

SIERRA COUNTY

REPEALING SIERRA COUNTY AEROVIRONMENT LEDA ORDINANCE NO 20-004

PASSED: September 15, 2026

EFFECTIVE: October 15, 2026

**SIERRA COUNTY
ORDINANCE 2026 - 004**

**AN ORDINANCE REPEALING SIERRA COUNTY AEROVIRONMENT, INC.
LEDA ORDINANCE NO. 20-004 AND AUTHORIZING TERMINATION OF THE
ASSOCIATED PROJECT PARTICIPATION AGREEMENT**

WHEREAS, NMSA 1978, Section 3-18-1, together with NMSA 1978, Section 4-37-1, authorizes counties to adopt ordinances and take actions necessary to promote the prosperity and general welfare of their inhabitants; and

WHEREAS, pursuant to the Local Economic Development Act, NMSA 1978, Sections 5-10-1 through 5-10-13, the Board of County Commissioners previously approved an economic development project involving AeroVironment, Inc. and adopted Ordinance No. 20-004 authorizing Sierra County to act as fiscal agent for the project; and

WHEREAS, on June 16, 2020, the Board adopted Ordinance No. 20-004 approving a Local Economic Development Act ("LEDA") project for AeroVironment, Inc. involving a proposed facility at Spaceport America and authorizing the use of up to Five Hundred Thousand Dollars (\$500,000.00) in LEDA funding; and

WHEREAS, the LEDA project contemplated approximately Two Million Five Hundred Thousand Dollars (\$2,500,000.00) in capital investment and the creation of thirty (30) full-time jobs in Sierra County; and

WHEREAS, AeroVironment, Inc. entered into a Project Participation Agreement ("PPA") with Sierra County establishing the terms and conditions under which LEDA funds could be disbursed upon satisfaction of contractual performance milestones; and

WHEREAS, according to the New Mexico Economic Development Department ("NMEDD"), the project was never brought to fruition due to circumstances beyond the Company's control, and the required milestones for capital investment and job creation were never achieved; and

WHEREAS, no LEDA funds were ever advanced or disbursed to AeroVironment, Inc. under the project; and

WHEREAS, by memorandum dated May 20, 2026, NMEDD requested that Sierra County repeal Ordinance No. 20-004, terminate the Project Participation Agreement, release any associated security, and return the undisbursed Five Hundred Thousand Dollars (\$500,000.00) in LEDA funds to NMEDD;

WHEREAS, Ordinance No. 20-004 expressly provides that termination of the project shall occur through a subsequent ordinance providing for termination of the applicable agreements and satisfaction of the parties' rights thereunder;

WHEREAS, the Board finds that repeal of Ordinance No. 20-004 and termination of the associated agreements is in the best interests of Sierra County and is necessary to formally close out the AeroVironment LEDA project.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF SIERRA COUNTY, NEW MEXICO:

Section 1. Repeal of Ordinance.

Sierra County Ordinance No. 20-004, entitled "Ordinance Approving the AeroVironment, Inc. Proposal for an Economic Development Project," is hereby repealed.

Section 2. Termination of Project Participation Agreement and Related Agreements.

The County Manager is authorized and directed to terminate the Project Participation Agreement, together with any related Intergovernmental Agreement, Security Agreement, or other project documents executed in connection with the AeroVironment LEDA project, and to execute any documents reasonably necessary to effectuate such termination.

Section 3. Release of Security.

Any security, collateral, liens, or other assurances provided in connection with the AeroVironment LEDA project are hereby authorized to be released, subject to verification that no County or State claims remain outstanding under the project agreements.

Section 4. Reversion of LEDA Funds.

The County Treasurer and County Manager are authorized and directed to coordinate with the New Mexico Economic Development Department to return the undisbursed balance of Five Hundred Thousand Dollars (\$500,000.00) allocated to the AeroVironment LEDA project, together with any required accounting or documentation, in accordance with NMEDD's close-out request.

Section 5. Authorization of Further Actions.

County staff and officials are authorized to execute such additional documents and take such actions as may be necessary or appropriate to fully implement this Ordinance and complete the close-out of the AeroVironment LEDA project.

Section 6. Severability.

If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held invalid, the remaining portions of this Ordinance shall remain in full force and effect.

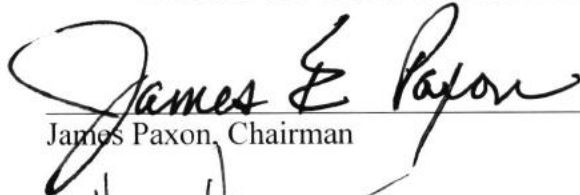
Section 7. Effective Date.

This Ordinance shall become effective thirty (30) days after adoption and recording in the office of the Sierra County Clerk in accordance with NMSA 1978, Section 4-37-9.

PASSED, APPROVED, AND ORDAINED this 15th day of September, 2026.

**BOARD OF COUNTY COMMISSIONERS
SIERRA COUNTY, NEW MEXICO**

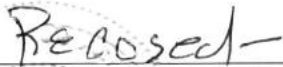
BOARD OF COMMISSIONERS OF SIERRA COUNTY



James Paxon, Chairman



Hank Hopkins, Vice-Chairman



Sandy Jones, Commissioner

Attest:



Amy Whitehead
Sierra County Clerk