



**CITY OF LAS VEGAS**  
1700 N. GRAND AVE. LAS VEGAS, NEW MEXICO 87701  
505-454-1401 FAX: 505-425-7335

Mayor Tonita Gurule-Giron

**CITY OF LAS VEGAS  
REGULAR CITY COUNCIL AGENDA  
May 17, 2017–Wednesday– 6:00 p.m.  
City Council Chambers  
1700 N. Grand Ave**

*(The City Council shall act as the Housing Authority Board of Commissioners on any matters on the Agenda concerning the Housing Department.)*

- I. **CALL TO ORDER**
- II. **ROLL CALL**
- III. **PLEDGE OF ALLEGIANCE**
- IV. **MOMENT OF SILENCE**
- V. **APPROVAL OF AGENDA**
- VI. **APPROVAL OF MINUTES (April 12<sup>th</sup> Special Meeting, April 12<sup>th</sup> Work Session and April 19<sup>th</sup>, 2017)**
- VII. **MAYOR'S APPOINTMENTS/REPORTS**
- VIII. **MAYOR'S RECOGNITIONS/PROCLAMATIONS**
- IX. **PUBLIC INPUT**  
**(not to exceed 3 minutes per person and persons must sign up at least fifteen (15) minutes prior to meeting)**
- X. **PRESENTATIONS (Not to exceed 10 minutes per person)**
  - Presentation by Yolanda Cruz with San Miguel County DWI Planning Council reporting on local statistics and where we stand in relation to the rest of New Mexico.
- XI. **CITY MANAGER'S REPORT**

**XII. BUDGET HEARING PRESENTATION/DISCUSSION**

- Presentation by City Manager and Finance Director on Preliminary Fiscal Year 2018 Budget.

**XIII. FINANCE REPORT**

**XIV. CONSENT AGENDA**

**(Items may be moved to New Business at the request of any Councilor with approval of the Governing Body)**

1. Approval of Resolution No. 17-11, Abatement of nuisances located at 1010 Socorro Street.

*Levi Lujan, Code Enforcement Officer* Property noted above has a structure that appears to be unsafe and unsecure. The structure has broken windows and entry to the interior. The property is vacant and creating a nuisance to the public health, safety, and comfort. The violation has not been corrected since first notice was given 91 days ago. Request to grant abatement.

2. Approval of Resolution No. 17-12, Abatement of nuisances located at 1907 Lopez Street.

*Levi Lujan, Code Enforcement Officer* Property noted above has been abandoned and has not been maintained in several years. The property is vacant and creating a nuisance to the public health, safety, and comfort. The violations have not been corrected since first notice was given 91 days ago. Request to grant abatement.

3. Approval to Reject bids received for RFP #2017-21 for the Waste Water Aeration Piping Upgrades.

*Maria Gilvarry, Utilities Director* The City of Las Vegas Utilities Department went out for sealed bids for the Waste Water Aeration Piping upgrades. Utilities recommendation is to reject all bids due to the bids exceeding the engineers estimate and above the budget amount for Waste Water.

4. Approval of Resolution No. 17-13 for Drinking Water Loan No. 3622-DW for the Chico and 8<sup>th</sup> Street water line replacement/installation.

*Maria Gilvarry, Utilities Director* This funding will allow the City to replace the aging lines in the vicinity of Chico Drive and 8<sup>th</sup> Street to reduce leaking and water loss. The Drinking Water State Revolving

Loan Fund has allowed the City \$600,000 in loan subsidy funding for the project. The funding agency requires that the agreement be adopted through resolution.

5. Approval of Resolution No. 17-14 for Drinking Water Loan No. 3623-DW for the North Grand Ave. water line installation/looping.

***Maria Gilvarry, Utilities Director,*** This funding will allow the City to construct three segments of new water line to loop existing water lines and eliminate dead ends on North Grand Avenue and in the vicinity of City Hall. The Drinking Water State Revolving Loan Fund has allowed the City \$354,000 in loan subsidy funding for the project. The funding agency requires that the agreement be adopted through resolution.

6. Award request for bids #2017-15 for the East Loop Segment B project to Hays Plumbing and enter into agreement.

***Maria Gilvarry, Utilities Director,*** The City of Las Vegas Utilities department went out for sealed bids for the East Loop Segment B project. This segment of the project will consist of installing 3200 feet of 8 inch water line from NM highway 250 to North Grand Ave. to include 3 jack and bores.

7. Award request for bids #2017-16 for the Storrie Lake MDF Water Line Repair to Hays Plumbing and enter into agreement.

***Maria Gilvarry, Utilities Director,*** The City of Las Vegas Utilities department went out for sealed bids for the Storrie Lake water line repair. The water line underneath the Storrie canal is leaking and repairing the line will help to reduce water loss.

8. Award request for bids #2017-24 for the Cinder Road Waterline Improvements to Garcia Underground and enter into agreement.

***Maria Gilvarry, Utilities Director,*** The City of Las Vegas Utilities department went out for sealed bids for the Cinder Road Waterline Improvements. This project will loop existing lines to improve water quality, fire protection and assist in providing water service to customers in both sides along Cinder Road from Mills Avenue to Los Alamogordos Road.

9. Award request for proposals #2017-23 for Professional Consulting Services to include grants consulting, planning, design and Engineering services to WH Pacific, Molzen Corbin and Occam Engineering Consultants and enter into agreement.

*Veronica Gentry, Public Works Director* A request for proposals was recently solicited for Professional Consulting Service for the City's Public Works Department. Five proposals were received for this service and the three best qualified to perform this service based on the design criteria, are WH Pacific, Molzen Corbin and Occam Engineering Consultants.

**XV. BUSINESS ITEMS**

1. Approval/Disapproval of Change of Floor Plan/Expansion of Liquor Licensed Premises Application.

*Antonio Ortega, Land, Zoning/Licensing Specialist* El Rialto/Borracho's is requesting a change of Floor plan/expansion of liquor licensed premises for 141-139 Bridge Street. The license holder intends to create sidewalk seating outside of the establishment.

**XVI. COUNCILORS' REPORTS**

**XVII. EXECUTIVE SESSION**

**THE COUNCIL MAY CONVENE INTO EXECUTIVE SESSION IF SUBJECT MATTER OF ISSUES ARE EXEMPT FROM THE OPEN MEETINGS REQUIREMENT UNDER § (H) OF THE OPEN MEETINGS ACT.**

- A. Personnel matters, as permitted by Section 10-15-1 (H) (2) of the New Mexico Open Meetings Act, NMSA 1978.
- B. Matters subject to the attorney client privilege pertaining to threatened or pending litigation in which the City of Las Vegas is or may become a participant, as permitted by Section 10-15-1 (H) (7) of the New Mexico Open Meetings Act, NMSA 1978.
- C. Matters pertaining to the discussion of the sale and acquisition of real property, as permitted by Section 10-15-1 (H) (8) of the Open Meetings Act, NMSA 1978.

**XVIII. ADJOURN**

**ATTENTION PERSONS WITH DISABILITES:** The meeting room and facilities are accessible to persons with mobility disabilities. If you plan to attend the meeting and will need an auxiliary aid or service, please contact the City Clerk's Office prior to the meeting so that arrangements may be made.

**ATTENTION PERSONS ATTENDING COUNCIL MEETING:** By entering the City Chambers, you consent to photography, audio recording, video recording and its/their use for inclusion on the City of Las Vegas Web-site, and to be televised on Comcast.

**NOTE:** A final agenda will be posted 72 hours prior to the meeting. Copies of the Agenda may be obtained from City Hall, Office of the City Clerk, 1700 N. Grand Avenue, Las Vegas, NM 87701

**MINUTES OF THE CITY OF LAS VEGAS CITY COUNCIL SPECIAL MEETING HELD ON  
WEDNESDAY, APRIL 12, 2017 AT 5:00 P.M. IN THE CITY COUNCIL CHAMBERS**

**MAYOR:** Tonita Gurulé-Girón

**COUNCILORS:** David L. Romero  
David A. Ulibarri, Jr.  
Barbara A. Casey  
Vincent Howell

**ALSO PRESENT:** Richard Trujillo, City Manager  
Casandra Fresquez, City Clerk  
Corinna Laszlo-Henry, City Attorney  
Juan Montano, Sergeant at Arms

**CALL TO ORDER**

**ROLL CALL**

**PLEDGE OF ALLEGIANCE**

**MOMENT OF SILENCE**

Mayor Gurulé-Girón asked Councilor Howell to lead in the moment of silence.

Councilor Howell asked our Lord to help in giving the Governing Body insight and guidance regarding all the information received at the City Retreat, putting objectives and goals in place and to focus on growth in order to make the community better.

**APPROVAL OF AGENDA**

Councilor Casey made a motion to approve the agenda as is. Councilor Howell seconded the motion. Mayor Gurulé-Girón asked for roll call. Roll Call Vote was taken and reflected the following:

David L. Romero	Yes	David A. Ulibarri, Jr.	Yes
Vincent Howell	Yes	Barbara A. Casey	Yes

City Clerk Fresquez re-read the motion and advised the motion carried.

### **PUBLIC INPUT**

Bob Wessely welcomed City Attorney Corinna Laszlo-Henry to the City and spoke briefly regarding the City Retreat. Mr. Wessely advised that he had the opportunity to attend the retreat and was pleased and thankful for the goals that were set by the staff and hoped that after refining those goals that they would be publicized.

### **BUSINESS ITEMS**

1. Conduct a Public Hearing and Approval/Disapproval of application requesting a transfer of location only of Liquor License No. 28090 with on premise consumption only submitted by Charlie's Bakery & Café, Inc., DBA The Skillet, located at 623 12<sup>th</sup> St., Las Vegas, NM 87701, Application #1034391.

Councilor Howell made a motion to go into public hearing. Councilor Romero seconded the motion. Mayor Gurulé-Girón asked for roll call. Roll Call Vote was taken and reflected the following:

Vincent Howell	Yes	David L. Romero	Yes
Barbara A. Casey	Yes	David A. Ulibarri, Jr.	Yes

City Clerk Fresquez re-read the motion and advised that the motion carried.

City Attorney Laszlo-Henry swore in individuals who would speak on the issue which included: Casandra Fresquez and Isaac Sandoval.

City Clerk Casandra Fresquez advised that the Director of Alcohol and Gaming Division had reviewed the referenced application and granted preliminary approval. The liquor license application had been forwarded to our Governing Body for consideration of the liquor license application. City Clerk Fresquez advised that all zoning and publication requirements had been met.

Councilor Casey asked for clarification on the process of the liquor license transfer.

Isaac Sandoval explained that The Skillet would be allowed a full dispenser's liquor license to sell on premise only under the business of Charlie's Bakery & Café, Inc. and clarified that Charlie's Spic & Span would have a Beer & Wine License.

Councilor Howell asked if Charlie's Bakery would have a special event, would they have to go through the Skillet for a picnic license.

Mr. Sandoval advised that a special license would have to be submitted to the State in order to serve at the Special Events Center at Charlie's Bakery.

Councilor Howell made a motion to close public hearing and to accept the record proper. Councilor Casey and Councilor Romero seconded the motion. Mayor Gurulé-Girón asked for roll call. Roll Call Vote was taken and reflected the following:

David A. Ulibarri, Jr.	Yes	Vincent Howell	Yes
Barbara A. Casey	Yes	David L. Romero	Yes

City Clerk Fresquez re-read the motion and advised that the motion carried.

Councilor Howell made a motion to reconvene into regular session. Councilor Casey seconded the motion. Mayor Gurulé-Girón asked for roll call. Roll Call Vote was taken and reflected the following:

David L. Romero	Yes	David A. Ulibarri, Jr.	Yes
Vincent Howell	Yes	Barbara A. Casey	Yes

City Clerk Fresquez re-read the motion and advised that the motion carried.

Councilor Howell made a motion to approve of the application requesting a transfer of location only of Liquor License No. 28090 with on premise consumption only submitted by Charlie's Bakery & Café, Inc., DBA Skillet, located at 623 12<sup>th</sup> St., Las Vegas, NM 87701, Application #1034391. Councilor Ulibarri, Jr. seconded the motion. Mayor Gurulé-Girón asked for roll call. Roll Call Vote was taken and reflected the following:

Barbara A. Casey	Yes	David L. Romero	Yes
Vincent Howell	Yes	David A. Ulibarri, Jr.	Yes

City Clerk Fresquez re-read the motion and advised that the motion carried.

### **EXECUTIVE SESSION**

City Manager Trujillo advised that there was no need for Executive Session.

### **ADJOURN**

Councilor Casey made a motion to adjourn. Councilor Howell seconded the motion. Mayor Gurulé-Girón asked for roll call. Roll Call Vote was taken and reflected the following:

David L. Romero	Yes	Vincent Howell	Yes
Barbara A. Casey	Yes	David A. Ulibarri, Jr.	Yes

City Clerk Fresquez re-read the motion and advised that the motion carried.

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Mayor Tonita Gurulé-Girón

ATTEST:

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Cassandra Fresquez, City Clerk

**MINUTES OF THE CITY OF LAS VEGAS CITY COUNCIL WORK SESSION  
HELD ON WEDNESDAY APRIL 12, 2017 AT 5:30 P.M. IN THE CITY COUNCIL  
CHAMBERS**

**MAYOR:** Tonita Gurule-Giroñ

**COUNCILORS:** David A. Ulibarri Jr.  
Vince Howell  
Barbara A Casey  
David L. Romero

**ALSO PRESENT:** Richard Trujillo, City Manager  
Casandra Fresquez, City Clerk  
Corinna Laszlo-Henry, City Attorney  
Juan Montano, Sergeant at Arms

**CALL TO ORDER**

**ROLL CALL**

**PLEDGE OF ALLEGIANCE**

**MOMENT OF SILENCE**

Councilor Casey asked for a moment of silence for the family of Lalo Padilla who was a County Commissioner of Santa Rosa and Vaughn.

**APPROVAL OF AGENDA**

City Manager Trujillo recommended the removal of *Discussion Item 3 – Molzen Corbin & Associates task order – Hot Springs Blvd. waterline replacement and Discussion Item 4 – Molzen Corbin & Associates task order – North 8<sup>th</sup> Street waterline extension.*

Councilor Howell made a motion to approve the agenda with the changes recommended by City Manager Trujillo. Councilor Ulibarri Jr. seconded the motion.

Mayor Gurule-Giroñ asked for a roll call. Roll call was taken and reflected the following.

David A. Ulibarri Jr.	Yes	Vince Howell	Yes
Barbara A Casey	Yes	David L. Romero	Yes

City Clerk Fresquez reread the motion and advised the motion carried.

**PUBLIC INPUT**

Wid Slick spoke to the Governing Body regarding Lodger’s Tax and marketing.

Terry Mazuio spoke to the Governing Body regarding the public access to the shooting range and advised it’s an inconvenience to have Chief Montano or Commander Lopez go to the range to unlock the range for individuals. Mr. Mazuio spoke that the City of Las Vegas needs to be allowed to grow and invite new businesses.

**PRESENTATIONS**

Leah Knutson from the Hermit’s Peak Watershed Alliance gave a presentation on the Gallinas Village river and floodplain restoration project.

**DISCUSSION ITEMS**

1. 2017 Audit Contract.

Finance Director Gallegos advised the City requested audit proposals for the 2015, 2016 and 2017 Audits. This will be the third year of a three year proposal with RPC CPAs + Consultants, LLP.

Questions were asked when they would begin the audit for the current fiscal year and if the City had corrected any of the last fiscal year findings.

Finance Director Gallegos advised the audit would begin no later than July 1, 2017 but they could begin as soon as June 1, 2017. Finance Director Gallegos advised the audit findings have been corrected.

The Governing Body agreed to place the item as a consent agenda item.

2. Resolution #17-07, supporting New Mexico Department of Transportation Municipal Arterial Program (MAP)-2018 application.

Public Works Director Veronica Gentry advised the resolution is required to support the Municipal Arterial Program (MAP)-2018 application for the project development, design and construction of surface and drainage improvements along Mountain View Drive – 7<sup>th</sup> Street (NM 518) to Grand Avenue (US Hwy 85).

Councilor Casey advised she would like to see better lighting from the interstate exit north on Grand, the visibility is a safety concern.

Councilor Howell asked if concrete could be poured where Mountain View Drive and Grand Avenue meet as the semi truck traffic has caused the pavement to deteriorate a lot faster creating potholes.

Public Works Directors Gentry advised it will be up to the engineer to determine the best remedy, but the department has already begun working on that area.

The Governing Body agreed to place the item as a consent agenda item.

5. Water Treatment Plant Sodium Hypochlorite disinfection system.

Utilities Director Gilvarry advised the current disinfection system at the Water Treatment Plant is the MIOX system. The MIOX system is a proprietary system and has been experiencing failures. The new Sodium Hypochlorite disinfection is not a proprietary system and repair parts for this system can be purchased off the shelf. Utilities Director Gilvarry advised the cost of the system is \$491,024.00. Utilities Director Gilvarry advised the wait time for a MIOX certified technician is a minimum six weeks at a high cost, with the new Sodium Hypochlorite system, staff can be trained to perform maintenance.

The Governing Body agreed to place the item as consent agenda item.

Councilor Howell made a motion to go into Executive Session to discuss personnel matters. Councilor Casey seconded the motion.

Mayor Gurule-Giron asked for a roll call. Roll call was taken and reflected the following.

David A. Ulibarri Jr.	Yes	Vince Howell	Yes
Barbara A Casey	Yes	David L. Romero	Yes

City Clerk Fresquez re-read the motion and advised the motion carried.

**EXECUTIVE SESSION**

Councilor Howell made a motion to reconvene into regular session, only personnel matters were discussed and no action was taken. Councilor Ulibarri Jr. and Councilor Romero seconded the motion.

Mayor Gurule-Giroñ asked for a roll call. Roll call was taken and reflected the following.

David A. Ulibarri Jr.	Yes	Vince Howell	Yes
Barbara A Casey	Yes	David L. Romero	Yes

City Clerk Fresquez re-read the motion and advised the motion carried.

Councilor Howell made a motion to adjourn. Councilor Casey seconded the motion.

Mayor Gurule-Giroñ asked for a roll call. Roll call was taken and reflected the following.

David L. Romero	Yes	Vince Howell	Yes
Barbara A Casey	Yes	David A. Ulibarri Jr.	Yes

City Clerk Fresquez re-read the motion and advised the motion carried.

**ADJOURN**

\_\_\_\_\_  
Mayor Tonita Gurule-Giroñ

ATTEST:

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Casandra Fresquez, City Clerk

**MINUTES OF THE CITY OF LAS VEGAS CITY COUNCIL REGULAR MEETING HELD  
ON WEDNESDAY, APRIL 19, 2017 AT 6:00 P.M. IN THE CITY COUNCIL CHAMBERS**

**MAYOR:** Tonita Gurulé-Girón

**COUNCILORS:** Vincent Howell  
David L. Romero  
Barbara A. Casey  
David A. Ulibarri, Jr.

**ALSO PRESENT:** Richard Trujillo, City Manager  
Casandra Fresquez, City Clerk  
Corinna Laszlo-Henry, City Attorney  
Juan Montano, Sergeant at Arms

**CALL TO ORDER**

**ROLL CALL**

**PLEDGE OF ALLEGIANCE**

**MOMENT OF SILENCE**

Mayor Gurulé-Girón asked Councilor Howell to lead in the moment of silence.

Councilor Howell thanked God for the beautiful spring days he had given for all to enjoy which he thought contributed in having clear minds in order for the Governing Body to make good decisions and appreciated everyone who attends the Council meetings with concerns and added that they are passionate about helping the community.

**APPROVAL OF AGENDA**

City Manager Trujillo made the recommendation to move Business Item #1 from the Business Items to Agenda Item VII (following the Approval of Minutes) and explained that Attorney Danelle Smith would be addressing any questions regarding the City Attorney's contract as she needed to leave at 6:30 p.m.

Councilor Howell made a motion to approve the agenda with the recommended change. Councilor Ulibarri, Jr. seconded the motion. Mayor Gurule-Girón asked for roll call. Roll Call Vote was taken and reflected the following:

Barbara A. Casey	Yes	David L. Romero	Yes
Vincent Howell	Yes	David A. Ulibarri, Jr.	Yes

City Clerk Fresquez re-read the motion and advised that the motion carried.

### **APPROVAL OF MINUTES**

Councilor Casey made a motion to approve the minutes of March 8<sup>th</sup>, March 15<sup>th</sup>, March 24<sup>th</sup> and March 27<sup>th</sup> thru March 29<sup>th</sup>, 2017. Councilor Romero seconded the motion. Mayor Gurulé-Girón asked for roll call. Roll Call Vote was taken and reflected the following:

David A. Ulibarri, Jr.	Yes	Vincent Howell	Yes
Barbara A. Casey	Yes	David L. Romero	Yes

City Clerk Fresquez re-read the motion and advised that the motion carried.

### **BUSINESS ITEMS**

#### **1. Approval/Disapproval of City Attorney's Professional Service Contract.**

Mayor Tonita Gurulé-Girón advised that in accordance with the City of Las Vegas, New Mexico Municipal Charter Article V, Section 5.04 C., a city attorney was appointed by the Mayor and approved by Council on March 24, 2017 at a Special meeting. The Governing Body shall enter into a contract with the city attorney which shall establish, among other matters, compensation, benefits, duties and responsibilities.

Attorney Danelle Smith advised that changes had been made regarding the City Attorney's contract and that the main change was the process for people other than the Mayor or City Manager obtaining the agreement for the City Attorney to do work for particular Councilors and read from the City Attorney's contract, under #2 *Duties and Authority, paragraph 3: "If City Council members seek to obtain counsel or a legal opinion as to matters of City business, they shall first either have the approval of the City Manager or Mayor, or a consensus of the Governing Body for the City Attorney to undertake the requested work.*

Ms. Smith explained that the idea was to have a situation where it is clear to the City Attorney on what the ground rules are such as a Councilor going to the City Attorney and asking him/her to take on a project; she stated that the need is to have consistent direction to the City Attorney. Ms. Smith stated that she understood the issue of independent City Councilors not having to go to the Mayor or City Manager before going to the City Attorney and advised that if there is a consensus among the City Councilors regarding the City Attorney taking on a project, then that can be the process.

Ms. Smith advised that the rest of the contract was the same except for added clauses that the Attorney General's Office required from Governmental Agencies.

Councilor Casey stated that she was a duly elected Councilor and took offense and exception to have to request permission from the Mayor, who was not her boss or employer in order to speak to the City's Legal Counsel and didn't think she had to take direction from the City Manager either, and therefore would not support the contract as long as that language was in it.

Ms. Smith spoke to Councilor Casey's concerns, explaining that this was one of the reasons why the changes were made, addressing the concerns of not having to go through Mayor and City Manager which would consist of having a consensus with City Council.

Discussion took place regarding the language in the City Attorney's contract and clarification of options of the process of seeking the City's Legal Counsel by City Councilors.

Councilor Howell made a motion to approve City Attorney’s Professional Service Contract with the amendment of paragraph 3 under #2 Duties and Authority on the City Attorney’s contract, to read: *“If City Council members seek to obtain counsel or a legal opinion as to matters of City business, they shall have the approval of the Governing Body through consensus for the City Attorney to undertake the requested work at a regular meeting of the City Council.”* Councilor Ulibarri, Jr. seconded the motion. Mayor Gurulé-Girón asked for roll call. Roll Call Vote was taken and reflected the following:

David L. Romero	Yes	David A. Ulibarri, Jr.	Yes
Barbara A. Casey	Yes	Vincent Howell	Yes

City Clerk Fresquez re-read the motion and advised that the motion carried.

### **MAYOR’S APPOINTMENTS/REPORTS**

Mayor Gurulé-Girón reported on the following:

#### **Newly Appointed Board Members**

Charter Commission Board: Carla Benavidez, Charlie Sandoval, Harold Garcia, Jose Gallegos, Kim Delgado, Mack Crow and Mike Sweeney

Campaign Ethics Board: Diane Ortiz, Joselle De Marco, Kim Delgado, Mack Crow, Roy Montibon and Theresa Bustos.

#### **Replaced Board Members**

Fiesta Committee: Siobhan Sweeney, Design Review Board: Jose Gallegos,

Planning and Zoning Commission Board: Dianne Lindsay, Utility Committee:

Meredith Britt and Mike Martinez, Senior Advisory Committee: Joe Horace Lucero

Mayor Gurulé-Girón asked for consensus from the Council and informed that consensus was received from the majority of the Council.

### **MAYOR’S RECOGNITIONS/PROCLAMATIONS**

Mayor Gurulé-Girón advised that recognition would take place of the West Las Vegas Cheerleading Squad.

City Clerk Fresquez read the recognition to acknowledge and congratulate the members of West Las Vegas Cheer Squad on behalf of Mayor Gurulé-Girón and the members of the Governing body on their 2016-2017 Class 1A-4A Co-Ed State Championship and admiration with which the outstanding students are regarded in the City of Las Vegas:

Mayor Gurulé-Girón expressed her thanks along with the Governing Body to the students, coaches and parents for their outstanding job in achieving the championship and for all their hard work and dedication.

### **PUBLIC INPUT**

Martha Lopez, a bookkeeper for the Samaritan House for the last 10 years, spoke of her concerns regarding the closing of the Samaritan House which provided the basic needs of food, clothing and shelter to the less fortunate for 15 years and was disappointed to hear that they were asked to leave due to an error made by Las Vegas Housing Authority allowing them to operate at a location that did not belong to the City of Las Vegas, unbeknown to them. Ms. Lopez pleaded for help from the Governing Body to do something to help in providing a home for the continuance to assist our community and whole heartedly thanked them for the support they were currently giving.

Corey Deshamais, the current Americore Vista Volunteer with the Samaritan House Food Pantry informed of the many food bags distributed to the Las Vegas community which ranged from 250 to 500 food bags monthly and advised that his concern was the uncertainty of the next contribution dated for May 10, 2017 as they had been asked to vacate by May 7th. Mr. Deshamais advised that currently it was not known where it would take place or how to notify 700 households of what can be expected from the Samaritan House or where distribution would take place.

Cecilia Montano, a Samaritan House volunteer spoke of her contributions in helping the members of the community and voiced her concerns regarding the

closing of the non-profit organization that helps the community and asked the Governing Body for their help.

Yvonne Castellano, a Supportive Housing Assistant with the Samaritan House informed of the services they have provided for the homeless in the community with rental assistance and permanent housing support programs. Ms. Castellano stated that they have assisted the city in reducing hospital and jail costs by housing these individuals with the result of independent, self sufficient and responsible community members.

Diego Romero, a client from the Samaritan House spoke of the help that he had received from them, he advised that he had been less fortunate for several years although had found help with food, shelter and to become a better person and citizen in the community from the assistance of the Samaritan House and asked the Governing Body to please help the Samaritan house, which was a blessing and a life saving organization.

Patrick Alire who had been homeless spoke of the help he had recently received from the Samaritan House which had helped him tremendously and was now on their Board of Directors and asked for the help of the Governing Body. Mr. Alire spoke of how important their services were and how his life had thrived in serving his community and church. Mr. Alire invited everyone to the upcoming National Day of Prayer at Plaza Park on May 4, 2017 @ 12:00 p.m. and informed of an upcoming event regarding Nation Strategy, regarding education on Community, Government, Business, Media, and Education that would benefit our community and would be held on Friday, April 28, 2017 at 6:30 p.m. at the Memorial Middle School Auditorium. Mr. Alire stated that his passion was to help the homeless and the needy and thanked the Governing Body.

Eric Weisgurber, a recipient of the Samaritan House spoke of the Good Samaritan story in the Bible being his favorite as a child, and spoke of the importance of reaching out, above and beyond in helping those in need. Mr. Weisgurber stated how important it was to have a place to be involved and how it shows the heartbeat of the City and spoke of the assistance that he and his wife had received from the Samaritan House and appreciated their help and now both assist the less fortunate at the Samaritan House.

George Lyon, Executive Director of the Samaritan House spoke of issues related to public housing and advised they were suddenly asked to vacate the property they had been in for 15 years and that the issue was to quickly find a place to support the thousands of people they have helped for years. Mr. Lyons stated that promises and agreements of service to the Samaritan House made by the City had been broken and spoke of many services the Samaritan House had provided and asked for the help from the City regarding finding a building to support the needs of the community and asked for the promise of the City that they may stay in that building.

Louie Trujillo stated "that a lot can be said about a community by how their leaders handle problems" and advised that taking care of homeless and hungry community members were the City's problem and that the Samaritan House was assisting them with that problem. Mr. Trujillo added that there were many people that were dependent on the operation of the Samaritan House and spoke of these people being our neighbors, people we know and people who voted for the Governing Body. Mr. Trujillo stated that he was not there to speak against the Governing Body but to thank them for their support of the Samaritan House throughout the years and was asking for the Governing Body, as City leaders to please sit with members of the Samaritan House in order to find a solution and take charge of the situation of finding a place in order to help feed and house many people in need.

Katie McDonough expressed how the situation regarding the Samaritan House was the worst emergency they had ever endured and spoke of how the community supports the non-profit organization. Ms. McDonough spoke of how this would take away from volunteers who were proud of what they were doing to help people in need and was alarmed on how sudden this was. Ms. McDonough stated that the Samaritan House, a homeless organization was now homeless.

Pamela G. Daves, advised that she was addressing the Governing Body as the Housing Board in helping the Samaritan House and advised that she thought it was not legal to give the Samaritan House only 20 days to vacate the property. Ms. Daves hoped that the Governing Body would take corrective action and appeal to them to come up with a plan and asked them to help the Samaritan House.

Paul Salas and Peter Garduno presented a painting of Miguel Encinias, a prominent member of the community. Mr. Salas advised that Mr. Encinias serviced his community and his country and added that he excelled in being a distinguished pilot and was one in five Americans to serve in three wars. Mr. Salas informed that Mr. Encinias continued his education for many years, was an author of three books, and was awarded many medals for his achievements and advised that they were proud to have been able to be Honorary Guards at his funeral service. Mr. Salas requested the permission from the Governing Body to place the painting of Mr. Encinias at Safeway Parking Lot and wanted to recognize artist Peter Garduno for devoting many hours of work on the painting.

Mayor Gurulé-Girón asked for consensus from the Governing Body regarding the painting being placed at Safeway Parking Lot. The Governing Body agreed on the placement of the painting of Mr. Encinias at Safeway Parking Lot.

Justin Valdez spoke of several needs of building a new skate park which would benefit the community and its youth, keeping them occupied and teaching them independence. Mr. Valdez felt that there was not enough attention or funding given to skateboarding, noting that there were no legitimate locations to skate and having to go out of town or use public property that would sometimes result in unintentional property damage, which would present the skateboarder as an outcast or delinquent. Mr. Valdez expressed that skateboarding helped people mentally and to enjoy the sport with others and is a free spirit atmosphere that needs to thrive in order to help young athletes to reach their potential.

Antonio Torres expressed his thoughts on the need of a skateboard park and other forms of recreation for the youth of the City and asked the Governing Body why the City did not have a legitimate skateboarding park.

Mayor Gurulé-Girón advised that the City was in support of building a skateboard park and that at the present time the City was looking for grant funding although drawbacks that had occurred at the State level had affected municipalities. Mayor Gurulé-Girón stated that the City was moving forward on how they would be able to accommodate and assist skateboarders.

Brian Marquez advised he was the Founder and President of a local 501-C3 Non-Profit organization in Las Vegas, New Mexico with a goal of obtaining a quality

skateboard park for the City and County areas and advised they recently received a proposal from a skateboard company, ARC and was requesting from the public and the Governing Body a specific location for a skateboard park in order to complete a grant application. Mr. Marquez also invited everyone to attend an artist reception fundraising art show at the Las Vegas Arts Council on April 20, 2017 at 4:00 to 7:00 p.m. and advised that all proceeds would go towards the skateboard park.

Mayor Gurulé-Girón wanted to assure Mr. Marquez that she and City Manager Trujillo had looked at many locations for the skate park and had considered two possible locations although advised she did not want to make that commitment until all requirements had been met and gave City Manager Trujillo the directive to work with Mr. Marquez regarding the skate park.

City Manager Trujillo advised that Annette Velarde was currently working with Mr. Marquez regarding the skate park.

Debra Gage discussed her concerns of officer safety which she thought was a huge issue for the community and the Police Department due to being short staffed. Mrs. Gage spoke of the sacrifice that law enforcement and their families give when their loved ones while out serving the community and putting their lives on the line. Mrs. Gage asked how much money the City was actually saving by not hiring officers that could be saving multiple lives and stated that public safety should be a priority and not a cut, she asked the Governing Body to please consider the money that the City was saving and added that it could be costing law enforcement families their worlds.

Mayor Gurulé-Girón commended Mrs. Gage for being there and assured that the priority of the City of Las Vegas had always been the public health and safety of the community and stated that as Mayor, this administration had continued to support the initiatives of the Police Department. Mayor Gurulé-Girón informed that the City had taken a 5% drawback in each department, excluding the Police Department and they have maintained their budget, increasing the capacity of officers to 34 which was substantial for the population of 12,000.

Mayor Gurulé-Girón stated for the record that the department had received 8 vehicles and that 4 went to the Police Department hierarchy and she had

discussed with Police Chief Montano that she disagreed and thought that all 8 vehicles should have gone to the first responding officers and added that she strongly supported Mrs. Gage in every statement that she had made. Mayor Gurulé-Girón stated that this administration would continue to do what they could do at their level to ensure that our police officers receive the best vehicles to perform their duties and gave Chief Montano the directive to ensure his hierarchy continue to support the patrolmen out in the street, in order to eliminate dangerous situations as experienced in the past. Mayor Gurulé-Girón along with the Council publicly assured Mrs. Gage that they would continue to support public safety.

Caleb Marquez Vice President of the Fraternal Order of Police spoke as the Union representative for the Police Department regarding importance of safety for Police and for the community. Mr. Marquez suggested to the Governing Body to get involved within the Police Department to address questions and concerns and asked if they would reconsider filling the positions that were greatly needed.

Arsenio Garcia spoke of his hardships that he had faced in the past and informed that he had volunteered at the Samaritan House which was a positive experience and felt what had happened to the Samaritan House was not fair. Mr. Garcia informed that the Samaritan House allowed high school students to volunteer which would benefit them when applying for scholarships. Mr. Garcia expressed that he was a proud Hispanic, a culture that “takes care of their own” and knew that the Governing Body would do the right thing in helping the Samaritan House.

Angela Sanchez a retired teacher and chairman of the Veterans through the Elk’s expressed her thoughts on the closing of the Samaritan House and stated that there were so many people, veterans included that needed help. Ms. Sanchez pleaded with the Governing Body to help the Samaritan House.

Wid Slick spoke regarding the increased Lodger’s Tax and informed that within 3 years ending June 30, 2016 when the City partnered with Special Events and New Mexico State Tourism to run a marketing campaign there was an increase on average Lodger’s Tax collection of \$2,200.00 and currently now partnering up with Cisneros Design, had averaged an increase of \$2,200.00 per month. Mr. Slick stated both plans have been successful and had a plan which included:

1. To run both merchandise campaigns and double Lodger's Tax collections.
2. Improve the Special Events City Tourism campaign by obtaining New Mexico tourism grants.
3. Letting the Special Events organizers have the marketing expertise of Cisneros Design. (Improve results on the Cisneros campaign by allocating more money to ad placements.)

Lalo Sanchez stated that he appreciated the repairs of the drain grates located on South Pacific Street although had public safety concerns regarding drain grates on South Pacific Street that had not been repaired. Mr. Sanchez had concerns regarding the police cars not being numbered, public input time, phone calls not being answered and issues with Department Heads being out on the field.

## **PRESENTATIONS**

City Manager Trujillo advised that Charles Strickfaden with the Fort Union National Monument would be giving a presentation.

Charles Strickfaden Superintendent with Fort Union National Monument gave a detailed update presentation on educational outreach on community stories, participation in Las Vegas community events and renovation of the park visitor center.

Councilor Casey advised Mr. Strickfaden that one activity was missing from his presentation that the Fort Union participated in every year which was a Fort Union staff member setting up a table at the Annual Literacy Fair held by the Literacy Council in which she was a member. Councilor Casey thanked him for their participation and stated that it added to the success of the Literacy Fair.

## **CITY MANAGER'S REPORT**

City Manager Trujillo reported that the City was faced with many challenges of homelessness, no shelters or safe havens for battered women or victims of domestic violence and advised that it was the City's commitment for our residents to do our due diligence in making sure to help them find a home.

City Manager Trujillo also stated that the Senior Citizens Meals on Wheels Program was also struggling with the demand surpassing the supply, being short on funds and informed that Meals on Wheels were also delivered to Pecos and to the Villanueva area as well. City Manager Trujillo advised that he and Senior Center staff had met with the Mayor of Pecos to inform of the issues at hand regarding the Senior Centers and have met with County Manager Vidal Martinez to discuss their budget and possibly for the County to give more to the operations of the center. City Manager Trujillo stated that Senior staff was doing their due diligence in looking at budgets in order to provide service to our Senior citizens and informed that they anticipate being in the negative next year of possibly, \$180,000.00, due to the State cuts from these agencies, throughout the state.

Community Services Director Pamela Marrujo advised that Senior Center Manager Wanda Salazar would present a plan regarding the concerns of providing our Senior Citizens with valuable services and the future funding of the center. Community Services Director Marrujo also advised they were looking for the help of the County and Pecos to aid in bridging the gap regarding next year's deficit of \$180,00.00 and informed that there would be cuts although would stay within the criteria of the Meals on Wheels Program for homebound citizens.

Senior Citizens Center Manager Wanda presented the Senior Center Budget for FY 2016/2017 & FY 2017/2018 as follows:

**FY 16/17-This Year**

- Area Agency on Aging (AAA) awarded budget for FY 16-17 based on prior year services FY 15/16
- Prior Year Services FY 15/16 were low because of the renovation at the Senior Center. The Senior Center was housed at the Recreation Center for 7 months
- FY 16/17 Goals have been executed
- AAA cut to Senior Center program in October 5.5% \$19,038
- Meetings have been held with the following agencies to inform them of funding issues and requesting additional funds. The intent is to Bridge Gap to balance the budget for FY 16/17.

-Village of Pecos-Mayor Roybal and Staff- current funding is \$22,000

-San Miguel County-Vidal Martinez, County Manager- current funding is \$30,000

-Area Agency on Aging (AAA)-Tim Armor, Executive Director, Marcia Medina Regional Director and Staff- current funding is \$589,582

-Senator Pete Campos

-Radio discussions

- The Deficit projected for FY 16/17 is \$50,000 though was initially discussed to be more.

**FY 17/18-Next Year**

- Additional cut of 5% by AAA-budgeted funding requested is \$562,691

- Reduction of services
- Request Village of Pecos to up their contribution from \$22,000 to \$44,000
- Present to County Commission Meeting on May 10, 2017 also to up their contribution from \$30,000 to meet the City of Las Vegas' contribution of \$75,000.

**Additional Information**

- Serving a population that is Aging-23% of population in SM County is 60 and older
- Senior Center needs to make cuts in order to abide by the budget.
- Calls from the community are going to begin when cuts start.
- Assessment Process for Home Deliveries (Must meet certain criteria)
  - Referral comes in to center from outside source (APS, AAA, Family, Care Giver)
  - Assessment Coordinator assesses Senior with a 5 page Assessment
  - Assessment Coordinator must complete a Narrative on all HD Seniors as part of Assessment Process
  - Completed Assessment is sent to AAA for review and approval
  - If Senior is approved by AAA, then services will begin
- Documented Waiting List is 27 seniors
- Waiting List began January-February 2017
- Units (meals served or transport made) Served in F Y16/17 are projected to be 105,000
- Units (meals served or transport made) Budgeted to serve for FY 17/18 are 84,428

Councilor Howell asked if reaching out to our local businesses for help had been considered as part of the plan to aid the Senior Center and stated the importance of the help of the community in servicing this need.

Community Services Director Marrujo informed that at this point and time they had not formally asked businesses for help although have received donations.

Councilor Casey asked what other cuts would have to be made.

Senior Center Manager Salazar advised some salary cuts had been made in the San Miguel area, a cut to raw food and kitchen supplies as well. Ms. Marrujo advised that transportation regarding leisure trips would also be included in those cuts.

Councilor Casey advised that due to there being so many hungry people in the City her main concern was provided meals being cut down and stated that the Senior Center played a vital role in feeding the hungry.

City Manager Trujillo informed that they had met with Mayor Roybal of Pecos regarding reducing operations at the Pecos Senior Center and asked him to contribute more to the budget and stated that Senator Campos had been

informed of the issues regarding the Senior Center as well. City Manager Trujillo advised that they would continue working on innovative ways of helping the Senior Center without hurting the senior citizens.

## **FINANCE REPORT**

Finance Director Ann Marie Gallegos presented the finance report ending for the month of March 31, 2017, with revenue coming in at 77% and reported expenditures at 67% and advised that there was a loss in revenue regarding the GRT for April, receiving \$901,000 at this time, last year and reported that only \$681,000 was received this year due to lack of construction projects which drastically affects GRT. Finance Director Gallegos advised that there would be a couple of projects starting in July that would help the GRT and would continue to monitor the budget and diversify some expenses from the General Fund and would bring the budget back to Council in May for recommendations.

Finance Director Gallegos informed that Recreation Department revenues were at 57% which were anticipated due to the start of hiring the needed Recreation Center staff and advised that the total expenditures were at 81%.

Finance Director Gallegos reported Enterprise Funds revenue came in at 73% and expenditures were at 63%.

Councilor Howell asked for the status of the amount in the General Fund and asked if there was any danger regarding not being able to maintain funding.

Finance Director Gallegos advised that it was being maintained, and informed that they were at the 1/12<sup>th</sup> cash requirement, close to \$950,000.00, enough to operate and continue to maintain and believed they were not in danger at the present time.

Councilor Howell asked a question regarding the Hold Harmless Tax.

Finance Director Gallegos informed that there were challenges regarding the Hold Harmless Tax which would double from \$85,000 to \$170,000.00 next year and would continue to monitor and diversify from other funds.

Councilor Howell asked if fees for use of the Recreation Center would increase.

City Manager Trujillo advised that fees would not increase at this time and advised that he wanted to inform that the Recreation Center had experienced some water damage to the flooring and repairs needed to take place therefore the opening of May 5<sup>th</sup> would not take place and advised that May 19<sup>th</sup> would be the date of the opening for the Recreation Center.

### **CONSENT AGENDA**

1. Approval of 2017 Audit Contract.
2. Approval of Resolution #17-07, supporting New Mexico Department of Transportation Municipal Arterial Program (MAP)-2018 application.

Resolution 17-07 was presented as follows:

**CITY OF LAS VEGAS, NM  
RESOLUTION NO. 17-07**

A resolution Supporting Application of New Mexico Department of Transportation Municipal Arterial Program (MAP)-2018 for the Project Development, Design and Construction of Surface and Drainage Improvements along Mountain View Drive – 7<sup>th</sup> Street (NM 518) to Grand Avenue (US Hwy 85).

**WHEREAS**, the estimated cost of the above described project is one million, one hundred and forty thousand dollars (\$1,140,000.00); and

**WHEREAS**, the City of Las Vegas governing body has declared improvements to said streets a necessity for the good and well being of citizens of Las Vegas, New Mexico and supports the Municipal Arterial Program (MAP)-2018 Application for these funds to accomplish the work; and

**WHEREAS**, the City of Las Vegas will agree to work in accordance with the funding requirements of the Municipal Arterial Funding Program (MAP), provided it be successful in receiving the funding necessary for these improvements.

**NOW, THEREFORE**, it hereby is resolved by the governing body of the City of Las Vegas that the Municipal Arterial Program Application for the above funding be submitted to the New Department of Transportation.

**PASSED, APPROVED, AND ADOPTED THIS \_\_\_\_\_ DAY OF APRIL 2017.**

**CITY OF LAS VEGAS:**

\_\_\_\_\_  
Mayor

**ATTEST:**

\_\_\_\_\_  
Casandra Fresquez, City Clerk

**3. Approval of Water Treatment Plant Sodium Hypochlorite disinfection system.**

Councilor Casey made a motion to approve the Consent Agenda as read in to the record. Councilor Howell seconded the motion. Mayor Gurulé-Girón asked for roll call. Roll Call Vote was taken and reflected the following:

David A. Ulibarri, Jr.	Yes	Barbara A. Casey	Yes
David L. Romero	Yes	Vincent Howell	Yes

City Clerk Fresquez re-read the motion and advised that the motion carried.

**COUNCILORS' REPORTS**

Councilor Ulibarri, Jr. wanted to thank Code Enforcement and Streets Department for the hard work they had been doing to improve our community.

City Manager Trujillo reported that Code Enforcement had been moved from the Police Department back to the Community Development Department in order to be closer to building inspections, licensing, codes/regulations and looking into addressing boarding home issues with the Director as well.

Councilor Howell wanted to utilize the amendment on the City Attorney's contract regarding to develop a consensus with the Governing Body to initiate a stay of execution of the evacuation regarding the Samaritan House until it was resolved.

City Attorney Corinna Laszlo-Henry wanted to clarify the information regarding the Samaritan House and stated that the City was notified by Housing and Urban Development (HUD) stating that if the Samaritan House' continued occupancy,

they would be in violation and that they needed to be removed from the premises.

City Attorney Laszlo-Henry informed that they tried to negotiate with HUD and that they explained to HUD, the importance of the services that Samaritan House provided and advised that a letter was sent to HUD on April 7<sup>th</sup> and she publicly stated that the City was honoring a 30-day notice which was contractual and added that they were not dealing with a traditional tenancy situation eviction. City Attorney Laszlo-Henry advised that this was not an issue of ownership of the Public Housing although stated that she understood that HUD communicated the offer of temporary use of housing for office space. City Attorney Laszlo stated that if HUD would recognize the factual instead of the legal, it would be a way to consider the situation.

City Manager Trujillo informed that the City did ask HUD for a 90 day extension and they were denied by HUD.

Mayor Gurulé-Girón asked what the implications would be to the City if they did not comply with the 30 days.

City Manager Trujillo advised that he thought the City needed to abide by the orders from HUD and was concerned due to them being there since 2002.

Councilor Howell stated “he heard that HUD was upset because they were not servicing the public housing residents although they were serving the whole community and the people behind the building that we have on the same property, is public housing”.

City Attorney Laszlo-Henry stated that there was an exception in the HUD regulations that would allow for public housing space to be rented or donated to 501-C3 organizations specifically that serves public housing residents in the area of drug & substance abuse prevention and added that they do receive HUD funding as well. City Attorney Laszlo-Henry advised that this was the only narrow exception that existed for allowing those kinds of in-kind partnerships for the benefit of public housing residents and stated she would like to meet Samaritan House Executive Director Lyons to further discuss these issues.

City Manager Trujillo advised he would set up a meeting with Mr. Lyons and City Attorney Laszlo-Henry.

Councilor Howell stated that public safety was a concern in the community, and stated that the restrictions of funds was affecting the Police Department and questioned the letter received from Rick Lopez, Representative of DFA regarding the 5% departmental cuts.

City Manager Trujillo informed that he understood the letter to state that the cuts should not affect public safety.

Discussion took place in regards to further discussion on public safety.

Councilor Casey wanted to recognize Community Development Director Velarde for the hard work with the Economic Development Leadership Collaborative and was impressed with her continued work. Councilor Casey stated that she was pleased that Virginia Marrujo was joining the Community Development Department and praised her on her work and thought that she and Annette would be a great team.

Councilor Casey stated that the replacement flooring at City Hall looked beautiful and when the flooding first occurred she received by text message regarding the leak occurring and she asked how bad the damage was and was told that it was not bad at all. Councilor Casey stated that all of a sudden it was a total disaster, damaging the hallway and seven offices as well and wondered of the total damage amount. Councilor Casey asked for details regarding the City's insurance and what they would pay and questioned if the job went out for bid or if the former contractor was called in.

Mayor Gurulé-Girón gave the directive to City Manager Trujillo to address that to Finance Director Gallegos, who is an expert in emergency procurement.

Finance Director Gallegos explained that the situation involved the water fountain leaking, starting Thursday night and the damage was discovered the following morning and stated that at the time the damage did not seem that bad and brought in maintenance to vacuum the water. Finance Director Gallegos advised that it had turned out to be a bigger project than anticipated, with water leaking

into the hallway and portions of the City Manager's and Finance office and informed that City Manager Trujillo was not in the office that day and she was placed in charge. Finance Director Gallegos advised that the damage got worse and notified Public Works Director Veronica Gentry so that they may both assess the issue and asked Public Works Director Gentry to contact the gentleman who had done the flooring, which was Gemini Flooring and advised they minimized the damage to the flooring. Finance Director Gallegos informed that at that time she made the decision to call it an emergency procurement which was allowed under the procurement code.

Councilor Casey asked if there was a filed claim with our insurance and how much they would pay.

Finance Director Gallegos advised that they had not submitted the cost yet but did submit the claim and informed that the damage cost was approximately \$90,000.00 and expected \$50,000.00-\$60,000.00 from the insurance company, she stated that she authorized repairs in the bigger finance office and were now intending to finish the area of the City Attorney's offices in making it all consistent. Finance Director Gallegos apologized to Councilor Casey regarding her first initial assessment of the damage being minimal.

City Manager Trujillo wanted to clarify that the contractor had not identified any asbestos as they had received a letter from the Environmental Department stating that there was a complaint regarding that asbestos had been identified during the floor repair project.

Councilor Casey stated that the Municipal League Conference was quickly approaching and asked how much mileage and per-diem would cost for Mayor, City Manager, Councilors, City Clerk and Police Chief to attend. Councilor Casey asked if it would be cost effective and worth the cost and expense considering the City was short on funds. Councilor Casey mentioned the letter from DFA had stated that non-profits should not receive funding and that safety would not be affected by the hiring freeze although asked why the vacant positions at the Police Department were not being filled. Council Casey suggested that all the money used to fund the Municipal League Conference, that would not benefit the community in anyway, should be used to fill the two vacant positions at the Police Department.

Finance Director Gallegos informed that the numbers for FY 2017/2018 were preliminary; she advised that it would be up to Directors and added that they had the option to decide whether they want to travel and attend conferences and stated that most of the departments had minimized their travels.

Councilor Casey asked if the City had a location that the Samaritan House could utilize in order to hand out food.

City Manager Trujillo advised that the office space at Rodriguez Park would soon be available and informed the City did not have any other buildings although maybe an option would be to build on city property.

Discussion took place regarding the needs of the Samaritan House in order to continue to operate.

**EXECUTIVE SESSION**

There was no need for Executive Session at this time.

**ADJOURN**

Councilor Casey made a motion to adjourn. Councilor Romero seconded the motion. Mayor Gurulé-Girón asked for roll call. Roll Call Vote was taken and reflected the following:

Vincent Howell	Yes	David L. Romero	Yes
Barbara A. Casey	Yes	David A. Ulibarri, Jr.	Yes

City Clerk Fresquez re-read the motion and advised that the motion carried.

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Mayor Tonita Gurulé-Girón

ATTEST:

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Casandra Fresquez, City Clerk

CITY COUNCIL MEETING AGENDA REQUEST

DATE: 5/9/17

DEPT: Executive

MEETING DATE: 5/17/17

**ITEM/TOPIC:** Presentation by Yolanda Cruz with San Miguel County DWI Planning Council reporting on local statistics and where we stand in relation to the rest of New Mexico.

**ACTION REQUESTED OF COUNCIL:** *None*

**BACKGROUND/RATIONALE:**

**STAFF RECOMMENDATION:**

**COMMITTEE RECOMMENDATION:**

THIS REQUEST FORM MUST BE SUBMITTED TO THE CITY CLERK'S OFFICE NO LATER THAN 5:00 P.M. ON FRIDAY ONE AND A HALF WEEKS PRIOR TO THE CITY COUNCIL MEETING.

\_\_\_\_\_  
SUBMITTER'S SIGNATURE

REVIEWED AND APPROVED BY:



\_\_\_\_\_  
TONITA GURULÉ-GIRÓN  
MAYOR

\_\_\_\_\_  
ANN MARIE GALLEGOS  
FINANCE DIRECTOR  
(PROCUREMENT)



\_\_\_\_\_  
RICHARD TRUJILLO  
CITY MANAGER

\_\_\_\_\_  
PURCHASING AGENT  
(FOR BID/RFP AWARD)

\_\_\_\_\_  
CORINNA LASZLO-HENRY  
CITY ATTORNEY  
(ALL CONTRACTS MUST BE  
REVIEWED)

**San Miguel County DWI Planning Council**  
500 West National Avenue, Suite 105  
Las Vegas, NM 87701  
Phone (505) 425-7998 Fax (505) 425-5282

\* Yolanda B. Cruz - Coordinator \*

\* Stephanie Leger - Compliance Monitor/Tracker \* Michelle Padilla-Cordova - Compliance Monitor/Tracker \*  
\* Ebony Mondragon-Prevention Specialist \* Monica Padilla-Prevention Specialist \*

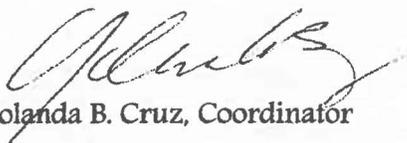
March 31, 2017

Mayor Gurule-Jiron,

As you may know, the San Miguel County DWI Program works with various schools, agencies, and other organizations to reduce the incidence of DWI and underage drinking, as well as the devastating effects alcohol can have.

However, many people are unaware of the local statistics where we stand in relation to the rest of New Mexico. In addition, we find that most people do not really know what it is that we do at the DWI Program. I would like to formally request time on the City Council meeting agenda to make a 15-20 minute presentation that would include this information, as well as outcomes. Hopefully, this can be an annual or bi-annual presentation.

Thank you for your consideration. Please feel free to call or email, should you have any questions.

  
Yolanda B. Cruz, Coordinator

New Mexico Department of Finance and Administration  
Local Government Division  
Budget Request Recapitulation

MUNICIPALITY:  
City of Las Vegas

Fiscal Year 2017-2018

ROUNDED TO NEAREST DOLLAR

FUND TITLE	FUND NUMBER	UNAUDITED BEGINNING CASH BALANCE @JULY 1	INVESTMENTS	BUDGETED REVENUES	BUDGETED TRANSFERS	BUDGETED EXPENDITURES	ESTIMATED ENDING CASH BALANCE	LOCAL RESERVE REQUIREMENTS UNAVAILABLE FOR BUDGETING	ADJUSTED ENDING CASH BALANCE
GENERAL FUND - Operating (GF)	101	\$1,086,685	\$1,029,296	10,803,033	(698,517)	11,280,459	\$940,038	940,038	(\$0)
CORRECTION	201	\$25,000	\$0	55,000	0	55,000	\$25,000		\$25,000
ENVIRONMENTAL GRT	202	\$0	\$0	0	0	0	\$0		\$0
EMS	206	\$0	\$0	8,886	0	8,886	\$0		\$0
ENHANCED 911	207	\$0	\$0	0	0	0	\$0		\$0
FIRE PROTECTION FUND	209	\$139,000	\$0	145,946	(34,066)	250,394	\$486		\$486
LEPF	211	\$0	\$0	40,400	(26,639)	13,761	\$0		\$0
LODGERS' TAX	214	\$254,328	\$0	300,000	(51,428)	502,900	\$0		\$0
MUNICIPAL STREET	216	\$35,000	\$0	899,000	(28,025)	905,101	\$874		\$874
RECREATION	217	\$48,364	\$0	235,600	400,000	683,964	\$0		\$0
INTERGOVERNMENTAL GRANTS	218	\$0	\$0	211,990	0	186,990	\$25,000		\$25,000
SENIOR CITIZEN	219	\$0	\$0	711,691	70,000	781,691	\$0		\$0
DWI PROGRAM	223	\$0	\$0	0	0	0	\$0		\$0
OTHER	299	\$0	\$475,373	369,800	25,000	481,675	\$388,498		\$388,498
CAPITAL PROJECT FUNDS	300	\$0	\$0	1,433,045	(108,575)	1,184,743	\$139,727		\$139,727
G. O. BONDS	401	\$0	\$0	0	0	0	\$0		\$0
REVENUE BONDS	402	\$999,950	\$0	334,950	375,117	810,017	\$900,000	900,000	\$900,000
DEBT SERVICE OTHER	403	\$2,195,000	\$0	5,480	1,442,027	1,442,027	\$2,200,480	2,200,000	\$2,200,480
ENTERPRISE FUNDS	500								
Water Fund		\$3,300,000	\$556,157	15,044,010	(634,286)	16,563,742	\$1,702,139	1,500,000	\$1,702,139
Solid Waste		\$1,400,000	\$0	3,419,400	(705,744)	3,133,042	\$980,614	600,000	\$980,614
Waste Water		\$1,795,000	\$888,738	2,868,900	(1,210,258)	2,313,520	\$2,028,860	1,795,000	\$2,028,860
Airport		\$0	\$0	0	0	0	\$0		\$0
Ambulance		\$0	\$0	0	0	0	\$0		\$0
Cemetery		\$0	\$0	0	0	0	\$0		\$0
Housing		\$400,000	\$115,024	2,001,685	10,000	2,037,654	\$489,055		\$489,055
Parking		\$0	\$0	0	0	0	\$0		\$0
620 GAS		\$950,000	\$1,935,412	5,244,273	(541,172)	5,126,214	\$2,462,299	750,000	\$2,462,299
231/235 TRANSPORTATION/VISITOR C		\$193,000	\$0	165,767	60,000	418,371	\$396		\$396
Other Enterprise (enter fund name)		\$0	\$0	0	0	0	\$0		\$0
Other Enterprise (enter fund name)		\$0	\$0	0	0	0	\$0		\$0
INTERNAL SERVICE FUNDS	600	\$249,000	\$0	1,500	1,656,566	1,905,246	\$1,820		\$1,820
TRUST AND AGENCY FUNDS	700	\$0	\$0	0	0	0	\$0		\$0
<b>Grand Total</b>		<b>\$13,070,327</b>	<b>\$5,000,000</b>	<b>\$44,300,356</b>	<b>\$0</b>	<b>\$50,085,397</b>	<b>\$12,285,286</b>	<b>\$8,685,038</b>	<b>\$11,345,248</b>

	6/30/2015 FISCAL YEAR ACTUAL	6/30/2016 FISCAL YEAR ACTUAL	FY 2017 FINAL BUDGET 6/30/2017	VARIANCE FY2016 - FY2017 INC / (DEC) %	FY 2018 BUDGET REQUEST	VARIANCE FY2017- FY2018 INC / (DEC) %
<b>REVENUES</b>						
<b>Taxes:</b>						
Property Tax - Current Year	1,391,886	1,350,000	1,373,000	1.70%	1,291,033	(5.97%)
Property Tax - Delinquent	0	0	0	n/a	0	n/a
Property Tax - Penalty & Interest	0	0	0	n/a	0	n/a
Oil and Gas - Equipment	0	0	0	n/a	0	n/a
Oil and Gas - Production	0	0	0	n/a	0	n/a
Franchise Fees	845,587	800,000	800,000	0.00%	775,000	(3.13%)
Gross receipts - Local Option	6,255,817	6,815,000	6,692,000	(1.80%)	6,715,000	0.34%
Gross Receipts - Infrastructure	337,769	350,000	351,000	0.29%	360,000	2.56%
Gross Receipts - Environmental	0	0	0	n/a	0	n/a
Gross Receipts - Hold Harmless	0	(85,000)	(110,400)	29.88%	(240,000)	117.39%
Gross Receipts - Other Dedication	0	0	0	n/a	0	n/a
<b>Intergovernmental-State Shared:</b>						
Gross receipts	0	0	0	n/a	0	n/a
Cigarette Tax (2 cent)	0	0	0	n/a	0	n/a
Gas Tax (1 cent)	0	0	0	n/a	0	n/a
Gas Tax (2 cent)	0	0	0	n/a	0	n/a
Motor Vehicle	71,505	66,000	71,500	8.33%	71,500	0.00%
Grants - Federal	0	0	8,000	n/a	0	(100.00%)
Grants - State	0	0	0	n/a	0	n/a
Grants - Local	0	0	0	n/a	0	n/a
Legislative Appropriations	0	0	0	n/a	0	n/a
Small Cities Assistance	0	0	0	n/a	0	n/a
<b>Licenses and Permits</b>	59,636	69,600	70,500	1.29%	61,000	(13.48%)
<b>Charges for Services</b>	0	0	0	n/a	0	n/a
<b>Fines And Forfeits</b>	71,292	62,100	62,000	(0.16%)	77,000	24.19%
<b>Interest on Investments</b>	7,835	7,000	7,000	0.00%	7,000	0.00%
<b>Miscellaneous</b>	1,691,405	1,652,230	1,712,953	3.68%	1,685,500	(1.60%)
<b>TOTAL GENERAL FUND REVENUES</b>	<b>10,732,732</b>	<b>11,086,930</b>	<b>11,037,553</b>	<b>(0.45%)</b>	<b>10,803,033</b>	<b>(2.12%)</b>
<b>EXPENDITURES</b>						
Executive - Legislative	440,030	480,606	482,335	0.36%	397,969	(17.49%)
Judicial	291,271	282,087	311,270	10.35%	307,959	(1.06%)
Elections	0	0	0	n/a	0	n/a
Finance & Administration	1,659,994	1,873,010	1,932,889	3.20%	1,769,999	(8.43%)
Public Safety	4,987,671	5,507,591	5,639,561	2.40%	5,229,994	(7.26%)
Highways & Streets	579,483	492,606	475,581	(3.46%)	470,804	(1.00%)
Senior Citizens	0	0	0	n/a	0	n/a
Sanitation	0	0	0	n/a	0	n/a
Health and Welfare	0	0	0	n/a	0	n/a
Culture and Recreation	408,898	699,163	705,890	0.96%	645,484	(8.56%)
Economic Development & Housing	0	0	0	n/a	0	n/a
Airport	0	0	0	n/a	0	n/a
Other - Miscellaneous	2,014,225	2,699,000	2,505,714	(7.16%)	2,458,250	(1.89%)
<b>TOTAL GENERAL FUND EXPENDITURES</b>	<b>10,381,572</b>	<b>12,034,063</b>	<b>12,053,240</b>	<b>0.16%</b>	<b>11,280,459</b>	<b>(6.41%)</b>
<b>OTHER FINANCING SOURCES</b>						
Transfers In	319,931	170,000	170,000	0.00%	170,000	0.00%
Transfers (Out)	(675,058)	(675,060)	(910,703)	34.91%	(868,517)	(4.63%)
<b>TOTAL - OTHER FINANCING SOURCES</b>	<b>(355,127)</b>	<b>(505,060)</b>	<b>(740,703)</b>	<b>46.66%</b>	<b>(698,517)</b>	<b>(5.70%)</b>

SPECIAL REVENUE FUNDS	FUND NUMBER	6/30/2015 FISCAL YEAR ACTUAL	6/30/2016 FISCAL YEAR ACTUAL	FY 2017 FINAL BUDGET 6/30/2017	VARIANCE FY2016 - FY2017 INC / (DEC) %	FY 2018 BUDGET REQUEST	VARIANCE FY2017 - FY2018 INC / (DEC) %
<b>CORRECTIONS</b>	<b>201</b>						
REVENUES							
Correction Fees	201	41,966	50,000	50,000	0.00%	55,000	10.00%
Miscellaneous	201	0	0	0	n/a	0	n/a
<b>TOTAL Revenues</b>		<b>41,966</b>	<b>50,000</b>	<b>50,000</b>	<b>0.00%</b>	<b>55,000</b>	<b>10.00%</b>
<b>EXPENDITURES</b>	<b>201</b>	<b>36,720</b>	<b>60,000</b>	<b>60,000</b>	<b>0.00%</b>	<b>55,000</b>	<b>(8.33%)</b>
OTHER FINANCING SOURCES							
Transfers In	201	0	0	0	n/a	0	n/a
Transfers (Out)	201	0	0	0	n/a	0	n/a
<b>TOTAL - OTHER FINANCING SOURCES</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>n/a</b>	<b>0</b>	<b>n/a</b>
<b>ENVIRONMENTAL</b>	<b>202</b>						
REVENUES							
GRT - Environmental	202	0	0	0	n/a	0	n/a
Miscellaneous	202	0	0	0	n/a	0	n/a
<b>TOTAL Revenues</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>n/a</b>	<b>0</b>	<b>n/a</b>
<b>EXPENDITURES</b>	<b>202</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>n/a</b>	<b>0</b>	<b>n/a</b>
OTHER FINANCING SOURCES							
Transfers In	202	0	0	0	n/a	0	n/a
Transfers (Out)	202	0	0	0	n/a	0	n/a
<b>TOTAL - OTHER FINANCING SOURCES</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>n/a</b>	<b>0</b>	<b>n/a</b>
<b>EMS</b>	<b>206</b>						
REVENUES							
State EMS Grant	206	32,486	31,913	30,620	(4.05%)	8,886	(70.98%)
Miscellaneous	206	0	0	0	n/a	0	n/a
<b>TOTAL Revenues</b>		<b>32,486</b>	<b>31,913</b>	<b>30,620</b>	<b>(4.05%)</b>	<b>8,886</b>	<b>(70.98%)</b>
<b>EXPENDITURES</b>	<b>206</b>	<b>23,578</b>	<b>31,737</b>	<b>30,620</b>	<b>(3.52%)</b>	<b>8,886</b>	<b>(70.98%)</b>
OTHER FINANCING SOURCES							
Transfers In	206	0	0	0	n/a	0	n/a
Transfers (Out)	206	0	0	0	n/a	0	n/a
<b>TOTAL - OTHER FINANCING SOURCES</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>n/a</b>	<b>0</b>	<b>n/a</b>
<b>E911</b>	<b>207</b>						
REVENUES							
State-E-911 Enhancement		5,807	669,386	333,613	(50.16%)	0	(100.00%)
Network & Data Base Grant		0	0	0	n/a	0	n/a
Miscellaneous		0	0	0	n/a	0	n/a
<b>TOTAL Revenues</b>		<b>5,807</b>	<b>669,386</b>	<b>333,613</b>	<b>(50.16%)</b>	<b>0</b>	<b>(100.00%)</b>
<b>EXPENDITURES</b>		<b>5,481</b>	<b>669,386</b>	<b>333,613</b>	<b>(50.16%)</b>	<b>0</b>	<b>(100.00%)</b>
OTHER FINANCING SOURCES							
Transfers In		0	0	0	n/a	0	n/a
Transfers (Out)		0	0	0	n/a	0	n/a
<b>TOTAL - OTHER FINANCING SOURCES</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>n/a</b>	<b>0</b>	<b>n/a</b>
<b>FIRE PROTECTION</b>	<b>209</b>						
REVENUES							
State - Fire Marshall Allotment	209	219,253	220,011	188,506	(14.32%)	145,946	(22.58%)
Miscellaneous	209	0	0	100,000	n/a	0	(100.00%)
<b>TOTAL Revenues</b>		<b>219,253</b>	<b>220,011</b>	<b>288,506</b>	<b>31.13%</b>	<b>145,946</b>	<b>(49.41%)</b>
<b>EXPENDITURES</b>	<b>209</b>	<b>212,373</b>	<b>213,361</b>	<b>302,955</b>	<b>41.99%</b>	<b>250,394</b>	<b>(17.35%)</b>
OTHER FINANCING SOURCES							
Transfers In	209	0	0	0	n/a	0	n/a
Transfers (Out)	209	(34,065)	(34,065)	(34,065)	0.00%	(34,066)	0.00%
<b>TOTAL - OTHER FINANCING SOURCES</b>		<b>(34,065)</b>	<b>(34,065)</b>	<b>(34,065)</b>	<b>0.00%</b>	<b>(34,066)</b>	<b>0.00%</b>

SPECIAL REVENUE FUNDS	FUND NUMBER	6/30/2015 FISCAL YEAR ACTUAL	6/30/2016 FISCAL YEAR ACTUAL	FY 2017 FINAL BUDGET 6/30/2017	VARIANCE FY2016 - FY2017 INC / (DEC) %	FY 2018 BUDGET REQUEST	VARIANCE FY2017 - FY2018 INC / (DEC) %
<b>LAW ENFORCEMENT PROTECTION REVENUES</b>	<b>211</b>						
State-Law Enforcement Protection	211	39,800	38,000	38,000	0.00%	40,400	6.32%
Miscellaneous	211	0	0	0	n/a	0	n/a
<b>TOTAL Revenues</b>		<b>39,800</b>	<b>38,000</b>	<b>38,000</b>	<b>0.00%</b>	<b>40,400</b>	<b>6.32%</b>
<b>EXPENDITURES</b>	<b>211</b>	<b>9,671</b>	<b>20,845</b>	<b>19,597</b>	<b>(5.99%)</b>	<b>13,761</b>	<b>(29.78%)</b>
<b>OTHER FINANCING SOURCES</b>							
Transfers In	211	0	0	0	n/a	0	n/a
Transfers (Out)	211	(25,794)	26,070	(26,343)	(201.05%)	(26,639)	1.12%
<b>TOTAL - OTHER FINANCING SOURCES</b>		<b>(25,794)</b>	<b>26,070</b>	<b>(26,343)</b>	<b>(201.05%)</b>	<b>(26,639)</b>	<b>1.12%</b>
<b>LODGERS TAX REVENUES</b>	<b>214</b>						
Lodgers' Tax	214	283,561	250,000	275,000	10.00%	300,000	9.09%
Miscellaneous	214	1,307	0	0	n/a	0	n/a
<b>TOTAL Revenues</b>		<b>284,868</b>	<b>250,000</b>	<b>275,000</b>	<b>10.00%</b>	<b>300,000</b>	<b>9.09%</b>
<b>EXPENDITURES</b>	<b>214</b>	<b>128,189</b>	<b>435,595</b>	<b>412,952</b>	<b>(5.20%)</b>	<b>502,900</b>	<b>21.78%</b>
<b>OTHER FINANCING SOURCES</b>							
Transfers In	214	0	0	0	n/a	0	n/a
Transfers (Out)	214	(69,349)	(59,879)	(60,356)	0.80%	(51,428)	(14.79%)
<b>TOTAL - OTHER FINANCING SOURCES</b>		<b>(69,349)</b>	<b>(59,879)</b>	<b>(60,356)</b>	<b>0.80%</b>	<b>(51,428)</b>	<b>(14.79%)</b>
<b>MUNICIPAL STREET REVENUES</b>	<b>216</b>						
GRT - Infrastructure (1/8 cent)	216	571,671	600,000	600,000	0.00%	600,000	0.00%
GRT - Municipal	216	204,892	165,000	180,000	9.09%	180,000	0.00%
Gasoline Tax - (1 cent / 2 cent)	216	148,783	110,000	125,000	13.64%	125,000	0.00%
Motor Vehicle - Registration (all)	216	0	0	0	n/a	0	n/a
State Grants	216	0	0	0	n/a	0	n/a
Federal Grants	216	0	0	0	n/a	0	n/a
Miscellaneous	216	10,190	10,000	(6,000)	(160.00%)	(6,000)	0.00%
<b>TOTAL Revenues</b>		<b>935,536</b>	<b>885,000</b>	<b>899,000</b>	<b>1.58%</b>	<b>899,000</b>	<b>0.00%</b>
<b>EXPENDITURES</b>	<b>216</b>	<b>849,028</b>	<b>1,011,697</b>	<b>1,015,057</b>	<b>0.33%</b>	<b>905,101</b>	<b>(10.83%)</b>
<b>OTHER FINANCING SOURCES</b>							
Transfers In	216	0	0	0	n/a	0	n/a
Transfers (Out)	216	(238,788)	(29,837)	(12,273)	(58.87%)	(28,025)	128.35%
<b>TOTAL - OTHER FINANCING SOURCES</b>		<b>(238,788)</b>	<b>(29,837)</b>	<b>(12,273)</b>	<b>(58.87%)</b>	<b>(28,025)</b>	<b>128.35%</b>
<b>RECREATION REVENUES</b>	<b>217</b>						
Cigarette Tax - (1 cent)	217	0	0	0	n/a	0	n/a
Miscellaneous	217	194,007	195,000	172,800	(11.38%)	235,600	36.34%
<b>TOTAL Revenues</b>		<b>194,007</b>	<b>195,000</b>	<b>172,800</b>	<b>(11.38%)</b>	<b>235,600</b>	<b>36.34%</b>
<b>EXPENDITURES</b>	<b>217</b>	<b>605,718</b>	<b>633,235</b>	<b>511,126</b>	<b>(19.28%)</b>	<b>683,964</b>	<b>33.82%</b>
<b>OTHER FINANCING SOURCES</b>							
Transfers In	217	450,000	400,000	300,000	(25.00%)	400,000	33.33%
Transfers (Out)	217	0	0	0	n/a	0	n/a
<b>TOTAL - OTHER FINANCING SOURCES</b>		<b>450,000</b>	<b>400,000</b>	<b>300,000</b>	<b>(25.00%)</b>	<b>400,000</b>	<b>33.33%</b>
<b>INTERGOVERNMENTAL GRANTS REVENUES</b>	<b>218</b>						
State Grants	218	80,705	137,658	115,124	(16.37%)	211,990	84.14%
Federal Grants	218	51,294	139,418	75,142	(46.10%)	0	(100.00%)
Miscellaneous	218	29,967	0	0	n/a	0	n/a
<b>TOTAL Revenues</b>		<b>161,966</b>	<b>277,076</b>	<b>190,266</b>	<b>(31.33%)</b>	<b>211,990</b>	<b>11.42%</b>
<b>EXPENDITURES</b>	<b>218</b>	<b>190,832</b>	<b>258,351</b>	<b>203,240</b>	<b>(21.33%)</b>	<b>186,990</b>	<b>(8.00%)</b>

SPECIAL REVENUE FUNDS	FUND NUMBER	6/30/2015 FISCAL YEAR ACTUAL	6/30/2016 FISCAL YEAR ACTUAL	FY 2017 FINAL BUDGET 6/30/2017	VARIANCE FY2016 - FY2017 INC / (DEC) %	FY 2018 BUDGET REQUEST	VARIANCE FY2017- FY2018 INC / (DEC) %
<b>OTHER FINANCING SOURCES</b>							
Transfers In	218	0	8,500	9,000	5.88%	0	(100.00%)
Transfers (Out)	218	(89,908)	0	0	n/a	0	n/a
<b>TOTAL - OTHER FINANCING SOURCES</b>		<b>(89,908)</b>	<b>8,500</b>	<b>9,000</b>	<b>5.88%</b>	<b>0</b>	<b>(100.00%)</b>
<b>SENIOR CITIZENS REVENUES</b>	<b>219</b>						
State Grants	219	410,136	424,239	367,569	(13.36%)	358,396	(2.50%)
Federal Grants	219	136,030	196,906	257,840	30.95%	234,296	(9.13%)
Miscellaneous	219	45,637	179,485	95,837	(46.60%)	118,999	24.17%
<b>TOTAL Revenues</b>		<b>591,803</b>	<b>800,630</b>	<b>721,246</b>	<b>(9.92%)</b>	<b>711,691</b>	<b>(1.32%)</b>
<b>EXPENDITURES</b>	<b>219</b>	<b>699,189</b>	<b>792,053</b>	<b>791,246</b>	<b>(0.10%)</b>	<b>781,691</b>	<b>(1.21%)</b>
<b>OTHER FINANCING SOURCES</b>							
Transfers In	219	0	25,000	70,000	180.00%	70,000	0.00%
Transfers (Out)	219	0	0	0	n/a	0	n/a
<b>TOTAL - OTHER FINANCING SOURCES</b>		<b>0</b>	<b>25,000</b>	<b>70,000</b>	<b>180.00%</b>	<b>70,000</b>	<b>0.00%</b>
<b>DWI REVENUES</b>	<b>223</b>						
State - Formula Distribution (DFA)	223	0	0	0	n/a	0	n/a
State - Local Grant (DFA)	223	0	0	0	n/a	0	n/a
State Other	223	0	0	0	n/a	0	n/a
Federal Grants	223	0	0	0	n/a	0	n/a
Miscellaneous	223	0	0	0	n/a	0	n/a
<b>TOTAL Revenues</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>n/a</b>	<b>0</b>	<b>n/a</b>
<b>EXPENDITURES</b>	<b>223</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>n/a</b>	<b>0</b>	<b>n/a</b>
<b>OTHER FINANCING SOURCES</b>							
Transfers In	223	0	0	0	n/a	0	n/a
Transfers (Out)	223	0	0	0	n/a	0	n/a
<b>TOTAL - OTHER FINANCING SOURCES</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>n/a</b>	<b>0</b>	<b>n/a</b>
<b>OTHER - SPECIAL</b>	<b>299</b>						
<b>TOTAL Revenues</b>	<b>299</b>	<b>299,210</b>	<b>444,534</b>	<b>468,521</b>	<b>5.40%</b>	<b>369,800</b>	<b>(21.07%)</b>
<b>TOTAL Expenditures</b>	<b>299</b>	<b>390,390</b>	<b>509,847</b>	<b>579,042</b>	<b>13.57%</b>	<b>481,675</b>	<b>(16.82%)</b>
<b>TOTAL - OTHER FINANCING SOURCE</b>	<b>299</b>	<b>30,000</b>	<b>101,102</b>	<b>125,000</b>	<b>23.64%</b>	<b>25,000</b>	<b>(80.00%)</b>

OTHER FUNDS - 299	6/30/2015 FISCAL YEAR ACTUAL	6/30/2016 FISCAL YEAR ACTUAL	FY 2017 FINAL BUDGET 6/30/2017	VARIANCE FY2016 - FY2017 INC / (DEC) %	FY 2018 BUDGET REQUEST	VARIANCE FY2017 - FY2018 INC / (DEC) %
<b>102 SICK LEAVE CONTINGENCY</b>						
REVENUES	0	0	0	n/a	0	n/a
EXPENDITURES	119,122	100,000	100,000	0.00%	100,000	0.00%
OTHER FINANCING SOURCES						
Transfers In	0	76,102	100,000	31.40%	0	(100.00%)
Transfers (Out)	0	0	0	n/a	0	n/a
TOTAL - OTHER FINANCING SOURCES	0	76,102	100,000	31.40%	0	(100.00%)
<b>103 LIBRARY SPECIAL FUND</b>						
REVENUES	18,203	8,032	7,733	(3.72%)	15,000	93.97%
EXPENDITURES	13,456	5,400	23,733	339.50%	15,000	(36.80%)
OTHER FINANCING SOURCES						
Transfers In	0	0	0	n/a	0	n/a
Transfers (Out)	0	0	0	n/a	0	n/a
TOTAL - OTHER FINANCING SOURCES	0	0	0	n/a	0	n/a
<b>104 AIRPORT OPERATIONS</b>						
REVENUES	167,566	260,000	210,000	(19.23%)	210,000	0.00%
EXPENDITURES	136,930	175,000	150,000	(14.29%)	164,600	9.73%
OTHER FINANCING SOURCES						
Transfers In	0	0	0	n/a	0	n/a
Transfers (Out)	0	0	0	n/a	0	n/a
TOTAL - OTHER FINANCING SOURCES	0	0	0	n/a	0	n/a
<b>107 ABATEMENT</b>						
REVENUES	16,746	0	0	n/a	0	n/a
EXPENDITURES	0	0	0	n/a	0	n/a
OTHER FINANCING SOURCES						
Transfers In	0	0	0	n/a	0	n/a
Transfers (Out)	0	0	0	n/a	0	n/a
TOTAL - OTHER FINANCING SOURCES	0	0	0	n/a	0	n/a
<b>207 ECONOMIC DEVELOPMENT</b>						
REVENUES	949	0	0	n/a	0	n/a
EXPENDITURES	0	0	0	n/a	0	n/a
OTHER FINANCING SOURCES						
Transfers In	0	0	0	n/a	0	n/a
Transfers (Out)	0	0	0	n/a	0	n/a
TOTAL - OTHER FINANCING SOURCES	0	0	0	n/a	0	n/a
<b>233 COURT FEES</b>						
REVENUES	21,907	29,700	29,700	0.00%	39,000	31.31%
EXPENDITURES	18,615	29,700	29,700	0.00%	39,000	31.31%
OTHER FINANCING SOURCES						
Transfers In	0	0	0	n/a	0	n/a
Transfers (Out)	0	0	0	n/a	0	n/a
TOTAL - OTHER FINANCING SOURCES	0	0	0	n/a	0	n/a
<b>253 NM TRAFFIC SAFETY</b>						
REVENUES	16,725	74,765	49,480	(33.82%)	0	(100.00%)
EXPENDITURES	24,653	45,906	49,460	7.74%	0	(100.00%)
OTHER FINANCING SOURCES						
Transfers In	0	0	0	n/a	0	n/a
Transfers (Out)	0	0	0	n/a	0	n/a
TOTAL - OTHER FINANCING SOURCES	0	0	0	n/a	0	n/a
<b>283 LVPD AWARDS</b>						
REVENUES	0	67	6,683	9874.63%	0	(100.00%)
EXPENDITURES	759	67	6,683	9874.63%	0	(100.00%)
OTHER FINANCING SOURCES						
Transfers In	0	0	0	n/a	0	n/a
Transfers (Out)	0	0	0	n/a	0	n/a
TOTAL - OTHER FINANCING SOURCES	0	0	0	n/a	0	n/a

OTHER FUNDS - 299	6/30/2015 FISCAL YEAR ACTUAL	6/30/2016 FISCAL YEAR ACTUAL	FY 2017 FINAL BUDGET 6/30/2017	VARIANCE FY2016 - FY2017 INC / (DEC) %	FY 2018 BUDGET REQUEST	VARIANCE FY2017- FY2018 INC / (DEC) %
<b>288 4TH OF JULY FIESTAS</b>						
REVENUES	36,254	25,000	68,000	172.00%	68,000	0.00%
EXPENDITURES	63,977	75,000	97,540	30.05%	85,875	(11.96%)
OTHER FINANCING SOURCES						
Transfers In	30,000	25,000	25,000	0.00%	25,000	0.00%
Transfers (Out)	0	0	0	n/a	0	n/a
TOTAL - OTHER FINANCING SOURCES	30,000	25,000	25,000	0.00%	25,000	0.00%
<b>241 SEIZURES FUND</b>						
REVENUES	2,099	3,000	205	(93.17%)	0	(100.00%)
EXPENDITURES	1,895	3,000	205	(93.17%)	0	(100.00%)
OTHER FINANCING SOURCES						
Transfers In	0	0	0	n/a	0	n/a
Transfers (Out)	0	0	0	n/a	0	n/a
TOTAL - OTHER FINANCING SOURCES	0	0	0	n/a	0	n/a
<b>764 FIRE PROTECTION</b>						
REVENUES	18,761	16,970	19,720	16.21%	17,800	(9.74%)
EXPENDITURES	10,983	48,774	44,721	(8.31%)	57,200	27.90%
OTHER FINANCING SOURCES						
Transfers In	0	0	0	n/a	0	n/a
Transfers (Out)	0	0	0	n/a	0	n/a
TOTAL - OTHER FINANCING SOURCES	0	0	0	n/a	0	n/a
<b>293 SEIZURES &amp; DONATIONS</b>						
REVENUES	0	3,000	3,000	0.00%	0	(100.00%)
EXPENDITURES	0	3,000	3,000	0.00%	0	(100.00%)
OTHER FINANCING SOURCES						
Transfers In	0	0	0	n/a	0	n/a
Transfers (Out)	0	0	0	n/a	0	n/a
TOTAL - OTHER FINANCING SOURCES	0	0	0	n/a	0	n/a
<b>284 VETERANS MEMORIAL</b>						
REVENUES	0	4,000	4,000	0.00%	0	(100.00%)
EXPENDITURES	0	4,000	4,000	0.00%	0	(100.00%)
OTHER FINANCING SOURCES						
Transfers In	0	0	0	n/a	0	n/a
Transfers (Out)	0	0	0	n/a	0	n/a
TOTAL - OTHER FINANCING SOURCES	0	0	0	n/a	0	n/a
<b>770 LAS VEGAS DAY @LEG</b>						
REVENUES	0	20,000	20,000	0.00%	20,000	0.00%
EXPENDITURES	0	20,000	20,000	0.00%	20,000	0.00%
OTHER FINANCING SOURCES						
Transfers In	0	0	0	n/a	0	n/a
Transfers (Out)	0	0	0	n/a	0	n/a
TOTAL - OTHER FINANCING SOURCES	0	0	0	n/a	0	n/a
<b>275 DOWNTOWN MASTER PLAN</b>						
REVENUES	0	0	50,000	n/a	0	(100.00%)
EXPENDITURES	0	0	50,000	n/a	0	(100.00%)
OTHER FINANCING SOURCES						
Transfers In	0	0	0	n/a	0	n/a
Transfers (Out)	0	0	0	n/a	0	n/a
TOTAL - OTHER FINANCING SOURCES	0	0	0	n/a	0	n/a
<b>(enter fund name here)</b>						
REVENUES	0	0	0	n/a	0	n/a
EXPENDITURES	0	0	0	n/a	0	n/a
OTHER FINANCING SOURCES						
Transfers In	0	0	0	n/a	0	n/a
Transfers (Out)	0	0	0	n/a	0	n/a
TOTAL - OTHER FINANCING SOURCES	0	0	0	n/a	0	n/a
<b>(enter fund name here)</b>						
REVENUES	0	0	0	n/a	0	n/a
EXPENDITURES	0	0	0	n/a	0	n/a
OTHER FINANCING SOURCES						
Transfers In	0	0	0	n/a	0	n/a
Transfers (Out)	0	0	0	n/a	0	n/a
TOTAL - OTHER FINANCING SOURCES	0	0	0	n/a	0	n/a
<b>(enter fund name here)</b>						
REVENUES	0	0	0	n/a	0	n/a
EXPENDITURES	0	0	0	n/a	0	n/a
OTHER FINANCING SOURCES						
Transfers In	0	0	0	n/a	0	n/a
Transfers (Out)	0	0	0	n/a	0	n/a
TOTAL - OTHER FINANCING SOURCES	0	0	0	n/a	0	n/a

OTHER FUNDS - 299	6/30/2015 FISCAL YEAR ACTUAL	6/30/2016 FISCAL YEAR ACTUAL	FY 2017 FINAL BUDGET 6/30/2017	VARIANCE FY2016 - FY2017 INC / (DEC) %	FY 2018 BUDGET REQUEST	VARIANCE FY2017- FY2018 INC / (DEC) %
(enter fund name here)						
REVENUES	0	0	0	n/a	0	n/a
EXPENDITURES	0	0	0	n/a	0	n/a
OTHER FINANCING SOURCES						
Transfers In	0	0	0	n/a	0	n/a
Transfers (Out)	0	0	0	n/a	0	n/a
TOTAL - OTHER FINANCING SOURCES	0	0	0	n/a	0	n/a
(enter fund name here)						
REVENUES	0	0	0	n/a	0	n/a
EXPENDITURES	0	0	0	n/a	0	n/a
OTHER FINANCING SOURCES						
Transfers In	0	0	0	n/a	0	n/a
Transfers (Out)	0	0	0	n/a	0	n/a
TOTAL - OTHER FINANCING SOURCES	0	0	0	n/a	0	n/a
<b>FUND 299 SUMMARY</b>						
Revenue - TOTAL	\$299,210	\$444,534	\$468,521	5.40%	\$369,800	(21.07%)
Expenditures - TOTAL	\$390,390	\$509,847	\$579,042	13.57%	\$481,675	(16.82%)
TOTAL - OTHER FINANCING SOURCES	\$30,000	\$101,102	\$125,000	23.64%	\$25,000	(80.00%)

	6/30/2015 FISCAL YEAR ACTUAL	6/30/2016 FISCAL YEAR ACTUAL	FY 2017 FINAL BUDGET 6/30/2017	VARIANCE FY2016 - FY2017 INC / (DEC) %	FY 2018 BUDGET REQUEST	VARIANCE FY2017- FY2018 INC / (DEC) %
<b>REVENUES</b>						
GRT- Dedication	0	0	0	n/a	0	n/a
GRT- Hold Harmless	0	(39,000)	(11,200)	(71.28%)	(20,000)	78.57%
GRT- Infrastructure	646,632	660,000	660,000	0.00%	660,000	0.00%
Bond Proceeds	0	2,801,121	2,500,000	(10.75%)	0	(100.00%)
Local Grants	0	0	0	n/a	0	n/a
CDBG funding	0	500,000	0	(100.00%)	0	n/a
State Grants	0	499,444	342,470	(31.43%)	276,595	(19.24%)
Federal Grants (other)	1,257,828	15,364	730,300	4653.32%	504,450	(30.93%)
Legislative Appropriations	0	614,700	0	(100.00%)	0	n/a
Investment Income	0	0	0	n/a	0	n/a
Miscellaneous	86,978	10,000	12,000	20.00%	12,000	0.00%
<b>TOTAL CAPITAL PROJECTS REVENUES</b>	<b>1,991,438</b>	<b>5,061,629</b>	<b>4,233,570</b>	<b>(16.36%)</b>	<b>1,433,045</b>	<b>(66.15%)</b>
<b>EXPENDITURES</b>						
Parks/Recreation	0	96,200	0	(100.00%)	0	n/a
Housing	0	0	0	n/a	0	n/a
Equipment & Buildings	640,267	5,048,055	5,046,300	(0.03%)	575,150	(88.60%)
Facilities	0	0	0	n/a	0	n/a
Transit	0	0	0	n/a	0	n/a
Utilities	0	0	0	n/a	0	n/a
Airports	0	0	0	n/a	0	n/a
Infrastructure	1,507,651	558,331	563,270	0.88%	609,593	8.22%
Debt Service Payments (P&I) - GO Bonds	0	0	0	n/a	0	n/a
Debt Service Payments (P&I) - Revenue Bonds	0	0	0	n/a	0	n/a
Other	32,940	36,009	10,000	(72.23%)	0	(100.00%)
<b>TOTAL CAPITAL PROJECTS EXPENDITURE</b>	<b>2,180,858</b>	<b>5,738,595</b>	<b>5,619,570</b>	<b>(2.07%)</b>	<b>1,184,743</b>	<b>(78.92%)</b>
<b>OTHER FINANCING SOURCES</b>						
Transfers In	334,829	716,337	450,000	(37.18%)	128,025	(71.55%)
Transfers (Out)	(313,409)	(786,262)	(350,750)	(55.39%)	(236,600)	(32.54%)
<b>TOTAL - OTHER FINANCING SOURCES</b>	<b>21,420</b>	<b>(69,925)</b>	<b>99,250</b>	<b>(241.94%)</b>	<b>(108,575)</b>	<b>(209.40%)</b>

DEBT SERVICE FUNDS	6/30/2015 FISCAL YEAR ACTUAL	6/30/2016 FISCAL YEAR ACTUAL	FY 2017 FINAL BUDGET 6/30/2017	VARIANCE FY2016 - FY2017 INC / (DEC) %	FY 2018 BUDGET REQUEST	VARIANCE FY2017- FY2018 INC / (DEC) %
<b>GENERAL OBLIGATION BONDS [FUND 401]</b>						
REVENUES:						
General Obligation - (Property tax)	0	0	0	n/a	0	n/a
Investment Income	0	0	0	n/a	0	n/a
Other - Misc	0	0	0	n/a	0	n/a
<b>TOTAL REVENUES - FUND 401</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>n/a</b>	<b>0</b>	<b>n/a</b>
EXPENDITURES:						
General Obligation - Principal	0	0	0	n/a	0	n/a
General Obligation - Interest	0	0	0	n/a	0	n/a
Other Costs (Fiscal Agent Fees/Other Fees/Misc)	0	0	0	n/a	0	n/a
<b>TOTAL EXPENDITURES - FUND 401</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>n/a</b>	<b>0</b>	<b>n/a</b>
OTHER FINANCING SOURCES:						
Transfers In	0	0	0	n/a	0	n/a
Transfers (Out)	0	0	0	n/a	0	n/a
<b>TOTAL OTHER FINANCING SOURCES - FUND 401</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>n/a</b>	<b>0</b>	<b>n/a</b>
<b>REVENUE BONDS [FUND 402]</b>						
REVENUES:						
Bond Proceeds	0	0	0	n/a	0	n/a
Revenue Bonds - GRT	337,769	425,438	320,000	(24.78%)	320,000	0.00%
Investment Income	1,647	2,550	2,550	0.00%	2,550	0.00%
Revenue Bonds - Other	0	9,500	12,400	30.53%	12,400	0.00%
<b>TOTAL REVENUES - FUND 402</b>	<b>339,416</b>	<b>437,488</b>	<b>334,950</b>	<b>(23.44%)</b>	<b>334,950</b>	<b>0.00%</b>
EXPENDITURES:						
Revenue Bonds - Principal	371,290	416,204	320,000	(23.11%)	617,126	92.85%
Revenue Bonds - Interest	166,952	170,284	149,750	(12.06%)	180,891	20.80%
Other Revenue Bond Payments	0	0	0	n/a	0	n/a
Other Costs (Fiscal Agent Fees/Other Fees/Misc)	11,346	0	0	n/a	12,000	n/a
<b>TOTAL EXPENDITURES - FUND 402</b>	<b>549,588</b>	<b>586,488</b>	<b>469,750</b>	<b>(19.90%)</b>	<b>810,017</b>	<b>72.44%</b>
OTHER FINANCING SOURCES:						
Transfers In	369,658	651,276	636,453	(2.28%)	475,117	(25.35%)
Transfers (Out)	(96,000)	(500,000)	(450,000)	(10.00%)	(100,000)	(77.78%)
<b>TOTAL OTHER FINANCING SOURCES - FUND 402</b>	<b>273,658</b>	<b>151,276</b>	<b>186,453</b>	<b>23.25%</b>	<b>375,117</b>	<b>101.19%</b>
<b>OTHER DEBT SERVICE [FUND 403]</b>						
Other Debt Service [NMFA, BOF, Misc]						
REVENUES:						
Investment Income	7,130	1,200	5,982	398.50%	5,480	(8.39%)
Loan Revenue	0	0	332,171	n/a	0	(100.00%)
<b>TOTAL REVENUES - FUND 403</b>	<b>7,130</b>	<b>1,200</b>	<b>338,153</b>	<b>28079.42%</b>	<b>5,480</b>	<b>(98.38%)</b>
EXPENDITURES:						
NMFA Loan Payments	883,161	632,132	1,839,445	190.99%	1,441,977	(21.61%)
Board of Finance Loan Payments	0	0	0	n/a	0	n/a
Other Debt Service - Misc	0	0	0	n/a	50	n/a
<b>TOTAL EXPENDITURES - FUND 403</b>	<b>883,161</b>	<b>632,132</b>	<b>1,839,445</b>	<b>190.99%</b>	<b>1,442,027</b>	<b>(21.61%)</b>
OTHER FINANCING SOURCES:						
Transfers In	935,432	1,015,897	1,503,741	48.02%	1,442,027	(4.10%)
Transfers (Out)	0	(678,581)	0	(100.00%)	0	n/a
<b>TOTAL OTHER FINANCING SOURCES - FUND 403</b>	<b>935,432</b>	<b>337,316</b>	<b>1,503,741</b>	<b>345.80%</b>	<b>1,442,027</b>	<b>(4.10%)</b>

ENTERPRISE FUNDS (Department)	6/30/2015 FISCAL YEAR ACTUAL	6/30/2016 FISCAL YEAR ACTUAL	FY 2017 FINAL BUDGET 6/30/2017	VARIANCE FY2016 - FY2017 INC / (DEC)	FY 2018 BUDGET REQUEST	VARIANCE FY2017 - FY2018 INC / (DEC)
<b>REVENUES</b>						
<b>Water Fund</b>						
Charges for Services	4,810,278	4,740,650	4,727,550	(0.28%)	4,789,650	1.31%
Interest on Investments	22,192	13,100	14,000	6.87%	9,000	(35.71%)
Gross Receipts - dedicated	666,483	650,000	650,000	0.00%	650,000	0.00%
Grants - Federal	0	0	385,221	n/a	385,221	0.00%
Grants - State	1,937,104	1,718,651		(100.00%)	0	n/a
Legislative Appropriation	292,678	10,000,000	8,949,412	(10.51%)	8,000,000	(10.61%)
Other	87,401	14,500	3,303,527	22682.94%	1,210,139	(63.37%)
<b>TOTAL REVENUES - Water Fund</b>	<b>7,816,136</b>	<b>17,136,901</b>	<b>18,029,710</b>	<b>5.21%</b>	<b>15,044,010</b>	<b>(16.56%)</b>
<b>EXPENDITURES</b>						
<b>Water Fund</b>	<b>6,584,411</b>	<b>18,994,874</b>	<b>19,916,733</b>	<b>4.85%</b>	<b>16,563,742</b>	<b>(16.84%)</b>
<b>OTHER FINANCING SOURCES</b>						
Transfers In	1,628,200	3,735,500	849,500	(77.26%)	1,959,500	130.67%
Transfers (Out)	(2,436,065)	(4,131,799)	(1,346,569)	(67.41%)	(2,593,786)	92.62%
<b>TOTAL - OTHER FINANCING SOURCES - Water Fund</b>	<b>(807,865)</b>	<b>(396,299)</b>	<b>(497,069)</b>	<b>25.43%</b>	<b>(634,286)</b>	<b>27.61%</b>
<b>REVENUES</b>						
<b>Solid Waste</b>						
Charges for Services	3,151,517	3,349,465	3,218,796	(3.90%)	3,218,100	(0.02%)
Interest on Investments	7,237	4,800	4,600	(4.17%)	5,000	8.70%
Gross Receipts - dedicated	169,062	186,729	176,000	(5.75%)	190,000	7.95%
Grants - Federal	0	0	0	n/a	0	n/a
Grants - State	0	0	0	n/a	0	n/a
Legislative Appropriation	0	0	0	n/a	0	n/a
Other	16,727	6,300	5,304	(15.81%)	6,300	18.78%
<b>TOTAL REVENUES - Solid Waste Fund</b>	<b>3,344,543</b>	<b>3,547,294</b>	<b>3,404,700</b>	<b>(4.02%)</b>	<b>3,419,400</b>	<b>0.43%</b>
<b>EXPENDITURES</b>						
<b>Solid Waste</b>	<b>2,616,698</b>	<b>4,467,279</b>	<b>3,899,246</b>	<b>(12.72%)</b>	<b>3,133,042</b>	<b>(19.65%)</b>
<b>OTHER FINANCING SOURCES</b>						
Transfers In	8,134	410,302	1,000,000	143.72%	600,000	(40.00%)
Transfers (Out)	(798,014)	(886,539)	(1,713,917)	93.33%	(1,305,744)	(23.82%)
<b>TOTAL - OTHER FINANCING SOURCES - Solid Waste</b>	<b>(789,880)</b>	<b>(476,237)</b>	<b>(713,917)</b>	<b>49.91%</b>	<b>(705,744)</b>	<b>(1.14%)</b>
<b>REVENUES</b>						
<b>Waste Water</b>						
Charges for Services	2,722,904	2,826,738	2,859,338	1.15%	2,865,800	0.23%
Interest on Investments	11,148	2,500	3,100	24.00%	3,100	0.00%
Gross Receipts - dedicated	0	0	0	n/a	0	n/a
Grants - Federal	0	0	0	n/a	0	n/a
Grants - State	0	941,239	0	(100.00%)	0	n/a
Legislative Appropriation	0	0	0	n/a	0	n/a
Other	23,114	0	216,406	n/a	0	(100.00%)
<b>TOTAL REVENUES - Waste Water Fund</b>	<b>2,757,166</b>	<b>3,770,477</b>	<b>3,078,844</b>	<b>(18.34%)</b>	<b>2,868,900</b>	<b>(6.82%)</b>
<b>EXPENDITURES</b>						
<b>Waste Water</b>	<b>2,233,251</b>	<b>3,853,715</b>	<b>1,914,482</b>	<b>(50.32%)</b>	<b>2,313,520</b>	<b>20.84%</b>
<b>OTHER FINANCING SOURCES</b>						
Transfers In	1,094,190	925,631	0	(100.00%)	663,000	n/a
Transfers (Out)	(1,453,249)	(1,126,159)	(1,153,713)	2.45%	(1,873,258)	62.37%
<b>TOTAL - OTHER FINANCING SOURCES - Waste Water</b>	<b>(359,059)</b>	<b>(200,528)</b>	<b>(1,153,713)</b>	<b>475.34%</b>	<b>(1,210,258)</b>	<b>4.90%</b>

ENTERPRISE FUNDS (Department)	6/30/2015 FISCAL YEAR ACTUAL	6/30/2016 FISCAL YEAR ACTUAL	FY 2017 FINAL BUDGET 6/30/2017	VARIANCE FY2016 - FY2017 INC / (DEC)	FY 2018 BUDGET REQUEST	VARIANCE FY2017- FY2018 INC / (DEC)
<b>REVENUES</b>						
<b>Airport</b>						
Charges for Services	0	0	0	n/a	0	n/a
Interest on Investments	0	0	0	n/a	0	n/a
Gross Receipts - dedicated	0	0	0	n/a	0	n/a
Grants - Federal	0	0	0	n/a	0	n/a
Grants - State	0	0	0	n/a	0	n/a
Legislative Appropriation	0	0	0	n/a	0	n/a
Other	0	0	0	n/a	0	n/a
<b>TOTAL REVENUES - Airport Fund</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>n/a</b>	<b>0</b>	<b>n/a</b>
<b>EXPENDITURES</b>						
<b>Airport</b>	0	0	0	n/a	0	n/a
<b>OTHER FINANCING SOURCES</b>						
Transfers In	0	0	0	n/a	0	n/a
Transfers (Out)	0	0	0	n/a	0	n/a
<b>TOTAL - OTHER FINANCING SOURCES - Airport</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>n/a</b>	<b>0</b>	<b>n/a</b>
<b>REVENUES</b>						
<b>Ambulance</b>						
Charges for Services	0	0	0	n/a	0	n/a
Interest on Investments	0	0	0	n/a	0	n/a
Gross Receipts - dedicated	0	0	0	n/a	0	n/a
Grants - Federal	0	0	0	n/a	0	n/a
Grants - State	0	0	0	n/a	0	n/a
Legislative Appropriation	0	0	0	n/a	0	n/a
Other	0	0	0	n/a	0	n/a
<b>TOTAL REVENUES - Ambulance Fund</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>n/a</b>	<b>0</b>	<b>n/a</b>
<b>EXPENDITURES</b>						
<b>Ambulance</b>	0	0	0	n/a	0	n/a
<b>OTHER FINANCING SOURCES</b>						
Transfers In	0	0	0	n/a	0	n/a
Transfers (Out)	0	0	0	n/a	0	n/a
<b>TOTAL - OTHER FINANCING SOURCES - Ambulance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>n/a</b>	<b>0</b>	<b>n/a</b>
<b>REVENUES</b>						
<b>Cemetery</b>						
Charges for Services	0	0	0	n/a	0	n/a
Interest on Investments	0	0	0	n/a	0	n/a
Gross Receipts - dedicated	0	0	0	n/a	0	n/a
Grants - Federal	0	0	0	n/a	0	n/a
Grants - State	0	0	0	n/a	0	n/a
Legislative Appropriation	0	0	0	n/a	0	n/a
Other	0	0	0	n/a	0	n/a
<b>TOTAL REVENUES - Cemetery Fund</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>n/a</b>	<b>0</b>	<b>n/a</b>
<b>EXPENDITURES</b>						
<b>Cemetery</b>	0	0	0	n/a	0	n/a
<b>OTHER FINANCING SOURCES</b>						
Transfers In	0	0	0	n/a	0	n/a
Transfers (Out)	0	0	0	n/a	0	n/a
<b>TOTAL - OTHER FINANCING SOURCES - Cemetery Fund</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>n/a</b>	<b>0</b>	<b>n/a</b>

ENTERPRISE FUNDS (Department)	6/30/2015 FISCAL YEAR ACTUAL	6/30/2016 FISCAL YEAR ACTUAL	FY 2017 FINAL BUDGET 6/30/2017	VARIANCE FY2016 - FY2017 INC / (DEC)	FY 2018 BUDGET REQUEST	VARIANCE FY2017- FY2018 INC / (DEC)
<b>REVENUES</b>						
<b>Housing</b>						
Charges for Services	431,076	430,000	500,000	16.28%	540,000	8.00%
Interest on Investments	1,460	500	500	0.00%	600	20.00%
Gross Receipts - dedicated	0	0	0	n/a	0	n/a
Grants - Federal	1,582,678	1,288,118	1,414,998	9.85%	1,448,235	2.35%
Grants - State	0	0	0	n/a	0	n/a
Legislative Appropriation	0	0	0	n/a	0	n/a
Other	14,708	9,300	9,300	0.00%	12,850	38.17%
<b>TOTAL REVENUES - Housing Fund</b>	<b>2,029,922</b>	<b>1,727,918</b>	<b>1,924,798</b>	<b>11.39%</b>	<b>2,001,685</b>	<b>3.99%</b>
<b>EXPENDITURES</b>						
<b>Housing</b>	<b>2,461,875</b>	<b>1,919,982</b>	<b>2,171,034</b>	<b>13.08%</b>	<b>2,037,654</b>	<b>(6.14%)</b>
<b>OTHER FINANCING SOURCES</b>						
Transfers In	263,009	214,535	76,510	(64.34%)	68,000	(11.12%)
Transfers (Out)	(263,009)	(204,535)	(66,510)	(67.48%)	(58,000)	(12.80%)
<b>TOTAL - OTHER FINANCING SOURCES - Housing</b>	<b>0</b>	<b>10,000</b>	<b>10,000</b>	<b>0.00%</b>	<b>10,000</b>	<b>0.00%</b>
<b>REVENUES</b>						
<b>Parking Facilities</b>						
Charges for Services	0	0	0	n/a	0	n/a
Interest on Investments	0	0	0	n/a	0	n/a
Gross Receipts - dedicated	0	0	0	n/a	0	n/a
Grants - Federal	0	0	0	n/a	0	n/a
Grants - State	0	0	0	n/a	0	n/a
Legislative Appropriation	0	0	0	n/a	0	n/a
Other	0	0	0	n/a	0	n/a
<b>TOTAL REVENUES - Parking Facilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>n/a</b>	<b>0</b>	<b>n/a</b>
<b>EXPENDITURES</b>						
<b>Parking Facilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>n/a</b>	<b>0</b>	<b>n/a</b>
<b>OTHER FINANCING SOURCES</b>						
Transfers In	0	0	0	n/a	0	n/a
Transfers (Out)	0	0	0	n/a	0	n/a
<b>TOTAL - OTHER FINANCING SOURCES - Parking</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>n/a</b>	<b>0</b>	<b>n/a</b>
<b>REVENUES</b>						
<b>620 GAS</b>						
Charges for Services	5,693,901	5,664,619	5,232,000	(7.64%)	5,231,000	(0.02%)
Interest on Investments	18,591	13,400	10,600	(20.90%)	13,273	25.22%
Gross Receipts - dedicated	0	0	0	n/a	0	n/a
Grants - Federal	0	0	0	n/a	0	n/a
Grants - State	0	0	0	n/a	0	n/a
Legislative Appropriation	0	0	0	n/a	0	n/a
Other	15,702	0	0	n/a	0	n/a
<b>TOTAL REVENUES - Other Enterprise</b>	<b>5,728,194</b>	<b>5,678,019</b>	<b>5,242,600</b>	<b>(7.67%)</b>	<b>5,244,273</b>	<b>0.03%</b>
<b>EXPENDITURES</b>						
<b>Other Enterprise Fund</b>	<b>4,661,059</b>	<b>3,234,409</b>	<b>5,728,988</b>	<b>77.13%</b>	<b>5,126,214</b>	<b>(10.52%)</b>
<b>OTHER FINANCING SOURCES</b>						
Transfers In	300,000	775,395	650,000	(16.17%)	450,000	(30.77%)
Transfers (Out)	(769,263)	(1,066,187)	(1,054,038)	(1.14%)	(991,172)	(5.96%)
<b>TOTAL OTHER FINANCING SOURCES - Other Enterprise</b>	<b>(469,263)</b>	<b>(290,792)</b>	<b>(404,038)</b>	<b>38.94%</b>	<b>(541,172)</b>	<b>33.94%</b>

ENTERPRISE FUNDS (Department)	6/30/2015 FISCAL YEAR ACTUAL	6/30/2016 FISCAL YEAR ACTUAL	FY 2017 FINAL BUDGET 6/30/2017	VARIANCE FY2016 - FY2017 INC / (DEC)	FY 2018 BUDGET REQUEST	VARIANCE FY2017- FY2018 INC / (DEC)
<b>REVENUES</b>						
<b>231/235 TRANSPORTATION/VISITOR CTR</b>						
Charges for Services	13,542	13,000	13,000	0.00%	8,000	(38.46%)
Interest on Investments	0	0	0	n/a	0	n/a
Gross Receipts - dedicated	0	0	0	n/a	0	n/a
Grants - Federal	0	0	0	n/a	0	n/a
Grants - State	116,003	219,716	197,887	(9.94%)	152,767	(22.80%)
Legislative Appropriation	0	0	0	n/a	0	n/a
Other	0	0	0	n/a	5,000	n/a
<b>TOTAL REVENUES - Other Enterprise</b>	<b>129,545</b>	<b>232,716</b>	<b>210,887</b>	<b>(9.38%)</b>	<b>165,767</b>	<b>(21.40%)</b>
<b>EXPENDITURES</b>						
<b>Other Enterprise Fund</b>	<b>247,172</b>	<b>413,165</b>	<b>463,680</b>	<b>12.23%</b>	<b>418,371</b>	<b>(9.77%)</b>
<b>OTHER FINANCING SOURCES</b>						
Transfers In	190,058	190,060	150,000	(21.08%)	60,000	(60.00%)
Transfers (Out)	0	0	0	n/a	0	n/a
<b>TOTAL OTHER FINANCING SOURCES - Other Enterprise</b>	<b>190,058</b>	<b>190,060</b>	<b>150,000</b>	<b>(21.08%)</b>	<b>60,000</b>	<b>(60.00%)</b>
<b>REVENUES</b>						
<b>Other Enterprise (enter fund name)</b>						
Charges for Services	0	0	0	n/a	0	n/a
Interest on Investments	0	0	0	n/a	0	n/a
Gross Receipts - dedicated	0	0	0	n/a	0	n/a
Grants - Federal	0	0	0	n/a	0	n/a
Grants - State	0	0	0	n/a	0	n/a
Legislative Appropriation	0	0	0	n/a	0	n/a
Other	0	0	0	n/a	0	n/a
<b>TOTAL REVENUES - Other Enterprise</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>n/a</b>	<b>0</b>	<b>n/a</b>
<b>EXPENDITURES</b>						
<b>Other Enterprise Fund</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>n/a</b>	<b>0</b>	<b>n/a</b>
<b>OTHER FINANCING SOURCES</b>						
Transfers In	0	0	0	n/a	0	n/a
Transfers (Out)	0	0	0	n/a	0	n/a
<b>TOTAL OTHER FINANCING SOURCES - Other Enterprise</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>n/a</b>	<b>0</b>	<b>n/a</b>
<b>REVENUES</b>						
<b>Other Enterprise (enter fund name)</b>						
Charges for Services	0	0	0	n/a	0	n/a
Interest on Investments	0	0	0	n/a	0	n/a
Gross Receipts - dedicated	0	0	0	n/a	0	n/a
Grants - Federal	0	0	0	n/a	0	n/a
Grants - State	0	0	0	n/a	0	n/a
Legislative Appropriation	0	0	0	n/a	0	n/a
Other	0	0	0	n/a	0	n/a
<b>TOTAL REVENUES - Other Enterprise</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>n/a</b>	<b>0</b>	<b>n/a</b>
<b>EXPENDITURES</b>						
<b>Other Enterprise Fund</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>n/a</b>	<b>0</b>	<b>n/a</b>
<b>OTHER FINANCING SOURCES</b>						
Transfers In	0	0	0	n/a	0	n/a
Transfers (Out)	0	0	0	n/a	0	n/a
<b>TOTAL OTHER FINANCING SOURCES - Other Enterprise</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>n/a</b>	<b>0</b>	<b>n/a</b>

	6/30/2015 FISCAL YEAR ACTUAL	6/30/2016 FISCAL YEAR ACTUAL	FY 2017 FINAL BUDGET 6/30/2017	VARIANCE FY2016 - FY2017 INC / (DEC) %	FY 2018 BUDGET REQUEST	VARIANCE FY2017- FY2018 INC / (DEC) %
<b>INTERNAL SERVICE FUNDS [600]</b>						
REVENUES						
Charges for Services	0	0	0	n/a	0	n/a
Interest on Investments	5,354	2,500	2,500	0.00%	1,500	(40.00%)
Miscellaneous revenues	0	0	0	n/a	0	n/a
<b>TOTAL REVENUES</b>	<b>5,354</b>	<b>2,500</b>	<b>2,500</b>	<b>0.00%</b>	<b>1,500</b>	<b>(40.00%)</b>
EXPENDITURES						
Operating Expenditures	1,137,850	1,707,937	1,981,477	16.02%	1,905,246	(3.85%)
Miscellaneous	0	0	0	n/a	0	n/a
<b>TOTAL EXPENDITURES</b>	<b>1,137,850</b>	<b>1,707,937</b>	<b>1,981,477</b>	<b>16.02%</b>	<b>1,905,246</b>	<b>(3.85%)</b>
OTHER FINANCING SOURCES						
Transfers In	1,533,769	1,022,640	1,376,760	34.63%	1,851,566	34.49%
Transfers (Out)	(150,000)	(157,202)	(200,000)	27.22%	(195,000)	(2.50%)
<b>TOTAL - OTHER FINANCING SOURCES</b>	<b>1,383,769</b>	<b>865,438</b>	<b>1,176,760</b>	<b>35.97%</b>	<b>1,656,566</b>	<b>40.77%</b>
<b>TRUST AND AGENCY FUNDS [700]</b>						
REVENUES						
Investments	0	0	0	n/a	0	n/a
Interest on Investments	0	0	0	n/a	0	n/a
Tax Revenues	0	0	0	n/a	0	n/a
Miscellaneous revenues	0	0	0	n/a	0	n/a
<b>TOTAL REVENUES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>n/a</b>	<b>0</b>	<b>n/a</b>
EXPENDITURES						
General Government/Benefits	0	0	0	n/a	0	n/a
Capital Outlay	0	0	0	n/a	0	n/a
Debt Service	0	0	0	n/a	0	n/a
Miscellaneous	0	0	0	n/a	0	n/a
<b>TOTAL EXPENDITURES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>n/a</b>	<b>0</b>	<b>n/a</b>
OTHER FINANCING SOURCES						
Transfers In	0	0	0	n/a	0	n/a
Transfers (Out)	0	0	0	n/a	0	n/a
<b>TOTAL - OTHER FINANCING SOURCES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>n/a</b>	<b>0</b>	<b>n/a</b>

**GENERAL FUND REVENUE COMPARISON**  
**THRU APRIL 30, 2017 83% OF YEAR LAPSED (10 of 12 months)**  
**FISCAL YEAR 2017**

	<u>Total Budget to Actual Comparison</u>					G (E/B) FY 2017 % REV
	A	B	C	D	E	
	FY 2016 BUDGET	FY 2017 BUDGET	FY 2017 YTD - BUDGET	FY 2016 YTD - ACTUAL	FY 2017 YTD - ACTUAL	
PROPERTY TAX	1,350,000	1,373,000	1,144,167	1,415,383	1,018,975	74%
GROSS RECEIPT TAX 1.225	3,550,000	3,550,000	2,958,333	3,553,542	2,922,192	82%
FRANCHISE TAX	800,000	800,000	666,667	807,805	646,882	81%
GROSS RECEIPT TAX .75	2,585,000	2,445,000	2,037,500	2,299,216	1,920,655	79%
1/8 INFRASTRUCTURE	350,000	351,000	292,500	361,198	309,200	88%
GRT .25 (JAN 2011)	680,000	697,000	580,833	685,582	819,127	118%
GRT -HOLD HARMLESS (JULY 2015)	(85,000)	(110,400)	-92,000	(85,000)	(92,000)	83%
LICENSE & FEES	71,600	70,500	58,750	80,730	42,213	60%
INTERGOVERNMENTAL	66,000	71,500	59,583	76,494	62,383	87%
LOCAL-FINES	62,100	62,000	51,667	62,143	67,921	110%
LOCAL-MISC	1,657,230	1,715,000	1,429,167	1,860,468	1,534,963	90%
<b>TOTAL</b>	<b>11,086,930</b>	<b>11,024,600</b>	<b>9,187,167</b>	<b>11,117,561</b>	<b>9,252,511</b>	<b>84%</b>

(License& Fees-Business Licenses, Liquor Licenses and Building Permits,Development Fees)  
(Local Fines- Court Fines, Library Fines, Traffic Safety Fines)

**GENERAL FUND EXPENDITURE COMPARISON**  
**THRU APRIL 30, 2017 83% OF YEAR LAPSED (10 of 12 months)**  
**FISCAL YEAR 2017**

	<u>Total Budget to Actual Comparison</u>						H (E/B) % BDGT
	A	B	C	D	E	F	
	FY 2016 BUDGET	FY 2017 BUDGET	FY 2017 YTD - BUDGET	FY 2016 YTD - ACTUAL	FY 2017 YTD - ACTUAL	FY 2017 AVAIL. BAL.	
JUDICIAL	282,087	311,269	259,391	282,056	251,427	59,842	81%
EXECUTIVE	480,602	482,335	401,946	411,568	321,339	160,996	67%
ADMINISTRATION	247,913	238,796	198,997	246,214	193,945	44,851	81%
CITY ATTORNEY	213,770	241,956	201,630	206,840	156,300	85,656	65%
PERSONNEL/HR	274,354	278,490	232,075	274,322	224,896	53,594	81%
FINANCE	569,608	620,402	517,002	543,228	452,503	167,899	73%
COMMUNITY DEV.	567,364	553,245	461,038	427,253	318,914	234,331	58%
POLICE	3,928,874	3,978,740	3,315,617	3,358,911	3,093,526	885,214	78%
CODE ENFORCEMENT	168,661	179,925	149,938	130,374	119,374	60,551	66%
ANIMAL SHELTER	133,690	135,490	112,908	134,256	81,853	53,637	60%
FIRE	1,276,366	1,345,406	1,121,172	1,171,724	968,610	376,796	72%
PUBLIC WORKS/AIRPORT	492,606	480,681	400,568	424,991	373,070	107,611	78%
PARKS	305,020	333,142	277,618	197,579	201,594	131,548	61%
AIRPORT	0	0	0	0	0	0	0%
LIBRARY	201,256	215,812	179,843	185,087	160,598	55,214	74%
MUSEUM	192,888	151,836	126,530	125,378	117,496	34,340	77%
GENERAL SERVICES	2,649,000	2,505,714	2,088,095	1,939,451	1,935,490	570,224	77%
SALARY CONTINGENCY	50,000	0	0	38,853	0	0	0%
TRANSFERS	505,058	740,703	617,253	505,058	607,921	132,782	82%
<b>TOTAL</b>	<b>12,539,117</b>	<b>12,793,942</b>	<b>10,661,618</b>	<b>10,603,143</b>	<b>9,578,856</b>	<b>3,215,086</b>	<b>75%</b>

**RECREATION DEPARTMENT-REVENUE COMPARISON  
THRU APRIL 30, 2017 - 83% OF YEAR LAPSED 10 OF 12 MONTHS  
FISCAL YEAR 2017**

	A	B	C	D	E	G (E/B)
	FY 2016 BUDGET	FY 2017 BUDGET	FY 2017 YTD - BUDGET	FY 2016 YTD - ACTUAL	FY 2017 YTD - ACTUAL	% REV
WELLNESS CENTER	100,000	100,000	83,333	114,446	14,825	15%
OPEN SWIM	0	0				0%
YAFL	6,000	3,000	2,500	2,030	1,320	44%
YABL	20,000	20,000	16,667	19,011	16,840	84%
SUMMER FUN PROGRAM	20,000	20,000	16,667	15,797	8,441	42%
RECREATION-OTHER	49,000	29,800	24,833	32,116	9,090	31%
GEN FUND TRANSFER	400,000	300,000	250,000	400,000	249,900	83%
<b>TOTAL</b>	<b>595,000</b>	<b>472,800</b>	<b>394,000</b>	<b>583,400</b>	<b>300,416</b>	<b>64%</b>

**RECREATION DEPARTMENT- EXPENDITURE COMPARISON  
THRU APRIL 30, 2017 - 83% OF YEAR LAPSED 10 OF 12 MONTHS  
FISCAL YEAR 2017**

	A	B	C	D	E	F	H (E/B)
	FY 2016 BUDGET	FY 2017 BUDGET	FY 2017 YTD - BUDGET	FY 2016 ACTUAL	FY 2017 YTD - ACTUAL	FY 2017 AVAIL. BAL.	% BDGT
EMPLOYEE EXP.	552,495	423,276	352,730	523,505	411,481	11,795	97%
YAFL	3,500	2,000	1,667	2,964	600	1,400	30%
YABL	6,630	3,117	2,598	5,883	2,581	536	83%
OTHER OPERATING EXP.	66,610	76,133	63,444	66,610	35,573	40,560	47%
CAPITAL OUTLAY	4,000	6,600	5,500	3,779	1,917	4,683	29%
<b>TOTAL</b>	<b>633,235</b>	<b>511,126</b>	<b>425,938</b>	<b>602,741</b>	<b>452,152</b>	<b>58,974</b>	<b>88%</b>

**ENTERPRISE FUNDS-REVENUE COMPARISON  
THRU APRIL 30, 2017-83% YEAR LAPSED (10 of 12 months)  
FISCAL YEAR 2017**

	<u>Total Budget to Actual Comparison</u>					G (E/B) % BUDGET
	A	B	C	D	E	
	FY 2016 BUDGET	FY 2017 BUDGET	FY 2017 YTD - BUDGET	FY 2016 YTD - ACTUAL	FY 2017 YTD - ACTUAL	
WASTE WATER (610)	2,826,738	2,859,638	2,383,032	2,783,241	2,399,944	84%
NATURAL GAS (620)	5,673,019	5,237,000	4,364,167	5,211,845	3,938,679	75%
SOLID WASTE (630)	3,547,294	3,404,700	2,837,250	3,518,794	2,884,763	85%
WATER (640)	4,742,650	4,743,050	3,952,542	4,825,859	4,105,683	87%
<i>Total of Enterprise Funds</i>	<u>16,789,701</u>	<u>16,244,388</u>	<u>13,536,990</u>	<u>16,339,739</u>	<u>13,329,069</u>	82%

**ENTERPRISE FUNDS-EXPENDITURES COMPARISON  
THRU APRIL 30, 2017-83% YEAR LAPSED (10 of 12 months)  
FISCAL YEAR 2017**

	<u>Budget to</u>						H (E/B) % BUDGET
	A	B	C	D	E	F	
	FY 2016 BUDGET	FY 2017 BUDGET	FY 2017 YTD - BUDGET	FY 2016 ACTUAL	FY 2017 YTD - ACTUAL	FY 2017 AVAIL. BAL.	
WASTE WATER(610)	2,663,075	2,541,860	2,118,217	2,382,172	1,917,526	624,334	75%
NATURAL GAS (620)	6,178,945	5,938,026	4,948,355	4,974,033	3,905,883	2,032,143	66%
SOLID WASTE (630)	3,330,517	4,088,165	3,406,804	2,791,805	3,022,054	1,066,111	74%
WATER (640)	6,800,813	4,214,893	3,512,411	6,493,367	2,984,478	1,230,415	71%
<i>Total of Enterprise Funds</i>	<u>18,973,350</u>	<u>16,782,944</u>	<u>13,985,787</u>	<u>16,641,377</u>	<u>11,829,941</u>	<u>4,953,003</u>	70%

**CITY COUNCIL MEETING AGENDA REQUEST**

**DATE: 5-9-17      DEPT: Community Development      MEETING DATE: 5-17-17**

**ITEM/TOPIC:** Resolution No. 17-11. Abatement of nuisances located at 1010 Socorro Street.

**ACTION REQUESTED OF COUNCIL:**

*Approval/ Disapproval of Resolution No. 17-11. Abatement of nuisances located at 1010 Socorro Street .*

**BACKGROUND/RATIONALE:**

*Property noted above has a structure that appears to be unsafe and unsecure. The structure has broken windows and entry to the interior. The property is vacant and creating a nuisance to the public health, safety, and comfort. The violation has not been corrected since first notice was given 91 Days ago. Request to grant abatement*

**STAFF RECOMMENDATION:**

Approval of Resolution 17-11.

**COMMITTEE RECOMMENDATION:**

**THIS REQUEST FORM MUST BE SUBMITTED TO THE CITY MANAGER'S OFFICE NO LATER THAN 5:00 P.M. ON FRIDAY ONE AND A HALF WEEKS PRIOR TO THE CITY COUNCIL MEETING.**

  
SUBMITTER'S SIGNATURE

**REVIEWED AND APPROVED BY:**

  
Tonita Gurule-Girón.  
MAYOR

\_\_\_\_\_  
ANN MARIE GALLEGOS  
FINANCE DIRECTOR  
(PROCUREMENT)

  
Richard Trujillo  
CITY MANAGER

\_\_\_\_\_  
PURCHASING AGENT  
(FOR BID/RFP AWARD)

\_\_\_\_\_  
Corinna Laszlo- Henry  
CITY ATTORNEY  
(ALL CONTRACTS MUST BE  
REVIEWED)

**CITY OF LAS VEGAS  
RESOLUTION NO. 17-11**

**A RESOLUTION DECLARING 1010 SOCORRO STREET WHICH IS OWNED AND CONTROLLED BY ALFRED AND CAROL DURAN TO BE DANGEROUS, COVERED WITH RUINS, RUBBISH, WRECKAGE AND DEBRIS AND A NUISANCE REQUIRING ABATEMENT**

**WHEREAS, pursuant to Section 3-18-5, NMSA, 1978, whenever any building or structure is ruined, or any premise is covered with ruins, rubbish wreckage or debris, the governing body of a municipality may by resolution find that the ruined, damaged and dilapidated building, structure or premises is a menace to the public comfort, health, peace or safety and require the removal from the municipality the building, structure, ruins, rubbish, wreckage or debris; and**

**WHEREAS, the Las Vegas City Council has received evidence from the Police Department/ Enforcement Service Specialist as to the condition of a parcel of land described herein, which are owned, occupied or controlled by Alfred and Carol Duran, whose address is 1010 Socorro Street according to the records at the San Miguel County Assessor's Office and described in said records as Town of Las Vegas Blk 184, Las Vegas, San Miguel County, New Mexico (property code # 1-094-092-155-306-116).**

**WHEREAS, the property is a public nuisance and the premises are a menace to the public comfort, health, peace or safety of the community and is in violation of City of Las Vegas Ordinance 301-6 Sections (B) Unsanitary Premises; (C) Hazardous Premises; (H) Dangerous/ Unsafe Buildings or Structures. Items on the premises and visible from the public right of way in violations of City ordinances include but are not limited to excessive weeds, brush, boards, trees, trash, metal, unsecured structure, and other building materials and solid waste.**

**WHEREAS, the City has attempted to notify the legal property owner, Alfred and Carol Duran via certified mail, and postings of the violations requiring abatement.**

**WHEREAS, proper notices personally served upon the property included: a Red Tag Notice on February 8, 2017; a Notice of Pending Abatement on February 22, 2017. In the face of these notices, the owner has allowed the nuisances to remain and has done no work within 91 days to correct the violations.**

**NOW, THEREFORE, the City Council, the governing body of the City of Las Vegas, New Mexico does hereby resolve:**

- A. That the above described parcel of land is a nuisance pursuant to Section 3-18-5, NMSA, 1978, is a menace to the public comfort, health, peace or safety and requires abatement as follows: All weeds, brush, boards, trees, trash, metal, structure openings, and other building materials and solid waste creating a nuisance to the surrounding neighbors since February 3, 2017 (the date the above inventory was taken) must be removed/secured and properly disposed of and the**

premises must be left in a clean, level and safe condition. The windows, doors, vents, and other entry to the structure must be secured to prevent further menaces to the public health or safety.

**B. The City shall serve a copy of this resolution on the owner, occupant or agent, including Alfred and Carol Duran, in charge of the premises as shown by the records of the County Clerk. If the owner occupant or agent in charge of the building, structure or premises cannot be served within the municipality, a copy of the resolution shall be posted on the building, structure or premises and a copy of the resolution shall be published one time.**

**C. Thereafter, and within ten (10) days after receipt of a copy of this resolution or of the posting and publishing of a copy of the resolution, the owner occupant or agent, in charge of the building, structure or premises shall commence removing the ruins, rubbish, wreckage and debris or file a written objection with the Municipal Clerk asking for a hearing before the governing body of the City of Las Vegas. .**

**D. That if a written objection is filed, the Governing Body shall follow the provisions as set forth of 3-18-5 D. NMSA 1978; fix a date for a hearing in its resolution and objection; consider all evidence for and against the removal resolution at the hearing; and determine if its resolution should be enforced or rescinded.**

**E. Any person aggrieved by the determination of the governing body may appeal to the district court by: giving notice of appeal to the governing body within 5 days after the determination made by the governing body; filing a petition in the district court within twenty days after the determination made by the governing body. The district court shall hear the matter de novo and enter judgment in accordance with its findings.**

**F. If the owner occupant or agent in charge of the building, structure or premises fails to commence removing the ruins, rubbish wreckage and debris as provided under NMSA 3-18-5 F, the municipality may remove ruins, rubbish wreckage and debris at the cost and expense of the owner. The reasonable cost of removal shall constitute a lien against the building, structure, ruins, rubbish wreckage and debris so removed and against the lots or parcels of land from which it was removed. The lien shall be foreclosed in the manner provided in sections 3-36-1 through 3-36-6 NMSA 1978.**

**F. The municipality may pay for the costs of removal of any condemned building, structure, wreckage, rubbish or debris by granting to the person removing such materials, the legal title to all salvageable materials in lieu of all other compensation.**

**H. Any person or firm removing any condemned building, structure, wreckage, rubbish or debris shall leave the premises from which the material has been removed in a clean, level and safe condition, suitable for further occupancy or construction and with all excavations filled.**

**PASSED, APPROVED AND ADOPTED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_ 2017**

---

**Tonita Gurule-Girón, Mayor**

**ATTEST:**

---

**Cassandra Fresquez, City Clerk**

**REVIEWED AND APPROVED BY:**

---

**Corinna Laszlo-Henry, City Attorney**

CITY OF LAS VEGAS  
**RED TAG**  
FIRST NOTICE OF CODE VIOLATION

Name: Alfred & Carol Duran  
Address: 8401 Pan American Freeway NE  
City, State, Zip: Albuquerque NM, 87113

You, the owner, occupant or agent of property located at 1010 Socorro Street, Las Vegas, New Mexico or legally described as 1811 Town of Las Vegas Blk 184 was inspected on **February 8, 2017** and has been determined to be a public nuisance per §301-5 based on the following:

Littering §301-6 A

- ✓ Unsanitary Premises §301-6 B – There is an accumulation of weeds, trees, branches, wood, metal, and boards on the property creating a menace to public health, welfare, and comfort.
- ✓ Hazardous Premises §301-6 C – The solid waste and unsafe structure on the property is supplying a breeding and feeding grounds for vermin and insects. This is creating a menace and hazard to public health and safety.

Accumulation of Solid Waste §301-6 D

Solid Waste Receptacles §301-6 E

Polluting Water §301-6 F

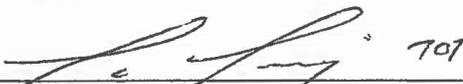
Outdoor Vehicle Storage §301-6 G

- ✓ Dangerous/Unsafe Buildings or Structures §301-6 H – The structure on the property appears to be structurally unsound and is supplying access to vermin, insects, and people. This structure must be repaired or removed.

Other:

Correction of the above violation(s) must be done by **February 18, 2017**. Your immediate cooperation is greatly appreciated. Should you have any questions, you may contact Code Enforcement at 505-426-3272.

Sincerely,

  
Enforcement Service Specialist

2-8-17  
Date









CITY OF LAS VEGAS  
RED TAG  
SECOND NOTICE OF CODE VIOLATION  
& NOTICE OF PENDING PROSECUTION AND/OR ABATEMENT

Name: Alfred & Carol Duran  
Address: 8401 Pan American Freeway NE  
City, State, Zip: Albuquerque NM, 87113

You, the owner, occupant or agent of property located at 1010 Socorro Street, Las Vegas, New Mexico or legally described 1811 Town of Las Vegas Blk 184 have been previously informed of a violation(s) at this location and asked to come into compliance. The property was RE-INSPECTED on February 22, 2017 and has been found to continue to be a public nuisance per §301-5 based on the following:

Littering §301-6 A

- ✓ Unsanitary Premises §301-6 B – There is an accumulation of weeds, trees, branches, wood, metal, and boards on the property creating a menace to public health, welfare, and comfort.
- ✓ Hazardous Premises §301-6 C – The solid waste and unsafe structure on the property is supplying a breeding and feeding grounds for vermin and insects. This is creating a menace and hazard to public health and safety.

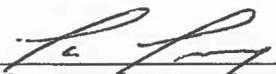
Accumulation of Solid Waste §301-6 D

Solid Waste Receptacles §301-6 E

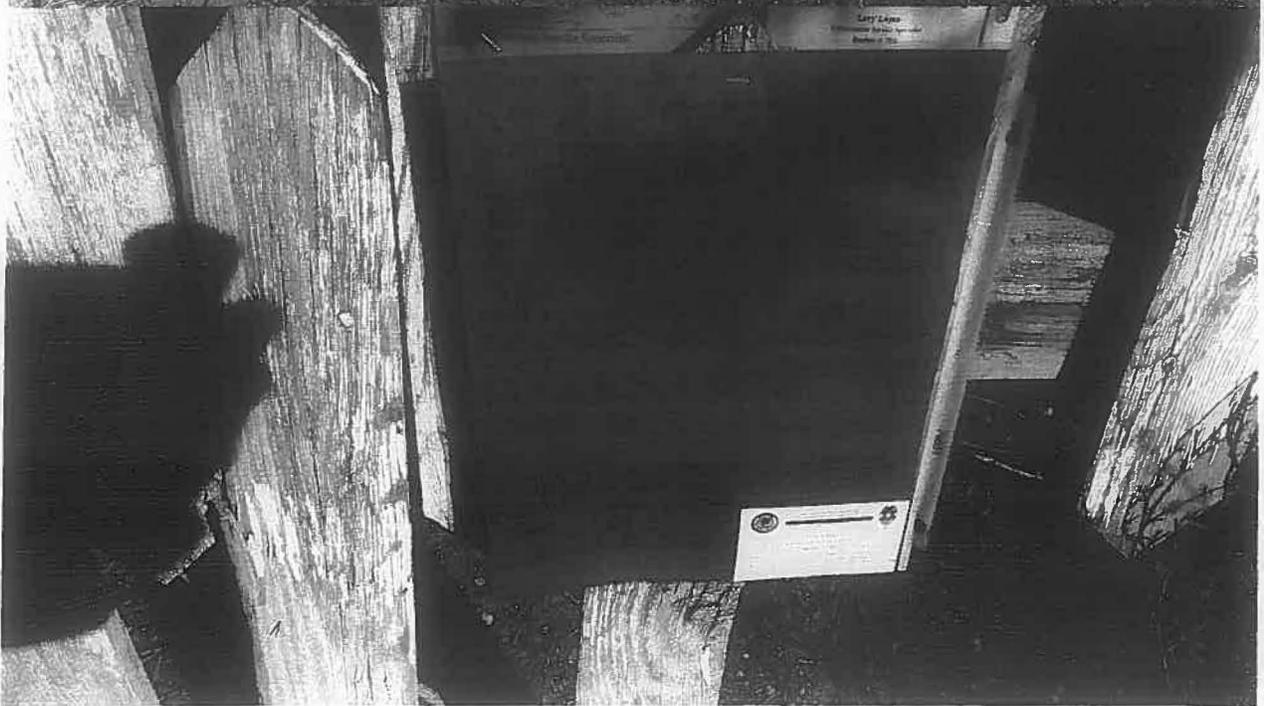
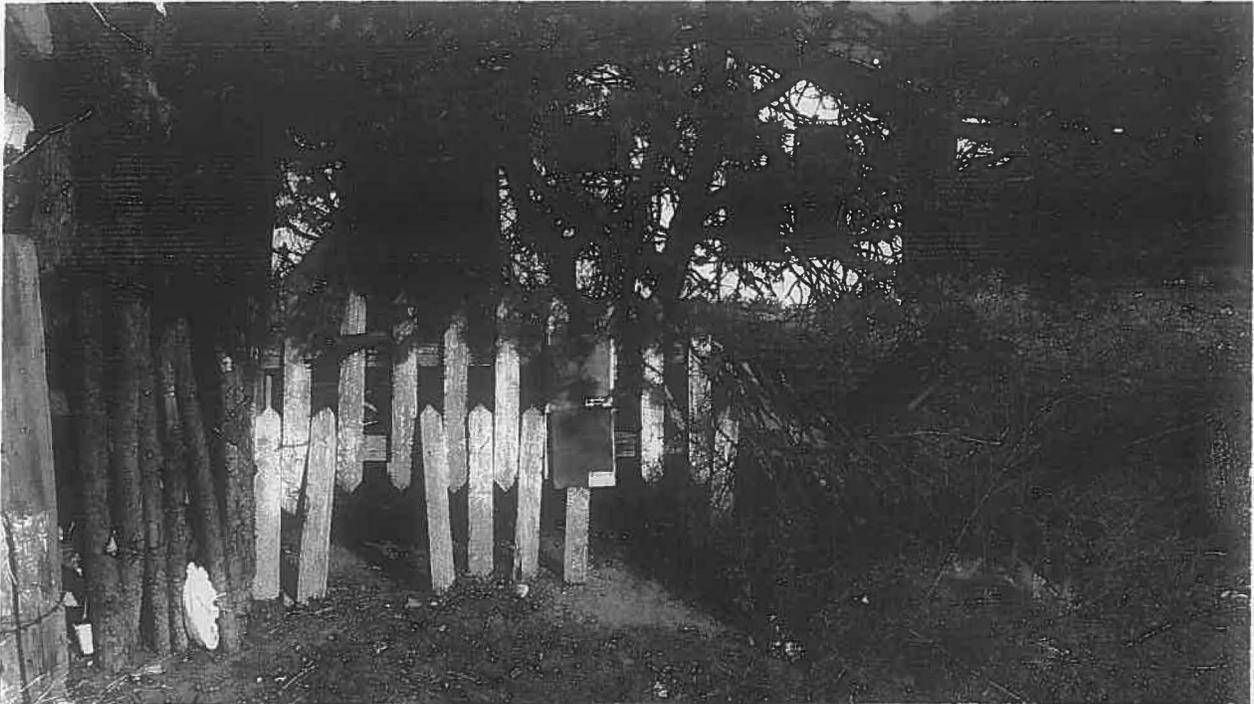
- ✓ Dangerous/Unsafe Buildings or Structures §301-6 H – The structure on the property appears to be structurally unsound and is supplying access to vermin, insects, and people. This structure must be repaired or removed.

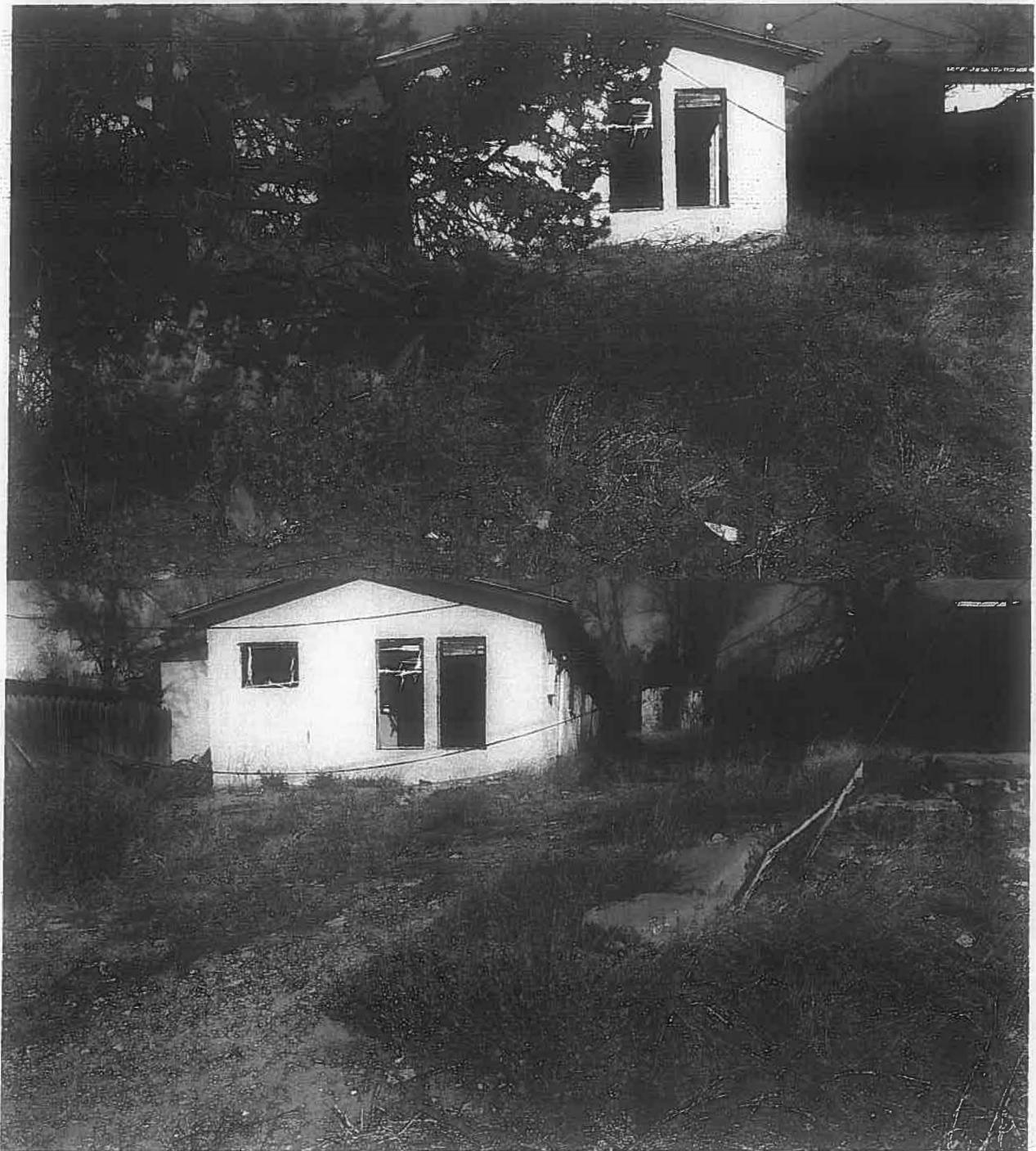
The property will be re-inspected on March 4, 2017. If the violation(s) upon the property are not corrected, please consider this formal notice that the City will either initiate prosecution as provided by law or commence abatement of the nuisance as provided under §301 9 and file a lien on the property per §301-10. Your immediate cooperation will avert further action by the City. Should you have any questions, you may contact Code Enforcement at 505-426-3272.

Sincerely,

 701  
\_\_\_\_\_  
Enforcement Service Specialist

2-22-17  
\_\_\_\_\_  
Date









**CITY COUNCIL MEETING AGENDA REQUEST**

**DATE: 5-9-17    DEPT: Community Development    MEETING DATE: 5-17-17**

**ITEM/TOPIC:** Resolution No. 17-12. Abatement of nuisances located at 1907 Lopez Street.

**ACTION REQUESTED OF COUNCIL:**

*Approval/ Disapproval of Resolution No. 17-12. Abatement of nuisances located at 1907 Lopez Street.*

**BACKGROUND/RATIONALE:**

*Property noted above has been abandoned and has not been maintained in several years. The property is vacant and creating a nuisance to the public health, safety, and comfort. The violations have not been corrected since first notice was given 91 Days ago. Request to grant abatement*

**STAFF RECOMMENDATION:**

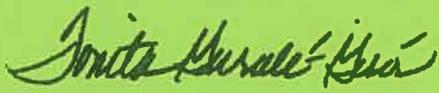
Approval of Resolution 17-12.

**COMMITTEE RECOMMENDATION:**

**THIS REQUEST FORM MUST BE SUBMITTED TO THE CITY MANAGER'S OFFICE NO LATER THAN 5:00 P.M. ON FRIDAY ONE AND A HALF WEEKS PRIOR TO THE CITY COUNCIL MEETING.**

  
SUBMITTER'S SIGNATURE

**REVIEWED AND APPROVED BY:**

  
Tonita Gurule-Girón.  
MAYOR

ANN MARIE GALLEGOS  
FINANCE DIRECTOR  
(PROCUREMENT)

  
Richard Trujillo  
CITY MANAGER

PURCHASING AGENT  
(FOR BID/RFP AWARD)

Corinna Laszlo- Henry  
CITY ATTORNEY  
(ALL CONTRACTS MUST BE REVIEWED)

**CITY OF LAS VEGAS  
RESOLUTION NO. 17-12**

**A RESOLUTION DECLARING 1907 LOPEZ STREET WHICH IS OWNED AND CONTROLLED BY MARIA & MAGDALENO ELYCIO TO BE DANGEROUS, COVERED WITH RUINS, RUBBISH, WRECKAGE AND DEBRIS AND A NUISANCE REQUIRING ABATEMENT**

**WHEREAS, pursuant to Section 3-18-5, NMSA, 1978, whenever any building or structure is ruined, or any premise is covered with ruins, rubbish wreckage or debris, the governing body of a municipality may by resolution find that the ruined, damaged and dilapidated building, structure or premises is a menace to the public comfort, health, peace or safety and require the removal from the municipality the building, structure, ruins, rubbish, wreckage or debris; and**

**WHEREAS, the Las Vegas City Council has received evidence from the Police Department/ Enforcement Service Specialist as to the condition of a parcel of land described herein, which are owned, occupied or controlled by Maria & Magdalena Elycio, whose address is 1907 Lopez Street according to the records at the San Miguel County Assessor's Office and described in said records as 1811 Town of Las Vegas Blk 18, Las Vegas, San Miguel County, New Mexico (property code # 1-094-092-168-445-76).**

**WHEREAS, the property is a public nuisance and the premises are a menace to the public comfort, health, peace or safety of the community and is in violation of City of Las Vegas Ordinance 301-6 Sections (B) Unsanitary Premises; (C) Hazardous Premises; (G) Outdoor Vehicle Storage. Items on the premises and visible from the public right of way in violations of City ordinances include but are not limited to excessive weeds, trash, plastic, metal, branches, inoperable vehicles, boards, building materials and solid waste.**

**WHEREAS, the City has attempted to notify the legal property owner, Maria & Magdalena Elycio via certified mail, and postings of the violations requiring abatement.**

**WHEREAS, proper notices personally served upon the property included: a Red Tag Notice on February 8, 2017; a Notice of Pending Abatement on February 22, 2017. In the face of these notices, the owner has allowed the nuisances to remain and has done no work within 91 days to correct the violations.**

**NOW, THEREFORE, the City Council, the governing body of the City of Las Vegas, New Mexico does hereby resolve:**

**A. That the above described parcel of land is a nuisance pursuant to Section 3-18-5, NMSA, 1978, is a menace to the public comfort, health, peace or safety and requires abatement as follows: All weeds, trash, plastic, metal, branches, inoperable vehicles, boards, building materials and solid waste creating a nuisance to the surrounding neighbors since February 8, 2017 (the date the above inventory was taken) must be removed and properly disposed of and the premises must be left in a clean, level and safe condition.**

**B. The City shall serve a copy of this resolution on the owner, occupant or agent, including Maria & Magdaleno Elycio, in charge of the premises as shown by the records of the County Clerk. If the owner occupant or agent in charge of the building, structure or premises cannot be served within the municipality, a copy of the resolution shall be posted on the building, structure or premises and a copy of the resolution shall be published one time.**

**C. Thereafter, and within ten (10) days after receipt of a copy of this resolution or of the posting and publishing of a copy of the resolution, the owner occupant or agent, in charge of the building, structure or premises shall commence removing the ruins, rubbish, wreckage and debris or file a written objection with the Municipal Clerk asking for a hearing before the governing body of the City of Las Vegas. .**

**D. That if a written objection is filed, the Governing Body shall follow the provisions as set forth of 3-18-5 D. NMSA 1978; fix a date for a hearing in its resolution and objection; consider all evidence for and against the removal resolution at the hearing; and determine if its resolution should be enforced or rescinded.**

**E. Any person aggrieved by the determination of the governing body may appeal to the district court by: giving notice of appeal to the governing body within 5 days after the determination made by the governing body; filing a petition in the district court within twenty days after the determination made by the governing body. The district court shall hear the matter de novo and enter judgment in accordance with its findings.**

**F. If the owner occupant or agent in charge of the building, structure or premises fails to commence removing the ruins, rubbish wreckage and debris as provided under NMSA 3-18-5 F, the municipality may remove ruins, rubbish wreckage and debris at the cost and expense of the owner. The reasonable cost of removal shall constitute a lien against the building, structure, ruins, rubbish wreckage and debris so removed and against the lots or parcels of land from which it was removed. The lien shall be foreclosed in the manner provided in sections 3-36-1 through 3-36-6 NMSA 1978.**

**F. The municipality may pay for the costs of removal of any condemned building, structure, wreckage, rubbish or debris by granting to the person removing such materials, the legal title to all salvageable materials in lieu of all other compensation.**

**H. Any person or firm removing any condemned building, structure, wreckage, rubbish or debris shall leave the premises from which the material has been removed in a clean, level and safe condition, suitable for further occupancy or construction and with all excavations filled.**

**PASSED, APPROVED AND ADOPTED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_ 2017**

---

**Tonita Gurule-Girón, Mayor**

**ATTEST:**

---

**Cassandra Fresquez, City Clerk**

**REVIEWED AND APPROVED BY:**

---

**Corinna Laszlo-Henry, City Attorney**

CITY OF LAS VEGAS  
**RED TAG**  
FIRST NOTICE OF CODE VIOLATION

Name: Maria & Magdaleno Elycio  
Address: 1907 Lopez Street  
City, State, Zip: Las Vegas NM 87701

You, the owner, occupant or agent of property located at 1907 Lopez Street, Las Vegas, New Mexico or legally described as 1811 Town of Las Vegas Blk 18 was inspected on February 8, 2017 and has been determined to be a public nuisance per §301-5 based on the following:

Littering §301-6 A

✓ Unsanitary Premises §301-6 B – There is an accumulation of solid waste including but not limited to weeds, trash, plastic, metal, and branches on the property, creating a menace to the public comfort.

✓ Hazardous Premises §301-6 C – The accumulation of solid waste and inoperable vehicles on the property is supplying a breeding and feeding grounds for vermin and insects. This is creating a hazard and menace to the public health and safety.

Accumulation of Solid Waste §301-6 D

Solid Waste Receptacles §301-6 E

Polluting Water §301-6 F

✓ Outdoor Vehicle Storage §301-6 G – There is inoperable vehicles on the property that are in violation of municipal code. The vehicles must be removed or kept in a fully enclosed structure or garage.

Dangerous/Unsafe Buildings or Structures §301-6 H

Other:

Correction of the above violation(s) must be done by February 18, 2017. Your immediate cooperation is greatly appreciated. Should you have any questions, you may contact Code Enforcement at 505-426-3272.

Sincerely,

 #701  
Enforcement Service Specialist

2-8-17  
Date









CITY OF LAS VEGAS  
RED TAG  
SECOND NOTICE OF CODE VIOLATION  
& NOTICE OF PENDING PROSECUTION AND/OR ABATEMENT

Name: Maria & Magdaleno Elycio  
Address: 1907 Lopez Street  
City, State, Zip: Las Vegas NM 87701

You, the owner, occupant or agent of property located at 1907 Lopez Street, Las Vegas, New Mexico or legally described 1811 Town of Las Vegas Blk 18 have been previously informed of a violation(s) at this location and asked to come into compliance. The property was RE-INSPECTED on February 22, 2017 and has been found to continue to be a public nuisance per §301-5 based on the following:

Littering §301-6 A

✓ Unsanitary Premises §301-6 B – There is an accumulation of solid waste including but not limited to weeds, trash, plastic, metal, and branches on the property, creating a menace to the public comfort.

✓ Hazardous Premises §301-6 C – The accumulation of solid waste and inoperable vehicles on the property is supplying a breeding and feeding grounds for vermin and insects. This is creating a hazard and menace to the public health and safety.

Accumulation of Solid Waste §301-6 D

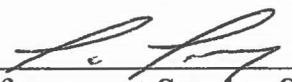
Solid Waste Receptacles §301-6 E

Polluting Water §301-6 F

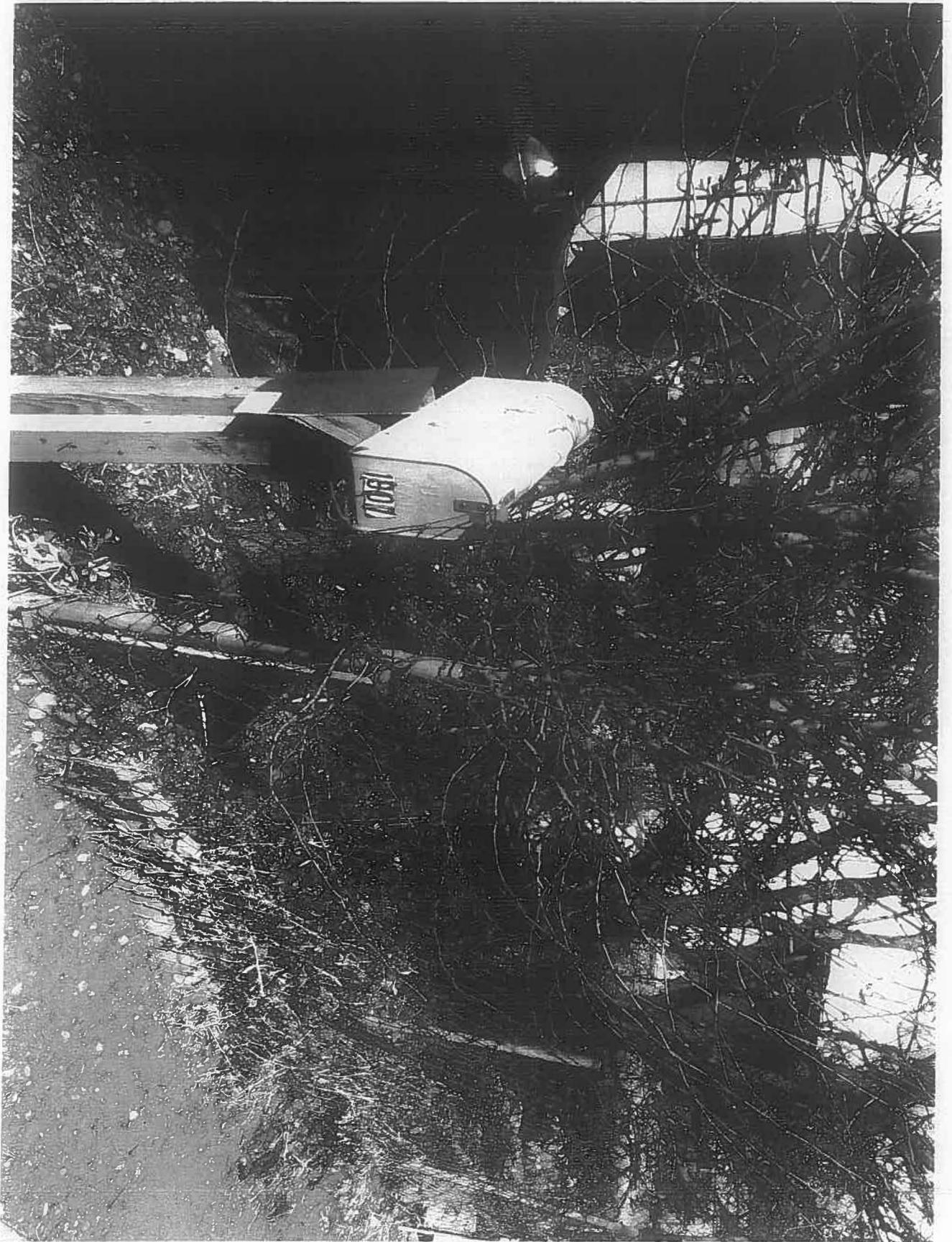
✓ Outdoor Vehicle Storage §301-6 G – There is inoperable vehicles on the property that are in violation of municipal code. The vehicles must be removed or kept in a fully enclosed structure or garage.

The property will be re-inspected on March 4, 2017. If the violation(s) upon the property are not corrected, please consider this formal notice that the City will either initiate prosecution as provided by law or commence abatement of the nuisance as provided under §301 9 and file a lien on the property per §301-10. Your immediate cooperation will avert further action by the City. Should you have any questions, you may contact Code Enforcement at 505-426-3272.

Sincerely,

 # 701  
\_\_\_\_\_  
Enforcement Service Specialist

2-22-17  
\_\_\_\_\_  
Date









**CITY COUNCIL MEETING AGENDA REQUEST**

**DATE:** 05/05/17

**DEPT:** Utilities Dept.

**MEETING DATE:** 05/17/17

**ITEM/TOPIC:** Rejection of bids received for RFB #2017-21 for the Waste Water Aeration Piping Upgrades.

**ACTION REQUESTED OF COUNCIL:** Approval / Disapproval to reject bids for RFB #2017-21.

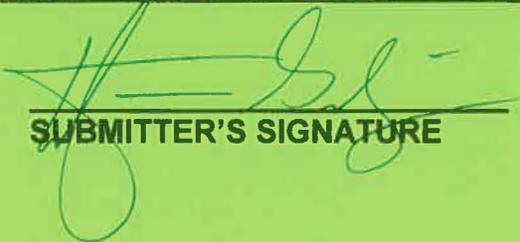
**BACKGROUND/RATIONALE:** The City of Las Vegas Utilities department went out for sealed bids for the Waste Water Aeration Piping upgrades. Utilities recommendation is to reject all bids due to the bids exceeding the engineers estimate and above the budget amount for Waste Water.

Advertised:	February 22, 2017 – Albuquerque Journal, Las Vegas OPTIC and City website
Bid Opening:	March 22, 2017
Number of Bidders:	2 – Hays Plumbing, Desert Utility & Paving ( <i>see attached bid tabulation</i> )
Funding Source:	City Funding
Budget Line Item:	613-0000-650-7407

**STAFF RECOMMENDATION:** Rejection of bids for RFB #2017-21.

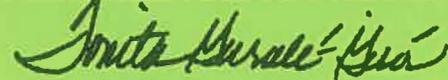
**COMMITTEE RECOMMENDATION:** This item was discussed at the regular meeting of the Utility Advisory Committee on May 9, 2017. Their recommendation will be provided at the Council Meeting.

**THIS REQUEST FORM MUST BE SUBMITTED TO THE CITY CLERK'S OFFICE NO LATER THAN 5:00 P.M. ON FRIDAY ONE AND A HALF WEEKS PRIOR TO THE CITY COUNCIL MEETING.**



\_\_\_\_\_  
SUBMITTER'S SIGNATURE

**REVIEWED AND APPROVED BY:**



\_\_\_\_\_  
TONITA GURULÉ-GIRÓN  
MAYOR



\_\_\_\_\_  
RICHARD TRUJILLO  
CITY MANAGER

\_\_\_\_\_  
ANN MARIE GALLEGOS  
FINANCE DIRECTOR  
(PROCUREMENT)

\_\_\_\_\_  
PURCHASING AGENT  
(FOR BID/RFP AWARD)

\_\_\_\_\_  
CORINNA LASZLO-HENRY  
CITY ATTORNEY  
(ALL CONTRACTS MUST BE  
REVIEWED)



**UTILITIES DEPARTMENT PROJECT SUMMARY SHEET**

**PROJECT NAME:** Aeration Basin Piping  
**PROJECT NUMBER:** UT-WW-API-2016  
**PROJECT MANAGER:** Benito Lujan

**ENGINEER:** Molzen Corbin  
**CONTRACT NUMBER:** 2673-13

**PROJECT DESCRIPTION:** Installation of Piping between Aeration Basin and Digesters to split the existing air produced between basin and digester.

**TIMELINE:** July 17 to Sep 17

**ACTION:** Reject all Bids

Planned FUNDING SOURCES	ESTIMATED EXPENDITURES	EXPENDED to date	Est. BAL to Expend in '17/18
City \$250,000	Design \$15,000	Design \$ 15,000	Design \$ 0
State	Consultant Services \$ 15,000	Egr Services \$ 0.00	Egr Services \$ 15,000
Federal	Construction \$ 250,000	Const \$ 0.00	Construction \$ 250,000
<b>Total Funds \$250,000</b>	<b>Total \$ 280,000</b>	<b>Total \$ 15,000</b>	<b>Total w/GRT \$ 265,000</b>

**BUDGETED AMOUNT:** \$250,000

**LINE ITEM NUMBER:** 613-0000-650-8090

ACTION	DESCRIPTION	DATE
Funding Source	CITY	
Loan/Grant/City	City \$250,000 Grant \$ 0 Loan \$ 0 Total \$250,000	FY 17/18 Budget
Authorized Resolution		NA
RFP	101-18	2013
Engineering Services Agreement	Contract#2673-13	2013
Engineering Estimate	Total Engineer's Estimate \$ 276,951.27	2016
Bid Document Review	Bid #2017-21	Feb 8 17
Advertisement	ABQ, LV, Website	Feb 22 17
Bid Opening	LV Council Chambers	Mar 22 17
Bid Tabulation	Contractor Hays Amount \$322,308.41 Contractor Desert Utility and Paving Amount \$350,768.81	Apr 24 17
Construction Estimate	Contractor Share \$ \$322,308.41 (Including NMGR) (Including NMGR) City Share \$ 0	
Engineer's Recommendation	Hays - Low Bidder	Apr 24 17
Staff Recommendation	Reject all bids	Apr 26 17
Committee Recommendation	Schedule for next UAC meeting	May 9 17
Council Approval	Scheduled for Work Session and Regular Session	May 17 17
Notice To Proceed		TBD

**CITY COUNCIL MEETING AGENDA REQUEST**

**DATE:** 05/05/17

**DEPT:** Utilities Dept.

**MEETING DATE:** 05/17/17

**ITEM/TOPIC:** Resolution No. 17-13 for Drinking Water Loan No. 3622-DW for the Chico and 8<sup>th</sup> Street water line replacement / installation.

**ACTION REQUESTED OF COUNCIL:** Approval / Disapproval of Resolution No. 17-13.

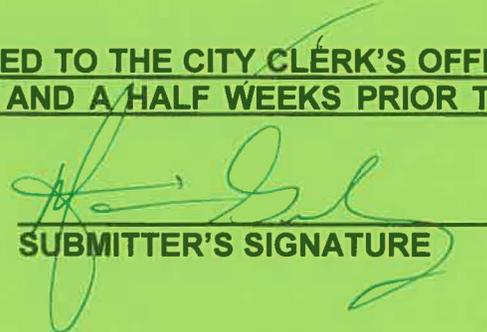
**BACKGROUND/RATIONALE:** This funding will allow the City to replace the aging lines in the vicinity of Chico Drive and 8<sup>th</sup> Street to reduce leaking and water loss.

The Drinking Water State Revolving Loan Fund has allowed the City \$600,000 in loan subsidy funding for the project. The funding agency requires that the agreement be adopted through resolution.

**STAFF RECOMMENDATION:** Approval of Resolution No. 17-13.

**COMMITTEE RECOMMENDATION:** This item was discussed at the regular meeting of the Utility Advisory Committee on May 9, 2017. Their recommendation will be provided at the Council Meeting.

**THIS REQUEST FORM MUST BE SUBMITTED TO THE CITY CLERK'S OFFICE NO LATER THAN 5:00 P.M. ON FRIDAY ONE AND A HALF WEEKS PRIOR TO THE CITY COUNCIL MEETING.**



\_\_\_\_\_  
**SUBMITTER'S SIGNATURE**

**REVIEWED AND APPROVED BY:**



\_\_\_\_\_  
**TONITA GURULÉ-GIRÓN  
MAYOR**



\_\_\_\_\_  
**RICHARD TRUJILLO  
CITY MANAGER**

\_\_\_\_\_  
**ANN MARIE GALLEGOS  
FINANCE DIRECTOR  
(PROCUREMENT)**

\_\_\_\_\_  
**PURCHASING AGENT  
(FOR BID/RFP AWARD)**

\_\_\_\_\_  
**CORINNA LASZLO-HENRY  
CITY ATTORNEY  
(ALL CONTRACTS MUST BE  
REVIEWED)**



**UTILITIES DEPARTMENT PROJECT SUMMARY SHEET**

**PROJECT NAME:** Chico Dr & 8<sup>th</sup> Street replace  
**PROJECT NUMBER:** UT-WT-WFD-2015-7  
**PROJECT MANAGER:** Benito Lujan

**ENGINEER:** Occam / Engineers Inc.  
**CONTRACT NUMBER:** 2675-13 & 2747-13

**PROJECT DESCRIPTION:** Water line replacement and installation on 8<sup>th</sup> Street and on Chico Drive.

**TIMELINE:** September-February 2018

**ACTION:** Approve Resolution to accept funding from NMFA for SRF 3622

FUNDING SOURCES	ESTIMATED EXPENDITURES	EXPENDED to date	Est. BAL to Expend in '17/18
City \$ 145,000	Design \$45,000	Design \$ 45,000	Design \$ 0
State \$ 655,000	Engr Services \$ 55,000	Engr Services \$ 0.00	Engr Services \$ 55,000
Federal \$ 0.00	Construction \$700,000	Const \$ 0.00	Construction \$ 700,000
<b>Total Funds \$800,000</b>	<b>Total w/ GRT \$800,000</b>	<b>Total w/GRT \$ 45,000</b>	<b>Total w/GRT \$ 755,000</b>

**BUDGETED AMOUNT:** \$750,000

**LINE ITEM NUMBER:** 646-0000-650-8778+SRF FY 18 Budget

ACTION	DESCRIPTION	DATE
<b>Funding Source</b>	CITY_SRF 2911 +SRF 3622	
<b>Loan/Grant/City</b>	City \$145,000 Grant \$55,000 (2911) \$450,000 (3622) Loan \$150,000 <b>Total \$ 800,000</b>	May 2017
<b>Authorized Resolution</b>	17-13	May 2017
<b>RFP</b>	101-18	July 2013
<b>Engineering Services Agreement</b>	Contract#2675-13	2013
<b>Engineering Estimate</b>	Total Engineer's Estimate \$ 720,000	2016
<b>Bid Document Review</b>	Bid #	TBD
<b>Advertisement</b>	CLV, ABQ, Citys Website	TBD
<b>Bid Opening</b>		TBD
<b>Bid Tabulation</b>	Contractor _____ Amount _____ Contractor _____ Amount _____ Contractor _____ Amount _____ Contractor _____ Amount _____	TBD
<b>Construction Estimate</b>	Contractor Share \$ 664,000 (Including NMGR) _____ City Share \$ 0 _____	2015
<b>Engineer's Recommendation</b>	Contractor	TBD
<b>Staff Recommendation</b>		TBD
<b>Committee Recommendation</b>		TBD
<b>Council Approval</b>		TBD
<b>Notice To Proceed</b>		TBD

**SUTIN THAYER & BROWNE**  
A PROFESSIONAL CORPORATION  
LAWYERS

IRWIN S. MOISE (1906-1984)  
LEWIS R. SUTIN (1908-1992)  
FRANKLIN JONES (1919-1994)  
RAYMOND W. SCHOWERS (1948-1995)  
GRAHAM BROWNE (1935-2003)

ROBERT G. HEYMAN (Of Counsel)  
DEREK V. LARSON (Of Counsel)  
NORMAN S. THAYER (Of Counsel)

ANDREW J. BARANOWSKI

ANNE P. BROWNE  
SUZANNE WOOD BRUCKNER  
MARIA MONTOYA CHAVEZ  
KATHARINE C. DOWNEY  
EDUARDO A. DUFFY  
SUSAN M. HAPKA  
CHRISTOPHER A. HOLLAND  
WADE L. JACKSON  
JACQUELINE K. KAFKA  
CHRISTINA M. LOONEY  
STEVAN DOUGLAS LOONEY

KEITH C. MIER  
LYNN E. MOSTOLLER  
CHARLES J. PIECHOTA  
JAY D. ROSENBLUM  
FRANK C. SALAZAR  
JUSTIN R. SAWYER  
ANDREW J. SIMONS  
MARIPOSA PADILLA SIVAGE  
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WWW.SUTINFIRM.COM

May 10, 2017

**FEDERAL EXPRESS**

Ms. Shawni Muniz  
City of Las Vegas  
905 12<sup>th</sup> Street  
Las Vegas, New Mexico 87701

New Mexico Finance Authority Loan (3622-DW)

Dear Shawni:

Enclosed are final versions of the documents listed below for the drinking water loan and subsidy from the New Mexico Finance Authority. The documents are dated June 23, 2017, which is the date the loan will close. The signature pages have been marked for execution by the City officials designated.

1. **Resolution** (for completion of the quorum and vote information on pages 1 and 15, and for signature by the Mayor, Clerk and City Attorney on marked pages– please seal as well and add the Notice of the meeting and the Agenda as Exhibit A. I only need a copy of this. You may retain the original in your records)
2. **Loan and Subsidy Agreement** (for signature by the City Manager, Clerk and City Attorney – please seal as well).
3. **General and No Litigation Certificate** (for signature by the City Manager and Clerk – please seal as well).
4. **Right of Way Certificate** for signature by the City Attorney).
5. **Delivery, Deposit and Cross-Receipt Certificate** (for signature by the City Manager and Clerk – please seal as well).
6. **Pledged Revenue Certificate** (for signature by the City Manager and the Finance Director).
7. **Form of Attorney's Opinion** (for signature by the City Attorney).

SUTIN THAYER  BROWNE  
A PROFESSIONAL CORPORATION  
LAWYERS

May 10, 2017  
Page 2

Please have each of the signature pages signed and sealed where designated and return all of the documents and signature pages to me by **Tuesday, May 30, 2017**.

Thank you for your assistance in this process. If you have any questions, please don't hesitate to call me at (505) 883-3313.

Very truly yours,

SUTIN, THAYER & BROWNE  
A Professional Corporation

By   
Stacy Camacho  
Paralegal  
Albuquerque Office

Enclosures  
4233631.docx

RECORD OF PROCEEDINGS RELATING TO THE ADOPTION OF  
RESOLUTION NO. 17-13 OF THE CITY COUNCIL  
OF THE CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO  
MAY 17, 2017

STATE OF NEW MEXICO            )  
  ) ss.  
COUNTY OF SAN MIGUEL        )

The City Council (the "Governing Body") of the City of Las Vegas, New Mexico (the "Governmental Unit"), met in a regular session in full conformity with the law and the rules and regulations of the Governing Body at 1700 North Grand Avenue, Las Vegas, New Mexico, being the meeting place of the Governing Body for the meeting held on the 17<sup>th</sup> day of May, 2017, at the hour of 6:00 p.m. Upon roll call, the following members were found to be present:

Present:

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Absent:

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Also Present:

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Thereupon, there was officially filed with the City Clerk a copy of a proposed Resolution in final form, as follows:

CITY OF LAS VEGAS, NEW MEXICO  
RESOLUTION NO. 17-13

AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AND SUBSIDY AGREEMENT (“LOAN AGREEMENT”) BY AND BETWEEN THE CITY OF LAS VEGAS, NEW MEXICO (THE “GOVERNMENTAL UNIT”) AND THE NEW MEXICO FINANCE AUTHORITY, EVIDENCING A SPECIAL LIMITED OBLIGATION OF THE GOVERNMENTAL UNIT TO PAY A PRINCIPAL AMOUNT OF NO MORE THAN \$600,000, TOGETHER WITH INTEREST, AND ADMINISTRATIVE FEES THEREON, AND TO ACCEPT A LOAN SUBSIDY OF NO MORE THAN \$450,000, FOR THE PURPOSE OF FINANCING THE COSTS OF A WATER SYSTEM IMPROVEMENT PROJECT; PROVIDING FOR THE PLEDGE AND PAYMENT OF THE PRINCIPAL, ADMINISTRATIVE FEES AND INTEREST DUE UNDER THE LOAN AGREEMENT SOLELY FROM THE NET REVENUES OF THE WATER SYSTEM OF THE GOVERNMENTAL UNIT; SETTING AN INTEREST RATE FOR THE LOAN; APPROVING THE FORM OF AND OTHER DETAILS CONCERNING THE LOAN AGREEMENT; RATIFYING ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT WITH THIS RESOLUTION; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN AGREEMENT.

Capitalized terms used in the following recitals have the same meaning as defined in Section 1 of this Resolution, unless the context requires otherwise.

WHEREAS, the Governmental Unit is a legally and regularly created, established, organized and existing municipality under the general laws of the State; and

WHEREAS, the Governing Body has determined and hereby determines that the Project may be financed with amounts borrowed under the Loan Agreement and that it is in the best interest of the Governmental Unit and the public it serves that the Loan Agreement be executed and delivered and that the financing of the construction of the Project take place by executing and delivering the Loan Agreement; and

WHEREAS, the Governing Body has determined that it may lawfully pledge the Pledged Revenues for the payment of amounts due under the Loan Agreement; and

WHEREAS, other than as described in Exhibit “A” to the Loan Agreement, the Pledged Revenues have not heretofore been pledged to secure the payment of any obligation which is currently outstanding; and

WHEREAS, there have been presented to the Governing Body, and there presently are on file with the City Clerk, this Resolution and the form of the Loan Agreement; and

WHEREAS, the Governing Body hereby determines that the Project to be financed by the Loan Agreement is to be used for governmental purposes of the Governmental Unit; and

WHEREAS, all required authorizations, consents and approvals in connection with (i) the use and pledge of the Pledged Revenues to the Finance Authority (or its assigns) for the payment of amounts due under the Loan Agreement, (ii) the use of the proceeds of the Loan Agreement to finance the Project, and (iii) the authorization, execution and delivery of the Loan Agreement, which are required to have been obtained by the date of the Resolution have been obtained or are reasonably expected to be obtained prior to the Closing Date.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO:

Section 1. Definitions. Capitalized terms defined in this Section 1 shall, for all purposes, have the meaning herein specified, unless the context clearly requires otherwise (such meanings to be equally applicable to both the singular and the plural forms of the terms defined):

“Administrative Fee” or “Administrative Fee Component” means the 0.25% annual fee payable to the Finance Authority as 0.125% of the Loan Agreement Principal Amount then outstanding as a part of each Loan Agreement Payment for the costs of originating and servicing the Loan.

“Aggregate Disbursements” means, at any time after the Closing Date, the sum of all Disbursements.

“Aggregate Forgiven Disbursements” means the amount of Subsidy provided in the form of principal forgiveness, and shall at any time after the Closing Date be equal to the product of the Subsidy times the Aggregate Disbursements, up to the Maximum Forgiven Principal.

“Aggregate Repayable Disbursements” means, at any time after the Closing Date, the Aggregate Disbursements less the Aggregate Forgiven Disbursements.

“Approved Requisition” means a requisition in the form of Exhibit “C” to the Loan Agreement, together with supporting documentation submitted to and approved by the Finance Authority pursuant to Section 4.2 of the Loan Agreement.

“Authorized Officers” means the Mayor, City Manager, Finance Director and City Clerk of the Governmental Unit.

“Bonds” means drinking water state revolving loan fund revenue bonds, if any, issued hereafter by the Finance Authority and related to the Loan Agreement and the Loan Agreement Payments.

“Closing Date” means the date of execution, delivery and funding of the Loan Agreement authorized by this Resolution.

“Debt Service Account” means the debt service account established in the name of the Governmental Unit and administered by the Finance Authority to pay the Loan Agreement Payments under the Loan Agreement as the same become due.

“Disbursement” means an amount caused to be paid by the Finance Authority for an Approved Requisition for costs of the Project.

“DWSRLF Act” means the general laws of the State, particularly the Drinking Water State Revolving Loan Fund Act, NMSA 1978, §§ 6-21A-1 through 6-21A-9, as amended; NMSA 1978, §§ 3-31-1 through 3-31-12, as amended; and enactments of the Governing Body relating to this Resolution including the Loan Agreement.

“Drinking Water State Revolving Loan Fund” means the drinking water state revolving loan fund established by the DWSRLF Act.

“Environmental Protection Agency” means the Environmental Protection Agency of the United States.

“Final Requisition” means the final requisition of moneys to be submitted by the Governmental Unit, which shall be submitted by the Governmental Unit on or before the date provided for in Section 4.1(b) of the Loan Agreement.

“Final Loan Agreement Payment Schedule” means the schedule of Loan Agreement Payments due on the Loan Agreement following the Final Requisition, as determined on the basis of the Aggregate Repayable Disbursements.

“Finance Authority” means the New Mexico Finance Authority, created by the New Mexico Finance Authority Act, NMSA 1978, §§ 6-21-1 through 6-21-31, as amended.

“Fiscal Year” means the period commencing on July 1 of each calendar year and ending on the last day of June of the next succeeding calendar year, or any other twelve-month period which any appropriate authority may hereafter establish for the Governmental Unit as its fiscal year.

“Governing Body” means the duly organized City Council of the Governmental Unit and any successor governing body of the Governmental Unit.

“Governmental Unit” means the City of Las Vegas, San Miguel County, New Mexico.

“Gross Revenues” means all income and revenues directly or indirectly derived by the Governmental Unit from the operation and use of the System, or any part of the System, for any particular Fiscal Year period to which the term is applicable, and includes, without limitation, all revenues received by the Governmental Unit, or any municipal corporation or agency succeeding to the rights of the Governmental Unit, from the System and from the sale and use of water services

or facilities, or any other service, commodity or facility or any combination thereof furnished by the System.

Gross Revenues do not include:

(a) Any money received as (i) grants or gifts from the United States of America, the State or other sources or (ii) the proceeds of any charge or tax intended as a replacement therefore or other capital contributions from any source which are restricted as to use;

(b) Gross receipts taxes, other taxes and/or fees collected by the Governmental Unit and remitted to other governmental agencies; and

(c) Condemnation proceeds or the proceeds of any insurance policy, except any insurance proceeds derived in respect of loss of use or business interruption.

“Herein,” “hereby,” “hereunder,” “hereof,” “hereinabove” and “hereafter” refer to this entire Resolution and not solely to the particular section or paragraph of this Resolution in which such word is used.

“Interest Component” means the portion of each Loan Agreement Payment paid as interest accruing on the Aggregate Repayable Disbursements then outstanding, calculated from the date of each Disbursement.

“Interest Rate” means the rate of interest on the Loan Agreement as shown on the Term Sheet.

“Loan” means the funds to be loaned to the Governmental Unit by the Finance Authority pursuant to the Loan Agreement, up to the Maximum Principal Amount.

“Loan Agreement” means the loan and subsidy agreement and any amendments or supplements thereto, including the exhibits attached to the loan agreement.

“Loan Agreement Payment” means, collectively, the Principal Component, the Interest Component and the Administrative Fee Component to be paid by the Governmental Unit as payment on the Aggregate Repayable Disbursements under the Loan Agreement, as shown on Exhibit “B” thereto.

“Loan Agreement Principal Amount” means, as of any date of calculation, the Aggregate Repayable Disbursements then outstanding.

“Maximum Forgiven Principal” means the maximum amount of loan subsidy available in the form of principal forgiveness, which is equal to seventy-five percent (75%) of the Maximum Principal Amount. The Maximum Forgiven Principal is \$450,000.

“Maximum Repayable Principal” means the maximum amount of Aggregate Repayable Disbursements repayable by the Governmental Unit pursuant to the Loan Agreement, and is equal to the Maximum Principal Amount less the Maximum Forgiven Principal. The Maximum Repayable Principal is \$150,000.

“Maximum Principal Amount” means \$600,000.

“Net Revenues” means the Gross Revenues of the System owned and operated by the Governmental Unit minus Operation and Maintenance Expenses of the System, indirect charges, amounts expended for capital replacements and repairs of the System, required set asides for debt and replacement requirements and any other payments from the gross revenues reasonably required for operation of the System.

“NMSA” means the New Mexico Statutes Annotated, 1978 Compilation, as amended and supplemented from time to time.

“Operation and Maintenance Expenses” means all reasonable and necessary current expenses of the System, for any particular Fiscal Year or period to which such term is applicable, paid or accrued, related to operating, maintaining and repairing the System, including, without limiting the generality of the foregoing:

- (a) Legal and overhead expenses of the Governmental Unit directly related and reasonably allocable to the administration of the System;
- (b) Insurance premiums for the System, including, without limitation, premiums for property insurance, public liability insurance and workmen’s compensation insurance, whether or not self-funded;
- (c) Premiums, expenses and other costs (other than required reimbursements of insurance proceeds and other amounts advanced to pay debt service requirements on System bonds) for credit facilities;
- (d) Any expenses described in this definition other than expenses paid from the proceeds of System bonds;
- (e) The costs of audits of the books and accounts of the System;
- (f) Amounts required to be deposited in any rebate fund;
- (g) Salaries, administrative expenses, labor costs, surety bonds and the cost of water, materials and supplies used for or in connection with the current operation of the System; and
- (h) Any fees required to be paid under any operation, maintenance and/or management agreement with respect to the System.

Operation and Maintenance Expenses do not include any allowance for depreciation, payments in lieu of taxes, franchise fees payable or other transfers to the Governmental Unit's general fund, liabilities incurred by the Governmental Unit as a result of its negligence or other misconduct in the operation of the System, any charges for the accumulation of reserves for capital replacements or any Operation and Maintenance Expenses payable from moneys other than Gross Revenues.

"Parity Obligations" means any obligations of the Governmental Unit under the Loan Agreement and any other obligations now outstanding or hereafter issued or incurred, payable from or secured by a pledge of the Pledged Revenues and issued with a lien on the Pledged Revenues on a parity with the Loan Agreement, including any such obligations shown on the Term Sheet.

"Pledged Revenues" means the Net Revenues of the Governmental Unit pledged to payment of the Loan Agreement Payments pursuant to this Resolution and described in Exhibit "A" to the Loan Agreement.

"Project" means the project described in the Term Sheet.

"Resolution" means this Resolution No. 17-13 adopted by the Governing Body of the Governmental Unit on May 17, 2017, approving the Loan Agreement and pledging the Pledged Revenues to the payment of the Loan Agreement Payments as shown on the Term Sheet and the Final Loan Agreement Payment Schedule, as supplemented from time to time in accordance with the provisions hereof.

"Senior Obligations" means any bonds or other obligations of the Governmental Unit now outstanding or hereafter issued or incurred, payable from or secured by a pledge of the Pledged Revenues and issued with a lien on the Pledged Revenues superior to the lien created by the Loan Agreement, including any such obligations shown on the Term Sheet.

"State" means the State of New Mexico.

"Subordinated Obligations" means any bonds or other obligations of the Governmental Unit now outstanding or hereafter issued or incurred with a lien on the Pledged Revenues subordinate to the lien created by the Loan Agreement and subordinate to any other outstanding Parity Obligations having a lien on the Pledged Revenues, including any such obligations shown on the Term Sheet.

"Subsidy" means the subsidy in the form of principal forgiveness for the Governmental Unit, to be applied proportionally at the time of each Disbursement to the Governmental Unit, being seventy-five percent (75%) of such Disbursement.

"System" means the public utility designated as the Governmental Unit's water system, and all improvements or additions thereto, including additions and improvements to be acquired or constructed with the proceeds of the Loan Agreement.

“Term Sheet” means Exhibit “A” to the Loan Agreement.

“Unrequisitioned Principal Amount” means the amount, if any, by which the Maximum Principal Amount exceeds the Aggregate Disbursements at the time the Governmental Unit submits the certificate of completion required pursuant to Section 6.3 of the Loan Agreement.

Section 2. Ratification. All action heretofore taken (not inconsistent with the provisions of this Resolution) by the Governing Body and officers of the Governmental Unit directed toward the acquisition and completion of the Project, and the execution and delivery of the Loan Agreement shall be, and the same hereby is, ratified, approved and confirmed.

Section 3. Authorization of the Project and the Loan Agreement. The acquisition and completion of the Project and the method of financing the Project through execution and delivery of the Loan Agreement are hereby authorized and ordered. The Project is for the benefit and use of the Governmental Unit.

Section 4. Findings. The Governmental Unit hereby declares that it has considered all relevant information and data and hereby makes the following findings:

A. Moneys available and on hand for the Project from all sources other than the Loan Agreement are not sufficient to defray the cost of acquiring and constructing the Project.

B. The Pledged Revenues may lawfully be pledged to secure the payment of amounts due under the Loan Agreement.

C. It is economically feasible and prudent to defray, in whole or in part, the costs of the Project by the execution and delivery of the Loan Agreement.

D. The Project and the execution and delivery of the Loan Agreement in the Maximum Principal Amount pursuant to the DWSRLF Act to provide funds for the financing of the Project are necessary or advisable in the interest of the public health, safety, and welfare of the residents and the public served by the Governmental Unit.

E. The Governmental Unit will acquire and construct the Project, in whole or in part, with the net proceeds of the Loan.

F. Other than as described in Exhibit “A” to the Loan Agreement, the Governmental Unit does not have any outstanding obligations payable from Pledged Revenues which it has incurred or will incur prior to the initial execution and delivery of the Loan Agreement.

G. The net effective interest rate on the Maximum Principal Amount does not exceed the current market rate, which is the maximum rate permitted by federal law.

Section 5. Loan Agreement - Authorization and Detail.

A. Authorization. This Resolution has been adopted by the affirmative vote of at least a majority of all of the members of the Governing Body. For the purpose of protecting the public health, conserving the property, and protecting the general welfare and prosperity of the public served by the Governmental Unit and acquiring and constructing the Project, it is hereby declared necessary that the Governmental Unit, pursuant to the DWSRLF Act, execute and deliver the Loan Agreement evidencing a special limited obligation of the Governmental Unit to pay a principal amount of \$150,000 and interest thereon, and to accept a loan subsidy in the amount of \$450,000 and the execution and delivery of the Loan Agreement is hereby authorized. The Governmental Unit shall use the proceeds of the Loan and Subsidy (i) to finance the acquisition and completion of the Project and (ii) to pay the Administrative Fee of the Loan Agreement and the costs of issuance of the Bonds, if any. The Project will be owned by the Governmental Unit.

B. Detail. The Loan Agreement shall be in substantially the form of the Loan Agreement presented at the meeting of the Governing Body at which this Resolution was adopted. The Loan shall be in an amount not to exceed the Maximum Principal Amount of \$600,000. The Loan Agreement Principal Amount shall be payable in installments of principal due on May 1 of the years designated in the Final Loan Agreement Payment Schedule and bear interest payable on May 1 and November 1 of each of the years designated in the Final Loan Agreement Payment Schedule, at the interest rate designated in the Loan Agreement, including Exhibit "A" thereto, which rate includes the Administrative Fee.

Section 6. Approval of Loan Agreement. The form of the Loan Agreement as presented at the meeting of the Governing Body at which this Resolution was adopted is hereby approved. Authorized Officers are hereby individually authorized to execute, acknowledge and deliver the Loan Agreement with such changes, insertions and omissions as may be approved by such individual Authorized Officers, and the City Clerk is hereby authorized to affix the seal of the Governmental Unit on the Loan Agreement and attest the same. The execution of the Loan Agreement by an Authorized Officer shall be conclusive evidence of such approval.

Section 7. Special Limited Obligation. The Loan Agreement shall be secured by the pledge of the Pledged Revenues as set forth in the Loan Agreement and shall be payable solely from the Pledged Revenues. The Loan Agreement, together with interest thereon and other obligations of the Governmental Unit thereunder, shall be a special, limited obligation of the Governmental Unit, payable solely from the Pledged Revenues as provided in this Resolution, and the Loan Agreement shall not constitute a general obligation of the Governmental Unit or the State, and the holders of the Loan Agreement may not look to any general or other fund of the Governmental Unit for payment of the obligations thereunder. Nothing contained in this Resolution nor in the Loan Agreement, nor any other instruments, shall be construed as obligating the Governmental Unit (except with respect to the application of the Pledged Revenues) or as imposing a pecuniary liability or a charge upon the general credit of the Governmental Unit or against its taxing power, nor shall a breach of any agreement contained in this Resolution, the Loan Agreement, or any other instrument impose any pecuniary liability upon the Governmental Unit or any charge upon its general credit or against its taxing power. The Loan Agreement shall never

constitute an indebtedness of the Governmental Unit within the meaning of any State constitutional provision or statutory limitation and shall never constitute or give rise to a pecuniary liability of the Governmental Unit or a charge against its general credit or taxing power. Nothing herein shall prevent the Governmental Unit from applying other funds of the Governmental Unit legally available therefor to payments required by the Loan Agreement, in its sole and absolute discretion.

Section 8. Disposition of Proceeds; Completion of Acquisition and Completion of the Project.

A. Debt Service Account; Disbursements. The Governmental Unit hereby consents to creation of the Debt Service Account to be held and maintained by the Finance Authority as provided in the Loan Agreement.

The proceeds derived from the execution and delivery of the Loan Agreement shall be disbursed promptly upon receipt of an Approved Requisition (as defined in the Loan Agreement).

Until the acquisition and completion of the Project or the date of the Final Requisition, the money disbursed pursuant to the Loan Agreement shall be used and paid out solely for the purpose of acquiring and constructing the Project in compliance with applicable law and the provisions of the Loan Agreement.

B. Prompt Completion of the Project. The Governmental Unit will complete the Project with all due diligence.

C. Certification of Completion of the Project. Upon the acquisition and completion of the Project, the Governmental Unit shall execute and send to the Finance Authority a certificate stating that the completion of and payment for the Project has been completed.

D. Finance Authority Not Responsible for Application of Loan Proceeds. The Finance Authority shall in no manner be responsible for the application or disposal by the Governmental Unit or by its officers of the funds derived from the Loan Agreement or of any other funds herein designated.

Section 9. Deposit of Pledged Revenues; Distributions of the Pledged Revenues and Flow of Funds.

A. Deposit of Pledged Revenues. Pledged Revenues shall be paid directly by the Governmental Unit to the Finance Authority in an amount sufficient to pay principal, interest, Administrative Fees, and other amounts due under the Loan Agreement, as provided in Section 5.2 of the Loan Agreement.

B. Termination on Deposits to Maturity. No payment shall be made into the Debt Service Account if the amount in the Debt Service Account totals a sum at least equal to the entire aggregate amount of Loan Agreement Payments to become due as to principal, interest on, Administrative Fees and any other amounts due under the Loan Agreement, in which case moneys in such account in an amount at least equal to such principal, interest and Administrative Fee

requirements shall be used solely to pay such obligations as the same become due, and any moneys in excess thereof in such accounts shall be transferred to the Governmental Unit and used as provided in Section 9.C of this Resolution.

C. Use of Surplus Revenues. After making all the payments required to be made by this Section and any payments required by outstanding Parity Obligations, any moneys remaining in the Debt Service Account shall be transferred to the Governmental Unit on a timely basis and applied to any other lawful purpose, including, but not limited to, the payment of any Parity Obligations or bonds or obligations subordinate and junior to the Loan Agreement, or purposes authorized by the Governmental Unit, the Constitution and laws of the State, as the Governmental Unit may from time to time determine.

Section 10. Lien on Pledged Revenues. Pursuant to the Loan Agreement, the Pledged Revenues are hereby authorized to be pledged, and are hereby pledged, and the Governmental Unit grants a lien on the Pledged Revenues and security interest therein, for the payment of the principal, interest, Administrative Fees, and any other amounts due under the Loan Agreement, subject to the uses thereof permitted by and the priorities set forth in this Resolution. The Loan Agreement constitutes an irrevocable first lien, but not necessarily an exclusive first lien, on the Pledged Revenues as set forth herein and therein, and the Governmental Unit shall not create a lien on the Pledged Revenues superior to that of the Loan Agreement without the express prior written approval of the Finance Authority.

Section 11. Authorized Officers. Authorized Officers are hereby individually authorized and directed to execute and deliver any and all papers, instruments, opinions, affidavits and other documents and to do and cause to be done any and all acts and things necessary or proper for carrying out this Resolution, the Loan Agreement and all other transactions contemplated hereby and thereby. Authorized Officers are hereby individually authorized to do all acts and things required of them by this Resolution and the Loan Agreement for the full, punctual and complete performance of all the terms, covenants and agreements contained in this Resolution and the Loan Agreement including, but not limited to, the execution and delivery of closing documents and reports in connection with the execution and delivery of the Loan Agreement, and the publication of the summary of this Resolution set out in Section 17 of this Resolution (with such changes, additions and deletions as may be necessary).

Section 12. Amendment of Resolution. Prior to the Closing Date, the provisions of this Resolution may be supplemented or amended by ordinance of the Governing Body with respect to any changes which are not inconsistent with the substantive provisions of this Resolution. After the Closing Date, this Resolution may be amended without receipt by the Governmental Unit of any additional consideration, but only with the prior written consent of the Finance Authority.

Section 13. Resolution Irrepealable. After the Closing Date, this Resolution shall be and remain irrepealable until all obligations due under the Loan Agreement shall be fully paid, canceled and discharged, as herein provided.

Section 14. Severability Clause. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 15. Repealer Clause. All bylaws, orders, resolutions and ordinances, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any bylaw, order, resolution or ordinance, or part thereof, heretofore repealed.

Section 16. Effective Date. Upon due adoption of this Resolution, it shall be recorded in the book of the Governmental Unit kept for that purpose, authenticated by the signatures of the City Manager and City Clerk, and the title and general summary of the subject matter contained in this Resolution (set out in Section 17 below) shall be published in a newspaper which is of general circulation in the Governmental Unit, and the Resolution shall be in full force and effect thereafter, in accordance with law.

Section 17. General Summary for Publication. Pursuant to the general laws of the State, the title and a general summary of the subject matter contained in this Resolution shall be published in substantially the following form:

*[Remainder of page intentionally left blank.]*

*[Form of Summary of Resolution for Publication.]*

City of Las Vegas, New Mexico  
Notice of Adoption of Resolution

Notice is hereby given of the title and of a general summary of the subject matter contained in Resolution No. 17-13, duly adopted and approved by the Governing Body of the City of Las Vegas, New Mexico (the "Governmental Unit"), on May 17, 2017. Complete copies of the Resolution are available for public inspection during normal and regular business hours in the office of the City Clerk, 1700 North Grand Avenue, Las Vegas, New Mexico 87701.

The title of the Resolution is:

CITY OF LAS VEGAS, NEW MEXICO  
RESOLUTION NO. 17-13

AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AND SUBSIDY AGREEMENT ("LOAN AGREEMENT") BY AND BETWEEN THE CITY OF LAS VEGAS, NEW MEXICO (THE "GOVERNMENTAL UNIT") AND THE NEW MEXICO FINANCE AUTHORITY, EVIDENCING A SPECIAL LIMITED OBLIGATION OF THE GOVERNMENTAL UNIT TO PAY A PRINCIPAL AMOUNT OF NO MORE THAN \$600,000, TOGETHER WITH INTEREST, AND ADMINISTRATIVE FEES THEREON, AND TO ACCEPT A LOAN SUBSIDY OF NO MORE THAN \$450,000, FOR THE PURPOSE OF FINANCING THE COSTS OF A WATER SYSTEM IMPROVEMENT PROJECT; PROVIDING FOR THE PLEDGE AND PAYMENT OF THE PRINCIPAL, ADMINISTRATIVE FEES AND INTEREST DUE UNDER THE LOAN AGREEMENT SOLELY FROM THE NET REVENUES OF THE WATER SYSTEM OF THE GOVERNMENTAL UNIT; SETTING AN INTEREST RATE FOR THE LOAN; APPROVING THE FORM OF AND OTHER DETAILS CONCERNING THE LOAN AGREEMENT; RATIFYING ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT WITH THIS RESOLUTION; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN AGREEMENT.

The title sets forth a general summary of the subject matter contained in the Resolution.

This notice constitutes compliance with NMSA 1978, § 6-14-6.

*[End of Form of Summary for Publication.]*

Section 18. Execution of Agreements. The City of Las Vegas, New Mexico through its Governing Body agrees to authorize and execute all such agreements with the New Mexico Finance Authority as are necessary to consummate the Loan contemplated herein and consistent with the terms and conditions of the Loan Agreement and this Resolution.

PASSED, APPROVED AND ADOPTED THIS 17<sup>TH</sup> DAY OF MAY, 2017.

CITY OF LAS VEGAS, SAN MIGUEL COUNTY,  
NEW MEXICO

By \_\_\_\_\_  
Tonita Gurulé-Girón, Mayor

[SEAL]

ATTEST:

By \_\_\_\_\_  
Casandra Fresquez, City Clerk

*[Remainder of page intentionally left blank.]*

Governing Body Member \_\_\_\_\_ then moved adoption of the foregoing Resolution duly seconded by Governing Body Member \_\_\_\_\_.

The motion to adopt said Resolution, upon being put to a vote, was passed and adopted on the following recorded vote:

Those Voting Aye: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Those Voting Nay: \_\_\_\_\_  
\_\_\_\_\_

Those Absent: \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_ (\_\_\_\_\_) members of the Governing Body having voted in favor of said motion, the Mayor declared said motion carried and said Resolution adopted, whereupon the Mayor and the City Clerk signed the Resolution upon the records of the minutes of the Governing Body.

After consideration of other matters not relating to the Resolution, the meeting on motion duly made, seconded and carried, was adjourned.

CITY OF LAS VEGAS, SAN MIGUEL COUNTY,  
NEW MEXICO

By \_\_\_\_\_  
Tonita Gurulé-Girón, Mayor

[SEAL]

ATTEST:

By \_\_\_\_\_  
Casandra Fresquez, City Clerk

*[Remainder of page intentionally left blank.]*

STATE OF NEW MEXICO            )  
  ) ss.  
COUNTY OF SAN MIGUEL        )

I, Casandra Fresquez,, the duly appointed, qualified, and acting City Clerk of the City of Las Vegas, New Mexico (the “Governmental Unit”), do hereby certify:

1. The foregoing pages are a true, perfect, and complete copy of the record of the proceedings of the City Council (the “Governing Body”), constituting the governing body of the Governmental Unit, had and taken at a duly called regular meeting held at 1700 North Grand Avenue, Las Vegas, New Mexico, on May 17, 2017, at the hour of 6:00 p.m., insofar as the same relate to the adoption of the Resolution and the execution and delivery of the proposed Loan Agreement, copies of which are set forth in the official records of the proceedings of the Governing Body kept in my office. None of the action taken has been rescinded, repealed, or modified.

2. Said proceedings were duly had and taken as therein shown, the meeting therein was duly held, and the persons therein named were present at said meeting, as therein shown.

3. Notice of the meeting was given in compliance with the permitted methods of giving notice of meetings of the Governing Body as required by the State Open Meetings Act, NMSA 1978, §§ 10-15-1 through 10-15-4, as amended, including, the Governing Body’s Open Meetings Resolution No. 17-01 presently in effect.

IN WITNESS WHEREOF, I have hereunto set my hand this 17<sup>th</sup> day of May 2017.

CITY OF LAS VEGAS, SAN MIGUEL COUNTY,  
NEW MEXICO

[SEAL]

By \_\_\_\_\_  
Casandra Fresquez, City Clerk

**EXHIBIT "A"**

**Notice and Agenda of Meeting**

**\$600,000 Maximum Principal Amount**

**DRINKING WATER STATE REVOLVING LOAN FUND  
LOAN AND SUBSIDY AGREEMENT**

**dated**

**June 23, 2017**

**by and between the**

**NEW MEXICO FINANCE AUTHORITY**

**and the**

**CITY OF LAS VEGAS,  
SAN MIGUEL COUNTY, NEW MEXICO**

DRINKING WATER STATE REVOLVING LOAN FUND  
LOAN AND SUBSIDY AGREEMENT

This LOAN AND SUBSIDY AGREEMENT (the "Loan Agreement"), dated as of June 23, 2017, is entered into by and between the NEW MEXICO FINANCE AUTHORITY (the "Finance Authority"), and the CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO (the "Governmental Unit"), a municipality duly organized and existing under the laws of the State of New Mexico (the "State").

WITNESSETH:

Capitalized terms used in the following recitals of this Loan Agreement and not defined in the first Paragraph above or in these recitals shall have the same meaning as defined in Article I of this Loan Agreement, unless the context requires otherwise.

WHEREAS, the Finance Authority is authorized, pursuant to the Drinking Water State Revolving Loan Fund Act, NMSA 1978, §§ 6-21A-1 through 6-21A-9, as amended (the "DWSRLF Act") to implement a program to permit qualified local authorities, such as the Governmental Unit, to enter into agreements with the Finance Authority to provide financial assistance in the acquisition, design, construction, improvement, expansion, repair and rehabilitation of drinking water supply facilities as authorized by the Safe Drinking Water Act; and

WHEREAS, a portion of the Loan funds made available under this Agreement pursuant to the DWSRLF Act and the Safe Drinking Water Act may be forgiven and, if forgiven, will not be required to be repaid; and

WHEREAS, the Governing Body of the Governmental Unit has determined that it is in the best interests of the Governmental Unit and the public it serves that the Governmental Unit enter into this Loan Agreement with the Finance Authority and accept a loan and subsidy from the Finance Authority to finance the costs of the Project, as more fully described on the Term Sheet attached hereto as Exhibit "A"; and

WHEREAS, the Project appears on the Drinking Water Fundable Priority List; and

WHEREAS, the Project has been planned and authorized in conformity with the Intended Use Plan; and

WHEREAS, the New Mexico Environment Department (the "Department") has determined that the Governmental Unit's Project plans and specifications comply with the provisions of 42 U.S.C. Section 300j-12 and the requirements of the laws and regulations of the State governing the construction and operation of drinking water systems prior to disbursement of any proceeds of the Loan for construction; and

WHEREAS, pursuant to information provided by the Governmental Unit and environmental review by applicable State and federal agencies, and in accordance with 40 C.F.R.

Sections 6.204, 6.300(c)(1), and 6.301(f), and pursuant to the environmental review process of the State, the Finance Authority has determined that the Project meets the requirements for a Categorical Exclusion as defined in the State Environmental Review Process (SERP) for the Drinking Water State Revolving Loan Fund, the Finance Authority has found and determined that the Project meets all applicable requirements of the State Environmental Review Process (SERP) for the Drinking Water State Revolving Loan Fund; and

WHEREAS, the Finance Authority has found and determined that the Governmental Unit is a severely disadvantaged community under the Intended Use Plan in that its median annual household income is \$21,539, which is less than 90% of the State median annual household income of \$44,927, and it has an affordability ratio determined as provided in the Intended Use Plan of greater than .015; and

WHEREAS, the New Mexico Environment Department Drinking Water Bureau has determined that the Governmental Unit has sufficient technical, managerial and financial capability to operate the Project for its useful life and ensure compliance with the requirements of the Safe Drinking Water Act.

NOW, THEREFORE, for and in consideration of the premises and the mutual promises and covenants herein contained, the Finance Authority and the Governmental Unit agree:

## ARTICLE I

### DEFINITIONS

Capitalized terms defined in this Article I shall have the meaning specified in this Article I wherever used in this Loan Agreement, including the foregoing recitals, unless the context clearly requires otherwise. Capitalized terms defined in the foregoing recitals, if not defined in this Article I, shall have the same meaning as therein stated when used in this Loan Agreement, unless the context clearly requires otherwise.

“Administrative Fee” or “Administrative Fee Component” means the 0.25% annual fee payable to the Finance Authority as 0.125% of the Loan Agreement Principal Amount then outstanding as a part of each Loan Agreement Payment for the costs of originating and servicing the Loan.

“Aggregate Disbursements” means, at any time after the Closing Date, the sum of all Disbursements.

“Aggregate Forgiven Disbursements” means the amount of Subsidy provided in the form of principal forgiveness, and shall at any time after the Closing Date be equal to the product of the Subsidy times the Aggregate Disbursements, up to the Maximum Forgiven Principal.

“Aggregate Program Amount” means, with respect to this Loan Agreement, the sum of \$600,000 which amount shall be available for disbursal to the Governmental Unit to pay costs of the Project.

“Aggregate Repayable Disbursements” means, at any time after the Closing Date, the Aggregate Disbursements less the Aggregate Forgiven Disbursements.

“Approved Requisition” means a requisition in the form of Exhibit “C” to this Loan Agreement, together with the required supporting documentation set out in Exhibit “C” submitted to and approved by the Finance Authority pursuant to Section 4.2 of this Loan Agreement.

“Authorized Officers” means, with respect to the Governmental Unit, the Mayor, City Manager, Finance Director and City Clerk thereof; and with respect to the Finance Authority, any one or more of the Chairperson, Vice-Chairperson, Secretary and Chief Executive Officer of the Finance Authority, and any other officer or employee of the Finance Authority designated in writing by an Authorized Officer of the Finance Authority.

“Bonds” means drinking water state revolving loan fund revenue bonds, if any, issued hereafter by the Finance Authority and specifically related to this Loan Agreement and the Loan Agreement Payments.

“Closing Date” means the date of execution and delivery of this Loan Agreement as shown on the Term Sheet.

“Debt Service Account” means the debt service account established in the name of the Governmental Unit and administered by the Finance Authority to pay the Loan Agreement Payments under this Loan Agreement as the same become due.

“Department” means the New Mexico Environment Department.

“Disbursement” means an amount caused to be paid by the Finance Authority for an Approved Requisition for costs of the Project, calculated on the basis of the amount of such Approved Requisition.

“Drinking Water Fundable Priority List” means the list of drinking water projects compiled by the Department pursuant to the Memorandum of Understanding and the Intended Use Plan.

“DWSRLF Act” means the general laws of the State, particularly the Drinking Water State Revolving Loan Fund Act, NMSA 1978, §§ 6-21A-1 through 6-21A-9, as amended; NMSA 1978, §§ 3-31-1 through 3-31-12, as amended; and enactments of the Governing Body relating to this Loan Agreement including the Resolution.

“Drinking Water State Revolving Loan Fund” means the drinking water state revolving loan fund established by the DWSRLF Act.

“Environmental Protection Agency” means the United States Environmental Protection Agency.

“Event of Default” means one or more events of default as defined in Section 10.1 of this Loan Agreement.

“Final Requisition” means the final requisition of moneys to be submitted by the Governmental Unit, which shall be submitted by the Governmental Unit on or before the date provided for in Section 4.1(b) of this Loan Agreement.

“Final Loan Agreement Payment Schedule” means the schedule of Loan Agreement Payments due on this Loan Agreement following the Final Requisition, as determined on the basis of the Aggregate Repayable Disbursements.

“Finance Authority Act” means NMSA 1978, §§ 6-21-1 through 6-21-31, as amended.

“Fiscal Year” means the period commencing on July 1 of each calendar year and ending on the last day of June of the next succeeding calendar year, or any other twelve-month period which any appropriate authority may hereafter establish for the Governmental Unit as its fiscal year.

“Generally Accepted Accounting Principles” means the officially established accounting principles applicable to the Governmental Unit consisting of the statements, determinations and other official pronouncements of the Government Accounting Standards Board, Financial Accounting Standards Board, Federal Accounting Standards Board or other principle-setting body acceptable to the Finance Authority establishing accounting principles applicable to the Governmental Unit.

“Governing Body” means the duly organized City Council of the Governmental Unit and any successor governing body of the Governmental Unit.

“Gross Revenues” means all income and revenues directly or indirectly derived by the Governmental Unit from the operation and use of the System, or any part of the System, for any particular Fiscal Year period to which the term is applicable, and includes, without limitation, all revenues received by the Governmental Unit, or any municipal corporation or agency succeeding to the rights of the Governmental Unit, from the System and from the sale and use of water services or facilities, or any other service, commodity or facility or any combination thereof furnished by the System.

Gross Revenues do not include:

(a) Any money received as (i) grants or gifts from the United States of America, the State or other sources or (ii) the proceeds of any charge or tax intended as a replacement therefore or other capital contributions from any source which are restricted as to use;

(b) Gross receipts taxes, other taxes and/or fees collected by the Governmental Unit and remitted to other governmental agencies; and

(c) Condemnation proceeds or the proceeds of any insurance policy, except any insurance proceeds derived in respect of loss of use or business interruption.

“Herein,” “hereby,” “hereunder,” “hereof,” “hereinabove” and “hereafter” refer to this entire Loan Agreement and not solely to the particular section or paragraph of this Loan Agreement in which such word is used.

“Independent Accountant” means (i) an accountant employed by the State and under the supervision of the State Auditor, or (ii) any certified public accountant or firm of such accountants duly licensed to practice and practicing as such under the laws of the State, appointed and paid by the Governmental Unit who (a) is, in fact, independent and not under the domination of the Governmental Unit, (b) does not have any substantial interest, direct or indirect, with the Governmental Unit, and (c) is not connected with the Governmental Unit as an officer or employee of the Governmental Unit, but who may be regularly retained to make annual or similar audits of the books or records of the Governmental Unit.

“Intended Use Plan” means the current plan prepared by the Finance Authority and the Department and approved by the Environmental Protection Agency pursuant to 42 U.S.C. Section 300j-12(b) which establishes criteria for extending drinking water improvements financial assistance to qualifying public drinking water utility systems.

“Interest Component” means the portion of each Loan Agreement Payment paid as interest accruing on the Aggregate Repayable Disbursements then outstanding, calculated from the date of each disbursement.

“Interest Rate” means the rate of interest on this Loan Agreement as shown on the Term Sheet.

“Interim Period” means the period no greater than twenty-seven (27) months, or a longer period as may be approved by the Finance Authority as provided in Section 4.1(b) of the Agreement, beginning on the Closing Date, during which the Finance Authority will disburse moneys to the Governmental Unit to pay costs of the Project, unless extended pursuant to Section 4.1(b) of this Loan Agreement.

“Interim Loan Agreement Payment Schedule” means the anticipated schedule of Loan Agreement Payments due on this Loan Agreement following the Final Requisition, assuming disbursement of the entire Aggregate Program Amount within twenty-seven (27) months of the Closing Date. The Interim Loan Agreement Payment Schedule is attached hereto as Exhibit “B”.

“Loan” means the funds to be loaned to the Governmental Unit by the Finance Authority pursuant to this Loan Agreement, up to the Maximum Principal Amount.

“Loan Agreement” means this loan and subsidy agreement and any amendments or supplements hereto, including the exhibits attached to this loan agreement.

“Loan Agreement Payment” means, collectively, the Principal Component, the Interest Component, and the Administrative Fee Component to be paid by the Governmental Unit as payment on the Aggregate Repayable Disbursements under this Loan Agreement, as shown on Exhibit “B” hereto.

“Loan Agreement Payment Date” means each date a payment is due on this Loan Agreement as shown on the Interim Loan Agreement Payment Schedule, attached hereto as Exhibit “B,” or in the Final Loan Agreement Payment Schedule.

“Loan Agreement Principal Amount” means, as of any date of calculation, the Aggregate Repayable Disbursements then outstanding.

“Loan Agreement Term” means the term of this Loan Agreement as provided under Article III of this Loan Agreement.

“Maximum Forgiven Principal” means the maximum amount of loan subsidy available in the form of principal forgiveness, which is equal to seventy-five percent (75%) of the Maximum Principal Amount. The Maximum Forgiven Principal is \$450,000.

“Maximum Repayable Principal” means the maximum amount of Aggregate Repayable Disbursements repayable by the Governmental Unit pursuant to this Loan Agreement, and is equal to the Maximum Principal Amount less the Maximum Forgiven Principal. The Maximum Repayable Principal is \$150,000.

“Maximum Principal Amount” means \$600,000.

“Memorandum of Understanding” means the current memorandum of understanding by and between the Finance Authority and the Department pursuant to the DWSRLF Act describing and allocating duties and responsibilities in connection with the Drinking Water State Revolving Loan Fund.

“Net Revenues” means the Gross Revenues of the System owned and operated by the Governmental Unit minus Operation and Maintenance Expenses of the System, indirect charges, amounts expended for capital replacements and repairs of the System, required set asides for debt and replacement requirements and any other payments from the gross revenues reasonably required for operation of the System.

“NMSA 1978” means the New Mexico Statutes Annotated, 1978 compilation, as amended and supplemented from time to time.

“Operating Agreement” means the operating agreement entered into between the Finance Authority and the Environmental Protection Agency, Region 6, for the Drinking Water State Revolving Loan Fund program.

“Operation and Maintenance Expenses” means all reasonable and necessary current expenses of the System, for any particular Fiscal Year or period to which such term is applicable,

paid or accrued, related to operating, maintaining and repairing the System, including, without limiting the generality of the foregoing:

- (a) Legal and overhead expenses of the Governmental Unit directly related and reasonably allocable to the administration of the System;
- (b) Insurance premiums for the System, including, without limitation, premiums for property insurance, public liability insurance and workmen's compensation insurance, whether or not self-funded;
- (c) Premiums, expenses and other costs (other than required reimbursements of insurance proceeds and other amounts advanced to pay debt service requirements on System bonds) for credit facilities;
- (d) Any expenses described in this definition other than expenses paid from the proceeds of System bonds;
- (e) The costs of audits of the books and accounts of the System;
- (f) Amounts required to be deposited in any rebate fund;
- (g) Salaries, administrative expenses, labor costs, surety bonds and the cost of water, materials and supplies used for or in connection with the current operation of the System; and
- (h) Any fees required to be paid under any operation, maintenance and/or management agreement with respect to the System.

Operation and Maintenance Expenses do not include any allowance for depreciation, payments in lieu of taxes, franchise fees payable or other transfers to the Governmental Unit's general fund, liabilities incurred by the Governmental Unit as a result of its negligence or other misconduct in the operation of the System, any charges for the accumulation of reserves for capital replacements or any Operation and Maintenance Expenses payable from moneys other than Gross Revenues.

"Parity Obligations" means any obligations of the Governmental Unit under this Loan Agreement and any other obligations now outstanding or hereafter issued or incurred, payable from or secured by a pledge of the Pledged Revenues and issued with a lien on the Pledged Revenues on a parity with this Loan Agreement, including any such obligations shown on the Term Sheet.

"Permitted Investments" means securities which are at the time legal investments of the Governmental Unit for the money to be invested, as applicable, including but not limited to the following if permitted by law: (i) securities that are issued by the United States government or by its agencies or instrumentalities and that are either direct obligations of the United States, the federal home loan mortgage association, the federal national mortgage association, the federal farm credit bank, federal home loan banks or the student loan marketing association or that are

backed by the full faith and credit of the United States government; (ii) negotiable securities of the State; (iii) money market funds which invest solely in obligations described in clause (i) above which are rated in the highest rating category by Moody's Investors Service, Inc. or Standard & Poor's Ratings Services; and (iv) the State Treasurer's short-term investment fund created pursuant to NMSA 1978, § 6-10-10.1, as amended, and operated, maintained and invested by the office of the State Treasurer.

"Pledged Revenues" means the Net Revenues of the Governmental Unit pledged to payment of the Loan Agreement Payments by the Resolution and this Loan Agreement and described in the Term Sheet.

"Principal Component" means the portion of each Loan Agreement Payment paid as principal on this Loan Agreement, based upon the Aggregate Repayable Disbursements, as shown on Exhibit "B" attached to this Loan Agreement.

"Project" means the project(s) described on the Term Sheet.

"Resolution" means Resolution No.17-13 adopted by the Governing Body of the Governmental Unit on May 17, 2017, approving this Loan Agreement and pledging the Pledged Revenues to the payment of the Loan Agreement Payments as shown on the Term Sheet, as supplemented from time to time.

"Safe Drinking Water Act" means 42 U.S.C. §§ 300f et seq.

"Senior Obligations" means any bonds or other obligations of the Governmental Unit now outstanding or hereafter issued or incurred, payable from or secured by a pledge of the Pledged Revenues and issued with a lien on the Pledged Revenues superior to the lien created by this Loan Agreement, including any such obligations shown on the Term Sheet.

"Service Area" means the area served by the System, whether situated within or without the limits of the Governmental Unit.

"State Environmental Review Process" or "SERP" means the environmental review process adopted by the Finance Authority, as required by and approved by the Environmental Protection Agency, pursuant to the Operating Agreement.

"Subordinated Obligations" means any bonds or other obligations of the Governmental Unit now outstanding or hereafter issued or incurred with a lien on the Pledged Revenues subordinate to the lien created by this Loan Agreement and subordinate to any other outstanding Parity Obligations having a lien on the Pledged Revenues, including any such obligations shown on the Term Sheet.

"Subsidy" means any subsidy in the form of principal forgiveness for the Governmental Unit, to be applied proportionally at the time of each Disbursement to the Governmental Unit, being seventy-five percent (75%) of such Disbursement.

“System” means the public utility designated as the Governmental Unit’s water system, and all improvements or additions thereto, including additions and improvements to be acquired or constructed with the proceeds of this Loan Agreement.

“Term Sheet” means Exhibit “A” attached to this Loan Agreement.

“Unrequisitioned Principal Amount” means the amount, if any, by which the Maximum Principal Amount exceeds the Aggregate Disbursements at the time the Governmental Unit submits the certificate of completion required pursuant to Section 6.3 of this Loan Agreement.

“Utility Revenue Bonds” means any bonds and other similar indebtedness payable solely or primarily from the Pledged Revenues, including this Loan Agreement, and any Senior Obligations, Parity Obligations and Subordinated Obligations.

## ARTICLE II

### REPRESENTATIONS, COVENANTS AND WARRANTIES

Section 2.1 Representations, Covenants and Warranties of the Governmental Unit. The Governmental Unit represents, covenants and warrants as follows:

(a) Binding Nature of Covenants. All covenants, stipulations, obligations and agreements of the Governmental Unit contained in this Loan Agreement shall be deemed to be the covenants, stipulations, obligations and agreements of the Governmental Unit to the full extent authorized or permitted by law, and such covenants, stipulations, obligations and agreements shall be binding upon the Governmental Unit and its successors and upon any board or body to which any powers or duties affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law. Except as otherwise provided in this Loan Agreement, all rights, powers and privileges conferred and duties and liabilities imposed upon the Governmental Unit by the provisions of this Loan Agreement and the Resolution shall be exercised or performed by the Governmental Unit or by such members, officers, or officials of the Governmental Unit as may be required by law to exercise such powers and to perform such duties.

(b) Authorization of Loan Agreement and Readiness to Proceed. The Governmental Unit is a municipality, and is duly organized and existing under the statutes and laws of the State, including specifically Sections 3-1-1 through 3-66-11, NMSA 1978, as amended. The Governmental Unit is a local authority as defined in the DWSRLF Act. The Governmental Unit is authorized to enter into the transactions contemplated by this Loan Agreement and to carry out its obligations hereunder and thereunder. The Governmental Unit has duly authorized and approved the execution and delivery of this Loan Agreement to proceed requirements of the Finance Authority and has met and will continue to meet all requirements of law applicable to this Loan Agreement.

(c) Use of Loan Agreement Proceeds. The Governmental Unit shall proceed without delay in applying the Aggregate Program Amount, pursuant to Section 6.1 of this Loan Agreement to the acquisition and completion of the Project and to no other purpose, as follows:

(i) The Governmental Unit shall requisition moneys to pay for the costs of the Project not less frequently than quarterly following the Closing Date;

(ii) The Governmental Unit shall, within two (2) years after the Closing Date, have completed the acquisition of the Project, and shall within twenty-seven (27) months after the Closing Date have requisitioned the Aggregate Program Amount, or such portion thereof as shall be necessary to complete the Project, unless an extension is agreed to pursuant to Section 4.1(b) of this Loan Agreement.

(d) Payment of Loan Agreement Payments. The Governmental Unit meets and will continue to meet the requirements established by the Finance Authority to assure sufficient revenues to operate and maintain the System for its useful life and repay the Loan. The Governmental Unit shall promptly pay Loan Agreement Payments, as specified in the Interim Loan Agreement Payment Schedule or the Final Loan Agreement Payment Schedule, as applicable, according to the true intent and meaning of this Loan Agreement.

(e) Acquisition and Completion of Project; Compliance with Laws. The Project will be acquired and completed so as to comply with all applicable ordinances, resolutions and regulations, if any, and any and all applicable laws relating to the acquisition and completion of the Project and to the use of the Pledged Revenues.

(f) Necessity of Project. The acquisition and completion of the Project under the terms and conditions provided for in this Loan Agreement is necessary, convenient and in furtherance of the governmental purposes of the Governmental Unit and is in the best interests of the Governmental Unit and the public it serves.

(g) Legal, Valid and Binding Obligation. The Governmental Unit has taken all required action necessary to authorize the execution and delivery of this Loan Agreement. This Loan Agreement constitutes a legal, valid and binding special obligation of the Governmental Unit enforceable in accordance with its terms.

(h) Loan Agreement Term. The Loan Agreement Term does not exceed the anticipated useful life of the Project.

(i) Use of Project. During the Loan Agreement Term, the Project will at all times be used for the purpose of benefiting the Governmental Unit and the public it serves.

(j) No Breach or Default Caused by Loan Agreement. Neither the execution and delivery of this Loan Agreement, nor the fulfillment of or compliance with the terms and conditions in this Loan Agreement, nor the consummation of the transactions contemplated herein, conflicts with or results in a breach of terms, conditions or provisions of any restriction or any agreement or instrument to which the Governmental Unit is a party or by which the Governmental Unit is bound or any laws, ordinances, governmental rules or regulations or court or other governmental orders to which the Governmental Unit or its properties are subject, or constitutes a default under any of the foregoing.

(k) Irrevocable Enactments. While this Loan Agreement remains outstanding and unpaid, any ordinance, resolution or other enactment of the Governing Body applying the Pledged Revenues for the payment of this Loan Agreement shall be irrevocable until this Loan Agreement has been paid in full as to both principal and interest, and shall not be subject to amendment or modification in any manner which would in any way jeopardize the timely payment of Loan Agreement Payments.

(l) Outstanding and Additional Debt. Except for any Senior Obligations, and any Parity Obligations described on the Term Sheet, there are currently no outstanding bonds, notes or other obligations of the Governmental Unit which are payable from and secured by a lien on the Pledged Revenues superior to or on a parity with the lien of this Loan Agreement. No additional indebtedness, bonds or notes of the Governmental Unit, payable on a priority ahead of the indebtedness herein authorized out of Pledged Revenues, shall be created or incurred while this Loan Agreement remains outstanding without the prior written approval of the Finance Authority.

(m) No Litigation. To the knowledge of the Governmental Unit after due investigation, no litigation or proceeding is pending or threatened against the Governmental Unit or any other person affecting the right of the Governmental Unit to execute or deliver this Loan Agreement or to comply with its obligations under this Loan Agreement. Neither the execution and delivery of this Loan Agreement by the Governmental Unit nor compliance by the Governmental Unit with the obligations under this Loan Agreement requires the approval of any regulatory body, or any other entity, which approval has not been obtained or which is not reasonably expected to be obtained.

(n) No Event of Default. No event has occurred and no condition exists which, upon the execution and delivery of this Loan Agreement, would constitute an Event of Default on the part of the Governmental Unit under this Loan Agreement.

(o) Existing Pledges; Pledged Revenues Not Budgeted. Except as described on the Term Sheet the Pledged Revenues have not been pledged or hypothecated in any manner for any purpose at the time of execution and delivery of this Loan Agreement. The portion of the Pledged Revenues necessary to pay the Loan Agreement Payments, as and when due, is not needed or budgeted to pay current or anticipated operational or other expenses of the Governmental Unit.

(p) Expected Coverage Ratio. The Pledged Revenues from the current Fiscal Year are projected to equal or exceed one hundred twenty percent (120%), and, on an ongoing basis during each year of the Loan Agreement Term are reasonably expected to equal or exceed, one hundred twenty percent (120%) of the maximum annual principal and interest due on all outstanding Parity Obligations of the Governmental Unit.

(q) Governmental Unit's Existence. The Governmental Unit will maintain its corporate identity and existence so long as this Loan Agreement is unpaid, unless another political subdivision by operation of law succeeds to the liabilities and rights of the Governmental Unit

without adversely affecting to any substantial degree the privileges and rights of the Finance Authority.

(r) Continuing Disclosure. The Governmental Unit covenants that it shall provide continuing disclosure to the Finance Authority, as the Finance Authority may require, that shall include, but not be limited to: Project documents, annual audits, operational data required to update information in any disclosure documents used in connection with assignment or securitizing this Loan Agreement or the Loan Agreement Payments by issuance of Bonds by the Finance Authority, and notification of any event deemed material by the Finance Authority. For the purposes of this Loan Agreement, a material event shall include, without limitation, any violation or alleged violation by a state or federal agency of appropriate jurisdiction, of federal law, regulation, or policy which governs or applies to participants in the Drinking Water State Revolving Loan Fund.

(s) Single Audit Act Requirement. The Governmental Unit acknowledges that the funding provided pursuant to this Loan Agreement is derived in large part from federal grants to the Drinking Water State Revolving Loan Fund program pursuant to the Operating Agreement. During the Loan Agreement Term, the Governmental Unit shall annually cause an audit of the books and accounts of its operations in their entirety, or in the alternative an audit of the books and accounts of each of its departments, agencies and other organizational units which expended or otherwise administered the Loan or any other funds derived from the government of the United States, to be completed by an Independent Accountant in accordance with the Single Audit Act Amendments of 1996 (31 U.S.C. Section 7501 et seq.), and applicable regulations thereunder. The audit will be available for inspection by the Finance Authority and by the Environmental Protection Agency.

(t) Construction Requirements. The Governmental Unit shall require any contractor hired by it in connection with the construction of the Project to post a performance and payment bond as provided by NMSA 1978, § 13-4-18, as amended.

Section 2.2 Protective Covenants Regarding Operation of the System. The Governmental Unit further represents, covenants and warrants as follows:

(a) Rate Covenant. The Governmental Unit covenants that it will at all times fix, charge and collect such rates and charges as shall be required in order that in each Fiscal Year in which the Loan is outstanding the Gross Revenues shall at least equal the Operation and Maintenance Expenses of the System for the Fiscal Year, plus one hundred twenty percent (120%) of the maximum annual principal and interest payments due on all outstanding Parity Obligations.

(b) Efficient Operation. The Governmental Unit will maintain the System in efficient operating condition and make such improvements, extensions, enlargements, repairs and betterments to the System as may be necessary or advisable for its economical and efficient operation at all times and to supply reasonable public and private demands for System services within the Service Area of the System.

(c) Records. So long as this Loan Agreement remains outstanding, proper books of record and account will be kept by the Governmental Unit, separate from all other records and accounts, showing complete and correct entries of all transactions relating to the System. However, pursuant to NMSA 1978, § 6-14-10(E), as amended, records with regard to the ownership or pledge of Utility Revenue Bonds are not subject to inspection or copying.

(d) Right to Inspect. The Finance Authority, or its duly authorized agents, shall have the right to inspect at all reasonable times the Project and all records, accounts and data relating to the Project, the Pledged Revenues, and the System.

(e) Audits. Within two hundred seventy (270) days following the close of each Fiscal Year, the Governmental Unit will cause an audit of the books and accounts of the System and its separate systems to be made by an Independent Accountant and the audit to be made available for inspection by the Finance Authority. Each audit of the System shall comply with Generally Accepted Accounting Principles. The audit required by this section may, at the Governmental Unit's discretion, be performed as a part of or in conjunction with the audit required under the Single Audit Act as set forth in Section 2.1(s) of this Loan Agreement.

(f) Billing Procedure. Bills for water services or facilities, furnished by or through the System shall be rendered to customers on a regular basis each month following the month in which the service was rendered and shall be due as required by the applicable ordinance of the Governmental Unit. To the extent permitted by law, if a bill is not paid within the period of time required by such ordinance, water services shall be discontinued as required by Governmental Unit regulation, policy or ordinance, and the rates and charges due shall be collected in a lawful manner, including, but not limited to, the cost of disconnection and reconnection.

(g) Charges and Liens Upon System. The Governmental Unit will pay when due from Gross Revenues or other legally available funds all taxes and assessments or other municipal or governmental charges, lawfully levied or assessed upon the System and will observe and comply with all valid requirements of any municipal or governmental authority relating to the System. The Governmental Unit will not create or permit any lien or charge upon the System or the Gross Revenues or it will make adequate provisions to satisfy and discharge within sixty (60) days after the same accrue, all lawful claims and demands for labor, materials, supplies or other objects, which, if unpaid, might by law become a lien upon the System or the Gross Revenues. However, the Governmental Unit shall not be required to pay or cause to be discharged, or make provision for any tax assessment, lien or charge before the time when payment becomes due or so long as the validity thereof is contested in good faith by appropriate legal proceedings and there is no adverse effect on Finance Authority.

(h) Insurance. Subject, in each case, to the condition that insurance is obtainable at reasonable rates and upon reasonable terms and conditions, in its operation of the System, the Governmental Unit will procure and maintain or cause to be procured and maintained commercial insurance or provide Qualified Self Insurance with respect to the facilities constituting the System and public liability insurance in the form of commercial insurance or Qualified Self Insurance and, in each case, in such amounts and against such risks as are, in the judgment of the Governing Body, prudent and reasonable taking into account, but not being controlled by, the

amounts and types of insurance or self-insured programs provided by entities which operate systems such as the System. "Qualified Self Insurance" means insurance maintained through a program of self insurance or insurance maintained with a fund, company or association in which the Governmental Unit may have a material interest and of which the Governmental Unit may have control, either singly or with others. Each plan of Qualified Self Insurance shall be established in accordance with law, shall provide that reserves be established or insurance acquired in amounts adequate to provide coverage which the Governmental Unit determines to be reasonable to protect against risks assumed under the Qualified Self Insurance plan, including any potential retained liability in the event of the termination of such plan of Qualified Self Insurance. In the event of property loss or damage to the System, insurance proceeds shall be used first for the purpose of restoring or replacing the property lost or damaged and thereafter, and any remainder may be used to redeem Utility Revenue Bonds or be treated as Gross Revenues and used in any legally permissible manner.

(i) Competing Utility System. Unless contrary to any provision of, or required by, applicable law, as long as this Loan Agreement is outstanding, the Governmental Unit prior to granting any franchise or license to a competing utility system, or permitting any person, association, firm or corporation to sell similar utility services or facilities to any consumer, public or private, within the Service Area of the System, shall obtain a written report from an independent utility rate consultant stating that in the opinion of the consultant the use charges in effect immediately prior to the approval of the franchise or license by the Governmental Unit are sufficient to meet the requirement of section 2.1(p) (expected coverage ratio) for the first full calendar year after the approval of the franchise or license, based on the new Service Area of the System.

(j) Alienating System. While this Loan Agreement is outstanding, the Governmental Unit shall not transfer, sell or otherwise dispose of the System, except that the Governmental Unit may dispose of inadequate, obsolete or worn out property. For purposes of this Section, any transfer of an asset over which the Governmental Unit retains or regains substantial control shall, for so long as the Governmental Unit has such control, not be deemed a disposition of the System.

(k) Management of the System. If an Event of Default shall occur or if the Pledged Revenues in any Fiscal Year fail to equal principal and interest due on the Senior Obligations and the Parity Obligations, the Governmental Unit shall retain an independent consultant qualified in the management of water and wastewater utility systems to assist in the management of the System so long as such default continues.

(l) Competent Management. The Governmental Unit shall employ experienced and competent personnel to manage the System.

(m) Performing Duties. The Governmental Unit will faithfully and punctually perform all duties with respect to the System required by the Constitution and laws of the State and the regulations, policies or ordinances and resolutions of the Governmental Unit relating to the System and this Loan Agreement, including, but not limited to, making and collecting reasonable and sufficient rates and charges for services rendered or furnished by the System as

required by this Loan Agreement and the proper segregation and application of the Gross Revenues.

(n) Other Liens. Except for any Senior Obligations and Parity Obligations listed in the Term Sheet, there are no liens or encumbrances of any nature whatsoever, on or against the System or the Gross Revenues or Net Revenues on parity with or senior to the lien of this Loan Agreement.

Section 2.3 Representations, Covenants and Warranties of the Finance Authority. The Finance Authority represents, covenants and warrants for the benefit of the Governmental Unit:

(a) Legal Status and Authorization of Loan Agreement. The Finance Authority is a public body politic and corporate constituting a governmental instrumentality, separate and apart from the State, duly organized and created under and pursuant to the laws of the State, particularly the Finance Authority Act. The Finance Authority has all necessary power and authority to enter into and perform and observe the covenants and agreements on its part contained in this Loan Agreement and has duly authorized the execution and delivery of this Loan Agreement.

(b) No Breach or Default Caused by Loan Agreement. Neither the execution and delivery of this Loan Agreement, nor the fulfillment of or compliance with the terms and conditions of this Loan Agreement, nor the consummation of the transactions contemplated in this Loan Agreement, conflicts with or results in a breach of the terms, conditions and provisions of any restriction or any agreement or instrument to which the Finance Authority is a party or by which the Finance Authority is bound or constitutes a default under any of the foregoing and will not conflict with or constitute a violation of any constitutional or statutory provision or order, rule, regulation, decree or ordinance of any court, government or governmental authority having jurisdiction over the Finance Authority, or its property and which conflict or violation will have a material adverse effect on the Finance Authority or the financing of the Project.

(c) No Litigation. To the knowledge of the Finance Authority, there is no litigation or proceeding pending or threatened against the Finance Authority or any other person affecting the right of the Finance Authority to execute or deliver this Loan Agreement or to comply with its obligations under this Loan Agreement. To the knowledge of the Finance Authority, neither the execution and delivery of this Loan Agreement by the Finance Authority, nor compliance by the Finance Authority with its obligations under this Loan Agreement, requires the approval of any regulatory body, or any other entity, which approval has not been obtained.

(d) Legal, Valid and Binding Obligations. This Loan Agreement constitutes a legal, valid and binding obligation of the Finance Authority enforceable in accordance with its terms.

## ARTICLE III

### LOAN AGREEMENT TERM

The Loan Agreement Term shall commence on the Closing Date and shall not terminate until the Governmental Unit's obligations under this Loan Agreement have been paid in full or provision for payment of this Loan Agreement has been made pursuant to Article VIII hereof.

## ARTICLE IV

### LOAN; APPLICATION OF MONEYS

#### Section 4.1 Application of Loan Agreement Proceeds.

(a) On the Closing Date, the amount shown on the Term Sheet as the Aggregate Program Amount shall be made available for disbursement by the Finance Authority to the Governmental Unit pursuant to Section 6.2 of this Loan Agreement at the request of the Governmental Unit and as needed by the Governmental Unit to implement the Project.

(b) The Final Requisition shall be submitted by the Governmental Unit within twenty seven (27) months following the Closing Date, except only as otherwise approved in writing by an Authorized Officer of the Finance Authority, based on the Governmental Unit's demonstration, to the reasonable satisfaction of the Authorized Officer of the Finance Authority, that unanticipated circumstances beyond the control of the Governmental Unit resulted in delaying the acquisition and completion of the Project, and submission of the Governmental Unit's Final Requisition.

Section 4.2 Disbursements; Approval of Payment Requests. The Governmental Unit shall transmit payment requisitions in the form attached to this Loan Agreement as Exhibit "C" and the supporting documentation required pursuant to Exhibit "C" to the Finance Authority. The Finance Authority or its designee shall review each requisition for compliance with (i) the Project's construction plans and specifications and (ii) all applicable state and federal laws, rules and regulations, and shall approve or disapprove the requisition accordingly. The Finance Authority shall cause Approved Requisitions to be paid from the State Drinking Water Revolving Loan Fund.

## ARTICLE V

### LOAN TO THE GOVERNMENTAL UNIT; PAYMENTS BY THE GOVERNMENTAL UNIT

Section 5.1 Loan to the Governmental Unit; Payment Obligations Limited to Pledged Revenues; Pledge of Pledged Revenues. The Finance Authority hereby lends to the Governmental Unit and the Governmental Unit hereby borrows from the Finance Authority an amount not to exceed the Maximum Principal Amount. The Governmental Unit promises to pay, but solely from the sources pledged herein, the Loan Agreement Payments as herein provided. Subject to any

outstanding Parity Obligations and Senior Obligations, the Governmental Unit does hereby grant a lien on and a security interest in and does hereby convey, assign and pledge unto the Finance Authority and unto its successors in trust forever all right, title and interest of the Governmental Unit in and to (i) the Pledged Revenues to the extent required to pay the Loan Agreement Payments on a parity with any Parity Obligations and subordinate to any Senior Obligations, (ii) the Debt Service Account, and (iii) all other rights hereinafter granted, for the securing of the Governmental Unit's obligations under this Loan Agreement, including payment of the Loan Agreement Payments, provided, however, that if the Governmental Unit, its successors or assigns, shall pay, or cause to be paid, all Loan Agreement Payments at the time and in the manner contemplated by this Loan Agreement, or shall provide as permitted by Article VIII of this Loan Agreement for the payment thereof, and shall pay all other amounts due or to become due under this Loan Agreement in accordance with its terms and provisions then, upon such final payment, this Loan Agreement and the rights created thereby shall terminate; otherwise, this Loan Agreement shall remain in full force and effect. The Loan Agreement Payments shall, in the aggregate, be sufficient to pay the Aggregate Repayable Disbursements, as set forth in the Final Loan Agreement Payment Schedule.

Within five (5) days after each payment of an Approved Requisition during the Interim Period, the Finance Authority shall recalculate on the basis of the Aggregate Repayable Disbursements to that date the Interest Component and Administrative Fee Component next coming due as set out in Section 5.2(a)(i) of this Loan Agreement and shall provide written notice to the Governmental Unit of the recalculated Interest Component and Administrative Fee Component. Within thirty (30) days after the final disbursement, the Finance Authority shall provide a Final Loan Agreement Payment Schedule. The schedule of Loan Agreement Payments, assuming the disbursal of the entire Aggregate Program Amount within twenty-seven (27) months after the Closing Date, identified as the Interim Loan Agreement Payment Schedule, is attached to this Loan Agreement as Exhibit "B". The Finance Authority shall provide a Final Loan Agreement Payment Schedule following the final disbursement which shall supersede the schedule attached as Exhibit "B".

The pledge of the Pledged Revenues and the lien thereon shall be effective upon the Closing Date. The Governmental Unit and the Finance Authority acknowledge and agree that the sources of the Loan Agreement Payments of the Governmental Unit hereunder are limited to the Pledged Revenues, and that the Loan Agreement shall constitute a special, limited obligation of the Governmental Unit. No provision of this Loan Agreement shall be construed or interpreted as creating a general obligation or other indebtedness of the Governmental Unit or the State within the meaning of any constitutional or statutory debt limitation. No provision of this Loan Agreement shall be construed to pledge or to create a lien on any class or source of Governmental Unit moneys other than the Pledged Revenues, nor shall any provision of this Loan Agreement restrict the future issuance of any bonds or obligations payable from any class or source of Governmental Unit moneys other than the Pledged Revenues. In addition, to the extent not required for the payment of obligations of the Governmental Unit hereunder, the Pledged Revenues may be utilized by the Governmental Unit for any other purposes permitted by law and the laws of the State.

Section 5.2 Payment Obligations of Governmental Unit. The Debt Service Account shall be established and held by the Finance Authority or its designee on behalf of the

Governmental Unit. All Loan Agreement Payments received by the Finance Authority or its designee pursuant to this Loan Agreement, shall be accounted for and maintained by the Finance Authority or its designee in the Debt Service Account, which account shall be kept separate and apart from all other accounts of the Finance Authority. The amounts on deposit in the Debt Service Account shall be expended and used by the Finance Authority only in the manner and order of priority specified herein.

(a) As a first charge and lien, but not an exclusive first charge and lien, on the Pledged Revenues (on a parity with the lien on the Pledged Revenues created by any outstanding Parity Obligations), the Governmental Unit shall remit to the Finance Authority and the Finance Authority shall collect and deposit into the Debt Service Account from the Governmental Unit the Pledged Revenues, in the manner specified herein.

(i) Payment of Interest Component and Administrative Fee Component during Interim Period.

(A) During the Interim Period, Interest and Administrative Fees shall accrue on the amount of Aggregate Repayable Disbursements, from the date of each Disbursement.

(B) During the Interim Period the Governmental Unit shall monthly, commencing on the first day of the month next following the first payment by the Finance Authority of an Approved Requisition, pay to the Finance Authority for deposit into the Debt Service Account such amount as is necessary, in monthly installments, to pay the Interest Component and Administrative Fee Component on the Aggregate Repayable Disbursements as of each Loan Agreement Payment Date.

(ii) Loan Agreement Payments Following the Interim Period. After the Interim Period, the Governmental Unit shall pay to the Finance Authority for deposit into the Debt Service Account the following amounts:

(A) Interest and Administrative Fee Components. Monthly, commencing on the first day of the month next following the final disbursement, the Governmental Unit shall pay to the Finance Authority for deposit into the Debt Service Account an amount in equal monthly installments which is necessary to pay the first maturing Interest Component and Administrative Fee Component coming due on this Loan Agreement and monthly thereafter, commencing on each Loan Agreement Payment Date, one-sixth (1/6) of the amount necessary to pay the next maturing Interest Component and Administrative Fee Component on this Loan Agreement as described in the Final Loan Agreement Payment Schedule.

(B) Principal Payments. Monthly, commencing on the first day of the month next following the final disbursement, the Governmental Unit shall pay to the Finance Authority for deposit into the Debt Service Account an amount in equal monthly installments which is necessary to pay the first maturing Principal Component; and thereafter on the first day of each month thereafter, one-twelfth (1/12) of the amount which is necessary to pay the next

maturing Principal Component on this Loan Agreement during the Loan Agreement Term, as described in the Final Loan Agreement Payment Schedule.

(iii) Method of Payment. The Governmental Unit shall transfer each month to the Finance Authority, from Pledged Revenues, the amounts set forth in Subsections (i)(C), (ii)(A) and (ii)(B) of this Section 5.2(a) during the time that this Loan Agreement is outstanding provided, that in the event of any default in making the Loan Agreement Payments by the Governmental Unit, the Finance Authority shall be entitled to seek payment of the amounts due through any of the remedies provided in Article X of this Loan Agreement.

(b) In the event that the balance of payments held in the Debt Service Account should exceed the amount needed to cover Loan Agreement Payments then due, the Finance Authority shall use the balance of the Pledged Revenues received, at the request of the Governmental Unit (i) to credit against upcoming Loan Agreement Payments, or (ii) to distribute to the Governmental Unit for any other purpose permitted by law.

Section 5.3 Manner of Payment. All payments of the Governmental Unit hereunder shall be paid in lawful money of the United States of America to the Finance Authority or its designee at the address designated in Section 11.1 of this Loan Agreement. The obligation of the Governmental Unit to make payments hereunder, from and to the extent of the available Pledged Revenues, shall be absolute and unconditional in all events, except as expressly provided hereunder, and payment hereunder shall not be abated through accident or unforeseen circumstances. Notwithstanding any dispute between the Governmental Unit, the Finance Authority or its designee, any vendor or any other person, the Governmental Unit shall make all deposits hereunder, from and to the extent of the available Pledged Revenues, when due and shall not withhold any deposit hereunder pending final resolution of such dispute, nor shall the Governmental Unit assert any right of set-off or counterclaim against its obligation to make such deposits required hereunder.

Section 5.4. Additional Parity Obligations Payable from Pledged Revenues. No provision of this Loan Agreement shall be construed in such a manner as to prevent the issuance by the Governmental Unit of additional Parity Obligations payable from Pledged Revenues, nor to prevent the issuance of bonds or other obligations refunding all or a part of this Loan Agreement; provided, however, that before any such additional Parity Obligations are actually issued (excluding refunding bonds or refunding obligations which refund Parity Obligations but including parity refunding bonds and obligations which refund Subordinated Obligations as provided in Section 5.5 hereof), it must be determined that:

(a) The Governmental Unit is then current in all of the accumulations required to be made into the Debt Service Account as provided in this Loan Agreement.

(b) No default shall exist in connection with any of the covenants or requirements of the Resolution or this Loan Agreement.

(c) The Pledged Revenues received by or credited to the Governmental Unit for the Fiscal Year or for any twelve (12) consecutive months out of the twenty-four (24) months

preceding the date of issuance of such additional Parity Obligations (the "Historic Test Period") shall have been sufficient to pay an amount representing one hundred twenty percent (120%) of the combined maximum annual principal, interest requirement and the Administrative Fee Component coming due in any subsequent Fiscal Year on the then outstanding Parity Obligations and the Parity Obligations proposed to be issued (excluding the accumulation of any reserves therefor).

(d) A written certification or opinion by the Governmental Unit's treasurer or chief financial officer or by an Independent Accountant that the Pledged Revenues for the Historic Test Period are sufficient to pay said amounts, shall be conclusively presumed to be accurate in determining the right of the Governmental Unit to authorize, issue, sell and deliver the Parity Obligations proposed to be issued.

(e) No provision of this Loan Agreement shall be construed in such a manner as to prevent the issuance by the Governmental Unit of additional bonds or other obligations payable from the Pledged Revenues constituting a lien upon such Pledged Revenues subordinate and junior to the lien of this Loan Agreement nor to prevent the issuance of bonds or other obligations refunding all or part of this Loan Agreement as permitted by Section 5.5 hereof.

(f) The Governmental Unit shall not issue bonds or other obligations payable from the Pledged Revenues having a lien thereon prior or superior to this Loan Agreement, without the written approval of the Finance Authority.

Section 5.5 Refunding Obligations Payable from Pledged Revenues. The provisions of Section 5.4 hereof are subject to the following exceptions:

(a) If at any time after the Closing Date, while this Loan Agreement, or any part thereof, is outstanding, the Governmental Unit shall find it desirable to refund any outstanding bonds or other outstanding obligations payable from the Pledged Revenues, this Loan Agreement, such bonds or other obligations, or any part thereof, may be refunded (but the holders of this Loan Agreement or bonds to be refunded may not be compelled to surrender this Loan Agreement or their bonds, unless this Loan Agreement, the bonds or other obligations, at the time of their required surrender for payment, shall then mature, or shall then be callable for prior redemption at the Governmental Unit's option), regardless of whether the priority of the lien for the payment of the refunding obligations on the Pledged Revenues is changed, except as provided in subparagraph (f) of Section 5.4 hereof and in subparagraphs (b) and (c) of this Section 5.5.

(b) No refunding bonds or other refunding obligations payable from the Pledged Revenues shall be issued on a parity with this Loan Agreement unless:

(i) The outstanding obligations so refunded have a lien on the Pledged Revenues on a parity with the lien thereon of this Loan Agreement and the refunding bonds or other refunding obligations do not increase any aggregate annual principal and interest obligations evidenced by such refunded obligations; or

(ii) The refunding bonds or other refunding obligations are issued in compliance with subparagraphs (a) through (f) of Section 5.4 of this Loan Agreement.

(c) The refunding bonds or other obligations so issued shall enjoy complete equality of lien on the Pledged Revenues with the portion of this Loan Agreement or any bonds or other obligations of the same issue which is not refunded, if any; and the holder or holders of such refunding bonds or such other refunding obligations shall be subrogated to all of the rights and privileges enjoyed by the holder or holders of this Loan Agreement or the bonds or other obligations of this same issue refunded thereby. If only a part of this Loan Agreement or the outstanding bonds and any other outstanding obligations of any issue or issues payable from the Pledged Revenues is refunded, then such obligations may not be refunded without the consent of the holder or holders of the unrefunded portion of such obligations, unless:

(i) The refunding bonds or other refunding obligations do not increase any aggregate annual principal and interest obligations evidenced by such last maturity date of such unrefunded obligations; or

(ii) The refunding bonds or other refunding obligations are issued in compliance with subparagraphs (a) through (f) of Section 5.4 hereof; or

(iii) The lien on the Pledged Revenues for the payment of the refunding obligations is subordinate to each such lien for the payment of any obligations not refunded.

(d) Any refunding bonds or other refunding obligations payable from the Pledged Revenues shall be issued with such details as the Governmental Unit may provide by ordinance or resolution, but without any impairment of any contractual obligations imposed upon the Governmental Unit by any proceedings authorizing the issuance of any unrefunded portion of such outstanding obligations of any one or more issues (including, but not necessarily limited to, this Loan Agreement).

Section 5.6 Investment of Governmental Unit Funds. Money on deposit in the Debt Service Account created hereunder may be invested by the Finance Authority or its designee in Permitted Investments at the written direction of the Governmental Unit or, in the absence of such written direction of the Governmental Unit, at the discretion of the Finance Authority. Any earnings on Permitted Investments shall be held and administered in the Debt Service Account and utilized in the same manner as the other moneys on deposit therein for the benefit of the Governmental Unit.

Section 5.7 Governmental Unit May Budget for Payments. The Governmental Unit may, in its sole discretion, but without obligation and subject to the Constitution of the State, governing laws, and its budgetary requirements, make available properly budgeted and legally available funds to defray any insufficiency of Pledged Revenues to pay Loan Agreement Payments; provided, however, the Governmental Unit has not covenanted and cannot covenant to make such funds available and has not pledged any of such funds for such purpose.

## ARTICLE VI

## THE PROJECT

Section 6.1 Agreement to Acquire and Complete the Project. The Governmental Unit hereby agrees that in order to effectuate the purposes of this Loan Agreement and to effectuate the acquisition and completion of the Project, it shall make, execute, acknowledge and transmit any contracts, orders, receipts, writings and instructions with any other persons, firms or corporations and, in general do all things which may be requisite or proper to acquire and complete the Project.

The Governmental Unit agrees to acquire and complete the Project through the application of moneys to be disbursed by the Finance Authority pursuant to Section 6.2 of this Loan Agreement.

Section 6.2 Disbursements. So long as no Event of Default shall occur and the requirements of Section 4.2 are satisfied, the Finance Authority or its designee shall disburse moneys to pay a requisition upon receipt and approval by the Finance Authority or its designee of a requisition substantially in the form of Exhibit "C" attached hereto signed by an Authorized Officer of the Governmental Unit, with required supporting documentation.

Section 6.3 Completion of the Acquisition of the Project. Upon completion of the acquisition of the Project, which shall occur no later than two (2) years after the Closing Date, unless a later date is approved as provided in Section 4.1(b) of this Agreement, an Authorized Officer of the Governmental Unit shall deliver a certificate to the Finance Authority, substantially in the form of Exhibit "D" attached hereto, stating that, to his or her knowledge, the acquisition of the Project has been completed and the Project has been accepted by the Governmental Unit, and all costs have been paid, except for any reimbursements requested pursuant to requisitions submitted prior to the end of the Interim Period. Notwithstanding the foregoing, such certificate shall state that it is given without prejudice to any rights against third parties which exist at the date of such certificate or which may subsequently come into being.

Section 6.4 Unrequisitioned Amounts. In the event that, (1) at the time of the delivery of the certificate of completion required by Section 6.3 hereof, there remains an Unrequisitioned Principal Amount, or (2) the Finance Authority shall not have received a Final Requisition, by the date that is twenty seven (27) months from the Closing Date, unless an extension is approved pursuant to Section 4.1(b) of this Loan Agreement, then the Governmental Unit shall have no right or title to the Unrequisitioned Principal Amount, nor any right to pledge, encumber or draw upon such Unrequisitioned Principal Amount, and the Finance Authority will not approve, honor, or enforce any requisition upon such Unrequisitioned Principal Amount pursuant to this Loan Agreement.

## ARTICLE VII

### COMPLIANCE WITH LAWS AND RULES; OTHER COVENANTS

Section 7.1 Further Assurances and Corrective Instruments. The Finance Authority and the Governmental Unit agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Project or of the Pledged Revenues, or for otherwise carrying out the intention hereof. Authorized Officers are authorized to execute, acknowledge and deliver any such supplements and further instruments.

Section 7.2 Finance Authority and Governmental Unit Representatives. Whenever under the provisions hereof the approval of the Finance Authority or the Governmental Unit is required, or the Governmental Unit or the Finance Authority is required to take some action at the request of the other, such approval or such request shall be given for the Finance Authority or for the Governmental Unit by an Authorized Officer of the Finance Authority or the Governmental Unit, as the case may be, and any party hereto shall be authorized to rely and act on any such approval or request.

Section 7.3 Compliance with Court Orders. During the Loan Agreement Term, the Governmental Unit and the Finance Authority shall observe and comply promptly with all current and future orders of all courts having jurisdiction over the parties hereto, the Project or the Pledged Revenues.

Section 7.4 Compliance with Applicable State and Federal Laws. During the Loan Agreement Term, the Governmental Unit shall comply with all applicable State and federal laws, including, without limitation, the following:

(a) For all contracts, the Governmental Unit shall comply with the New Mexico Procurement Code, NMSA 1978, §§ 13-1-28 through 13-1-199, as amended, or its local procurement ordinances and regulations, as applicable.

(b) For all construction contracts awarded in excess of \$10,000, the Governmental Unit shall comply with Executive Order 11246 of September 24, 1965, entitled "Equal Employment Opportunity," as amended by Executive Order 11375 of October 12, 1967, and as supplemented in Department of Labor regulations (41 C.F.R. chapters 40 and 60). In addition, for all contracts, the Governmental Unit shall comply with all State laws and regulations and all executive orders of the Governor of the State pertaining to equal employment opportunity.

(c) For all contracts awarded for construction or repair, the Governmental Unit shall comply with the Copeland "Anti-Kickback" Act (18 U.S.C. § 874) as supplemented in Department of Labor regulations (29 C.F.R. part 3).

(d) For all construction subcontracts, and subgrants of amounts in excess of \$100,000, the Governmental Unit shall comply with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. § 7606), Section 508 of the Clean Water Act (33 U.S.C. § 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 C.F.R. Part 15). In addition, for all contracts, the Contractor shall comply

with all applicable State laws and regulations and with all executive orders of the Governor of the State pertaining to protection of the environment.

(e) For all contracts the Governmental Unit shall comply with the mandatory standards and policies relating to energy efficiency which are contained in the State energy conservation plan issued in compliance with section 362 of the Energy Policy and Conservation Act (42 U.S.C. § 6322).

(f) For all contracts in excess of \$2,000 the Governmental Unit shall comply with applicable standards of the Davis-Bacon Wage Act (40 U.S.C. § 3141 et seq.), as amended and supplemented, relating to wages paid to laborers and mechanics employed by contractors and sub-contractors on a Project funded directly by or assisted in whole or in part by and through the Governmental Unit.

(g) For all contracts, the Governmental Unit shall comply with the requirements of the Environmental Protection Agency's Program for Utilization of Minority and Women's Business Enterprises set out in Title 40, Chapter I, Subchapter B, Part 33 of the Code of Federal Regulations.

(h) For all contracts, the Governmental Unit shall comply with the requirements of Executive Order 13502 on Use of Project Agreements for Federal Construction Projects.

(i) For all contracts, the Governmental Unit shall comply with the requirements of Executive Order dated September 25, 2012 on Strengthening Protections Against Trafficking in Persons in Federal Contracts.

(j) For all contracts, the Governmental Unit shall comply with all federal requirements applicable to the Loan (including those imposed by P.L. 113-76, 2014 Consolidated Appropriations Act, Section 436 and related SRF Policy Guidelines) which the Governmental Unit understands includes, among other, requirements that all of the iron and steel products used in the Project are to be produced in the United States ("American Iron and Steel Requirement") unless (i) the Governmental Unit has requested and obtained a waiver from the Finance Authority pertaining to the Project or (ii) the Finance Authority has otherwise advised the Governmental Unit in writing that the American Iron and Steel Requirement is not applicable to the Project.

(k) For all contracts, the Governmental Unit shall comply with all record keeping and reporting requirements under the Clean Water Act/Safe Drinking Water Act, including any reports required by a Federal agency or the Finance Authority such as performance indicators of program deliverables, information on costs and project progress. The Governmental Unit understands that (i) each contract and subcontract related to the Project is subject to audit by appropriate federal and state entities and (ii) failure to comply with the Clean Water Act/Safe Drinking Water Act and this Agreement may be a default under this Agreement.

(l) For all contracts, the Governmental Unit shall comply with Executive Order 12549 – Debarment and Suspension and all rules, regulations and guidelines issued pursuant to Executive Order 12549, including compliance with the requirement that each prospective

participant in transactions related to the Loan execute a written certification that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in transactions related to the Loan.

(m) For all contracts, the Governmental Unit shall comply with the requirements of section 1450(e) of the Safe Drinking Water Act (42 U.S.C.300j-9(e)) in all procurement contracts, and the Governmental Unit and procurement contractors shall include such a term and condition in subcontracts and other lower tiered transactions. All contracts and subcontracts for the Project shall include in any contract in excess of \$2,000 the contract clauses set out in the EPA publication entitled "Wage Rate Requirements Under the Clean Water Act, Section 513 and the Safe Drinking Water Act Section 1450(e)."

(n) The Governmental Unit shall comply with the requirement of the June 3, 2015 Guidelines for Enhancing Public Awareness of SRF Assistance Agreements issued by the United States Environmental Protection Agency relating to signage, posters, advertisements, website or press releases indicating that financial assistance was received from the EPA for the Project.

The Finance Authority or its designee shall have the right to review all contracts, work orders and other documentation related to the Project that it deems necessary to assure compliance with applicable laws, rules and regulations, and may conduct such review as it deems appropriate prior to disbursing funds for payment of an Approved Requisition.

Section 7.5 First Lien Status. The Loan Agreement Payments constitute an irrevocable first lien (but not necessarily an exclusive first lien) upon the Pledged Revenues. The Governmental Unit covenants that the Loan Agreement Payments and any Parity Obligations herein authorized to be issued and from time to time outstanding shall be equitably and ratably secured by a first lien on the Pledged Revenues and shall not be entitled to any priority one over the other in the application of the Pledged Revenues regardless of the time or times of the issuance of such obligations, it being the intention of the Governmental Unit that there shall be no priority between the Loan Agreement Payments and any such Parity Obligations regardless of the fact that they may be actually issued and delivered at different times.

Section 7.6 Expeditious Completion. The Governmental Unit shall complete the Project with all practical dispatch.

## ARTICLE VIII

### PREPAYMENT OF LOAN AGREEMENT PAYMENTS

The Governmental Unit is hereby granted the option to prepay the Principal Component of this Loan Agreement in whole or in part on any day without penalty or prepayment premium, beginning one (1) year after the Closing Date. The Governmental Unit may designate the due date or due dates of the Principal Component or portions thereof being prepaid in the event of a partial prepayment. Any such prepayment shall include accrued interest to the redemption date of the corresponding Bonds to be redeemed, if any, and notice of intent to make such prepayment shall

be provided to the Finance Authority or its designee by the Governmental Unit no less than forty-five (45) days prior to the prepayment date. The Finance Authority or its designee shall recalculate the Loan Agreement Payments due under this Loan Agreement in the event of a partial prepayment in a manner which is consistent with the manner in which the Bonds, if any, are prepaid.

## ARTICLE IX

### INDEMNIFICATION

From and to the extent of the Pledged Revenues and to the extent permitted by law, the Governmental Unit shall and hereby agrees to indemnify and save the Finance Authority and its designee, if any, harmless against and from all claims, by or on behalf of any person, firm, corporation or other legal entity arising from the acquisition or operation of the Project during the Loan Agreement Term, from: (i) any act of negligence of the Governmental Unit or breach of any covenant or warranty by the Governmental Unit hereunder; and (ii) the incurrence of any cost or expense in connection with the acquisition or operation of the Project in excess of the Loan Agreement proceeds and interest on the investment of the Loan Agreement proceeds. The Governmental Unit shall indemnify and save the Finance Authority and its designee, if any, harmless, from and to the extent of the available Pledged Revenues and to the extent permitted by law, from any such claim arising as aforesaid from (i) or (ii) above, or in connection with any action or proceeding brought thereon and, upon notice from the Finance Authority or its designee, shall defend the Finance Authority or its designee, if any, in any such action or proceeding.

## ARTICLE X

### EVENTS OF DEFAULT AND REMEDIES

Section 10.1 Events of Default Defined. Any one of the following shall be an Event of Default under this Loan Agreement:

(a) Failure by the Governmental Unit to pay any amount required to be paid under this Loan Agreement on the date on which it is due and payable; or

(b) Failure by the Governmental Unit to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Loan Agreement, other than as referred to in paragraph (a), for a period of thirty (30) days after written notice, specifying such failure and requesting that it be remedied, is given to the Governmental Unit by the Finance Authority or its designee, if any, unless the Finance Authority or its designee, as applicable, shall agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice can be wholly cured within a period of time not materially detrimental to the rights of the Finance Authority or its designee but cannot be cured within the applicable thirty (30) day period, the Finance Authority or its designee will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the Governmental Unit within the applicable period and diligently pursued until the failure is corrected; and provided, further, that if by reason of force majeure the Governmental Unit is unable to carry out the agreements on its part herein contained, the Governmental Unit shall not be deemed in default

under this paragraph (b) during the continuance of such inability (but force majeure shall not excuse any other Event of Default); or

(c) Any warranty, representation or other statement by or on behalf of the Governmental Unit contained in this Loan Agreement or in any instrument furnished in compliance with or in reference to this Loan Agreement is false or misleading in any material respect; or

(d) A petition is filed against the Governmental Unit under any bankruptcy, moratorium, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, and is not dismissed within thirty (30) days after such filing, but the Finance Authority shall have the right to intervene in the proceedings to protect the Finance Authority's interests; or

(e) The Governmental Unit files a petition in voluntary bankruptcy or seeking relief under any provision of any bankruptcy, moratorium, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, or consents to the filing of any petition against it under any such law; or,

(f) The Governmental Unit admits insolvency or bankruptcy or its inability to pay its debts as they become due or is generally not paying its debts as such debts become due, or becomes insolvent or bankrupt or makes an assignment for the benefit of creditors, or a custodian (including, without limitation, a receiver, liquidator or trustee) of the Governmental Unit for any of its property is appointed by court order or takes possession thereof and such order remains in effect or such possession continues for more than thirty (30) days, but the Finance Authority shall have the right to intervene in the proceedings to protect its interests.

Section 10.2 Remedies on Default. Whenever any Event of Default has occurred and is continuing and subject to Section 10.3 hereof, the Finance Authority may take any or all of the following actions as may appear necessary or desirable to collect the payments then due and to become due or to enforce performance of any agreement of the Governmental Unit in this Loan Agreement:

(a) By mandamus or other action or proceeding or suit at law or in equity to enforce the rights of the Finance Authority under this Loan Agreement against the Governmental Unit, and compel the Governmental Unit to perform or carry out its duties under the law and the agreements and covenants required to be performed by it contained herein; or

(b) By suit in equity enjoin any acts or things which are unlawful or violate the rights of the Finance Authority; or

(c) Intervene in judicial proceedings that affect this Loan Agreement or the Pledged Revenues; or

(d) Cause the Governmental Unit to account as if it were the trustee of an express trust for all of the Pledged Revenues and Aggregate Disbursements; or,

(e) Take whatever other action at law or in equity may appear necessary or desirable to collect amounts then due and thereafter to become due under this Loan Agreement or enforce any other of its rights thereunder.

Section 10.3 Limitations on Remedies. A judgment requiring a payment of money entered against the Governmental Unit may reach only the available Pledged Revenues.

Section 10.4 No Remedy Exclusive. Subject to Section 10.3 of this Loan Agreement, no remedy herein conferred upon or reserved to the Finance Authority is intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder as now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Finance Authority to exercise any remedy reserved in this Article X, it shall not be necessary to give any notice, other than such notice as may be required in this Article X.

Section 10.5 Waivers of Events of Default. The Finance Authority may in its discretion waive any Event of Default hereunder and the consequences of an Event of Default by written waiver; provided, however, that there shall not be waived (i) any Event of Default in the payment of principal of this Loan Agreement at the date when due as specified in this Loan Agreement, or (ii) any default in the payment when due of the interest on this Loan Agreement, unless prior to such waiver or rescission, all arrears of interest, with interest at the rate borne by this Loan Agreement on all arrears of payment of principal and all expenses of the Finance Authority, in connection with such Event of Default shall have been paid or provided. Such waiver shall be effective only if made by written statement of waiver issued by the Finance Authority. In case of any such waiver or rescission, or in case any proceeding taken by the Finance Authority on account of any such Event of Default shall have been discontinued or abandoned or determined adversely, then and in every such case, the Finance Authority shall be restored to its former position and rights hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other Event of Default, or impair any right consequent thereon.

Section 10.6 No Additional Waiver Implied by One Waiver. In the event that any agreement contained herein should be breached by either party and thereafter waived by the other party, such waiver shall be in writing and limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section 10.7 Agreement to Pay Attorneys' Fees and Expenses Related to Defaults. In the event that the Governmental Unit should default under any of the provisions hereof and the Finance Authority employs attorneys or incurs other expenses for the collection of payments hereunder, or the enforcement of performance or observance of any obligation or agreement on the part of the Governmental Unit contained in this Loan Agreement, the Governmental Unit agrees that it shall on demand therefor pay to the Finance Authority the fees of such attorneys and such other expenses so incurred, to the extent that such attorneys' fees and expenses may be determined to be reasonable by a court of competent jurisdiction; provided, however, that the obligation of the

Governmental Unit under this Section shall be limited to expenditures from and to the extent of the available Pledged Revenues.

## ARTICLE XI

### MISCELLANEOUS

Section 11.1 Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered as follows:

If to the Governmental Unit, then to:

City of Las Vegas  
Attn: Finance Director  
1700 North Grand Avenue  
Las Vegas, New Mexico 87701

If to the Finance Authority, then to:

New Mexico Finance Authority  
Attention: Chief Executive Officer  
207 Shelby Street  
Santa Fe, New Mexico 87501

And if to Finance Authority's designated servicing agent for this Loan Agreement, if any, at the address to be provided by the servicing agent. The Governmental Unit and the Finance Authority may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 11.2 Binding Effect. This Loan Agreement shall inure to the benefit of and shall be binding upon the Finance Authority, the Governmental Unit and their respective successors and assigns, if any.

Section 11.3 Amendments. This Loan Agreement may be amended only with the written consent of the Finance Authority and the Governmental Unit, except as provided in Section 4.1(b) of this Loan Agreement. The consent of the Finance Authority for amendments not affecting the terms of payment of the loan component of this Loan Agreement may be given by an Authorized Officer of the Finance Authority. The execution of any such consent by an Authorized Officer of the Finance Authority shall constitute his or her determination that such amendment does not affect the terms of payment of the loan component of this Loan Agreement.

Section 11.4 No Liability of Individual Officers, Directors or Trustees. No recourse under or upon any obligation, covenant or agreement contained in this Loan Agreement shall be had against any member, employee, director or officer, as such, past, present or future, of the Finance Authority, either directly or through the Finance Authority or against any officer, employee, director or member of the Governing Body, past, present or future, as an individual so

long as such individual was acting in good faith. Any and all personal liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any such officer, employee, director or member of the Governing Body or of the Finance Authority is hereby expressly waived and released by the Governmental Unit and by the Finance Authority as a condition of and in consideration for the execution of this Loan Agreement.

Section 11.5 Severability. In the event that any provision of this Loan Agreement, other than the requirement of the Governmental Unit to pay hereunder, shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 11.6 Execution in Counterparts. This Loan Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 11.7 Assignment by the Finance Authority. This Loan Agreement (except as to the Administrative Fee) may be assigned and transferred by the Finance Authority to a trustee, which right to assign and transfer is hereby acknowledged and approved by the Governmental Unit.

Section 11.8 Compliance with Governing Law. It is hereby declared by the Governing Body that it is the intention of the Governmental Unit by the execution of this Loan Agreement to comply in all respects with the provisions of the New Mexico Constitution and statutes as the same govern the pledge of the Pledged Revenues to payment of all amounts payable under this Loan Agreement.

Section 11.9 Applicable Law. This Loan Agreement shall be governed by and construed in accordance with the laws of the State.

Section 11.10 Captions. The captions or headings herein are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Loan Agreement.

*[Remainder of page intentionally left blank.]*

*[Signature pages follow.]*

IN WITNESS WHEREOF, the Finance Authority, on behalf of itself has executed this Loan Agreement, which was approved by the Finance Authority's Board of Directors on October 27, 2016, in its corporate name by its duly authorized officers; and the Governmental Unit has caused this Loan Agreement to be executed in its corporate name and the seal of the Governmental Unit affixed hereto and attested by duly authorized officers. All of the above are effective as of the date first above written.

NEW MEXICO FINANCE AUTHORITY

By \_\_\_\_\_  
Robert P. Coalter, Chief Executive Officer

Prepared for Execution by Officers of the Finance Authority:

SUTIN, THAYER & BROWNE  
A PROFESSIONAL CORPORATION  
As Loan Counsel to the Finance Authority

By \_\_\_\_\_  
Suzanne Wood Bruckner

Approved for Execution by Officers of the Finance Authority:

By \_\_\_\_\_  
Daniel C. Opperman, General Counsel

CITY OF LAS VEGAS, SAN MIGUEL COUNTY,  
NEW MEXICO

By \_\_\_\_\_  
Richard Trujillo, City Manager

ATTEST:

By \_\_\_\_\_  
Casandra Fresquez, City Clerk

\_\_\_\_\_  
Corinna Laszlo-Henry, City Attorney  
Approved as to Legal Sufficiency Only

**EXHIBIT "A"**

**TERM SHEET**

LOAN NO. 3622-DW  
TO THE CITY OF LAS VEGAS,  
SAN MIGUEL COUNTY, NEW MEXICO

Governmental Unit:	City of Las Vegas, New Mexico
Project Description:	A water system improvement project, to include, but not limited to: replacing aging water lines on Chico Dr. and 8 <sup>th</sup> St. and new casings, canisters, yokes, meters and automated radio read firefly
Pledged Revenues:	Net Revenues
Currently Outstanding Parity Obligations for Pledged Revenues:	New Mexico Finance Authority Drinking Water Loans: No. 2878-DW, maturing in 2035, No. 2910-DW, maturing in 2035, No. 2911-DW, maturing in 2035, No. 3046-DW, maturing in 2035, No. 3043-DW, maturing in 2036; and No. 3057-DW, maturing in 2038.
Currently Outstanding Senior Obligations:	None
Currently Outstanding Subordinate Obligations:	New Mexico Finance Authority Water Trust Board Loans: No. 0197-WTB, maturing in 2031, No. 0218-WTB, maturing in 2031, No. 0219-WTB, maturing in 2031, No. 0251-WTB, maturing in 2031 and No. 0286-WTB, maturing in 2031.
Authorizing Legislation:	Governmental Unit Resolution No. 17-13 adopted May 17, 2017.
Closing Date:	June 23, 2017
Interest Rate:	.25% (which includes the Administrative Fee)

Maximum Forgiven Program Fund Component: \$450,000

Maximum Repayable Program Fund Component: \$150,000

Aggregate Program Fund Amount: \$600,000

Maximum Principal Amount: \$600,000

Subsidy Percent: The maximum funds available for subsidy are \$450,000 (approximately 75%).

**EXHIBIT "B"**

**LOAN AGREEMENT PAYMENT SCHEDULE**

[SEE ATTACHED]

BOND DEBT SERVICE

City of Las Vegas  
3622-DW, Chico Dr and 8th St Water Project

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
11/01/2017			133.33	133.33	
05/01/2018			187.50	187.50	320.83
11/01/2018			187.50	187.50	
05/01/2019			187.50	187.50	375.00
11/01/2019			187.50	187.50	
05/01/2020	7,323	0.250%	187.50	7,510.50	7,698.00
11/01/2020			178.35	178.35	
05/01/2021	7,342	0.250%	178.35	7,520.35	7,698.70
11/01/2021			169.17	169.17	
05/01/2022	7,360	0.250%	169.17	7,529.17	7,698.34
11/01/2022			159.97	159.97	
05/01/2023	7,379	0.250%	159.97	7,538.97	7,698.94
11/01/2023			150.75	150.75	
05/01/2024	7,397	0.250%	150.75	7,547.75	7,698.50
11/01/2024			141.50	141.50	
05/01/2025	7,415	0.250%	141.50	7,556.50	7,698.00
11/01/2025			132.23	132.23	
05/01/2026	7,434	0.250%	132.23	7,566.23	7,698.46
11/01/2026			122.94	122.94	
05/01/2027	7,453	0.250%	122.94	7,575.94	7,698.88
11/01/2027			113.62	113.62	
05/01/2028	7,471	0.250%	113.62	7,584.62	7,698.24
11/01/2028			104.28	104.28	
05/01/2029	7,490	0.250%	104.28	7,594.28	7,698.56
11/01/2029			94.92	94.92	
05/01/2030	7,509	0.250%	94.92	7,603.92	7,698.84
11/01/2030			85.53	85.53	
05/01/2031	7,527	0.250%	85.53	7,612.53	7,698.06
11/01/2031			76.13	76.13	
05/01/2032	7,546	0.250%	76.13	7,622.13	7,698.26
11/01/2032			66.69	66.69	
05/01/2033	7,565	0.250%	66.69	7,631.69	7,698.38
11/01/2033			57.24	57.24	
05/01/2034	7,584	0.250%	57.24	7,641.24	7,698.48
11/01/2034			47.76	47.76	
05/01/2035	7,603	0.250%	47.76	7,650.76	7,698.52
11/01/2035			38.25	38.25	
05/01/2036	7,622	0.250%	38.25	7,660.25	7,698.50
11/01/2036			28.73	28.73	
05/01/2037	7,641	0.250%	28.73	7,669.73	7,698.46
11/01/2037			19.17	19.17	
05/01/2038	7,660	0.250%	19.17	7,679.17	7,698.34
11/01/2038			9.60	9.60	
05/01/2039	7,679	0.250%	9.60	7,688.60	7,698.20
	150,000		4,664.49	154,664.49	154,664.49

**EXHIBIT "C"**

**FORM OF REQUISITION**

RE: \$600,000 Loan Agreement by and between the Finance Authority and the City of Las Vegas, New Mexico (the "Loan Agreement")

TO: New Mexico Finance Authority  
207 Shelby Street  
Santa Fe, New Mexico 87501  
Attn: Loan Servicing

LOAN NO. 3622-DW

CLOSING DATE: June 23, 2017

You are hereby authorized to disburse to the City of Las Vegas or its payee with regard to the above-referenced Loan Agreement the following:

REQUISITION NUMBER:		<input type="checkbox"/> Interim Request <input type="checkbox"/> Final Request
AMOUNT OF PAYMENT:	\$	

PURPOSE OF PAYMENT:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

This is a request of REIMBURSEMENT of incurred and paid project expenses. (Attach proof of payment, e.g. check stubs, and corresponding invoices)

This is a request of DIRECT PAYMENT to vendor or service provider of incurred project expenses. (Attach invoices)

**PAYEE INFORMATION**

NAME:	
CONTACT NAME:	
ADDRESS:	
PHONE NUMBER:	
FAX NUMBER:	
E-MAIL ADDRESS:	

WIRING INFORMATION

BANK NAME:	
ACCOUNT NUMBER:	
ROUTING NUMBER:	

Please indicate if this Business is considered a

<input type="checkbox"/> SBE (Small Business Entrepreneur)	<input type="checkbox"/> MBE (Minority Business Entrepreneur)	<input type="checkbox"/> WBE (Women owned business Entrepreneur)	<input type="checkbox"/> N/A
--	---	--	------------------------------

(Attach SBE/MBE/WBE Certification)

Each obligation, item of cost or expense mentioned herein is for costs of the Project, is due and payable, has not been the subject of any previous requisition and is a proper charge for requisition and payment.

Each obligation, item of cost or expense mentioned herein is not for costs related to the purchase of land or easement.

All representations contained in the Loan Agreement and the related closing documents remain true and correct and the City of Las Vegas, New Mexico is not in breach of any of the covenants contained therein.

If this is the final requisition, payment of costs of the Project is complete or, if not complete, the City of Las Vegas, New Mexico understands its obligation to complete the acquisition and installation of the Project and shall complete the acquisition and installation of the Project from other legally available funds.

Capitalized terms used herein, are used as defined or used in the Loan Agreement.

DATED: \_\_\_\_\_

By: \_\_\_\_\_  
Authorized Officer

\_\_\_\_\_  
(Print name and title)

**EXHIBIT "D"**

**FORM OF CERTIFICATE OF COMPLETION**

RE: \$600,000 Loan Agreement by and between the Finance Authority and the City of Las Vegas, New Mexico (the "Loan Agreement")

Loan No. 3622-DW

Closing Date: June 23, 2017

TO: NEW MEXICO FINANCE AUTHORITY

I, \_\_\_\_\_, the \_\_\_\_\_ of the  
[Name] [Title or position]

City of Las Vegas, New Mexico, hereby certify as follows:

1. The project described in the Loan Agreement (the "Project") was completed and placed in service on \_\_\_\_\_, 20\_\_.
2. The total cost of the Project was \$ \_\_\_\_\_.
3. Cost of the Project paid from the Loan was \$ \_\_\_\_\_.
4. The portion of the Maximum Principal Amount unexpended for the Project is \$ \_\_\_\_\_.
5. The Project was completed and is and shall be used consistent with and subject to the covenants set forth in the Loan Agreement.

This certificate shall not be deemed to prejudice or affect any rights of or against third parties which exist at the date of this certificate or which may subsequently come into being.

CITY OF LAS VEGAS, SAN MIGUEL COUNTY,  
NEW MEXICO

By: \_\_\_\_\_

Its: \_\_\_\_\_

\$600,000  
CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO  
NEW MEXICO FINANCE AUTHORITY DRINKING WATER LOAN  
No. 3622-DW

STATE OF NEW MEXICO            )  
  ) ss.    GENERAL AND NO LITIGATION  
COUNTY OF SAN MIGUEL        )            CERTIFICATE

IT IS HEREBY CERTIFIED by the undersigned, the duly chosen, qualified and acting City Manager and City Clerk for the City of Las Vegas (the "Governmental Unit") in the County of San Miguel and the State of New Mexico (the "State"):

Capitalized terms used in this Certificate have the same meaning as defined in Governmental Unit Resolution No. 17-13 adopted on May 17, 2017 (the "Resolution"), unless otherwise defined in this Certificate or the context requires otherwise.

1. The Governmental Unit is a political subdivision of the State and is duly organized and validly existing under the laws of the State, its full name being the "City of Las Vegas."
2. The Governmental Unit was established in the year 1970.
3. From at least April 10, 2017, to and including the date of this Certificate, the following were and now are the duly chosen, qualified and acting officers of the Governmental Unit:

Mayor:                                Tonita Gurulé-Girón

Councilors:                         David Ulibarri  
  Vince Howell  
  Barbara Casey  
  David Romero

Finance Director:                 Ann Marie Gallegos

City Manager:                       Richard Trujillo

City Clerk:                           Casandra Fresquez

City Attorney:                       Corinna Laszlo-Henry

4. The population of the Governmental Unit is not less than seventy-five percent (75%) English speaking and is less than twenty-five percent (25%) Spanish speaking.

5. There is no reason within our knowledge and belief after due investigation, why the Governmental Unit may not enter into the Loan Agreement with the New Mexico Finance Authority (the "Finance Authority"), as authorized by the Resolution.

6. The Governmental Unit has duly authorized the execution, delivery and performance of its obligations under the Loan Agreement. The Loan Agreement has been duly authorized, executed and delivered by the Governmental Unit.

7. The Resolution has been duly signed and adopted in accordance with all applicable laws and has not been repealed, rescinded, revoked, modified, amended or supplemented in any manner except as set forth in the Resolution. The Resolution constitutes valid and sufficient legal authority for the Governmental Unit to carry out and enforce the provisions of the Loan Agreement. No referendum petition has been filed with respect to the Resolution under the provisions of the laws, bylaws or regulations of the Governmental Unit or the State.

8. No event will result from the execution and delivery of the Loan Agreement that constitutes a default or an event of default under the Loan Agreement or the Resolution, and no event of default and no default under the Loan Agreement or the Resolution have occurred and are continuing on the date of this Certificate.

9. The Governmental Unit has duly authorized and approved the consummation by it of all transactions and has complied with all requirements and satisfied all conditions, which are required by the Loan Agreement to have been authorized, approved, performed or consummated by the Governmental Unit at or prior to the date of this Certificate. The Governmental Unit has full legal right, power and authority to carry out and consummate the transactions contemplated by the Resolution and the Loan Agreement.

10. A. All approvals, consents and orders of any governmental authority having jurisdiction in the matter which would constitute a condition precedent to the enforceability of the Loan Agreement or to any of the actions required to be taken by the Resolution or the Loan Agreement on or prior to the date of this Certificate have been obtained and are in full force and effect; and

B. All approvals, consents and orders of any governmental authority having jurisdiction in the matter which would constitute a condition precedent to the financing of the Project have been obtained and are in full force and effect.

11. Neither the Governmental Unit's adoption of the Resolution nor any action contemplated by or pursuant to the Resolution or the Loan Agreement does or will conflict with, or constitute a breach by the Governmental Unit of, or default by the Governmental Unit under, any law, court decree or order, governmental regulation, rule or order, resolution, agreement, indenture, mortgage or other instrument to which the Governmental Unit is subject or by which it is bound.

12. No material adverse change has occurred, nor has any development occurred involving a prospective material and adverse change in, or affecting the affairs, business, financial

condition, results of operations, prospects, properties of the Governmental Unit or the Pledged Revenues since the date of the Resolution.

13. None of the events of default referred to in Article X of the Loan Agreement has occurred.

14. Subsequent to the adoption of the Resolution, the Governmental Unit has not pledged or otherwise encumbered the Pledged Revenues. On the date of this Certificate, except as set forth in the Term Sheet, there are no other outstanding obligations with a lien or encumbrance against the Pledged Revenues senior to or on a parity with the lien of the Loan Agreement.

15. The Loan Agreement permits the Governmental Unit to issue additional bonds or other obligations with a lien on the Pledged Revenues, on parity with or subordinate to the lien of the Loan Agreement on the Pledged Revenues upon satisfaction of the conditions set forth in the Loan Agreement. The Loan Agreement prohibits the Governmental Unit from issuing additional bonds or other obligations with a lien on the Pledged Revenues senior to the lien of the Loan Agreement without the prior written approval of the Finance Authority.

16. There is no threatened action, suit, proceeding, inquiry or investigation against the Governmental Unit, at law or in equity, by or before any court, public board or body, nor to the Governmental Unit's knowledge is there any basis therefore, affecting the existence of the Governmental Unit or the titles of its officials to their respective offices, or seeking to prohibit, restrain or enjoin the pledge of revenues or assets of the Governmental Unit pledged or to be pledged to pay the principal, interest, and Administrative Fee on the Loan Agreement, or in any way materially adversely affecting or questioning (a) the territorial jurisdiction of the Governmental Unit; (b) the use of the proceeds of the Loan Agreement for the Project and to pay certain costs of the Finance Authority associated with the administration of its drinking water state revolving fund loan program; (c) the validity or enforceability of the Loan Agreement or any proceedings of the Governmental Unit taken with respect to the Loan Agreement or the Resolution; (d) the execution and delivery of the Loan Agreement; or (e) the power of the Governmental Unit to carry out the transactions contemplated by the Loan Agreement or the Resolution.

17. The Governmental Unit has complied with all the covenants and satisfied all the conditions on its part to be performed or satisfied at or prior to the date hereof, and the representations and warranties of the Governmental Unit contained in the Loan Agreement and the Resolution are true and correct as of the date hereof.

18. The Governmental Unit is not in default, and has not been in default within the ten (10) years immediately preceding the date of this Certificate, in the payment of principal of, premium, if any, or interest on any bonds, notes or other obligations which it has issued, assumed or guaranteed as to payment of principal, premium, if any, or interest except that no representation is made with respect to industrial revenue bonds or conduit bonds payable solely from installment sale or lease payments, loan repayments or other amounts received by the Governmental Unit from private entities.

19. To the best of our knowledge and belief after due investigation, neither the City Manager, the City Clerk, any member of the Governing Body, nor any other officer, employee or other agent of the Governmental Unit is interested (except in the performance of his or her official rights, privileges, powers and duties), directly or indirectly, in the profits of any contract, or job for work, or services to be performed and appertaining to the Project.

20. Regular meetings of the Governing Body have been held at 1700 North Grand Avenue, Las Vegas, New Mexico, the principal meeting place of the Governing Body.

21. The Governing Body has no rules of procedure which would invalidate or make ineffective the Resolution or other action taken by the Governing Body in connection with the Loan Agreement. The Open Meetings Act Resolution No. 17-01 adopted and approved by the Governing Body on January 18, 2017, establishes notice standards as required by NMSA 1978, § 10-15-1, as amended. The Open Meetings Act Resolution No. 17-01 has not been amended or repealed. All action of the Governing Body with respect to the Loan Agreement and the Resolution was taken at meetings held in compliance with the Open Meetings Act and Resolution No. 17-01.

22. The City Manager and City Clerk, on the date of the signing of the Loan Agreement, and on the date of this Certificate, are the duly chosen, qualified and acting officers of the Governmental Unit authorized to execute such agreements.

23. This Certificate is for the benefit of the Finance Authority.

24. This Certificate may be executed in counterparts.

[Remainder of page left intentionally blank]

*[Signature page follows.]*

WITNESS our signatures and the seal of the Governmental Unit this 23<sup>rd</sup> day of June 2017.

CITY OF LAS VEGAS, SAN MIGUEL COUNTY,  
NEW MEXICO

By \_\_\_\_\_  
Richard Trujillo, City Manager

[SEAL]

By \_\_\_\_\_  
Casandra Fresquez, City Clerk

\$600,000  
DRINKING WATER REVOLVING LOAN FUND LOAN  
TO THE CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO  
BY THE NEW MEXICO FINANCE AUTHORITY  
LOAN NO. 3622-DW

RIGHT-OF-WAY CERTIFICATE

The undersigned on behalf of the City of Las Vegas (the "Governmental Unit"), a New Mexico municipality in the County of San Miguel and the State of New Mexico, hereby certifies except as noted in item 4 below:

1. That the Governmental Unit has acquired and presently holds title to or continuous and adequate rights-of-way on public and private lands needed, if any, for the construction, operation, and maintenance of the facilities to be installed, repaired, or enlarged with the proceeds of the above-referenced Loan made by New Mexico Finance Authority (the "Project") and such omissions, defects, or restrictions as may exist will in no substantial way or manner endanger the value or the operation of the Project.
2. That the Governmental Unit has acquired the necessary permits, franchises, and authorizations or other instruments by whatsoever name designated, from public utilities and public bodies, commissions, or agencies authorizing the construction, operation, and maintenance of the facilities upon, along or across streets, roads, highways, and public utilities.
3. That the attached right of way maps and/or plats shows the location and description of all land and rights-of-way needed for the Project, including all lands acquired for the Project by right of use or adverse possession and by legal conveyances such as right-of-way or easement deeds, permits, or other instruments.
4. Exceptions: \_\_\_\_\_

[Signature page follows.]

IN WITNESS WHEREOF, the undersigned has executed this Certificate on behalf of the City of Las Vegas, New Mexico as of this 23<sup>rd</sup> day of June, 2017.

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Corinna Laszlo-Henry  
Attorney for the City of Las Vegas  
1700 North Grand Avenue  
Las Vegas, New Mexico 87701

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STATE OF NEW MEXICO        )  
  ) ss  
COUNTY OF SANTA FE        )

It is hereby certified by the undersigned, the duly qualified and acting Chief Executive Officer of the Finance Authority, that the Finance Authority has, on the date of this Certificate received from the City of Las Vegas, New Mexico, the Loan Agreement for Project No. 3622-DW.

NEW MEXICO FINANCE AUTHORITY

By \_\_\_\_\_  
Robert P. Coalter, Chief Executive Officer

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WHEREAS, the Governmental Unit, pursuant to Resolution No. 17-14 adopted on May 17, 2017 (the "3623-DW Resolution"), is scheduled to execute and on deliver June 23, 2017, its New Mexico Finance Authority Drinking Water State Revolving Fund Loan and Subsidy Agreement in the aggregate principal amount of \$354,000 for the purpose of water system improvements (the "3623-DW Loan Agreement") payable from the Pledged Revenues, as set forth in the 3623-DW Loan Agreement;

WHEREAS, the Governmental Unit, pursuant to Resolution No. 17-13 adopted on May 17, 2017 (the "3622-DW Resolution"), intends to execute and deliver on the date hereof its New Mexico Finance Authority Drinking Water State Revolving Fund Loan and Subsidy Agreement in the aggregate principal amount of \$600,000 for the purpose of water system improvements (the "3622-DW Loan Agreement") payable from the Pledged Revenues, as set forth in the 3622-DW Loan Agreement;

WHEREAS, Section 5.4, the "Additional Parity Obligations Payable from Pledged Revenues" of the 2878-DW Loan Agreement, the 2910-DW Loan Agreement, the 2911-DW Loan Agreement, the 3043-DW Loan Agreement, the 3046-DW Loan Agreement, and the 3570-DW Loan Agreement (collectively, the "Parity Loan Agreements") provides as follows:

"Section 5.4. Additional Parity Obligations Payable From Pledged Revenues. No provision of this Loan Agreement shall be construed in such a manner as to prevent the issuance by the Governmental Unit of additional Parity Obligations payable from Pledged Revenues, nor to prevent the issuance of bonds or other obligations refunding all or a part of this Loan Agreement; provided, however, that before any such additional Parity Obligations are actually issued (excluding refunding bonds or refunding obligations which refund Parity Obligations but including parity refunding bonds and obligations which refund Subordinated Obligations as provided in Section 5.5 hereof), it must be determined that:

(a) The Governmental Unit is then current in all of the accumulations required to be made into the Debt Service Account as provided in this Loan Agreement.

(b) No default shall exist in connection with any of the covenants or requirements of the Resolution or this Loan Agreement.

(c) The Pledged Revenues received by or credited to the Governmental Unit for the Fiscal Year or for any twelve (12) consecutive months out of the twenty-four (24) months preceding the date of issuance of such additional Parity Obligations (the "Historic Test Period") shall have been sufficient to pay an amount representing one hundred thirty percent (130%) of the combined maximum annual principal, interest requirement and the Administrative Fee Component coming due in any subsequent Fiscal Year on the then outstanding Parity Obligations and the Parity Obligations proposed to be issued (excluding the accumulation of any reserves therefor).

(d) A written certification or opinion by the Governmental Unit's treasurer or chief financial officer or by an Independent Accountant that the Pledged Revenues for the Historic Test Period are sufficient to pay said amounts, shall be conclusively presumed to be accurate in determining the right of the Governmental Unit to authorize, issue, sell and deliver the Parity Obligations proposed to be issued.

(e) No provision of this Loan Agreement shall be construed in such a manner as to prevent the issuance by the Governmental Unit of additional bonds or other obligations payable from the Pledged Revenues constituting a lien upon such Pledged Revenues subordinate and junior to the lien of this Loan Agreement nor to prevent the issuance of bonds or other obligations refunding all or part of this Loan Agreement as permitted by Section 5.5 hereof.

(f) The Governmental Unit shall not issue bonds or other obligations payable from the Pledged Revenues having a lien thereon prior or superior to this Loan Agreement.”

WHEREAS, the 3623-DW Loan Agreement imposes the same limitations on additional parity obligations as the Parity Loan Agreements, but utilizes a coverage limitation in the amount of one hundred twenty percent (120%) instead of one hundred thirty percent (130%).

\* \* \*

WHEREAS, the combined principal and interest on the outstanding Parity Loan Agreements coming due in each Fiscal Year to their last principal payment dates is as follows:

**Parity Loan Agreements Debt Service Requirements**

Fiscal Year Ending	Total Payment
2018	\$101,525
2019	105,507
2020	109,818
2021	109,812
2022	109,804
2023	109,798
2024	109,789
2025	109,784
2026	109,775
2027	109,767
2028	109,759
2029	109,751
2030	109,744
2031	109,736
2032	97,292
2033	94,284
2034	94,285
2035	76,465
2036	24,566
2037	8,735
2038	8,734
2039	4,542

WHEREAS, the principal and interest on the 3623-DW Loan Agreement coming due in each Fiscal Year to its last principal date is as follows:

**3623-DW Loan Agreement Debt Service Requirements**

Fiscal Year Ending	Principal	Interest	Total Payment
2018	\$0.00	\$189.30	\$189.03
2019	\$0.00	\$221.26	\$221.26
2020	\$4,321.00	\$221.26	\$4,542.26
2021	\$4,332.00	\$210.44	\$4,542.44
2022	\$4,343.00	\$199.62	\$4,542.62
2023	\$4,353.00	\$188.56	\$4,541.76
2024	\$4,364.00	\$177.88	\$4,541.88
2025	\$4,375.00	\$166.96	\$4,541.96
2026	\$4,386.00	\$156.04	\$4,542.04
2027	\$4,397.00	\$145.06	\$4,542.06
2028	\$4,408.00	\$134.08	\$4,542.08
2029	\$4,419.00	\$123.06	\$4,542.06
2030	\$4,430.00	\$112.00	\$4,542.00
2031	\$4,441.00	\$100.94	\$4,541.94
2032	\$4,452.00	\$89.82	\$4,541.82
2033	\$4,463.00	\$78.70	\$4,541.70
2034	\$4,475.00	\$67.54	\$4,542.54
2035	\$4,486.00	\$56.36	\$4,542.36
2036	\$4,497.00	\$45.14	\$4,542.14
2037	\$4,508.00	\$33.90	\$4,541.90
2038	\$4,519.00	\$22.62	\$4,541.62
2039	\$4,531.00	\$11.32	\$4,542.32

WHEREAS, the principal and interest on the 3622-DW Loan Agreement coming due in each Fiscal Year to its last principal date is as follows:

**3622-DW Loan Agreement Debt Service Requirements**

Fiscal Year Ending	Principal	Interest	Total Payment
2018	\$0.00	\$320.83	\$320.83
2019	\$0.00	\$375.00	\$375.00
2020	\$7,323.00	\$375.00	\$7,698.00
2021	\$7,342.00	\$356.70	\$7,698.70
2022	\$7,360.00	\$338.34	\$7,698.34
2023	\$7,379.00	\$319.94	\$7,698.94
2024	\$7,397.00	\$301.50	\$7,698.50
2025	\$7,415.00	\$283.00	\$7,698.00

2026	\$7,434.00	\$264.46	\$7,698.46
2027	\$7,453.00	\$245.88	\$7,698.88
2028	\$7,471.00	\$227.24	\$7,698.24
2029	\$7,490.00	\$208.56	\$7,698.56
2030	\$7,509.00	\$189.84	\$7,698.84
2031	\$7,527.00	\$171.06	\$7,698.06
2032	\$7,546.00	\$152.26	\$7,698.26
2033	\$7,565.00	\$133.38	\$7,698.38
2034	\$7,584.00	\$114.48	\$7,698.48
2035	\$7,603.00	\$95.52	\$7,698.52
2036	\$7,622.00	\$76.50	\$7,698.50
2037	\$7,641.00	\$57.46	\$7,698.46
2038	\$7,660.00	\$38.34	\$7,698.34
2039	\$7,679.00	\$19.20	\$7,698.20

NOW THEREFORE, the undersigned do hereby certify as follows:

1. We are familiar with the provisions of the 2878-DW Ordinance, the 2910-DW Ordinance, the 2911-DW Ordinance, the 3043-DW Resolution, the 3046-DW Resolution and the 3570-DW Resolution authorizing the execution and delivery of the Parity Loan Agreements, the 3623-DW Resolution authorizing the execution and delivery of the 3623-DW Loan Agreement and the 3622-DW Resolution authorizing the execution and delivery of the 3622-DW Loan Agreement and with the provisions of the Parity Loan Agreements, the 3623-DW Loan Agreement and the 3622-DW Loan Agreement.

2. We are familiar with the books, accounts and funds of the Governmental Unit pertaining to the Pledged Revenues.

3. Except as stated in the preambles to this Certificate, the Pledged Revenues have not been pledged or hypothecated to the payment of any outstanding parity lien obligations and no other outstanding obligations are payable from the Pledged Revenues.

4. The Governmental Unit is not, and has not been in default as to making any payments on the Parity Loan Agreements or the 3623-DW Loan Agreement, nor under any of the covenants or requirements of the Parity Loan Agreements and the 3623-DW Loan Agreement.

5. The 3622-DW Loan Agreement is payable from the Pledged Revenues and will constitute a lien upon the Pledged Revenues on a parity with the lien of the outstanding Parity Loan Agreements.

6. The fiscal year immediately preceding the date of the 3622-DW Loan Agreement is the period commencing on July 1, 2015 and ending in June 30, 2016.

7. The Pledged Revenues for the fiscal year ended 2016 are fairly stated at \$935,303.

8. The combined maximum Aggregate Annual Debt Service Requirements on the Parity Loan Agreements, the 3623-DW Loan Agreement and the 3622-DW Loan Agreement for the parity bond test set out in the preambles of this Certificate occurs in Fiscal Year 2020 and is \$122,058.26. One hundred thirty percent (130%) of such amount is \$158,675.73.

9. The Pledged Revenues of \$935,303 (i.e., paragraph 7 above) for the fiscal year immediately preceding the date of the execution and delivery of the 3622-DW Loan Agreement were sufficient to pay an amount representing 130% of the combined maximum Aggregate Annual Debt Service Requirements of \$158,675.73 on the Parity Loan Agreements, the 3623-DW Loan Agreement and the 3622-DW Loan Agreement.

10. This certificate is for the benefit of each holder from time to time of the 3622-DW Loan Agreement and for the benefit of bond counsel in rendering opinions to the effect that the 3622-DW Loan Agreement is secured by a lien pledge on the Pledged Revenues on a parity with the Parity Loan Agreements and the 3623-DW Loan Agreement.

(Signature Page Follows)

WITNESS our hands this 23<sup>rd</sup> day of June, 2017.

CITY OF LAS VEGAS, NEW MEXICO

By: \_\_\_\_\_  
Richard Trujillo, City Manager

By: \_\_\_\_\_  
Ann Marie Gallegos, Finance Director

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**[Letterhead for Borrower's Counsel]**

**FINAL OPINION OF COUNSEL**

To: New Mexico Finance Authority  
207 Shelby Street  
Santa Fe, New Mexico 87501

Re: City of Las Vegas, San Miguel County, New Mexico  
\$600,000 Loan No. 3622-DW

I am the Attorney for the City of Las Vegas, New Mexico, with regard to the above-referenced Loan. I am licensed to practice law and am in good standing in the State of New Mexico. I provide this opinion in my role as counsel to the Governmental Unit, City of Las Vegas, New Mexico (the "Governmental Unit"), understanding that the Lender, New Mexico Finance Authority (the "Finance Authority"), is relying on all representations by me on behalf of my client and, but for these representations, the Loan would not be approved.

I hereby certify that I have examined:

- (1) The City of Las Vegas, Water Project, Drinking Water State Revolving Loan Fund Application, dated August 5, 2016, and the Finance Authority Board Approval, for Project No. 3622-DW, for the City of Las Vegas, San Miguel County, dated October 27, 2016, relating to the project (herein the "Project"), as more specifically defined in the Loan and Subsidy Agreement dated June 23, 2017 (the "Loan Agreement");
- (2) The incorporation documents creating the Governmental Unit;
- (3) The most recent Annual Open Meetings Resolution (as well as the underlying proceedings) adopted by the Governmental Unit;
- (4) The proceedings of the City Council, the governing body of the Governmental Unit (including all agendas, minutes, resolutions, ordinances and publications) which authorize the Loan Application, the Project development, the budget for the Project, and existing contracts (if any) with Project professionals including but not limited to architects, engineers, planners and contractors, whose work will be paid from the proceeds of the Loan;
- (5) Relevant corporate proceedings of the Governmental Unit from at least January 1, 2017 to the date hereof, including, without limiting the generality of the foregoing, the corporate action of the Governmental Unit relating to (a) the election or appointment of its City Manager, City Council and City Clerk; (b) the adoption of ordinances and resolutions governing the operation of the Project; (c) cost estimates for the Project; (d) the proposed operating budget; (e) the proposal to finance the Project, in part, with a loan made by the Finance Authority; (f) the Resolution of the

City Council dated May 17, 2017 (the "Resolution") authorizing the City Manager and City Clerk to execute necessary documents to obtain the loan for the Project; and (g) all necessary approvals for the Project from state or local authorities;

- (6) The Loan Agreement and attachments or exhibits thereto setting up a procedure whereby all loan funds will be disbursed to the Governmental Unit on written authorization of the Governmental Unit's Authorized Officers only after certification of completion of the work in a satisfactory manner by a licensed professional engineer, architect or other authorized representative contractually obligated to the Governmental Unit and only to pay eligible Project costs; and
- (7) The records and files of all offices in which there might be recorded, filed, or indexed, any liens of any nature whatsoever, affecting the title to any real or personal property upon which the Project will be constructed.

Based upon my examination of the foregoing, I am of the opinion that:

- A. The Governmental Unit is a duly organized and existing incorporated municipality in good standing under the laws of the State of New Mexico.
- B. The ordinances, resolutions, rules and regulations governing the operation of the Project have been duly adopted and are now in full force and effect.
- C. The officials and appointees of the Governmental Unit were duly and validly elected or appointed and are empowered to act for the Governmental Unit.
- D. The Governmental Unit has corporate power:
  - (1) to construct and install the Project proposed to be constructed and installed by the Governmental Unit;
  - (2) to execute and deliver Loan documents including, but not necessarily limited to, those identified above;
  - (3) to perform all acts required by such Loan documents to be done by it; and
  - (4) to own and operate and maintain the Project during its useful life.
- E. All proceedings of the Governmental Unit, its elected and appointed officers, and employees, required or necessary to be taken in connection with the authorization of the actions specified above have been duly taken and all such authorizations are presently in full force and effect.
- F. The Resolution has been duly signed and adopted in accordance with all applicable laws and has not been repealed, rescinded, revoked, modified, amended or supplemented in any manner except as set forth in the Resolution. The Resolution constitutes valid and

sufficient legal authority for the Governmental Unit to carry out and enforce the provisions of the Loan Agreement. No referendum petition has been filed with respect to the Resolution under the provisions of the laws, bylaws or regulations of the Governmental Unit or the State.

- G. The Governmental Unit has no rules of procedure which would invalidate or make ineffective the Resolution or other action taken by the Governmental Unit in connection with the Loan Agreement. Resolution No. 17-01 (the "Open Meetings Act Resolution"), as adopted and approved by the Governmental Unit on January 18, 2017, establishes notice standards as required by NMSA 1978, § 10-15-1, as amended. The Open Meetings Act Resolution has not been amended or repealed. All action of the Governmental Unit with respect to the Loan Agreement, and the Resolution was taken at meetings held in compliance with the Open Meetings Act Resolution.
- H. To the best of my knowledge and belief after due investigation, no event will result from the execution and delivery of the Loan Agreement that constitutes a default or an event of default under either the Loan Agreement or the Resolution, and no event of default and no default under the Loan Agreement or the Resolution has occurred and is continuing on the date of this Certificate.
- I. The Governmental Unit has duly authorized and approved the consummation by it of all transactions, and has complied with all requirements and satisfied all conditions, which are required by the Loan Agreement to have been authorized, approved, performed or consummated by the Governmental Unit at or prior to the date of this Certificate. The Governmental Unit has full legal right, power and authority to carry out and consummate the transactions contemplated by the Resolution and the Loan Agreement.
- J. All approvals, consents and orders of any governmental authority having jurisdiction in the matter which would constitute a condition precedent to the enforceability of the Loan Agreement or any of the actions required to be taken by the Resolution or the Loan Agreement to the date of this Certificate have been obtained and are in full force and effect.
- K. All approvals, consents and orders of any governmental authority having jurisdiction in the matter which would constitute a condition precedent to the financing of the project have been obtained and are in full force and effect.
- L. Neither the Governmental Unit's adoption of the Resolution nor any action contemplated by or pursuant to the Resolution or the Loan Agreement does or will conflict with, or constitute a breach by the Governmental Unit of, or default by the Governmental Unit under any law, court decree or order, governmental regulation, rule or order, resolution, agreement, indenture, mortgage or other instrument to which the Governmental Unit is subject or by which it is bound.
- M. There is no actual or threatened action, suit, proceeding, inquiry or investigation against the Governmental Unit, at law or in equity, by or before any court, public board or body, nor to my knowledge is there any basis therefore, affecting the existence of the

Governmental Unit or the titles of its officials to their respective offices, or seeking to prohibit, restrain or enjoin the pledge of revenues or assets of the Governmental Unit pledged or to be pledged to pay the principal, interest, and Administrative Fee on the Loan Agreement or in any way materially adversely affecting or questioning (a) the territorial jurisdiction of the Governmental Unit, (b) the use of the proceeds of the Loan Agreement for the Project and to pay certain costs of the Finance Authority associated with the administration of its drinking water state revolving fund loan program, (c) the validity or enforceability of the Loan Agreement or any proceedings of the Governmental Unit taken with respect to the Loan Agreement or the Resolution, (d) the execution and delivery of the Loan Agreement, (e) the authority of the Governmental Unit to repay the amount of the loan or (f) the power of the Governmental Unit to carry out the transactions contemplated by the Loan Agreement or the Resolution.

- N. To the best of my knowledge and belief after due investigation, there are no recorded liens of any nature whatsoever affecting the title to any real or personal property that will be acquired with the proceeds of the Loan Agreement.
- O. No legal proceedings have been instituted or are pending, and to the best of my knowledge none are threatened, whether or not the Governmental Unit is named as a party in such proceedings, which would affect the Governmental Unit's interest in the property upon which the Project will be located, and there are no judgments against the Governmental Unit and no liens against any of the real or personal property of the Governmental Unit or other entity on which the Project will be located.
- P. The Governmental Unit has acquired all of the necessary land rights, easements and rights-of-way for the Project and the Governmental Unit now has sufficient, adequate and continuous rights-of-way to permit the construction, installation, operation and maintenance of the Project.
- Q. The Governmental Unit has complied with all of the requirements of the New Mexico Procurement Code, NMSA 1978, §§ 13-1-28 through 13-1-199, as amended, applicable to the Project on or prior to the date of this opinion letter.

Dated this 23<sup>rd</sup> day of June, 2017.

---

Corinna Laszlo-Henry  
Attorney for City of Las Vegas, New Mexico

**CITY COUNCIL MEETING AGENDA REQUEST**

**DATE:** 05/05/17

**DEPT:** Utilities Dept.

**MEETING DATE:** 05/17/17

**ITEM/TOPIC:** Resolution No. 17-14 for Drinking Water Loan No. 3623-DW for the North Grand Ave. water line installation / looping.

**ACTION REQUESTED OF COUNCIL:** Approval / Disapproval of Resolution No. 17-14.

**BACKGROUND/RATIONALE:** This funding will allow the City to construct three segments of new water line to loop existing water lines and eliminate dead ends on North Grand Avenue and in the vicinity of City Hall.

The Drinking Water State Revolving Loan Fund has allowed the City \$354,000 in loan subsidy funding for the project. The funding agency requires that the agreement be adopted through resolution.

**STAFF RECOMMENDATION:** Approval of Resolution No. 17-14.

**COMMITTEE RECOMMENDATION:** This item was discussed at the regular meeting of the Utility Advisory Committee on May 9, 2017. Their recommendation will be provided at the Council Meeting.

**THIS REQUEST FORM MUST BE SUBMITTED TO THE CITY CLERK'S OFFICE NO LATER THAN 5:00 P.M. ON FRIDAY ONE AND A HALF WEEKS PRIOR TO THE CITY COUNCIL MEETING.**

  
SUBMITTER'S SIGNATURE

**REVIEWED AND APPROVED BY:**



\_\_\_\_\_  
**TONITA GURULÉ-GIRÓN  
MAYOR**

  
\_\_\_\_\_  
**RICHARD TRUJILLO  
CITY MANAGER**

\_\_\_\_\_  
**ANN MARIE GALLEGOS  
FINANCE DIRECTOR  
(PROCUREMENT)**

\_\_\_\_\_  
**PURCHASING AGENT  
(FOR BID/RFP AWARD)**

\_\_\_\_\_  
**CORINNA LASZLO-HENRY  
CITY ATTORNEY  
(ALL CONTRACTS MUST BE  
REVIEWED)**



**UTILITIES DEPARTMENT PROJECT SUMMARY SHEET**

**PROJECT NAME:** North Grand Waterline  
**PROJECT NUMBER:** UT-WID-NGW-2016  
**PROJECT MANAGER:** Marvin Cordova

**ENGINEER:** Molzin Corbin  
**CONTRACT NUMBER:** 2673-13

**PROJECT DESCRIPTION:** Construct three segments of new water lines to loop existing water lines and eliminate dead ends on North Grand Avenue in the vicinity of City Hall.

**TIMELINE:** September-December 2017

**ACTION:** Approve Resolution to accept funding from NMFA for SRF 3623

Planned FUNDING SOURCES	ESTIMATED EXPENDITURES	EXPENDED to date	Est. BAL to Expend in '17/18
City \$ 40,000	Design \$ 40,000	Design \$30,000	Design \$ 10,000
State \$354,000	Engr Services \$ 8,000	Engr Services \$ 0.00	Engr Services \$ 8,000
Federal \$0.00	Construction \$346,000	Const \$ 0.00	Construction \$ 346,000
<b>Total Funds \$394,000</b>	<b>Total Estimated \$394,000</b>	<b>Total \$30,000</b>	<b>Total \$ 364,000</b>

**BUDGETED AMOUNT:** \$400,000

**LINE ITEM NUMBER:** 646-0000-650-87?? TBD/SRF FY18 Budget

ACTION	DESCRIPTION	DATE
Funding Source	CITY and SRF 3623	
Loan/Grant/City	City \$ 40,000 Grant \$265,500 Loan \$ 88,500 <b>Total \$394,000</b>	May 17
Authorized Resolution	17-14	May 17
RFP	101-18	July 2013
Engineering Services Agreement	Contract#2673-13	2013
Engineering Estimate	Total Engineer's Estimate \$ 400,000	2016
Bid Document Review	Bid #	TBD
Advertisement		TBD
Bid Opening	Date	TBD
Bid Tabulation	Contractor _____ Amount _____ Contractor _____ Amount _____ Contractor _____ Amount _____ Contractor _____ Amount _____	TBD
Construction Estimate	Contractor Share \$ 346,000 (Including NMGR)T City Share \$ 0.00	2016
Engineer's Recommendation	Contractor	TBD
Staff Recommendation		TBD
Committee Recommendation		TBD
Council Approval		TBD
Notice To Proceed		TBD

**SUTIN THAYER & BROWNE**  
A PROFESSIONAL CORPORATION  
LAWYERS

IRWIN S. MOISE (1906-1984)  
LEWIS R. SUTIN (1908-1992)  
FRANKLIN JONES (1919-1994)  
RAYMOND W. SCHOWERS (1948-1995)  
GRAHAM BROWNE (1935-2003)

ROBERT G. HEYMAN (Of Counsel)  
DEREK V. LARSON (Of Counsel)  
NORMAN S. THAYER (Of Counsel)

ANDREW J. BARANOWSKI

ANNE P. BROWNE  
SUZANNE WOOD BRUCKNER  
MARIA MONTOYA CHAVEZ  
KATHARINE C. DOWNEY  
EDUARDO A. DUFFY  
SUSAN M. HAPKA  
CHRISTOPHER A. HOLLAND  
WADE L. JACKSON  
JACQUELINE K. KAFKA  
CHRISTINA M. LOONEY  
STEVAN DOUGLAS LOONEY

KEITH C. MIER  
LYNN E. MOSTOLLER  
CHARLES J. PIECHOTA  
JAY D. ROSENBLUM  
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JUSTIN R. SAWYER  
ANDREW J. SIMONS  
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WWW.SUTINFIRM.COM

May 10, 2017

**FEDERAL EXPRESS**

Ms. Shawni Muniz  
City of Las Vegas  
905 12<sup>th</sup> Street  
Las Vegas, New Mexico 87701

New Mexico Finance Authority Loan (3623-DW)

Dear Shawni:

Enclosed are final versions of the documents listed below for the drinking water loan and subsidy from the New Mexico Finance Authority. The documents are dated June 23, 2017, which is the date the loan will close. The signature pages have been marked for execution by the City officials designated.

1. **Resolution** (for completion of the quorum and vote information on pages 1 and 15, and for signature by the Mayor, Clerk and City Attorney on marked pages– please seal as well and add the Notice of the meeting and the Agenda as Exhibit A. I only need a copy of this. You may retain the original in your records)
2. **Loan and Subsidy Agreement** (for signature by the City Manager, Clerk and City Attorney – please seal as well).
3. **General and No Litigation Certificate** (for signature by the City Manager and Clerk – please seal as well).
4. **Right of Way Certificate** for signature by the City Attorney).
5. **Delivery, Deposit and Cross-Receipt Certificate** (for signature by the City Manager and Clerk – please seal as well).
6. **Pledged Revenue Certificate** (for signature by the City Manager and the Finance Director).
7. **Form of Attorney's Opinion** (for signature by the City Attorney).

SUTIN THAYER  BROWNE  
A PROFESSIONAL CORPORATION  
LAWYERS

May 10, 2017  
Page 2

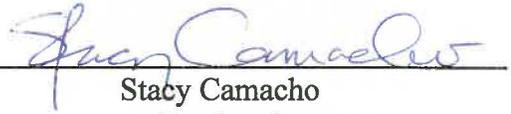
Please have each of the signature pages signed and sealed where designated and return all of the documents and signature pages to me by **Tuesday, May 30, 2017**.

Thank you for your assistance in this process. If you have any questions, please don't hesitate to call me at (505) 883-3313.

Very truly yours,

SUTIN, THAYER & BROWNE  
A Professional Corporation

By



Stacy Camacho  
Paralegal  
Albuquerque Office

Enclosures  
4233913.docx

RECORD OF PROCEEDINGS RELATING TO THE ADOPTION OF  
RESOLUTION NO. 17-14 OF THE CITY COUNCIL  
OF THE CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO  
MAY 17, 2017

STATE OF NEW MEXICO            )  
  ) ss.  
COUNTY OF SAN MIGUEL        )

The City Council (the "Governing Body") of the City of Las Vegas, New Mexico (the "Governmental Unit"), met in a regular session in full conformity with the law and the rules and regulations of the Governing Body at 1700 North Grand Avenue, Las Vegas, New Mexico, being the meeting place of the Governing Body for the meeting held on the 17<sup>th</sup> day of May, 2017, at the hour of 6:00 p.m. Upon roll call, the following members were found to be present:

Present: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Absent: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Also Present: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Thereupon, there was officially filed with the City Clerk a copy of a proposed Resolution in final form, as follows:

CITY OF LAS VEGAS, NEW MEXICO  
RESOLUTION NO. 17-14

AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AND SUBSIDY AGREEMENT (“LOAN AGREEMENT”) BY AND BETWEEN THE CITY OF LAS VEGAS, NEW MEXICO (THE “GOVERNMENTAL UNIT”) AND THE NEW MEXICO FINANCE AUTHORITY, EVIDENCING A SPECIAL LIMITED OBLIGATION OF THE GOVERNMENTAL UNIT TO PAY A PRINCIPAL AMOUNT OF NO MORE THAN \$354,000, TOGETHER WITH INTEREST, AND ADMINISTRATIVE FEES THEREON, AND TO ACCEPT A LOAN SUBSIDY OF NO MORE THAN \$265,500, FOR THE PURPOSE OF FINANCING THE COSTS OF A WATER SYSTEM IMPROVEMENT PROJECT; PROVIDING FOR THE PLEDGE AND PAYMENT OF THE PRINCIPAL, ADMINISTRATIVE FEES AND INTEREST DUE UNDER THE LOAN AGREEMENT SOLELY FROM THE NET REVENUES OF THE WATER SYSTEM OF THE GOVERNMENTAL UNIT; SETTING AN INTEREST RATE FOR THE LOAN; APPROVING THE FORM OF AND OTHER DETAILS CONCERNING THE LOAN AGREEMENT; RATIFYING ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT WITH THIS RESOLUTION; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN AGREEMENT.

Capitalized terms used in the following recitals have the same meaning as defined in Section 1 of this Resolution, unless the context requires otherwise.

WHEREAS, the Governmental Unit is a legally and regularly created, established, organized and existing municipality under the general laws of the State; and

WHEREAS, the Governing Body has determined and hereby determines that the Project may be financed with amounts borrowed under the Loan Agreement and that it is in the best interest of the Governmental Unit and the public it serves that the Loan Agreement be executed and delivered and that the financing of the construction of the Project take place by executing and delivering the Loan Agreement; and

WHEREAS, the Governing Body has determined that it may lawfully pledge the Pledged Revenues for the payment of amounts due under the Loan Agreement; and

WHEREAS, other than as described in Exhibit “A” to the Loan Agreement, the Pledged Revenues have not heretofore been pledged to secure the payment of any obligation which is currently outstanding; and

WHEREAS, there have been presented to the Governing Body, and there presently are on file with the City Clerk, this Resolution and the form of the Loan Agreement; and

WHEREAS, the Governing Body hereby determines that the Project to be financed by the Loan Agreement is to be used for governmental purposes of the Governmental Unit; and

WHEREAS, all required authorizations, consents and approvals in connection with (i) the use and pledge of the Pledged Revenues to the Finance Authority (or its assigns) for the payment of amounts due under the Loan Agreement, (ii) the use of the proceeds of the Loan Agreement to finance the Project, and (iii) the authorization, execution and delivery of the Loan Agreement, which are required to have been obtained by the date of the Resolution have been obtained or are reasonably expected to be obtained prior to the Closing Date.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO:

Section 1. Definitions. Capitalized terms defined in this Section 1 shall, for all purposes, have the meaning herein specified, unless the context clearly requires otherwise (such meanings to be equally applicable to both the singular and the plural forms of the terms defined):

“Administrative Fee” or “Administrative Fee Component” means the 0.25% annual fee payable to the Finance Authority as 0.125% of the Loan Agreement Principal Amount then outstanding as a part of each Loan Agreement Payment for the costs of originating and servicing the Loan.

“Aggregate Disbursements” means, at any time after the Closing Date, the sum of all Disbursements.

“Aggregate Forgiven Disbursements” means the amount of Subsidy provided in the form of principal forgiveness, and shall at any time after the Closing Date be equal to the product of the Subsidy times the Aggregate Disbursements, up to the Maximum Forgiven Principal.

“Aggregate Repayable Disbursements” means, at any time after the Closing Date, the Aggregate Disbursements less the Aggregate Forgiven Disbursements.

“Approved Requisition” means a requisition in the form of Exhibit “C” to the Loan Agreement, together with supporting documentation submitted to and approved by the Finance Authority pursuant to Section 4.2 of the Loan Agreement.

“Authorized Officers” means the Mayor, City Manager, Finance Director and City Clerk of the Governmental Unit.

“Bonds” means drinking water state revolving loan fund revenue bonds, if any, issued hereafter by the Finance Authority and related to the Loan Agreement and the Loan Agreement Payments.

“Closing Date” means the date of execution, delivery and funding of the Loan Agreement authorized by this Resolution.

“Debt Service Account” means the debt service account established in the name of the Governmental Unit and administered by the Finance Authority to pay the Loan Agreement Payments under the Loan Agreement as the same become due.

“Disbursement” means an amount caused to be paid by the Finance Authority for an Approved Requisition for costs of the Project.

“DWSRLF Act” means the general laws of the State, particularly the Drinking Water State Revolving Loan Fund Act, NMSA 1978, §§ 6-21A-1 through 6-21A-9, as amended; NMSA 1978, §§ 3-31-1 through 3-31-12, as amended; and enactments of the Governing Body relating to this Resolution including the Loan Agreement.

“Drinking Water State Revolving Loan Fund” means the drinking water state revolving loan fund established by the DWSRLF Act.

“Environmental Protection Agency” means the Environmental Protection Agency of the United States.

“Final Requisition” means the final requisition of moneys to be submitted by the Governmental Unit, which shall be submitted by the Governmental Unit on or before the date provided for in Section 4.1(b) of the Loan Agreement.

“Final Loan Agreement Payment Schedule” means the schedule of Loan Agreement Payments due on the Loan Agreement following the Final Requisition, as determined on the basis of the Aggregate Repayable Disbursements.

“Finance Authority” means the New Mexico Finance Authority, created by the New Mexico Finance Authority Act, NMSA 1978, §§ 6-21-1 through 6-21-31, as amended.

“Fiscal Year” means the period commencing on July 1 of each calendar year and ending on the last day of June of the next succeeding calendar year, or any other twelve-month period which any appropriate authority may hereafter establish for the Governmental Unit as its fiscal year.

“Governing Body” means the duly organized City Council of the Governmental Unit and any successor governing body of the Governmental Unit.

“Governmental Unit” means the City of Las Vegas, San Miguel County, New Mexico.

“Gross Revenues” means all income and revenues directly or indirectly derived by the Governmental Unit from the operation and use of the System, or any part of the System, for any particular Fiscal Year period to which the term is applicable, and includes, without limitation, all revenues received by the Governmental Unit, or any municipal corporation or agency succeeding to the rights of the Governmental Unit, from the System and from the sale and use of water services

or facilities, or any other service, commodity or facility or any combination thereof furnished by the System.

Gross Revenues do not include:

(a) Any money received as (i) grants or gifts from the United States of America, the State or other sources or (ii) the proceeds of any charge or tax intended as a replacement therefore or other capital contributions from any source which are restricted as to use;

(b) Gross receipts taxes, other taxes and/or fees collected by the Governmental Unit and remitted to other governmental agencies; and

(c) Condemnation proceeds or the proceeds of any insurance policy, except any insurance proceeds derived in respect of loss of use or business interruption.

“Herein,” “hereby,” “hereunder,” “hereof,” “hereinabove” and “hereafter” refer to this entire Resolution and not solely to the particular section or paragraph of this Resolution in which such word is used.

“Interest Component” means the portion of each Loan Agreement Payment paid as interest accruing on the Aggregate Repayable Disbursements then outstanding, calculated from the date of each Disbursement.

“Interest Rate” means the rate of interest on the Loan Agreement as shown on the Term Sheet.

“Loan” means the funds to be loaned to the Governmental Unit by the Finance Authority pursuant to the Loan Agreement, up to the Maximum Principal Amount.

“Loan Agreement” means the loan and subsidy agreement and any amendments or supplements thereto, including the exhibits attached to the loan agreement.

“Loan Agreement Payment” means, collectively, the Principal Component, the Interest Component and the Administrative Fee Component to be paid by the Governmental Unit as payment on the Aggregate Repayable Disbursements under the Loan Agreement, as shown on Exhibit “B” thereto.

“Loan Agreement Principal Amount” means, as of any date of calculation, the Aggregate Repayable Disbursements then outstanding.

“Maximum Forgiven Principal” means the maximum amount of loan subsidy available in the form of principal forgiveness, which is equal to seventy-five percent (75%) of the Maximum Principal Amount. The Maximum Forgiven Principal is \$265,500.

“Maximum Repayable Principal” means the maximum amount of Aggregate Repayable Disbursements repayable by the Governmental Unit pursuant to the Loan Agreement, and is equal to the Maximum Principal Amount less the Maximum Forgiven Principal. The Maximum Repayable Principal is \$88,500.

“Maximum Principal Amount” means \$354,000.

“Net Revenues” means the Gross Revenues of the System owned and operated by the Governmental Unit minus Operation and Maintenance Expenses of the System, indirect charges, amounts expended for capital replacements and repairs of the System, required set asides for debt and replacement requirements and any other payments from the gross revenues reasonably required for operation of the System.

“NMSA” means the New Mexico Statutes Annotated, 1978 Compilation, as amended and supplemented from time to time.

“Operation and Maintenance Expenses” means all reasonable and necessary current expenses of the System, for any particular Fiscal Year or period to which such term is applicable, paid or accrued, related to operating, maintaining and repairing the System, including, without limiting the generality of the foregoing:

- (a) Legal and overhead expenses of the Governmental Unit directly related and reasonably allocable to the administration of the System;
- (b) Insurance premiums for the System, including, without limitation, premiums for property insurance, public liability insurance and workmen’s compensation insurance, whether or not self-funded;
- (c) Premiums, expenses and other costs (other than required reimbursements of insurance proceeds and other amounts advanced to pay debt service requirements on System bonds) for credit facilities;
- (d) Any expenses described in this definition other than expenses paid from the proceeds of System bonds;
- (e) The costs of audits of the books and accounts of the System;
- (f) Amounts required to be deposited in any rebate fund;
- (g) Salaries, administrative expenses, labor costs, surety bonds and the cost of water, materials and supplies used for or in connection with the current operation of the System; and
- (h) Any fees required to be paid under any operation, maintenance and/or management agreement with respect to the System.

Operation and Maintenance Expenses do not include any allowance for depreciation, payments in lieu of taxes, franchise fees payable or other transfers to the Governmental Unit's general fund, liabilities incurred by the Governmental Unit as a result of its negligence or other misconduct in the operation of the System, any charges for the accumulation of reserves for capital replacements or any Operation and Maintenance Expenses payable from moneys other than Gross Revenues.

"Parity Obligations" means any obligations of the Governmental Unit under the Loan Agreement and any other obligations now outstanding or hereafter issued or incurred, payable from or secured by a pledge of the Pledged Revenues and issued with a lien on the Pledged Revenues on a parity with the Loan Agreement, including any such obligations shown on the Term Sheet.

"Pledged Revenues" means the Net Revenues of the Governmental Unit pledged to payment of the Loan Agreement Payments pursuant to this Resolution and described in Exhibit "A" to the Loan Agreement.

"Project" means the project described in the Term Sheet.

"Resolution" means this Resolution No. 17-14 adopted by the Governing Body of the Governmental Unit on May 17, 2017, approving the Loan Agreement and pledging the Pledged Revenues to the payment of the Loan Agreement Payments as shown on the Term Sheet and the Final Loan Agreement Payment Schedule, as supplemented from time to time in accordance with the provisions hereof.

"Senior Obligations" means any bonds or other obligations of the Governmental Unit now outstanding or hereafter issued or incurred, payable from or secured by a pledge of the Pledged Revenues and issued with a lien on the Pledged Revenues superior to the lien created by the Loan Agreement, including any such obligations shown on the Term Sheet.

"State" means the State of New Mexico.

"Subordinated Obligations" means any bonds or other obligations of the Governmental Unit now outstanding or hereafter issued or incurred with a lien on the Pledged Revenues subordinate to the lien created by the Loan Agreement and subordinate to any other outstanding Parity Obligations having a lien on the Pledged Revenues, including any such obligations shown on the Term Sheet.

"Subsidy" means the subsidy in the form of principal forgiveness for the Governmental Unit, to be applied proportionally at the time of each Disbursement to the Governmental Unit, being seventy-five percent (75%) of such Disbursement.

"System" means the public utility designated as the Governmental Unit's water system, and all improvements or additions thereto, including additions and improvements to be acquired or constructed with the proceeds of the Loan Agreement.

“Term Sheet” means Exhibit “A” to the Loan Agreement.

“Unrequisitioned Principal Amount” means the amount, if any, by which the Maximum Principal Amount exceeds the Aggregate Disbursements at the time the Governmental Unit submits the certificate of completion required pursuant to Section 6.3 of the Loan Agreement.

Section 2. Ratification. All action heretofore taken (not inconsistent with the provisions of this Resolution) by the Governing Body and officers of the Governmental Unit directed toward the acquisition and completion of the Project, and the execution and delivery of the Loan Agreement shall be, and the same hereby is, ratified, approved and confirmed.

Section 3. Authorization of the Project and the Loan Agreement. The acquisition and completion of the Project and the method of financing the Project through execution and delivery of the Loan Agreement are hereby authorized and ordered. The Project is for the benefit and use of the Governmental Unit.

Section 4. Findings. The Governmental Unit hereby declares that it has considered all relevant information and data and hereby makes the following findings:

A. Moneys available and on hand for the Project from all sources other than the Loan Agreement are not sufficient to defray the cost of acquiring and constructing the Project.

B. The Pledged Revenues may lawfully be pledged to secure the payment of amounts due under the Loan Agreement.

C. It is economically feasible and prudent to defray, in whole or in part, the costs of the Project by the execution and delivery of the Loan Agreement.

D. The Project and the execution and delivery of the Loan Agreement in the Maximum Principal Amount pursuant to the DWSRLF Act to provide funds for the financing of the Project are necessary or advisable in the interest of the public health, safety, and welfare of the residents and the public served by the Governmental Unit.

E. The Governmental Unit will acquire and construct the Project, in whole or in part, with the net proceeds of the Loan.

F. Other than as described in Exhibit “A” to the Loan Agreement, the Governmental Unit does not have any outstanding obligations payable from Pledged Revenues which it has incurred or will incur prior to the initial execution and delivery of the Loan Agreement.

G. The net effective interest rate on the Maximum Principal Amount does not exceed the current market rate, which is the maximum rate permitted by federal law.

Section 5. Loan Agreement - Authorization and Detail.

A. Authorization. This Resolution has been adopted by the affirmative vote of at least a majority of all of the members of the Governing Body. For the purpose of protecting the public health, conserving the property, and protecting the general welfare and prosperity of the public served by the Governmental Unit and acquiring and constructing the Project, it is hereby declared necessary that the Governmental Unit, pursuant to the DWSRLF Act, execute and deliver the Loan Agreement evidencing a special limited obligation of the Governmental Unit to pay a principal amount of \$88,500 and interest thereon, and to accept a loan subsidy in the amount of \$265,500 and the execution and delivery of the Loan Agreement is hereby authorized. The Governmental Unit shall use the proceeds of the Loan and Subsidy (i) to finance the acquisition and completion of the Project and (ii) to pay the Administrative Fee of the Loan Agreement and the costs of issuance of the Bonds, if any. The Project will be owned by the Governmental Unit.

B. Detail. The Loan Agreement shall be in substantially the form of the Loan Agreement presented at the meeting of the Governing Body at which this Resolution was adopted. The Loan shall be in an amount not to exceed the Maximum Principal Amount of \$354,000. The Loan Agreement Principal Amount shall be payable in installments of principal due on May 1 of the years designated in the Final Loan Agreement Payment Schedule and bear interest payable on May 1 and November 1 of each of the years designated in the Final Loan Agreement Payment Schedule, at the interest rate designated in the Loan Agreement, including Exhibit "A" thereto, which rate includes the Administrative Fee.

Section 6. Approval of Loan Agreement. The form of the Loan Agreement as presented at the meeting of the Governing Body at which this Resolution was adopted is hereby approved. Authorized Officers are hereby individually authorized to execute, acknowledge and deliver the Loan Agreement with such changes, insertions and omissions as may be approved by such individual Authorized Officers, and the City Clerk is hereby authorized to affix the seal of the Governmental Unit on the Loan Agreement and attest the same. The execution of the Loan Agreement by an Authorized Officer shall be conclusive evidence of such approval.

Section 7. Special Limited Obligation. The Loan Agreement shall be secured by the pledge of the Pledged Revenues as set forth in the Loan Agreement and shall be payable solely from the Pledged Revenues. The Loan Agreement, together with interest thereon and other obligations of the Governmental Unit thereunder, shall be a special, limited obligation of the Governmental Unit, payable solely from the Pledged Revenues as provided in this Resolution, and the Loan Agreement shall not constitute a general obligation of the Governmental Unit or the State, and the holders of the Loan Agreement may not look to any general or other fund of the Governmental Unit for payment of the obligations thereunder. Nothing contained in this Resolution nor in the Loan Agreement, nor any other instruments, shall be construed as obligating the Governmental Unit (except with respect to the application of the Pledged Revenues) or as imposing a pecuniary liability or a charge upon the general credit of the Governmental Unit or against its taxing power, nor shall a breach of any agreement contained in this Resolution, the Loan Agreement, or any other instrument impose any pecuniary liability upon the Governmental Unit or any charge upon its general credit or against its taxing power. The Loan Agreement shall never

constitute an indebtedness of the Governmental Unit within the meaning of any State constitutional provision or statutory limitation and shall never constitute or give rise to a pecuniary liability of the Governmental Unit or a charge against its general credit or taxing power. Nothing herein shall prevent the Governmental Unit from applying other funds of the Governmental Unit legally available therefor to payments required by the Loan Agreement, in its sole and absolute discretion.

Section 8. Disposition of Proceeds; Completion of Acquisition and Completion of the Project.

A. Debt Service Account; Disbursements. The Governmental Unit hereby consents to creation of the Debt Service Account to be held and maintained by the Finance Authority as provided in the Loan Agreement.

The proceeds derived from the execution and delivery of the Loan Agreement shall be disbursed promptly upon receipt of an Approved Requisition (as defined in the Loan Agreement).

Until the acquisition and completion of the Project or the date of the Final Requisition, the money disbursed pursuant to the Loan Agreement shall be used and paid out solely for the purpose of acquiring and constructing the Project in compliance with applicable law and the provisions of the Loan Agreement.

B. Prompt Completion of the Project. The Governmental Unit will complete the Project with all due diligence.

C. Certification of Completion of the Project. Upon the acquisition and completion of the Project, the Governmental Unit shall execute and send to the Finance Authority a certificate stating that the completion of and payment for the Project has been completed.

D. Finance Authority Not Responsible for Application of Loan Proceeds. The Finance Authority shall in no manner be responsible for the application or disposal by the Governmental Unit or by its officers of the funds derived from the Loan Agreement or of any other funds herein designated.

Section 9. Deposit of Pledged Revenues; Distributions of the Pledged Revenues and Flow of Funds.

A. Deposit of Pledged Revenues. Pledged Revenues shall be paid directly by the Governmental Unit to the Finance Authority in an amount sufficient to pay principal, interest, Administrative Fees, and other amounts due under the Loan Agreement, as provided in Section 5.2 of the Loan Agreement.

B. Termination on Deposits to Maturity. No payment shall be made into the Debt Service Account if the amount in the Debt Service Account totals a sum at least equal to the entire aggregate amount of Loan Agreement Payments to become due as to principal, interest on, Administrative Fees and any other amounts due under the Loan Agreement, in which case moneys

in such account in an amount at least equal to such principal, interest and Administrative Fee requirements shall be used solely to pay such obligations as the same become due, and any moneys in excess thereof in such accounts shall be transferred to the Governmental Unit and used as provided in Section 9.C of this Resolution.

C. Use of Surplus Revenues. After making all the payments required to be made by this Section and any payments required by outstanding Parity Obligations, any moneys remaining in the Debt Service Account shall be transferred to the Governmental Unit on a timely basis and applied to any other lawful purpose, including, but not limited to, the payment of any Parity Obligations or bonds or obligations subordinate and junior to the Loan Agreement, or purposes authorized by the Governmental Unit, the Constitution and laws of the State, as the Governmental Unit may from time to time determine.

Section 10. Lien on Pledged Revenues. Pursuant to the Loan Agreement, the Pledged Revenues are hereby authorized to be pledged, and are hereby pledged, and the Governmental Unit grants a lien on the Pledged Revenues and security interest therein, for the payment of the principal, interest, Administrative Fees, and any other amounts due under the Loan Agreement, subject to the uses thereof permitted by and the priorities set forth in this Resolution. The Loan Agreement constitutes an irrevocable first lien, but not necessarily an exclusive first lien, on the Pledged Revenues as set forth herein and therein, and the Governmental Unit shall not create a lien on the Pledged Revenues superior to that of the Loan Agreement without the express prior written approval of the Finance Authority.

Section 11. Authorized Officers. Authorized Officers are hereby individually authorized and directed to execute and deliver any and all papers, instruments, opinions, affidavits and other documents and to do and cause to be done any and all acts and things necessary or proper for carrying out this Resolution, the Loan Agreement and all other transactions contemplated hereby and thereby. Authorized Officers are hereby individually authorized to do all acts and things required of them by this Resolution and the Loan Agreement for the full, punctual and complete performance of all the terms, covenants and agreements contained in this Resolution and the Loan Agreement including, but not limited to, the execution and delivery of closing documents and reports in connection with the execution and delivery of the Loan Agreement, and the publication of the summary of this Resolution set out in Section 17 of this Resolution (with such changes, additions and deletions as may be necessary).

Section 12. Amendment of Resolution. Prior to the Closing Date, the provisions of this Resolution may be supplemented or amended by ordinance of the Governing Body with respect to any changes which are not inconsistent with the substantive provisions of this Resolution. After the Closing Date, this Resolution may be amended without receipt by the Governmental Unit of any additional consideration, but only with the prior written consent of the Finance Authority.

Section 13. Resolution Irrepealable. After the Closing Date, this Resolution shall be and remain irrepealable until all obligations due under the Loan Agreement shall be fully paid, canceled and discharged, as herein provided.

Section 14. Severability Clause. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 15. Repealer Clause. All bylaws, orders, resolutions and ordinances, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any bylaw, order, resolution or ordinance, or part thereof, heretofore repealed.

Section 16. Effective Date. Upon due adoption of this Resolution, it shall be recorded in the book of the Governmental Unit kept for that purpose, authenticated by the signatures of the City Manager and City Clerk, and the title and general summary of the subject matter contained in this Resolution (set out in Section 17 below) shall be published in a newspaper which is of general circulation in the Governmental Unit, and the Resolution shall be in full force and effect thereafter, in accordance with law.

Section 17. General Summary for Publication. Pursuant to the general laws of the State, the title and a general summary of the subject matter contained in this Resolution shall be published in substantially the following form:

*[Remainder of page intentionally left blank.]*

*[Form of Summary of Resolution for Publication.]*

City of Las Vegas, New Mexico  
Notice of Adoption of Resolution

Notice is hereby given of the title and of a general summary of the subject matter contained in Resolution No. 17-14, duly adopted and approved by the Governing Body of the City of Las Vegas, New Mexico (the "Governmental Unit"), on May 17, 2017. Complete copies of the Resolution are available for public inspection during normal and regular business hours in the office of the City Clerk, 1700 North Grand Avenue, Las Vegas, New Mexico 87701.

The title of the Resolution is:

CITY OF LAS VEGAS, NEW MEXICO  
RESOLUTION NO. 17-14

AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AND SUBSIDY AGREEMENT ("LOAN AGREEMENT") BY AND BETWEEN THE CITY OF LAS VEGAS, NEW MEXICO (THE "GOVERNMENTAL UNIT") AND THE NEW MEXICO FINANCE AUTHORITY, EVIDENCING A SPECIAL LIMITED OBLIGATION OF THE GOVERNMENTAL UNIT TO PAY A PRINCIPAL AMOUNT OF NO MORE THAN \$354,000, TOGETHER WITH INTEREST, AND ADMINISTRATIVE FEES THEREON, AND TO ACCEPT A LOAN SUBSIDY OF NO MORE THAN \$265,500, FOR THE PURPOSE OF FINANCING THE COSTS OF A WATER SYSTEM IMPROVEMENT PROJECT; PROVIDING FOR THE PLEDGE AND PAYMENT OF THE PRINCIPAL, ADMINISTRATIVE FEES AND INTEREST DUE UNDER THE LOAN AGREEMENT SOLELY FROM THE NET REVENUES OF THE WATER SYSTEM OF THE GOVERNMENTAL UNIT; SETTING AN INTEREST RATE FOR THE LOAN; APPROVING THE FORM OF AND OTHER DETAILS CONCERNING THE LOAN AGREEMENT; RATIFYING ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT WITH THIS RESOLUTION; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN AGREEMENT.

The title sets forth a general summary of the subject matter contained in the Resolution.

This notice constitutes compliance with NMSA 1978, § 6-14-6.

*[End of Form of Summary for Publication.]*

Section 18. Execution of Agreements. The City of Las Vegas, New Mexico through its Governing Body agrees to authorize and execute all such agreements with the New Mexico Finance Authority as are necessary to consummate the Loan contemplated herein and consistent with the terms and conditions of the Loan Agreement and this Resolution.

PASSED, APPROVED AND ADOPTED THIS 17<sup>TH</sup> DAY OF MAY, 2017.

CITY OF LAS VEGAS, SAN MIGUEL COUNTY,  
NEW MEXICO

By \_\_\_\_\_  
Tonita Gurulé-Girón, Mayor

[SEAL]

ATTEST:

By \_\_\_\_\_  
Casandra Fresquez, City Clerk

*[Remainder of page intentionally left blank.]*

Governing Body Member \_\_\_\_\_ then moved adoption of the foregoing Resolution duly seconded by Governing Body Member \_\_\_\_\_.

The motion to adopt said Resolution, upon being put to a vote, was passed and adopted on the following recorded vote:

Those Voting Aye: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Those Voting Nay: \_\_\_\_\_  
\_\_\_\_\_

Those Absent: \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_ (\_\_\_\_\_) members of the Governing Body having voted in favor of said motion, the Mayor declared said motion carried and said Resolution adopted, whereupon the Mayor and the City Clerk signed the Resolution upon the records of the minutes of the Governing Body.

After consideration of other matters not relating to the Resolution, the meeting on motion duly made, seconded and carried, was adjourned.

CITY OF LAS VEGAS, SAN MIGUEL COUNTY,  
NEW MEXICO

By \_\_\_\_\_  
Tonita Gurulé-Girón, Mayor

[SEAL]

ATTEST:

By \_\_\_\_\_  
Casandra Fresquez, City Clerk

*[Remainder of page intentionally left blank.]*

STATE OF NEW MEXICO            )  
  ) ss.  
COUNTY OF SAN MIGUEL        )

I, Casandra Fresquez,, the duly appointed, qualified, and acting City Clerk of the City of Las Vegas, New Mexico (the “Governmental Unit”), do hereby certify:

1. The foregoing pages are a true, perfect, and complete copy of the record of the proceedings of the City Council (the “Governing Body”), constituting the governing body of the Governmental Unit, had and taken at a duly called regular meeting held at 1700 North Grand Avenue, Las Vegas, New Mexico, on May 17, 2017, at the hour of 6:00 p.m., insofar as the same relate to the adoption of the Resolution and the execution and delivery of the proposed Loan Agreement, copies of which are set forth in the official records of the proceedings of the Governing Body kept in my office. None of the action taken has been rescinded, repealed, or modified.

2. Said proceedings were duly had and taken as therein shown, the meeting therein was duly held, and the persons therein named were present at said meeting, as therein shown.

3. Notice of the meeting was given in compliance with the permitted methods of giving notice of meetings of the Governing Body as required by the State Open Meetings Act, NMSA 1978, §§ 10-15-1 through 10-15-4, as amended, including, the Governing Body’s Open Meetings Resolution No. 17-01 presently in effect.

IN WITNESS WHEREOF, I have hereunto set my hand this 17<sup>th</sup> day of May 2017.

CITY OF LAS VEGAS, SAN MIGUEL COUNTY,  
NEW MEXICO

[SEAL]

By \_\_\_\_\_  
Casandra Fresquez, City Clerk

**EXHIBIT "A"**

**Notice and Agenda of Meeting**

**\$354,000 Maximum Principal Amount**

**DRINKING WATER STATE REVOLVING LOAN FUND  
LOAN AND SUBSIDY AGREEMENT**

**dated**

**June 23, 2017**

**by and between the**

**NEW MEXICO FINANCE AUTHORITY**

**and the**

**CITY OF LAS VEGAS,  
SAN MIGUEL COUNTY, NEW MEXICO**

DRINKING WATER STATE REVOLVING LOAN FUND  
LOAN AND SUBSIDY AGREEMENT

This LOAN AND SUBSIDY AGREEMENT (the "Loan Agreement"), dated as of June 23, 2017, is entered into by and between the **NEW MEXICO FINANCE AUTHORITY** (the "Finance Authority"), and the **CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO** (the "Governmental Unit"), a municipality duly organized and existing under the laws of the State of New Mexico (the "State").

WITNESSETH:

Capitalized terms used in the following recitals of this Loan Agreement and not defined in the first Paragraph above or in these recitals shall have the same meaning as defined in Article I of this Loan Agreement, unless the context requires otherwise.

WHEREAS, the Finance Authority is authorized, pursuant to the Drinking Water State Revolving Loan Fund Act, NMSA 1978, §§ 6-21A-1 through 6-21A-9, as amended (the "DWSRLF Act") to implement a program to permit qualified local authorities, such as the Governmental Unit, to enter into agreements with the Finance Authority to provide financial assistance in the acquisition, design, construction, improvement, expansion, repair and rehabilitation of drinking water supply facilities as authorized by the Safe Drinking Water Act; and

WHEREAS, a portion of the Loan funds made available under this Agreement pursuant to the DWSRLF Act and the Safe Drinking Water Act may be forgiven and, if forgiven, will not be required to be repaid; and

WHEREAS, the Governing Body of the Governmental Unit has determined that it is in the best interests of the Governmental Unit and the public it serves that the Governmental Unit enter into this Loan Agreement with the Finance Authority and accept a loan and subsidy from the Finance Authority to finance the costs of the Project, as more fully described on the Term Sheet attached hereto as Exhibit "A"; and

WHEREAS, the Project appears on the Drinking Water Fundable Priority List; and

WHEREAS, the Project has been planned and authorized in conformity with the Intended Use Plan; and

WHEREAS, the New Mexico Environment Department (the "Department") has determined that the Governmental Unit's Project plans and specifications comply with the provisions of 42 U.S.C. Section 300j-12 and the requirements of the laws and regulations of the State governing the construction and operation of drinking water systems prior to disbursement of any proceeds of the Loan for construction; and

WHEREAS, pursuant to information provided by the Governmental Unit and environmental review by applicable State and federal agencies, and in accordance with 40 C.F.R. Sections 6.204, 6.300(c)(1), and 6.301(f), and pursuant to the environmental review process of the State, the Finance Authority has determined that the Project meets the requirements for a Categorical Exclusion as defined in the State Environmental Review Process (SERP) for the Drinking Water State Revolving Loan Fund, the Finance Authority has found and determined that the Project meets all applicable requirements of the State Environmental Review Process (SERP) for the Drinking Water State Revolving Loan Fund; and

WHEREAS, the Finance Authority has found and determined that the Governmental Unit is a severely disadvantaged community under the Intended Use Plan in that its median annual household income is \$21,539, which is less than 90% of the State median annual household income of \$44,927, and it has an affordability ratio determined as provided in the Intended Use Plan greater than .015; and

WHEREAS, the New Mexico Environment Department Drinking Water Bureau has determined that the Governmental Unit has sufficient technical, managerial and financial capability to operate the Project for its useful life and ensure compliance with the requirements of the Safe Drinking Water Act.

NOW, THEREFORE, for and in consideration of the premises and the mutual promises and covenants herein contained, the Finance Authority and the Governmental Unit agree:

## ARTICLE I

### DEFINITIONS

Capitalized terms defined in this Article I shall have the meaning specified in this Article I wherever used in this Loan Agreement, including the foregoing recitals, unless the context clearly requires otherwise. Capitalized terms defined in the foregoing recitals, if not defined in this Article I, shall have the same meaning as therein stated when used in this Loan Agreement, unless the context clearly requires otherwise.

“Administrative Fee” or “Administrative Fee Component” means the 0.25% annual fee payable to the Finance Authority as 0.125% of the Loan Agreement Principal Amount then outstanding as a part of each Loan Agreement Payment for the costs of originating and servicing the Loan.

“Aggregate Disbursements” means, at any time after the Closing Date, the sum of all Disbursements.

“Aggregate Forgiven Disbursements” means the amount of Subsidy provided in the form of principal forgiveness, and shall at any time after the Closing Date be equal to the product of the Subsidy times the Aggregate Disbursements, up to the Maximum Forgiven Principal.

“Aggregate Program Amount” means, with respect to this Loan Agreement, the sum of \$354,000 which amount shall be available for disbursement to the Governmental Unit to pay costs of the Project.

“Aggregate Repayable Disbursements” means, at any time after the Closing Date, the Aggregate Disbursements less the Aggregate Forgiven Disbursements.

“Approved Requisition” means a requisition in the form of Exhibit “C” to this Loan Agreement, together with the required supporting documentation set out in Exhibit “C” submitted to and approved by the Finance Authority pursuant to Section 4.2 of this Loan Agreement.

“Authorized Officers” means, with respect to the Governmental Unit, the Mayor, City Manager, Finance Director and City Clerk thereof; and with respect to the Finance Authority, any one or more of the Chairperson, Vice-Chairperson, Secretary and Chief Executive Officer of the Finance Authority, and any other officer or employee of the Finance Authority designated in writing by an Authorized Officer of the Finance Authority.

“Bonds” means drinking water state revolving loan fund revenue bonds, if any, issued hereafter by the Finance Authority and specifically related to this Loan Agreement and the Loan Agreement Payments.

“Closing Date” means the date of execution and delivery of this Loan Agreement as shown on the Term Sheet.

“Debt Service Account” means the debt service account established in the name of the Governmental Unit and administered by the Finance Authority to pay the Loan Agreement Payments under this Loan Agreement as the same become due.

“Department” means the New Mexico Environment Department.

“Disbursement” means an amount caused to be paid by the Finance Authority for an Approved Requisition for costs of the Project, calculated on the basis of the amount of such Approved Requisition.

“Drinking Water Fundable Priority List” means the list of drinking water projects compiled by the Department pursuant to the Memorandum of Understanding and the Intended Use Plan.

“DWSRLF Act” means the general laws of the State, particularly the Drinking Water State Revolving Loan Fund Act, NMSA 1978, §§ 6-21A-1 through 6-21A-9, as amended; NMSA 1978, §§ 3-31-1 through 3-31-12, as amended; and enactments of the Governing Body relating to this Loan Agreement including the Resolution.

“Drinking Water State Revolving Loan Fund” means the drinking water state revolving loan fund established by the DWSRLF Act.

“Environmental Protection Agency” means the United States Environmental Protection Agency.

“Event of Default” means one or more events of default as defined in Section 10.1 of this Loan Agreement.

“Final Requisition” means the final requisition of moneys to be submitted by the Governmental Unit, which shall be submitted by the Governmental Unit on or before the date provided for in Section 4.1(b) of this Loan Agreement.

“Final Loan Agreement Payment Schedule” means the schedule of Loan Agreement Payments due on this Loan Agreement following the Final Requisition, as determined on the basis of the Aggregate Repayable Disbursements.

“Finance Authority Act” means NMSA 1978, §§ 6-21-1 through 6-21-31, as amended.

“Fiscal Year” means the period commencing on July 1 of each calendar year and ending on the last day of June of the next succeeding calendar year, or any other twelve-month period which any appropriate authority may hereafter establish for the Governmental Unit as its fiscal year.

“Generally Accepted Accounting Principles” means the officially established accounting principles applicable to the Governmental Unit consisting of the statements, determinations and other official pronouncements of the Government Accounting Standards Board, Financial Accounting Standards Board, Federal Accounting Standards Board or other principle-setting body acceptable to the Finance Authority establishing accounting principles applicable to the Governmental Unit.

“Governing Body” means the duly organized City Council of the Governmental Unit and any successor governing body of the Governmental Unit.

“Gross Revenues” means all income and revenues directly or indirectly derived by the Governmental Unit from the operation and use of the System, or any part of the System, for any particular Fiscal Year period to which the term is applicable, and includes, without limitation, all revenues received by the Governmental Unit, or any municipal corporation or agency succeeding to the rights of the Governmental Unit, from the System and from the sale and use of water services or facilities, or any other service, commodity or facility or any combination thereof furnished by the System.

Gross Revenues do not include:

(a) Any money received as (i) grants or gifts from the United States of America, the State or other sources or (ii) the proceeds of any charge or tax intended as a replacement therefore or other capital contributions from any source which are restricted as to use;

(b) Gross receipts taxes, other taxes and/or fees collected by the Governmental Unit and remitted to other governmental agencies; and

(c) Condemnation proceeds or the proceeds of any insurance policy, except any insurance proceeds derived in respect of loss of use or business interruption.

“Herein,” “hereby,” “hereunder,” “hereof,” “hereinabove” and “hereafter” refer to this entire Loan Agreement and not solely to the particular section or paragraph of this Loan Agreement in which such word is used.

“Independent Accountant” means (i) an accountant employed by the State and under the supervision of the State Auditor, or (ii) any certified public accountant or firm of such accountants duly licensed to practice and practicing as such under the laws of the State, appointed and paid by the Governmental Unit who (a) is, in fact, independent and not under the domination of the Governmental Unit, (b) does not have any substantial interest, direct or indirect, with the Governmental Unit, and (c) is not connected with the Governmental Unit as an officer or employee of the Governmental Unit, but who may be regularly retained to make annual or similar audits of the books or records of the Governmental Unit.

“Intended Use Plan” means the current plan prepared by the Finance Authority and the Department and approved by the Environmental Protection Agency pursuant to 42 U.S.C. Section 300j-12(b) which establishes criteria for extending drinking water improvements financial assistance to qualifying public drinking water utility systems.

“Interest Component” means the portion of each Loan Agreement Payment paid as interest accruing on the Aggregate Repayable Disbursements then outstanding, calculated from the date of each disbursement.

“Interest Rate” means the rate of interest on this Loan Agreement as shown on the Term Sheet.

“Interim Period” means the period no greater than twenty-seven (27) months, or a longer period as may be approved by the Finance Authority as provided in Section 4.1(b) of the Agreement, beginning on the Closing Date, during which the Finance Authority will disburse moneys to the Governmental Unit to pay costs of the Project, unless extended pursuant to Section 4.1(b) of this Loan Agreement.

“Interim Loan Agreement Payment Schedule” means the anticipated schedule of Loan Agreement Payments due on this Loan Agreement following the Final Requisition, assuming disbursement of the entire Aggregate Program Amount within twenty-seven (27) months of the Closing Date. The Interim Loan Agreement Payment Schedule is attached hereto as Exhibit “B”.

“Loan” means the funds to be loaned to the Governmental Unit by the Finance Authority pursuant to this Loan Agreement, up to the Maximum Principal Amount.

“Loan Agreement” means this loan and subsidy agreement and any amendments or supplements hereto, including the exhibits attached to this loan agreement.

“Loan Agreement Payment” means, collectively, the Principal Component, the Interest Component, and the Administrative Fee Component to be paid by the Governmental Unit as payment on the Aggregate Repayable Disbursements under this Loan Agreement, as shown on Exhibit “B” hereto.

“Loan Agreement Payment Date” means each date a payment is due on this Loan Agreement as shown on the Interim Loan Agreement Payment Schedule, attached hereto as Exhibit “B,” or in the Final Loan Agreement Payment Schedule.

“Loan Agreement Principal Amount” means, as of any date of calculation, the Aggregate Repayable Disbursements then outstanding.

“Loan Agreement Term” means the term of this Loan Agreement as provided under Article III of this Loan Agreement.

“Maximum Forgiven Principal” means the maximum amount of loan subsidy available in the form of principal forgiveness, which is equal to seventy-five percent (75%) of the Maximum Principal Amount. The Maximum Forgiven Principal is \$265,500.

“Maximum Repayable Principal” means the maximum amount of Aggregate Repayable Disbursements repayable by the Governmental Unit pursuant to this Loan Agreement, and is equal to the Maximum Principal Amount less the Maximum Forgiven Principal. The Maximum Repayable Principal is \$88,500.

“Maximum Principal Amount” means \$354,000.

“Memorandum of Understanding” means the current memorandum of understanding by and between the Finance Authority and the Department pursuant to the DWSRLF Act describing and allocating duties and responsibilities in connection with the Drinking Water State Revolving Loan Fund.

“Net Revenues” means the Gross Revenues of the System owned and operated by the Governmental Unit minus Operation and Maintenance Expenses of the System, indirect charges, amounts expended for capital replacements and repairs of the System, required set asides for debt and replacement requirements and any other payments from the gross revenues reasonably required for operation of the System.

“NMSA 1978” means the New Mexico Statutes Annotated, 1978 compilation, as amended and supplemented from time to time.

“Operating Agreement” means the operating agreement entered into between the Finance Authority and the Environmental Protection Agency, Region 6, for the Drinking Water State Revolving Loan Fund program.

“Operation and Maintenance Expenses” means all reasonable and necessary current expenses of the System, for any particular Fiscal Year or period to which such term is applicable, paid or accrued, related to operating, maintaining and repairing the System, including, without limiting the generality of the foregoing:

- (a) Legal and overhead expenses of the Governmental Unit directly related and reasonably allocable to the administration of the System;
- (b) Insurance premiums for the System, including, without limitation, premiums for property insurance, public liability insurance and workmen’s compensation insurance, whether or not self-funded;
- (c) Premiums, expenses and other costs (other than required reimbursements of insurance proceeds and other amounts advanced to pay debt service requirements on System bonds) for credit facilities;
- (d) Any expenses described in this definition other than expenses paid from the proceeds of System bonds;
- (e) The costs of audits of the books and accounts of the System;
- (f) Amounts required to be deposited in any rebate fund;
- (g) Salaries, administrative expenses, labor costs, surety bonds and the cost of water, materials and supplies used for or in connection with the current operation of the System; and
- (h) Any fees required to be paid under any operation, maintenance and/or management agreement with respect to the System.

Operation and Maintenance Expenses do not include any allowance for depreciation, payments in lieu of taxes, franchise fees payable or other transfers to the Governmental Unit’s general fund, liabilities incurred by the Governmental Unit as a result of its negligence or other misconduct in the operation of the System, any charges for the accumulation of reserves for capital replacements or any Operation and Maintenance Expenses payable from moneys other than Gross Revenues.

“Parity Obligations” means any obligations of the Governmental Unit under this Loan Agreement and any other obligations now outstanding or hereafter issued or incurred, payable from or secured by a pledge of the Pledged Revenues and issued with a lien on the Pledged Revenues on a parity with this Loan Agreement, including any such obligations shown on the Term Sheet.

“Permitted Investments” means securities which are at the time legal investments of the Governmental Unit for the money to be invested, as applicable, including but not limited to the following if permitted by law: (i) securities that are issued by the United States government or by its agencies or instrumentalities and that are either direct obligations of the United States, the federal home loan mortgage association, the federal national mortgage association, the federal farm credit bank, federal home loan banks or the student loan marketing association or that are backed by the full faith and credit of the United States government; (ii) negotiable securities of the State; (iii) money market funds which invest solely in obligations described in clause (i) above which are rated in the highest rating category by Moody’s Investors Service, Inc. or Standard & Poor’s Ratings Services; and (iv) the State Treasurer’s short-term investment fund created pursuant to NMSA 1978, § 6-10-10.1, as amended, and operated, maintained and invested by the office of the State Treasurer.

“Pledged Revenues” means the Net Revenues of the Governmental Unit pledged to payment of the Loan Agreement Payments by the Resolution and this Loan Agreement and described in the Term Sheet.

“Principal Component” means the portion of each Loan Agreement Payment paid as principal on this Loan Agreement, based upon the Aggregate Repayable Disbursements, as shown on Exhibit “B” attached to this Loan Agreement.

“Project” means the project(s) described on the Term Sheet.

“Resolution” means Resolution No. 17-14 adopted by the Governing Body of the Governmental Unit on May 17, 2017, approving this Loan Agreement and pledging the Pledged Revenues to the payment of the Loan Agreement Payments as shown on the Term Sheet, as supplemented from time to time.

“Safe Drinking Water Act” means 42 U.S.C. §§ 300f et seq.

“Senior Obligations” means any bonds or other obligations of the Governmental Unit now outstanding or hereafter issued or incurred, payable from or secured by a pledge of the Pledged Revenues and issued with a lien on the Pledged Revenues superior to the lien created by this Loan Agreement, including any such obligations shown on the Term Sheet.

“Service Area” means the area served by the System, whether situated within or without the limits of the Governmental Unit.

“State Environmental Review Process” or “SERP” means the environmental review process adopted by the Finance Authority, as required by and approved by the Environmental Protection Agency, pursuant to the Operating Agreement.

“Subordinated Obligations” means any bonds or other obligations of the Governmental Unit now outstanding or hereafter issued or incurred with a lien on the Pledged Revenues

subordinate to the lien created by this Loan Agreement and subordinate to any other outstanding Parity Obligations having a lien on the Pledged Revenues, including any such obligations shown on the Term Sheet.

“Subsidy” means any subsidy in the form of principal forgiveness for the Governmental Unit, to be applied proportionally at the time of each Disbursement to the Governmental Unit, being seventy-five percent (75%) of such Disbursement.

“System” means the public utility designated as the Governmental Unit’s water system, and all improvements or additions thereto, including additions and improvements to be acquired or constructed with the proceeds of this Loan Agreement.

“Term Sheet” means Exhibit “A” attached to this Loan Agreement.

“Unrequisitioned Principal Amount” means the amount, if any, by which the Maximum Principal Amount exceeds the Aggregate Disbursements at the time the Governmental Unit submits the certificate of completion required pursuant to Section 6.3 of this Loan Agreement.

“Utility Revenue Bonds” means any bonds and other similar indebtedness payable solely or primarily from the Pledged Revenues, including this Loan Agreement, and any Senior Obligations, Parity Obligations and Subordinated Obligations.

## ARTICLE II

### REPRESENTATIONS, COVENANTS AND WARRANTIES

Section 2.1 Representations, Covenants and Warranties of the Governmental Unit. The Governmental Unit represents, covenants and warrants as follows:

(a) Binding Nature of Covenants. All covenants, stipulations, obligations and agreements of the Governmental Unit contained in this Loan Agreement shall be deemed to be the covenants, stipulations, obligations and agreements of the Governmental Unit to the full extent authorized or permitted by law, and such covenants, stipulations, obligations and agreements shall be binding upon the Governmental Unit and its successors and upon any board or body to which any powers or duties affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law. Except as otherwise provided in this Loan Agreement, all rights, powers and privileges conferred and duties and liabilities imposed upon the Governmental Unit by the provisions of this Loan Agreement and the Resolution shall be exercised or performed by the Governmental Unit or by such members, officers, or officials of the Governmental Unit as may be required by law to exercise such powers and to perform such duties.

(b) Authorization of Loan Agreement and Readiness to Proceed. The Governmental Unit is a municipality, and is duly organized and existing under the statutes and laws of the State, including specifically Sections 3-1-1 through 3-66-11, NMSA 1978, as amended. The Governmental Unit is a local authority as defined in the DWSRLF Act. The Governmental

Unit is authorized to enter into the transactions contemplated by this Loan Agreement and to carry out its obligations hereunder and thereunder. The Governmental Unit has duly authorized and approved the execution and delivery of this Loan Agreement to proceed requirements of the Finance Authority and has met and will continue to meet all requirements of law applicable to this Loan Agreement.

(c) Use of Loan Agreement Proceeds. The Governmental Unit shall proceed without delay in applying the Aggregate Program Amount, pursuant to Section 6.1 of this Loan Agreement to the acquisition and completion of the Project and to no other purpose, as follows:

(i) The Governmental Unit shall requisition moneys to pay for the costs of the Project not less frequently than quarterly following the Closing Date;

(ii) The Governmental Unit shall, within two (2) years after the Closing Date, have completed the acquisition of the Project, and shall within twenty-seven (27) months after the Closing Date have requisitioned the Aggregate Program Amount, or such portion thereof as shall be necessary to complete the Project, unless an extension is agreed to pursuant to Section 4.1(b) of this Loan Agreement.

(d) Payment of Loan Agreement Payments. The Governmental Unit meets and will continue to meet the requirements established by the Finance Authority to assure sufficient revenues to operate and maintain the System for its useful life and repay the Loan. The Governmental Unit shall promptly pay Loan Agreement Payments, as specified in the Interim Loan Agreement Payment Schedule or the Final Loan Agreement Payment Schedule, as applicable, according to the true intent and meaning of this Loan Agreement.

(e) Acquisition and Completion of Project; Compliance with Laws. The Project will be acquired and completed so as to comply with all applicable ordinances, resolutions and regulations, if any, and any and all applicable laws relating to the acquisition and completion of the Project and to the use of the Pledged Revenues.

(f) Necessity of Project. The acquisition and completion of the Project under the terms and conditions provided for in this Loan Agreement is necessary, convenient and in furtherance of the governmental purposes of the Governmental Unit and is in the best interests of the Governmental Unit and the public it serves.

(g) Legal, Valid and Binding Obligation. The Governmental Unit has taken all required action necessary to authorize the execution and delivery of this Loan Agreement. This Loan Agreement constitutes a legal, valid and binding special obligation of the Governmental Unit enforceable in accordance with its terms.

(h) Loan Agreement Term. The Loan Agreement Term does not exceed the anticipated useful life of the Project.

(i) Use of Project. During the Loan Agreement Term, the Project will at all times be used for the purpose of benefiting the Governmental Unit and the public it serves.

(j) No Breach or Default Caused by Loan Agreement. Neither the execution and delivery of this Loan Agreement, nor the fulfillment of or compliance with the terms and conditions in this Loan Agreement, nor the consummation of the transactions contemplated herein, conflicts with or results in a breach of terms, conditions or provisions of any restriction or any agreement or instrument to which the Governmental Unit is a party or by which the Governmental Unit is bound or any laws, ordinances, governmental rules or regulations or court or other governmental orders to which the Governmental Unit or its properties are subject, or constitutes a default under any of the foregoing.

(k) Irrevocable Enactments. While this Loan Agreement remains outstanding and unpaid, any ordinance, resolution or other enactment of the Governing Body applying the Pledged Revenues for the payment of this Loan Agreement shall be irrevocable until this Loan Agreement has been paid in full as to both principal and interest, and shall not be subject to amendment or modification in any manner which would in any way jeopardize the timely payment of Loan Agreement Payments.

(l) Outstanding and Additional Debt. Except for any Senior Obligations, and any Parity Obligations described on the Term Sheet, there are currently no outstanding bonds, notes or other obligations of the Governmental Unit which are payable from and secured by a lien on the Pledged Revenues superior to or on a parity with the lien of this Loan Agreement. No additional indebtedness, bonds or notes of the Governmental Unit, payable on a priority ahead of the indebtedness herein authorized out of Pledged Revenues, shall be created or incurred while this Loan Agreement remains outstanding without the prior written approval of the Finance Authority.

(m) No Litigation. To the knowledge of the Governmental Unit after due investigation, no litigation or proceeding is pending or threatened against the Governmental Unit or any other person affecting the right of the Governmental Unit to execute or deliver this Loan Agreement or to comply with its obligations under this Loan Agreement. Neither the execution and delivery of this Loan Agreement by the Governmental Unit nor compliance by the Governmental Unit with the obligations under this Loan Agreement requires the approval of any regulatory body, or any other entity, which approval has not been obtained or which is not reasonably expected to be obtained.

(n) No Event of Default. No event has occurred and no condition exists which, upon the execution and delivery of this Loan Agreement, would constitute an Event of Default on the part of the Governmental Unit under this Loan Agreement.

(o) Existing Pledges; Pledged Revenues Not Budgeted. Except as described on the Term Sheet the Pledged Revenues have not been pledged or hypothecated in any manner for any purpose at the time of execution and delivery of this Loan Agreement. The portion of the

Pledged Revenues necessary to pay the Loan Agreement Payments, as and when due, is not needed or budgeted to pay current or anticipated operational or other expenses of the Governmental Unit.

(p) Expected Coverage Ratio. The Pledged Revenues from the current Fiscal Year are projected to equal or exceed one hundred twenty percent (120%), and, on an ongoing basis during each year of the Loan Agreement Term are reasonably expected to equal or exceed, one hundred twenty percent (120%) of the maximum annual principal and interest due on all outstanding Parity Obligations of the Governmental Unit.

(q) Governmental Unit's Existence. The Governmental Unit will maintain its corporate identity and existence so long as this Loan Agreement is unpaid, unless another political subdivision by operation of law succeeds to the liabilities and rights of the Governmental Unit without adversely affecting to any substantial degree the privileges and rights of the Finance Authority.

(r) Continuing Disclosure. The Governmental Unit covenants that it shall provide continuing disclosure to the Finance Authority, as the Finance Authority may require, that shall include, but not be limited to: Project documents, annual audits, operational data required to update information in any disclosure documents used in connection with assignment or securitizing this Loan Agreement or the Loan Agreement Payments by issuance of Bonds by the Finance Authority, and notification of any event deemed material by the Finance Authority. For the purposes of this Loan Agreement, a material event shall include, without limitation, any violation or alleged violation by a state or federal agency of appropriate jurisdiction, of federal law, regulation, or policy which governs or applies to participants in the Drinking Water State Revolving Loan Fund.

(s) Single Audit Act Requirement. The Governmental Unit acknowledges that the funding provided pursuant to this Loan Agreement is derived in large part from federal grants to the Drinking Water State Revolving Loan Fund program pursuant to the Operating Agreement. During the Loan Agreement Term, the Governmental Unit shall annually cause an audit of the books and accounts of its operations in their entirety, or in the alternative an audit of the books and accounts of each of its departments, agencies and other organizational units which expended or otherwise administered the Loan or any other funds derived from the government of the United States, to be completed by an Independent Accountant in accordance with the Single Audit Act Amendments of 1996 (31 U.S.C. Section 7501 et seq.), and applicable regulations thereunder. The audit will be available for inspection by the Finance Authority and by the Environmental Protection Agency.

(t) Construction Requirements. The Governmental Unit shall require any contractor hired by it in connection with the construction of the Project to post a performance and payment bond as provided by NMSA 1978, § 13-4-18, as amended.

Section 2.2 Protective Covenants Regarding Operation of the System. The Governmental Unit further represents, covenants and warrants as follows:

(a) Rate Covenant. The Governmental Unit covenants that it will at all times fix, charge and collect such rates and charges as shall be required in order that in each Fiscal Year in which the Loan is outstanding the Gross Revenues shall at least equal the Operation and Maintenance Expenses of the System for the Fiscal Year, plus one hundred twenty percent (120%) of the maximum annual principal and interest payments due on all outstanding Parity Obligations.

(b) Efficient Operation. The Governmental Unit will maintain the System in efficient operating condition and make such improvements, extensions, enlargements, repairs and betterments to the System as may be necessary or advisable for its economical and efficient operation at all times and to supply reasonable public and private demands for System services within the Service Area of the System.

(c) Records. So long as this Loan Agreement remains outstanding, proper books of record and account will be kept by the Governmental Unit, separate from all other records and accounts, showing complete and correct entries of all transactions relating to the System. However, pursuant to NMSA 1978, § 6-14-10(E), as amended, records with regard to the ownership or pledge of Utility Revenue Bonds are not subject to inspection or copying.

(d) Right to Inspect. The Finance Authority, or its duly authorized agents, shall have the right to inspect at all reasonable times the Project and all records, accounts and data relating to the Project, the Pledged Revenues, and the System.

(e) Audits. Within two hundred seventy (270) days following the close of each Fiscal Year, the Governmental Unit will cause an audit of the books and accounts of the System and its separate systems to be made by an Independent Accountant and the audit to be made available for inspection by the Finance Authority. Each audit of the System shall comply with Generally Accepted Accounting Principles. The audit required by this section may, at the Governmental Unit's discretion, be performed as a part of or in conjunction with the audit required under the Single Audit Act as set forth in Section 2.1(s) of this Loan Agreement.

(f) Billing Procedure. Bills for water services or facilities, furnished by or through the System shall be rendered to customers on a regular basis each month following the month in which the service was rendered and shall be due as required by the applicable ordinance of the Governmental Unit. To the extent permitted by law, if a bill is not paid within the period of time required by such ordinance, water services shall be discontinued as required by Governmental Unit regulation, policy or ordinance, and the rates and charges due shall be collected in a lawful manner, including, but not limited to, the cost of disconnection and reconnection.

(g) Charges and Liens Upon System. The Governmental Unit will pay when due from Gross Revenues or other legally available funds all taxes and assessments or other municipal or governmental charges, lawfully levied or assessed upon the System and will observe and comply with all valid requirements of any municipal or governmental authority relating to the System. The Governmental Unit will not create or permit any lien or charge upon the System or the Gross Revenues or it will make adequate provisions to satisfy and discharge within sixty (60) days after the same accrue, all lawful claims and demands for labor, materials, supplies or other

objects, which, if unpaid, might by law become a lien upon the System or the Gross Revenues. However, the Governmental Unit shall not be required to pay or cause to be discharged, or make provision for any tax assessment, lien or charge before the time when payment becomes due or so long as the validity thereof is contested in good faith by appropriate legal proceedings and there is no adverse effect on Finance Authority.

(h) Insurance. Subject, in each case, to the condition that insurance is obtainable at reasonable rates and upon reasonable terms and conditions, in its operation of the System, the Governmental Unit will procure and maintain or cause to be procured and maintained commercial insurance or provide Qualified Self Insurance with respect to the facilities constituting the System and public liability insurance in the form of commercial insurance or Qualified Self Insurance and, in each case, in such amounts and against such risks as are, in the judgment of the Governing Body, prudent and reasonable taking into account, but not being controlled by, the amounts and types of insurance or self-insured programs provided by entities which operate systems such as the System. "Qualified Self Insurance" means insurance maintained through a program of self insurance or insurance maintained with a fund, company or association in which the Governmental Unit may have a material interest and of which the Governmental Unit may have control, either singly or with others. Each plan of Qualified Self Insurance shall be established in accordance with law, shall provide that reserves be established or insurance acquired in amounts adequate to provide coverage which the Governmental Unit determines to be reasonable to protect against risks assumed under the Qualified Self Insurance plan, including any potential retained liability in the event of the termination of such plan of Qualified Self Insurance. In the event of property loss or damage to the System, insurance proceeds shall be used first for the purpose of restoring or replacing the property lost or damaged and thereafter, and any remainder may be used to redeem Utility Revenue Bonds or be treated as Gross Revenues and used in any legally permissible manner.

(i) Competing Utility System. Unless contrary to any provision of, or required by, applicable law, as long as this Loan Agreement is outstanding, the Governmental Unit prior to granting any franchise or license to a competing utility system, or permitting any person, association, firm or corporation to sell similar utility services or facilities to any consumer, public or private, within the Service Area of the System, shall obtain a written report from an independent utility rate consultant stating that in the opinion of the consultant the use charges in effect immediately prior to the approval of the franchise or license by the Governmental Unit are sufficient to meet the requirement of section 2.1(p) (expected coverage ratio) for the first full calendar year after the approval of the franchise or license, based on the new Service Area of the System.

(j) Alienating System. While this Loan Agreement is outstanding, the Governmental Unit shall not transfer, sell or otherwise dispose of the System, except that the Governmental Unit may dispose of inadequate, obsolete or worn out property. For purposes of this Section, any transfer of an asset over which the Governmental Unit retains or regains substantial control shall, for so long as the Governmental Unit has such control, not be deemed a disposition of the System.

(k) Management of the System. If an Event of Default shall occur or if the Pledged Revenues in any Fiscal Year fail to equal principal and interest due on the Senior Obligations and the Parity Obligations, the Governmental Unit shall retain an independent consultant qualified in the management of water and wastewater utility systems to assist in the management of the System so long as such default continues.

(l) Competent Management. The Governmental Unit shall employ experienced and competent personnel to manage the System.

(m) Performing Duties. The Governmental Unit will faithfully and punctually perform all duties with respect to the System required by the Constitution and laws of the State and the regulations, policies or ordinances and resolutions of the Governmental Unit relating to the System and this Loan Agreement, including, but not limited to, making and collecting reasonable and sufficient rates and charges for services rendered or furnished by the System as required by this Loan Agreement and the proper segregation and application of the Gross Revenues.

(n) Other Liens. Except for any Senior Obligations and Parity Obligations listed in the Term Sheet, there are no liens or encumbrances of any nature whatsoever, on or against the System or the Gross Revenues or Net Revenues on parity with or senior to the lien of this Loan Agreement.

Section 2.3 Representations, Covenants and Warranties of the Finance Authority. The Finance Authority represents, covenants and warrants for the benefit of the Governmental Unit:

(a) Legal Status and Authorization of Loan Agreement. The Finance Authority is a public body politic and corporate constituting a governmental instrumentality, separate and apart from the State, duly organized and created under and pursuant to the laws of the State, particularly the Finance Authority Act. The Finance Authority has all necessary power and authority to enter into and perform and observe the covenants and agreements on its part contained in this Loan Agreement and has duly authorized the execution and delivery of this Loan Agreement.

(b) No Breach or Default Caused by Loan Agreement. Neither the execution and delivery of this Loan Agreement, nor the fulfillment of or compliance with the terms and conditions of this Loan Agreement, nor the consummation of the transactions contemplated in this Loan Agreement, conflicts with or results in a breach of the terms, conditions and provisions of any restriction or any agreement or instrument to which the Finance Authority is a party or by which the Finance Authority is bound or constitutes a default under any of the foregoing and will not conflict with or constitute a violation of any constitutional or statutory provision or order, rule, regulation, decree or ordinance of any court, government or governmental authority having jurisdiction over the Finance Authority, or its property and which conflict or violation will have a material adverse effect on the Finance Authority or the financing of the Project.

(c) No Litigation. To the knowledge of the Finance Authority, there is no litigation or proceeding pending or threatened against the Finance Authority or any other person affecting the right of the Finance Authority to execute or deliver this Loan Agreement or to comply with its obligations under this Loan Agreement. To the knowledge of the Finance Authority, neither the execution and delivery of this Loan Agreement by the Finance Authority, nor compliance by the Finance Authority with its obligations under this Loan Agreement, requires the approval of any regulatory body, or any other entity, which approval has not been obtained.

(d) Legal, Valid and Binding Obligations. This Loan Agreement constitutes a legal, valid and binding obligation of the Finance Authority enforceable in accordance with its terms.

### ARTICLE III

#### LOAN AGREEMENT TERM

The Loan Agreement Term shall commence on the Closing Date and shall not terminate until the Governmental Unit's obligations under this Loan Agreement have been paid in full or provision for payment of this Loan Agreement has been made pursuant to Article VIII hereof.

### ARTICLE IV

#### LOAN; APPLICATION OF MONEYS

##### Section 4.1 Application of Loan Agreement Proceeds.

(a) On the Closing Date, the amount shown on the Term Sheet as the Aggregate Program Amount shall be made available for disbursement by the Finance Authority to the Governmental Unit pursuant to Section 6.2 of this Loan Agreement at the request of the Governmental Unit and as needed by the Governmental Unit to implement the Project.

(b) The Final Requisition shall be submitted by the Governmental Unit within twenty seven (27) months following the Closing Date, except only as otherwise approved in writing by an Authorized Officer of the Finance Authority, based on the Governmental Unit's demonstration, to the reasonable satisfaction of the Authorized Officer of the Finance Authority, that unanticipated circumstances beyond the control of the Governmental Unit resulted in delaying the acquisition and completion of the Project, and submission of the Governmental Unit's Final Requisition.

Section 4.2 Disbursements; Approval of Payment Requests. The Governmental Unit shall transmit payment requisitions in the form attached to this Loan Agreement as Exhibit "C" and the supporting documentation required pursuant to Exhibit "C" to the Finance Authority. The Finance Authority or its designee shall review each requisition for compliance with (i) the Project's construction plans and specifications and (ii) all applicable state and federal laws, rules and

regulations, and shall approve or disapprove the requisition accordingly. The Finance Authority shall cause Approved Requisitions to be paid from the State Drinking Water Revolving Loan Fund.

## ARTICLE V

### LOAN TO THE GOVERNMENTAL UNIT; PAYMENTS BY THE GOVERNMENTAL UNIT

Section 5.1 Loan to the Governmental Unit; Payment Obligations Limited to Pledged Revenues; Pledge of Pledged Revenues. The Finance Authority hereby lends to the Governmental Unit and the Governmental Unit hereby borrows from the Finance Authority an amount not to exceed the Maximum Principal Amount. The Governmental Unit promises to pay, but solely from the sources pledged herein, the Loan Agreement Payments as herein provided. Subject to any outstanding Parity Obligations and Senior Obligations, the Governmental Unit does hereby grant a lien on and a security interest in and does hereby convey, assign and pledge unto the Finance Authority and unto its successors in trust forever all right, title and interest of the Governmental Unit in and to (i) the Pledged Revenues to the extent required to pay the Loan Agreement Payments on a parity with any Parity Obligations and subordinate to any Senior Obligations, (ii) the Debt Service Account, and (iii) all other rights hereinafter granted, for the securing of the Governmental Unit's obligations under this Loan Agreement, including payment of the Loan Agreement Payments, provided, however, that if the Governmental Unit, its successors or assigns, shall pay, or cause to be paid, all Loan Agreement Payments at the time and in the manner contemplated by this Loan Agreement, or shall provide as permitted by Article VIII of this Loan Agreement for the payment thereof, and shall pay all other amounts due or to become due under this Loan Agreement in accordance with its terms and provisions then, upon such final payment, this Loan Agreement and the rights created thereby shall terminate; otherwise, this Loan Agreement shall remain in full force and effect. The Loan Agreement Payments shall, in the aggregate, be sufficient to pay the Aggregate Repayable Disbursements, as set forth in the Final Loan Agreement Payment Schedule.

Within five (5) days after each payment of an Approved Requisition during the Interim Period, the Finance Authority shall recalculate on the basis of the Aggregate Repayable Disbursements to that date the Interest Component and Administrative Fee Component next coming due as set out in Section 5.2(a)(i) of this Loan Agreement and shall provide written notice to the Governmental Unit of the recalculated Interest Component and Administrative Fee Component. Within thirty (30) days after the final disbursement, the Finance Authority shall provide a Final Loan Agreement Payment Schedule. The schedule of Loan Agreement Payments, assuming the disbursal of the entire Aggregate Program Amount within twenty-seven (27) months after the Closing Date, identified as the Interim Loan Agreement Payment Schedule, is attached to this Loan Agreement as Exhibit "B". The Finance Authority shall provide a Final Loan Agreement Payment Schedule following the final disbursement which shall supersede the schedule attached as Exhibit "B".

The pledge of the Pledged Revenues and the lien thereon shall be effective upon the Closing Date. The Governmental Unit and the Finance Authority acknowledge and agree that the

sources of the Loan Agreement Payments of the Governmental Unit hereunder are limited to the Pledged Revenues, and that the Loan Agreement shall constitute a special, limited obligation of the Governmental Unit. No provision of this Loan Agreement shall be construed or interpreted as creating a general obligation or other indebtedness of the Governmental Unit or the State within the meaning of any constitutional or statutory debt limitation. No provision of this Loan Agreement shall be construed to pledge or to create a lien on any class or source of Governmental Unit moneys other than the Pledged Revenues, nor shall any provision of this Loan Agreement restrict the future issuance of any bonds or obligations payable from any class or source of Governmental Unit moneys other than the Pledged Revenues. In addition, to the extent not required for the payment of obligations of the Governmental Unit hereunder, the Pledged Revenues may be utilized by the Governmental Unit for any other purposes permitted by law and the laws of the State.

Section 5.2 Payment Obligations of Governmental Unit. The Debt Service Account shall be established and held by the Finance Authority or its designee on behalf of the Governmental Unit. All Loan Agreement Payments received by the Finance Authority or its designee pursuant to this Loan Agreement, shall be accounted for and maintained by the Finance Authority or its designee in the Debt Service Account, which account shall be kept separate and apart from all other accounts of the Finance Authority. The amounts on deposit in the Debt Service Account shall be expended and used by the Finance Authority only in the manner and order of priority specified herein.

(a) As a first charge and lien, but not an exclusive first charge and lien, on the Pledged Revenues (on a parity with the lien on the Pledged Revenues created by any outstanding Parity Obligations), the Governmental Unit shall remit to the Finance Authority and the Finance Authority shall collect and deposit into the Debt Service Account from the Governmental Unit the Pledged Revenues, in the manner specified herein.

(i) Payment of Interest Component and Administrative Fee Component during Interim Period.

(A) During the Interim Period, Interest and Administrative Fees shall accrue on the amount of Aggregate Repayable Disbursements, from the date of each Disbursement.

(B) During the Interim Period the Governmental Unit shall monthly, commencing on the first day of the month next following the first payment by the Finance Authority of an Approved Requisition, pay to the Finance Authority for deposit into the Debt Service Account such amount as is necessary, in monthly installments, to pay the Interest Component and Administrative Fee Component on the Aggregate Repayable Disbursements as of each Loan Agreement Payment Date.

(ii) Loan Agreement Payments Following the Interim Period. After the Interim Period, the Governmental Unit shall pay to the Finance Authority for deposit into the Debt Service Account the following amounts:

(A) Interest and Administrative Fee Components. Monthly, commencing on the first day of the month next following the final disbursement, the Governmental Unit shall pay to the Finance Authority for deposit into the Debt Service Account an amount in equal monthly installments which is necessary to pay the first maturing Interest Component and Administrative Fee Component coming due on this Loan Agreement and monthly thereafter, commencing on each Loan Agreement Payment Date, one-sixth (1/6) of the amount necessary to pay the next maturing Interest Component and Administrative Fee Component on this Loan Agreement as described in the Final Loan Agreement Payment Schedule.

(B) Principal Payments. Monthly, commencing on the first day of the month next following the final disbursement, the Governmental Unit shall pay to the Finance Authority for deposit into the Debt Service Account an amount in equal monthly installments which is necessary to pay the first maturing Principal Component; and thereafter on the first day of each month thereafter, one-twelfth (1/12) of the amount which is necessary to pay the next maturing Principal Component on this Loan Agreement during the Loan Agreement Term, as described in the Final Loan Agreement Payment Schedule.

(iii) Method of Payment. The Governmental Unit shall transfer each month to the Finance Authority, from Pledged Revenues, the amounts set forth in Subsections (i)(C), (ii)(A) and (ii)(B) of this Section 5.2(a) during the time that this Loan Agreement is outstanding provided, that in the event of any default in making the Loan Agreement Payments by the Governmental Unit, the Finance Authority shall be entitled to seek payment of the amounts due through any of the remedies provided in Article X of this Loan Agreement.

(b) In the event that the balance of payments held in the Debt Service Account should exceed the amount needed to cover Loan Agreement Payments then due, the Finance Authority shall use the balance of the Pledged Revenues received, at the request of the Governmental Unit (i) to credit against upcoming Loan Agreement Payments, or (ii) to distribute to the Governmental Unit for any other purpose permitted by law.

Section 5.3 Manner of Payment. All payments of the Governmental Unit hereunder shall be paid in lawful money of the United States of America to the Finance Authority or its designee at the address designated in Section 11.1 of this Loan Agreement. The obligation of the Governmental Unit to make payments hereunder, from and to the extent of the available Pledged Revenues, shall be absolute and unconditional in all events, except as expressly provided hereunder, and payment hereunder shall not be abated through accident or unforeseen circumstances. Notwithstanding any dispute between the Governmental Unit, the Finance Authority or its designee, any vendor or any other person, the Governmental Unit shall make all deposits hereunder, from and to the extent of the available Pledged Revenues, when due and shall not withhold any deposit hereunder pending final resolution of such dispute, nor shall the Governmental Unit assert any right of set-off or counterclaim against its obligation to make such deposits required hereunder.

Section 5.4. Additional Parity Obligations Payable from Pledged Revenues. No provision of this Loan Agreement shall be construed in such a manner as to prevent the issuance by the Governmental Unit of additional Parity Obligations payable from Pledged Revenues, nor to prevent the issuance of bonds or other obligations refunding all or a part of this Loan Agreement; provided, however, that before any such additional Parity Obligations are actually issued (excluding refunding bonds or refunding obligations which refund Parity Obligations but including parity refunding bonds and obligations which refund Subordinated Obligations as provided in Section 5.5 hereof), it must be determined that:

(a) The Governmental Unit is then current in all of the accumulations required to be made into the Debt Service Account as provided in this Loan Agreement.

(b) No default shall exist in connection with any of the covenants or requirements of the Resolution or this Loan Agreement.

(c) The Pledged Revenues received by or credited to the Governmental Unit for the Fiscal Year or for any twelve (12) consecutive months out of the twenty-four (24) months preceding the date of issuance of such additional Parity Obligations (the "Historic Test Period") shall have been sufficient to pay an amount representing one hundred twenty percent (120%) of the combined maximum annual principal, interest requirement and the Administrative Fee Component coming due in any subsequent Fiscal Year on the then outstanding Parity Obligations and the Parity Obligations proposed to be issued (excluding the accumulation of any reserves therefor).

(d) A written certification or opinion by the Governmental Unit's treasurer or chief financial officer or by an Independent Accountant that the Pledged Revenues for the Historic Test Period are sufficient to pay said amounts, shall be conclusively presumed to be accurate in determining the right of the Governmental Unit to authorize, issue, sell and deliver the Parity Obligations proposed to be issued.

(e) No provision of this Loan Agreement shall be construed in such a manner as to prevent the issuance by the Governmental Unit of additional bonds or other obligations payable from the Pledged Revenues constituting a lien upon such Pledged Revenues subordinate and junior to the lien of this Loan Agreement nor to prevent the issuance of bonds or other obligations refunding all or part of this Loan Agreement as permitted by Section 5.5 hereof.

(f) The Governmental Unit shall not issue bonds or other obligations payable from the Pledged Revenues having a lien thereon prior or superior to this Loan Agreement, without the written approval of the Finance Authority.

Section 5.5 Refunding Obligations Payable from Pledged Revenues. The provisions of Section 5.4 hereof are subject to the following exceptions:

(a) If at any time after the Closing Date, while this Loan Agreement, or any part thereof, is outstanding, the Governmental Unit shall find it desirable to refund any outstanding

bonds or other outstanding obligations payable from the Pledged Revenues, this Loan Agreement, such bonds or other obligations, or any part thereof, may be refunded (but the holders of this Loan Agreement or bonds to be refunded may not be compelled to surrender this Loan Agreement or their bonds, unless this Loan Agreement, the bonds or other obligations, at the time of their required surrender for payment, shall then mature, or shall then be callable for prior redemption at the Governmental Unit's option), regardless of whether the priority of the lien for the payment of the refunding obligations on the Pledged Revenues is changed, except as provided in subparagraph (f) of Section 5.4 hereof and in subparagraphs (b) and (c) of this Section 5.5.

(b) No refunding bonds or other refunding obligations payable from the Pledged Revenues shall be issued on a parity with this Loan Agreement unless:

(i) The outstanding obligations so refunded have a lien on the Pledged Revenues on a parity with the lien thereon of this Loan Agreement and the refunding bonds or other refunding obligations do not increase any aggregate annual principal and interest obligations evidenced by such refunded obligations; or

(ii) The refunding bonds or other refunding obligations are issued in compliance with subparagraphs (a) through (f) of Section 5.4 of this Loan Agreement.

(c) The refunding bonds or other obligations so issued shall enjoy complete equality of lien on the Pledged Revenues with the portion of this Loan Agreement or any bonds or other obligations of the same issue which is not refunded, if any; and the holder or holders of such refunding bonds or such other refunding obligations shall be subrogated to all of the rights and privileges enjoyed by the holder or holders of this Loan Agreement or the bonds or other obligations of this same issue refunded thereby. If only a part of this Loan Agreement or the outstanding bonds and any other outstanding obligations of any issue or issues payable from the Pledged Revenues is refunded, then such obligations may not be refunded without the consent of the holder or holders of the unrefunded portion of such obligations, unless:

(i) The refunding bonds or other refunding obligations do not increase any aggregate annual principal and interest obligations evidenced by such last maturity date of such unrefunded obligations; or

(ii) The refunding bonds or other refunding obligations are issued in compliance with subparagraphs (a) through (f) of Section 5.4 hereof; or

(iii) The lien on the Pledged Revenues for the payment of the refunding obligations is subordinate to each such lien for the payment of any obligations not refunded.

(d) Any refunding bonds or other refunding obligations payable from the Pledged Revenues shall be issued with such details as the Governmental Unit may provide by ordinance or resolution, but without any impairment of any contractual obligations imposed upon the Governmental Unit by any proceedings authorizing the issuance of any unrefunded portion of

such outstanding obligations of any one or more issues (including, but not necessarily limited to, this Loan Agreement).

Section 5.6 Investment of Governmental Unit Funds. Money on deposit in the Debt Service Account created hereunder may be invested by the Finance Authority or its designee in Permitted Investments at the written direction of the Governmental Unit or, in the absence of such written direction of the Governmental Unit, at the discretion of the Finance Authority. Any earnings on Permitted Investments shall be held and administered in the Debt Service Account and utilized in the same manner as the other moneys on deposit therein for the benefit of the Governmental Unit.

Section 5.7 Governmental Unit May Budget for Payments. The Governmental Unit may, in its sole discretion, but without obligation and subject to the Constitution of the State, governing laws, and its budgetary requirements, make available properly budgeted and legally available funds to defray any insufficiency of Pledged Revenues to pay Loan Agreement Payments; provided, however, the Governmental Unit has not covenanted and cannot covenant to make such funds available and has not pledged any of such funds for such purpose.

## ARTICLE VI

### THE PROJECT

Section 6.1 Agreement to Acquire and Complete the Project. The Governmental Unit hereby agrees that in order to effectuate the purposes of this Loan Agreement and to effectuate the acquisition and completion of the Project, it shall make, execute, acknowledge and transmit any contracts, orders, receipts, writings and instructions with any other persons, firms or corporations and, in general do all things which may be requisite or proper to acquire and complete the Project.

The Governmental Unit agrees to acquire and complete the Project through the application of moneys to be disbursed by the Finance Authority pursuant to Section 6.2 of this Loan Agreement.

Section 6.2 Disbursements. So long as no Event of Default shall occur and the requirements of Section 4.2 are satisfied, the Finance Authority or its designee shall disburse moneys to pay a requisition upon receipt and approval by the Finance Authority or its designee of a requisition substantially in the form of Exhibit "C" attached hereto signed by an Authorized Officer of the Governmental Unit, with required supporting documentation.

Section 6.3 Completion of the Acquisition of the Project. Upon completion of the acquisition of the Project, which shall occur no later than two (2) years after the Closing Date, unless a later date is approved as provided in Section 4.1(b) of this Agreement, an Authorized Officer of the Governmental Unit shall deliver a certificate to the Finance Authority, substantially in the form of Exhibit "D" attached hereto, stating that, to his or her knowledge, the acquisition of the Project has been completed and the Project has been accepted by the Governmental Unit, and all costs have been paid, except for any reimbursements requested pursuant to requisitions

submitted prior to the end of the Interim Period. Notwithstanding the foregoing, such certificate shall state that it is given without prejudice to any rights against third parties which exist at the date of such certificate or which may subsequently come into being.

Section 6.4 Unrequisitioned Amounts. In the event that, (1) at the time of the delivery of the certificate of completion required by Section 6.3 hereof, there remains an Unrequisitioned Principal Amount, or (2) the Finance Authority shall not have received a Final Requisition, by the date that is twenty seven (27) months from the Closing Date, unless an extension is approved pursuant to Section 4.1(b) of this Loan Agreement, then the Governmental Unit shall have no right or title to the Unrequisitioned Principal Amount, nor any right to pledge, encumber or draw upon such Unrequisitioned Principal Amount, and the Finance Authority will not approve, honor, or enforce any requisition upon such Unrequisitioned Principal Amount pursuant to this Loan Agreement.

## ARTICLE VII

### COMPLIANCE WITH LAWS AND RULES; OTHER COVENANTS

Section 7.1 Further Assurances and Corrective Instruments. The Finance Authority and the Governmental Unit agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Project or of the Pledged Revenues, or for otherwise carrying out the intention hereof. Authorized Officers are authorized to execute, acknowledge and deliver any such supplements and further instruments.

Section 7.2 Finance Authority and Governmental Unit Representatives. Whenever under the provisions hereof the approval of the Finance Authority or the Governmental Unit is required, or the Governmental Unit or the Finance Authority is required to take some action at the request of the other, such approval or such request shall be given for the Finance Authority or for the Governmental Unit by an Authorized Officer of the Finance Authority or the Governmental Unit, as the case may be, and any party hereto shall be authorized to rely and act on any such approval or request.

Section 7.3 Compliance with Court Orders. During the Loan Agreement Term, the Governmental Unit and the Finance Authority shall observe and comply promptly with all current and future orders of all courts having jurisdiction over the parties hereto, the Project or the Pledged Revenues.

Section 7.4 Compliance with Applicable State and Federal Laws. During the Loan Agreement Term, the Governmental Unit shall comply with all applicable State and federal laws, including, without limitation, the following:

(a) For all contracts, the Governmental Unit shall comply with the New Mexico Procurement Code, NMSA 1978, §§ 13-1-28 through 13-1-199, as amended, or its local procurement ordinances and regulations, as applicable.

(b) For all construction contracts awarded in excess of \$10,000, the Governmental Unit shall comply with Executive Order 11246 of September 24, 1965, entitled "Equal Employment Opportunity," as amended by Executive Order 11375 of October 12, 1967, and as supplemented in Department of Labor regulations (41 C.F.R. chapters 40 and 60). In addition, for all contracts, the Governmental Unit shall comply with all State laws and regulations and all executive orders of the Governor of the State pertaining to equal employment opportunity.

(c) For all contracts awarded for construction or repair, the Governmental Unit shall comply with the Copeland "Anti-Kickback" Act (18 U.S.C. § 874) as supplemented in Department of Labor regulations (29 C.F.R. part 3).

(d) For all construction subcontracts, and subgrants of amounts in excess of \$100,000, the Governmental Unit shall comply with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. § 7606), Section 508 of the Clean Water Act (33 U.S.C. § 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 C.F.R. Part 15). In addition, for all contracts, the Contractor shall comply with all applicable State laws and regulations and with all executive orders of the Governor of the State pertaining to protection of the environment.

(e) For all contracts the Governmental Unit shall comply with the mandatory standards and policies relating to energy efficiency which are contained in the State energy conservation plan issued in compliance with section 362 of the Energy Policy and Conservation Act (42 U.S.C. § 6322).

(f) For all contracts in excess of \$2,000 the Governmental Unit shall comply with applicable standards of the Davis-Bacon Wage Act (40 U.S.C. § 3141 et seq.), as amended and supplemented, relating to wages paid to laborers and mechanics employed by contractors and sub-contractors on a Project funded directly by or assisted in whole or in part by and through the Governmental Unit.

(g) For all contracts, the Governmental Unit shall comply with the requirements of the Environmental Protection Agency's Program for Utilization of Minority and Women's Business Enterprises set out in Title 40, Chapter I, Subchapter B, Part 33 of the Code of Federal Regulations.

(h) For all contracts, the Governmental Unit shall comply with the requirements of Executive Order 13502 on Use of Project Agreements for Federal Construction Projects.

(i) For all contracts, the Governmental Unit shall comply with the requirements of Executive Order dated September 25, 2012 on Strengthening Protections Against Trafficking in Persons in Federal Contracts.

(j) For all contracts, the Governmental Unit shall comply with all federal requirements applicable to the Loan (including those imposed by P.L. 113-76, 2014 Consolidated Appropriations Act, Section 436 and related SRF Policy Guidelines) which the Governmental Unit understands includes, among other, requirements that all of the iron and steel products used in the Project are to be produced in the United States (“American Iron and Steel Requirement”) unless (i) the Governmental Unit has requested and obtained a waiver from the Finance Authority pertaining to the Project or (ii) the Finance Authority has otherwise advised the Governmental Unit in writing that the American Iron and Steel Requirement is not applicable to the Project.

(k) For all contracts, the Governmental Unit shall comply with all record keeping and reporting requirements under the Clean Water Act/Safe Drinking Water Act, including any reports required by a Federal agency or the Finance Authority such as performance indicators of program deliverables, information on costs and project progress. The Governmental Unit understands that (i) each contract and subcontract related to the Project is subject to audit by appropriate federal and state entities and (ii) failure to comply with the Clean Water Act/Safe Drinking Water Act and this Agreement may be a default under this Agreement.

(l) For all contracts, the Governmental Unit shall comply with Executive Order 12549 – Debarment and Suspension and all rules, regulations and guidelines issued pursuant to Executive Order 12549, including compliance with the requirement that each prospective participant in transactions related to the Loan execute a written certification that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in transactions related to the Loan.

(m) For all contracts, the Governmental Unit shall comply with the requirements of section 1450(e) of the Safe Drinking Water Act (42 U.S.C.300j-9(e)) in all procurement contracts, and the Governmental Unit and procurement contractors shall include such a term and condition in subcontracts and other lower tiered transactions. All contracts and subcontracts for the Project shall include in any contract in excess of \$2,000 the contract clauses set out in the EPA publication entitled “Wage Rate Requirements Under the Clean Water Act, Section 513 and the Safe Drinking Water Act Section 1450(e).”

(n) The Governmental Unit shall comply with the requirement of the June 3, 2015 Guidelines for Enhancing Public Awareness of SRF Assistance Agreements issued by the United States Environmental Protection Agency relating to signage, posters, advertisements, website or press releases indicating that financial assistance was received from the EPA for the Project.

The Finance Authority or its designee shall have the right to review all contracts, work orders and other documentation related to the Project that it deems necessary to assure compliance with applicable laws, rules and regulations, and may conduct such review as it deems appropriate prior to disbursing funds for payment of an Approved Requisition.

Section 7.5 First Lien Status. The Loan Agreement Payments constitute an irrevocable first lien (but not necessarily an exclusive first lien) upon the Pledged Revenues. The Governmental Unit covenants that the Loan Agreement Payments and any Parity Obligations herein authorized to be issued and from time to time outstanding shall be equitably and ratably secured by a first lien on the Pledged Revenues and shall not be entitled to any priority one over the other in the application of the Pledged Revenues regardless of the time or times of the issuance of such obligations, it being the intention of the Governmental Unit that there shall be no priority between the Loan Agreement Payments and any such Parity Obligations regardless of the fact that they may be actually issued and delivered at different times.

Section 7.6 Expeditious Completion. The Governmental Unit shall complete the Project with all practical dispatch.

## ARTICLE VIII

### PREPAYMENT OF LOAN AGREEMENT PAYMENTS

The Governmental Unit is hereby granted the option to prepay the Principal Component of this Loan Agreement in whole or in part on any day without penalty or prepayment premium, beginning one (1) year after the Closing Date. The Governmental Unit may designate the due date or due dates of the Principal Component or portions thereof being prepaid in the event of a partial prepayment. Any such prepayment shall include accrued interest to the redemption date of the corresponding Bonds to be redeemed, if any, and notice of intent to make such prepayment shall be provided to the Finance Authority or its designee by the Governmental Unit no less than forty-five (45) days prior to the prepayment date. The Finance Authority or its designee shall recalculate the Loan Agreement Payments due under this Loan Agreement in the event of a partial prepayment in a manner which is consistent with the manner in which the Bonds, if any, are prepaid.

## ARTICLE IX

### INDEMNIFICATION

From and to the extent of the Pledged Revenues and to the extent permitted by law, the Governmental Unit shall and hereby agrees to indemnify and save the Finance Authority and its designee, if any, harmless against and from all claims, by or on behalf of any person, firm, corporation or other legal entity arising from the acquisition or operation of the Project during the Loan Agreement Term, from: (i) any act of negligence of the Governmental Unit or breach of any covenant or warranty by the Governmental Unit hereunder; and (ii) the incurrence of any cost or expense in connection with the acquisition or operation of the Project in excess of the Loan Agreement proceeds and interest on the investment of the Loan Agreement proceeds. The Governmental Unit shall indemnify and save the Finance Authority and its designee, if any, harmless, from and to the extent of the available Pledged Revenues and to the extent permitted by law, from any such claim arising as aforesaid from (i) or (ii) above, or in connection with any action or proceeding brought thereon and, upon notice from the Finance Authority or its designee, shall defend the Finance Authority or its designee, if any, in any such action or proceeding.

## ARTICLE X

### EVENTS OF DEFAULT AND REMEDIES

Section 10.1 Events of Default Defined. Any one of the following shall be an Event of Default under this Loan Agreement:

(a) Failure by the Governmental Unit to pay any amount required to be paid under this Loan Agreement on the date on which it is due and payable; or

(b) Failure by the Governmental Unit to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Loan Agreement, other than as referred to in paragraph (a), for a period of thirty (30) days after written notice, specifying such failure and requesting that it be remedied, is given to the Governmental Unit by the Finance Authority or its designee, if any, unless the Finance Authority or its designee, as applicable, shall agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice can be wholly cured within a period of time not materially detrimental to the rights of the Finance Authority or its designee but cannot be cured within the applicable thirty (30) day period, the Finance Authority or its designee will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the Governmental Unit within the applicable period and diligently pursued until the failure is corrected; and provided, further, that if by reason of force majeure the Governmental Unit is unable to carry out the agreements on its part herein contained, the Governmental Unit shall not be deemed in default under this paragraph (b) during the continuance of such inability (but force majeure shall not excuse any other Event of Default); or

(c) Any warranty, representation or other statement by or on behalf of the Governmental Unit contained in this Loan Agreement or in any instrument furnished in compliance with or in reference to this Loan Agreement is false or misleading in any material respect; or

(d) A petition is filed against the Governmental Unit under any bankruptcy, moratorium, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, and is not dismissed within thirty (30) days after such filing, but the Finance Authority shall have the right to intervene in the proceedings to protect the Finance Authority's interests; or

(e) The Governmental Unit files a petition in voluntary bankruptcy or seeking relief under any provision of any bankruptcy, moratorium, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, or consents to the filing of any petition against it under any such law; or,

(f) The Governmental Unit admits insolvency or bankruptcy or its inability to pay its debts as they become due or is generally not paying its debts as such debts become due, or

becomes insolvent or bankrupt or makes an assignment for the benefit of creditors, or a custodian (including, without limitation, a receiver, liquidator or trustee) of the Governmental Unit for any of its property is appointed by court order or takes possession thereof and such order remains in effect or such possession continues for more than thirty (30) days, but the Finance Authority shall have the right to intervene in the proceedings to protect its interests.

Section 10.2 Remedies on Default. Whenever any Event of Default has occurred and is continuing and subject to Section 10.3 hereof, the Finance Authority may take any or all of the following actions as may appear necessary or desirable to collect the payments then due and to become due or to enforce performance of any agreement of the Governmental Unit in this Loan Agreement:

(a) By mandamus or other action or proceeding or suit at law or in equity to enforce the rights of the Finance Authority under this Loan Agreement against the Governmental Unit, and compel the Governmental Unit to perform or carry out its duties under the law and the agreements and covenants required to be performed by it contained herein; or

(b) By suit in equity enjoin any acts or things which are unlawful or violate the rights of the Finance Authority; or

(c) Intervene in judicial proceedings that affect this Loan Agreement or the Pledged Revenues; or

(d) Cause the Governmental Unit to account as if it were the trustee of an express trust for all of the Pledged Revenues and Aggregate Disbursements; or,

(e) Take whatever other action at law or in equity may appear necessary or desirable to collect amounts then due and thereafter to become due under this Loan Agreement or enforce any other of its rights thereunder.

Section 10.3 Limitations on Remedies. A judgment requiring a payment of money entered against the Governmental Unit may reach only the available Pledged Revenues.

Section 10.4 No Remedy Exclusive. Subject to Section 10.3 of this Loan Agreement, no remedy herein conferred upon or reserved to the Finance Authority is intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder as now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Finance Authority to exercise any remedy reserved in this Article X, it shall not be necessary to give any notice, other than such notice as may be required in this Article X.

Section 10.5 Waivers of Events of Default. The Finance Authority may in its discretion waive any Event of Default hereunder and the consequences of an Event of Default by written

waiver; provided, however, that there shall not be waived (i) any Event of Default in the payment of principal of this Loan Agreement at the date when due as specified in this Loan Agreement, or (ii) any default in the payment when due of the interest on this Loan Agreement, unless prior to such waiver or rescission, all arrears of interest, with interest at the rate borne by this Loan Agreement on all arrears of payment of principal and all expenses of the Finance Authority, in connection with such Event of Default shall have been paid or provided. Such waiver shall be effective only if made by written statement of waiver issued by the Finance Authority. In case of any such waiver or rescission, or in case any proceeding taken by the Finance Authority on account of any such Event of Default shall have been discontinued or abandoned or determined adversely, then and in every such case, the Finance Authority shall be restored to its former position and rights hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other Event of Default, or impair any right consequent thereon.

Section 10.6 No Additional Waiver Implied by One Waiver. In the event that any agreement contained herein should be breached by either party and thereafter waived by the other party, such waiver shall be in writing and limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section 10.7 Agreement to Pay Attorneys' Fees and Expenses Related to Defaults. In the event that the Governmental Unit should default under any of the provisions hereof and the Finance Authority employs attorneys or incurs other expenses for the collection of payments hereunder, or the enforcement of performance or observance of any obligation or agreement on the part of the Governmental Unit contained in this Loan Agreement, the Governmental Unit agrees that it shall on demand therefor pay to the Finance Authority the fees of such attorneys and such other expenses so incurred, to the extent that such attorneys' fees and expenses may be determined to be reasonable by a court of competent jurisdiction; provided, however, that the obligation of the Governmental Unit under this Section shall be limited to expenditures from and to the extent of the available Pledged Revenues.

## ARTICLE XI

### MISCELLANEOUS

Section 11.1 Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered as follows:

If to the Governmental Unit, then to:

City of Las Vegas  
Attn: Finance Director  
1700 North Grand Avenue  
Las Vegas, New Mexico 87701

If to the Finance Authority, then to:

New Mexico Finance Authority  
Attention: Chief Executive Officer  
207 Shelby Street  
Santa Fe, New Mexico 87501

And if to Finance Authority's designated servicing agent for this Loan Agreement, if any, at the address to be provided by the servicing agent. The Governmental Unit and the Finance Authority may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 11.2 Binding Effect. This Loan Agreement shall inure to the benefit of and shall be binding upon the Finance Authority, the Governmental Unit and their respective successors and assigns, if any.

Section 11.3 Amendments. This Loan Agreement may be amended only with the written consent of the Finance Authority and the Governmental Unit, except as provided in Section 4.1(b) of this Loan Agreement. The consent of the Finance Authority for amendments not affecting the terms of payment of the loan component of this Loan Agreement may be given by an Authorized Officer of the Finance Authority. The execution of any such consent by an Authorized Officer of the Finance Authority shall constitute his or her determination that such amendment does not affect the terms of payment of the loan component of this Loan Agreement.

Section 11.4 No Liability of Individual Officers, Directors or Trustees. No recourse under or upon any obligation, covenant or agreement contained in this Loan Agreement shall be had against any member, employee, director or officer, as such, past, present or future, of the Finance Authority, either directly or through the Finance Authority or against any officer, employee, director or member of the Governing Body, past, present or future, as an individual so long as such individual was acting in good faith. Any and all personal liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any such officer, employee, director or member of the Governing Body or of the Finance Authority is hereby expressly waived and released by the Governmental Unit and by the Finance Authority as a condition of and in consideration for the execution of this Loan Agreement.

Section 11.5 Severability. In the event that any provision of this Loan Agreement, other than the requirement of the Governmental Unit to pay hereunder, shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 11.6 Execution in Counterparts. This Loan Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 11.7 Assignment by the Finance Authority. This Loan Agreement (except as to the Administrative Fee) may be assigned and transferred by the Finance Authority to a trustee,

which right to assign and transfer is hereby acknowledged and approved by the Governmental Unit.

Section 11.8 Compliance with Governing Law. It is hereby declared by the Governing Body that it is the intention of the Governmental Unit by the execution of this Loan Agreement to comply in all respects with the provisions of the New Mexico Constitution and statutes as the same govern the pledge of the Pledged Revenues to payment of all amounts payable under this Loan Agreement.

Section 11.9 Applicable Law. This Loan Agreement shall be governed by and construed in accordance with the laws of the State.

Section 11.10 Captions. The captions or headings herein are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Loan Agreement.

*[Remainder of page intentionally left blank.]*

*[Signature pages follow.]*

IN WITNESS WHEREOF, the Finance Authority, on behalf of itself has executed this Loan Agreement, which was approved by the Finance Authority's Board of Directors on October 27, 2016, in its corporate name by its duly authorized officers; and the Governmental Unit has caused this Loan Agreement to be executed in its corporate name and the seal of the Governmental Unit affixed hereto and attested by duly authorized officers. All of the above are effective as of the date first above written.

NEW MEXICO FINANCE AUTHORITY

By \_\_\_\_\_  
Robert P. Coalter, Chief Executive Officer

Prepared for Execution by Officers of the Finance Authority:

SUTIN, THAYER & BROWNE  
A PROFESSIONAL CORPORATION  
As Loan Counsel to the Finance Authority

By \_\_\_\_\_  
Suzanne Wood Bruckner

Approved for Execution by Officers of the Finance Authority:

By \_\_\_\_\_  
Daniel C. Opperman, General Counsel

CITY OF LAS VEGAS, SAN MIGUEL COUNTY,  
NEW MEXICO

By \_\_\_\_\_  
Richard Trujillo, City Manager

ATTEST:

By \_\_\_\_\_  
Casandra Fresquez, City Clerk

\_\_\_\_\_  
Corinna Laszlo-Henry, City Attorney  
Approved as to Legal Sufficiency Only

**EXHIBIT "A"**

**TERM SHEET**

LOAN NO. 3623-DW  
TO THE CITY OF LAS VEGAS,  
SAN MIGUEL COUNTY, NEW MEXICO

<b>Governmental Unit:</b>	City of Las Vegas, New Mexico
<b>Project Description:</b>	A water system improvement project, to include, but not limited to: a new water line on Grand Avenue and a pressure zone adjustment.
<b>Pledged Revenues:</b>	Net Revenues
<b>Currently Outstanding Parity Obligations for Pledged Revenues:</b>	New Mexico Finance Authority Drinking Water Loans: No. 2878-DW, maturing in 2035, No. 2910-DW, maturing in 2035, No. 2911-DW, maturing in 2035, No. 3046-DW, maturing in 2035, No. 3043-DW, maturing in 2036; No. 3057-DW, maturing in 2038; and No. 3622-DW maturing in 2039.
<b>Currently Outstanding Senior Obligations:</b>	None
<b>Currently Outstanding Subordinate Obligations:</b>	New Mexico Finance Authority Water Trust Board Loans: No. 0197-WTB, maturing in 2031, No. 0218-WTB, maturing in 2031, No. 0219-WTB, maturing in 2031, No. 0251-WTB, maturing in 2031 and No. 0286-WTB, maturing in 2031.
<b>Authorizing Legislation:</b>	Governmental Unit Resolution No. 17-14 adopted May 17, 2017.
<b>Closing Date:</b>	June 23, 2017
<b>Interest Rate:</b>	.25% (which includes the Administrative Fee)

Maximum Forgiven Program Fund Component: \$265,500

Maximum Repayable Program Fund Component: \$88,500

Aggregate Program Fund Amount: \$354,000

Maximum Principal Amount: \$354,000

Subsidy Percent: The maximum funds available for subsidy are \$265,500 (approximately 75%).

**EXHIBIT "B"**

**LOAN AGREEMENT PAYMENT SCHEDULE**

[SEE ATTACHED]

BOND DEBT SERVICE

City of Las Vegas  
3623-DW, Water Line Project

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
11/01/2017			78.67	78.67	
05/01/2018			110.63	110.63	189.30
11/01/2018			110.63	110.63	
05/01/2019			110.63	110.63	221.26
11/01/2019			110.63	110.63	
05/01/2020	4,321	0.250%	110.63	4,431.63	4,542.26
11/01/2020			105.22	105.22	
05/01/2021	4,332	0.250%	105.22	4,437.22	4,542.44
11/01/2021			99.81	99.81	
05/01/2022	4,343	0.250%	99.81	4,442.81	4,542.62
11/01/2022			94.38	94.38	
05/01/2023	4,353	0.250%	94.38	4,447.38	4,541.76
11/01/2023			88.94	88.94	
05/01/2024	4,364	0.250%	88.94	4,452.94	4,541.88
11/01/2024			83.48	83.48	
05/01/2025	4,375	0.250%	83.48	4,458.48	4,541.96
11/01/2025			78.02	78.02	
05/01/2026	4,386	0.250%	78.02	4,464.02	4,542.04
11/01/2026			72.53	72.53	
05/01/2027	4,397	0.250%	72.53	4,469.53	4,542.06
11/01/2027			67.04	67.04	
05/01/2028	4,408	0.250%	67.04	4,475.04	4,542.08
11/01/2028			61.53	61.53	
05/01/2029	4,419	0.250%	61.53	4,480.53	4,542.06
11/01/2029			56.00	56.00	
05/01/2030	4,430	0.250%	56.00	4,486.00	4,542.00
11/01/2030			50.47	50.47	
05/01/2031	4,441	0.250%	50.47	4,491.47	4,541.94
11/01/2031			44.91	44.91	
05/01/2032	4,452	0.250%	44.91	4,496.91	4,541.82
11/01/2032			39.35	39.35	
05/01/2033	4,463	0.250%	39.35	4,502.35	4,541.70
11/01/2033			33.77	33.77	
05/01/2034	4,475	0.250%	33.77	4,508.77	4,542.54
11/01/2034			28.18	28.18	
05/01/2035	4,486	0.250%	28.18	4,514.18	4,542.36
11/01/2035			22.57	22.57	
05/01/2036	4,497	0.250%	22.57	4,519.57	4,542.14
11/01/2036			16.95	16.95	
05/01/2037	4,508	0.250%	16.95	4,524.95	4,541.90
11/01/2037			11.31	11.31	
05/01/2038	4,519	0.250%	11.31	4,530.31	4,541.62
11/01/2038			5.66	5.66	
05/01/2039	4,531	0.250%	5.66	4,536.66	4,542.32
	88,500		2,752.06	91,252.06	91,252.06

**EXHIBIT "C"**

**FORM OF REQUISITION**

RE: \$354,000 Loan Agreement by and between the Finance Authority and the City of Las Vegas, New Mexico (the "Loan Agreement")

TO: New Mexico Finance Authority  
207 Shelby Street  
Santa Fe, New Mexico 87501  
Attn: Loan Servicing

LOAN NO. 3623-DW

CLOSING DATE: June 23, 2017

You are hereby authorized to disburse to the City of Las Vegas or its payee with regard to the above-referenced Loan Agreement the following:

REQUISITION NUMBER:		<input type="checkbox"/> Interim Request <input type="checkbox"/> Final Request
AMOUNT OF PAYMENT:	\$	

PURPOSE OF PAYMENT:

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This is a request of REIMBURSEMENT of incurred and paid project expenses. (Attach proof of payment, e.g. check stubs, and corresponding invoices)

This is a request of DIRECT PAYMENT to vendor or service provider of incurred project expenses. (Attach invoices)

**PAYEE INFORMATION**

NAME:	
CONTACT NAME:	
ADDRESS:	
PHONE NUMBER:	
FAX NUMBER:	
E-MAIL ADDRESS:	

WIRING INFORMATION

BANK NAME:	
ACCOUNT NUMBER:	
ROUTING NUMBER:	

Please indicate if this Business is considered a

<input type="checkbox"/> SBE (Small Business Entrepreneur)	<input type="checkbox"/> MBE (Minority Business Entrepreneur)	<input type="checkbox"/> WBE (Women owned business Entrepreneur)	<input type="checkbox"/> N/A
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(Attach SBE/MBE/WBE Certification)

Each obligation, item of cost or expense mentioned herein is for costs of the Project, is due and payable, has not been the subject of any previous requisition and is a proper charge for requisition and payment.

Each obligation, item of cost or expense mentioned herein is not for costs related to the purchase of land or easement.

All representations contained in the Loan Agreement and the related closing documents remain true and correct and the City of Las Vegas, New Mexico is not in breach of any of the covenants contained therein.

If this is the final requisition, payment of costs of the Project is complete or, if not complete, the City of Las Vegas, New Mexico understands its obligation to complete the acquisition and installation of the Project and shall complete the acquisition and installation of the Project from other legally available funds.

Capitalized terms used herein, are used as defined or used in the Loan Agreement.

DATED: \_\_\_\_\_

By: \_\_\_\_\_  
Authorized Officer

\_\_\_\_\_  
(Print name and title)

**EXHIBIT "D"**

**FORM OF CERTIFICATE OF COMPLETION**

RE: \$354,000 Loan Agreement by and between the Finance Authority and the City of Las Vegas, New Mexico (the "Loan Agreement")

Loan No. 3623-DW

Closing Date: June 23, 2017

TO: NEW MEXICO FINANCE AUTHORITY

I, \_\_\_\_\_, the \_\_\_\_\_ of the  
[Name] [Title or position]

City of Las Vegas, New Mexico, hereby certify as follows:

1. The project described in the Loan Agreement (the "Project") was completed and placed in service on \_\_\_\_\_, 20\_\_\_\_.
2. The total cost of the Project was \$ \_\_\_\_\_.
3. Cost of the Project paid from the Loan was \$ \_\_\_\_\_.
4. The portion of the Maximum Principal Amount unexpended for the Project is \$ \_\_\_\_\_.
5. The Project was completed and is and shall be used consistent with and subject to the covenants set forth in the Loan Agreement.

This certificate shall not be deemed to prejudice or affect any rights of or against third parties which exist at the date of this certificate or which may subsequently come into being.

CITY OF LAS VEGAS, SAN MIGUEL COUNTY,  
NEW MEXICO

By: \_\_\_\_\_  
Its: \_\_\_\_\_

D-1

\$354,000  
CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO  
NEW MEXICO FINANCE AUTHORITY DRINKING WATER LOAN  
No. 3623-DW

STATE OF NEW MEXICO            )  
  ) ss.    GENERAL AND NO LITIGATION  
COUNTY OF SAN MIGUEL        )            CERTIFICATE

IT IS HEREBY CERTIFIED by the undersigned, the duly chosen, qualified and acting City Manager and City Clerk for the City of Las Vegas (the "Governmental Unit") in the County of San Miguel and the State of New Mexico (the "State"):

Capitalized terms used in this Certificate have the same meaning as defined in Governmental Unit Resolution No. 17-14 adopted on May 17, 2017 (the "Resolution"), unless otherwise defined in this Certificate or the context requires otherwise.

1. The Governmental Unit is a political subdivision of the State and is duly organized and validly existing under the laws of the State, its full name being the "City of Las Vegas."
2. The Governmental Unit was established in the year 1970.
3. From at least April 10, 2017 to and including the date of this Certificate, the following were and now are the duly chosen, qualified and acting officers of the Governmental Unit:

Mayor:	Tonita Gurulé-Girón
Councilors:	David Ulibarri Vince Howell Barbara Casey David Romero
Finance Director:	Ann Marie Gallegos
City Manager:	Richard Trujillo
City Clerk:	Casandra Fresquez
City Attorney:	Corinna Laszlo-Henry

4. The population of the Governmental Unit is not less than seventy-five percent (75%) English speaking and is less than twenty-five percent (25%) Spanish speaking.

5. There is no reason within our knowledge and belief after due investigation, why the Governmental Unit may not enter into the Loan Agreement with the New Mexico Finance Authority (the "Finance Authority"), as authorized by the Resolution.

6. The Governmental Unit has duly authorized the execution, delivery and performance of its obligations under the Loan Agreement. The Loan Agreement has been duly authorized, executed and delivered by the Governmental Unit.

7. The Resolution has been duly signed and adopted in accordance with all applicable laws and has not been repealed, rescinded, revoked, modified, amended or supplemented in any manner except as set forth in the Resolution. The Resolution constitutes valid and sufficient legal authority for the Governmental Unit to carry out and enforce the provisions of the Loan Agreement. No referendum petition has been filed with respect to the Resolution under the provisions of the laws, bylaws or regulations of the Governmental Unit or the State.

8. No event will result from the execution and delivery of the Loan Agreement that constitutes a default or an event of default under the Loan Agreement or the Resolution, and no event of default and no default under the Loan Agreement or the Resolution have occurred and are continuing on the date of this Certificate.

9. The Governmental Unit has duly authorized and approved the consummation by it of all transactions and has complied with all requirements and satisfied all conditions, which are required by the Loan Agreement to have been authorized, approved, performed or consummated by the Governmental Unit at or prior to the date of this Certificate. The Governmental Unit has full legal right, power and authority to carry out and consummate the transactions contemplated by the Resolution and the Loan Agreement.

10. A. All approvals, consents and orders of any governmental authority having jurisdiction in the matter which would constitute a condition precedent to the enforceability of the Loan Agreement or to any of the actions required to be taken by the Resolution or the Loan Agreement on or prior to the date of this Certificate have been obtained and are in full force and effect; and

B. All approvals, consents and orders of any governmental authority having jurisdiction in the matter which would constitute a condition precedent to the financing of the Project have been obtained and are in full force and effect.

11. Neither the Governmental Unit's adoption of the Resolution nor any action contemplated by or pursuant to the Resolution or the Loan Agreement does or will conflict with, or constitute a breach by the Governmental Unit of, or default by the Governmental Unit under, any law, court decree or order, governmental regulation, rule or order, resolution, agreement, indenture, mortgage or other instrument to which the Governmental Unit is subject or by which it is bound.

12. No material adverse change has occurred, nor has any development occurred involving a prospective material and adverse change in, or affecting the affairs, business, financial condition, results of operations, prospects, properties of the Governmental Unit or the Pledged Revenues since the date of the Resolution.

13. None of the events of default referred to in Article X of the Loan Agreement has occurred.

14. Subsequent to the adoption of the Resolution, the Governmental Unit has not pledged or otherwise encumbered the Pledged Revenues. On the date of this Certificate, except as set forth in the Term Sheet, there are no other outstanding obligations with a lien or encumbrance against the Pledged Revenues senior to or on a parity with the lien of the Loan Agreement.

15. The Loan Agreement permits the Governmental Unit to issue additional bonds or other obligations with a lien on the Pledged Revenues, on parity with or subordinate to the lien of the Loan Agreement on the Pledged Revenues upon satisfaction of the conditions set forth in the Loan Agreement. The Loan Agreement prohibits the Governmental Unit from issuing additional bonds or other obligations with a lien on the Pledged Revenues senior to the lien of the Loan Agreement without the prior written approval of the Finance Authority.

16. There is no threatened action, suit, proceeding, inquiry or investigation against the Governmental Unit, at law or in equity, by or before any court, public board or body, nor to the Governmental Unit's knowledge is there any basis therefore, affecting the existence of the Governmental Unit or the titles of its officials to their respective offices, or seeking to prohibit, restrain or enjoin the pledge of revenues or assets of the Governmental Unit pledged or to be pledged to pay the principal, interest, and Administrative Fee on the Loan Agreement, or in any way materially adversely affecting or questioning (a) the territorial jurisdiction of the Governmental Unit; (b) the use of the proceeds of the Loan Agreement for the Project and to pay certain costs of the Finance Authority associated with the administration of its drinking water state revolving fund loan program; (c) the validity or enforceability of the Loan Agreement or any proceedings of the Governmental Unit taken with respect to the Loan Agreement or the Resolution; (d) the execution and delivery of the Loan Agreement; or (e) the power of the Governmental Unit to carry out the transactions contemplated by the Loan Agreement or the Resolution.

17. The Governmental Unit has complied with all the covenants and satisfied all the conditions on its part to be performed or satisfied at or prior to the date hereof, and the representations and warranties of the Governmental Unit contained in the Loan Agreement and the Resolution are true and correct as of the date hereof.

18. The Governmental Unit is not in default, and has not been in default within the ten (10) years immediately preceding the date of this Certificate, in the payment of principal of, premium, if any, or interest on any bonds, notes or other obligations which it has issued, assumed or guaranteed as to payment of principal, premium, if any, or interest except that no representation is made with respect to industrial revenue bonds or conduit bonds payable solely from installment sale or lease payments, loan repayments or other amounts received by the Governmental Unit from private entities.

19. To the best of our knowledge and belief after due investigation, neither the City Manager, the City Clerk, any member of the Governing Body, nor any other officer, employee or other agent of the Governmental Unit is interested (except in the performance of his or her official rights, privileges, powers and duties), directly or indirectly, in the profits of any contract, or job for work, or services to be performed and appertaining to the Project.

20. Regular meetings of the Governing Body have been held at 1700 North Grand Avenue, Las Vegas, New Mexico, the principal meeting place of the Governing Body.

21. The Governing Body has no rules of procedure which would invalidate or make ineffective the Resolution or other action taken by the Governing Body in connection with the Loan Agreement. The Open Meetings Act Resolution No. 17-01 adopted and approved by the Governing Body on January 18, 2017, establishes notice standards as required by NMSA 1978, § 10-15-1, as amended. The Open Meetings Act Resolution No. 17-01 has not been amended or repealed. All action of the Governing Body with respect to the Loan Agreement and the Resolution was taken at meetings held in compliance with the Open Meetings Act and Resolution No. 17-01.

22. The City Manager and City Clerk, on the date of the signing of the Loan Agreement, and on the date of this Certificate, are the duly chosen, qualified and acting officers of the Governmental Unit authorized to execute such agreements.

23. This Certificate is for the benefit of the Finance Authority.

24. This Certificate may be executed in counterparts.

[Remainder of page left intentionally blank]

*[Signature page follows.]*

WITNESS our signatures and the seal of the Governmental Unit this 23<sup>rd</sup> day of June 2017.

CITY OF LAS VEGAS, SAN MIGUEL COUNTY,  
NEW MEXICO

By \_\_\_\_\_  
Richard Trujillo, City Manager

[SEAL]

By \_\_\_\_\_  
Casandra Fresquez, City Clerk

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\$354,000  
DRINKING WATER REVOLVING LOAN FUND LOAN  
TO THE CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO  
BY THE NEW MEXICO FINANCE AUTHORITY  
LOAN NO. 3623-DW

RIGHT-OF-WAY CERTIFICATE

The undersigned on behalf of the City of Las Vegas (the "Governmental Unit"), a New Mexico municipality in the County of San Miguel and the State of New Mexico, hereby certifies except as noted in item 4 below:

1. That the Governmental Unit has acquired and presently holds title to or continuous and adequate rights-of-way on public and private lands needed, if any, for the construction, operation, and maintenance of the facilities to be installed, repaired, or enlarged with the proceeds of the above-referenced Loan made by New Mexico Finance Authority (the "Project") and such omissions, defects, or restrictions as may exist will in no substantial way or manner endanger the value or the operation of the Project.
2. That the Governmental Unit has acquired the necessary permits, franchises, and authorizations or other instruments by whatsoever name designated, from public utilities and public bodies, commissions, or agencies authorizing the construction, operation, and maintenance of the facilities upon, along or across streets, roads, highways, and public utilities.
3. That the attached right of way maps and/or plats shows the location and description of all land and rights-of-way needed for the Project, including all lands acquired for the Project by right of use or adverse possession and by legal conveyances such as right-of-way or easement deeds, permits, or other instruments.
4. Exceptions: \_\_\_\_\_

[Signature page follows.]

IN WITNESS WHEREOF, the undersigned has executed this Certificate on behalf of the City of Las Vegas, New Mexico as of this 23<sup>rd</sup> day of June, 2017.

---

Corinna Laszlo-Henry  
Attorney for the City of Las Vegas  
1700 North Grand Avenue  
Las Vegas, New Mexico 87701

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STATE OF NEW MEXICO        )  
  ) ss  
COUNTY OF SANTA FE        )

It is hereby certified by the undersigned, the duly qualified and acting Chief Executive Officer of the Finance Authority, that the Finance Authority has, on the date of this Certificate received from the City of Las Vegas, New Mexico, the Loan Agreement for Project No. 3623-DW.

NEW MEXICO FINANCE AUTHORITY

By \_\_\_\_\_  
Robert P. Coalter, Chief Executive Officer

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WHEREAS, the Governmental Unit, pursuant to Resolution No. 17-13 adopted on May 17, 2017 (the "3622-DW Resolution"), is scheduled to execute and deliver on June 23, 2017, its New Mexico Finance Authority Drinking Water State Revolving Fund Loan and Subsidy Agreement in the aggregate principal amount of \$600,000 for the purpose of water system improvements (the "3622-DW Loan Agreement") payable from the Pledged Revenues, as set forth in the 3622-DW Loan Agreement;

WHEREAS, the Governmental Unit, pursuant to Resolution No. 17-14 adopted on May 17, 2017 (the "3623-DW Resolution"), intends to execute and deliver on the date hereof its New Mexico Finance Authority Drinking Water State Revolving Fund Loan and Subsidy Agreement in the aggregate principal amount of \$354,000 for the purpose of water system improvements (the "3623-DW Loan Agreement") payable from the Pledged Revenues, as set forth in the 3623-DW Loan Agreement;

WHEREAS, Section 5.4, the "Additional Parity Obligations Payable from Pledged Revenues" of the 2878-DW Loan Agreement, the 2910-DW Loan Agreement, the 2911-DW Loan Agreement, the 3043-DW Loan Agreement, the 3046-DW Loan Agreement, and the 3570-DW Loan Agreement (collectively, the "Parity Loan Agreements") provides as follows:

"Section 5.4. Additional Parity Obligations Payable From Pledged Revenues. No provision of this Loan Agreement shall be construed in such a manner as to prevent the issuance by the Governmental Unit of additional Parity Obligations payable from Pledged Revenues, nor to prevent the issuance of bonds or other obligations refunding all or a part of this Loan Agreement; provided, however, that before any such additional Parity Obligations are actually issued (excluding refunding bonds or refunding obligations which refund Parity Obligations but including parity refunding bonds and obligations which refund Subordinated Obligations as provided in Section 5.5 hereof), it must be determined that:

(a) The Governmental Unit is then current in all of the accumulations required to be made into the Debt Service Account as provided in this Loan Agreement.

(b) No default shall exist in connection with any of the covenants or requirements of the Resolution or this Loan Agreement.

(c) The Pledged Revenues received by or credited to the Governmental Unit for the Fiscal Year or for any twelve (12) consecutive months out of the twenty-four (24) months preceding the date of issuance of such additional Parity Obligations (the "Historic Test Period") shall have been sufficient to pay an amount representing one hundred thirty percent (130%), of the combined maximum annual principal, interest requirement and the Administrative Fee Component coming due in any subsequent Fiscal Year on the then outstanding Parity Obligations and the Parity Obligations proposed to be issued (excluding the accumulation of any reserves therefor).

(d) A written certification or opinion by the Governmental Unit's treasurer or chief financial officer or by an Independent Accountant that the Pledged Revenues for the Historic Test Period are sufficient to pay said amounts, shall be conclusively presumed to be accurate in determining the right of the Governmental Unit to authorize, issue, sell and deliver the Parity Obligations proposed to be issued.

(e) No provision of this Loan Agreement shall be construed in such a manner as to prevent the issuance by the Governmental Unit of additional bonds or other obligations payable from the Pledged Revenues constituting a lien upon such Pledged Revenues subordinate and junior to the lien of this Loan Agreement nor to prevent the issuance of bonds or other obligations refunding all or part of this Loan Agreement as permitted by Section 5.5 hereof.

(f) The Governmental Unit shall not issue bonds or other obligations payable from the Pledged Revenues having a lien thereon prior or superior to this Loan Agreement.

WHEREAS, the 3622-DW Loan Agreement imposes the same limitations on additional parity obligations as the Parity Loan Agreements, but utilizes a coverage limitation in the amount of one hundred twenty percent (120%) instead of one hundred thirty percent (130%).

\* \* \*

WHEREAS, the combined principal and interest on the outstanding Parity Loan Agreements coming due in each Fiscal Year to their last principal payment dates is as follows:

**Parity Loan Agreements Debt Service Requirements**

Fiscal Year Ending	Total Payment
2018	\$101,525
2019	105,507
2020	109,818
2021	109,812
2022	109,804
2023	109,798
2024	109,789
2025	109,784
2026	109,775
2027	109,767
2028	109,759
2029	109,751
2030	109,744
2031	109,736
2032	97,292
2033	94,284
2034	94,285
2035	76,465
2036	24,566
2037	8,735
2038	8,734
2039	4,542

WHEREAS, the principal and interest on the 3622-DW Loan Agreement coming due in each Fiscal Year to its last principal date is as follows:

**3622-DW Loan Agreement Debt Service Requirements**

Fiscal Year Ending	Principal	Interest	Total Payment
2018	\$0.00	\$320.83	\$320.83
2019	\$0.00	\$375.00	\$375.00
2020	\$7,323.00	\$375.00	\$7,698.00
2021	\$7,342.00	\$356.70	\$7,698.70
2022	\$7,360.00	\$338.34	\$7,698.34
2023	\$7,379.00	\$319.94	\$7,698.94
2024	\$7,397.00	\$301.50	\$7,698.50
2025	\$7,415.00	\$283.00	\$7,698.00
2026	\$7,434.00	\$264.46	\$7,698.46
2027	\$7,453.00	\$245.88	\$7,698.88
2028	\$7,471.00	\$227.24	\$7,698.24
2029	\$7,490.00	\$208.56	\$7,698.56
2030	\$7,509.00	\$189.84	\$7,698.84
2031	\$7,527.00	\$171.06	\$7,698.06
2032	\$7,546.00	\$152.26	\$7,698.26
2033	\$7,565.00	\$133.38	\$7,698.38
2034	\$7,584.00	\$114.48	\$7,698.48
2035	\$7,603.00	\$95.52	\$7,698.52
2036	\$7,622.00	\$76.50	\$7,698.50
2037	\$7,641.00	\$57.46	\$7,698.46
2038	\$7,660.00	\$38.34	\$7,698.34
2039	\$7,679.00	\$19.20	\$7,698.20

WHEREAS, the principal and interest on the 3623-DW Loan Agreement coming due in each Fiscal Year to its last principal date is as follows:

**3623-DW Loan Agreement Debt Service Requirements**

Fiscal Year Ending	Principal	Interest	Total Payment
2018	\$0.00	\$189.30	\$189.03
2019	\$0.00	\$221.26	\$221.26
2020	\$4,321.00	\$221.26	\$4,542.26
2021	\$4,332.00	\$210.44	\$4,542.44
2022	\$4,343.00	\$199.62	\$4,542.62
2023	\$4,353.00	\$188.56	\$4,541.76
2024	\$4,364.00	\$177.88	\$4,541.88
2025	\$4,375.00	\$166.96	\$4,541.96
2026	\$4,386.00	\$156.04	\$4,542.04
2027	\$4,397.00	\$145.06	\$4,542.06
2028	\$4,408.00	\$134.08	\$4,542.08
2029	\$4,419.00	\$123.06	\$4,542.06
2030	\$4,430.00	\$112.00	\$4,542.00
2031	\$4,441.00	\$100.94	\$4,541.94
2032	\$4,452.00	\$89.82	\$4,541.82
2033	\$4,463.00	\$78.70	\$4,541.70
2034	\$4,475.00	\$67.54	\$4,542.54
2035	\$4,486.00	\$56.36	\$4,542.36
2036	\$4,497.00	\$45.14	\$4,542.14
2037	\$4,508.00	\$33.90	\$4,541.90
2038	\$4,519.00	\$22.62	\$4,541.62
2039	\$4,531.00	\$11.32	\$4,542.32

NOW THEREFORE, the undersigned do hereby certify as follows:

1. We are familiar with the provisions of the 2878-DW Ordinance, the 2910-DW Ordinance, the 2911-DW Ordinance, the 3043-DW Resolution, the 3046-DW Resolution and the 3570-DW Resolution authorizing the execution and delivery of the Parity Loan Agreements, and the 3622-DW Resolution authorizing the execution and delivery of the 3622-DW Loan Agreement, and the 3623-DW Resolution authorizing the execution and delivery of the 3623-DW Loan Agreement and with the provisions of the Parity Loan Agreements, the 3622-DW Loan Agreement and the 3623-DW Loan Agreement.

2. We are familiar with the books, accounts and funds of the Governmental Unit pertaining to the Pledged Revenues.

3. Except as stated in the preambles to this Certificate, the Pledged Revenues have not been pledged or hypothecated to the payment of any outstanding parity lien obligations and no other outstanding obligations are payable from the Pledged Revenues.

4. The Governmental Unit is not, and has not been in default as to making any payments on the Parity Loan Agreements, nor under any of the covenants or requirements of the Parity Loan Agreements.

5. The 3623-DW Loan Agreement is payable from the Pledged Revenues and will constitute a lien upon the Pledged Revenues on a parity with the lien of the outstanding Parity Loan Agreements.

6. The fiscal year immediately preceding the date of the 3623-DW Loan Agreement is the period commencing on July 1, 2015 and ending in June 30, 2016.

7. The Pledged Revenues for the fiscal year ended 2016 are fairly stated at \$935,303.

8. The combined maximum Aggregate Annual Debt Service Requirements on the Parity Loan Agreements, the 3622-DW Loan Agreement and the 3623-DW Loan Agreement for the parity bond test set out in the preambles of this Certificate occurs in Fiscal Year 2020 and is \$122,058.26. One hundred thirty percent (130%) of such amount is \$158,675.73.

9. The Pledged Revenues of \$935,303 (i.e., paragraph 7 above) for the fiscal year immediately preceding the date of the execution and delivery of the 3623-DW Loan Agreement were sufficient to pay an amount representing 130% of the combined maximum Aggregate Annual Debt Service Requirements of \$158,675.73 on the Parity Loan Agreements, the 3622-DW Loan Agreement and the 3623-DW Loan Agreement.

10. This certificate is for the benefit of each holder from time to time of the 3623-DW Loan Agreement and for the benefit of bond counsel in rendering opinions to the effect that the 3623-DW Loan Agreement is secured by a lien pledge on the Pledged Revenues on a parity with the Parity Loan Agreements and the 3622-DW Loan Agreement.

(Signature Page Follows)

WITNESS our hands this 23<sup>rd</sup> day of June, 2017.

CITY OF LAS VEGAS, NEW MEXICO

By: \_\_\_\_\_  
Richard Trujillo, City Manager

By: \_\_\_\_\_  
Ann Marie Gallegos, Finance Director

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**[Letterhead for Borrower's Counsel]**

**FINAL OPINION OF COUNSEL**

To: New Mexico Finance Authority  
207 Shelby Street  
Santa Fe, New Mexico 87501

Re: City of Las Vegas, San Miguel County, New Mexico  
\$354,000 Loan No. 3623-DW

I am the Attorney for the City of Las Vegas, New Mexico, with regard to the above-referenced Loan. I am licensed to practice law and am in good standing in the State of New Mexico. I provide this opinion in my role as counsel to the Governmental Unit, City of Las Vegas, New Mexico (the "Governmental Unit"), understanding that the Lender, New Mexico Finance Authority (the "Finance Authority"), is relying on all representations by me on behalf of my client and, but for these representations, the Loan would not be approved.

I hereby certify that I have examined:

- (1) The City of Las Vegas, Water Project, Drinking Water State Revolving Loan Fund Application, dated August 5, 2016, and the Finance Authority Board Approval, for Project No. 3623-DW, for the City of Las Vegas, San Miguel County, dated October 27, 2016, relating to the project (herein the "Project"), as more specifically defined in the Loan and Subsidy Agreement dated June 23, 2017 (the "Loan Agreement");
- (2) The incorporation documents creating the Governmental Unit;
- (3) The most recent Annual Open Meetings Resolution (as well as the underlying proceedings) adopted by the Governmental Unit;
- (4) The proceedings of the City Council, the governing body of the Governmental Unit (including all agendas, minutes, resolutions, ordinances and publications) which authorize the Loan Application, the Project development, the budget for the Project, and existing contracts (if any) with Project professionals including but not limited to architects, engineers, planners and contractors, whose work will be paid from the proceeds of the Loan;
- (5) Relevant corporate proceedings of the Governmental Unit from at least January 1, 2017 to the date hereof, including, without limiting the generality of the foregoing, the corporate action of the Governmental Unit relating to (a) the election or appointment of its City Manager, City Council and City Clerk; (b) the adoption of ordinances and resolutions governing the operation of the Project; (c) cost estimates for the Project; (d) the proposed operating budget; (e) the proposal to finance the Project, in part, with a loan made by the Finance Authority; (f) the Resolution of the

City Council dated May 17, 2017 (the "Resolution") authorizing the City Manager and City Clerk to execute necessary documents to obtain the loan for the Project; and (g) all necessary approvals for the Project from state or local authorities;

- (6) The Loan Agreement and attachments or exhibits thereto setting up a procedure whereby all loan funds will be disbursed to the Governmental Unit on written authorization of the Governmental Unit's Authorized Officers only after certification of completion of the work in a satisfactory manner by a licensed professional engineer, architect or other authorized representative contractually obligated to the Governmental Unit and only to pay eligible Project costs; and
- (7) The records and files of all offices in which there might be recorded, filed, or indexed, any liens of any nature whatsoever, affecting the title to any real or personal property upon which the Project will be constructed.

Based upon my examination of the foregoing, I am of the opinion that:

- A. The Governmental Unit is a duly organized and existing incorporated municipality in good standing under the laws of the State of New Mexico.
- B. The ordinances, resolutions, rules and regulations governing the operation of the Project have been duly adopted and are now in full force and effect.
- C. The officials and appointees of the Governmental Unit were duly and validly elected or appointed and are empowered to act for the Governmental Unit.
- D. The Governmental Unit has corporate power:
  - (1) to construct and install the Project proposed to be constructed and installed by the Governmental Unit;
  - (2) to execute and deliver Loan documents including, but not necessarily limited to, those identified above;
  - (3) to perform all acts required by such Loan documents to be done by it; and
  - (4) to own and operate and maintain the Project during its useful life.
- E. All proceedings of the Governmental Unit, its elected and appointed officers, and employees, required or necessary to be taken in connection with the authorization of the actions specified above have been duly taken and all such authorizations are presently in full force and effect.
- F. The Resolution has been duly signed and adopted in accordance with all applicable laws and has not been repealed, rescinded, revoked, modified, amended or supplemented in any manner except as set forth in the Resolution. The Resolution constitutes valid and

sufficient legal authority for the Governmental Unit to carry out and enforce the provisions of the Loan Agreement. No referendum petition has been filed with respect to the Resolution under the provisions of the laws, bylaws or regulations of the Governmental Unit or the State.

- G. The Governmental Unit has no rules of procedure which would invalidate or make ineffective the Resolution or other action taken by the Governmental Unit in connection with the Loan Agreement. Resolution No. 17-01 (the "Open Meetings Act Resolution"), as adopted and approved by the Governmental Unit on January 18, 2017, establishes notice standards as required by NMSA 1978, § 10-15-1, as amended. The Open Meetings Act Resolution has not been amended or repealed. All action of the Governmental Unit with respect to the Loan Agreement, and the Resolution was taken at meetings held in compliance with the Open Meetings Act Resolution.
- H. To the best of my knowledge and belief after due investigation, no event will result from the execution and delivery of the Loan Agreement that constitutes a default or an event of default under either the Loan Agreement or the Resolution, and no event of default and no default under the Loan Agreement or the Resolution has occurred and is continuing on the date of this Certificate.
- I. The Governmental Unit has duly authorized and approved the consummation by it of all transactions, and has complied with all requirements and satisfied all conditions, which are required by the Loan Agreement to have been authorized, approved, performed or consummated by the Governmental Unit at or prior to the date of this Certificate. The Governmental Unit has full legal right, power and authority to carry out and consummate the transactions contemplated by the Resolution and the Loan Agreement.
- J. All approvals, consents and orders of any governmental authority having jurisdiction in the matter which would constitute a condition precedent to the enforceability of the Loan Agreement or any of the actions required to be taken by the Resolution or the Loan Agreement to the date of this Certificate have been obtained and are in full force and effect.
- K. All approvals, consents and orders of any governmental authority having jurisdiction in the matter which would constitute a condition precedent to the financing of the project have been obtained and are in full force and effect.
- L. Neither the Governmental Unit's adoption of the Resolution nor any action contemplated by or pursuant to the Resolution or the Loan Agreement does or will conflict with, or constitute a breach by the Governmental Unit of, or default by the Governmental Unit under any law, court decree or order, governmental regulation, rule or order, resolution, agreement, indenture, mortgage or other instrument to which the Governmental Unit is subject or by which it is bound.
- M. There is no actual or threatened action, suit, proceeding, inquiry or investigation against the Governmental Unit, at law or in equity, by or before any court, public board or body, nor to my knowledge is there any basis therefore, affecting the existence of the

Governmental Unit or the titles of its officials to their respective offices, or seeking to prohibit, restrain or enjoin the pledge of revenues or assets of the Governmental Unit pledged or to be pledged to pay the principal, interest, and Administrative Fee on the Loan Agreement or in any way materially adversely affecting or questioning (a) the territorial jurisdiction of the Governmental Unit, (b) the use of the proceeds of the Loan Agreement for the Project and to pay certain costs of the Finance Authority associated with the administration of its drinking water state revolving fund loan program, (c) the validity or enforceability of the Loan Agreement or any proceedings of the Governmental Unit taken with respect to the Loan Agreement or the Resolution, (d) the execution and delivery of the Loan Agreement, (e) the authority of the Governmental Unit to repay the amount of the loan or (f) the power of the Governmental Unit to carry out the transactions contemplated by the Loan Agreement or the Resolution.

- N. To the best of my knowledge and belief after due investigation, there are no recorded liens of any nature whatsoever affecting the title to any real or personal property that will be acquired with the proceeds of the Loan Agreement.
- O. No legal proceedings have been instituted or are pending, and to the best of my knowledge none are threatened, whether or not the Governmental Unit is named as a party in such proceedings, which would affect the Governmental Unit's interest in the property upon which the Project will be located, and there are no judgments against the Governmental Unit and no liens against any of the real or personal property of the Governmental Unit or other entity on which the Project will be located.
- P. The Governmental Unit has acquired all of the necessary land rights, easements and rights-of-way for the Project and the Governmental Unit now has sufficient, adequate and continuous rights-of-way to permit the construction, installation, operation and maintenance of the Project.
- Q. The Governmental Unit has complied with all of the requirements of the New Mexico Procurement Code, NMSA 1978, §§ 13-1-28 through 13-1-199, as amended, applicable to the Project on or prior to the date of this opinion letter.

Dated this 23<sup>rd</sup> day of June, 2017.

---

Corinna Laszlo-Henry  
Attorney for City of Las Vegas, New Mexico

**CITY COUNCIL MEETING AGENDA REQUEST**

**DATE: 05/05/17**

**DEPT: Utilities Dept.**

**MEETING DATE: 05/17/17**

**ITEM/TOPIC:** Award request for bids #2017-15 for the East Loop Segment B project to Hays Plumbing and enter into agreement.

**ACTION REQUESTED OF COUNCIL:** Approval / Disapproval to award RFB #2017-15 to Hays Plumbing and enter into agreement.

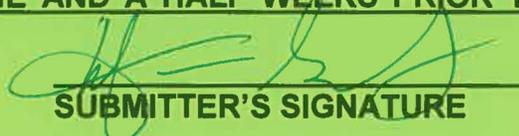
**BACKGROUND/RATIONALE:** The City of Las Vegas Utilities department went out for sealed bids for the East Loop Segment B project. This segment of the project will consist of installing 3200 feet of 8 inch water line from NM highway 250 to North Grand Ave. to include 3 jack and bores.

Advertised: January 25, 2017 – Albuquerque Journal, Las Vegas OPTIC and City website  
Bid Opening: February 22, 2017  
Number of Bidders: 10 – TLC Plumbing, TRC Construction, Gandy Dancer LLC, A.A.C. Construction, Adame Construction, File Construction, Garcia Underground Inc., New Image Construction, Hays Plumbing, Total Contracting, (See attached bid tabulation)  
Funding Source: City Funding  
Budget Line Item: 646-0000-650-8762

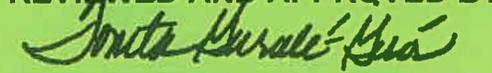
**STAFF RECOMMENDATION:** Award RFB #2017-15 to Hays Plumbing and enter into agreement.

**COMMITTEE RECOMMENDATION:** This item was discussed at the regular meeting of the Utility Advisory Committee on May 9, 2017. Their recommendation will be provided at the Council Meeting.

**THIS REQUEST FORM MUST BE SUBMITTED TO THE CITY CLERK'S OFFICE NO LATER THAN 5:00 P.M. ON FRIDAY ONE AND A HALF WEEKS PRIOR TO THE CITY COUNCIL MEETING.**

  
SUBMITTER'S SIGNATURE

REVIEWED AND APPROVED BY:

  
TONITA GURULÉ-GIRÓN  
MAYOR

ANN MARIE GALLEGOS  
FINANCE DIRECTOR  
(PROCUREMENT)

  
RICHARD TRUJILLO  
CITY MANAGER

\_\_\_\_\_  
PURCHASING AGENT  
(FOR BID/RFP AWARD)

\_\_\_\_\_  
CORINNA LASZLO-HENRY  
CITY ATTORNEY  
(ALL CONTRACTS MUST BE REVIEWED)



## UTILITIES DEPARTMENT PROJECT SUMMARY SHEET

**PROJECT NAME:** East Loop Waterline Segment B  
**PROJECT NUMBER:** UT-WFD-2013-2  
**PROJECT MANAGER:** Benito Lujan

**ENGINEER:** Molzen Corbin  
**CONTRACT NUMBER:** 2673-13

**PROJECT DESCRIPTION:** To install 3200 feet of 8 inch Waterline from N.M. 250 to North Grand Ave, Including 3 Jack and Bores.

**ACTION TIMELINE:** July-Nov 2017

**ENGINEER/CITY ESTIMATE:** \$352,227

Planned FUNDING SOURCES	ESTIMATED EXPENDITURES	EXPENDED to date	Est. BAL to Expend in '17/18
City \$ 395,000	Design \$ 30,000	Design \$30,000	Design \$ 0
State \$0	Engr Services \$ 19,000	Engr Services \$ 0.00	Engr Services \$ 19,000
Federal \$0.00	Construction \$346,000	Const \$ 0.00	Construction \$ 268,080
<b>Total Funds \$395,000</b>	<b>Total Estimated \$395,000</b>	<b>Total \$30,000</b>	<b>Total \$ 287,080</b>

**BUDGETED AMOUNT:** \$344,000

**LINE ITEM NUMBER:** 646-0000-650-8762

ACTION	DESCRIPTION	DATE
<b>Funding Source</b>	<b>CITY</b>	
<b>Loan/Grant/City</b>	City \$344,000 Grant \$ 0 Loan \$ 0 Total \$344,000	FY 18 Budget
<b>Authorized Resolution</b>		NA
<b>RFP</b>	101-18	2013
<b>Engineering Services Agreement</b>	Contract#2673-13	2013
<b>Engineering Estimate</b>	Total Engineer's Estimate \$ 352,226.73	2016
<b>Bid Document Review</b>	Bid #2017-15	Jan 9 17
<b>Advertisement</b>	ABQ, LV, Website	Jan 25 17
<b>Bid Opening</b>	LV Purchasing Office	Feb 22 17
<b>Bid Tabulation</b>	Contractor <u>Hays</u> Amount \$268,080.16 Contractor <u>File const</u> Amount \$299,757.75 Contractor <u>New Image</u> Amount \$304,168.37 Contractor <u>Garcia Underground</u> Amount \$318,375.50 Contractor <u>Adame</u> Amount \$339,928.14 Contractor <u>TRC Const</u> Amount \$353,210.67 Contractor <u>Total Contracting</u> Amount \$385,309.70 Contractor <u>TLC</u> Amount \$433,594.04 Contractor <u>Gandy Dancer</u> Amount \$443,956.68 Contractor <u>AAC Const</u> Amount \$458,998.76	Mar 6 17
<b>Construction Estimate</b>	Contractor Share \$ \$268,080.16 (Including NMGRT) City Share \$ 0	
<b>Engineer's Recommendation</b>	Hays	Mar 6 17
<b>Staff Recommendation</b>	Hays	Mar 13 17
<b>Committee Recommendation</b>	Schedule for next UAC meeting	May 9 17
<b>Council Approval</b>	Scheduled for Work Session and Regular Session	May 17 17
<b>Notice To Proceed</b>		TBD

**CITY COUNCIL MEETING AGENDA REQUEST**

**DATE:** 05/05/17

**DEPT:** Utilities Dept.

**MEETING DATE:** 05/17/17

**ITEM/TOPIC:** Award request for bids #2017-16 for the Storrie Lake MDF Water Line Repair to Hays Plumbing and enter into agreement.

**ACTION REQUESTED OF COUNCIL:** Approval / Disapproval to award RFB #2017-16 to Hays Plumbing and enter into agreement.

**BACKGROUND/RATIONALE:** The City of Las Vegas Utilities department went out for sealed bids for the Storrie Lake water line repair. The water line underneath the Storrie canal is leaking and repairing the line will help reduce water loss.

Advertised: January 25, 2017 – Albuquerque Journal, Las Vegas OPTIC and City website  
Bid Opening: February 22, 2017  
Number of Bidders: 7 – TLC Plumbing, TRC Construction, Hays Plumbing, Adame Construction, A.A.C. Construction, Total Contracting, New Image Construction (*See attached bid tabulation*)  
Funding Source: City Funding  
Budget Line Item: 646-0000-650-8035

**STAFF RECOMMENDATION:** Award RFB #2017-16 to Hays Plumbing and enter into agreement.

**COMMITTEE RECOMMENDATION:** This item was discussed at the regular meeting of the Utility Advisory Committee on May 9, 2017. Their recommendation will be provided at the Council Meeting.

**THIS REQUEST FORM MUST BE SUBMITTED TO THE CITY CLERK'S OFFICE NO LATER THAN 5:00 P.M. ON FRIDAY ONE AND A HALF WEEKS PRIOR TO THE CITY COUNCIL MEETING.**

  
SUBMITTER'S SIGNATURE

REVIEWED AND APPROVED BY:

  
TONITA GURULÉ-GIRÓN  
MAYOR

  
RICHARD TRUJILLO  
CITY MANAGER

ANN MARIE GALLEGOS  
FINANCE DIRECTOR  
(PROCUREMENT)

PURCHASING AGENT  
(FOR BID/RFP AWARD)

CORINNA LASZLO-HENRY  
CITY ATTORNEY  
(ALL CONTRACTS MUST BE REVIEWED)



**UTILITIES DEPARTMENT PROJECT SUMMARY SHEET**

**PROJECT NAME:** Storrie Lake Waterline  
**PROJECT NUMBER:** UT-WFD-SLW-2016  
**PROJECT MANAGER:** Benito

**ENGINEER:** Molzen Corbin  
**CONTRACT NUMBER:** 2673-13

**PROJECT DESCRIPTION:** To repair a section of the medite line near Storrie

**TIMELINE:** June to Sep 2017

**Action Item Award Bid**

<b>Planned FUNDING SOURCES</b>	<b>ESTIMATED EXPENDITURES</b>	<b>EXPENDED to date</b>	<b>Est. BAL to Expend in '17/18</b>
City \$ 110,000	Design \$ 12,000	Design \$12,000	Design \$ 0
State \$0	Engr Services \$ 10,000	Engr Services \$ 0.00	Engr Services \$ 10,000
Federal \$0.00	Construction \$85,000	Const \$ 0.00	Construction \$ 77,395
<b>Total Funds \$110,000</b>	<b>Total Estimated \$107,000</b>	<b>Total \$12,000</b>	<b>Total \$ 87,395</b>

**BUDGETED AMOUNT:** \$90,000      **LINE ITEM NUMBER:** 646-0000-650-8035/87?? TBD

ACTION	DESCRIPTION	DATE
<b>Funding Source</b>	CITY	
<b>Loan/Grant/City</b>	City \$110,000 Grant \$ 0 Loan \$ 0 Total \$110,000	FY 17/18 Budget
<b>Authorized Resolution</b>		NA
<b>RFP</b>	101-18	2013
<b>Engineering Services Agreement</b>	Contract#2673-13	2013
<b>Engineering Estimate</b>	Total Engineer's Estimate \$ 93,220.39	2016
<b>Bid Document Review</b>	Bid #2017-16	Jan 9 17
<b>Advertisement</b>	ABQ, LV, Website	Jan 25 17
<b>Bid Opening</b>	LV Purchasing Office	Feb 22 17
<b>Bid Tabulation</b>	Contractor_Hays Amount \$71,400 Contractor_New Image Amount \$78,100 Contractor_TRC Amount \$87,435.80 Contractor_Total Contracting Amount \$95,700 Contractor_AAC Amount \$98,500 Contractor_TLC Amount \$128,500 Contractor_ADAME Amount \$179,000	Mar 3 17
<b>Construction Estimate</b>	Contractor Share \$ \$71,400 (Including NMGRT) City Share \$ 0	
<b>Engineer's Recommendation</b>	Hays	Mar 6 17
<b>Staff Recommendation</b>	Hays	Mar 13 17
<b>Committee Recommendation</b>	Schedule for next UAC meeting	May 9 17
<b>Council Approval</b>	Scheduled for Work Session and Regular Session	May 17 17
<b>Notice To Proceed</b>		TBD

**CITY COUNCIL MEETING AGENDA REQUEST**

**DATE:** 05/05/17

**DEPT:** Utilities Dept.

**MEETING DATE:** 05/17/17

**ITEM/TOPIC:** Award request for bids #2017-24 for the Cinder Road Waterline Improvements to Garcia Underground and enter into agreement.

**ACTION REQUESTED OF COUNCIL:** Approval / Disapproval to award RFB #2017-24 to Garcia Underground and enter into agreement.

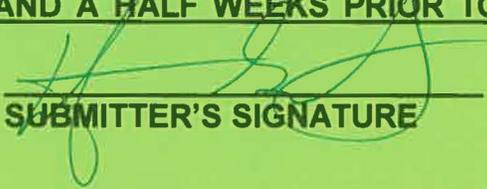
**BACKGROUND/RATIONALE:** The City of Las Vegas Utilities department went out for sealed bids for the Cinder Road Waterline Improvements. This project will loop existing lines to improve water quality, fire protection and assist in providing water service to customers on both sides along Cinder Road from Mills Avenue to Los Alamogordos Road.

Advertised: March 22, 2017 – Albuquerque Journal, Las Vegas OPTIC and City website  
Bid Opening: April 19, 2017  
Number of Bidders: 7 – Velocity Build, NM Underground Utility, Gandy Dancer LLC, Sierra Valley Contractors LLC, Total Contracting Services, Hays Plumbing & Heating, Garcia Underground Inc. (See attached bid tabulation)  
Funding Source: City Funding  
Budget Line Item: 646-0000-610-7305

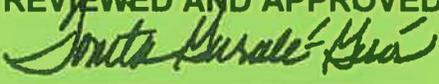
**STAFF RECOMMENDATION:** Award RFB #2017-24 to Garcia Underground and enter into agreement.

**COMMITTEE RECOMMENDATION:** This item was discussed at the regular meeting of the Utility Advisory Committee on May 9, 2017. Their recommendation will be provided at the Council Meeting.

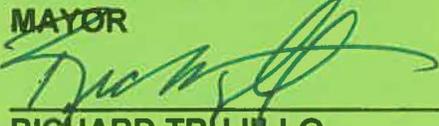
**THIS REQUEST FORM MUST BE SUBMITTED TO THE CITY CLERK'S OFFICE NO LATER THAN 5:00 P.M. ON FRIDAY ONE AND A HALF WEEKS PRIOR TO THE CITY COUNCIL MEETING.**

  
\_\_\_\_\_  
**SUBMITTER'S SIGNATURE**

**REVIEWED AND APPROVED BY:**



\_\_\_\_\_  
**TONITA GURULÉ-GIRÓN  
MAYOR**

  
\_\_\_\_\_  
**RICHARD TRUJILLO  
CITY MANAGER**

\_\_\_\_\_  
**ANN MARIE GALLEGOS  
FINANCE DIRECTOR  
(PROCUREMENT)**

\_\_\_\_\_  
**PURCHASING AGENT  
(FOR BID/RFP AWARD)**

\_\_\_\_\_  
**CORINNA LASZLO-HENRY  
CITY ATTORNEY  
(ALL CONTRACTS MUST BE  
REVIEWED)**



**UTILITIES DEPARTMENT PROJECT SUMMARY SHEET**

**PROJECT NAME:** Cinder Road Water Improvements  
**PROJECT NUMBER:** UT-WFD-CRW-2016  
**PROJECT MANAGER:** Benito Lujan

**ENGINEER:** Molzen Corbin  
**CONTRACT NUMBER:** 2679-13

**PROJECT DESCRIPTION:** Installation of new sections of water line along Cinder Road from Mills to Los Alamogordos Road, this will allow for maintaining water quality and fire protection along Cinder Road

**TIMELINE:** July 17 to November 17

**ACTION:** Award Bid

FUNDING SOURCES	ESTIMATED EXPENDITURES	EXPENDED to date	Est. BAL to Expend in '17/18
City \$500,000	Design \$22,000	Design \$ 22,000	Design \$ 0
State	Consultant Services \$ 15,000	Egr Services \$ 0.00	Egr Services \$ 15,000
Federal	Construction \$ 636,082	Const \$ 0.00	Construction \$ 482,215
<b>Total Funds \$500,000</b>	<b>Total \$ 673,082</b>	<b>Total \$ 22,000</b>	<b>Total w/GRT \$ 497,215</b>

**BUDGETED AMOUNT:** \$500,000      **LINE ITEM NUMBER:** 646-0000-650-87?? TBD (18 budget)

ACTION	DESCRIPTION	DATE
<b>Funding Source</b>	CITY	
<b>Loan/Grant/City</b>	City \$500,000 Grant \$ 0 Loan \$ 0 Total \$500,000	FY 18 Budget
<b>Authorized Resolution</b>		NA
<b>RFP</b>	101-18	2013
<b>Engineering Services Agreement</b>	Contract#2673-13	2013
<b>Engineering Estimate</b>	Total Engineer's Estimate \$ 636,083	2016
<b>Bid Document Review</b>	Bid #2017-24	Mar 13 17
<b>Advertisement</b>	ABQ, LV, Website	Mar 22 17
<b>Bid Opening</b>	LV Council Chambers	Apr 19 17
<b>Bid Tabulation</b>	Contractor Garcia Underground Amount \$482,214.98 Contractor Hays Amount \$565,813.07 Contractor Velocity Amount \$540,914.55 Contractor NM Underground Amount \$602,162.52 Contractor Total Contracting Amount \$631,020.73 Contractor Sierra Valley Amount \$631,610.97 Contractor Grandy Dancer Amount \$787,422.32	Apr 24 17
<b>Construction Estimate</b>	Contractor Share \$ \$482,214.98 (Including NMGRT) City Share \$ 0	
<b>Engineer's Recommendation</b>	Garcia Underground	Apr 24 17
<b>Staff Recommendation</b>	Garcia Underground	Apr 26 17
<b>Committee Recommendation</b>	Schedule for next UAC meeting	May 9 17
<b>Council Approval</b>	Scheduled for Work Session and Regular Session	May 17 17
<b>Notice To Proceed</b>		TBD

CITY COUNCIL MEETING AGENDA REQUEST

DATE: 05/03/17

DEPT: Public Works

MEETING DATE: 05/17/17

**ITEM/TOPIC:** Professional Consulting Services to include Grants Consulting, Planning, Design and Engineering Services, for the City of Las Vegas Public Works Department.

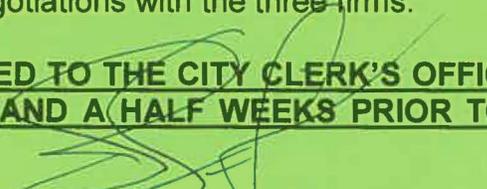
**ACTION REQUESTED OF COUNCIL:** Approval/Disapproval of the engineering firms best qualified to perform this service, as selected by the review committee, as per the criteria set forth in the request for proposals. In turn, it is requested that Mayor and Council authorize staff to enter into contract negotiations with WH Pacific, Molzen Corbin and Occam Engineering Consultants.

**BACKGROUND/RATIONALE:** Request for proposals were recently solicited for Professional Engineering Services for the City's Public Works Department. Five proposals were received for this service and the three best qualified to perform this service based on the design criteria, are WH Pacific, Molzen Corbin and Occam Engineering Consultants.

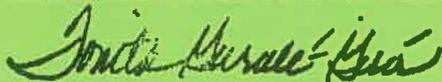
**STAFF RECOMMENDATION:** Approve the Engineering firms of WH Pacific, Molzen Corbin and Occam Engineering Consultants as the three firms most qualified to perform this service and authorize contract negotiations with the three firms.

**COMMITTEE RECOMMENDATION:** Approve the Engineering firms of WH Pacific, Molzen Corbin and Occam Engineering Consultants as the three firms most qualified to perform this service and authorize contract negotiations with the three firms.

**THIS REQUEST FORM MUST BE SUBMITTED TO THE CITY CLERK'S OFFICE NO LATER THAN 5:00 P.M. ON FRIDAY ONE AND A HALF WEEKS PRIOR TO THE CITY COUNCIL MEETING.**

  
SUBMITTER'S SIGNATURE

REVIEWED AND APPROVED BY:



TONITA GURULÉ-GIRÓN  
MAYOR

  
RICHARD TRUJILLO  
CITY MANAGER

ANN MARIE GALLEGOS  
FINANCE DIRECTOR  
(PROCUREMENT)

PURCHASING AGENT  
(FOR BID/RFP AWARD)

CORINNA LASZLO-HENRY  
CITY ATTORNEY  
(ALL CONTRACTS MUST BE  
REVIEWED)

**CITY COUNCIL MEETING AGENDA REQUEST**

**DATE: 5/11/17**

**DEPT: Community Development**

**MEETING DATE: 5/17/17**

**ITEM/TOPIC:** Change of Floor Plan/Expansion of Liquor Licensed Premises Application for El Rialto/Borracho's.

**ACTION REQUESTED OF COUNCIL:** Approval/Disapproval of the Change of Floor Plan/Expansion of Liquor Licensed Premises Application.

**BACKGROUND/RATIONALE:** El Rialto/Borracho's is requesting a change of floor plan/expansion of liquor licensed premises for 141-139 Bridge Street. The license holder intends to create sidewalk seating outside of the establishment.

**STAFF RECOMMENDATION:**

**COMMITTEE RECOMMENDATION:**

**THIS REQUEST FORM MUST BE SUBMITTED TO THE CITY CLERK'S OFFICE NO LATER THAN 5:00 P.M. ON FRIDAY ONE AND A HALF WEEKS PRIOR TO THE CITY COUNCIL MEETING.**

  
SUBMITTER'S SIGNATURE

**REVIEWED AND APPROVED BY:**



TONITA GURULÉ-GIRÓN  
MAYOR

\_\_\_\_\_  
ANN MARIE GALLEGOS  
FINANCE DIRECTOR  
(PROCUREMENT)



RICHARD TRUJILLO  
CITY MANAGER

\_\_\_\_\_  
PURCHASING AGENT  
(FOR BID/RFP AWARD)

\_\_\_\_\_  
CORINNA LASZLO-HENRY  
CITY ATTORNEY  
(ALL CONTRACTS MUST BE  
REVIEWED)



New Mexico Regulation and Licensing Department
ALCOHOL AND GAMING DIVISION

PO Box 25101 • Santa Fe, NM 87504-5101 (505) 476-4875 • Fax (505) 476-4595

CHANGE OF FLOOR PLAN / EXPANSION OF LIQUOR LICENSED PREMISES APPLICATION
NMAC 15.10.32.13 - \$75.00 Fee, all fees are non-refundable

Application to Change or Expand the licensed premises shall be submitted with the Application Fee and the following Required Documentation: 1) a copy of your existing Approved Floor Plan and 2) a Proposed Detailed Floor Plan, on an 8 1/2 x 11" sheet, that includes the existing approved premises and any proposed change or expansion - Label all areas and include all entrances, exits, walls or enclosures as well as dimensions for any expansion. For Expansions Only, also include Proof of Tenancy and Photos of expansion.

A Licensee may not change or expand the licensed premises without prior written approval of the Director. If the change or expansion of the licensed premises is twenty-five (25%) or more of the total existing square footage of the licensed premises, the Director may require the licensee to file an application for a Transfer of Location. The Licensee cannot make any changes or expand the premises until approval has been granted for this request. A before and after site inspection may be scheduled.

Liquor License No.: 0057 Phone No.: 505 454 0037 Fax No.: N/A
Business Name (DBA) El Rialto / Barracho's Owner Name: Rafael Garcia
License Location: 141-139 Bridge Street
Mailing Address: 141 Bridge Street
Licensee Email: rialtoliz@gmail.com
Square Footage: Current 25 x 40 Adding/Changing: 24.6 x 3.9 Total: (add both) 1,209.10
Reason for Request: addition of small patio at 139 address
Will the Proposed Expansion bring the licensed premises within 300 feet of a church or school? NO
Has there been any change in the Ownership or Operation of the Licensee? NO

If so, explain:

I (print name) Rafael Garcia, Licensee for Liquor License No. 0057 hereby attest that the requested change meets the definition of "licensed premises" in NMSA 1978 §60-3A-3 (O), which states in part "licensed premises" means the contiguous areas or areas connected by indoor passageways of a structure and the outside dining, recreation and lounge areas of the structure... that are under the direct control of the licensee..."

Must sign in the presence of a Notary Public:

Submitted by: (print name) Rafael Garcia - Rafael Garcia
Signature: Rafael Garcia Title: owner Date: 4/19/17

NOTARY PUBLIC USE ONLY: (State of New Mexico, County of San Miguel)
SUBSCRIBED AND SWORN TO before me this 19th day of April
By: Ralph Garcia Notary Public: Dana E. Sena
My Commission Expires: 9.24.18

REQUIRED FOR EXPANSIONS ONLY | LOCAL OPTION DISTRICT REVIEW

Local Governing Body of: Village, County, City Check one: [ ] Approved [ ] Disapproved

Signature and Title of Village/County/City Official:

AGD USE ONLY: Payment | Application Fee \$ Received on: Receipt No.

Processed by: [ ] Approved [ ] Disapproved

Decision by Director, if required: [ ] Approved [ ] Disapproved

Signed by Director: Date:

CITY OF LAS VEGAS  
1700 NORTH GRAND AVE.  
LAS VEGAS, NM 87701

T 505.454.1401  
F 505.425.7335  
LASVEGASNM.GOV  
VISITLASVEGASNM.COM

TONITA GURULÉ-GIRÓN  
MAYOR

DAVID ULIBARRI  
COUNCILOR, WARD 1

VINCE HOWELL  
COUNCILOR, WARD 2

BARBARA PEREA-CASEY  
COUNCILOR, WARD 3

DAVID L. ROMERO  
COUNCILOR, WARD 4

December 13, 2016

Sara Mathews  
Borracho's  
139 Bridge St.  
Las Vegas, NM 87701

COPY

Sent 12/14/16

Dear Sara,

The City of Las Vegas appreciates your patience and diligence in collaborating with the City of Las Vegas, Community Development Department for your application for patio fencing in front of your establishment known as "Borracho's Sidewalk Seating". The historical significance of the area is a high priority and we appreciate your support during this process including the Design Review Board.

We have met with your representative Jonathan Whitten and Associates and have outlined the following requirements for approval. The square tubing fencing on the proposed site will be no longer than forty-two inches (42") in height to the top. Please ensure that your Contractor follows all specifications and setbacks to allow for proper pedestrian and A.D.A. compliance during installation. The fencing shall be anchored to the sidewalk and not the building itself.

Please utilize only techniques and materials which have been demonstrated to be appropriate to the fabric of this historical building which has been discussed with your design contractor. The historic character of a property shall be retained and preserved. Your representative, Jonathan Whitten and Associates is familiar with these guidelines and a copy of historical guidelines is on the City Website at [www.lasvegasnm.gov](http://www.lasvegasnm.gov).

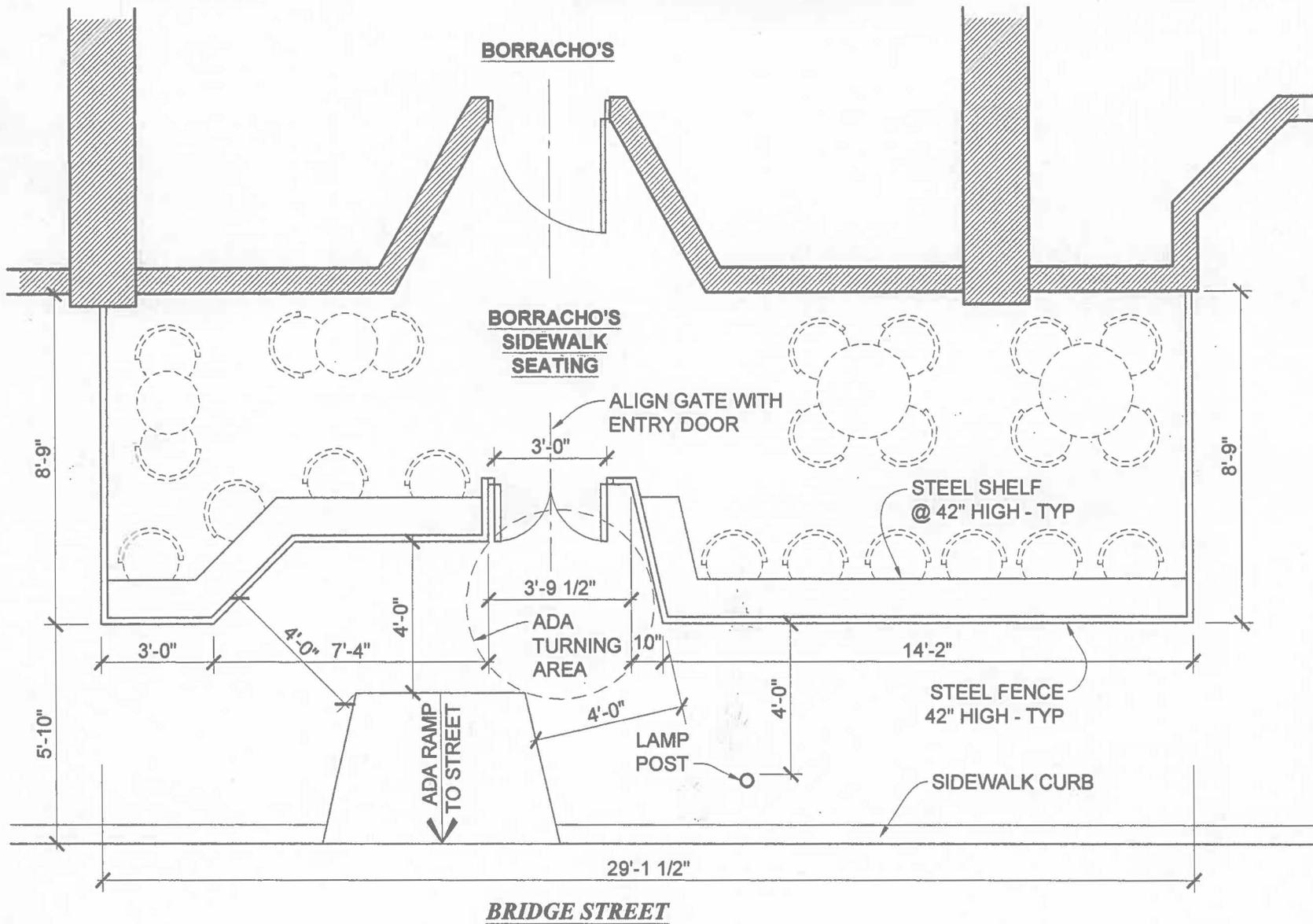
The integrity and view of the building behind the fencing shall not be obstructed and shall be avoided. Please record the work that is completed to be made available for others in the future so that any interventions or repair do not compromise the sustainability of future management or maintenance of this historic property.

Beginning of the project (BOP) cannot start until all necessary permits have been approved, signed, and finalized and all approvals have been received from the Alcohol and Gaming Division and the City of Las Vegas, Community Development Department. If you have any questions or concerns, please do not hesitate to call me at 505-454-1401. Thank you.

Sincerely,  
*Annette Velarde*  
Annette Velarde,  
Community Development Director

Cc: Richard Trujillo, City Manager, Ralph Garcia, El Rialto, Jonathan Whitten & Assoc

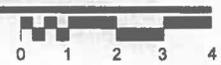




A1

**SIDEWALK PLAN**

SCALE: 1/4" = 1'-0"

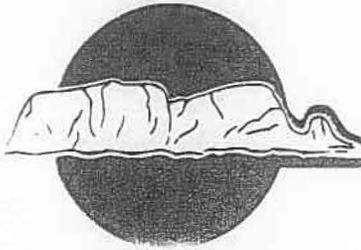


**Jonathan Whitten + Associates**  
 1017 Seventh Street  
 Las Vegas, New Mexico  
 t. 505.795.8376  
 jwhitten98@msn.com

**Borracho's Sidewalk Seating**  
 139 Bridge Street  
 Las Vegas, New Mexico  
**SIDEWALK PLAN**

Project No: 1616  
 Date: 11.18.16

**S1**



**CITY OF LAS VEGAS**  
1700 N. GRAND AVE. LAS VEGAS, NEW MEXICO 87701  
505-454-1401 FAX: 505-425-7335

**MAYOR TONITA GURULE-GIRON**

October 7, 2016

Jonathan Whitten & Associates  
1017 Seventh Street  
Las Vegas, NM 87701

Dear Mr. Whitten:

This letter is to formally provide notice that the City of Las Vegas Design Review Board will conduct a Public Meeting on **Monday, October 17, 2016, at 4:00 p.m.**, at the City Council Chambers located at 1700 North Grand Avenue, Las Vegas, New Mexico. Your application to Construct a fenced in patio for property located at 139 Bridge Street will be heard at this time.

In all cases dealing with property issues, anyone wishing to speak for or against an issue will be sworn in. City staff will present the item to the Design Review Board. The Chairman will open the meeting for public input, and you or anyone who wishes to speak for or against the issue may address the Board.

It is required that you or a representative be present at the meeting to answer any questions the Board may have on your request. Failure to be present may result on your request being heard at a future meeting. City staff also encourages you to speak on your behalf when provided the opportunity to do so. If you choose, you may bring in other parties in support of your request.

If you have any questions, please feel free to contact me at (505) 426-3279 or via email at: [mariaperea@ci.las-vegas.nm.us](mailto:mariaperea@ci.las-vegas.nm.us)

Sincerely,

Maria D. Perea  
CADD Technician

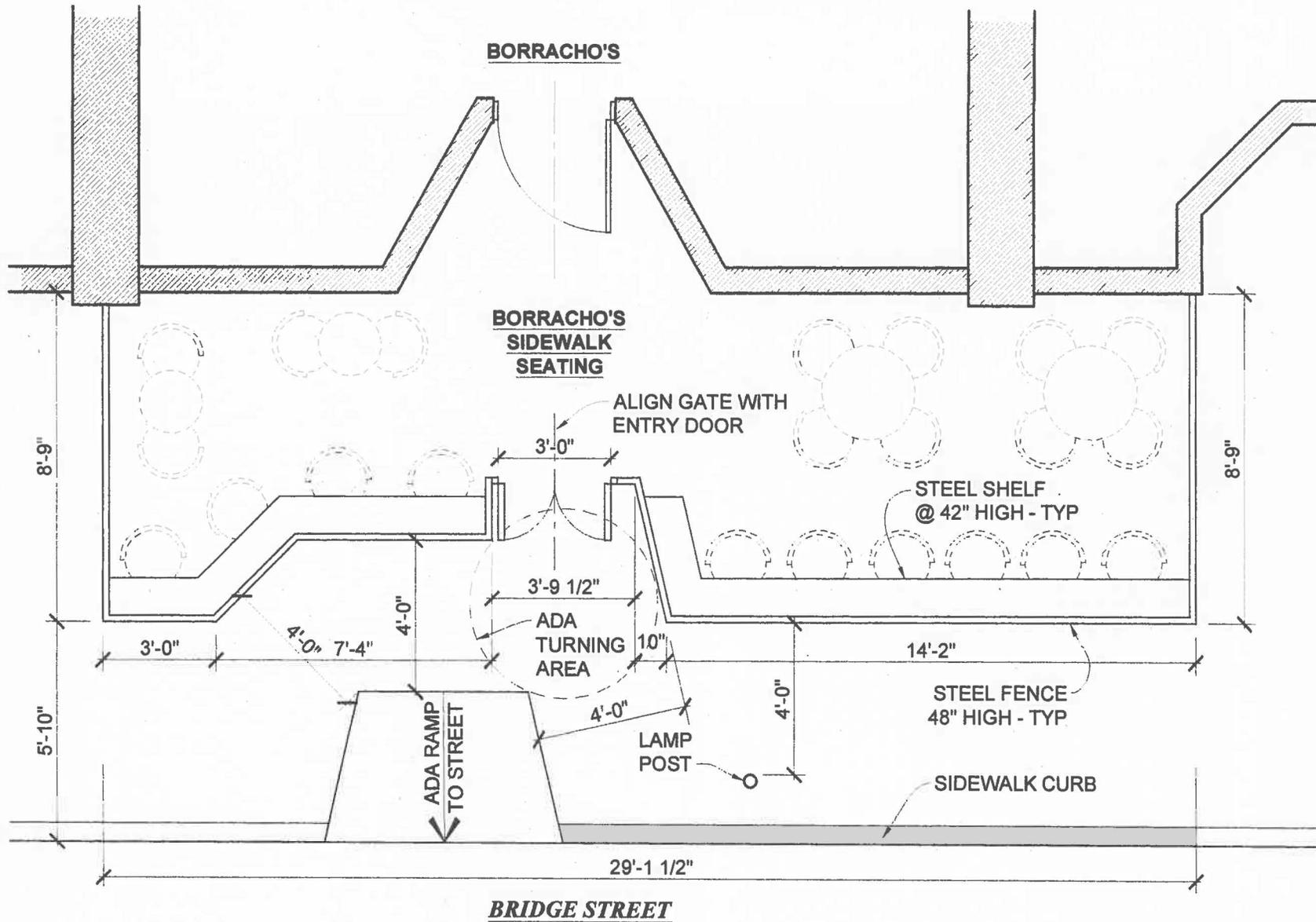
xc: Annette Velarde, Community Development Director  
File

DAVID ULIBARRI JR.  
Councillor, Ward 1

VINCE HOWELL  
Councillor, Ward 2

BARBARA CASEY  
Councillor, Ward 3

DAVID L. ROMERO  
Councillor, Ward 4



A1

**SIDEWALK PLAN**

SCALE: 1/4" = 1'-0"

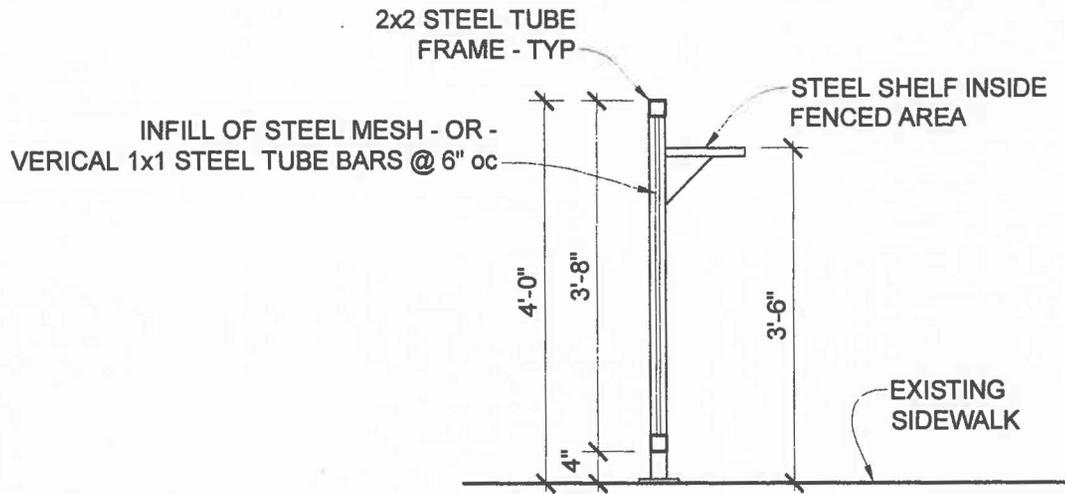


**Jonathan Whitten + Associates**  
 1017 Seventh Street  
 Las Vegas, New Mexico  
 t. 505.795.8376  
 jwhitten98@msn.com

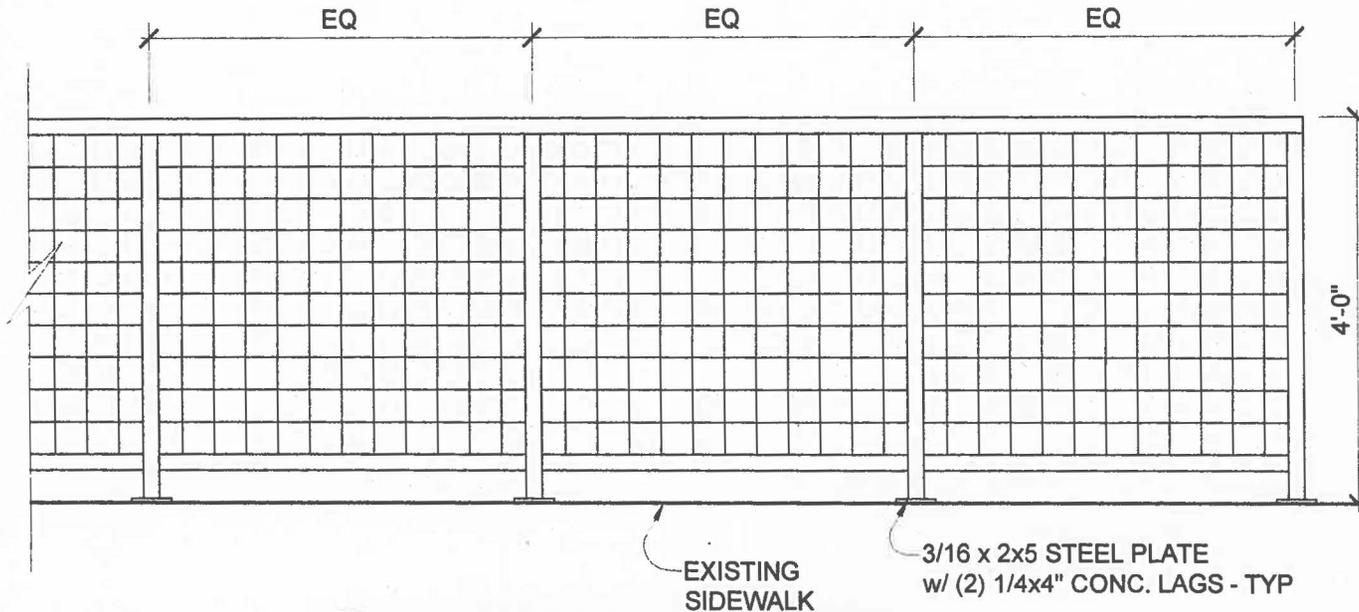
**Borracho's Sidewalk Seating**  
 139 Bridge Street  
 Las Vegas, New Mexico  
**SIDEWALK PLAN**

Project No: 1816  
 Date: 10.1.16

**S1**



**FENCE SECTION**



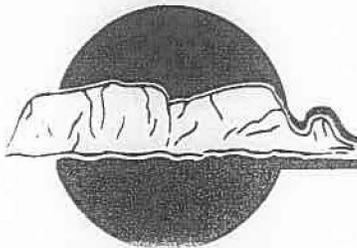
**A1 FENCE ELEVATION**  
SCALE: 1/4" = 1'-0"

**Jonathan Whitten + Associates**  
1017 Seventh Street Las Vegas, New Mexico  
t. 505.795.8376  
jwhitten98@msn.com

**Borracho's Sidewalk Seating**  
139 Bridge Street  
Las Vegas, New Mexico  
**FENCE DETAILS**

Project No: 1818  
Date: 10.1.18

**S2**



# CITY OF LAS VEGAS

1700 N. GRAND AVE. LAS VEGAS, NEW MEXICO 87701  
505-454-1401 FAX: 505-425-7335

**MAYOR TONITA GURULE-GIRON**

October 7, 2016

Sara Mathews  
139 Bridge Street  
Las Vegas, NM 87701

Dear Ms. Mathews:

This letter is to formally provide notice that the City of Las Vegas Design Review Board will conduct a Public Meeting on **Monday, October 17, 2016, at 4:00 p.m.**, at the City Council Chambers located at 1700 North Grand Avenue, Las Vegas, New Mexico. Your application to Construct a fenced in patio for property located at 139 Bridge Street will be heard at this time.

In all cases dealing with property issues, anyone wishing to speak for or against an issue will be sworn in. City staff will present the item to the Design Review Board. The Chairman will open the meeting for public input, and you or anyone who wishes to speak for or against the issue may address the Board.

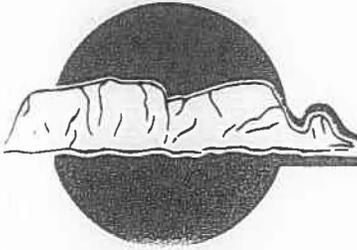
It is required that you or a representative be present at the meeting to answer any questions the Board may have on your request. Failure to be present may result on your request being heard at a future meeting. City staff also encourages you to speak on your behalf when provided the opportunity to do so. If you choose, you may bring in other parties in support of your request.

If you have any questions, please feel free to contact me at (505) 426-3279 or via email at: [mariaperea@ci.las-vegas.nm.us](mailto:mariaperea@ci.las-vegas.nm.us)

Sincerely,

Maria D. Perea  
CADD Technician

xc: Annette Velarde, Community Development Director  
File



# CITY OF LAS VEGAS

1700 N. GRAND AVE. LAS VEGAS, NEW MEXICO 87701  
505-454-1401 FAX: 505-425-7335

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## MAYOR TONITA GURULE-GIRON

October 7, 2016

Ralph Garcia  
141 Bridge Street  
Las Vegas, NM 87701

Dear Mr. Garcia:

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Sincerely,

Maria D. Perea  
CADD Technician

xc: Annette Velarde, Community Development Director  
File



**Area where Proposed  
Patio is to be located**

© 2016 Google  
© 2016 Google

Google Earth

# MINUTES

DESIGN REVIEW BOARD MEETING  
MONDAY, OCTOBER 17, 2016 @ 4:00PM  
CITY OF LAS VEGAS COUNCIL CHAMBERS  
1700 NORTH GRAND AVENUE, LAS VEGAS, NM

## **MEMBERS PRESENT:**

Bob Mishler (Chairman)  
Renee Garcia  
Harold Garcia  
Rick Rubio  
Roland Medrano  
Raymond Tafoya

## **MEMBERS ABSENT:**

## **CITY STAFF PRESENT:**

Annette Velarde, Community Development Director  
Fran Solano, Zoning/Licensing Coordinator  
Ben Maynes, Building Inspector

## **CALL TO ORDER:**

The Meeting was called to order by Harold Garcia and 2<sup>nd</sup> by Roland Medrano 4:10 pm.

## **APPROVAL OF AGENDA:**

Motion made by Mr. Bob Mishler to approve the Agenda October 17, 2016, Rick Rubio -Yes and Harold Garcia 2<sup>nd</sup>.

Harold Garcia wants to follow dates on agenda for November and December.

Rick Rubio asked if anyone wants to appoint anyone for chairman and have election today. Mr. Bob Mishler asked if board wants to include in today's agenda. Rick Rubio - yes and Harold Garcia 2<sup>nd</sup>.

Annette Velarde, " I understand Mr. Garcia would like to nomination someone."

- Harold Garcia nominated Mr. Rubio.
- Mr. Rubio nominated Mr. Mishler.

Mr. Medrano made notion to move forward with election of chairman. Harold Garcia 2<sup>nd</sup> notion.

Annette took votes:

- Mr. Tafoya voted for Mr. Mishler
- Harold Garcia voted for Mr. Rubio
- Renee Garcia voted for Mr. Mishler
- Mr. Medrano voted for Mr. Mishler
- Mr. Rubio voted for Mr. Mishler

Mr. Bob Mishler is Chairman.

Harold Garcia nominated Mr. Roland Medrano for Vice Chair.

- Tafoya approved.
- Roland Medrano approved
- Renee Garcia approved
- Rick Rubio approved
- Harold Garcia approved

Roll Call:	Bob Mishler	Harold Garcia - Yes
	Rick Rubio - Yes	Roland Medrano - Yes
	Renee Garcia - Yes	Raymond Tafoya - Yes

Motion carried

Annette Velarde stated staff at the City of Las Vegas will be accepting applications and reviewing them through all Planning, Zoning, and Legal, Ordinances, Regulations and researching rules. Staff will make recommendations and submit a Deny or Accept to DRB resulting from their research.

Harold Garcia asked what if we don't go with staff's recommendation. What will happen next?

Annette stated it will have to go through the next process of appeal.

✓ Harold Garcia stated that construction industries will not submit with any questions or if a project is not correct. Why are applicants even submitted to us if there is a question?

Annette answered; the staff will review and go through the Historic and Design guidelines and ordinances to make sure they are all followed. The Board will be the Checks/Balances on applicant and project.

Ben Maynes said we help with guidelines and review ordinances. We (the staff), want help you so no legal issues will come up.

Bob asked, "Any more introductions?"

Annette states, we are meditated to bring it to Board, but we are doing leg work for board.

Medrano said, "As long as we keep it in Historical guideline."

Annette announced, training on November 12, 2016, a daylong training on Roles, Liability, Procurement, Procedures, etc. Annette thinks from 9:00 a.m. to 5:00 p.m.

**APPROVAL OF MINUTES:**

September 19, 2016

At the request of Chairman Bob Mishler, each set of minutes was reviewed individually. After review of all sets of minutes, a motion was made by Mr. Rick Rubio to approve minutes with corrections noted, 2nd by Mr. Roland Medrano.

Roll Call:	Bob Mishler	Harold Garcia - Yes
	Rick Rubio - Yes	Roland Medrano - Yes
	Renee Garcia -Yes	Raymond Tafoya- Yes

Motion carried.

**NEW BUSINESS:**

Chairman Bob Mishler requested that all who were going to testify (speak) either for or against the issues presented on the Agenda for October 17, 2016 to stand and be sworn in. All were sworn in.

1. An Application for Certificate of Approval to construct a fenced patio in front of 139 Bridge Street, Las Vegas, NM 87701, for the purpose of having an outdoor dining/bar area for Borracho's Craft Booze and Brews. ✓

Motion made by Mr. Rick Rubio to place the application on the table, 2nd by Mr. Raymond Tafoya.

- 1.1 Item(s) of concern for the Board/remarks: Discussed by board in order to allow members of the community to offer input at the beginning of the meeting.

Annette Velarde introduced, Sara Matthews, the Application for Certificate of Approval that she submitted. Sara Matthews explained it will be a removable fence for film purposes. Sara also explained there is a handicap ramp in front of business and a post that fence would have to work around. She mentioned that Ben Maynes from The City of Las Vegas looked at the space and design. Sara introduced Mr. Jonathon Witten, he designed the plans. Sarah explained the measurements and height of fence.

Annette Velarde stated, the fence is not in guidelines with the Historical Districts Design guidelines, but could be approved if modified.

Ben Maynes said he worked with Sara on space and circulation of space but he didn't have input in design. This is the first time he sees design plans. Ben says there has to be a 4 foot right away, path and ramp accessible.

Rubio says Ralph Garcia is owner and Rubio is concerned about liability. Ralph Garcia should have impute and be present.

Sara said that insurance is on her name and so is the business license. She also states Ralph Garcias signature is on the documents submitted for the fence.

Annette Velarde stated that Mr. Garcia was invited to attend and that Sara will also have to get Alcohol Gaming approval and the owner's approval.

Bob Mishler asked Annette to please explain her recommendations.

Annette said we have to go with Historical Districts design guidelines, with height, rod iron, similar to Plaza and OLD JC's Pizza. (Shown in pictures).

Sara explained that she wanted it like the old JC's but with the handicap ramp there is no room for tables, just for stools and counter top. She stated she has no problem changing her fence to compliance.

Annette asked if she has gotten approval from Alcohol and Gaming.

Sara stated that she has not, she need to get this plan approved first.

Annette also stated that the new JC'S fence issue is being researched and getting looked to be corrected by staff and city attorney.

Sara said she wanted the height to be higher than 42" as a bar counter.

Rubio stated we have to go with the Historic Districts Design Guidelines, rod iron and look and height.

Annette stated again that she thinks the height should go with Alcohol and Gaming and Historic guidelines 36".

Harold said, "I see Sara's point. It makes sense why she wants stools and a bar counter with a bigger fence.

Sara also stated she would have 1 table for people with disabilities.

Harold stated, he doesn't want to make this people (Sara) hold on her plans. "Can we come to an agreement today?"

Bob said we have approval, disapproval and continues?

Annette said we are setting ourselves for slippery slope on heights for any future businesses that might come up on future plans (like this one.)

Rubio agreed we have to comply with Historic guidelines. Rubio state if we make decision today for this one we have to do the same for everyone else.

Harold makes recommendation to applicant. He handed her a sketch drawing.

Sara looked for sketch plan Harold gave her for review and suggestion.

Ben said one of our biggest concerns is the rod iron. 1" fence recommended with 2" corners.

Annette said, I know verbal is good but we need photos/paper form of plans and material before approval because of other projects that were rushed and approved and are wrong.

Rubio stated we need blue prints.

Harold said, "There are blue prints."

Sara please vote with current plans as is. I will bring it next month with new plans.

Harold: "Approve on approved changes discussed-congregate to changes understanding of changes to Mr. Maynes approval. I want it to go through today and get approved."

- 1.1 steal
- 6" flower pots
- 36" fence
- 1" rod iron
- Removable fence

Annette asked is there a guide for the flower pots?

Rubio said made out of metal with wood inside to have the plants grow.

Motion 2<sup>nd</sup> by Roland Medrano for approval.

Rubio – 2 months to get project going.  
No one agreed.

Motion made by Mr. Harold Garcia to "Approve on approved changes discussed-  
congregate to changes understanding of changes to Mr. Maynes approval. I want it to  
go through today and get approved."

- 1.1 steal
- 6" flower pots
- 36" fence
- 1" rod iron
- Removable fence

Of a fence at 139 Bridge Street; 2nd by Mr. Rick Rubio.

Roll Call:       Mack Crow - Yes                               Mike Fields - Yes  
                  Rick Rubio - Yes                             Roland Medrano - Yes  
                  Troy Denison - Yes

Motion carried.

**STAFF REPORT:**

None

**OTHER BUSINESS:**

None

**ADJOURNMENT:**

Motion made by Mr. Rick Rubio to adjourn, 2nd by Mr. Harold Garcia.

Roll Call:       Mack Crow - Yes                               Renee Garcia - Yes  
                  Rick Rubio - Yes                             Roland Medrano - Yes  
                  Harold Garcia - Yes

Motion carried.

Meeting adjourned at 5:30pm

\_\_\_\_\_  
Bob Mishler (Chairperson)

\_\_\_\_\_  
Date

RECEIVED  
OCT 04 2016  
mdp 420pm

APPLICATION FOR CERTIFICATE OF APPROVAL  
ORDINANCE NUMBER 05-01

A. GENERAL INFORMATION:

1. NAME OF APPLICANT: Jim Mathews (co. Ralph Garcia)

MAILING ADDRESS: 139 Bridge Street

CITY: Las Vegas STATE: NM ZIP: 87701

PHONE NUMBER: 505-615-3561

2. NAME OF STRUCTURE, PROPERTY / SITE: Bonachio's

ADDRESS: 139 Bridge Street, Las Vegas, NM, 87701

3. IS THE STRUCTURE, PROPERTY, OR SITE RECOGNIZED IN THE FOLLOWING:

- NATIONAL REGISTER OF HISTORIC PLACES
- STATE REGISTER OF HISTORIC PLACES
- LOCAL REGISTER OF HISTORIC DISTRICT / LANDMARK

4. OWNER OR LESSEE OR PROPERTY:

ADDRESS: 18 prairie Hill Rd, Las Vegas, NM, 87701

PHONE NUMBER: 505 615 3561

5. CONTRACTOR: Rocky Road gravel Products

ADDRESS: County Road A16 (P.O. Box 1405)

CITY: Las Vegas STATE: NM ZIP: 87701

PHONE NUMBER: 505 425 6051

B. PROJECT INFORMATION:

1. WHAT IS THE CURRENT ZONE OF THIS PROPERTY? CH CZ

2. STATEMENT OF PRESENT CONDITION REQUIRING MODIFICATION.

FENCE REQUIRED FOR SIDEWALK DINING / BAR AREA

3. WILL INTERIOR BE SUBJECT TO PUBLIC VIEW?

YES NO NA

PLEASE CHECK ALL APPROPRIATE PROJECT ACTIVITIES PROPOSED.

DEMOLITION / STRUCTUAL NEW CONSTRUCTION

EXTERIOR REPAIRS

ROOF REPAIR DOOR REPAIR BRICK REPAIR WINDOW REPLACEMENT GLAZING SIGNAGE LIGHTING SITE ALTERATION SIDEWALK REPAIR FAÇADE ALTERATIONS OTHER: PLEASE EXPLAIN: SIDEWALK FENCE

4. LIST PROPOSED WORK TO BE DONE SPECIFYING TYPES OF MATERIALS USED.

CONSTRUCTION OF STEEL SIDEWALK FENCE TO DEFINE DINING / BAR AREA

5. DESCRIBED THE PROCESS AND PERSONNEL NEEDED TO ACCOMPLISH PROPOSED OBJECTIVES.

FENCE CONSTRUCTED OFF SITE

6. HAVE YOU APPLIED FOR A BUILDING PERMIT? YES NO (IF APPROVED PERMITS MUST BE OBTAIN FROM CODE ENFORCEMENT OFFICE)

