

NEW MEXICO JUNIOR COLLEGE

BOARD MEETING

Tuesday, August 12, 2003

Zia Room - Library

3:00 p.m.

AGENDA

- | | |
|---|----------------|
| A. Welcome | Larry Hanna |
| B. Adoption of Agenda | Larry Hanna |
| C. Approval of Minutes of July 24, 2003 | Larry Hanna |
| D. Correspondence | Pat Chappelle |
| E. President's Report | Steve McCleery |
| F. New Business | |
| 1. Monthly Expenditures Report | Dan Hardin |
| 2. Monthly Revenue Report | Dan Hardin |
| 3. Oil and Gas Revenue Report | Dan Hardin |
| 4. Schedule of Investments | Dan Hardin |
| 5. Consideration of Bid #939 – Janitorial Supplies | Donna Richards |
| 6. Consideration of Long Term Ground Lease with NMJC Foundation | Steve McCleery |
| 7. Consideration of Transfer for Student Center Remodel and Expansion | Steve McCleery |
| 8. Consideration of Professional Services Contract | Steve McCleery |
| 9. Consideration of Purchase of NMJC Activity Bus | Steve McCleery |
| 10. Personnel Consideration – Custodian Position | Steve McCleery |
| G. Public Comments | Larry Hanna |
| H. Announcement of Next Meeting | Larry Hanna |
| I. Adjournment | Larry Hanna |

NEW MEXICO JUNIOR COLLEGE

BOARD MEETING

JULY 24, 2003

MINUTES

The New Mexico Junior College Board met on Thursday, July 24, 2003, beginning at 4:00 p.m. in the Zia Room of Pannell Library. The following members were present: Mr. Larry Hanna, Chairman; Ms. Patricia Chappelle, Secretary; Mr. Wade Cavitt; Mr. Phillip Jones; Mrs. Yvonne Williams; and Mr. Guy Kesner. Not present was Mr. John Hice, Jr.

Mr. Hanna called the meeting to order and welcomed visitors and guests present: Michelle Fox, Hobbs News Sun.

Upon a motion by Mr. Kesner, seconded by Mr. Jones, the agenda was unanimously adopted, as presented.

Upon a motion by Mrs. Williams, seconded by Ms. Chappelle, the board unanimously approved the minutes of June 19 and July 10, 2003.

Under *President's Report*, Karen Cummings gave an update on the nursing program. Cc Nelson reported on the recent Jim Spence Memorial Golf Tournament. Steve Davis gave the Smart Classroom update. Dr. McCleery ask the board to consider September 11 or September 25 for board training with Wayne Newton. It will be a one-day training and he will let the board know which date is secured with Mr. Newton. Dr. McCleery gave the capital project update on the Student Center, Western Heritage museum, dorms, circle drive, and SCT Banner. Mr. Hanna encouraged the board to attend the ACCT Annual Convention in Denver, Colorado on September 17-20, 2003.

Under *New Business*, Dan Hardin presented the June financial reports and with a motion by Mr. Jones, seconded by Ms. Chappelle, the board unanimously approved the expenditures for June 2003.

Charley Carroll presented a list of major and minor equipment items to be removed from the college inventory. Most items listed were ACCEL inventory. Upon a motion by Mr. Kesner, seconded by Ms. Chappelle, the board unanimously approved the removal from inventory.

Dr. McCleery presented the Research Policy and Procedures for board consideration. The policy and procedures for conducting research involving human subjects are intended to insure that college staff and students who may be affected by the research can be certain that the research is sound and does not violate board policy, college operating procedures,

or federal regulations concerning protection of human rights. Upon board approval, this policy will become part of the board policy handbook. Upon a motion by Mr. Jones, seconded by Mrs. Williams, the board unanimously adopted the research policy and procedures.

Dr. McCleery presented a recommendation to strike "additional semester hours" and leave the words "degrees earned" in the employee handbook for professional staff. Upon a motion by Ms. Chappelle, seconded by Mrs. Williams, the board unanimously accepted the recommendation.

Dr. McCleery presented the Energy/Facility Management Systems Replacement Proposal to replace the Facility Management Systems on campus. Energy Control Inc. completed a study and drawings, and the cost of the project is \$690,443.63. The project funds will come from 2002 Statewide General Obligation Infrastructure funds. Upon a motion by Mr. Cavitt, seconded by Mr. Jones, the board unanimously accepted the proposal and the two-year maintenance agreement for \$48,000.

Robert Wingo presented a Staff Wellness program for New Mexico Junior College employees. The Welfare Committee, Richard Morris, and Jeff McCool have endorsed the program. Upon a motion by Ms. Chappelle, seconded by Mr. Jones, the board unanimously approved the program.

Dr. McCleery presented a retirement resolution for Steve Davis. Dean Davis has served the college for 25 years and has elected to retire on August 1, 2003. The board unanimously adopted the resolution.

Rich Fleming recommended Dr. Marilyn Dill for the Director of Learning and Assessment position with an annual salary of \$50,000. Upon a motion by Mr. Jones, seconded by Ms. Chappelle, the board unanimously approved the employment of Dr. Dill, effective August 4, 2003. Dr. Fleming recommended Ms. Irma Maldonado for the Professor of Area Vocational High School Health Occupations/Allied Health position with a nine-month salary of \$28,500. Upon a motion by Mr. Kesner, seconded by Ms. Chappelle, the board unanimously approved the employment of Ms. Maldonado, effective August 11, 2003.

The next regular board meeting was scheduled for August 12, 2003, beginning at 3:00 p.m. in the Zia Room of Pannell Library.

Upon a motion by Mr. Cavitt, seconded by Ms. Chappelle, the board meeting adjourned at 5:45 p.m.

NEW MEXICO JUNIOR COLLEGE
Expenditure Report
July 2003

8% of Year Completed

Fund	2002-03			2003-04			
	Final Budget	Year-to-Date Expended or Encumbered	Percentage of Budget Expended	Original Budget	Current Expended or Encumbered	Year-to-date Expended or Encumbered	Percentage of Budget Expended
CURRENT UNRESTRICTED FUND							
Instruction and General:							
Instruction	4,825,446	333,217	7%	5,297,285	315,322	315,322	6%
Academic Support	920,713	249,883	27%	1,088,548	128,356	128,356	12%
Student Services	1,072,721	97,349	9%	1,214,328	94,382	94,382	8%
Institutional Support	4,145,271	201,049	5%	4,076,531	137,516	137,516	3%
Operation & Maintenance of Plant	1,708,119	181,232	11%	1,687,103	312,757	312,757	19%
Subtotal - Instruction & General	12,672,270	1,062,730	8%	13,363,795	988,333	988,333	7%
Student Activities	288,156	10,343	4%	307,331	13,693	13,693	4%
Research	0	0	0%	0	0	0	0%
Public Service	0	0	0%	0	0	0	0%
Internal Service Departments	742,447	192,360	26%	372,854	251,810	251,810	68%
Student Aid	164,441	520	0%	305,389	11,453	11,453	4%
Auxiliary Enterprises	1,315,353	264,588	20%	1,413,983	23,357	23,357	2%
Athletics	608,969	11,213	2%	671,031	58,304	58,304	9%
Total Current Unrestricted Fund	15,791,636	1,541,754	10%	16,434,383	1,346,950	1,346,950	8%
CURRENT RESTRICTED FUND							
Grants	2,843,425		0%	2,843,425	76,902	76,902	3%
Student Aid	4,180,325	286,525	7%	4,180,325	301,681	301,681	7%
Total Current Restricted Fund	7,023,750	301,239	4%	7,023,750	378,583	378,583	5%
PLANT FUNDS							
Capital Outlay / Bldg. Renewal & Repl.							
Projects from Institutional Funds	7,543,812	995,407	13%	0	311,297	311,297	0%
Projects from State GOB Funds	5,145,397	0	0%	4,949,007	247,154	247,154	5%
Projects from State STB Funds	0	0	0%	2,000,000	0	0	0%
Projects from Other State Funds	0	0	0%	326,454	0	0	0%
Projects from State B R & R	443,286	8,800	2%	353,945	0	0	0%
Projects from Auxiliary BR&R	35,986	0	0%	19,147	0	0	0%
Subtotal - Capital and BR&R	13,168,481	1,004,207	8%	7,648,553	558,451	558,451	7%
Debt Service							
Revenue Bonds	0	0	0%	0	0	0	0%
Total Plant Funds	13,168,481	1,004,207	8%	7,648,553	558,451	558,451	7%
GRAND TOTAL EXPENDITURES	35,983,867	2,847,200	8%	31,106,686	2,283,984	2,283,984	7%

NEW MEXICO JUNIOR COLLEGE
Revenue Report
July 2003

8% of Year Completed

Fund	2002-03			2003-04			
	Final Budget	Year-to-date Revenue	Percentage of Budget Received	Original Budget	Current Month Revenue	Year-to-date Revenue	Percentage of Budget Received
CURRENT UNRESTRICTED FUND							
Instruction and General:							
Tuition and Fees	1,277,050	25,295	2%	1,653,150	257,871	257,871	16%
State Appropriations	7,376,100	614,683	8%	7,684,800	619,358	619,358	8%
Advalorem Taxes - Oil and Gas	2,949,084	288,681	10%	3,409,779	239,507	239,507	7%
Advalorem Taxes - Property	1,800,000	26,758	1%	2,000,000	37,237	37,237	2%
Interest Income	50,000	0	0%	50,000	0	0	0%
Other Revenues	401,308	25,852	6%	316,500	21,829	21,829	7%
Subtotal - Instruction & General	13,853,542	981,269	7%	15,114,229	1,175,802	1,175,802	8%
Student Activities	43,400	0	0%	47,500	8,255	8,255	17%
Public Service	0	0	0%	0	0	0	0%
Internal Service Departments	10,000	2,049	20%	13,000	536	536	4%
Auxiliary Enterprises	1,663,000	37,179	2%	1,728,300	86,148	86,148	5%
Athletics	35,400	2,875	8%	35,400	2,875	2,875	8%
Total Current Unrestricted	15,605,342	1,023,372	7%	16,938,429	1,273,616	1,273,616	8%
CURRENT RESTRICTED FUND							
Grants	2,843,425	56,908	2%	2,843,425	2,274	2,274	0%
Student Aid	3,716,407	18,537	0%	4,180,325	120,526	120,526	3%
Total Current Restricted	6,559,832	75,445	1%	7,023,750	122,800	122,800	2%
PLANT FUNDS							
Capital Outlay / Bidg. Renewal & Repl.							
Projects from State GOB Funds	1,212,900	0	0%	4,949,007	0	0	0%
Projects from State STB Funds	0	0	0%	2,000,000	0	0	0%
Projects from Other State Funds	0	0	0%	0	0	0	0%
Interest Income	105,700	15,407	0%	100,000			0%
Subtotal - Capital & BR&R	1,318,600	15,407	1%	7,049,007	0	0	0%
Debt Service							
Interest Income	0	0	0%	0	0	0	0%
Total Plant Funds	1,318,600	15,407	1%	7,049,007	0	0	0%
GRAND TOTAL REVENUES	23,483,774	1,114,224	5%	31,011,186	1,396,416	1,396,416	5%

NEW MEXICO JUNIOR COLLEGE

Oil and Gas Revenue Report

July 2003

8% of Year Completed

		OIL		GAS		COMBINED		
Month of	Sales Distribution	Price per BBL	Lea County BBLs sold	Price per MCF	Lea County MCF sold	Monthly Revenue	2002-03 Original Budget	Variance Over (Under) Budget
Accrual		\$26.85	2,991,006	\$4.48	16,317,305	239,507	239,507	0
June	August						239,507	(239,507)
July	September						239,507	(239,507)
August	October						239,507	(239,507)
September	November						239,507	(239,507)
October	December						239,507	(239,507)
November	January						239,507	(239,507)
December	February						239,507	(239,507)
January	March						239,507	(239,507)
February	April						239,507	(239,507)
March	May						239,507	(239,507)
April	June						239,507	(239,507)
Y.T.D. Production Tax Revenue						239,507	2,874,084	(2,634,577)
Y.T.D. Equipment Tax Revenue						37,237	535,695	(498,458)
Total Year-to-Date Oil & Gas and Equipment Tax Revenue						276,744	3,409,779	(3,133,035)

Source: New Mexico Taxation and Revenue Department

Per Johnson, Miller & Co., C.P.A.'s, an accrual is made for oil and gas revenue for the reporting month. July is the monthly budget amount.

NEW MEXICO JUNIOR COLLEGE
Schedule of Investments
July 2003

8% of Year Completed

Financial Institution	Amount Invested	Date Invested	Maturity Date	Period of Investment (Days)	Account Number	Interest Rate	Interest Earned
State of New Mexico Local Government Investment Pool	8,225,000	N/A	N/A	N/A	7102-1348	1.41%	10,090
Total investments	<u>8,225,000</u>						<u>10,090</u>

Summary of Current Month's Activity	
Beginning amount	8,225,000
Plus: deposits	0
Less: withdrawals	0
Capital Projects	6,319,751
Reserves Invested	1,905,249
Total LGIP Investment	8,225,000

Capital Projects	7/31/2003
Technology Upgrade	334,502.56
Workforce Training Center	1,191,750.14
High Tech Start Up	202,143.08
Docutech	175,000.00
Vehicles	175,000.00
CISCO Networking Equipment	4,188.53
Western Heritage Center	500,000.00
Drawings and Master Plan	94,794.00
Baseball Field	214,390.15
Rodeo Arena	11,523.96
Dormitory Landscape	46,012.37
Lea County Beautification	0.00
Circle Drive	186,885.10
Dorm Construction	1,600,000.00
Roadway Parking Lot Seal Coat	50,000.00
Dorm Recreation Area	143,281.23
BR&R Carryover	19,539.49
Water Rights	48,246.81
Firing Range Upgrade	1,564.13
Millen Fence/Landscape	100,000.00
Ben Alexander Student Center	750,000.00
JASI	470,929.64
Total	6,319,751.19

NOTE: Capital projects total does not include encumbered funds

NEW MEXICO JUNIOR COLLEGE

Invitation to Bid #939

Janitorial Supplies

BOARD DOCUMENTS

Date:	August 12, 2003
Prepared by:	Donna Richards Coordinator of Purchasing

NEW MEXICO JUNIOR COLLEGE

BOARD DOCUMENTS

General Information

1. On July 11, 2003, a legal notice was posted on the NMJC Bids & Quotations web site and faxed to the following newspapers requesting sealed bids for janitorial supplies:
 - 1) The Hobbs Daily News Sun
 - 2) Las Cruces Sun News
 - 3) Albuquerque Journal
2. Bid packets were sent to eight potential bidders.
3. Six vendors submitted bids within the time frame specified by the bid package.
4. No vendors were present at the opening.
5. The Business Office has evaluated the bids received and their recommendation is shown on Page 3.

NEW MEXICO JUNIOR COLLEGE

BOARD DOCUMENTS

Evaluation and Recommendations

The vendors responding to Invitation to Bid #939 were:

Share Corporation, Lubbock, TX	Wagner Supply Company, Odessa, TX.
All American Poly, Piscataway NJ	Interboro Packaging, Montgomery, NY
Unipak Corp., Brooklyn NY	CES, Inc., Big Spring TX

The bid response results are shown on Page 4 (Tabulation Summary).

The Administration recommends acceptance of the multiple awards bid as follows:

All American Poly	\$3,656.00
Share Corporation:	\$2,074.00
CES	\$1,087.22
Interboro	\$ 487.20
Wagner	<u>\$30,236.11</u>
Total Awarded:	\$37,540.53

Source of Funding: - Custodial Supplies & Expense Account - FY 2003-2004

Account Number: - 1-2435-15-820
\$38,150.76 Remaining in Budget for 2003/04

Invitation #	NEW MEXICO JUNIOR COLLEGE	Janitorial Supplies	Qty requested	Unit requested	Description and quantity of item per Specifications	Wagner	CES, Inc.	Unipak	Interboro-Bid A	Interboro Bid B	Interboro Bid C	ShareCorp.	Poly	Adjusted Quantity	Vendor	Unit Price	Total
Bid # 939																	
1	1	cases	200	cases	Trash Can Liners 40 x 48 250 per case 16 microns	\$ 3,546.00	\$ 6,456.00	\$ 2,990.00	\$ 3,296.00	did not meet specs	did not meet specs	No Bid	\$ 2,880.00	150	All Amer	\$ 14.40	\$ 2,160.00
2	1	cases	170	cases	Trash Can Liners 30 x 36 500 per case 10 microns	\$ 2,208.30	\$ 4,069.80	\$ 1,946.50	\$ 2,097.80	\$ 1,924.40	\$ 1,924.40	No Bid	\$ 1,870.00	136	All Amer	\$ 11.00	\$ 1,496.00
3	1	cases	150	cases	8" roll towels bleached non-perforated 350' per roll 16 rolls per cs	\$ 3,766.50	\$ 4,900.50	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	120	Wagner	\$ 25.11	\$ 3,013.20
4	1	cases	250	cases	Jumbo roll toilet tissue 2 ply 2000' per roll. 6 roll per 1200 ft per c	\$ 5,397.50	\$ 22,100.00	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	200	Wagner	\$ 21.59	\$ 4,318.00
5	1	cases	10	cases	Toilet Tissue 2 Ply Roll 96 per case	\$ 262.00	\$ 750.00	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	8	Wagner	\$ 26.20	\$ 209.60
6	1	cases	200	cases	Multi-fold Towels White Bleached - Embossed	\$ 3,180.00	\$ 12,580.00	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	150	Wagner	\$ 15.90	\$ 2,385.00
7	1	cases	75	cases	Sani-fresh Hand Soap and Body Shampoo Only	\$ 1,922.25	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	60	Wagner	\$ 25.63	\$ 1,537.80
8	1	cases	25	cases	Sani Tuif 3.5 litres with grit	\$ 766.75	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	20	Wagner	\$ 30.67	\$ 613.40
9	1	cases	10	cases	Sani-Fresh Dispensers only	\$ 564.70	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	8	Wagner	\$ 56.47	\$ 451.76
10	1	quarts	900	quarts	Toilet Bowl Cleaner (Non-Acid)	\$ 1,404.00	\$ 4,530.00	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	720	Wagner	\$ 1.56	\$ 1,123.20
11	1	gallons	300	gallons	Bleach 5% (6 in one gallon per case)	\$ 366.00	\$ 5,976.00	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	240	Wagner	\$ 1.22	\$ 292.80
12	1	cans	100	cans	Ajax	\$ 71.00	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	80	Wagner	\$ 0.71	\$ 56.80
13	1	can	200	can	Pledge Furniture Polish	\$ 1,086.00	\$ 1,240.00	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	160	Wagner	\$ 5.43	\$ 868.80
14	1	boxes	10	boxes	Buffing Green Pads 20"	\$ 149.00	Bid Rejected	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	8	Wagner	\$ 14.90	\$ 119.20
15	1	boxes	20	boxes	Buffing white pad 20"	\$ 298.00	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	16	Wagner	\$ 14.90	\$ 238.40
16	1	gallons	200	gallons	Hillyard Super Shine in One Gallon - No Substitutions	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	160	No Award	No Award	\$ -
17	1	gallons	150	gallons	Hillyard Seal 341 in 5 gal - No Substitutions	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	120	No Award	No Award	\$ -
18	1	gallons	80	gallons	Stallion Brand mop buff - No Substitutions	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	64	No Award	No Award	\$ -
19	1	gallons	60	gallons	Hillyard Hill-tone in 1 - No Substitutions	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	48	No Award	No Award	\$ -
20	1	gallons	32	gallons	Share De Scale - No Substitutions	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	26	No Award	No Award	\$ -
21	1	bottles	200	bottles	Plain plastic quart bottles	\$ 78.00	\$ 148.00	No Bid	No Bid	No Bid	No Bid	\$ 1,120.00	No Bid	48	Share	\$ 35.00	\$ 910.00
22	1	end	60	end	Mophead rayon 32 oz. Web looped end	\$ 402.00	\$ 610.25	No Bid	No Bid	No Bid	No Bid	\$ 130.00	No Bid	160	Wagner	\$ 0.39	\$ 62.40
23	1	handles	40	handles	Scouring pad green 6" X 9" 20 pads in box, heavy duty	\$ 188.00	\$ 29.58	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	48	Wagner	\$ 6.70	\$ 321.60
24	1	handles	25	handles	Ostrich feather duster long feather 20" overall length, 10" handle	\$ 223.75	\$ 410.50	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	32	CES	\$ 21.00	\$ 672.00
25	1	sticks	10	sticks	Wet Floor Sign - CAUTION WET FLOOR	\$ 797.50	\$ 270.04	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	20	Wagner	\$ 8.95	\$ 179.00
26	1	pads	50	pads	Pumice Sticks	\$ 122.50	\$ 191.35	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	48	Wagner	\$ 11.10	\$ 88.80
27	1	boxes	25	boxes	Black Stripping pads, heavy duty, 20"	\$ 725.20	\$ 155.00	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	20	Wagner	\$ 4.90	\$ 98.00
28	1	boxes	24	boxes	Square brute 23 gallons 14 1/2" X 28"	\$ 733.26	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	19	Wagner	\$ 30.22	\$ 574.18
29	1	pads	12	pads	Laundry Tide 36 lb Box	\$ 79.32	\$ 782.88	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	20	Wagner	\$ 61.10	\$ 1,222.00
30	1	pairs	12	pairs	27" Burnishing pad white super polish	No Bid	\$ 59.04	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	10	CES	\$ 6.61	\$ 66.10
31	1	pairs	24	pairs	Dust Mop Frames w/clip-on handles 180 swivel head	No Bid	\$ 25.04	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	2	CES	\$ 12.52	\$ 25.04
32	1	pairs	24	pairs	Latex gloves medium - yellow	\$ 21.36	\$ 23.80	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	20	Wagner	\$ 0.89	\$ 17.80
33	1	pairs	24	pairs	Latex gloves large - yellow	\$ 21.36	\$ 23.80	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	19	Wagner	\$ 0.89	\$ 16.91
34	1	pairs	24	pairs	Lobby dust pans	\$ 184.80	\$ 445.92	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	19	Wagner	\$ 7.70	\$ 146.30
35	1	handles	20	handles	Wet mop handles, quick change, heavy-duty, side hinge 60" handles	\$ 194.00	\$ 230.00	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	16	Wagner	\$ 9.70	\$ 155.20
36	1	cleaner	24	cleaner	Lemon disinfectant floor cleaner	\$ 132.48	\$ 3,062.50	No Bid	No Bid	No Bid	No Bid	\$ 541.00	No Bid	19	Wagner	\$ 5.52	\$ 104.88
37	1	wringer	250	wringer	Trigger spray for 32 oz. Chemical resistant (RED & WHITE ONLY)	\$ 465.00	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	200	Wagner	\$ 1.86	\$ 372.00
38	1	wringer	200	wringer	Downward Pressure wringer	\$ 13,830.00	\$ 15,760.00	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	160	Wagner	\$ 69.15	\$ 11,064.00
39	1	mask	12	mask	Disposable dust mask 8700	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	10	No Award	\$ -	\$ -
40	1	box	72	box	Disposable Flexshield Nitrile Gloves Latex in X LARGE	\$ 496.80	No Bid	No Bid	\$ 302.40	\$ 302.40	No Bid	No Bid	No Bid	58	Interboro C	\$ 4.20	\$ 243.60
41	1	box	72	box	Disposable Flexshield Nitrile Gloves latex power-free MEDIUM	\$ 496.80	No Bid	No Bid	\$ 302.40	\$ 302.40	No Bid	No Bid	No Bid	58	Interboro C	\$ 4.20	\$ 243.60
42	1	box	72	box	Disposable Flexshield Nitrile Gloves Latex in SMALL	\$ 496.80	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	58	Wagner	\$ 6.90	\$ 400.20
43	1	gal	20	gal	Share Citra Sol in 5 gal - No Substitutions	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	\$ 1,164.00	No Bid	16	Share	\$ 291.20	\$ 1,164.00
44	1	holder	50	holder	Razor Blade Scraper Holder	\$ 65.00	\$ 116.00	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	40	Wagner	\$ 1.30	\$ 52.00
45	1	case	3	case	Razor Blade replacement	\$ 19.92	\$ 46.44	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	2	Wagner	\$ 6.64	\$ 13.28
46	1	case	3	case	Air Freshener 7 oz can apple, pinacolada, vanilla 1 case of each	\$ 121.50	\$ 208.80	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	2	Wagner	\$ 40.50	\$ 81.00
47	1	pair	4	pair	Doodlebug pad holder	\$ 38.60	\$ 46.00	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	4	Wagner	\$ 9.65	\$ 38.60
48	1	pair	6	pair	Slip Resistant Slip On over shoes Medium	No Bid	\$ 35.00	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	5	CES Inc.	\$ 35.00	\$ 175.00
49	1	pair	10	pair	Slip Resistant Slip On Over Shoes in Small	No Bid	\$ 35.00	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	0	No Award	\$ -	\$ -
50	1	pair	10	pair	Black strip replacement pads in medium	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	8	No Award	\$ -	\$ -
51	1	pair	10	pair	Black strip replacement pads in SMALL	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	8	No Award	\$ -	\$ -
52	1	gal	40	gal	Stallion Work Horse Stripper	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	32	No Award	\$ -	\$ 37,540.53
TOTALS																	



NEW MEXICO JUNIOR COLLEGE

Office of the President

Memo

DATE: August 1, 2003
TO: New Mexico Junior College Board Members
FROM: Steve McCleery *sm*
SUBJECT: Ground Lease Agreement

Attached you will find the long-term Ground Lease Agreement for the lease of land to the Limited Liability Company (LLC) of the New Mexico Junior College Foundation for the intended purpose of constructing campus housing for New Mexico Junior College. The Ground Lease Agreement has been prepared and approved by Bill Shoobridge and reviewed by Scotty Holloman who serves as the NMJC Foundation's attorney. Additionally, institutional representatives and Bond Counsel with Brownstein, Hyatt & Farber have also reviewed the document. It is the recommendation of the administration that you approve the lease.

Thank you for your consideration.

GROUND LEASE AGREEMENT

This Ground Lease Agreement (this "Lease") is made and entered into as of the date set forth on the signature page of this Agreement by and between New Mexico Junior College ("Lessor") and Lea County Student Housing, L.L.C. a New Mexico limited liability company ("Lessee").

WHEREAS, in order to promote the educational opportunities and to assist in the development of student housing facilities and related facilities for student at the Lessor's campus (the "Campus"), Lessor deems it is best that a portion of the Campus be leased to Lessee for the purpose of developing, constructing, operating and leasing such student housing facilities;

WHEREAS, Lessor hereby recognizes and finds that (1) the Rent (as defined herein) to be paid, (2) the construction of the Facilities (as defined herein) and improvements on the Land (as defined herein) for the benefit of Lessor and (3) the residual value of the Facilities at the conclusion of the Term (as defined herein) hereof accruing to Lessor constitute fair and equitable consideration for the conveyance of the leasehold and other interests set forth herein;

WHEREAS, all necessary consents and approvals have been obtained in connection with Lessor entering into this Lease upon the terms and conditions set forth herein;

WHEREAS, Lessor and Lessee have determined to enter into this Lease whereby Lessor will lease two tracts of approximately 5.13 more or less acres of land, **[together with a non-exclusive easement for access and utilities over, and along a strip of land and non-exclusive utility easements over, under and along those parcels of land, on the Campus (as defined herein) to Lessee, and Lessee will develop, construct, operate and lease improvements on such land for use by Eligible Tenants (as defined herein) of Lessor and such other persons as set forth herein];**

WHEREAS, Lessor and Lessee desire to enter into a ground lease on the terms set forth below;

NOW, THEREFORE, in consideration of the mutual covenants, conditions and agreements, which follow, the parties hereby, agree as follows:

ARTICLE ONE **LEASE OF PROPERTY-TERMS OF LEASE**

Section 1.01 LEASE OF PREMISES. Lessor does hereby let, demise and rent exclusively unto Lessee, and Lessee does hereby rent and lease from Lessor, the real property, **[, together with a non-exclusive easement for access and utilities over, under and along the strip of land and non-exclusive utility easements over, under and along those parcels of land on the Campus,]** (the "Land") more particularly described on EXHIBIT "A" attached hereto **[, together with the right of access to and use of the streets and roads now or hereafter adjoining the Land]**. Lessee, by execution of this Lease, accepts the leasehold estate

herein demised subject only to the matters described on EXHIBIT "B" attached hereto. Subject to the terms hereof, Lessee shall have the right to acquire, construct, equip, improve and operate the Premises (as defined herein). Lessor acknowledges and agrees that it does not have title to the Facilities and the Facility Equipment to be located on the Land.

Section 1.02. HABENDUM. LESSEE SHALL HAVE AND HOLD the Premises, together with all and singular the rights, privileges and appurtenances thereto attaching or anywise belonging, exclusively unto Lessee, its successors and assigns, for the term set forth in Section 1.03, subject to the covenants, agreements, terms, provisions and limitations herein set forth.

Section 1.03. TERM. Unless sooner terminated as herein provided, this Lease shall continue and remain in full force and effect for a term ("Term") commencing on the date hereof and ending at the earlier of (i) the later of (a) midnight on August 31, 2040, or (b) in the event of a Foreclosure on any Permitted Mortgage, midnight on August 31, 2040, or (ii) when all mortgage debt secured by Lessee's leasehold estate has been paid (except as provided in (i)(b) above).

Section 1.04. WARRANTY OF PEACEFUL POSSESSION. Lessor covenants that Lessee, on paying the Rent and performing and observing all of the covenants and agreements herein contained and provided to be performed by Lessee, shall and may peaceably and quietly have, hold, occupy, use and enjoy the Premises during the Term and may exercise all of its rights hereunder. Lessor agrees to warrant and forever defend Lessee's right to such occupancy, use and enjoyment to the Premises against the claims of any and all Persons whomsoever lawfully claiming the same, or any part thereof, subject only to the provisions of this Lease and the matters listed on EXHIBIT "B" attached hereto. Except as otherwise expressly provided herein, during the term of this Lease the Premises shall not be subject to any service contracts entered by the Lessor, including, without limitation, contracts for food service, laundry facilities or vending machines. Lessor covenants that it shall not grant any mortgage or lien on or in respect of its fee interest in the Land unless same is subject and subordinate to this Lease and any new lease entered into pursuant to Section 6.02 F.

ARTICLE TWO **DEFINITIONS**

Section 2.01. DEFINITIONS. In addition to such other defined terms as may be set forth in this Lease, the following terms shall have the following meanings:

"Academic Year" - the period commencing on August 1 of each calendar year during the Term and ending on July 31 of the following calendar year.

"Affiliate" - with respect to a designated Person, any other Person that, directly or indirectly, controls, is controlled by or is under common control with such designated Person. For purposes of this definition, the term "control" (including the correlative meanings of the terms "controlled by" and "under common control with"), as used with respect to any Person,

means the possession, directly or indirectly, of the power to direct or cause the direction of the management policies of such Person, whether through ownership of voting securities or by contract or otherwise.

“Annual Expenses” - with respect to any Academic Year of Lessor; all amounts (a) paid by Lessee during such Academic Year for operating expenses related to the Premises (including, but not limited to, Base Rent; fees paid to the Manager pursuant to the Management Agreement; and sales, property, rental, occupancy, use, gross receipts, excise and any other taxed paid by Lessee and all costs related to the organization and management of Lessee which are incurred in connection with the Premises or the Lessee’s performance of its obligations pursuant to this Lease), (b) paid by Lessee during such Academic Year for capital expenditures for the Premises, (c) paid by Lessee during such Academic Year for principal and interest to any Permitted Mortgagee, (d) paid by Lessee under the Sublease; (e) paid by Municipal Bond Insurer, if any, as expenses as defined in the Sublease; (f) deposited for Reserve Amounts.

“Applicable Laws” - all present and future statutes, regulations, ordinances, resolutions and orders of any Governmental Authority.

“Applicable Regulations” - all present and future rules, policies, procedures and regulations of Lessor pertaining to student academic/social standing, behavior or conduct as set forth in District publications or otherwise disseminated as official university rules or policy pertaining to such matters. **“Award”** - any payment or other compensation received or receivable as a consequence of a Taking from or on behalf of any Governmental Authority or any other Person vested with the power of eminent domain.

“Base Rent” - as defined in Section 3.01.

“Bonds” - Lea County Student Housing Revenue Bonds (New Mexico Junior College Project) Tax-Exempt Series 2003A and Student Housing Revenue Bonds (New Mexico Junior College Project), Taxable Series 2003B.

“Business Day” - a day excluding Saturday, Sunday and any Holiday.

“Campus” -College campus of the New Mexico Junior College.

“Commencement of Construction” - the date on which foundation work is begun for the facilities.

“Construction Contract” - as defined in Section 5.01 F.

“Date of Opening” - the date the Facilities are opened for occupancy or use.

“Development Agreement” - the Development Agreement relating to the development of the Facilities.

“Developer” - Century Project Management Partnership, Ltd.

“Eligible Tenant” - any person attending the New Mexico Junior College or any other institution of higher education located in Lea County or any member of the faculty or staff of the New Mexico Junior College or any other institution of higher education located in Lea County.

“Event of Default” - any matter identified as an event of default under Section 11.01.

“Expiration Date” - the expiration date of this Lease.

“Facilities” - all improvements constructed on the Land, including two three story, open corridor buildings and one two-story building which includes approximately 204 beds in 43 four bedroom/two bath apartment units, 16 two-bedroom/one bath apartment units, and one on-site manager unit apartment-style units, a clubhouse and a swimming pool and related facilities for use by students, faculty and staff of Lessor and others as permitted under this Lease or approved by Lessor, together with the Facility Equipment (as defined herein).

“Facility Equipment” - the furniture, furnishings, equipment, machinery and other personal property used in connection with the operation and use of the Premises, which is not permanently affixed to the Facilities.

“Fall Semester” - as defined in Section 13.01.

“Force Majeure” - any (a) act of God, landslide, lightning, earthquake, hurricane, tornado, blizzard and other adverse and inclement weather, fire, explosion, flood, act of a public enemy, war, blockade, insurrection, riot or civil disturbance; (b) labor dispute, strike, work slowdown or work stoppage; (c) order or judgment of any Governmental Authority, if not the result of willful or negligent action of Lessee; (d) adoption of or change in any Applicable Laws after the date of execution of this Lease; (e) any actions by Lessor which may cause delay; or (f) any other similar cause or similar event beyond the reasonable control of Lessee.

“Foreclosure” - a foreclosure or conveyance in lieu of foreclosure.

“Governmental Authority” - any and all jurisdictions, entities, courts, boards, agencies, commissions, offices, divisions, subdivisions, departments, bodies or authorities of any nature whatsoever of any governmental unit (federal, state, county, district, municipality, city or otherwise) whether now or hereafter in existence with jurisdiction over the Premises.

“Gross Revenues” - with respect to any Academic Year, all gross receipts of Lessee from the Premises, computed on a cash basis and otherwise in a manner reasonably acceptable to Lessor, including all rent, parking revenues, utilities reimbursement, technology usage fees, laundry and vending machine revenues and interest earned on tenants’ security depositors.

“Hazardous Material” - as defined in Section 20.18.

“Holiday” - any day which shall be a legal holiday in the State of New Mexico or a day on which banking institutions in the State of New Mexico are authorized or required by law to close.

“Holiday Contract” - as defined in Section 13.02 B.

“Independent Architect” - the architect, engineer or consultant selected and retained by Lessor to inspect the Facilities on behalf of Lessor.

“Land” - as defined in Section 1.01.

“Leasing Tenants” - as defined in Section 13.02 B.

“Lessor Representative” - the person designated and authorized in writing from time to time by Lessor to represent Lessor in exercising Lessor’s rights and performing Lessor’s obligations under this Lease; the initial Lessor Representative shall be Dr. Steve McCleery, President of New Mexico Junior College.

“Lessor’s Interest” - the fee simple title to the Land and Lessor’s interest in this Lease.

“Management Agreement” - the Management Agreement entered into between Lessee and the Manager relating to the operation and management of the Premises.

“Manager” - Century Campus Housing Management, its Affiliate, or another Person approved by Lessor and Lessee.

“Municipal Bond Insurer” - ACA Financial Guaranty Corporation, its successors and assigns, or any other municipal bond insurer of the Bonds, if any.

“Net Cash Flow” - with respect to any Academic Year, the excess, if any, of Gross Revenues over Annual Expenses for such Academic Year.

“Occupancy Rentals” - all rentals and fees paid by Leasing Tenants to occupy housing at the Facilities pursuant to the payments provisions of any Housing Contracts or other leases.

“Percentage Rent” - as defined in Section 3.02.

“Permitted Assignee” - (a) any Permitted Mortgagee, any purchaser at a Foreclosure, any Affiliate of a Permitted Mortgage or any other Person selected by a Permitted Mortgage (or its successors or assigns) subsequent to a Foreclosure of a Permitted Mortgage (b) any Affiliate of Lessee or (c) any non-profit corporation which has been formed for the purpose of serving as Lessee hereunder and which has received a Letter of Determination issued by the Internal Revenue Service to confirm its status as a 501 (c)(3) entity.

“Permitted Mortgage” - as defined in Section 6.01.

“Permitted Mortgagee” - as defined in Section 6.02.

“Person” - as individual; a trust; an estate; a Governmental Authority; or a partnership, joint venture, corporation, company, firm or any other entity whatsoever.

“Plans and Specifications” - the plans and specifications for the construction of the Facilities described in EXHIBIT “C” attached hereto, as such plans and specifications may be amended from time to time as permitted in Section 5.01.

“Premises” - the Land and the Facilities.

“Rent” - Base Rent and Percentage Rent.

“Reserve Amounts” - the amounts required to be established and funded pursuant to documents evidencing any loan secured by a Permitted Mortgage or other debt service, operating and capital reserves.

“Semester”/“Semesters” - as defined in Section 13.01.

“Spring Semester” - as defined in Section 13.01.

“Sublease” means the sublease of the Premises between Lessee and Lea County, New Mexico.

“Summer Session” - as defined in Section 13.01.

“Taking” - the actual or constructive condemnation or the actual or constructive acquisition by condemnation, eminent domain, or similar proceeding by or at the direction of any Governmental Authority or other Person with the power of eminent domain.

“Trustee” - the indenture trustee under a trust indenture between Lea County, New Mexico and such trustee relating to the Bonds.

ARTICLE THREE **RENT**

Section 3.01. BASE RENT. Base Rent in the total amount of \$ _____ per year for the entire term of this Lease (“Base Rent”) shall be paid on August 1, 2003, and on every August 1st thereafter during the term of the lease.

Section 3.02. PERCENTAGE RENT. In addition to Base Rent provided in Section 3.01, the Lessee shall pay to the Lessor annually with respect to each Fiscal Year during the Term as addition rental (the “Percentage Rent”) an amount equal to the product of (a) 100% and

(b) Net Cash Flow for each Fiscal Year. Percentage Rent for any Fiscal Year shall be paid to the Lessor within ten (10) days following the Lessee's delivery to the Lessor of its audited financial statements for such Fiscal Year, provided that such financial statements demonstrate that the Lessee has satisfied its rate covenant in the Loan Agreement.

ARTICLE FOUR
USE OF PREMISES

Section 4.01. PURPOSE OF LEASE. Lessee enters into this Lease for the purpose of developing and constructing in accordance with the Plans and Specifications, and thereafter maintaining, the Facilities to provide on-campus housing for Eligible Tenants, and except as otherwise provided herein, the Premises are to be used for no other purposes.

Section 4.02. BENEFIT OF LESSOR. Subject to Section 13.05, Lessee shall lease and hold the Land for the support, maintenance or benefit of Lessor, and the Premises shall be used for a purpose related to the performance of the public and school purposes, duties and functions of the New Mexico Junior College and subject to the Applicable Regulations.

ARTICLE FIVE
CONSTRUCTION

Section 5.01. LESSEE TO PAY COSTS. Lessee will develop and construct, or cause to be developed and constructed, the Facilities on the Land at its own cost and expense. Lessor shall not have any financial obligation or other obligation of any kind under this Lease except as specifically set forth herein.

- A. Lessee shall engage the general contractor which shall furnish all supervision, tools, implements, machinery, labor, materials and accessories such as are necessary and proper for the construction of the Facilities, shall pay all permit and license fees and shall construct, build and complete the Facilities in a good and workmanlike manner all in accordance with this Lease, the Plans and Specifications and all documents executed pursuant hereto and thereto.
- B. Subject to the provisions of Section 5.01 D below, Lessee shall have sole control of the selection of construction professional, construction design, means and methods and the final decision regarding construction and operation of the Facilities. All construction, alteration, renovation or additions to the Premises undertaken by the Lessee shall be in conformance with all applicable codes, rules and regulations, including amendments thereto. Lessee shall have the right to contest any such codes for reasonable grounds by ordinary and proper procedures.
- C. Changes in work and materials specified in the Plans and Specifications are subject to review and approval of the Independent Architect and Lessor Representative; however, minor changes in work or materials (changes in work or materials not exceeding \$10,000.00), not affecting the scope or general character

of the Facilities may be made in the Plans and Specifications at any time by Lessee without the approval of the Independent Architect or the Lessor Representative. Lessee shall notify the Independent Architect and the Lessor Representative of any changes in work or materials that require the Independent Architect's and the Lessor Representative's approval and if either fail to respond within five (5) business days after receipt of Lessee's notice, it shall be deemed that the Independent Architect or the Lessor Representative, as the case may be, has approved any such change.

- D. The Lessor Representative has previously reviewed and approved the Plans and Specifications. After completion of the Facilities, at least 60 days prior to undertaking any material structural alteration, renovation or remodeling of the Facilities during the Term, Lessee shall submit plans for such alteration, renovation or remodeling to the Lessor Representative. The Lessor Representative shall either approve, which approval shall not be unreasonably withheld, or disapprove and such alteration, renovation or remodeling within thirty (30) days after receipt of such request from Lessee. If the Lessor Representative fails to respond within such thirty (30) day period, it shall be deemed that approval has been given for any such alteration, renovation or remodeling.
- E. Subject to Force Majeure, Lessee covenants that substantial completion of the Facilities shall occur no later than August 10, 2004, with all units ready for occupancy.
- F. Prior to Commencement of Construction, Lessee shall deliver to the Lessor Representative, (1) a copy of the signed Development Agreement between Lessee and the Developer for the development of the Facilities, and (2) a copy of the payment and performance bonds in an amount equal to the contract price set forth in the Construction Contract between Lessee and the general contractor for the construction of the Facilities. The Development Agreement shall be in substantially the form attached hereto as EXHIBIT "D". Lessee shall have the right to delegate its obligation under this Article to the Developer pursuant to the Development Agreement.
- G. Lessee shall, or shall require the Developer to, upon written request of Lessor, make, in such detail as may reasonably be required, and forward to Lessor, reports in writing as to the actual progress of the construction of the Facilities. During such period, the construction work shall be subject to inspection by the Independent Architect and by authorized personnel of Lessor in order to verify reports of construction, determine compliance with safety, fire and building codes, determine compliance with approved construction plans or such other inspections as may be necessary in the reasonable opinion of the Lessor Representative.

- H. Before erecting or placing any sign upon the Premises, Lessee shall submit the design and specifications of such sign to the Lessor Representative for approval, which approval shall not be withheld if such signage is consistent with Lessor's current signage policy or such signage was included in the Plans and Specifications.
- I. As to those portions of the Land, which are non-exclusive access easements, Lessor shall maintain the existing roadways and drives located thereon. As to those portions of the Land, which are non-exclusive utility easements, Lessee shall pay the costs of installing and maintaining any utility service lines needed to serve the Facilities.

Section 5.02. PERSONAL PROPERTY. During the Term hereof, all Facility Equipment shall be and remain the property of Lessee.

Section 5.03. ACCESS. Lessee shall permit Lessor's agents, representatives or employees to enter on the Premises at reasonable times for the purposes of review and inspection as provided in this Lease, to determine whether Lessee is in compliance with the terms of this Lease, or for other reasonable purposes. Subject to the rights of Lessor to observe and enforce their applicable rules and policies, the Lessor, its agents, representatives and employees shall not disturb construction on the Land and shall use best efforts to not disturb tenants of subleased space. Entry onto the Premises by Lessor or Lessor's agents, representatives or employees shall be at their sole risk and Lessee shall not have any liability to Lessor for any damage or injury to Lessor, its agents, representatives or employees resulting from their entry onto the Premises.

Section 5.04. ARCHITECTURAL AND DESIGN CONSIDERATIONS. Lessor shall have the right to approve the layout and general character and appearance of the Facilities, which shall conform to the provisions of this Section 5.04. The Facilities shall consist of student housing which shall be aesthetically pleasing. The housing shall be grouped so that a window does not directly face other windows at close proximity, and public circulation and activities are buffered from the dwelling units. Sources of exterior noise should be screened wherever reasonably possible, and the housing designated and sited so that sound is not created nor directly transmitted from one unit to another by proximity of the units. Potential views into the residential units of the student housing project by persons using adjacent recreational areas should be screened. The building facilities, walkways and parking lots must be designed and constructed in compliance with applicable portions of (i) the Americans With Disabilities Act of 1992 and (ii) any state or local regulations for handicapped access. All parking lots and access roads to facilities must meet or exceed City of Hobbs Code requirements. The student housing must be constructed to provide minimum energy consumption and maximum maintenance efficiency. All materials used in construction must be new, and all mechanical components for each mechanical system (i.e., boiler system, heating system, interior components of air conditioning system, exterior components of air conditioning system, etc.) must be from a single manufacturer. The exterior appearance of the Facilities must be designed to conform or be in harmony with the exterior appearance of the Campus. All exterior materials and colors are subject to the approval of Lessor, which approval shall not be unreasonably withheld. All

exterior lighting must be of the type and sited so as to provide adequate light for security purposes with minimal lighting spillover into housing windows. Waste disposal areas must be located on site, be easily accessible to a collection vehicle and the residents must be adequately screened. Transformer or other utility boxes or meters which are placed in landscape areas or on other area within the Premises must be screened by use of building enclosures, landscaping or a combination thereof. All exterior signage shall conform to the standards of the Campus and shall be subject to the approval of Lessor, which approval shall not be unreasonably withheld. Landscaping should create a pleasing and functional outdoor living environment and must be compatible with adjoining landscaping located on the Campus complex. All parking lots and access roads to the Facilities must meet or exceed City of Hobbs Code requirements. Any changes to the aforementioned requirements, whether as a result of the initial construction, any reconstruction or maintenance thereof, shall be subject to the prior written approval of Lessor. Lessor acknowledges that upon its approval of the Plans and Specification all of the requirements set forth in this Section shall be deemed to be approved or waived by Lessor.

Section 5.05. NO REPRESENTATIONS. Except for the express representations and warranties of Lessor set forth in this Lease, Lessee's execution of this Lease shall be conclusive evidence of Lessee's acceptance of the Land in an "as is" condition.

ARTICLE SIX **ENCUMBRANCES**

Section 6.01. MORTGAGE OF LEASEHOLD. Except as provided in this Article Six and Section 20.19, Lessee may not mortgage, grant a lien upon or a security interest in (or assign as collateral) Lessee's leasehold estate in the Land, Lessee's interest in the Facilities and the Facility Equipment and/or Lessee's other rights to any portion of the Gross Revenues without the prior written consent of Lessor. Lessor hereby consents to the granting of a lien on and security interest in Lessee's leasehold estate in the Land and Lessee's interest in the Facilities and the Facility Equipment and Lessee's other right to the Gross Revenues to or for the benefit of the Municipal Bond Insurer and/or the Trustee (a "Permitted Mortgage") or as contemplated by the Sublease.

Section 6.02. LESSOR'S AGREEMENTS. Lessor hereby agrees to the following for the benefit of any holder of the debt secured by the Permitted Mortgage or beneficiary of the Permitted Mortgage (individually, a "Permitted Mortgage" and collectively, the "Permitted Mortgagees"):

- A. Lessor shall not terminate this Lease (or Lessee's rights hereunder) for any Event of Default without first advising such Permitted Mortgagee, in writing, of such Event of Default and permitting such Permitted Mortgagee to cure such Event of Default on behalf of Lessee within the applicable cure period provided in Article Eleven (an "Applicable cure Period") after Lessor has given notice to such Permitted Mortgagee. If, during such Applicable Cure Period, the Permitted Mortgagee takes action to cure such Event of Default but is unable, by reason of the nature of the default involved, to cure such failure within such period and

continues to attempt to cure such Event of Default diligently and without unnecessary delays, Lessor shall not terminate this Lease. Further, if any Event of Default is not cured within such Applicable Cure Period, or such longer period as provided in the immediately preceding sentence, and (1) the Permitted Mortgagee shall have given the notices necessary to commence Foreclosure of the liens of its Permitted Mortgage prior to the expiration of such period (unless the Permitted Mortgagee is enjoined or stayed from giving such notices or exercising its right of Foreclosure, in which event the Applicable Cure Period shall be extended by the period of such injunction or stay), and (2) the purchaser or assignee at the Foreclosure fully cures any Event of Default reasonably susceptible of being cured by the purchaser or assignee at the Foreclosure within ninety (90) days after completion of such Foreclosure, then Lessor will not terminate this Lease (or Lessee's rights hereunder) because of the occurrence of such Event of Default provided that Foreclosure is diligently prosecuted. Lessor shall accept amounts paid or actions taken by or on behalf of any Permitted Mortgagee to cure any Event of Default. Nothing under this Section 6.02 A shall be construed to obligate a Permitted Mortgagee to either cure any Events of Default or Foreclose the liens and security interests under its Permitted Mortgage as a consequence of an Event of Default regardless of whether such Event of Default is subsequently cured. If a Permitted Mortgagee or the purchaser or the assignee at Foreclosure cures all defaults reasonably susceptible of being cured by such Permitted Mortgagee, purchaser or assignee, than all other defaults shall no longer be deemed to be Events of Default hereunder. Provided notice is given to a Permitted Mortgagee on the same date as notice is given to Lessee to begin any Applicable Cure Period, the time periods shall run concurrently. If Lessor fails to give the required notice to a Permitted Mortgagee, the Applicable Cure Period, as to such Permitted Mortgagee, shall not begin until notice is given to such Permitted Mortgagee.

- B. Those Events of Default, which by their very nature, may not be cured by the Permitted Mortgagee (as, for example, the bankruptcy of Lessee) shall not constitute grounds of enforcement of rights, recourses or remedies hereunder by Lessor including termination of the Lease, if a Permitted Mortgagee either before or after a Foreclosure of its Permitted Mortgage (1) makes all payments and performs all obligations hereunder capable of being performed by the Permitted Mortgagee and (2) thereafter continues to comply with those provisions of this Lease with which, by their very nature, the Permitted Mortgagee may comply. Notwithstanding anything to the contrary contained in this Lease, the Permitted Mortgagee shall not be responsible for or obligated to cure any Event of Default for which the Permitted Mortgagee did not receive written notice within the Applicable Cure Period from the occurrence of such Event of Default.
- C. If a Permitted Mortgagee enforces the rights and remedies pursuant to the terms of its Permitted Mortgage (including Foreclosure of any liens or security interests

encumbering the estates and rights of Lessee under this Lease) such enforcement shall not constitute an Event of Default by Lessee hereunder.

- D. If a Permitted Mortgagee should foreclose the liens and security interests of its Permitted Mortgage and should, as a result of such Foreclosure, succeed to any of the rights of Lessee hereunder, then such Permitted Mortgagee shall be subject to all the terms and conditions of this Lease and shall be entitled to all the rights and benefits of this Lease; provided, however, that (1) such Permitted Mortgagee shall not be liable for any act or omission of Lessee; (2) such Permitted Mortgagee shall not be bound by any amendment, modification, alteration, approval, consent, surrender or waiver of or under the terms of this Lease made without the prior written consent of such Permitted Mortgagee; (3) such Permitted Mortgagee shall have the obligation to pay Percentage Rent; (4) such Permitted Mortgagee shall be entitled to assign all or any portion of its interest in the leasehold estate, Lessee's interest in the Facilities and the Facility Equipment and/or Gross Revenues, subject to the obligation to pay Percentage Rent under this Lease, without the consent of Lessor; and (5) upon the written request of such Permitted Mortgagee, Lessor shall reaffirm, in writing, the validity of this Lease and that this Lease is in full force and effect. Lessor acknowledges and agrees for itself and its successors and assigns that this Lease does not constitute a waiver by any such Permitted Mortgagee of any of its rights under any Permitted Mortgage or in any way release Lessee from its obligations to comply with the terms, provisions, conditions, representations, warranties, agreements or clauses of such Permitted Mortgage or any other security interest.
- E. Lessor will not agree to a modification, alteration, amendment or the release or surrender of this Lease without the prior written consent of each Permitted Mortgagee.
- F. In the event of the termination of this Lease prior to the Expiration Date, except by a Taking pursuant to Article Fifteen hereof, Lessor will service upon any Permitted Mortgagee's written notice that this Lease has been terminated together with a statement of any and all sums which would have at that time been due under the Lease but for such termination and of all other Events of Default, if any, under this Lease then known to Lessor whereupon the Permitted Mortgagee shall have the option to obtain a new lease of the Premises by giving notice to Lessor to such effect within sixty (60) days after receipt by such Permitted Mortgagee of notice such termination, which new lease shall be (1) effective as of the date of termination of this Lease; (2) for the remainder of the Term, and (3) at the same Rent and upon all of the agreements, terms, covenants and conditions hereof (subject, however, to the payment of Percentage Rent). Upon the execution of such new lease, the lessee named therein shall pay any and all sums which at the time of the execution thereof would be due under this Lease but for such termination, but shall not be responsible for any expenses of Lessor, including, without limitation, reasonable attorney's fees, court costs and disbursements

incurred by Lessor in connection with the Event of Default and such termination, the recovery of possession of the Premises and the preparation, execution and delivery of such new lease. The limitations on the Permitted Mortgagee's responsibility to cure Events of Default imposed by Section 6.02 B shall apply to this Section 6.02 F.

- G. All notices given hereunder by Lessor to Lessee shall also be given concurrently to each Permitted Mortgagee who has previously designated its address in writing to Lessor or whose address is listed on EXHIBIT "E" hereto.
- H. The liability of the Permitted Mortgagee under this Lease shall be limited to the Permitted Mortgagee's interest in the leasehold estate of the Lessee, Lessee's interest in the Facilities and the Facility Equipment and the period during which the Permitted Mortgagee may own the interests of the Lessee hereunder. A Permitted Mortgagee may assign or transfer of its rights and interests in and to this Lease to a Permitted Assignee. Upon the Permitted Mortgagee's assignment or transfer of its rights and interests in and to this Lease to a Permitted Assignee with prior written notice to Lessor, the Permitted Mortgagee shall have not further liability for any obligations arising after such transfer date, which liability shall be borne by the Permitted Assignee.

ARTICLE SEVEN
MAINTENANCE AND REPAIR

Section 7.01. UTILITIES. Lessee shall pay or cause to be paid all charges, including any connection fees, for water, gas electricity, sewer and any other utilities used on the Premises throughout the Term. Lessee shall provide, at its expense, all off-site utilities to the perimeter of the Land in sufficient capacity to serve the Project.

Section 7.02. REPAIRS. Throughout the term of this Lease, Lessee shall keep and maintain, or cause to be kept and maintained, the Premises and all facilities located thereon in a good state of repair and of like new appearance, damage caused by casualty, condemnation and force majeure excepted. All mechanical equipment shall be maintained in accordance with the manufacturer's recommended maintenance requirements, and preventative maintenance and repair to all HVAC related systems shall be performed by the manufacturer's certified personnel. The building and grounds of the Premises shall be maintained free of litter and trash and shall comply with all codes, local, state and federal, concerning health and safety. All parking lots shall be kept clean, and all fire lanes, handicapped access and parking spaces shall be regularly striped. Landscaping will be maintained in good and live condition with seasonal color throughout the term of this Lease being installed consistent with Lessor's seasonal plan for the Campus.

Section 7.03. RENOVATION OF IMPROVEMENTS. Lessee shall have the right at any time and from time to time to do such major or minor alterations, renovation or repair work

to any portion of the Facilities as Lessee determines is reasonably necessary in order to comply with the requirements of this Lease or the Management Agreement, subject to the prior approval of Lessor for major alterations, which shall not be unreasonably withheld. Lessee shall consult with the Lessor prior to any major alterations or renovations and Lessee agrees all alterations and renovations to the Facilities shall be done in a manner that preserves the unity and cohesiveness of the Campus. Additionally, any major alterations or renovations to the Facilities must conform to any written policies of Lessor relating to architectural style, landscaping and exterior appearance that are generally applicable to Lessor's other buildings on the Campus.

Section 7.04. DAMAGE TO IMPROVEMENTS. Subject to the other terms of this Lease, in the event any portion of the Facilities is damaged by fire or otherwise, regardless of the extent of such damage or destruction, as soon as practicable thereafter, but in no event longer than ninety (90) days following the date of such damage or destruction, Lessee shall commence the work of repair, reconstruction or replacement of the damage or destruction, Lessee shall commence the work of repair, reconstruction or replacement of the damaged or destroyed building or improvement and prosecute the same with reasonable diligence to completion, so that the Facilities shall be restored to substantially the same size, function and value as the Facilities existing prior to the damage. All or any portion of the insurance proceeds payable as a consequence of a casualty affecting the Facilities shall be deposited with and disbursed by the Permitted Mortgagee in accordance with such Permitted Mortgagee's loan documents or contractual agreements with Lessee pending the completion of repairs to the Facilities; or with Lessor in the event there is no Permitted Mortgagee. If any available insurance proceeds (after payment of all or any portion of such insurance proceeds towards amounts owed under any Permitted Mortgage) are insufficient, in the reasonable judgment of Lessee, to permit restoration in accordance with the terms of this Lease, or if payment of the insurance proceeds is contested or not settled promptly for any reason, then Lessor shall grant an appropriate extension of the time for commencing repairs to allow Lessee to obtain reasonable replacement financing or to obtain the insurance proceeds. If Lessee shall in good faith be unable to (a) obtain reasonable replacement financing to restore the Facilities to substantially the same size, function and value as the Facilities exist prior to the damage or (b) obtain the insurance proceeds from the Permitted Mortgagee, then Lessee (with the Permitted Mortgagees' prior written approval, if applicable) may terminate this Lease by written notice to Lessor. In the event of termination under this Section 7.04, this Lease shall terminate ten (10) days after the date of such notice with the same force and effect as if such date were the date herein fixed for the expiration of the Term. Rent shall be apportioned and paid to the time of such termination, and at the request of Lessor, Lessee shall demolish the remaining Facilities, at Lessee's sole cost and expense and shall restore the Land to substantially the same condition as it existed on the date of this Lease.

ARTICLE EIGHT
CERTAIN LIENS PROHIBITED

Section 8.01. NO MECHANICS' LIENS. Except as permitted in Section 8.02 hereof, Lessee shall not suffer or permit any mechanics' liens or other liens to be enforced against Lessor's Interest, against Lessee's leasehold interest in the Premises, nor against Lessee's interest in the Facilities and the Facility Equipment by reason of a failure to pay for any work, labor, services or materials supplied or claimed to have been supplied to Lessee or to anyone

holding the Premises or any part thereof through or under Lessee. Lessee shall at all times during construction or reconstruction cause payment and performance bonds to be in place covering all work and/or materials provided therefore.

Section 8.02. RELEASE OF RECORDED LIENS. If any such mechanics' liens or material men's liens shall be recorded against the Premises, Lessee shall cause the same to be released of record or, in the alternative, if Lessee in good faith desires to contest the same, Lessee shall be privileged to do so, but in such case Lessee hereby agrees to indemnify and save Lessor harmless from all liability for damages occasioned thereby and shall, in the event of a judgment of foreclosure on said mechanics' lien, cause the same to be discharged and released prior to the execution of such judgment. In the event Lessor reasonably should consider Lessor's Interest endangered by any such liens and should so notify Lessee and each Permitted Mortgagee and Lessee or any Permitted Mortgagee should fail to provide adequate security for the payment of such liens in the form of a surety bond, cash deposit or cash equivalent or indemnity agreement satisfactory to Lessor within thirty (30) days after such notice, then Lessor, at Lessor's sole discretion, may discharge such liens and recover from Lessee immediately as not rent under this Lease the amounts to be paid, with interest thereon from the date paid by Lessor until repaid by Lessee at the rate of ten percent (10%) per annum.

Section 8.03. MEMORANDUM OF RECITALS. The memorandum of lease to be filed pursuant to Section 20.05 of this Lease shall state that any third party entering into a contract with Lessee for improvements to be located on the Land, or any other party claiming under said third party, shall be on notice that Lessor is a governmental entity, that all construction related to this Lease shall be subject to a payment and performance bond and the Land shall not be subject of the filing of mechanic's liens.

ARTICLE NINE **OPERATION AND MANAGEMENT OF FACILITIES**

Section 9.01. MANAGEMENT AGREEMENTS. Lessee shall be responsible for the operation of the Premises. Lessee shall enter into a Management Agreement in substantially the form that shall be reviewed and approved by Lessor, with a manager approved by Lessor prior to the effective date of such agreement. The Manager is hereby approved as the initial Manager of the Premises. The Management Agreement shall provide for the operation of the Premises without costs or expense to Lessor in conformity with all applicable law, Applicable Regulations and with Lessor's student code of conduct, and/or housing policies (it being recognized that Lessor may adopt such policies even if Lessor does not own or operate any housing facilities and that such policies are solely applicable to the Premises) and such rules, regulations and policies of Lessor as may be promulgated from time to time applicable to all housing projects on the Campus. In addition, subject to law, Lessor shall have access to the premises for police supervision similar to other areas on the Campus and Lessor may also provide police supervision and security to the Premises as may be agreed between the parties hereto and the Manager.

Section 9.02. BUDGETS AND AUDITS. Lessee shall annually, not later than June 1 of each year, prepare and submit to Lessor and any Permitted Mortgagees a proposed operating

budget for the Premises for the following Academic Year, reflecting in reasonable detail the proposed Occupancy Rentals and other sources of income, together with anticipated expenditures consistent with the Lessee's obligation to maintain, repair and manage the Premises in accordance with the terms of this Lease. Within 105 days following the expiration of each Academic Year, Lessee shall cause its books and records with respect to the Premises to be audited by a certified public accountant or a firm of such accountants and shall provide to Lessor and any Permitted Mortgagees a copy of its financial statement as of the end of such Academic Year and its statement of income and expenses for the year then ended, certified by the chief executive officer of the Lessee, and accompanied by a copy of the report thereon of the accountant or firm of accountants performing such audit.

Section 9.03. BOOKS AND RECORDS. Lessee shall keep, or cause to be kept, accurate, full and complete books and accounts showing exclusively its assets and liabilities, operations, transactions and the financial condition of the Facilities. All financial statements shall be accurate in all material respects, shall present fairly the financial position and results of the Facilities' operations and shall be prepared in accordance with generally accepted accounting principles consistently applied. The Lessee and the Manager shall determine methods to be used in the preparation of financial statements, in connection with all items of income and expense including, but not limited to, valuation of assets, the method or methods of depreciation, elections, credits and accounting procedures. The books, accounts and records of the Facilities shall be maintained at the principal office of Lessee. All books and records shall be available for inspection by Lessor and any Permitted Mortgagees at all time during reasonable business hours.

Section 9.04. ADVERTISING. At least seven (7) days prior to printing any advertisements or other promotional material relating to the Facilities, Lessee shall provide Lessor Representative with copies thereof for Lessor's consent, which consent shall be deemed given unless Lessor's representative objects in writing to the same no later than three (3) days prior to printing.

Section 9.05. AUDITS. In addition to the provisions of Section 9.02, Lessor may, at its option and at its own expense and during customary business hours, conduct internal audits of the books, records and accounts of the Facilities. Audits may be made on either a continuous or a periodic basis or both and may be conducted by employees of Lessor or by independent auditors retained by Lessor. All such audits shall be conducted without materially or unreasonably interrupting or interfering with the normal conduct of business affairs by the Lessee. Lessor covenants with Lessee to keep the results of any such audits confidential, except as required by rules and regulations of Lessor and by Applicable Law.

ARTICLE TEN **INSURANCE AND INDEMNIFICATION**

Section 10.01. INDEMNIFICATION BY LESSEE. Excluding the acts or omissions of Lessor, its employees or agents, Lessee shall indemnify and save harmless Lessor, its agents, officers and employees, from and against any and all liability claims, demands, damages, expenses, fees, fines, penalties, suits, proceedings, actions and causes of action of any and every kind and nature arising or growing out of or in any way connected with Lessee's use, occupancy,

management, operation or control of the Premises. This obligation to indemnify shall include legal counsel whose fees must be reasonable and third-party investigation costs and all other reasonable costs, expenses and liabilities from the first notice that any claim or demand has been made; however, Lessee and Lessor shall use the same counsel if such counsel is approved by Lessor, which approval shall not be unreasonably withheld or delayed. If Lessor does not approve such counsel, then Lessor may retain independent counsel at Lessor's sole costs and expense. It is expressly understood and agreed that Lessee is and shall be deemed to be an independent contractor responsible to all parties for its respective acts or omissions and that Lessor shall in no way be responsible therefore.

Section 10.02. LESSOR NOT LIABLE. Lessor shall not be liable for any damage to either persons or property sustained by Lessee or other persons and caused by any act or omission of any occupant of the Facility other than Lessor or its agents, officers or employees.

Section 10.03. INSURANCE. Throughout the Term, Lessee shall keep the Premises or cause the same to be kept continuously insured against such risks as are customarily insured against with respect of facilities of like size and type, as recommended by the Manager, paying as the same become due all premiums in respect thereto, including but not limited to:

- A. insurance upon the repair or replacement basis in an amount of not less than 100% of the them actual cost of replacement (excluding costs of replacing excavations and foundations but without deduction for depreciation) of the Premises (with the co-insurance percentage not to exceed 80% and reasonable deductible provisions) against loss or damage by fire, lighting, windstorm, hail, explosion, riot, riot attending a strike, civil commotion, aircraft, vehicles, and smoke and such other risks as are now or hereafter included in the uniform standard extended coverage endorsement in common use for similar structures (including vandalism and malicious mischief);
- B. comprehensive general liability insurance providing insurance (with reasonable deductible provisions) to the extent of not less than \$1,000,000.00 per occurrence against liability for personal and bodily injury including death resulting therefrom and \$150,000.00 per occurrence for damage to property including loss of use thereof, occurring on or in any way related to the Premises or any part thereof or the operation thereof, with excess coverage or "umbrella" insurance for claims under such coverage in the aggregate of not less than \$1,000,000.00 for any one occurrence;
- C. if and only if automobiles are owned by Lessee, automobile liability insurance providing insurance (with deductible provisions not to exceed \$5,000.00 per occurrence) to the extent of not less than \$300,000.00 per occurrence against liability for personal injury, including death resulting therefrom, and \$100,000.00 per occurrence for damage to property, with excess coverage or "umbrella" insurance for claims under such coverage in the aggregate of not less than \$1,000,000.00 of any one occurrence;

- D. if necessary, insurance under the Federal Flood Insurance Program shall be maintained at all times within the minimum requirements and amounts required for federally financed or assisted loans under the Flood Disaster Protection Act of 1973, as amended, if the Premises are eligible under such program;
- E. workers' compensation coverage, or other provisions therefore, as required by the laws of the State of New Mexico; and
- F. business interruption or use and occupancy insurance on the Premises in an amount sufficient to enable Lessee to make, from the proceeds of such insurance, all required Loan Payments, as such term is defined in the Loan Agreement, during the time, up to not less than one year, if Lessee shall experience a substantial loss in Gross Revenues as a result of loss of use caused by the risks covered by the insurance required under this Section.

Section 10.04. LESSOR ADDITIONAL INSURED. Lessee agrees that with respect to the above required insurance, Lessor shall:

- A. Be named on the Property Insurance Policy and Comprehensive General Liability Policy as additional insured/or an insured, as its interest may appear. Lessor agrees to promptly endorse insurance checks or otherwise release insurance proceeds, provided no Event of Default is continuing hereunder. Lessor shall, regardless of the existence of an Event of Default, promptly endorse insurance checks or otherwise release insurance proceeds payable to (or to be held by) a Permitted Mortgagee if such Permitted Mortgagee's Permitted Mortgage so requires.
- B. Be provided with thirty (30) days advance notice, in writing, of cancellation or material change in coverage.
- C. Be provided with a certificate evidencing the above-required insurance at the time the policies are required to be obtained and thereafter with certificates evidencing renewals or replacements of said policies of insurance at least thirty (30) days prior to the expiration or cancellation of any such policies.

Section 10.05. ADDITIONAL INSURANCE. Lessor may review Lessee's required insurance coverage's and limits as stated herein at the time of renewal of the said policies or at the time of a material change, and Lessor reserves the right to require reasonable additional limits or coverages. Lessee agrees to comply with any such reasonable request by Lessor.

Section 10.06. BLANKET POLICIES. Lessee may submit any blanket general insurance policy containing the requirements of this Article Ten, to Lessor for its approval, which shall not be unreasonably withheld.

Section 10.07. SUBROGATION. Anything in this Lease to the contrary notwithstanding, Lessor and Lessee each hereby waives any and all rights of recovery, claims, actions or causes of action against the other, its agents, officers and employees for any injury, death, loss or damage that may occur to Persons or the Premises, or any personal property of such party therein, by reason of fire, the elements or any other cause which is insured against under the terms of the policies of insurance that are maintained by Lessor or Lessee or that Lessee is required to provide hereunder, regardless of cause or origin, including negligence by the party hereto, its agents, officers or employees, and each party covenants that no insurer shall hold any right of subrogation against the other, except in the case (and only in the case) that such waiver of subrogation invalidates coverage under such policy.

ARTICLE ELEVEN
TERMINATION, DEFAULT AND REMEDIES

Section 11.01. EVENTS OF DEFAULT. Any one of the following events shall be deemed to be an "Event of Default" by Lessee under this Lease.

- A. Lessee shall fail to pay any sum required to be paid to Lessor under the terms and provisions of this Lease and such failure shall not be cured within sixty (60) days after Lessee's receipt of written notice from Lessor of such failure.
- B. The taking by execution of Lessee's leasehold estate, Lessee's interest in the Facilities and the Facility Equipment or any interest thereon for the benefit of any Person other than a Permitted Mortgagee or purchaser at a Foreclosure.
- C. Lessee shall fail to perform any other covenant or agreement, other than the payment of money, to be performed by Lessee under the terms and provisions of this Lease and such failure shall not be cured within one hundred eighty (180) days after receipt of written notice from Lessor of such failure; provided that if, during such one hundred eighty (180) day period, Lessee takes action to cure such failure but is unable, by reason of the nature of the work involved, to cure such failure within such period and continues such work thereafter diligently and without unnecessary delays, such failure shall not constitute an Event of Default hereunder.
- D. A court having jurisdiction shall enter an order for relief in any involuntary case commenced against Lessee, as debtor, under the Federal Bankruptcy Code, as now or hereafter constituted, or the entry of a decree or order by a court having jurisdiction over the Premises appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of or for Lessee or any substantial part of the properties of Lessee or ordering the winding up or liquidation of the affairs of Lessee, and the continuance of any such decree or order unstayed and in effect for a period of one hundred eighty (180) consecutive days.

- E. The commencement by Lessee of a voluntary case under the Federal Bankruptcy Code, as now or hereafter constituted, or the consent or acquiescence by Lessee to the commencement of a case under such Code, or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of or for Lessee or any substantial part of the properties of the Lessee.

Section 11.02. RIGHT TO EXPEL. A Permitted Mortgagee shall have the right to expel Lessee upon the occurrence and during the continuance of an Event of Default pursuant to the terms of the relevant Permitted Mortgage and assume the position of Lessee with all rights and duties under this Lease.

Section 11.03. LESSOR'S RIGHTS UPON DEFAULT. Subject to the rights of the Permitted Mortgagees under Article Six and Section 11.02, upon the occurrence and during the continuance of an Event of Default, Lessor may at its option declare this Lease and all rights and interests created by it to be terminated, may seek any and all damages occasioned by the Event of Default or may seek any other remedies available at law or in equity.

Section 11.04. RIGHT TO RELET PREMISES. Upon Lessor's exercise of the election to terminate this Lease, Lessor shall take possession of the Premises and shall use reasonable efforts to relet the same for the remainder of the Term for the account of Lessee upon such terms, as Lessor is able to obtain. Any termination of this Lease shall not relieve Lessee from the payment of sums then due and payable to Lessor or any claim for accrued damages against Lessee. Any such termination shall not prevent Lessor from enforcing the payment of any sums or from claiming damages by and remedy provided for by law or from recovering damages from Lessee for any Event of Default.

Section 11.05. LIMITED RECOURSE OBLIGATION OF LESSEE. Notwithstanding any other provision of this Lease, the obligations of Lessee hereunder are limited recourse obligations, to be satisfied solely out of the Lessee's rights in the Premises and the income derived there from. In no event shall any obligations of the Lessee hereunder constitute general recourse obligations of the Lessee, and in the event that the Lessee is unable to fulfill any of its obligations hereunder, the Lessor shall only be entitled to seek recovery from the Lessee's rights in the Premises. In the event of any deficiency in that regard, the Lessee shall have no liability for such deficiency.

In no event shall any member, manager, officer, agent, or director of the Lessee have personal liability in any form whatsoever for the obligations of the Lessee hereunder.

The Lessee anticipates entering the Management Agreement regarding the Premises. Certain of the obligations of the Lessee hereunder may be performed by the Manager pursuant to the terms of the Management Agreement. Lessor shall accept such performance by the Manager as performance by Lessee.

ARTICLE TWELVE
FACILITIES, LESSEE'S RIGHT OF FIRST REFUSAL, FACILITIES NOT
TO BE FIXTURES AND ADDITIONAL LESSOR HOUSING

Section 12.01. TITLE TO FACILITIES. Title to the Facilities and the Facility Equipment, shall be in Lessee. Title to all consumable supplies and materials used in constructing, altering, renovating or remodeling the Facilities shall be in Lessee when delivered to the Land. At the termination of this Lease, title to the Facilities and the Facility Equipment shall automatically vest in Lessor, without any required action on the part of Lessee or Lessor. Lessee agrees to cooperate with Lessor in the preparation, execution, delivery and filing of such deeds, releases, agreements or other documents deemed necessary by Lessor to reflect the transfer of title of the Facilities and the Facility Equipment as well as the termination of this Lease at such time.

Section 12.02. FACILITIES NOT TO BE FIXTURES. Until such time that this Lease is terminated, Lessor and Lessee intend that fee title to the Land, held by Lessor, shall be separated from fee title to the Facilities and the Facility Equipment, held by Lessee. Lessor hereby waives, until the termination of this Lease, the application of New Mexico real property law, the law of fixtures or any other law the effect of which would be to vest the title to the Facilities and the Facility Equipment in Lessor.

ARTICLE THIRTEEN
OCCUPANCY AGREEMENT

Section 13.01. SEMESTER DEFINED. As referenced herein, (a) "Fall Semester" shall mean the fall academic term of the Campus of the New Mexico Junior College commencing during the month of August and ending during the month of December, (b) "Spring Semester" shall mean the spring academic term of the Campus of the New Mexico Junior College commencing during the month of January and ending during the month of May, and (c) "Summer Session" shall mean the summer academic term of the Campus of the New Mexico Junior College commencing during the month of June and ending during the month of August. The Fall Semester, Spring Semester and Summer Session are collectively referred to herein as "Semesters" and individually referred to herein as a "Semester."

Section 13.02. OCCUPANCY RENTALS; HOUSING CONTRACTS.

A. Lessee shall charge Occupancy Rentals to Leasing Tenants of the Facilities at the rates jointly determined by Lessee and the Manager. The Occupancy Rentals shall be established as shall be necessary to assure maximum occupancy and use of the Facilities and the services related thereto, as shall be necessary to satisfy the applicable covenants contained in any Permitted Mortgage and as shall be necessary to generate sufficient revenues for the payment of Annual Expenses, for the payment of the debt service on the Permitted Mortgages, for the payments required under the Sublease, for the payment of the Reserve Amounts and to make all other payments and charges as are required under the Permitted Mortgages. The initial Occupancy Rentals during the 2004-2005 Academic Year shall be those described in "Rate

Structure by Lease Term” in EXHIBIT “F” hereto. If the Permitted Mortgagee does not believe, using sound business judgment, that existing rental rates will be sufficient to satisfy the objectives described in this Section 13.02.A, such Permitted Mortgagee may provide Lessee and Lessor with at least thirty (30) days advance written instruction regarding the rental rates to be charged in leases executed after such instruction is to be effective, and Lessee and Lessor agree to implement the rental rates pursuant to such instruction.

B. Lessee shall establish a Joint Advisory Property Committee (the “Committee”) that will make recommendations to Lessee relating to the operation and management of the Facilities. The Committee shall include at all times and as its initial membership (but not be limited to) (a) at least two of the following officers of the New Mexico Junior College as appropriate: (i) the Vice President for Finance, (ii) the Vice President for Student Services, (iii) the Director of Student Housing or Residence Life of the College (or the equivalent of these positions as their titles may change, or other staff members with similar responsibilities as appropriate), and/or a representative of New Mexico Junior College Lessee’s Administrator; (b) a representative of the Manager; and (c) a representative of Lessee who shall serve as a permanent member. The Committee shall serve Lessee in an advisory capacity satisfactory to the Permitted Mortgagee relating to the management of the Facilities and provide recommendations to Lessee regarding the ownership, operation and management of the Facilities. In the event that one of the initial Committee members is to be replaced for any reason, Lessee shall use its best efforts to replace the departing Committee member with another member having sufficient expertise and experience in college related or student housing affairs. Membership on the Committee will be limited to six persons at any one time. The Committee shall meet not less than semi-annually during the Term of this Lease.

C. Lessee shall use a substantially similar form of housing contract (the “Housing Contract”) to the form attached hereto as EXHIBIT “G” for execution by all Eligible Tenants leasing space in the Facilities (the “Leasing Tenants”). The initial final form of the Housing Contract must be approved by the Lessor Representative. Lessee shall be entitled to amend the form of Housing Contract from time to time, in which event Lessee shall deliver the amended form to Lessor for its consent, which shall not be unreasonably withheld. Lessee shall arrange for each Leasing Tenant to execute and deliver to Lessee the form of Housing Contract prepared by Lessee.

D. To the extent permitted by applicable law, Lessor agrees that it will abide by any contractual provision in the Housing Contract whereby a Leasing Tenant has agreed that Lessee or the Manager may request Lessor to withhold the academic transcripts of such Leasing Tenant for non-payment of rent or other default of the Leasing Tenant under such Housing Contract.

E. Except as provided in Section 13.02D, Lessor will have no obligation to Lessee if any Leasing Tenant fails to pay the Occupancy Rentals in accordance with the terms of its Housing Contract.

Section 13.03. LESSOR PROMOTIONS.

A. Lessor shall actively promote and market the Facilities as an integral part of the overall housing program of the Campus of the New Mexico Junior College. In the regard, Lessor shall:

1. Include a housing brochure (prepared by Lessee) in all response mailings to prospective students seeking information about enrolling in the New Mexico Junior College.
2. Include a housing brochure (prepared by Lessee) in all mailings to student applicants, which notify them of their admittance to the New Mexico Junior College.
3. Provide Lessee with a convenient space at no cost on the main floor of the Student Union of the Campus for a project information booth.
4. Provide Lessee upon request with a list of those students who have indicated an interest in living on campus, to the extent same is reasonably available or accessible to Lessor, which includes to the extent available their first and last name, classification, mailing address and telephone number.
5. Provide at Lessor's expense ½ page project information advertisements in the Campus newspaper, if one is published, during the months of April, May and July and on a bi-monthly basis during all other months.
6. Allow Lessee to use a reasonable number of signs, flags and banners on the Campus to market the Facilities.
7. Incorporate information about the Facilities in each issue of the New Mexico Junior College academic catalogue and other appropriate university publications.
8. Jointly with Lessee organize an "Open House" at the Facilities at the beginning of each Semester and invite all deans and faculty of the Campus of the New Mexico Junior College.
9. Permit the management staff for the Facilities to participate in all residence staff training programs and other similar programs, if any, made available to the staff of other housing facilities at the Campus of the New Mexico Junior College provided, that there shall be no obligation to have any such programs.

B. Lessee shall cooperate in promoting and marketing the Facilities by causing the following actions to be taken, all at Lessee's cost:

1. Prepare a housing brochure, which reflects the floor plans, amenities and benefits of the Facilities.
2. Maintain an on site leasing office at the Premises.
3. Prepare four 20" by 30" color, mounted rendering of the Facilities for use by Lessor in its promotion and marketing of the Facilities.

Section 13.04. CAMPUS OCCUPANCY REPORTS. At least thirty (30) days after the commencement of each Semester during the Term, Lessee shall deliver to Lessor the Housing Occupancy Report for such Semester which shall include the name, social security number and apartment address of each Leasing Tenant and shall be certified by Lessee, or its representative, as being true and correct.

Section 13.05. DEDICATION OF THE PROJECT TO ON-CAMPUS OCCUPANTS. Lessee agrees to offer units in the Facilities for lease only to Eligible Tenants, and Lessee shall cooperate with Lessor in marketing the Facilities to prospective Eligible Tenants. Only with the prior written consent of Lessor may Lessee offer units in the Facilities for lease to students, faculty and staff attending any other institution of higher education.

Section 13.06. ADDITIONAL LESSOR HOUSING. Recognizing the benefit of the Facilities received by Lessor, Lessor hereby agrees, to the extent permitted by law, that it will construct or cause to be constructed additional Lessor owned or controlled housing facilities serving Lessor's Temple College campus (whether on-campus or off-campus) only upon (a) the prior written consent of the Municipal Bond Insurer or (b)(I) delivery to the Municipal Bond Insurer and the Trustee of a certificate of Lessee certifying the occupancy rate for the Facilities has been at least ninety-five percent (95%) and net revenues of the Facilities have been at least 1.30 times the average annual debt service requirements of the Bonds and additional bonds (or debt secured by the revenues of the Facilities), if any, in each of the last three fiscal years of Lessee, and (ii) delivery to the Municipal Bond Insurer and the Trustee of a certificate of Lessee certifying that, on a pro forma basis, net revenues for the Facilities shall continue to meet the required financial covenants relating to the Bonds following the acquisition and construction of such proposed additional housing facilities by Lessor.

ARTICLE FOURTEEN **DEFAULT BY LESSOR**

Section 14.01. LESSOR DEFAULTS. If Lessor fails to perform any of its respective obligations or covenants under this Lease, then Lessee shall, in addition to any other remedy provided for herein, be entitled to enforce any one or more of the following rights and remedies:

- A. Lessee shall be entitled to cease paying all Rent and other amounts owed to Lessor under this Lease; and

- B. Lessee shall be entitled to require Lessor to specifically perform its obligations under this Lease or restrain or enjoin Lessor from continuing the activities that constitute the default of Lessor.

ARTICLE FIFTEEN
CONDEMNATION

Section 15.01. CONDEMNATION OF ENTIRE PREMISES. Upon the permanent Taking of the entire Premises, this Lease shall terminate and expire as of the date of such Taking, and both Lessee and Lessor shall thereupon be released from any liability thereafter accruing hereunder. Lessee and the Permitted Mortgagee shall each receive notice of any proceedings relating to a Taking and shall each have the right to participate therein.

Section 15.02. PARTIAL CONDEMNATION. Upon a temporary Taking or a Taking of less than all of the Premises, Lessee, at its election, may terminate this Lease by giving Lessor notice of its election to terminate at least sixty (60) days prior to the date of such termination if Lessee reasonably determines that the Premises cannot be economically and feasibly used by Lessee for its intended purposes. Upon any such termination, the Rent accrued and unpaid hereunder shall be apportioned to the date of termination.

Section 15.03. PAYMENT OF AWARDS. Upon the Taking of all or any portion of the Premises (a) Lessee shall be entitled (free of any claim by Lessor) to the Award for the value of its interest in the Premises and its rights under this Lease and damages to any of its other property, together with any other compensation or benefits paid as a consequence of the interruption of Lessee's business; and (b) Lessor shall be entitled (free of any claim by Lessee) to the Award for the value of Lessor's Interest (such value to be determined as if this Lease were in effect and continuing to encumber Lessor's Interest). Any Award shall be paid jointly to Lessor, Lessee and any Permitted Mortgagees.

Section 15.04. REPAIR AFTER CONDEMNATION. Should a Taking occur that does not result in termination as provided by Sections 15.01 or 15.02, Lessee, at its expense, shall commence and proceed with reasonable diligence to repair or reconstruct the Facilities to a complete architectural unit or units. Any and all such repairs or reconstruction shall be subject to prior reasonable approval of Lessor and the prior reasonable approval of any Permitted Mortgagee. If such repairs or reconstruction are not undertaken, any Award payable as a consequence of a Taking shall be required to be paid towards amounts owed under any Permitted Mortgage. Notwithstanding the foregoing provisions of this Section 15.04, if the Award payable as a consequence of a Taking (after payment of all or any portion of such Award towards amounts owed under any Permitted Mortgage) is insufficient, in the reasonable judgment of Lessee, to permit such restoration, then Lessee, with the prior written approval of the Permitted Mortgagee (a copy of which approval must be delivered to Lessor), may terminate this Lease by written notice to Lessor in which event, at the request of Lessor, Lessee shall demolish the Facilities, at Lessee's sole cost and expense, and shall restore the Land to substantially the same condition as it existed on the date of this Lease. All or any portion of the Award payable to Lessee as a consequence of a Taking affecting the Premises shall be deposited with and

disbursed by the Permitted Mortgagee pending the completion of the restoration of the Premises. In the event of termination under this Section 15.04, this Lease shall terminate ten (10) days after the date of such notice with the same force and effect as if such date were the date herein fixed for the expiration of the Term, and the Rent shall be apportioned and paid at the time of such termination.

ARTICLE SIXTEEN
ASSIGNMENT, SUBLETTING AND TRANSFERS OF LESSEE'S OR
LESSOR'S INTEREST

Section 16.01. ASSIGNMENT BY LESSEE. Lessee may sell or assign Lessee's leasehold estate created by this Lease and the other rights of Lessee hereunder to any Permitted Assignee without the consent of Lessor, subject to the condition of any loan agreement to which Lessee is a party and so long as such assignee unconditionally assumes Lessee's obligations hereunder, and Lessor shall release Lessee from its obligations under this Lease following the date of the assignment, provided, however, that any such Permitted Assignee shall be subject to all provisions of this Lease. In addition, Lessee may assign its rights (but not its obligations) under this Lease to Lea County, New Mexico in connection with the issuance of the Bonds, which assignment is permitted notwithstanding any provision of this Lease to the contrary.

Section 16.02. SUBLETTING. Except for subleases to occupants of the Facilities and except as otherwise set forth in this Lease, Lessee is not authorized to sublet the leasehold estate without the Lessor's prior written consent, which consent may be withheld in Lessor's sole discretion. A sublease to any Person providing laundry services to the Facilities shall be deemed approved by Lessor. Upon the assignment to Lea County, New Mexico contemplated by the final sentence of Section 16.01, Lessee shall enter into the Sublease, which is permitted notwithstanding any provision of this Lease to the contrary.

Section 16.03. TRANSFERS OR MORTGAGES OF LESSOR'S INTEREST. Any and all mortgages or liens placed or suffered by Lessor encumbering Lessor's Interest shall be expressly subject and subordinate this Lease, to all obligations of Lessor hereunder, and to all of the rights, titles, interests and estates of Lessee created or arising hereunder. The obligations and rights of Lessee under this Lease shall survive any conveyance, foreclosure or other transfer of Lessor's interest, and Lessee shall not be relieved of such obligations and rights as a consequence of such conveyance, foreclosure or other transfer. Furthermore, any Person succeeding to Lessor's Interest as a consequence of any such conveyance, foreclosure or other transfer shall succeed to all of the obligations of Lessor hereunder.

ARTICLE SEVENTEEN
COMPLIANCE CERTIFICATES

Section 17.01. LESSOR COMPLIANCE. Lessee agrees, at any time and from time to time upon not less than thirty (30) days prior written notice by Lessor, to execute, acknowledge and deliver to Lessor or to such other party as Lessor shall request, a statement in writing certifying (a) that this Lease is unmodified and in full force and effect (or if there have been

modifications, that the same is in full force and effect as modified and stating the modifications), (b) to the best of its knowledge, whether or not there are then existing any offsets or defenses against the enforcement of any of the terms, covenants or conditions hereof upon the part of Lessee to be performed (and if so specifying the same), (c) the dates to which the Rent and other charges have been paid, and (d) the dates of commencement and expiration of the Term, it being intended that any such statement delivered pursuant to this Section may be relied upon by any prospective purchaser of the Lessor's Interest.

Section 17.02. LESSEE COMPLIANCE. Lessor agrees, at any time and from time to time, upon not less than thirty (30) days prior written notice by Lessee, to execute, acknowledge and deliver to Lessee a statement in writing, addressed to Lessee or to such other party as Lessee shall request, certifying (a) that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating the modifications); (b) the dates to which the Rent and other charges have been paid; (c) whether an Event of Default has occurred and is continuing hereunder (and stating the nature of any such Event of Default); (d) whether an event has occurred which, after giving of notice or the passage of time (or both) would result in an Event of Default (and stating the nature of any such event); and (e) the dates of commencement and expiration of the Term. Any such statement delivered pursuant to this Section may be relied upon by any prospective assignee, sublessee or Permitted Mortgagee of this Lease or by any assignee or prospective assignee of any Permitted Mortgage.

ARTICLE EIGHTEEN **TAXED AND LICENSES**

Section 18.01. PAYMENT OF TAXES. Lessee shall pay, as a portion of Annual Expenses, and, upon request by Lessor, shall provide evidence of payment to the appropriate collecting authorities, all federal, state and local taxes and fees, which are now or may hereafter be levied upon Lessee, the Premises, the business conducted on the Premises and any of Lessee's property used in connection therewith. Lessee shall maintain in current status all federal, state and local licenses and permits required for the operation of the business conducted by Lessee. Lessee may pay any of the above items in installments if payments may be so made without penalty other than the payment of interest. The obligations of Lessee to pay taxes and fees under this Section 18.01 shall apply only to the extent that Lessee is not exempt from paying such taxes and fees and to the extent that such taxes and fees are not otherwise abated.

Section 18.02. CONTESTED TAX PAYMENTS. Lessee shall not be required to pay, discharge or remove any taxes or assessments imposed on Lessee so long as Lessee is contesting the amount or validity thereof by appropriate proceeding which shall operate to prevent or stay the collection of the amount so contested. Lessee hereby agrees to indemnify and save Lessor harmless from all liability for damages occasioned thereby and shall, in the event of a judgment of foreclosure on any lien arising in respect to such contested amounts which are Lessee's responsibility, cause the same to be discharged and removed prior to the execution of such judgment. Lessor shall cooperate with Lessee in competing such contest and Lessor shall have no right to pay the amount contested during the contest. Upon the termination of such proceeding, Lessee shall deliver to Lessor proof of the amount due as finally determined and

proof of payment thereof. Lessor, at Lessee's expense, shall join in any such proceeding if any law shall so require.

ARTICLE NINETEEN
FORCE MAJEURE

Section 19.01. DISCONTINUANCE DURING FORCE MAJEURE. Whenever a period of time is herein prescribed for action to be taken by Lessee or a Permitted Mortgagee, there shall be excluded from the computation for any such period of time, any delays due to Force Majeure. Lessor shall not be obligated to recognize any delay caused by Force Majeure unless Lessee or such Permitted Mortgagee shall, within ten (10) days after Lessee or such Permitted Mortgagee is aware of the existence of an event of Force Majeure, notify Lessor thereof. The foregoing notwithstanding, if any such delay is caused by Lessor, Lessee or such Permitted Mortgagee shall not be required to give notice to Lessor of such delay.

ARTICLE TWENTY
MISCELLANEOUS

Section 20.01. NONDISCRIMINATION, EMPLOYMENT AND WAGES. Any discrimination by Lessee or its agents or employees on account of race, color, sex, age, religion, national origin or handicap, in employment practices or in the performance of the terms, conditions, covenants and obligations of this Lease, is prohibited.

Section 20.02. CONFLICT OF INTEREST. Lessee certifies (and this Lease is made in reliance thereon) that neither Lessee nor any person having an interest in this Lease by, through or under Lessee is an officer of Lessor.

Section 20.03. NOTICES. Notices or communications to Lessor or Lessee required or appropriate under this Lease shall be in writing, sent by (a) personal delivery, or (b) expedited delivery service with proof of delivery, or (c) registered or certified United States mail, postage prepaid, or (d) prepaid telecopy if confirmed by expedited delivery service or by mail in the manner previously described, addresses as follows:

if to Lessor:

Regina Organ
New Mexico Junior College
5317 Lovington Highway
Hobbs, New Mexico 88242
ATTENTION: Vice President-Student Services
Telecopy No.: _____

with copy to:

Lance Caviness
New Mexico Junior College
Hobbs, New Mexico 88242
5317 Lovington Highway
ATTENTION: Director of Student Life
Telecopy No.: _____

if to Lessee:

ATTENTION: Manager
Telecopy No.: _____

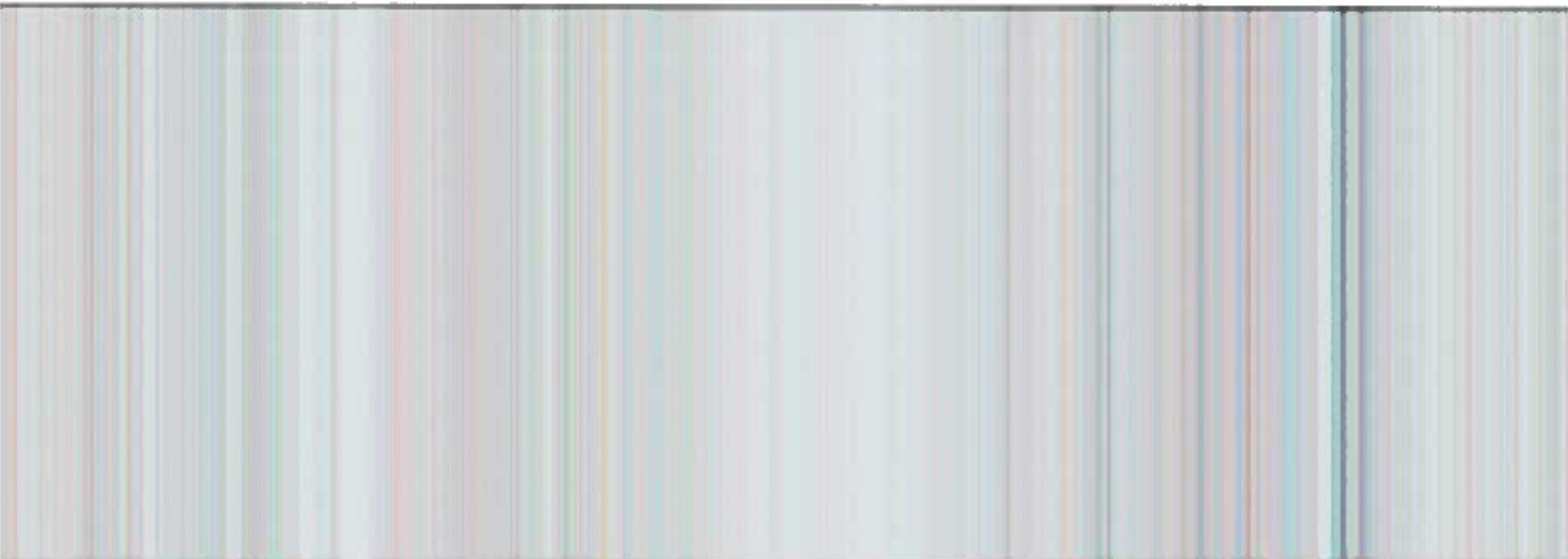
with a copy to:

ATTENTION: _____
Telecopy No.: _____

or to such other address or to the attention of such other person as hereafter shall be designated in writing by such party. Copies of all notices under this Lease shall be sent to any Permitted Mortgagee at the address set forth in EXHIBIT "E" and/or as otherwise provided. Any such notice or communication shall be deemed to have been given either at the time of personal delivery or, in the case of delivery service, telecopy or mail, upon receipt. The notices provided to Lessee under this Lease shall not be effective against any Permitted Mortgagee, unless such notices are sent to the Permitted Mortgagee pursuant to Section 6.02 and at the address set forth in EXHIBIT "E" and/or as otherwise provided.

Section 20.04. RELATIONSHIP OF PARTIES. Nothing contained herein shall be deemed or construed by the parties hereto, or by any third party, as creating the relationship of principal and agent, partners, joint venturers, or any other similar such relationship, between the parties hereto. It is understood and agreed that no provision contained herein nor any acts of the parties hereto creates a relationship other than the relationship of Lessor and Lessee.

Section 20.05. MEMORANDUM OF LEASE. Neither Lessor nor Lessee shall file this Lease for record in the Office of the County Clerk of Lea County, State of New Mexico or in any public place without the written consent of the other. In lieu thereof, Lessor and Lessee agree to execute in recordable form a memorandum of this Lease in the form of EXHIBIT "H" attached hereto. Such memorandum shall be filed for record in the Office of the County Clerk of Lea County.



Section 20.06. ATTORNEYS' FEES. If either party is required to commence legal proceedings relating to this Lease, the prevailing party shall be entitled to receive reimbursement for its reasonable attorneys' fees and costs of suit.

Section 20.07. APPROVALS. Except as otherwise provided herein, whenever approvals are required of either party hereunder, if no objection is made to a written proposal or request for approval within the time period specified for response herein, such approval shall be deemed to have been given. If no time period is specified for a response to a proposal or request for approval, a reasonable time not to exceed ten (10) days from the date of such proposal or request shall apply unless the parties otherwise agree in writing.

Section 20.08. NEW MEXICO LAW TO APPLY. This Lease shall be construed under and in accordance with the laws of the State of New Mexico, and all obligations of the parties created hereunder are to be performed in Lea County, New Mexico.

Section 20.09. APPROVAL OF ANCILLARY AGREEMENT. Lessor agrees that in the event it becomes necessary or desirable for Lessor to approve in writing any ancillary agreements or documents concerning the Premises or concerning the construction, operation or maintenance of the Facilities or to alter or amend any such ancillary agreements between Lessor and Lessee or to give any approval or consent of Lessor required under the terms of this Lease, Lessor hereby authorizes, designates and empowers Lessor Representative to execute any such agreement, approvals or consents necessary or desirable.

Section 20.10. RIGHTS CUMULATIVE. All rights, options, and remedies of Lessor and Lessee contained in this Lease shall be construed and held to be cumulative and no one of them shall be exclusive of the other. Lessor and Lessee shall each have the right to pursue any one or all of such remedies or any other remedy or relief, which may be provided by law or in equity whether or not stated in this Lease.

Section 20.11. NON-WAIVER. No waiver by Lessor or Lessee of a breach of any of the covenants, conditions or restrictions of this Lease shall constitute a waiver of any subsequent breach of any of the covenants, conditions or restrictions of this Lease. The failure of Lessor or Lessee to insist in any one or more cases upon the strict performance of any of the covenants of the Lease, or to exercise any option herein contained, shall not be construed as a waiver or relinquishment for the future of such covenant or option. A receipt by Lessor or acceptance of payment by Lessor of Rent with knowledge of the breach of any covenant hereof shall not be deemed a waiver of such breach. No waiver, change, modification or discharge by Lessor or Lessee of any provision of this Lease shall be deemed to have been made or shall be effective unless expressed in writing and signed by the party to be charged.

Section 20.12. TERMINOLOGY. Unless the context of this Lease clearly requires otherwise, (a) pronouns, wherever used herein, and of whatever gender, shall include natural persons and corporations and associations of every kind and character; (b) the singular shall include the plural wherever and as often as may be appropriate; (c) the word "includes" or "including" shall mean "including without limitation"; (d) the word "or" shall have the inclusive meaning represented by the phrase "and/or"; (e) the words "hereof", "herein" "hereunder," and similar terms in this Lease shall refer to this Lease as a whole and not to any particular section or

article in which such words appear. The section, article and other headings in this Lease and the Table of Contents to this Lease are for reference purposes and shall not control or affect the construction of this Lease or the interpretation hereof in any respect. Article, section and subsection and exhibit references are to this Lease unless otherwise specified. All exhibits attached to this Lease constitute a part of this Lease and are incorporated herein. All references to a specific time of day in this Lease shall be based upon Mountain Time (or the other standard of measuring time recognized in Lea County, New Mexico).

Section 20.13. COUNTERPARTS. This agreement may be executed in multiple counterparts, each of which shall be declared an original.

Section 20.14. SEVERABILITY. If any clause or provision of this Lease is illegal, invalid or unenforceable under present or future laws effective during the Term of this Lease, then and in the event, it is the intention of the parties hereto that the remainder of this Lease shall not be affected thereby.

Section 20.15. ENTIRE AGREEMENT. This Lease, together with the exhibits attached hereto, contains the final and entire agreement between the parties hereto and contains all of the terms and conditions agreed upon, and no other agreements, oral or otherwise, regarding the subject matter of this Lease shall be deemed to exist or to bind the parties hereto; it being the intent of the parties that neither shall be bound by any term, condition or representations not herein written.

Section 20.16. AMENDMENT. No amendment, modification or alteration of this Lease shall be binding unless the same be in writing, dated on or subsequent to the date hereof and duly executed by the parties hereto. No such amendment, modification or alteration, and no termination of this Lease, shall be effective without the prior written consent of each Permitted Mortgagee.

Section 20.17. SUCCESSORS AND ASSIGNS. All of the covenants, agreements, terms and conditions to be observed and performed by the parties hereto shall be applicable to and binding upon their respective successors and assigns including any successor by merger or consolidation of Lessor into another educational institution.

Section 20.18. HAZARDOUS MATERIALS. Notwithstanding anything contained in this Lease to the contrary, but subject to the prior written approval of the Permitted Mortgagees, if Lessee finds any Hazardous Materials (hereinafter defined) on the Land within thirty (30) days following the execution hereof, then Lessee shall have the right to terminate this Lease by delivering written notice thereof to Lessor no later than forty-five (45) days following the execution hereof. If Lessee terminates this Lease as a result of finding Hazardous Materials on the Land, then neither party hereto shall have a further right, duties or obligations hereunder. As used in this Lease, "Hazardous Materials" shall mean (a) any "hazardous waste" as defined by the Resource Conservation and Recovery Act of 1976 (42 U.S.C. Section 6091 et seq.), as amended from time to time, and regulations promulgated there under; (b) any "hazardous substance" as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. Section 6091 et seq.), as amended from time to time, and regulations promulgated there under; (c) polychlorinated biphenyls; (d) underground storage

tanks, whether empty, filled or partially filled with any substance; (e) any substance the presence of which on the Land is prohibited by any governmental requirements; and (f) any other substance which by any governmental requirements requires special handling or notifications of any federal, state or local governmental entity in its collection, storage, treatment or disposal.

Section 20.19. INSURED BONDS. Lessee may cause the Lea County, New Mexico to issue the Bonds secured by a Permitted Mortgage to provide the construction financing and permanent financing for the Facilities and cause the Bonds to be insured by the Municipal Bond Insurer which would issue a policy irrevocably guaranteeing to the holders of the Bonds the full and complete payment of the bonds pursuant to the terms of the policy. In such event, notwithstanding any provisions of this Lease to the contrary, the following provisions shall apply:

- A. The Municipal Bond Insurer and the Trustee shall be third party beneficiaries of this Lease entitled to enforce the terms hereof.
- B. Lessor shall provide written notice to the Municipal Bond Insurer if this Lease is terminated as a result of a Taking pursuant to Article Fifteen hereof.

Section 20.20. CONTINUING DISCLOSURE. Lessor agrees to provide Lessee with any information concerning the operations of Lessor required for Lessee to comply with its annual continuing disclosure requirements pursuant to a continuing disclosure agreement entered into with respect to the Bonds or any other bonds issued to finance the acquisition and construction of any Facilities on the Premises.

Section 20.21. PRIVACY OF INFORMATION. Unless otherwise provided herein, any information provided by Lessor pursuant to this Lease shall not be disseminated to third parties without Lessor's prior written consent except for dissemination or disclosure by Lessee (i) to any of its affiliates or any of its or its affiliates' directors, managers, officers, employees, advisors, representatives, attorneys, accountants, and auditors whom it determines need to know such information in connection with the construction and/or operation of the Premises or (ii) in response to any request or requirement by interrogatory, court order, subpoena, administrative proceeding, civil investigatory demand, or any similar legal process.

EXECUTED as of the _____ day of _____, 2003.

"Lessor"

APPROVED AS TO FORM:

By:

Counsel

President,

By: _____

Secretary,

“Lessee”

By: _____
Name: _____
Title: _____

STATE OF _____ §

COUNTY OF _____ §

This instrument was acknowledged before me on _____ day of _____, 2003 by _____, President of the _____ on its behalf.

NOTARY PUBLIC, STATE OF _____

STATE OF _____ §

COUNTY OF _____ §

This instrument was acknowledged before me on _____ day of _____, 2003 by _____, Secretary of the _____ on its behalf.

NOTARY PUBLIC, STATE OF _____

STATE OF _____ §

COUNTY OF _____ §

This instrument was acknowledged before me on _____ day of _____, 2003 by _____ of the _____ L.L.C., a _____ limited liability company, on behalf of said company.

NOTARY PUBLIC, STATE OF _____

LEGAL DESCRIPTION

TRACT NO. 1

DESCRIPTION OF A LEASE WITHIN SECTION 7, TOWNSHIP 18 SOUTH, RANGE 38 EAST, NEW MEXICO PRINCIPLE MERIDIAN, LEA COUNTY, NEW MEXICO.

A TRACT OF LAND traversing a portion of a parcel of land deeded to New Mexico Junior College, Lea County deeds Book 298, Page 64, said Tract being more particularly described as follows:

COMMENCING at the corner of Sections 8, 17, 18 and 7 (a found 2" brass disk in concrete); **THENCE** S89°30'09"W along the line between Sections 18 and 7 distance of 2185.47 feet; **THENCE** North 44.70 feet to the **TRUE POINT OF BEGINNING**;

THENCE North along the centerline of Rodeo Road a distance of 189.51 feet to a point of curvature;

THENCE along a tangential curve to the right, being the centerline of Rodeo Road, having a Radius of 50.00 feet, a Length of 28.23 feet to a point of tangency;

THENCE N32°20'58"E along the centerline of Rodeo Road, a distance of 471.76 feet to an angle point of this survey;

THENCE S57°55'16"E a distance of 54.13 feet to an angle point of this survey;

THENCE S03°48'06"E a distance of 149.82 feet to and angle point of this survey;

THENCE S41°16'13"E a distance of 73.28 feet to an angle point of this survey;

THENCE S56°54'25"E a distance of 95.49 feet to an angle point of this survey;

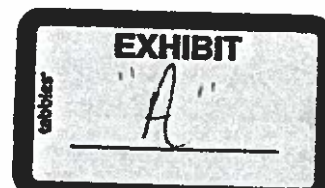
THENCE S33°03'09"W a distance of 185.81 feet to an angle point of this survey;

THENCE S00°26'32"W a distance of 39.46 feet to an angle point of this survey;

THENCE S89°33'28"E a distance of 72.52 feet to an angle point of this survey;

THENCE S00°03'36"W a distance of 134.03 feet to a point on the centerline of Millen Drive also being an angle point of this survey;

THENCE N89°56'24"W along the centerline of Millen Drive a distance of 415.05 feet to the **TRUE POINT OF BEGINNING**.



Said Tract No. 1 **CONTAINS 3.94 ACRES** more or less.

DESCRIPTION OF A LEASE WITHIN SECTION 7, TOWNSHIP 18 SOUTH, RANGE 38 EAST, NEW MEXICO PRINCIPLE MERIDIAN, LEA COUNTY, NEW MEXICO.

A TRACT OF LAND traversing a portion of a parcel of land deeded to New Mexico Junior College, Lea County Deeds Book 298, Page 64, said Tract being more particularly described as follows:

COMMENCING at the corner of Sections 8, 17, 18 and 7 (a found 2" brass disk in concrete);
THENCE S89°30'09"W along the line between Sections 18 and 7 a distance of 1705.54 feet;
THENCE N00°03'36"E 40.03 feet to the **TRUE POINT OF BEGINNING**;

THENCE N00°03'36"E a distance of 30.87 feet to an angle point of this survey;

THENCE N32°49'28"E a distance of 283.71 feet to an angle point of this survey;

THENCE N54°59'42"W a distance of 15.43 feet to a point of curvature;

THENCE along a tangential curve to the right, having a Radius of 10.09 feet, a Length of 11.62 feet to a point of tangency;

THENCE N32°33'31"E a distance of 147.28 feet to an angle point of this survey;

THENCE S62°27'01"E a distance of 5.11 feet to point of curvature;

THENCE along a non-tangential curve to the right, having a Radius of 4.45 feet, a Length of 9.23 feet to a point of tangency;

THENCE S59°56'17"E a distance of 20.85 feet to and angle point of this survey;

THENCE S05°03'53"W a distance of 404.05 feet to an angle point of this survey, also being a point on the centerline of Millen Drive;

THENCE N89°56'24"W a distance of 212.61 feet to the **TRUE POINT OF BEGINNING**.

Said Tract No. 2 **CONTAINS 1.19 ACRES** more or less.



NEW MEXICO JUNIOR COLLEGE

Office of the President

Memo

DATE: August 1, 2003
TO: New Mexico Junior College Board Members
FROM: Steve McCleery *SM*
SUBJECT: Consideration of \$1.6 Million into Capital Fund for the Student Center Remodel and Expansion

During the 2001-2002 budget, the Board transferred \$1.6 million from reserves into the capital fund for the possible construction of dorms. The administration recommends moving the \$1.6 million from the capital dorm account to the capital account for the expansion and remodel of the Ben Alexander Student Center. If the request is approved, the following represents the available funds for this project:

\$3,000,000 – 2002 General Obligation Bond
\$1,600,000 – NMJC Capital Fund
\$750,000 – NMJC Capital Fund (2003-2004 Budget)
\$5,350,000

Currently, the expansion will add an estimated additional 37,000 SF and an estimated 5,200 SF remodel. The Student Center remains the number one capital project for this institution. The administration recommends that you approve this request.

Thank you for your consideration.



NEW MEXICO JUNIOR COLLEGE

Office of the President

Memo

DATE: August 1, 2003
TO: New Mexico Junior College Board Members
FROM: Steve McCleery *sm*
SUBJECT: Consideration of the Purchase of New Mexico Junior College Activity Bus

In 2002-2003, the Board approved the transfer of \$100,000 into the New Mexico Junior College Capital Fund for the purchase of a New Mexico Junior College Activity Bus. In the 2003-2004 Budget, the Board allocated an additional \$75,000 for the purchase of campus vehicles. Attached is a copy of the proposal from Albuquerque Freight Liner for a Thomas Bus. After a year's review and evaluation, the administration recommends you accept the proposal. The bus will be purchased under the New Mexico Junior College Cooperative Educational Services (CES) Joint Powers Agreement (JPA).

Thank you for your consideration.

29015

Albuquerque Freightliner, LP

Quote Number:**Quote Date:****Customer Number:****Prepared By:****Prepared For:****Quote Expires:****Standard Equipment:****Body:****Asist Rail**

Stainless steel step assist rail at entrance door, left side*

* Other types optional

Battery Box

Skirt mounted with slide-out tray*

14" high x 25" wide x 16" deep

located left side, rear of rear wheelhouse

* Other types optional

Body Panels

Exterior - 20-gauge*

Interior - 22-gauge Galvalume from belt line to seat rail

* Other types optional

Bumpers

Front and rear - 3/16" thick x 9 3/4" high

Accessory Switch

50 amp relay circuit board

Circuit Protectors**Fuses****Color**

Exterior - high solids polyurethane

Interior - high-baked enamel with flat black trim

Driver's Seat Belt

3-point lap/shoulder belt, black, 175" belt with push-button buckle

Emergency Door

Located left side with slide bar lock and buzzer signal.* Includes 4" header pad upholstered with Proform fire block material.

* Other types optional

Entrance Door

Air operated with both leaves opening outward. Includes 4" header pad upholstered with Proform fire block material.

Floor

14 gauge Galvalume

Floor Covering

1/8" smooth rubber with 3/16" ribbed aisle. Steps ribbed with white nosing

Fuel Tank Opening

Exterior - hinged door with latch

Interior - access plate in floor for servicing

Guard Rails

Four 1 1/4" applied below windows

One 4 1/4" applied at seat cushion level

One 4 1/4" applied at floor level

One 4 1/4" applied at skirt bottom

Two 2 15/16" applied at roof extending length of passenger compartment

Heater

90,000 BTU defroster/heater with air management system located center front. Includes booster pump located in engine compartment. Fan motor, heater core, and filter on slide out trays which are serviceable from the front exterior access panel.

Insulation

2" thick thermalbonded polyester fiber insulation in headlining, side, rear and front cowl. R-value 6 (nominal). Galvalume enclosing thermalbonded fiber insulation in engine compartment area. Interior davenport seat and shelf covered with 1/2" sound deadener and insulation.

Interior Mirror

6" x 30"

* Other types optional

Lettering

Vinyl block style letters

Customer Quotation:

DTORRES

59064

NEW MEXICO JR. COLLEGE
ATTN: BUSINESS OFFICE
5317 LOVINGTON HWY.
HOBBS
NM

88240

9/30/03

8/1/03

Listed below are prices and equipment on a 141YN, Model number. With a capacity of 44.

Lights

Back-up - two (2) with clear lens

Cluster

Three (3) amber dual bulb light mounted on upper front body hood.

Three (3) red dual bulb light mounted on upper rear body hood

Directional*

Front - two (2) 5" round plain amber

-integrated into daytime running lights

Side - two (2) plain amber

Rear - two (2) 7" round plain amber

Dome - ten (6) minimum

Engine Compartment (Interior) - two (2) with protective lens

Headlights - Halogen dual sealed beam recessed. Amber "Day Time" Running lights.

Marker - two (2) front corners, rear corners and amidship side roof (dual bulb)

Stepwell - quantity one (1)

Stop/Tail - 7" plain red dual element and 4" plain red mounted one (1) left and one (1) right*

* Other types optional

Reflectors

Eight (8) round, three (3) each side and two (2) rear

Rustproofing

Primer applied to both sides of all painted steel panels prior to assembly

Safety Switch

Located in the engine compartment and activated when rear engine door is open to prevent the driver from starting the engine when door is open

Service Access Panels

Three (3) piece composite access panel located beneath windshield providing access to front heater system, wiper motors, air brake plumbing, washer bottle, horns, electrical connections and steering shaft.

Exterior electrical access panel located below driver's window for servicing the body electrical system.

Interior electrical access panel located on the right side of dash for servicing the chassis electrical system.

Stepwell

Three (3) steps

Storage

Compartment located over windshield with quick-release latches

Sun Visor

6" x 30" mounted to windshield header*

* Other types optional

Switch Panel

Mounted left of driver with switches for electrical equipment with LED back-lighting

Ventilaor

Fresh air vent intake for driver's feet area

Static exhaust located in roof

Windows

Driver's - tempered glass with double sliding aluminum sash with latch

Side - tempered glass with split aluminum sash*

* Other types optional

Windshield

2-piece continuous curved tinted safety plate laminated glass

Two (2) assist handles: one (1) mounted above center of each glass

Windshield Washer

One (1) gallon capacity

Windshield Wipers

Parallelogram wet arm type, 2-speed

Wiring Harness

Main body harness is color coded and numbered

Emergency Window

Located rear with single release handle. Includes 4" header pad upholstered with Proform fire block material.

Electrical

*Access Covers-Main body wiring harness is easily accessible by removing molded covers sash and the vertical post at the rear of the driver's window.

*Accessory Switch-One 50 amp relay circuit board activated by the ignition switch on the chassis.

-With the ignition switch on, the relays are activated which allows electrical current to pass through to the body accessories

and thereby reduces the amp load on the ignition switch.

-With the ignition off, the relays are inactive and no current is allowed to pass.

*Circuit Protectors-Fuses

*Exterior Electrical/Access Door-Provides easy access to body circuit boards, fuses, relays, and switches

-Located below driver's window

-Includes flush-mounted, push-button latch with lock

*Power Distribution-Through printed circuit technology with LED diagnostic capability.

-Located in lockable side electrical compartment below driver's window

*Switches-Rocker type, easily serviced

*Wiring-Crosslink polyethylene SAE J1128

-All wires passing through metal openings are protected by a grommet

-All wiring is color coded and numbered

Chassis:

Donaldson cyclopac, dry type, two stage

Air Cleaner

Front - 13,200 lb. axle rating I-beam type, with greasable tierod ends*

* Other types optional

Axles

Parking - dash mounted control valve with spring set release

Air compressor - gear driven

Air Reservoirs - one (1) wet tank at 1228 cu. in., two (2) dry tanks at 2007 cu. in., one (1) accessory tank at 1228 cu. in. with pressure protection valve and manual drain valve on each tank

Air Lines color-coded for easy identification

Brakes

30" diameter, 8-blade fan is hydraulically driven. The fan speed is modulated, based on engine coolant and air intake temperature.

Opaque surge/expansion tank

Cooling System

Combination of stamped and fabricated

Crossmembers

dash Mounted

Dual air gauge PSI/KPA

Electric driven speedometer in MPH/KPH

Fuel gauge

Headlight switch

High/low beam indicator

Ignition switch

Low air buzzer and light

Oil pressure gauge PSI/KPA

Tachometer/engine hour meter

Voltmeter

Water temperature gauge F/C?

Steering Column Mounted

Self-canceling combination turn signal

High beam switch

Horn

Four-way flasher

Engine Compartment

Ignition on-off toggle safety switch

Starter button

Two (2) 150 amp main body circuit breakers

Compartment light switch and (2) compartment lights with protective lens

Electrical Controls and

Instruments

12-volt, negative ground

Electrical System

Single muffler with 4" tailpipe exiting street side below the bumper*

* Other locations optional

Exhaust System

Dual Electric

Horn

Full flow, spin-on

Oil Filter

Front - Four (4) direct acting, double action, piston type

Rear - Two (2) direct acting, double action, piston type

Shock Absorbers

Front - 4" x 66" single stage taperleaf

Rear - Must be ordered by option number

Springs

18" diameter steering wheel with tilt/telescoping column

Ross model TAS65 with 20.42:1 ratio

Steering

Color coded and numbered

Wiring

Chassis Options

C116001000

AIR DRYER - BENDIX AD9 WITH HEATER (CAT C7 ENGINE)

1

C134801000

LEECE-NEVILLE 270 AMP ALTERNATOR (CAT C7 HDX)

1

C142503000

SPL140 AXLE YOKE - HDX

1

C144933000

AXLE - REAR, DANA 22060B, 4.88 RATIO

1

C181808000

DUAL 12-VOLT 8D BATTERIES - 2800 CCA (HDX)

1

C184500000

CIRCUIT BREAKERS (CHASSIS)

1

C207035000

ANTILOCK BRAKES - MERITOR/WABCO (HDX)

1

C207801000

EXHAUST BRAKE - HDX (CAT C7)

1

C221101000

CRUISE CONTROL - HDX (CAT C7)
1
C231610000
ELECTRIC CORD - FRONT/REAR RECEPTACLE
1
C231801000
BLOCK HEATER - HDX (CAT C7)
1
C235300000
CONSTANT TORQUE CLAMPS
1
C236016300
CATERPILLAR C7-300 ENGINE (HDX)
1
C280200000
EXHAUST BELOW REAR BUMPER,LEFT SIDE (KY)
1
C336504000
100 GALLON FUEL TANK, BETWEEN THE RAILS, RIGHT HAND FILL
1
C340007277
CHASSIS FRAME RAIL - REG. STRENGTH (50KSI) HDX (277"WB)
1
C340500000
TOW HOOKS, FRONT - TWO (2)
1
C341000000
TOW HOOKS, REAR - TWO (2)
1
C367301277
MAIN HARNESS (HDX)- CAT C7 277"
1
C440201000
RIDEWELL FRONT AIR SUSPENSION
1
C440203000
RIDEWELL REAR AIR SUSPENSION
1
C531251100
MICHELIN 11R22.5 14(G) PLY XDE M/S
4
C531303000
MICHELIN 11R22.5 14(G) PLY XZE
2
C603302595
ALLISON MD3066 TRANSMISSION - CAT C7-300 (HDX)
1
C656701000
HUB-PILOTED WHEELS - 23K (HDX)
1
C657003000
DISC WHEEL - MACHINED FINISH (HUB-PILOTED TYPE)
2
C657003000
DISC WHEEL - MACHINED FINISH (HUB-PILOTED TYPE)
4
Body Options
A000000007
**** NEW FEATURE ALERT-NEW CUSTOMER REQUESTS INCLUDED ****

1
A000000016
SUBCONTRACT ALERT - DEALER SALE W/ITEMIZED LIST OF EQUIPMENT
1
B104001000
SOLID COLOR N MODELS
1
B143600000
DELETE DIE CAST THOMAS LOGO PACKAGE-REAR AND RS FRONT
1
B150503017
GRAY STEP TREADS, WHITE NOSING - FRONT ENTRANCE DOOR
1
B151109000
ENTRANCE DOOR STEPWELL - 15" DEEP FIRST STEP
1
B155004141
GRAY FLOOR WITH 24" CENTER AISLE
1
B158000141
PLYWOOD FLOOR
1
B161014000
TINTED LAMINATED GLASS - O/OPENING ENTRANCE DOOR, UPPER/LOWE
1
B165002000
GAS SPRINGS - EIGHT (8)
1
B188122141
TRANSIT SASH - 28.5" HIGH (FIXED UPPER) 7/32"
1
B202001000
FIRE EXTINGUISHER - 5 LB.
1
B2050NM000
KIT - FIRST AID, 24 UNIT, COMPLIES WITH NEW MEXICO STATE SPC
1
B209004000
REFLECTORIZED TRIANGLES-(3) IN OVERHEAD STORAGE COMPARTMENT
1
B216002000
DEFROSTER FAN MOUNTED OVER WINDSHIELD, CENTER
1
B259205000
CELLULAR PHONE POWER OUTLET REAR WALL OF SWITCH CABINET
1
B260305008
PREMIUM SPEAKERS - EIGHT (8)
1
B287599999
CROSSVIEW MIRROR INCLUDED IN REARVIEW MIRROR ASSEMBLY
1
B289903000
ROSCO INTEGRATED STYLE - REMOTE CONTROL HEATED MIRROR
1
B302002000
BREAKERS
1
B305000000

READING LIGHT
1
B307004000
COMPARTMENT LIGHT - FOUR (4)
1
B323001000
DELUXE DRIVER'S DOME LIGHT
1
B326000000
RHEOSTAT SWITCH
1
B329000000
STEP LIGHT SWITCH
1
B349501000
FOUR (4) ENGINE COMPARTMENT LIGHTS
1
B382100000
LUGGAGE COMPARTMENT LIGHT SWITCH
1
B382501000
MASTER SWITCH - READING LIGHTS
1
B403004000
HEATER 15,000 BTU - DRIVER'S COMPARTMENT
1
B411330000
HEATER SHUT-OFF VALVES - BALL TYPE - ENGINE COMPARTMENT
1
B412005030
50,000 BTU HEATER - 5TH SECTION LEFT SIDE
1
B412010030
50,000 BTU HEATER - 10TH SECTION LEFT SIDE
1
B412106000
SERIES HEATER CONNECTION - REAR HEATERS TWO(2)
1
B415101000
SERIES HEATER CONNECTION - REAR HEATER ONE(1)
1
B502601000
RELEASE HANDLE - AIR-OPERATED ENTRANCE DOOR,OUTWARD OPENING
1
B515100000
OMIT STANDARD LEFT SIDE EMERGENCY DOOR (HDX)
1
B518206000
VANDALOCK - AIR-OPERATED OUTWARD OPENING ENTRANCE DOOR
1
B518800000
VANDALOCK - REAR PUSHOUT WINDOW, WITH DAVENPORT SHELF
1
B519008000
CYLINDER LOCK - LUGGAGE COMPARTMENT DOOR
1
B531000141
78" HEADROOM
1

B533603141
ACOUSTIC HEADLINING - COMPLETE WITH POLYESTER INSULATION
1
B540101141
SMOOTH SIDE SHEETS - 16 GAUGE WITH MOLDING
1
B566001000
MUD FLPAS - FRONT, RUBBER, 19.5" W WITH LOGO
1
B566005000
REAR MUD FLAPS 22.5W W/LOGO
1
B571001000
FENDERETTES - FOUR (4)
1
B575513000
ASSIST RAIL - EXTRA, OUTWARD OPENING ENTRANCE DOOR
1
B591000141
LUGGAGE RACKS - BOTH SIDES
1
B591002004
LUGGAGE RACK PAD - GRAY FIRE BLOCK UPHOLSTERY
1
B596800000
LUGGAGE COMPARTMENT - THROUGH, DELUXE, 125"
1
B599024000
BATTERY BOX - DELUXE
1
B612001002
BOSTROM ROUTEMASTER+AIRE "222" SERIES DRV'S ST,BLK FAB/VINYL
1
B612058073
LEFT SIDE ARMREST,BOSTROM DRIVER'S SEAT, BLACK VINYL #544
1
B612058074
RIGHT SIDE ARMREST,BOSTROM DRIVER'S SEAT, BLACK VINYL #544
1
B635200077
STORAGE POUCH, FREEDMAN PASSENGER SEAT
10
B635200077
STORAGE POUCH, FREEDMAN PASSENGER SEAT
10
B635590301
FREEDMAN HIGH-BK FEATHER WEIGHT,35" DAVENPORT,SHELF MNT, LS
1
B635590501
FREEDMAN HIGH-BK FEATHER WEIGHT,35" DAVENPORT,SHELF MNT, RS
1
B635635100
FREEDMAN HIGH-BACK RECLINER PASS SEAT- FEATHER WEIGHT,35" LS
10
B635635200
FREEDMAN HIGH-BACK RECLINER PASS SEAT- FEATHER WEIGHT,35" RS
10
B660005F42
LEVEL 5-FABRIC UPHOLSTERY,2-PASSENGER FREEDMAN SEAT

10
B660005F42
LEVEL 5-FABRIC UPHOLSTERY,2-PASSENGER FREEDMAN SEAT
10
B660005F42
LEVEL 5-FABRIC UPHOLSTERY,2-PASSENGER FREEDMAN SEAT
1
B660005F42
LEVEL 5-FABRIC UPHOLSTERY,2-PASSENGER FREEDMAN SEAT
1
B751000141
EXTERIOR AND INTERIOR PANELING

1
Add Ons:
136,000 DUCTED A/C SYSTEM
1
6 MONITOR DVD PLAYER

1
\$123,412.55
Total for Complete Unit:
Chassis Net Price: (per unit):
Body Net Price (per unit):
TOTALS:

Total \$ for 1 Unit:
\$123,412.55

Delivery : \$1,790.75
Bus: \$121,621.80
Cost:
Item Description:
Qty:

Recommended Upgrades:

Terms and Conditions:

This quote is good for 54 more days

Memorandum

August 5, 2003

To: Charley Carroll
Dr. McCleery
Lisa Brown

From: Ismael Zuniga, Custodial Supervisor

Re: Custodian I – Night/Daytime

After reviewing applications for the Custodian I – Night/Daytime position, I would like to recommend Ms. Susie Diaz for the vacant position. Per the 03-04 NMJC Employee Handbook, (pg. 14-Employment of Relatives), I am requesting approval from the Board because Ms. Diaz is related to Ms. Lupe Zaragoza. Ms. Zaragoza is her sister and an employee of NMJC. She works in the custodial department as a Custodian I – Night/Daytime.

Pending approval I would like for Ms. Diaz to start employment as soon as possible. Thank you for your consideration.