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STATE ETHICS COMMISSION

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PRESS RELEASE

District Court Rules that Procurement Code Applied to \$1 Million Contract Between the Village of Angel Fire and Advertising Agency

Albuquerque, NM, June 30, 2025 – A state district court has ruled in favor of the New Mexico State Ethics Commission in a significant decision clarifying that the Procurement Code applies to contracts between government bodies and private advertising agencies for services related to design, brand creation, marketing, research, and consulting. In an order issued June 23, 2025, the Honorable Steven A. Romero, District Court Judge for the Eighth Judicial District Court granted the Commission's motion for partial summary judgment in the case of State Ethics Commission ex rel. Village of Angel Fire v. Lindsey, et al., in which the Commission sued Village Mayor Barry Lindsey and Carristo Creative Consulting LLC, an advertising agency with which Lindsey had a prior business relationship.

The court found that several deliverables in a \$1 million contract between the Village of Angel Fire and Carristo Creative were **not exempt** from the Procurement Code, including the Code's requirement of competitive, sealed proposals and the Code's prohibitions against prepayment and conflicts of interest. Specifically, the court rejected Mayor Lindsey's argument that Section 13-1-98(V) of the Code—which exempts certain advertising purchases—applied to the wide range of services covered in the contract. The court's ruling confirms that the contract's broad scope—including strategy development, content creation, public relations, and website design—does not fall within the narrow exemption for purchases of advertising in media outlets.

Several government agencies conduct advertising campaigns—New Mexico True being the best-known example—and, therefore, enter into contracts for advertising-adjacent services. Judge Romero's ruling confirms that only purchases of advertising placements in media outlets are exempt from normal procurement law, and that the Code still applies to contracts for design, branding, marketing, research, and consulting. "In New Mexico, government entities cannot bypass normal competitive procurement requirements and award a no-bid \$1 million contract to a public official's friend simply because a contract is related to advertising in some general sense," says Amelia Bierle, Deputy Director of the State Ethics Commission.

The Commission brought the case in 2024. After the Commission filed suit, the Village of Angel Fire canceled the unlawful contract with Carristo Creative Consulting and issued a request for proposals. Judge Romero's order also follows the Commission's settlement with Carristo Creative, under which Carristo paid back to the Village amounts unlawfully received in prepayment. The case will proceed on the Commission's single remaining claim that Mayor Lindsey knowingly violated the Procurement Code. The case is currently set for trial in September.

Read the full order and settlement agreements here: (1) Order Granting Plaintiff's Motion for Partial Summary Judgment (2) Settlement Agreement between and among the New Mexico State Ethics Commission and Carristo Creative Consulting, LLC (3) Settlement Agreement between and among the New Mexico State Ethics Commission and Julie Kulhan, in her official capacity as Chief Procurement Officer for the Village of Angel Fire

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. 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.