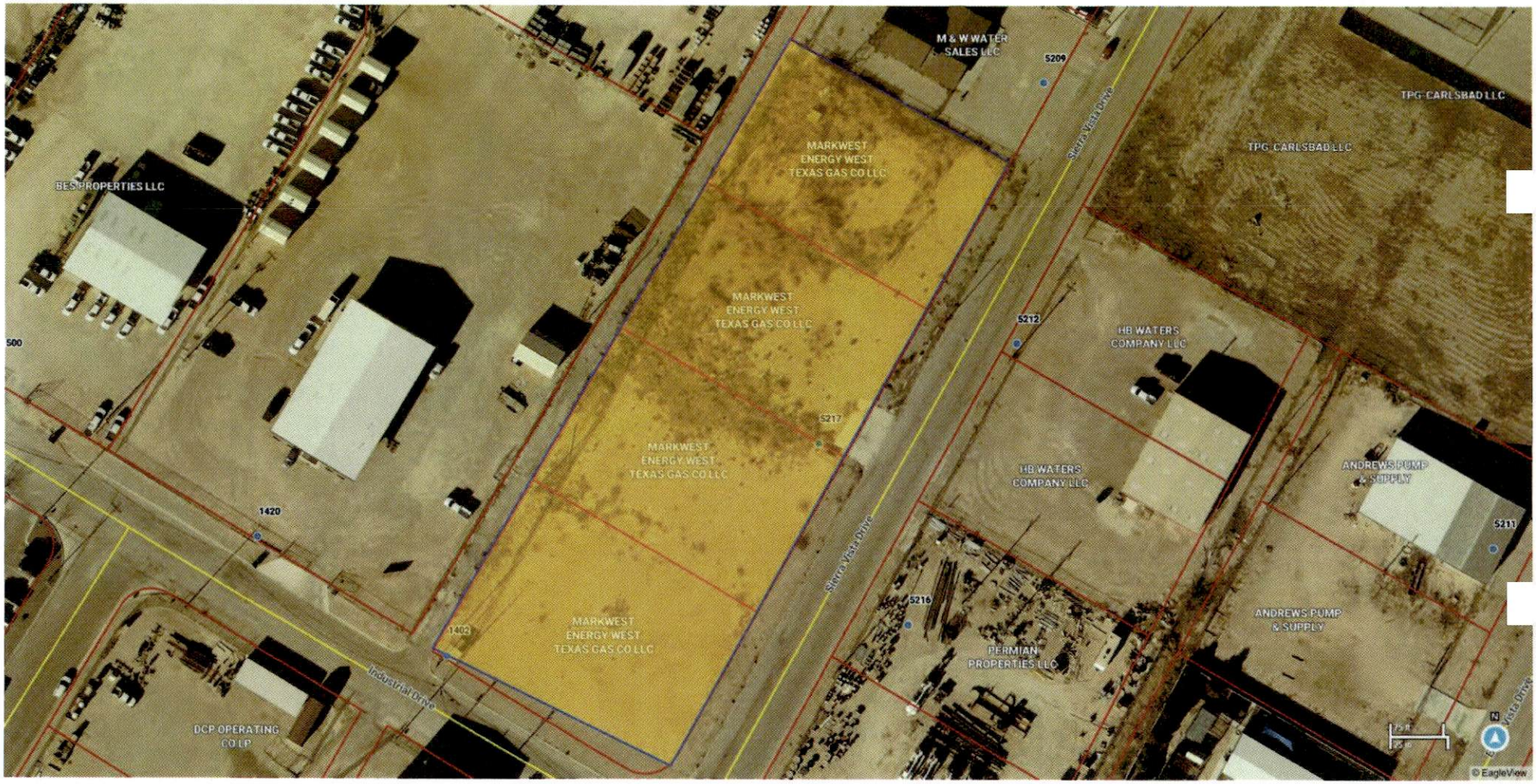
The required Corrective Active listed above must be initiated immediately and be completed no later than the deadline. Failure to comply with the Ordinances of the City of Carlsbad is subject to specific actions. If the owner of the property cannot be located or refuses compliance, the City may initiate condemnation procedures under Chapter 22, Article II, of the Carlsbad Code of Ordinances to remedy the violation. Under this procedure the City will file a claim of lien against the premises in the amount of the expenditure by the City to correct each violation. Optionally, the City may seek a judgment in Municipal Court for the maximum penalty allowed by ordinance for violation of municipal ordinances. Unless a lesser maximum penalty or a specific penalty is established by ordinance for a particular offense, a fine of not more than $500 or imprisonment for not more than 90 days, or both, plus court costs, may be imposed by the court.

*Property and owner information is received from the Eddy County Assessor's Office, Occupant, or City records.

Code Enforcement Signature	Printed Name	Date
	Cesar G	09-02-2025

Sierra Vista

Captured: Jan 17, 2026



Property Record Card

Eddy Assessor

MARKWEST ENERGY WEST TEXAS GAS CO LLC C/O: PROPERTY TAX DEPT

539 S MAIN ST
FINDLAY, OH 45840

Account: R082176
Tax Area: CI_NR - CARLSBAD-IN (Nonresidential)
Acres: 0.000

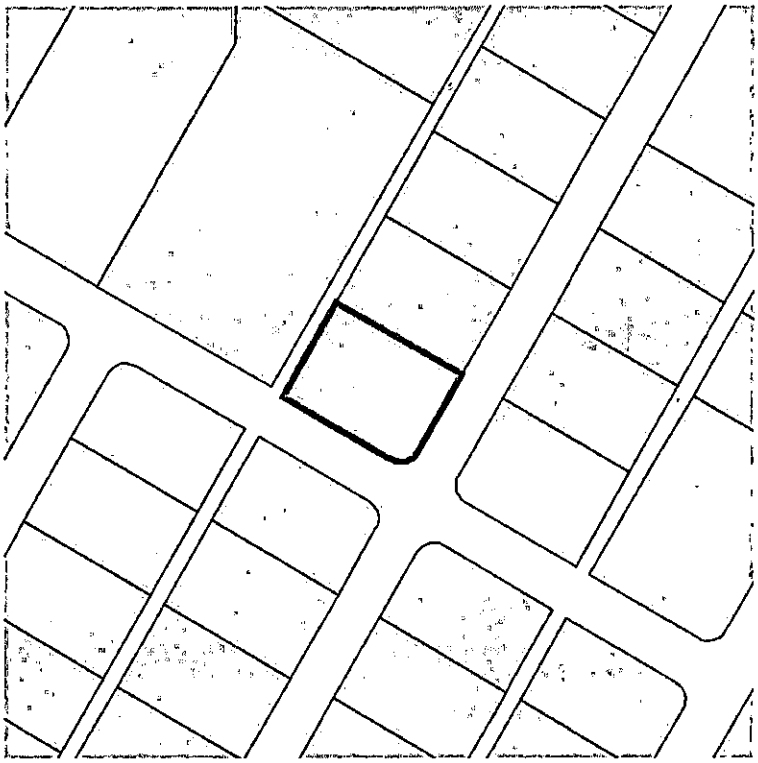
Parcel: 4-156-132-217-160
Situs Address:
S OF 5217 SIERRA VISTA DRIVE
CARLSBAD, 88220

Value Summary

Value By:	Market	Override
Land (1)	$17,410	N/A
Total	**$17,410**	**$17,410**

Legal Description

Subd: CARLSBAD AIRPORT IND PK UNIT 2 Lot: 9 Block: 2



Public Remarks

Entry Date	Model	Remark
05/16/2018		BK 1108 PG 983

Land Occurrence 1

Property Code	0200 - NON-RESIDENTIAL LAND	Land Code	111_70 - Commercial Land N/R - .70
Description	NON-RESIDENTIAL LAND	Measure	SF - SF

Abstract Summary

Code	Classification	Actual Value Value	Taxable Value	Actual Value Override	Taxable Override
0200	NON-RESIDENTIAL LAND	$17,410	$5,803	NA	NA
Total		**$17,410**	**$5,803**	**NA**	**NA**

Property Record Card

Eddy Assessor

MARKWEST ENERGY WEST TEXAS GAS CO LLC C/O: PROPERTY TAX DEPT

539 S MAIN ST
FINDLAY, OH 45840

Account: R082175
Tax Area: CI_NR - CARLSBAD-IN (Nonresidential)
Acres: 0.000

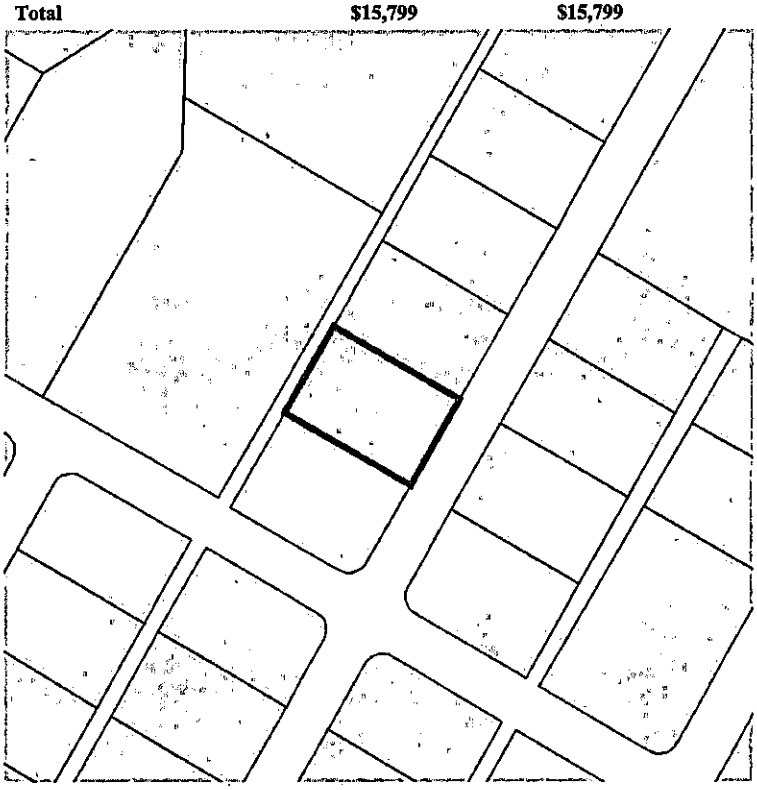
Parcel: 4-156-132-224-150
Situs Address:
5217 SIERRA VISTA DRIVE
CARLSBAD, 88220

Value Summary

Value By:	Market	Override
Land (1)	$15,799	N/A
Total	**$15,799**	**$15,799**

Legal Description

Subd: CARLSBAD AIRPORT IND PK UNIT 2 Lot: 8 Block: 2



Public Remarks

Entry Date	Model	Remark
05/16/2018		BK 1108 PG 983

Land Occurrence 1

Property Code	0200 - NON-RESIDENTIAL LAND	Land Code	111_70 - Commercial Land N/R - .70
Description	NON-RESIDENTIAL LAND	Measure	SF - SF

Abstract Summary

Code	Classification	Actual Value Value	Taxable Value	Actual Value Override	Taxable Override
0200	NON-RESIDENTIAL LAND	$15,799	$5,266	NA	NA
Total		**$15,799**	**$5,266**	**NA**	**NA**

Property Record Card

Eddy Assessor

MARKWEST ENERGY WEST TEXAS GAS CO LLC C/O: PROPERTY TAX DEPT

Account: R082174
Tax Area: CI_NR - CARLSBAD-IN (Nonresidential)
Acres: 0.000

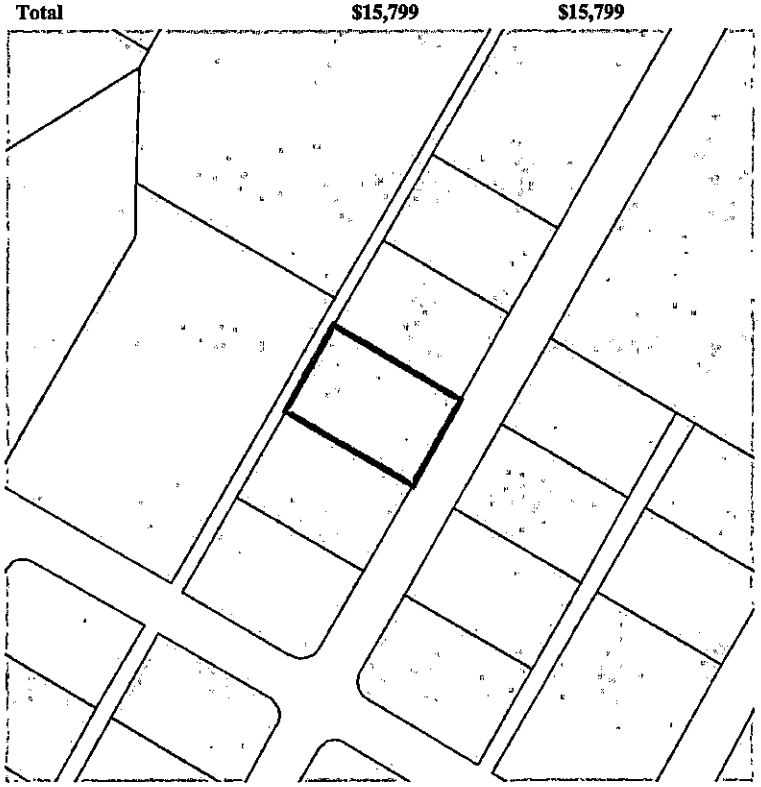
Parcel: 4-156-132-230-139
Situs Address:
N OF 5217 SIERRA VISTA DRIVE
CARLSBAD, 88220

539 S MAIN ST
FINDLAY, OH 45840

Value Summary

Value By:	Market	Override
Land (1)	$15,799	N/A
Total	**$15,799**	**$15,799**

Legal Description
Subd: CARLSBAD AIRPORT IND PK UNIT 2 Lot: 7 Block: 2



Public Remarks

Entry Date	Model	Remark
05/16/2018		BK 1108 PG 983

Land Occurrence 1

Property Code	0200 - NON-RESIDENTIAL LAND	Land Code	111_70 - Commercial Land N/R - .70
Description	NON-RESIDENTIAL LAND	Measure	SF - SF

Abstract Summary

Code	Classification	Actual Value Value	Taxable Value	Actual Value Override	Taxable Override
0200	NON-RESIDENTIAL LAND	$15,799	$5,266	NA	NA
Total		**$15,799**	**$5,266**	**NA**	**NA**

Property Record Card

Eddy Assessor

MARKWEST ENERGY WEST TEXAS GAS CO LLC C/O: PROPERTY TAX DEPT

539 S MAIN ST
FINDLAY, OH 45840

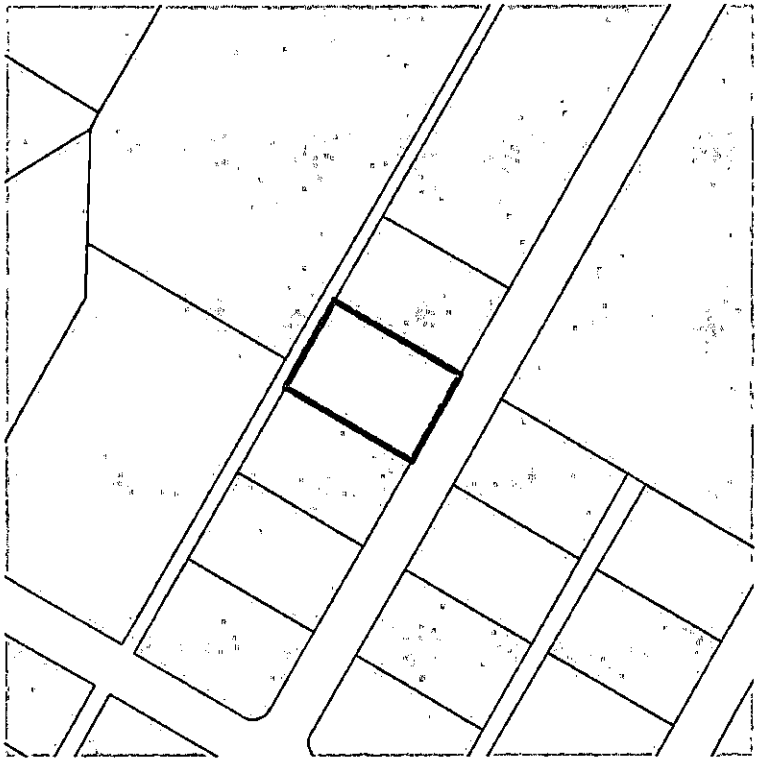
Account: R082173
Tax Area: CI_NR - CARLSBAD-IN (Nonresidential)
Acres: 0.000

Parcel: 4-156-132-237-128
Situs Address:
N OF 5217 SIERRA VISTA DRIVE
CARLSBAD, 88220

Value Summary

Value By:	Market	Override
Land (1)	$15,799	N/A
Total	**$15,799**	**$15,799**

Legal Description
Subd: CARLSBAD AIRPORT IND PK UNIT 2 Lot: 6 Block: 2



Public Remarks

Entry Date	Model	Remark
05/16/2018		BK 1108 PG 983

Land Occurrence 1

Property Code	0200 - NON-RESIDENTIAL LAND	Land Code	111_70 - Commercial Land N/R - .70
Description	NON-RESIDENTIAL LAND	Measure	SF - SF

Abstract Summary

Code	Classification	Actual Value Value	Taxable Value	Actual Value Override	Taxable Override
0200	NON-RESIDENTIAL LAND	$15,799	$5,266	NA	NA
Total		**$15,799**	**$5,266**	**NA**	**NA**


Apr 21, 2026 at 3:10:52 PM


Apr 21, 2026 at 3:10:50 PM


Apr 21, 2026 at 3:10:45 PM


Apr 21, 2026 at 3:09:50 PM


Apr 21, 2026 at 3:09:47 PM
MARKWEST


Apr 21, 2026 at 3:09:27 PM


Apr 21, 2026 at 3:09:24 PM


09/15/2025
08:30


09/15/2025
08:30


09/02/2025
08:22


09/02/2025
08:22


09/02/2025
08:21


09/02/2025
08:21


MARKWEST
09/02/2025
08:21

City Of Carlsbad

Inter-Office Memorandum

Richard D. Lopez, Mayor

Wendy Austin, City Manager

Date: 03/24/2026

To: Barbara Hodgson, City Attorney

From: Joshua Campbell, Fire Marshal

Re: Vacant Lot north of 5217 Sierra Vista Dr, Carlsbad, New Mexico 88220

On 03/24/2026, I inspected a property located at just north of 5217 Sierra Vista Drive, Carlsbad, New Mexico 88220. This property presents an ***extreme*** fire hazard for responding Firefighters and emergency personnel. I recommend that the property be cleaned up and the debris be removed under the following fire codes.

The International Fire Code, 2021 edition states:

Section 304 Combustible Waste Material

304.1 Waste accumulation prohibited. Combustible waste material creating a fire hazard shall not be allowed to accumulate in buildings or structures or upon premises.

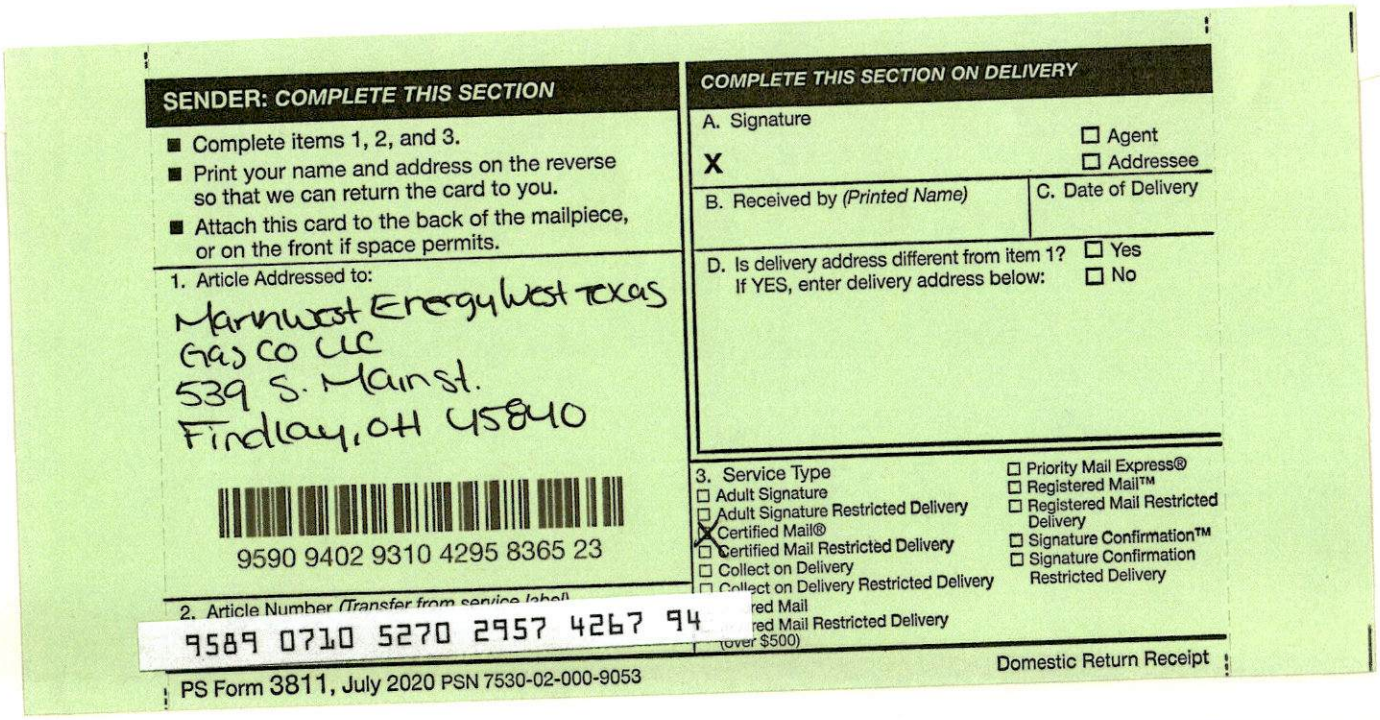
304.1.1 Waste material. Accumulations of wastepaper, wood, hay, straw, weeds, litter, or combustible or flammable rubbish of any type shall not be permitted to remain on a roof or in any court, yard, vacant lot, alley, parking lot, open space, or beneath a grandstand, bleacher, pier, wharf, manufactured home, recreational vehicle, or other similar structure.

304.1.2 Vegetation. Weeds, grass, vines or other growth that is capable of being ignited and endangering property, shall be cut down and removed by the owner or occupant of the premises.

304.2 Storage. Storage of combustible rubbish shall not produce conditions that will create a nuisance or hazard to the public health, safety, or welfare.

Joshua Campbell, Fire Marshal
Carlsbad Fire Department

Exhibit B



SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Marnwest Energy West Texas
Gas Co LLC
539 S. Main St.
Findlay, OH 45840

9590 9402 9310 4295 8365 23

2. Article Number (Transfer from service label)

9589 0710 5270 2957 4267 94

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X ☐ Agent ☐ Addressee

B. Received by (Printed Name) | C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery
- ☐ [illegible]red Mail
- ☐ [illegible]red Mail Restricted Delivery (over $500)
- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

PS Form 3811, July 2020 PSN 7530-02-000-9053 Domestic Return Receipt

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS, FOLD AT DOTTED LINE

CERTIFIED MAIL®

9589 0710 5270 2957 4267 94

9589 0710 5270 2957 4267 94

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee
$ 5.30

Extra Services & Fees (check box, add fee as appropriate)
- ☐ Return Receipt (hardcopy) $ 4.40
- ☐ Return Receipt (electronic) $
- ☐ Certified Mail Restricted Delivery $
- ☐ Adult Signature Required $
- ☐ Adult Signature Restricted Delivery $

Postage
$ .74

Total Postage and Fees
$ 10.44

Sent To
Marwest Energy West Texas Gas Co. LLC
Street and Apt. No., or PO Box No.
539 S. Main St
City, State, ZIP+4®
Findlay OH 45840

PS Form 3800, January 2023 PSN 7530-02-000-9047 See Reverse for Instructions

Postmark Here

Marwest Energy West Texas Gas Co LLC
539 S. Main St.
Findlay, OH 45840

PUBLIC COMMENTS AND ANNOUNCEMENTS

Committee Reports

Cambiar Consulting

City of Carlsbad Monthly Report

May 2026

5/4/26 – Attended the Con Alma Healthy Communities meeting. Discussed healthcare needs in SENM.

5/7/26 – Attended the CDOD monthly board meeting.

Attended and spoke at the Launch Pad groundbreaking ceremony at the Cascades.

5/8/26 – Attended the renaming ceremony for the Carlsbad History Garden.

5/14/26 – Toured the Energy Department and Industrial Training Center at New Mexico Junior College.

5/20/26 – Attended and helped facilitate a panel discussion with Meghan Mooney (Permian Resources) at the Permian Road Safety Coalition Lunch Series in Hobbs. Met with Hobbs Mayor Jonathan Sena, NMDOT District 2 Transportation Commissioner Debra Hicks, and Senator Gallegos regarding regional transportation and infrastructure priorities.

5/21/26 – Met with New Mexico Transportation Secretary David Quintana to discuss Southeast New Mexico road projects, transportation priorities, and opportunities during the upcoming 60-day legislative session.

Attended the New Mexico Transportation Commission meeting in Lovington.

5/27/26 – Attended a site selector dinner with the Carlsbad Department of Development and Mike Gallagher to discuss economic development opportunities and business recruitment efforts for Carlsbad.

Olga Ramirez <oeramirez@cityofcarlsbadnm.com>

New Mexico Primary Election Analysis

Matt Thompson <matt@cambiarnm.com> Wed, Jun 3, 2026 at 12:42 PM
To: Matt Thompson <matt@cambiarnm.com>
Cc: susan@cambiarnm.com
Bcc: oeramirez@cityofcarlsbadnm.com

Progressive Turnout Surge Reshapes Primary and Sets High-Risk Landscape for 2027

EXECUTIVE SUMMARY: THE PROGRESSIVE WAVE IS REAL

The defining story of the New Mexico primary is a highly motivated and mobilized progressive Democratic electorate. Far from a standard off-year turnout, progressives flexed historic organizational muscle up and down the ballot.

For industry, energy, and business interests, the signal is unmistakable: the progressive wing has consolidated its grip on the state's political apparatus. This surge in turnout all but ensures a challenging general election environment for Republicans in November, followed by an aggressive, leftward-leaning legislative and regulatory agenda in the 2027 session.

THE GUBERNATORIAL RACE: SOUND DEFEAT OF THE MODERATE ALTERNATIVE BY PROGRESSIVE CHAMPION

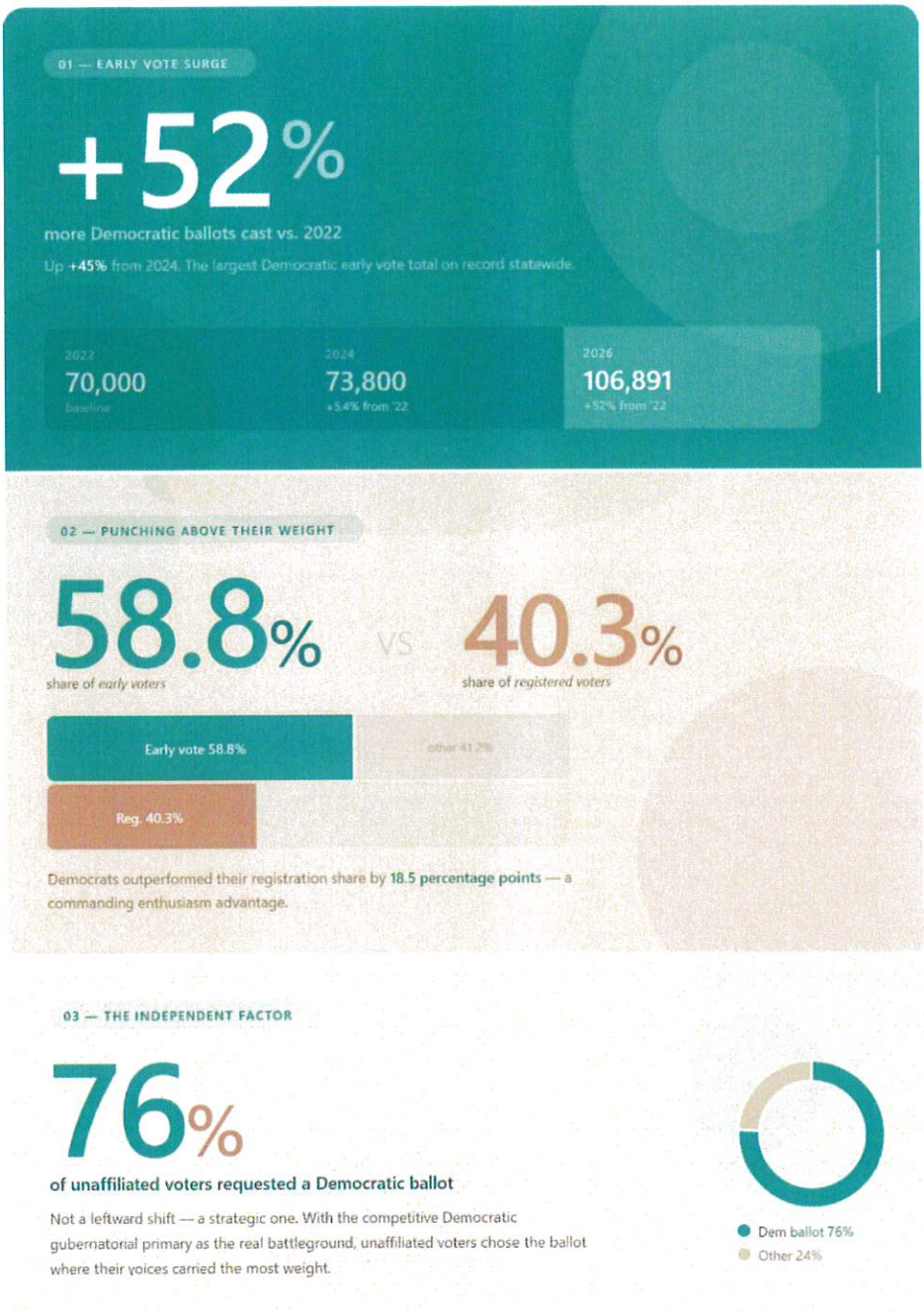
The top of the ticket provided the first major confirmation of the progressive wave. In the race for the Democratic gubernatorial nomination, progressive favorite **Deb Haaland** scored a crushing victory over Bernalillo County District Attorney **Sam Bregman**, routing him 73 percent to 27 percent.

Bregman anchored his campaign in a traditional, moderate platform that leaned heavily on his law enforcement background, public safety, and conventional economic stabilization. His sound defeat underscores the reality facing New Mexico Democrats: the moderate, centrist lane has shrunk dramatically. The party base explicitly rejected a middle-of-the-road approach in favor of **Haaland's** progressive platform, which centers tightly on a prograssive social agenda, strict corporate accountability, aggressive climate action, and environmental reclamation.

THE TURNOUT SIGNAL: UNCONTESTED SEATS REVEAL DEEP BASE STRENGTH

While competitive races draw headlines, the truest indicator of progressive strength in this primary was the raw volume of votes cast in uncontested, urban Democratic House districts.

Even with no opponent on the ballot, progressive incumbents in Albuquerque and Santa Fe saw massive participation. Because these voters had no local race driving them to the polls, their participation indicates a highly effective, deeply organized Democratic party machine capable of generating overwhelming baseline turnout that will return in force this November.



DOWN-BALLOT IMPACT: PROGRESSIVE TAKEOVER OF THE STATE HOUSE

Democrats currently hold a 44-26 majority in the House. This primary accelerated a six-year trend of progressives systematically replacing moderate, business-friendly institutionalists.

- Industry Funding as a Liability: In Albuquerque's District 27, progressive challenger **Abby Foster** holds a narrow lead over moderate incumbent Rep. **Marian Matthews**. **Abby Foster** ran explicitly to **Marian Matthews'** left, successfully weaponizing **Marian Matthews'** oil and gas campaign contributions as a core vulnerability.
- Consolidating Open Seats: In District 41, progressive-backed **Yolanda Jaramillo** defeated former Rep. **Debbie Rodella**, who is a moderate and former industry lobbyist. In District 70, progressive Rep. **Anita Gonzales** comfortably defeated centrist former Rep. **Ambrose Castellano**. Because no Republicans filed in these districts, **Yolanda Jaramillo** and **Anita Gonzales** are effectively elected.
- Leadership Alignment: Key progressive leaders who ran unopposed, including House Speaker **Javier Martínez** of Albuquerque and Majority Leader **Reena Szczepanski** of Santa Fe, will return to Santa Fe backed by a more ideologically aligned, left-leaning caucus.

TOP-OF-THE-TICKET MATCHUPS

The top of the ballot mirrors the progressive energy seen in the legislative races.

Governor: Democratic Ticket: **Deb Haaland** (Won 73 to 27) Enters November as the heavy favorite. Her platform centers tightly on strict industry accountability, cleanup, and reclamation. Republican Ticket: **Gregg Hull** (Won with 48 percent) The former Rio Rancho Mayor faces an uphill battle in a state where Democrats have won every statewide seat since 2017.

Lieutenant Governor: Democratic Ticket: **Maggie Toulouse Oliver** (Won 80 to 20) Defeated a sitting State Senator by a landslide. Her explicit priority is diversifying the New Mexico economy away from fossil fuels. Republican Ticket: **David Gallegos** (Won with 50 percent) A conservative State Senator from Eunice and reliable industry ally, but faces a tough statewide math problem.

Land Commissioner: Democratic Ticket: **Juan de Jesus Sanchez III** (Won 55 percent) Won a contentious primary with significant outside industry PAC backing, but faces an immediate ethics complaint over that spending. Republican Ticket: **Michael Jack Perry** Ran unopposed. Will look to challenge **Juan de Jesus Sanchez III** for control of an office managing 9 million acres and over 2 billion dollars in annual royalties.

2027 STRATEGIC OUTLOOK

The combination of a **Deb Haaland**-led executive branch, a structurally diminished moderate Democratic faction, and a highly energized progressive base sets up a defensive 2027 legislative session for business and extractive industries. We need to build coaltions, gather data, and begin to plan now, not in January.

Note: For live, updating results and official precinct-by-precinct numbers, you can access the New Mexico Secretary of State Election Results Portal. Local race analysis and continuous seat-by-seat breakdowns are available via the Santa Fe New Mexican and the Albuquerque Journal.

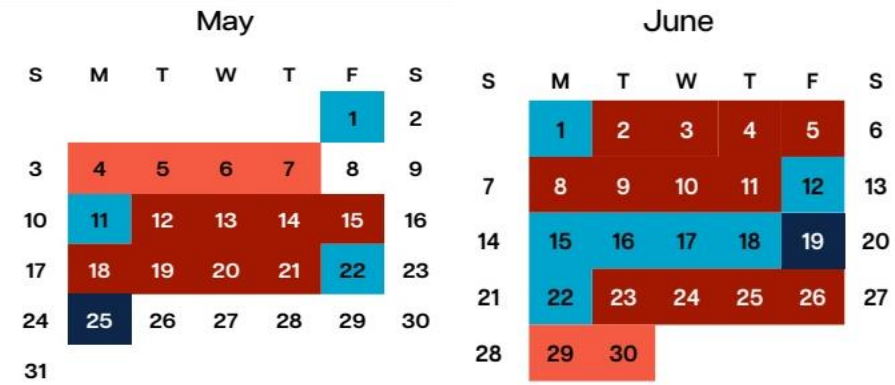
Matt Thompson
405.250.9555
Cambia Consulting, LLC

MEMORANDUM

TO: Mayor Lopez – City of Carlsbad
FROM: Jeff Murray
RE: Monthly Consulting Report, May, 2026

Congressional Schedule





U.S. Government Affairs Report: May 2026

Issue prioroities for May: FY27 Apprioriations

NDAA:

On May 26 House Armed Services Committee Chairman Mike Rogers (R-AL), and Ranking Member Adam Smith (D-WA) released the Chairman's Mark of H.R. 8800, the Fiscal Year 2027 National Defense Authorization Act (FY27 NDAA). The WIPP authorization amounts are listed below (in millions):

Waste Isolation Pilot Plant

Waste Isolation Pilot Plant 400,020

Construction:
21–D–401 Hoisting Capability Project 72,000 72,000
Total, Construction—Waste Isolation Pilot Plant 72,000 72,000

Total, Waste Isolation Pilot Plant 472,020 472,020

As a reminder, the FY 2027 President's budget request for WIPP includes $483 million in discretionary funding through the Department of Energy's Office of Environmental Management. This marks a 12% increase from the $430 million enacted by Congress for FY 2026.

Budget Breakdown & Context

- Tapped for Increase: Most Department of Energy (DOE) cleanup sites faced proposed budget cuts; however, WIPP was one of the few Environmental Management (EM) sites selected for a funding increase.

FY27 Budget/Appropriations

On May 15 the House Energy and Water subcommittee marked up the FY27 E&W Appropriations legislation and on May 20 the full Appropriations Committee marked up the E&W Appropriations legislation.

As a reminder – below is a tracking table of the WIPP budget for the past 2 funding cycles as well as the FY27 requested amount.

High Level Budget Information

FY25 Request (in the millions)	FY25 Enacted (in the millions	FY26 Request (in the millions)	FY26 Enacted (in the millions)	FY27 Request (in the millions)
$437	$505	$427	$431	$483

BLM:

On May 18 the United States Senate on Monday voted 46-43 to confirm Republican Steve Pearce (both New Mexico Senators voted against his confirmation), a former New Mexico congressman, to lead the federal Bureau of Land Management agency.

Pearce, who represented New Mexico's 2nd Congressional District from 2011 to 2019 and led the state Republican party for several terms, will now lead an agency that oversees 245 million acres of public lands — including for recreation, cattle grazing and extraction of oil and natural gas.

HR 7882 To provide for the leasing of certain deposits of minerals located within the City of Carlsbad, New Mexico (Update)

No additional action has taken place since the March 25th hearing.

On March 25 the House Committee on Natural Resources hosted a hearing on HR 7882 – legislation specific to Carlsbad regarding mineral resources on Federal lands. Below is an analysis of the legislation.

Activities:

House E&W subcommittee	We attended the May 15 FY27 subcommittee markup of the Energy and Water bill that contains FY27 WIPP funding.
House Appropriations	We attended the May 20 full committee markup of the FY27 energy and watewr bill.
NM Legislators	We met with a group of NM House legislators that were in Washington DC to update them on Eddy/Carlsbad federal priorities and actions/legislatiion impacting Eddy/Carlsbad.
Rep Goldman (TX)	We hosted a dinner for Rep Goldman (from Texas and serves on the Energy and Commerce

Committee) and discussed issues impacting the oil and gas industry in SENM.