



STATE ETHICS COMMISSION

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PRESS RELEASE

State Ethics Commission announces settlement agreement with Daniel Flack, DTF Engineering and D&G Construction for violations of the Procurement Code and Governmental Conduct Act

Albuquerque, NM, May 9, 2025 – The New Mexico State Ethics Commission has reached a settlement agreement with Daniel Flack, AECS, Inc., doing business as DTF Engineering, and D&G Construction (“the Released Parties”), addressing alleged violations of the Procurement Code and the Governmental Conduct Act.

Following an investigation, the Commission found reason to believe that a provision in a professional services contract between DTF Engineering and the Town of Kirtland – authorizing a 15% markup on the costs of third-party services and materials – violated Section 13-1-149 of the Procurement Code. The Commission also found reason to believe that Mr. Flack participated in governmental decisions affecting his and his family’s private financial interests, in violation of Sections 10-16-4(B) and 10-16-7(B) of the Governmental Conduct Act.

To resolve the matter without litigation, the parties entered into a formal settlement agreement that, among its terms, included the following:

- DTF Engineering will remit \$5,500 to the Town of Kirtland;
- Mr. Flack will remit \$500 to the State of New Mexico;
- For the duration of any contract between DTF Engineering and Kirtland, the Released Parties agree not to use, rely on, or otherwise apply any contract

provision allowing DTF Engineering to charge a 15% markup on the costs of third-party services or materials, including costs associated with D&G Construction;

- So long as the October 1, 2023 contract between DTF Engineering and Kirtland remains in effect, Mr. Flack agrees not to participate in any aspect of “Procurement,” as defined in the Procurement Code, unless formally appointed as a Professional Technical Advisor and subject to the conditions in Section 13-1-117.2; and
- So long as any contract between DTF Engineering or Mr. Flack and Kirtland remains in effect, if Mr. Flack exercises, purports to exercise, or is delegated Kirtland’s governmental authority in any matter, he will comply with all requirements of the Governmental Conduct Act as if he were an employee of Kirtland.

Read the full settlement agreement here: (1) [Settlement agreement between and among the New Mexico State Ethics Commission and Daniel Flack, AECS, Inc., dba DTF Engineering and D&G Construction.](#)

About the State Ethics Commission

The State Ethics Commission is an independent, constitutional state agency with the authority to enforce civil violations of New Mexico’s governmental ethics and disclosure statutes, including the Procurement Code and the Governmental Conduct Act. The Commission is comprised of three Democratic Commissioners, three Republican Commissioners, and one independent Commissioner who is registered as “decline to state.”

For more information about the State Ethics Commission, please visit sec.nm.gov.