

ORDINANCE NO. 2019-02

AN ORDINANCE AUTHORIZING THE LEASE OF APPROXIMATELY 11.7 MILES OF PIPELINE AND RELATED FACILITIES IN THE DOUBLE EAGLE WATER SYSTEM WITH SUCH PORTION COMMONLY KNOWN AS THE GRUBBS LINE TO SELECT ENERGY SERVICES, LLC dba GREGORY ROCKHOUSE RANCH FOR THE TRANSMISSION OF WATER

WHEREAS, the City of Carlsbad owns and operates a water system commonly known as the Double Eagle Water System in Lea and Eddy Counties; and

WHEREAS, the Double Eagle water system includes an approximately 11.7 mile long portion of pipeline and related facilities commonly known as the Grubbs Line as more precisely shown on attached Exhibit “A”; and

WHEREAS, the City issued its RFP 2017-17 requesting proposals for the use of the Grubbs Line; and

WHEREAS, Select submitted its proposal in response th RFP 2017-17; and

WHEREAS, the Carlsbad City Council awarded RFP 2017-17 to Select Energy Services, LLC, subject to the negotiation of a satisfactory agreement between the parties.

WHEREAS, a qualified appraiser has found that the Grubbs Line has an appraised value of One Hundred Seventy-Four thousand dollars (\$174,000.00); and

WHEREAS, the Governing Body of the City of Carlsbad wishes to lease the Grubbs Line to Select Energy Services, LLC for the transmission of water pursuant to the terms and conditions set forth in the Agreement Between the City of Carlsbad and Select Energy Services, LLC dba Gregory Rockhouse Ranch for the use of the Grubbs Water Line and Related Facilities, attached as Exhibit “B” for the purpose of generating revenue.

NOW, THEREFORE, be it ordained by the Governing Body of the City of Carlsbad that:

1. The lease of the Grubbs Line, upon the terms and conditions set forth in Exhibit “B”, incorporated herein by reference, is hereby approved.
2. The Mayor and City Administrator are authorized to execute all documents necessary to implement the terms of this ordinance.

3. Notice shall be published pursuant to the terms of NMSA 1978, Sec. 3-54-1 (1999).

DONE AND APPROVED this 8th day of January, 2019.

/s/Dale Janway
DALE JANWAY, MAYOR

ATTEST:

/s/Nadine Mireles
CITY CLERK