CITY OF LAS VEGAS
REGULAR CITY COUNCIL MEETING
May 12, 2021–Wednesday– 5:30 p.m.
Virtual Meeting Held by Video Conference via Google Meet

The public is invited to submit written comments for public input prior to the meeting. Written comments should be submitted no later than 3:30 p.m. on May 12, 2021, addressed via email to the City Clerk at cfresquez@lasvegasnm.gov or faxed to (505) 425-7335.

AGENDA

City Council Meetings are
Available via YouTube
https://www.youtube.com/channel/UCNGDVGRRAL0qVevel5JYeRw?view_as=subscriber

I. CALL TO ORDER

II. ROLL CALL

III. PLEDGE OF ALLEGIANCE

IV. MOMENT OF SILENCE

V. APPROVAL OF AGENDA

VI. PUBLIC INPUT (comments limited to topics on current agenda). Public Input submitted to the City Clerk via email or fax will be read into the record.

VII. MAYOR'S APPOINTMENTS/REPORTS AND RECOGNITIONS/PROCLAMATIONS

- Recognition of Lea Knutson and Dr. Elizabeth Juarros with Hermit's Peak Watershed Alliance
- Proclamation for "National Police Week" May 9-15, 2021

VIII. COUNCILORS' REPORTS

David Ulibarri
Councilor Ward 1
Michael L. Montoya
Councilor Ward 2
Elaine Rodriquez
Councilor Ward 3
David G. Romero
Councilor Ward 4

IX. POLICE CHIEF'S REPORT

X. FINANACE REPORT

XI. APPROVAL OF MINUTES (April 7th and 14th, 2021)

XII. PRESENTATIONS (Not to exceed 10-15 minutes per person)

- Presentation by Maria Gilvarry reporting on the filter replacement at the Water Treatment Plant

XIII. CONSENT AGENDA (The consent agenda is approved by a single motion. Any member of the Governing Body may request an item to be moved to Business Items at the request of any Councilor with approval of the Governing Body).

1. Request approval of Resolution No. 21-14 applying for and assuring matching funds in the amount of $699,826, and to apply for a Match Waiver for the Transportation Project Fund (TPF).

The City of Las Vegas will be contributing their share of 5% ($34,991.30), the New Mexico Department of Transportation's share being 95% ($664,834.70), for the drainage improvements, pavement rehabilitation, upgrading ADA curb and ramps, miscellaneous construction and construction management of Silva Avenue, McRae Street and Dolores Street.

2. Request approval of Resolution No. 21-15 applying for and assuring matching funds, in the amount of $427,506.36 and to apply for a Match Waiver for the Transportation Project Fund (TPF).

The City of Las Vegas will be contributing their share of 5% ($21,375.32), the New Mexico Department of Transportation's share being 95% ($406,131.04) for the planning and designing of South Pacific Street, for drainage improvements, pavement rehabilitation, upgrading ADA curb & ramps, stripping, miscellaneous construction, and construction management for this first phase of the project.

3. Request approval of Resolution No. 21-16 applying for and assuring matching funds, in the amount of $233,888.40 and to apply for a Match Waiver for the Transportation Project Fund (TPF).

The City of Las Vegas will be contributing their share of 5% ($11,694.42), the New Mexico Department of Transportation's share being 95% ($222,193.98) for the planning and designing of El Creston Circle for drainage improvements, pavement rehabilitation, upgrading ADA curb & ramps, miscellaneous construction, and construction management for this first phase of the project.

4. Request approval of Resolution No. 21-17 applying for and assuring matching funds, in the amount of $1,412,648.00 and to apply for a Match Waiver for the Transportation Project Fund (TPF).

The City of Las Vegas will be contributing their share of 5% ($70,632.40), the New Mexico Department of Transportation's share being 95% ($1,342,015.60) for the planning and designing, reconstruction, drainage improvements, pavement rehabilitation, upgrading ADA curb & ramps, sidewalks, stripping, miscellaneous construction, and construction management of University Avenue.

5. Request approval of Resolution No. 21-19 applying for and assuring matching funds, in the amount of $3,824,686.00 and to apply for a Match Waiver for the Transportation Project Fund (TPF).

The City of Las Vegas will be contributing their share of 5% ($191,234.30), the New Mexico Department of Transportation's share being 95% ($3,633,451.70) for the plan, design, construction, reconstruction, pavement rehabilitation, construction management, drainage improvements and miscellaneous improvements to Legion Drive.

6. Request approval of Resolution No. 21-20 applying for and assuring matching funds, in the amount of $1,689,934.00 and to apply for a Match Waiver for the Transportation Project Fund (TPF).

The City of Las Vegas will be contributing their share of 5% ($84,496.70), the New Mexico Department of Transportation's share being 95% ($1,605437.30) for construction, reconstruction, pavement rehabilitation, construction management, drainage improvements and miscellaneous improvements to Hot Springs Blvd. (from Bernalillo Street to Valencia Street) and Valencia Street (from North Gonzales Street to Hot Springs Blvd.).

XIV. BUSINESS ITEMS:

Conduct a Public Hearing for Business Items 1 through 6 *(The public is invited to submit written comments for the public hearing. Comments should be submitted by 3:30 p.m. on May 12, 2021 addressed via email to the City Clerk at cfresquez@lasvegasnm.gov or faxed to (505) 425-7335 and will be read into the record during the discussion of the item it pertains to.*

1. Adoption of Ordinance No. 21-10, amending the court fees collected by the Municipal Court in Section 20-13(A) and repeals and replaces Ordinance No. 21-01.

Scott Aaron This ordinance is enacted pursuant to Sections 2.02 of the City of Las Vegas Municipal Charter, and is an exercise of the City of Las Vegas home rule powers. Amendments are being made at the request of Judge Trujillo for more specificity in regards to court fees collected. Council approved the publication of the proposed ordinance on April 14, 2021 and publication requirements have been met.

2. Adoption of Ordinance No. 21-05 authorizing a loan agreement with NMFA for the water line replacement project on Mills Avenue and Hot Springs Blvd.

Maria Gilvarry, Utilities Director, The loan funding package is assigned as follows: The loan principle; $200,000.00, Loan Subsidy Grant Funds; $600,000.00 for a total amount of $800,000.00. This project is expected to be fully funded based on engineering estimates.

3. Adoption of Ordinance No. 21-06 authorizing a loan agreement with NMFA for the water treatment plant SCADA system project.

Maria Gilvarry, Utilities Director, The loan funding package is assigned as follows: The loan principle; $125,000.00, Loan Subsidy Grant Funds; $375,000.00 for a total amount of $500,000.00. First phase is fully funded based on engineering estimates.

4. Adoption of Ordinance No. 21-07 authorizing a loan agreement with NMFA for the water treatment plant clarifier sedimentation basin vacuum system project.

Maria Gilvarry, Utilities Director, The loan funding package is assigned as follows: The loan principle; $75,000.00, Loan Subsidy Grant Funds; $225,000.00 for a total amount of $300,000.00. First phase is fully funded based on engineering estimates.

5. Adoption of Ordinance No. 21-08 authorizing a loan agreement with NMFA for the Hanna Park effluent line extension project.

Maria Gilvarry, Utilities Director, The loan funding package is assigned as follows: The loan principle; $125,000.00, Loan Subsidy Grant Funds; $375,000.00 for a total amount of $500,000.00. This project is expected to be fully funded based on engineering estimates.

6. Adoption of Ordinance No. 21-09 authorizing a loan agreement with NMFA for the water treatment plant pump replacement project.

Maria Gilvarry, Utilities Director, The loan funding package is assigned as follows: The loan principle; $50,000.00, Loan Subsidy Grant Funds; $150,000.00 for a total amount of $200,000.00. This project is expected to be fully funded based on engineering estimates.

7. Award request for bids #2021-17 for the North Gonzales waterline replacement to Hays Plumbing & Heating Inc.

Maria Gilvarry, Utilities Director RFB was advertised in the Las Vegas Optic, Albuquerque Journal and City website. There were a total of four bids. Hays Plumbing and Heating, Inc. was the lowest bidder.

8. Request approval of Resolution No. 21-13 Acceptance and Approval of the FY 2020 Audit.

Jesus Baquera, Finance Director The FY 2020 audit has been completed and the City of Las Vegas has received a letter from the State Auditor authorizing release of the FY2020 audit. This item was tabled at the last council meeting so that Council would have ample time to review the audit.

9. Request approval of Resolution No. 21-18, a resolution to make a budget adjustment for the 2020-2021 Fiscal Year.

Jesus Baquera, Finance Director Budget adjustment includes a revenue and expense increase to Fund 214 Street CO-OP Projects-MAP-2020, Contract #D18626 in the amount of $415,000.00, State portion 75%, $311,250.00, City Match 25%, $103,750.00. COOP-2020 Contract #D18524 in the amount of $117,787.00 State portion 75%, $88,340.00, City Match 25%, $29,447.00 Waived. Fund 282 Senior Center in the amount of $35,000.00. Fund 206 EMS in the amount of $20,000.00.

10. Request approval of the new positions to include, 1 full time Parks Field Supervisor, 1 full time Pool Supervisor, 1 part time Public Information Officer, 1 full time temporary Administrative Aide , 1 full time Accountant, 1 full time IT Technician and 1 full time Animal Control Supervisor.

William Taylor, City Manager These positions will be included in the FY2022 budget. Those departments that have budget in FY21 may fill the positions prior to July 1, 2021. With Council approval, we can begin advertising the positions in May.

11. Discussion and Direction on whether to continue to hold council meetings virtually or to return to exclusively in-person meetings.

Discussion and Direction for public meetings of City Boards, Commissions and Committees (BCC's). For example; do (BCC's) have the option to hold their meetings virtually or exclusively return to in person meetings, do BCC's, that are subject to OMA, need to stream their meetings on YouTube?

Mayor Louie Trujillo San Miguel County has moved into the turquoise level, which signifies low risk. Governor Michelle Lujan Grisham plans for the State to fully re-open in June after 60% of New Mexicans are fully vaccinated.

12. Request approval of MOU's with La Plaza Little League and Las Vegas Little League.

Stephen Aragon, Parks/Recreation Director Mou's will be valid for 120 days due to COVID-19 Pandemic and loss of league revenues. Both leagues have agreed to provide in-kind services of both field and facility maintenance. After both leagues have completed their 2021 seasons lease agreements will be drafted and presented to Mayor and Council for approval.

13. Request approval of the Lodgers Tax recommendation to provide funding to the Citizens Committee on Historic Preservation (CCHP) to fund the marketing and advertising campaign that promotes the City of Las Vegas as a key destination for Santa Fe Trail Bicentennial visitors.

Krutik Bhakta, Lodgers Tax Board Chairman and Frank Bearskens, CCHP Lodger's tax funding will be in the amount of $5,000.00. CCHP will engage a professional travel writer to develop press releases and travel articles sent to major newspapers, journals, magazines, and guidebooks, with national and international distribution. The Santa Fe Trail Bicentennial will be a prime summer destination event, featured on numerous web sites and travel magazines.

14. Request approval of Lodgers Tax recommendation to provide funding for marketing the Friday, Al fresco event.

Krutik Bhakta, Lodgers Tax Board Chairman and Chuck Griego, Film and Events Coordinator Lodger's tax funding will be in the amount of $5,000.00 for marketing via radio and posters. This event has been expanded to provide a post-COVID celebration between May 7th and October 31st, 2021 with additional emphasis over 4th of July.

15. Request approval of the MOU between the City and Tierra Encantada Farmer's Market.

Bill Hendrickson, Community Development Director This MOU is for the use of City property at 2522 Hotsprings Blvd. during the selling season through October 31, 2021. City will provide a port-a-potty and remove waste periodically, Farmer's Market will provide services listed on Exhibit A of the MOU.

XV. 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.

XVI. ADJOURN

ATTENTION PERSONS WITH DISABILITIES: 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 attending the meeting via Google Meet, you consent to photography, audio recording, video recording and its/their use for inclusion on the City of Las Vegas website and to be broadcast on YouTube.

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 or the City's website at **www.lasvegasnm.gov**

GENERAL FUND REVENUE COMPARISON
THRU MARCH 31, 2021 75% OF YEAR LAPSED (9 of 12 months)
FISCAL YEAR 2021

Total Budget to Actual Comparison

	A	B	C	D	E	G
	FY 2020 BUDGET	FY 2021 BUDGET	FY 2021 YTD - BUDGET	FY 2020 YTD - ACTUAL	FY 2021 YTD - ACTUAL	(E/B) FY 2020 % REV
PROPERTY TAX	1,312,372	1,417,060	1,062,795	984,909	1,174,772	83%
GROSS RECEIPT TAX 1.225	3,550,000	3,058,351	2,293,763	2,971,186	2,921,572	96%
FRANCHISE TAX	750,000	750,000	562,500	577,598	563,370	75%
GROSS RECEIPT TAX .75	2,449,125	2,008,316	1,506,237	1,951,288	1,917,437	95%
1/8 INFRASTRUCTURE	372,000	318,763	239,072	309,478	275,925	87%
GRT .25 (JAN 2011)	1,060,000	877,561	658,171	848,721	852,916	97%
LICENSE & FEES	63,000	47,000	35,250	39,154	44,953	96%
INTERGOVERNMENTAL	76,500	71,500	53,625	57,205	57,267	80%
LOCAL-FINES	66,500	61,000	45,750	52,612	42,352	69%
LOCAL-MISC	1,667,450	1,798,485	1,348,864	1,335,521	1,532,289	85%
TOTAL	11,366,947	10,408,036	7,806,027	9,127,672	9,382,853	90%

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

FISCAL YEAR 2021

Total Budget to Actual Comparison

	A	B	C	D	E	F	H
	FY 2020 BUDGET	FY 2021 BUDGET	FY 2021 YTD - BUDGET	FY 2020 YTD - ACTUAL	FY 2021 YTD - ACTUAL	FY 2021 AVAIL. BAL.	(E/B) % BDGT
JUDICIAL (4100)	300,157	299,143	224,357	225,016	200,617	98,526	67%
GOVERNING BODY (4210)	72,409	62,383	46,787	52,025	42,587	19,796	68%
MAYOR (4220)	43,484	97,561	73,171	12,917	66,014	31,547	68%
MANAGER (4230)	287,678	222,013	166,510	173,438	186,166	35,847	84%
MUNICIPAL CLERK (4300)	270,729	262,841	197,131	198,763	185,833	77,008	71%
CITY ATTORNEY (4400)	218,052	226,928	170,196	136,508	158,533	68,395	70%
PERSONNEL/HR (4500)	226,733	324,634	243,476	148,682	177,847	146,787	55%
FINANCE (4600)	475,653	543,566	407,675	357,906	380,438	163,128	70%
COMMUNITY DEV. (4700)	506,791	573,555	430,166	253,216	363,645	209,910	63%
POLICE (4800)	4,277,031	3,957,102	2,967,827	2,775,335	2,642,329	1,314,773	67%
CODE ENFORCEMENT (4810)	132,039	80,817	60,613	39,385	44,761	36,056	55%
ANIMAL SHELTER (4900)	150,424	146,450	109,838	94,213	109,509	36,941	75%
FIRE (5000)	1,384,729	1,446,316	1,084,737	1,013,629	982,084	464,232	68%
PUBLIC WORKS/AIRPORT	487,071	968,261	726,196	318,786	497,927	470,334	51%
PARKS	290,323	283,684	212,763	170,294	149,491	134,193	53%
LIBRARY	245,540	241,828	181,371	186,915	161,367	80,461	67%
MUSEUM	154,939	157,881	118,411	87,542	86,592	71,289	55%
GENERAL SERVICES	2,675,300	1,883,617	1,412,713	1,594,950	891,726	991,891	47%
TRANSFERS	778,667	971,991	728,993	556,128	751,643	220,348	77%
TOTAL	12,977,749	12,750,571	9,562,928	8,395,645	8,079,108	4,671,463	63%

Surplus to date **1,303,746**

ENTERPRISE FUNDS-REVENUE COMPARISON
THRU MARCH 31, 2021 75% YEAR LAPSED (9 of 12 months)
FISCAL YEAR 2021

Total Budget to Actual Comparison

	A	B	C	D	E	G
	FY 2020 BUDGET	FY 2021 BUDGET	FY 2021 YTD - BUDGET	FY 2020 YTD - ACTUAL	FY 2021 YTD - ACTUAL	(E/B) % BUDGET
WASTE WATER (610)	2,966,800	3,143,800	2,357,850	2,121,271	2,265,124	72%
NATURAL GAS (620)	5,036,000	5,036,000	3,777,000	3,661,346	3,937,059	78%
SOLID WASTE (630)	3,413,400	3,394,107	2,545,580	2,601,284	2,561,910	75%
WATER (640)	5,172,720	5,172,720	3,879,540	3,744,287	3,904,736	75%
Total of Enterprise Funds	16,588,920	16,746,627	12,559,970	12,128,188	12,668,829	76%

ENTERPRISE FUNDS-EXPENDITURES COMPARISON
THRU MARCH 31, 2021 75% YEAR LAPSED (9 of 12 months)
FISCAL YEAR 2021

Total Budget to Actual Comparison

	A	B	C	D	E	F	H
	FY 2020 BUDGET	FY 2021 BUDGET	FY 2021 YTD - BUDGET	FY 2020 YTD - ACTUAL	FY 2021 YTD - ACTUAL	FY 2021 AVAIL. BAL.	(E/B) % BUDGET
WASTE WATER(610)	3,656,737	3,225,006	2,418,755	2,592,599	2,054,023	1,170,983	64%
NATURAL GAS (620)	6,082,679	6,084,827	4,563,620	3,545,797	3,702,505	2,382,322	61%
SOLID WASTE (630)	3,781,260	4,205,030	3,153,773	2,430,313	2,535,759	1,669,271	60%
WATER (640)	5,488,886	5,645,564	4,234,173	3,933,502	3,518,865	2,126,699	62%
Total of Enterprise Funds	19,009,562	19,160,427	14,370,320	12,502,211	11,811,152	7,349,275	62%

Surplus to date 857,676.05

RECREATION DEPARTMENT-REVENUE COMPARISON
THRU MARCH 31, 2021 - 75% OF YEAR LAPSED 9 OF 12 MONTHS
FISCAL YEAR 2021

	A	B	C	D	E	G
	FY 2020 BUDGET	FY 2021 BUDGET	FY 2021 YTD - BUDGET	FY 2020 YTD - ACTUAL	FY 2021 YTD - ACTUAL	(E/B) % REV
WELLNESS CENTER	115,000	60,000	45,000	63,122	24,239	40%
OPEN SWIM	10,000	0	0	4,705	0	#DIV/0!
YABL/ADULT BASKETBALL	16,500	5,000	3,750	2,983	0	0%
SUMMER FUN PROGRAM	30,000	2,500	1,875	29,730	0	0%
RECREATION-OTHER	62,500	11,500	8,625	24,600	174	2%
GEN FUND TRANSFER	400,000	302,700	227,025	299,880	237,565	78%
TOTAL	634,000	381,700	286,275	425,020	261,978	69%

RECREATION DEPARTMENT- EXPENDITURE COMPARISON
THRU MARCH 31, 2021 - 75% OF YEAR LAPSED 9 OF 12 MONTHS
FISCAL YEAR 2021

	A	B	C	D	E	F	H
	FY 2020 BUDGET	FY 2021 BUDGET	FY 2021 YTD - BUDGET	FY 2020 YTD - ACTUAL	FY 2021 YTD - ACTUAL	FY 2021 AVAIL. BAL.	(E/B) % BDGT
EMPLOYEE EXP.	619,444	282,072	211,554	413,434	180,208	101,864	64%
YABL/ADULT BASKETBALL	8,500	1,500	1,125	4,785	0	1,500	0%
OTHER OPERATING EXP.	89,585	103,135	77,351	49,437	51,627	51,508	50%
CAPITAL OUTLAY	3,765	2,800	2,100	1,948	2,179	621	78%
TOTAL	721,294	389,507	292,130	469,603	234,014	155,493	60%

LODGERS TAX PROMOTION - REVENUE COMPARISON
THRU MARCH 31, 2021 - 75% OF YEAR LAPSED 9 OF 12 MONTHS
FISCAL YEAR 2021

	A	B	C	D	E	G
	FY 2020 BUDGET	FY 2021 BUDGET	FY 2021 YTD - BUDGET	FY 2020 YTD - ACTUAL	FY 2021 YTD - ACTUAL	(E/B) % REV
LODGER'S TAX PROMO	301,600	89,600	52,267	276,199	218,094	417%
LODGER'S TAX - INFRASTRUCTURE	75,400	22,400	13,067	51,506	54,524	243%
TOTAL	377,000	112,000	65,333	327,704	272,618	243%

LODGERS TAX PROMOTION - EXPENDITURE COMPARISON
THRU MARCH 31, 2021 - 75% OF YEAR LAPSED 9 OF 12 MONTHS
FISCAL YEAR 2021

	A	B	C	D	E	F	H
	FY 2020 BUDGET	FY 2021 BUDGET	FY 2021 YTD - BUDGET	FY 2020 YTD - ACTUAL	FY 2021 YTD - ACTUAL	FY 2021 AVAIL. BAL.	(E/B) % BDGT
EMPLOYEE EXP.	42,389	2,992	1,745	14,274	2,873	119	96%
OPERATING EXPENSES	24,100	12,328	7,191	11,807	4,536	7,792	0%
PUBLICATIONS & ADVERT	140,900	65,000	37,917	69,032	7,113	57,887	11%
CONTRACTUAL SERVICES	229,738	10,000	5,833	103,471	30,701	(20,701)	307%
CAPITAL OUTLAY	76,400	42,000	24,500	29,140	0	42,000	
TRANSFERS	41,956	40,002	23,335	31,454	29,990	10,012	75%
TOTAL	555,483	172,322	100,521	259,179	75,213	97,109	44%

Surplus to date 197,405

MINUTES OF THE CITY OF LAS VEGAS CITY COUNCIL SPECIAL MEETING HELD ON WEDNESDAY, APRIL 7, 2021 AT 5 P.M. VIA GOOGLE MEET.

MAYOR: Louie A. Trujillo

COUNCILORS: David G. Romero
Elaine Rodriquez
Michael L. Montoya ***Arrived at 5:04***
David A. Ulibarri, Jr.

ALSO PRESENT: William Taylor, City Manager
Casandra Fresquez, City Clerk
Scott Aaron, City Attorney
Adrian Crespin, Chief of Police

CALL TO ORDER

Mayor Trujillo called the meeting to order at 5:00 pm.

ROLL CALL

PLEDGE OF ALLEGIANCE

MOMENT OF SILENCE

Mayor Trujillo advised Las Vegas was currently in the green level and has rescinded the City curfew. Mayor Trujillo recognized all Healthcare workers, Leo Maestas with OEM and all first responders for doing a wonderful job to get us where we're at and hopes we can move into turquoise in two weeks.

APPROVAL OF AGENDA

Councilor Ulibarri Jr., made a motion to approve the agenda as presented. Councilor Romero seconded the motion. Mayor Trujillo asked for roll call. Roll Call Vote was taken and reflected the following:

Elaine Rodriquez	Yes	David A. Ulibarri Jr.	Yes
David G. Romero	Yes		

City Clerk Fresquez advised the motion carried.

PUBLIC INPUT

Frank Beurskens advised he was in support of battery powered scooters in Las Vegas.

Johnny Coronado advised he's personally used the scooters to get to work and home and the company Bird has saved him a two mile walk to work and back and would like to keep the scooters.

Arielle Hawney expressed her support for the scooters that are quicker, more convenient and fun. Ms. Hawney advised it's time to have a form of affordable transportation for students who don't have a car.

Kyle Conway from the Youth Commission stated the scooters give him and fellow youth something to do and it's an instant form of transportation. Mr. Conway further stated they would be happy to help if the council decides to move forward with an ordinance and felt they are good for Las Vegas.

APPROVAL OF MINUTES

Councilor Romero made a motion to approve the minutes for March 10th and March 17th, 2021 as presented. Councilor Ulibarri Jr., seconded the motion. Mayor Trujillo asked for roll call. Roll Call Vote was taken and reflected the following:

Michael L. Montoya	Yes	Elaine Rodriquez	Yes
David G. Romero	Yes	David A. Ulibarri Jr.	Yes

City Clerk Fresquez advised the motion carried.

BUSINESS ITEMS

1. Request approval of Resolution No. 21-11, A resolution to support the Congressional request for community infrastructure funding.

Mayor Trujillo gave a brief explanation regarding an opportunity for federal money for the community. Mayor Trujillo advised he met with Teresa Leger-Fernandez over zoom regarding federal money for shovel ready projects and things that could impact economic development. Mayor Trujillo advised the City needed to submit proposals or resolutions with projects for funding consideration.

Discussion took place regarding funding needed in underdeveloped areas in Ward 3 such as Pecos Street and areas in Ward 4.

Councilor Montoya stated they renovated the train depot, some streets and sidewalks in Ward 3. Councilor Montoya advised a project on Lincoln Street would be happening soon and Ward 3 hasn't been totally neglected. Councilor Montoya mentioned the Legion Drive project is the number one project.

Mayor Trujillo mentioned the possibility of getting the streets in the Pecos area on the ICIP plan and any others.

Councilor Rodriquez stated the residents in the Pecos Street area didn't agree with Councilor Montoya.

Councilor Montoya made a motion to approve Resolution No. 21-11 and advised if the City needed anyone to represent in Washington to testify on how badly the funding is needed he is willing to do so. Councilor Ulibarri Jr., seconded the motion.

Resolution 21-11 was presented as follows:

CITY OF LAS VEGAS, NEW MEXICO

Resolution No. 21-11

A RESOLUTION TO SUPPORT THE CONGRESSIONAL REQUEST FOR COMMUNITY INFRASTRUCTURE FUNDING.

WHEREAS, the City of Las Vegas ("City") desires to improve the community; and

WHEREAS, a request is being made to Congresswoman Teresa Leger-Fernandez for the purpose of obtaining funding for an infrastructure project for Legion Drive; and

WHEREAS, the City's visitors and residents will benefit from any congressional monies received by the City that are used for community infrastructure improvements.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Las Vegas that the recitals are hereby incorporated herein by reference and the Governing Body supports any actions to obtain funding for a community infrastructure for Legion Drive.

PASSED, APPROVED AND ADOPTED this _____ day of April, 2021.

_____

Louie A. Trujillo, Mayor

ATTEST:

_____

Casandra Fresquez, City Clerk

Reviewed and approved as to legal sufficiency only:

_____

Scott Aaron, City Attorney

Mayor Trujillo asked for roll call. Roll Call Vote was taken and reflected the following:

David G. Romero	Yes	David A. Ulibarri Jr.	Yes
Michael L. Montoya	Yes	Elaine Rodriquez	Yes

City Clerk Fresquez advised the motion carried.

2. Request approval of Resolution No. 21-12, A resolution to support the Congressional request for community project funding.

Discussion took place regarding the funding from two years ago and if the Gallinas Riverpark project is moving along on the City's part and if the path along the Gallinas River was considered a bicycle path or walking path.

Mayor Trujillo thanked Elizabeth Juarros for all her work.

Councilor Montoya advised that NMHU cut down trees at Melody Park and the City is saving them to make benches for the Gallinas River.

Councilor Montoya made a motion to approve Resolution No. 21-12 and thanked Congresswoman Teresa Leger-Fernandez. Councilor Ulibarri Jr., seconded the motion.

Resolution 21-12 was presented as follows:

CITY OF LAS VEGAS, NEW MEXICO
Resolution No. 21-12

A RESOLUTION TO SUPPORT THE CONGRESSIONAL REQUEST FOR COMMUNITY PROJECT FUNDING.

WHEREAS, the City of Las Vegas ("City") desires to improve, preserve and develop the community for the benefit of the City's residents and visitors; and

WHEREAS, a request is being made to Congresswoman Teresa Leger-Fernandez for the purpose of obtaining funding for a community project in the Gallinas Riverwalk; and

WHEREAS, the City's visitors and residents will benefit from any congressional monies received that are used for the improvement, preservation and development of the community.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Las Vegas that the recitals are hereby incorporated herein by reference and the Governing Body supports a request to Congresswoman Teresa Leger-Fernandez for congressional funds for a community project in the Gallinas Riverwalk.

PASSED, APPROVED AND ADOPTED this _____ day of April, 2021.

_____

Louie A. Trujillo, Mayor

ATTEST:

_____

Casandra Fresquez, City Clerk

Reviewed and approved as to legal sufficiency only:

_____

Scott Aaron, City Attorney

Mayor Trujillo asked for roll call. Roll Call Vote was taken and reflected the following:

David A. Ulibarri Jr.	Yes	David G. Romero	Yes
Elaine Rodriquez	Yes	Michael L. Montoya	Yes

City Clerk Fresquez advised the motion carried.

3. Request Approval to award RFP #2021-04 for Ambulance services throughout the City of Las Vegas and San Miguel County excluding the Village of Pecos to American Medical Response (AMR) and enter into contract.

Fire Chief Billy Montoya advised creating one emergency response system for ambulance services between the City of Las Vegas and San Miguel County to serve the entire county. Fire Chief Montoya advised if approved a contract will be reviewed and stated a total of four emergency transport units would serve

throughout the County. Fire Chief Montoya advised the same proposal was taken to the County Commission last week and was approved.

Discussion took place regarding the differences between what is in place currently with Superior Ambulance versus the new company, insurance fees that the public pays, issues regarding where AMR would be housed, if Council would revisit the contract in a year in case things aren't working out and when the existing contract expires and when the new one would begin.

Councilor Montoya asked if the difference they would pay to AMR was budgeted.

City Manager Taylor advised they were the lowest bidder and depending on when they arrive would look at the next fiscal year's budget.

Mayor Trujillo asked if the hospital had any consideration.

Fire Chief Montoya advised they were involved as the evaluation team and recommended AMR.

Discussion took place regarding the hiring process.

Councilor Romero made a motion to approve RFP #2021-04 for Ambulance services to American Medical Response (AMR) and enter into contract. Councilor Rodriquez seconded the motion. Mayor Trujillo asked for roll call. Roll Call Vote was taken and reflected the following:

Michael L. Montoya	Yes	Elaine Rodriquez	Yes
David A. Ulibarri Jr.	Yes	David G. Romero	Yes

City Clerk Fresquez advised the motion carried.

Mayor Trujillo thanked Fire Chief Montoya and his staff for all they do and advised he would have recognitions for some Firemen who were recognized by a family.

Councilor Montoya thanked Superior Ambulance for their service and for taking care of the community.

4. Approval of Resolution No. 21-10 Budget Adjustment Request for the 2020-2021 Fiscal year for various capital improvement projects and grant funded projects.

Mayor Trujillo asked if the resolution went through the Finance Committee.

Finance Director Jesus Baquera advised it had not gone through the Finance Committee meeting due to the timing of the meeting.

Finance Director Baquera gave a brief explanation regarding the Budget Adjustment Request.

Discussion and questions took place regarding DFA appropriations, El Creston park project, building studies on Plaza Street and the Plaza Park study.

Councilor Montoya thanked Finance Director Baquera for explaining the budget adjustment request.

Councilor Montoya made a motion to approve Resolution No. 21-10. Councilor Ulibarri Jr., seconded the motion.

Resolution 21-10 was presented as follows:

CITY OF LAS VEGAS, NEW MEXICO
Resolution No. 21-10

A RESOLUTION TO MAKE BUDGET ADJUSTMENT FOR THE 2020-2021 FISCAL YEAR

WHEREAS, the Governing Body of Las Vegas has developed a budget adjustment request for fiscal year 2020-21; and

WHEREAS, said budget was developed on the basis of increases in revenues, expenditures and transfers (in) out through cooperation with all user departments, elected officials and other department supervisors, please see attached schedule; and

WHEREAS, the City of Las Vegas is in need of making a budget adjustment in the 2020-2021 fiscal year budget to include a revenue and expense increase to fund 267 DFA Capital Appropriations – Farmers Market Building Renovation grant in the amount of $48,000.00, Plaza Park Electrical Upgrades grant in the amount of $18,000.00, Hanna Park/City Hall Lighting and security system grant in the amount of $28,000.00 and Carnegie Library Upgrades grant in the amount of $10,000.00. Also, an increase to revenue and expense to fund 268 Department of Cultural Affairs – Plaza Parking Study in the amount of $10,00.00, Building Study in the amount of $10,000.00 and Staff Support in the amount of $17,000.00. An expense increase to Public Works in the amount of $24,566.00 for street light repair and to fund 216 Streets in the amount of $99,500.00 for a street sweeper both are insurance claims. A transfer from fund 216 Streets Improvements into fund 214 Street Co-op Projects in the amount of $30,000.00 to cover additional construction costs to finish W. National Ave., survey fees for various city streets in the amount of $309,700.00. An expense increase in the general fund for the Library in the amount of $48,560.00 to cover salary budget and an additional $10,000.00 for the firework display; and

WHEREAS, the Governing Body finds that the budget adjustment request should be as it meets the requirements as currently determined for fiscal year 2020-21.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Las Vegas, that the recitals and any exhibits are incorporated herein by reference and the Governing Body hereby approves the aforementioned budget adjustment request and respectfully request approval from the Local Governing Division of the Department of Finance and Administration.

APPROVED AND ADOPTED this _____ day of April ,2021.

_____

Mayor Louie A. Trujillo

ATTEST: Reviewed and approved as to legal sufficiency only:

_____ _____

Casandra Fresquez, City Clerk Scott Aaron, City Attorney

Mayor Trujillo asked for roll call. Roll Call Vote was taken and reflected the following:

David G. Romero	Yes	Michael L. Montoya	Yes
Elaine Rodriquez	Yes	David A. Ulibarri Jr.	Yes

City Clerk Fresquez advised the motion carried.

5. Request approval to award the continuation of West National Avenue and Mountain View Drive road projects to Hay's Plumbing and Heating through a CES contract.

Public Works Manager Daniel Gurule advised it would be a continuation to the Mountain View and West National project and they received funding from NMDOT for both.

Councilor Ulibarri Jr., made a motion to approve the continuation of West National Avenue and Mountain View Drive road projects to Hay's Plumbing and Heating through a CES contract. Councilor Montoya seconded the motion. Mayor Trujillo asked for roll call. Roll Call Vote was taken and reflected the following:

Elaine Rodriquez	Yes	David A. Ulibarri Jr.	Yes
David G. Romero	Yes	Michael L. Montoya	Yes

City Clerk Fresquez advised the motion carried.

Mayor Trujillo thanked Public Works Manager Gurule and his staff for all the hard work they do.

Public Works Manager Gurule thanked NMDOT for their help with their sweeper.

Councilor Romero requested a schedule for the street sweeper.

6. Approval to fund the bid additive alternate work for RFP 2021-06 for the Dee Bibb Lift Station Improvements.

Utilities Director Maria Gilvarry advised they had additional funding to cover the generator, security fencing and additional adjustments.

Discussion took place regarding where the funding was coming from.

Councilor Romero made a motion to approve the bid additive alternate work for RFP 2021-06 for the Dee Bibb Lift Station Improvements. Councilor Ulibarri Jr., seconded the motion. Mayor Trujillo asked for roll call. Roll Call Vote was taken and reflected the following:

Michael L. Montoya	Yes	David G. Romero	Yes
Elaine Rodriquez	Yes	David A. Ulibarri Jr.	Yes

City Clerk Fresquez advised the motion carried.

7. Approval to fund the bid additive alternate work for RFP 2021-07 for the Detention Center Lift Station Rehab.

Councilor Romero made a motion to approve funding the bid additive alternate work for RFP 2021-07 for the Detention Center Lift Station Rehab. Councilor Rodriquez seconded the motion. Mayor Trujillo asked for roll call. Roll Call Vote was taken and reflected the following:

Michael L. Montoya	Yes	Elaine Rodriquez	Yes
David A. Ulibarri Jr.	Yes	David G. Romero	Yes

City Clerk Fresquez advised the motion carried.

Mayor Trujillo thanked Utilities Director Gilvarry and her staff for all their hard work.

8. Council Discussion/Action regarding transportation-sharing vehicles or ordinance in Las Vegas.

Councilor David Romero voiced concerns regarding no ordinances in place to cover the City of Las Vegas.

Discussion took place regarding the process that took place to allow that type of business in Las Vegas without ordinances in place and it not being taken to planning and zoning or Council for approval.

Councilor Romero voiced concerns regarding underage riders on the scooters even though the MOU specified 18 and over, safety concerns of them being driven on the road and other liability issues that weren't addressed.

Councilor Rodriquez advised she contacted insurance agencies regarding the liability for drivers, the liability if the company goes bankrupt and no rules or regulations for underage riders in and out of traffic.

Councilor Montoya advised he's received phone calls regarding issues with signage, age, and the slow speed being a factor to cause an accident. Councilor Montoya advised restrictions need to be in place.

Mayor Trujillo advised if they're going to regulate that type of transportation then they will also have to regulate bicycles, skateboards and hoverboards. Mayor Trujillo voiced his concerns about it being a business venture and by opposing it, it shows they are not open to businesses.

Discussion took place regarding a business having the right to have a business license, the scooters being battery operated not motorized, a special use permit being done, the possibility of people using scooters while drunk, and the liability to the City regarding safety concerns.

Mayor Trujillo voiced his concerns about regulating businesses that want to come to Las Vegas and if creating an ordinance to support a business is needed then one should be done because he doesn't want to put a business out of business.

Discussion and questions took place regarding the bicycle ordinance, if a special permit is needed for business licenses, where the business for the scooters was located, how the scooters work, safety regulations, suspending the business license and creating an ordinance.
Councilor Romero voiced concerns regarding how the MOU for Bird Rides Inc., wasn't taken to Council for approval and the business not having a proper location.

City Attorney Scott Aaron advised the MOU was a voluntary attempt from Bird Rides Inc., to give the City protection in the event of an accident and if the contract is rolled back then protection is no longer there.

Councilor Romero made a motion to terminate the MOU between the City of Las Vegas and Bird Rides Inc., until an ordinance is developed to address the electric scooters. Councilor Montoya seconded the motion. Mayor Trujillo asked for roll call. Roll Call Vote was taken and reflected the following:

David A. Ulibarri Jr.	No	Elaine Rodriquez	Yes
Michael L. Montoya	Yes	David G. Romero	Yes

City Clerk Fresquez advised the motion carried.

EXECUTIVE SESSION

There was no need for executive session.

ADJOURN

Councilor Ulibarri Jr., made a motion to adjourn. Councilor Rodriquez seconded the motion. Mayor Trujillo asked for roll call. Roll Call Vote was taken and reflected the following:

Michael L. Montoya	Yes	Elaine Rodriquez	Yes
David G. Romero	Yes	David A. Ulibarri Jr.	Yes

City Clerk Fresquez advised the motion carried.

Meeting adjourned at 7:05 pm.

_____

Mayor Louie A. Trujillo

ATTEST:

_____

Casandra Fresquez, City Clerk

MINUTES OF THE CITY OF LAS VEGAS CITY COUNCIL REGULAR MEETING HELD ON WEDNESDAY, APRIL 14, 2021 AT 5:30 P.M. VIA GOOGLE MEET.

MAYOR: Louie A. Trujillo

COUNCILORS: David G. Romero
Elaine Rodriquez
Michael L. Montoya
David A. Ulibarri, Jr. ***Absent***

ALSO PRESENT: William Taylor, City Manager
Casandra Fresquez, City Clerk
Scott Aaron, City Attorney
Adrian Crespin, Chief of Police

CALL TO ORDER

Mayor Trujillo called the meeting to order at 5:30 pm.

ROLL CALL

PLEDGE OF ALLEGIANCE

MOMENT OF SILENCE

Mayor Trujillo recognized all the hardworking people fighting the pandemic in the community, all the first responders helping people get their vaccines, Leo Maestas from the Office of Emergency Management helping prepare shot clinics, and all the hospital staff. Mayor Trujillo asked for a moment of silence for all the hardworking people.

APPROVAL OF AGENDA

Councilor Romero made a motion to approve the agenda as presented. Councilor Montoya seconded the motion. Mayor Trujillo asked for roll call. Roll Call Vote was taken and reflected the following:

Elaine Rodriquez	Yes	Michael L. Montoya	Yes
David G. Romero	Yes		

City Clerk Fresquez advised the motion carried.

PUBLIC INPUT

City Clerk Fresquez read public input from Lorenzo Flores against the removal of Design Review Board members.

MAYOR'S APPOINTMENTS/REPORTS AND RECOGNITIONS/PROCLAMATIONS

Councilor Romero voiced concerns regarding not having specific procedures for committees.

City Clerk read the list of names regarding the appointments for the Business Advisory Committee.

Discussion and questions took place regarding how the individuals were selected, if it was a requirement to own a business to be on the committee, if they lived within the four wards and if they were subject to OMA.

Councilor Montoya made a motion to approve the appointments of the Business Advisory Committee and recommended Ms. Abreu explain the process, the charter and how to abide by the bylaws. Councilor Rodriquez seconded the motion. Mayor Trujillo asked for roll call. Roll Call Vote was taken and reflected the following:

David G. Romero	Yes	Michael L. Montoya	Yes
Elaine Rodriquez	Yes		

City Clerk Fresquez advised the motion carried.

Mayor Trujillo advised the ordinance pertaining to the Design Review Board was not being followed and members were not conducting themselves as a committee. Mayor Trujillo recommended the removal of the Design Review Board members and Council would have the opportunity to appoint a new Design Review Board.

Discussion and questions took place regarding if all members were non compliant with the charter and the bylaws they created, if the members were invited to the meeting to speak on the issue and if they could be invited.

Councilor Romero advised the qualifications in the ordinance were met by the members.

City Attorney Scott Aaron advised he was unsure about their qualifications but if the board was meeting the requirements they were tasked with, they wouldn't have let an application slip through without approving, disapproving or approving with conditions.

Discussion and questions took place regarding Chapter 18-5 for removal which stated needing an affirmative vote of four members upon malfeasance, malfeasance in office or any reason whatsoever upon the affirmative vote of all members and with one Councilor being absent action could not take place on the removal of Design Review Board members.

Councilor Romero made a motion to table the approval to remove Design Review Board members until the May 12th Council meeting. Councilor Rodriquez seconded the motion. Mayor Trujillo asked for roll call. Roll Call Vote was taken and reflected the following:

Michael L. Montoya	No	David G. Romero	Yes
Elaine Rodriquez	Yes		

City Clerk Fresquez advised the motion carried.

District Attorney Thomas Clayton and Victim Rights Advocate Ashely Archuleta with the District Attorney's office spoke about the background and mission for recognizing National Crime Victims' Week.

City Clerk Fresquez read a proclamation for National Crime Victims' Week.

Mayor Trujillo recognized Fire Department Staff.

COUNCILOR'S REPORTS

Councilor Rodriquez advised she had a link if anyone was interested in a presentation with the Attorney General's Office.

Councilor Montoya spoke about his trip to Ruidoso, NM along with City Manager Taylor, Utilities Director Gilvarry and Community Development Director Hendrickson. Councilor Montoya advised they had their first Airport Committee meeting and would continue to have them quarterly. Councilor Montoya thanked the Streets department for the striping around town and pothole patching.

Councilor Romero acknowledged Utilities Director Gilvarry, Public Works Manager Daniel Gurule and his staff for preparing crosswalks when school started. Councilor Romero recommended all committees who do not have to follow OMA should still be posted on the website for the public. Councilor Romero voiced concerns regarding pay increases and pay plans not taken to council for approval. Councilor Romero requested MOUs and pay plans be taken to council for approval and also new positions created within the City that are not in the Organizational Chart be taken for approval.

Mayor Trujillo advised they would continue to advertise all meetings for boards and commissions and also see about the pay plan being brought to one of the next City Council meetings.

POLICE CHIEF'S REPORT

Police Chief Adrian Crespin advised it was National Public Safety Tele-communication week and thanked all the dispatchers for their hard work, dedication and commitment to serving the people of Las Vegas, Police personnel, Fire personnel and Ambulance Service personnel. Police Chief Crespin gave a presentation regarding the statistics for the Month of March for calls of service and traffic citations issued. Police Chief Crespin advised they were 90% complete with their mobile data terminals for police vehicles. Police Chief Crespin advised

they hired one non-certified Police Officer, and invited Mayor and Council to a training for their MILO system.

Discussion took place regarding the Flock Safety cameras, if vehicles funded from the legislative session were ordered, if there were vehicles to donate or auction off, a follow up on a battery stolen from a vehicle at West Las Vegas, the possibility of placing a camera by San Jose cemetery and concerns regarding weapons issued to retired Police personnel.

PRESENTATIONS

Erik Harrigan with RBC Capital reporting gave a presentation regarding the City's bonding capacity for future loans.

Discussion took place regarding taking bonding questions to be voted on during the 2022 election, different needs in the community, refinancing phase II at the Abe Montoya Recreation Center and Utilities bonding capacity.

Dr. Eric Romero with NMHU gave a presentation regarding the Cultural Park collaboration.

Community Development Director Bill Hendrickson and Susie Tsyitee gave a presentation regarding Community Development working with the Las Vegas Arts Council to submit a grant through the National Endowment for the Arts.

Discussion took place regarding creating art spaces throughout the community to celebrate Las Vegas both culturally and artistically, where the matching funds would come from, who would administer the grant and the need for artists to help Friends of the Gallinas with benches.

Councilor Rodriquez advised she was in support of the project and sees a lot of opportunities for the community.

Film and Events Coordinator Chuck Griego gave a presentation regarding an update on the Fourth of July Fiestas and other sponsored City events.

Discussion took place regarding planning Friday nights Al Fresco starting in May through October and would include a food vendor who would rotate weekly along with local artists and the possibility of paying artists $100 for being there.

Councilor Romero advised he supported funding the Friday nights Al Fresco and the possibility of having 25% of capacity but the Plaza Park isn't specified as a venue.

Discussion and suggestions took place regarding the Fiesta budget, using Lodger's Tax monies to support Friday nights Al Fresco, the Fourth of July firework display venue, the Fourth of July parade route, having more entertainment the weekend of the Fourth of July as well as more food vendors.

CONSENT ITEMS

City Clerk Fresquez read the Consent Agenda (1-5) into the record as follows:

1. Request to Publish Ordinance No. 21-05 authorizing a loan agreement with NMFA for the water line replacement project on Mills Avenue and Hot Springs Blvd.
2. Request to Publish Ordinance No. 21-06 authorizing a loan agreement with NMFA for the water treatment plant SCADA system project.
3. Request to Publish Ordinance No. 21-07 authorizing a loan agreement with NMFA for the water treatment plant clarifier sedimentation basin vacuum system project.
4. Request to Publish Ordinance No. 21-08 authorizing a loan agreement with NMFA for the Hanna Park effluent line extension project.
5. Request to Publish Ordinance No. 21-09 authorizing a loan agreement with NMFA for the water treatment plant pump replacement project.

Councilor Monotya advised all the projects listed are going towards the City water and the effluent water system that waters soccer fields and parks for the kids.

Councilor Romero asked if they were adding to the term of debt towards existing loans or if they were new loans.

Utilities Director advised they were new loans with 75% subsidy and would pay 25% of the actual cost for the projects.

Councilor Montoya made a motion to approve the Consent Agenda as read into the record. Councilor Romero seconded the motion. Mayor Trujillo asked for roll call. Roll Call Vote was taken and reflected the following:

Elaine Rodriquez	Yes	Michael L. Montoya	Yes
David G. Romero	Yes		

City Clerk Fresquez advised the motion carried.

BUSINESS ITEMS

1. Conduct a Public Hearing and Adopt Ordinance No. 21-04, An Ordinance to amend the Code of the City of Las Vegas by amending Section 200-40 and Section 301-11, entitled "Alternative method of abatement". This Ordinance is enacted pursuant to Sections 2.02 of the City of Las Vegas Municipal Charter, and is an exercise of the City's home rule powers. Publication requirements have been met.

Councilor Romero made a motion to enter into Public Hearing to discuss business item 1. Councilor Rodriquez seconded the motion. Mayor Trujillo asked for roll call. Roll Call Vote was taken and reflected the following:

Michael L. Montoya	Yes	David G. Romero	Yes
Elaine Rodriquez	Yes		

City Clerk Fresquez advised the motion carried.

City Attorney Aaron asked City Clerk Fresquez and Community Development Director Bill Hendrickson to raise their right hand and be sworn in.

City Clerk Fresquez read the public comment into the record from Lee Einer as follows:

"Honorable Mayor and Council-

The proposed amendment to Section 200-40 and Section 301-11of city code does away with an important right of city residents and property owners, and absolutely does not accomplish what you were told it did at the March 17 council meeting.

The old language being deleted from these two sections of city code is as follows-

A.

Except as herein provided, an action for the abatement of a public nuisance shall be governed by the general rules of civil procedure.

B.

A civil action to abate a public nuisance may be brought, by verified complaint in the name of the City without cost, by any public officer or private citizen, in the Municipal Court against any person who shall create, perform or maintain a public nuisance.

C.

When judgment is declared against the defendant in an action to abate a public nuisance, he shall be adjudged to pay all court costs and reasonable fees for the complainant's attorney, when the suit is not prosecuted exclusively by the City Attorney.

D.

The City may alternatively file a criminal complaint for public nuisance in the appropriate court pursuant to NMSA 1978, § 30-8-1, as amended.

This actually is accurately titled "An alternative method of abatement." It is an alternative available to private persons, who may enter a complaint in Municipal Court in the name of the City against any person maintaining a public nuisance.

This is an important right, as anyone who has had to live, for years, next to an abandoned property that threatens human health and safety can tell you. This is the right you would be doing away with by enacting this amendment. It's bad legislation, it's disempowering to the people of this community, and I urge you to vote against it.

Additionally, sections A and D of the language being deleted make it clear that the existing ordinance does not in any way impede the City of Las Vegas from filing an action for abatement in any court which has jurisdiction. "Except as herein provided, an action for the abatement of a public nuisance shall be governed by the general rules of civil procedure. The City may alternatively file a criminal complaint for public nuisance in the appropriate court pursuant to NMSA 1978, § 30-8-1, as amended." So the city's rights to file in state court are preserved. Let me add that the language being deleted from City Code in this amendment is not radical or revolutionary. To the contrary, paragraphs A, B and C mirror NMSA § 30-8-8, which affords private persons the right to file a similar abatement complaint in the state's name in District Court.

Had this amendment been submitted to the governing body in the standard format, with a statement of purpose, with the language being deleted indicated in strikeout and the new language indicated with underlining, what I am telling you would be obvious at first glance. This points to a second problem.

Section 2.08 D of the City Charter States that "The Governing Body shall adopt by ordinance the procedures for introduction and adoption of ordinances." But the governing body has thus far not done so. Such an ordinance is really needed in order for a legislative body to function well. I urge you, both for compliance with the City Charter and for the optimal functioning of the City Council, to develop and adopt an ordinance clearly defining procedures, including format, for introduction and option of ordinances. It is key to the success of every action you take in the future.

Mayor Trujillo asked Community Development Director Hendrickson to explain the intentions of the change.

Community Development Director Hendrickson advised the language was restricted to Municipal Court and the change would open it up to any court.

City Clerk Fresquez asked City Attorney Aaron to raise his right hand and be sworn in.

Discussion took place regarding issues with any resident being able to file a petition at Municipal Court in the name of the City and the appropriate venue to file a case would be at District Court.

Councilor Rodriquez advised she liked the idea of seeing what would be crossed out or changed when taking an ordinance to council for approval, why the ordinance was being taken if such cases rarely happen and what section in the ordinance stated that.

City Attorney Aaron advised it was section 200-40(B).

Discussion took place regarding how Councilor Romero interpreted section 200-40(B), the state statute resembling the same ordinance but instead would be filed in District Court and if it only pertained to historic preservation projects.

Councilor Montoya made a motion to exit Public Hearing and return to regular session. Councilor Romero seconded the motion. Mayor Trujillo asked for roll call. Roll Call Vote was taken and reflected the following:

Michael L. Montoya	Yes	Elaine Rodriquez	Yes
David G. Romero	Yes		

City Clerk Fresquez advised the motion carried.

Councilor Montoya made a motion and asked for City Clerk Fresquez to read it into the record as an abatement. There was no second, therefore the motion died.

Councilor Romero made a motion to table the adoption of Ordinance 21-04 until the May 19th council meeting. Councilor Rodriquez seconded the motion. Mayor Trujillo asked for roll call. Roll Call Vote was taken and reflected the following:

Elaine Rodriquez	Yes	Michael L. Montoya	No
David G. Romero	Yes		

City Clerk Fresquez advised the motion carried.

2. Request approval of Lodger's Tax Board recommendation for the leasing of two billboards on I-40 for 1 year.

Las Vegas First John Goodwin gave a brief presentation regarding the two billboards by Santa Rosa and new information on traffic counts and the size of the billboards.

Councilor Montoya advised the last time the item was presented he voted no but this presentation had more information and he supported the item.

Councilor Romero asked about the contract needing council's approval.

Councilor Montoya asked if the City was administering the project, if the design could be done in-house and if there had been advertisements on the billboards in the last 3 months.

Councilor Rodriquez advised wanting to see the impacts the billboards have on people visiting Las Vegas.

Discussion took place regarding the RFP for Friday nights Al Fresco event, specifics on what the billboards will have in the contract, accountability for every dollar used and the contract going to council for approval.

Councilor Romero made a motion to approve the leasing of two billboards on I-40 with the condition that the contract is taken to council for approval. Councilor Montoya seconded the motion. Mayor Trujillo asked for roll call. Roll Call Vote was taken and reflected the following:

Elaine Rodriquez	Yes	David G. Romero	Yes
Michael L. Montoya	Yes		

City Clerk Fresquez advised the motion carried.

3. Request approval to publish Ordinance 21-10 an ordinance to amend the Code of the City of Las Vegas by amending the court fees collected by the Municipal Court in Section 20-13(A).

City Attorney Aaron advised in the previous ordinance the fees weren't specified and ordinance 21-10 would specify the fees.

Councilor Romero made a motion to approve the publication of ordinance 21-10. Councilor Montoya seconded the motion. Mayor Trujillo asked for roll call. Roll Call Vote was taken and reflected the following:

David G. Romero	Yes	Elaine Rodriquez	Yes
Michael L. Montoya	Yes		

City Clerk Fresquez advised the motion carried.

4. Request to award request for proposals #2021-15 for the Public Works concrete flatwork to JJ & Son Excavation.

Utilities Director Gilvarry advised there were three proposers and JJ & Sons Excavation was ranked highest.

Councilor Romero made a motion to approve request for proposals #2021-15 for the Public Works concrete flatwork to JJ & Son Excavation. Councilor Montoya seconded the motion. Mayor Trujillo asked for roll call. Roll Call Vote was taken and reflected the following:

Elaine Rodriquez	Yes	David G. Romero	Yes
Michael L. Montoya	Yes		

City Clerk Fresquez advised the motion carried.

5. Request approval of Resolution No. 21-13 Acceptance and Approval of the FY 2020 Audit.

Councilor Romero advised he was disappointed because he previously asked twice for Mayor and Council to sign a disclosure form and that never happened.

Councilor Rodriquez voiced concerns regarding receiving a copy of the audit the morning of the meeting and did not have enough time to review it.

Councilor Rodriquez made a motion to table the approval of Resolution 21-13 until the May 12th council meeting Councilor Romero seconded the motion. Mayor Trujillo asked for roll call. Roll Call Vote was taken and reflected the following:

Michael L. Montoya	Yes	David G. Romero	Yes
Elaine Rodriquez	Yes		

City Clerk Fresquez advised the motion carried.

EXECUTIVE SESSION

Councilor Romero made a motion to convene into executive session for the purpose of discussing personnel matters as permitted by Section 10-15-1 (H) (2) of the New Mexico Open Meetings Act, NMSA 1978 regarding negotiations with City employees and also for matters subject to the attorney client privilege pertaining to threatened or pending litigations 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 regarding a civil case filed against the City by a City employee. Councilor Rodriquez seconded the motion. Mayor Trujillo asked for roll call. Roll Call Vote was taken and reflected the following:

Michael L. Montoya	Yes	Elaine Rodriquez	Yes
David G. Romero	Yes		

City Clerk Fresquez advised the motion carried.

Councilor Romero made a motion to exit executive session and reconvene into regular session after being in executive session for the purpose of discussing personnel matters as permitted by Section 10-15-1 (H) (2) of the New Mexico Open Meetings Act, NMSA 1978 and also for matters subject to the attorney client privilege pertaining to threatened or pending litigations 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 and only those matters specified were discussed and no action was taken. Councilor Rodriquez seconded the

motion. Mayor Trujillo asked for roll call. Roll Call Vote was taken and reflected the following:

Michael L. Montoya	Yes	David G. Romero	Yes
Elaine Rodriquez	Yes		

City Clerk Fresquez advised the motion carried.

ADJOURN

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

Elaine Rodriquez	Yes	David G. Romero	Yes
Michael L. Montoya	Yes		

City Clerk Fresquez advised the motion carried.

Meeting adjourned at 10:11 pm.

_____

Mayor Louie A. Trujillo

ATTEST:

_____

Casandra Fresquez, City Clerk

CITY OF LAS VEGAS
COUNCIL MEETING AGENDA REQUEST FORM

Meeting Date: May 12, 2021

Date Submitted: 04/30/21 **Department:** Utilities

Item/Topic: Presentation on filter media replacement at the water treatment plant by Utilities Director Maria Gilvarry. For information only. No action required.
Filter Media is more than 20 years old. Filtration efficiency has been reduced. This maintenance tasking will be phased. Each phase will take a minimum of 7 days and will not be done consecutively.

Fiscal Impact: Each phase is estimated to cost $125,000 and is budgeted for in the FY21 & FY22 operations and maintenance budget.

Attachments: None

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.

Approved For Submittal By:

Department Director

City Manager

Reviewed By:

Finance Director

City Attorney (Approved as to Form)

CITY CLERK'S USE ONLY
COUNCIL ACTION TAKEN

Resolution No. _____
Ordinance No. _____
Contract No. _____
Approved _____

Continued To: _____
Referred To: _____
Denied _____
Other _____

CITY OF LAS VEGAS
COUNCIL MEETING AGENDA REQUEST FORM

Meeting Date: May 12, 2021

Date Submitted: 4/30/2021 **Department:** Public Works/Utilities

Item/Topic: Request for approval of Resolution No. 21-14 applying for and assuring matching funds in the amount of $699,826.00, and to apply for a Match Waiver for the Transportation Project Fund (TPF). The City of Las Vegas will be contributing their share of 5% ($34,991.30), the New Mexico Department of Transportation's share being 95% ($664,834.70), for the Drainage Improvements, Pavement Rehabilitation, Upgrading ADA Curb and Ramps, Miscellaneous Construction and Construction Management of Silva Avenue, McRae Street and Dolores Street.

Fiscal Impact: Assuring availability of matching funds if a match waiver is not awarded in the amount of $34,991.30. Potential funds may have to be budgeted from the General Fund.
Attachments: Resolution No. 21-14, cost estimate, location map.

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.

Approved For Submittal By:

Department Director

City Manager

Reviewed By:

Finance Director

City Attorney (Approved as to Form)

CITY CLERK'S USE ONLY
COUNCIL ACTION TAKEN

Resolution No. _____
Ordinance No. _____
Contract No. _____
Approved _____

Continued To: _____
Referred To: _____
Denied _____
Other _____

CITY OF LAS VEGAS, NEW MEXICO
Resolution No. 21-14

A RESOLUTION OF THE CITY OF LAS VEGAS TO APPLY FOR FY 2022 TRANSPORTATION PROJECT FUND (TPF) ADMINISTERED BY THE NEW MEXICO DEPARTMENT OF TRANSPORTATION (NMDOT) AND APPLY FOR A MATCH WAIVER FOR SILVA AVENUE, MCRAE STREET AND DOLORES STREET.

WHEREAS, the City of Las Vegas is submitting an application for Fiscal Year 2022 Transportation Project Fund in the amount of $699.826.00; and

WHEREAS, the City of Las Vegas intends to request a waiver for the matching fund requirement if the option is available; and

WHEREAS, the City of Las Vegas has a limited tax base which limits the funding for meeting the proportional matching share and a fund exists by the New Mexico State Legislature for Public Entities in need of "Hardship"; and

WHEREAS, the City of Las Vegas will commit to the 5% match ($34,991.30) for this project if the match waiver is not available; and

WHEREAS, the City of Las Vegas agrees to pay any costs that exceed the project amount if the application is selected for funding; and

WHEREAS, the City of Las Vegas will utilize funds for drainage improvements, pavement rehabilitation, upgrading ADA curb & ramps, miscellaneous construction, and construction management of Silva Avenue, McRae Street and Dolores Street, project being 0.25 miles BOP and EOP Alamo Street; and

WHEREAS, this project for the TPF program is to be adopted and has a priority standing for the proportional match waiver toward completion of the project.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Las Vegas that the recitals are incorporated herein by reference and the Governing Body hereby accepts the grant offer if awarded and apply for a Match Waiver through the NMDOT, for Silva Avenue, McRae Street and Dolores Street.

PASSED, AND ADOPTED this ____ day of May, 2021.

_____
Louie A. Trujillo, Mayor

ATTEST:

_____
Casandra Fresquez, City Clerk

Reviewed and approved as to legal sufficiency only:

_____
Scott Aaron, City Attorney

Opinion of Probable Project Cost - Conceptual
City of Las Vegas
Dolores/Silva/McRae Block
April 29, 2021

The unit prices used in this Opinion of Probable costs are based on 2020 and 2021 construction experience. If construction is not completed in 2021, these costs should be escalated annually until construction is complete.

The following is our opinion of most probable project costs based on our best judgment and experience. Since we have no control over the cost of labor, materials, equipment, competitive bidding, or market conditions, we cannot guarantee that the actual project or construction costs will not vary from the Opinion of Probable Cost prepared.

The total project cost will also be affected by the time of year that bids are solicited, the amount of time allocated for construction, and the total amount of construction performed under a particular contract.

ITEM NO.	ITEMS	UNIT	ESTIMATE	UNIT COST	EXTENDED COST
203211	UNSTABLE SUBGRADE STABILIZATION	SQ.YD.	230	$ 25.00	$ 5,750.00
207000	SUBGRADE PREPARATION	SQ. YD.	4,665	$ 2.50	$ 11,662.50
303160	BASE COURSE 6"	SQ. YD.	4,665	$ 15.00	$ 69,975.00
408100	PRIME COAT MATERIAL	TON	2	$ 780.00	$ 1,212.90
414000	COLD MILLING (ASPHALT) 2"	SY-IN	9,330	$ 2.50	$ 23,325.00
423270	HMA SP-IV COMPLETE	SQ. YD.	4,665	$ 35.00	$ 163,275.00
601000	REMOVAL OF STRUCTURES AND OBSTRUCTIONS	L. S.	1	$ 17,000.00	$ 17,000.00
603281	SWPPP PLAN PREPARATION AND MAINTENANCE	L. S.	1	$ 5,000.00	$ 5,000.00
604300	GEOGRID REINFORCEMENT	SQ. YD.	4,665	$ 4.50	$ 20,992.50
608004	CONCRETE SIDEWALK 4"	SQ. YD.	140	$ 100.00	$ 14,000.00
608106	DRIVE PAD 6"	SQ. YD.	430	$ 110.00	$ 47,300.00
	DETECTABLE WARNING SURFACE	SQ. FT.	50	$ 25.00	$ 1,250.00
609200	HEADER CURB	LIN. FT.	170	$ 50.00	$ 8,500.00
609430	CONCRETE VERTICAL CURB & GUTTER - 6" x 30"	LIN. FT.	300	$ 48.00	$ 14,400.00
609636	CONCRETE VALLEY GUTTER 6" x 36"	LIN. FT.	100	$ 65.00	$ 6,500.00
617003	VIDEO RECORDING	L.S.	1	$ 15,000.00	$ 15,000.00
618000	TRAFFIC CONTROL MANAGEMENT	L. S.	1	$ 4,500.00	$ 4,500.00
621000	MOBILIZATION	L. S.	1	$ 38,000.00	$ 38,000.00
702810	TRAFFIC CONTROL DEVICES FOR CONSTRUCTION	L.S.	1	$ 9,000.00	$ 9,000.00
704704	HOT THERMOPLASTIC PAVEMENT MARKING 24"	LIN. FT.	24	$ 20.00	$ 480.00
801000	CONSTRUCTION STAKING BY THE CONTRACTOR	L. S.	1	$ 7,000.00	$ 7,000.00
802000	POST CONSTRUCTION PLANS	L. S.	1	$ 3,000.00	$ 3,000.00

Utility Replacements	N/A
Construction Contingency @ 12%	$ 58,454.75
Construction Subtotal	$ 545,577.65
NMGRT @ 8.3958%	$ 45,805.61
Construction Total	**$ 591,383.26**
Professional Services	
Topo Survey	$ 4,848.00
Geotechnical Investigation	N/A
Project Design	$ 16,652.00
Environmental & Cultural Verification	N/A
Bid and Award	$ 6,500.00
Construction Phase Services	$ 20,000.00
QA Testing and Ind. Review Testing	$ 13,062.00
Construction Observation (Full Time)	$ 35,000.00
Project Closeout	$ 4,000.00
NMGRT @ 8.3750%	$ 8,380.19
Professional Services Total	**$ 108,442.19**
2021 Transportation Project Fund Application Amount	**$ 699,826.00**



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(575) 538-5410 (FAX)

REVISIONS

DATE
APRIL 2021

DRAWING
2021 LOCAL GOVERNMENT
TRANSPORTATION PROJECT AREA

PROJECT
CITY OF LAS VEGAS
DOLORES STREET, SILVA AVENUE, MC RAE STREET

DWG BY: WH
JOB #: 181710974

SHEET
1

CITY OF LAS VEGAS
COUNCIL MEETING AGENDA REQUEST FORM

Meeting Date: May 12, 2021

Date Submitted: 4/30/2021 **Department:** Public Works/Utilities

Item/Topic: Request for approval of Resolution No. 21-15 applying for and assuring matching funds, in the amount of $427,506.36 and to apply for a Match Waiver for the Transportation Project Fund (TPF). The City of Las Vegas will be contributing their share of 5% ($21,375.32), New Mexico Department of Transportation's share being 95% ($406,131.04) for the Planning and Designing of South Pacific Street, for drainage improvements, pavement rehabilitation, upgrading ADA curb & ramps, stripping, miscellaneous construction, and construction management for this first phase of the project.

Fiscal Impact: Assuring availability of matching funds if a match waiver is not awarded in the amount of $21,375.32. Potential funds may have to be budgeted from the General Fund.

Attachments: Resolution No. 21-15, cost estimate, location map.

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.

Approved For Submittal By:

Department Director

City Manager

Reviewed By:

Finance Director

City Attorney (Approved as to Form)

CITY CLERK'S USE ONLY
COUNCIL ACTION TAKEN

Resolution No. _____
Ordinance No. _____
Contract No. _____
Approved _____

Continued To: _____
Referred To: _____
Denied _____
Other _____

CITY OF LAS VEGAS, NEW MEXICO
Resolution No. 21-15

A RESOLUTION OF THE CITY OF LAS VEGAS TO APPLY FOR FY 2022 TRANSPORTATION PROJECT FUND (TPF) ADMINISTERED BY THE NEW MEXICO DEPARTMENT OF TRANSPORTATION (NMDOT) AND APPLY FOR A MATCH WAIVER, FOR SOUTH PACIFIC STREET.

WHEREAS, the City of Las Vegas is submitting an application for Fiscal Year 2022 Transportation Project Fund in the amount of $427,506.36 ; and

WHEREAS, the City of Las Vegas intends to request a waiver for the matching fund requirement if the option is available; and

WHEREAS, the City of Las Vegas has a limited tax base which limits the funding for meeting the proportional matching share and a fund exists by the New Mexico State Legislature for Public Entities in need of "Hardship"; and

WHEREAS, the City of Las Vegas will commit to the 5% match ($21,375.32) for this project if the match waiver is not available; and

WHEREAS, the City of Las Vegas agrees to pay any costs that exceed the project amount if the application is selected for funding; and

WHEREAS, the City of Las Vegas will utilize funds for Planning & Designing of South Pacific Street for drainage improvements, pavement rehabilitation, upgrading ADA curb & ramps, stripping, miscellaneous construction, and construction management , project being 1.0 mile BOP Sabino Street EOP Moreno Street for this first phase of the project ; and

WHEREAS, this project for the TPF program is to be adopted and has a priority standing for the proportional match waiver toward completion of the project.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Las Vegas that the recitals are incorporated herein by reference and the Governing Body hereby accepts the grant offer if awarded, and apply for a Match Waiver through the NMDOT, for the Planning & Designing of South Pacific Street.

PASSED, AND ADOPTED this ____ day of May, 2021.

_____
Louie A. Trujillo, Mayor

ATTEST:

_____
Casandra Fresquez, City Clerk

Reviewed and approved as to legal sufficiency only:

_____
Scott Aaron, City Attorney



Stantec
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SILVER CITY, NEW MEXICO 88061
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REVISIONS

DATE
APRIL 2021

DRAWING
2021 LOCAL GOVERNMENT
TRANSPORTATION PROJECT AREA

PROJECT
CITY OF LAS VEGAS
SOUTH PACIFIC AVE

DWG BY: RM
JOB #: 181710973

SHEET
1

Planning and Design Cost Estimate - Conceptual
City of Las Vegas
South Pacific Rehabilitation
Grand Ave. to Moreno St.
April 30, 2021

The estimate used in this Opinion of Probable costs are based on 2020 and 2021 engineering experience.

The following is our opinion of most probable project costs based on our best judgment and experience. This is a preliminary Planning and Design cost estimate.

	Professional Services		
	Topo Survey (Under Contract)	$	25,250.00
	Geotechnical Investigation (Under Contract)	$	2,000.00
	Drainage Study/Scoping Report (Under Contract)	$	32,000.00
	Project Design	$	363,256.36
	Environmental & Cultural Verification	$	5,000.00
	Subtotal	$	427,506.36
	NMGRT @ 8.3750%	$	35,803.66
	Professional Services Total	**$**	**463,310.02**

CITY OF LAS VEGAS
COUNCIL MEETING AGENDA REQUEST FORM

Meeting Date: May 12, 2021

Date Submitted: 4/30/2021 **Department:** Public Works/Utilities

Item/Topic: Request for approval of Resolution No. 21-16 applying for and assuring matching funds, in the amount of $233,888.40 and to apply for a Match Waiver for the Transportation Project Fund (TPF). The City of Las Vegas will be contributing their share of 5%($11,694.42), New Mexico Department of Transportation's share being 95% ($222,193.98), for the Planning and Designing of El Creston Circle for drainage improvements, pavement rehabilitation, upgrading ADA curb & ramps, miscellaneous construction, and construction management for this first phase of the project.

Fiscal Impact: Assuring availability of matching funds if a match waiver is not awarded in the amount of $11,694.42. Potential funds may have to be budgeted from the General Fund.

Attachments: Resolution No. 21-16, cost estimate, location map.

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.

Approved For Submittal By:

Department Director

City Manager

Reviewed By:

Finance Director

City Attorney (Approved as to Form)

CITY CLERK'S USE ONLY
COUNCIL ACTION TAKEN

Resolution No. _____
Ordinance No. _____
Contract No. _____
Approved _____

Continued To: _____
Referred To: _____
Denied _____
Other _____

CITY OF LAS VEGAS, NEW MEXICO
Resolution No. 21-16

A RESOLUTION OF THE CITY OF LAS VEGAS TO APPLY FOR FY 2022 TRANSPORTATION PROJECT FUND (TPF) ADMINISTERED BY THE NEW MEXICO DEPARTMENT OF TRANSPORTATION (NMDOT) AND APPLY FOR A MATCH WAIVER FOR EL CRESTON CIRCLE.

WHEREAS, the City of Las Vegas is submitting an application for Fiscal Year 2022 Transportation Project Fund in the amount of $233,888.40; and

WHEREAS, the City of Las Vegas intends to request a waiver for the matching fund requirement if the option is available; and

WHEREAS, the City of Las Vegas has a limited tax base which limits the funding for meeting the proportional matching share and a fund exists by the New Mexico State Legislature for Public Entities in need of "Hardship"; and

WHEREAS, the City of Las Vegas will commit to the 5% match ($11,694.42) for this project if the match waiver is not available; and

WHEREAS, the City of Las Vegas agrees to pay any costs that exceed the project amount if the application is selected for funding; and

WHEREAS, the City of Las Vegas will utilize funds for the Planning & Designing of El Creston Circle for drainage improvements, pavement rehabilitation, upgrading ADA curb & ramps, miscellaneous construction, and construction management , project being 0.65 miles BOP and EOP Alamo Street for this first phase of the project; and

WHEREAS, this project for the TPF program is to be adopted and has a priority standing for the proportional match waiver toward completion of the project.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Las Vegas that the recitals are incorporated herein by reference and the Governing Body hereby accepts the grant offer if awarded and apply for a Match Waiver through the NMDOT, for the Planning & Designing of El Creston Circle.

PASSED, AND ADOPTED this ____ day of May, 2021.

_____
Louie A. Trujillo, Mayor

ATTEST:

_____
Casandra Fresquez, City Clerk

Reviewed and approved as to legal sufficiency only:

_____
Scott Aaron, City Attorney

Planning and Design Cost Estimate - Conceptual
City of Las Vegas
El Creston Circle Rehabilitation
Includes Lugar Del CrestonSt/Lugar De Los Caballeros/Lugar Del Paraiso St
April 30, 2021

The estimate used in this Opinion of Probable costs are based on 2020 and 2021 engineering experience.

The following is our opinion of most probable project costs based on our best judgment and experience. This is a preliminary Planning and Design cost estimate.

	Professional Services		
	Topo Survey (Under Contract)	$	18,500.00
	Geotechnical Investigation (Under Contract)	$	2,000.00
	Drainage Study/Scoping Report (Under Contract)	$	25,500.00
	Project Design	$	182,888.40
	Environmental & Cultural Verification	$	5,000.00
	Subtotal	$	233,888.40
	NMGRT @ 8.3750%	$	19,588.15
	Professional Services Total	**$**	**253,476.55**



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(575) 538-5410 (FAX)

REVISIONS

DATE
APRIL 2021

DRAWING

2021 LOCAL GOVERNMENT TRANSPORTATION PROJECT AREA

PROJECT

CITY OF LAS VEGAS
EL CRESTON CIRCLE

DWG BY: WH
JOB # 181710971

SHEET 1

CITY OF LAS VEGAS
COUNCIL MEETING AGENDA REQUEST FORM

Meeting Date: May 12, 2021

Date Submitted: 4/30/2021 **Department:** Public Works/Utilities

Item/Topic: Request for approval of Resolution No. 21-17 applying for and assuring matching funds, in the amount of $1,412,648.00 and to apply for a Match Waiver for the Transportation Project Fund (TPF). The City of Las Vegas will be contributing their share of 5%($70,632.40), New Mexico Department of Transportation's share being 95%($1,342,015.60) for the Planning and Designing , Reconstruction, Drainage Improvements, Pavement Rehabilitation, Upgrading ADA Curb & Ramps, Sidewalks, Stripping, Miscellaneous Construction, and Construction Management of University Avenue.

Fiscal Impact: Assuring availability of matching funds if a match waiver is not awarded in the amount of $70,632.40. Potential funds may have to be budgeted from the General Fund.

Attachments: Resolution No. 21-17, cost estimate, location map.

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.

Approved For Submittal By:

Department Director

City Manager

Reviewed By:

Finance Director

City Attorney (Approved as to Form)

CITY CLERK'S USE ONLY
COUNCIL ACTION TAKEN

Resolution No. _____
Ordinance No. _____
Contract No. _____
Approved _____

Continued To: _____
Referred To: _____
Denied _____
Other _____

CITY OF LAS VEGAS, NEW MEXICO
Resolution No. 21-17

A RESOLUTION OF THE CITY OF LAS VEGAS TO APPLY FOR FY 2022 TRANSPORTATION PROJECT FUND (TPF) ADMINISTERED BY THE NEW MEXICO DEPARTMENT OF TRANSPORTATION (NMDOT) AND APPLY FOR A MATCH WAIVER FOR UNIVERSITY AVENUE.

WHEREAS, the City of Las Vegas is submitting an application for Fiscal Year 2022 Transportation Project Fund in the amount of $1,412648.00; and

WHEREAS, the City of Las Vegas intends to request a waiver for the matching fund requirement if the option is available; and

WHEREAS, the City of Las Vegas has a limited tax base which limits the funding for meeting the proportional matching share and a fund exists by the New Mexico State Legislature for Public Entities in need of "Hardship"; and

WHEREAS, the City of Las Vegas will commit to the 5% match ($70,632.40) for this project if the match waiver is not available; and

WHEREAS, the City of Las Vegas agrees to pay any costs that exceed the project amount if the application is selected for funding; and

WHEREAS, the City of Las Vegas will utilize funds for Planning & Designing, Reconstruction of drainage improvements, pavement rehabilitation, upgrading ADA curb & ramps, sidewalks, stripping, miscellaneous construction, and construction management of University Avenue, project being 0.25 mile BOP Grand Avenue EOP 8th Street; and

WHEREAS, this project for the TPF program is to be adopted and has a priority standing for the proportional match waiver toward completion of the project.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Las Vegas that the recitals are incorporated herein by reference and the Governing Body hereby accepts the grant offer if awarded and apply for a Match Waiver through the NMDOT, for the Planning & Designing, Construction, Reconstruction and Construction Management of University Avenue.

PASSED, AND ADOPTED this ____ day of May, 2021.

_____
Louie A. Trujillo, Mayor

ATTEST:

_____
Casandra Fresquez, City Clerk

Reviewed and approved as to legal sufficiency only:

_____
Scott Aaron, City Attorney

Opinion of Probable Project Cost - Conceptual
City of Las Vegas
University Avenue Rehabilitation
Grand Ave. to 8th Street
April 27, 2021

Stantec

The unit prices used in this Opinion of Probable costs are based on 2020 and 2021 construction experience. If construction is not completed in 2021, these costs should be escalated annually until construction is complete.

The following is our opinion of most probable project costs based on our best judgment and experience. Since we have no control over the cost of labor, materials, equipment, competitive bidding, or market conditions, we cannot guarantee that the actual project or construction costs will not vary from the Opinion of Probable Cost prepared.

The total project cost will also be affected by the time of year that bids are solicited, the amount of time allocated for construction, and the total amount of construction performed under a particular contract.

ITEM NO.	ITEMS	UNIT	ESTIMATE	UNIT COST	EXTENDED COST
207000	SUBGRADE PREPARATION	SQ. YD.	5,300	$ 2.50	$ 13,250.00
303160	BASE COURSE 6"	SQ. YD.	5,300	$ 15.00	$ 79,500.00
407000	ASPHALT MATERIAL FOR TACK COAT	TON	10	$ 800.00	$ 7,950.00
408100	PRIME COAT MATERIAL	TON	2	$ 780.00	$ 1,378.00
414000	COLD MILLING (ASPHALT) 3"	SY-IN	15,900	$ 2.50	$ 39,750.00
423270	HMA SP-IV COMPLETE	SQ. YD.	5,300	$ 35.00	$ 185,500.00
601000	REMOVAL OF STRUCTURES AND OBSTRUCTIONS	L. S.	1	$ 39,000.00	$ 39,000.00
603281	SWPPP PLAN PREPARATION AND MAINTENANCE	L. S.	1	$ 6,000.00	$ 6,000.00
604300	GEOGRID REINFORCEMENT	SQ. YD.	5,300	$ 4.50	$ 23,850.00
608004	CONCRETE SIDEWALK 4"	SQ. YD.	734	$ 100.00	$ 73,400.00
	DETECTABLE WARNING SURFACE	SQ. FT.	210	$ 25.00	$ 5,250.00
608106	DRIVE PAD - 6"	SQ. YD.	353	$ 68.00	$ 24,004.00
609200	HEADER CURB	LIN. FT.	500	$ 50.00	$ 25,000.00
609430	CONCRETE VERTICAL CURB & GUTTER - 6" x 30"	LIN. FT.	1,640	$ 48.00	$ 78,720.00
617003	VIDEO RECORDING	L.S.	1	$ 15,000.00	$ 15,000.00
618000	TRAFFIC CONTROL MANAGEMENT	L. S.	1	$ 17,000.00	$ 17,000.00
621000	MOBILIZATION	L. S.	1	$ 67,000.00	$ 67,000.00
623314	CURB DROP INLET TYPE IV-B, 0' TO 4'	EACH	4	$ 12,000.00	$ 48,000.00
663855	ADJUST VALVE BOX TO GRADE	EACH	3	$ 350.00	$ 1,050.00
701000	PANEL SIGNS	SQ. FT.	300	$ 25.00	$ 7,500.00
701100	STEEL POST AND BASE POST FOR PANEL SIGNS	LIN. FT.	450	$ 12.00	$ 5,400.00
702810	TRAFFIC CONTROL DEVICES FOR CONSTRUCTION	L.S.	1	$ 25,000.00	$ 25,000.00
704000	RETROREFLECTIVE PAINTED MARKINGS 4"	LIN. FT.	4,750	$ 0.50	$ 2,375.00
704704	HOT THERMOPLASTIC PAVEMENT MARKING 24"	LIN. FT.	800	$ 15.30	$ 12,240.00
716701	LED ROADWAY LUMINAIRE (ALT BID)	EACH	7	$ 850.00	$ 5,950.00
801000	CONSTRUCTION STAKING BY THE CONTRACTOR	L. S.	1	$ 13,000.00	$ 13,000.00
802000	POST CONSTRUCTION PLANS	L. S.	1	$ 3,000.00	$ 3,000.00
				Utility Replacements	$ 100,000.00
				Construction Contingency @ 12%	$ 99,008.04
				Construction Subtotal	$ 1,024,075.04
				NMGRT @ 8.3958%	$ 85,979.29
				Construction Total	**$ 1,110,054.33**
				Professional Services	
				Topo Survey	$ 10,000.00
				Geotechnical Investigation	$ 1,980.00
				Project Design	$ 122,889.00
				Environmental & Cultural Verification	$ 4,000.00
				Bid and Award	$ 15,000.00
				Construction Phase Services	$ 42,000.00
				QA Testing and Ind. Review Testing	$ 14,840.00
				Construction Observation (Full Time)	$ 63,500.00
				Project Closeout	$ 5,000.00
				NMGRT @ 8.3750%	$ 23,383.75
				Professional Services Total	**$ 302,592.76**
				2021 Transportation Project Fund Application Amount	**$ 1,412,648.00**



Stantec
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(575) 538-5395 (OFFICE)
(575) 538-5410 (FAX)

REVISIONS

DRAWING

2021 LOCAL GOVERNMENT
TRANSPORTATION PROJECT AREA

DWG BY: WH
JOB #: 181710972

SHEET

1

DATE

APRIL 2021

PROJECT

CITY OF LAS VEGAS
UNIVERSITY AVENUE (S GRAND AVENUE TO 8th STREET)

CITY OF LAS VEGAS
COUNCIL MEETING AGENDA REQUEST FORM

Meeting Date: May 12, 2021

Date Submitted: 4/30/2021 **Department:** Public Works/Utilities

Item/Topic: Request for approval of Resolution No. 21-19 applying for and assuring matching funds in the amount of $ 3,824,686.00 and to apply for a Match Waiver for the Transportation Project Fund (TPF). The City of Las Vegas will be contributing their share of 5% ($191,234.30), New Mexico Department of Transportation's share being 95% ($3,633,451.70), for the Plan, Design, Construction, Reconstruction, Pavement Rehabilitation, Construction Management, Drainage Improvements and Misc. Improvements to Legion Drive.

Fiscal Impact: Assuring availability of matching funds if a match waiver is not awarded in the amount of $191,234.30. Potential funds may have to be budgeted form the General Fund.

Attachments: Resolution No. 21-19, cost estimate, location map.

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.

Approved For Submittal By:

Department Director

City Manager

Reviewed By:

Finance Director

City Attorney (Approved as to Form)

CITY CLERK'S USE ONLY
COUNCIL ACTION TAKEN

Resolution No. _____
Ordinance No. _____
Contract No. _____
Approved _____

Continued To: _____
Referred To: _____
Denied _____
Other _____

CITY OF LAS VEGAS, NEW MEXICO
Resolution No. 21-19

A RESOLUTION OF THE CITY OF LAS VEGAS TO APPLY FOR FY 2022 TRANSPORTATION PROJECT FUND (TPF) ADMINISTERED BY THE NEW MEXICO DEPARTMENT OF TRANSPORTATION (NMDOT) AND APPLY FOR A MATCH WAIVER FOR LEGION DRIVE.

WHEREAS, the City of Las Vegas is submitting an application for Fiscal Year 2022 Transportation Project Fund in the amount of $3,824,686.00; and

WHEREAS, the City of Las Vegas intends to request a waiver for the matching fund requirement if the option is available; and

WHEREAS, the City of Las Vegas has a limited tax base which limits the funding for meeting the proportional matching share and a fund exists by the New Mexico State Legislature for Public Entities in need of "Hardship"; and

WHEREAS, the City of Las Vegas will commit to the 5% match ($191,234.30) for this project if the match waiver is not available; and

WHEREAS, the City of Las Vegas agrees to pay any costs that exceed the project amount if the application is selected for funding; and

WHEREAS, the City of Las Vegas will utilize funds for Planning & Designing, Reconstruction of drainage improvements, pavement rehabilitation, upgrading ADA curb & ramps, sidewalks, stripping, miscellaneous construction, and construction management of Legion Drive, project being 1.14 miles BOP Grand Avenue EOP 7th Street; and

WHEREAS, this project for the TPF program is to be adopted and has a priority standing for the proportional match waiver toward completion of the project.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Las Vegas that the recitals are incorporated herein by reference and the Governing Body hereby accepts the grant offer if awarded and apply for a Match Waiver through the NMDOT, for the Planning & Designing, Construction, Reconstruction and Construction Management of Legion Drive.

PASSED, AND ADOPTED this ____ day of May, 2021.

_____
Louie A. Trujillo, Mayor

ATTEST:

_____
Casandra Fresquez, City Clerk

Reviewed and approved as to legal sufficiency only:

_____
Scott Aaron, City Attorney

Opinion of Probable Project Cost - Conceptual
City of Las Vegas
Legion Drive Rehabilitation
7th St. to Grand Ave.
April 29, 2021

The unit prices used in this Opinion of Probable costs are based on 2020 and 2021 construction experience. If construction is not completed in 2021, these costs should be escalated annually until construction is complete.

The following is our opinion of most probable project costs based on our best judgment and experience. Since we have no control over the cost of labor, materials, equipment, competitive bidding, or market conditions, we cannot guarantee that the actual project or construction costs will not vary from the Opinion of Probable Cost prepared.

The total project cost will also be affected by the time of year that bids are solicited, the amount of time allocated for construction, and the total amount of construction performed under a particular contract.

ITEM NO.	ITEMS	UNIT	ESTIMATE	UNIT COST	EXTENDED COST
203200	UNSUITABLE MATERIAL EXCAVATION	CU. YD.	2,667	$ 45.00	$ 120,000.00
207000	SUBGRADE PREPARATION	SQ. YD.	20,333	$ 2.50	$ 50,832.50
303160	BASE COURSE 6"	SQ. YD.	20,333	$ 15.00	$ 304,995.00
407000	ASPHALT MATERIAL FOR TACK COAT	TON	38	$ 800.00	$ 30,499.50
408100	PRIME COAT MATERIAL	TON	7	$ 780.00	$ 5,286.58
414000	COLD MILLING (ASPHALT) 3"	SY-IN	60,999	$ 2.50	$ 152,497.50
423270	HMA SP-IV COMPLETE	SQ.YD.	20,333	$ 35.00	$ 711,655.00
	SPEED HUMP	EACH	3	$ 1,200.00	$ 3,600.00
570437	24" STORM DRAIN CULVERT PIPE	LIN. FT.	120	$ 145.00	$ 17,400.00
601000	REMOVAL OF STRUCTURES AND OBSTRUCTIONS	L. S.	1	$ 60,000.00	$ 60,000.00
603281	SWPPP PLAN PREPARATION AND MAINTENANCE	L. S.	1	$ 20,000.00	$ 20,000.00
604300	GEOGRID REINFORCEMENT	SQ. YD.	20,333	$ 4.50	$ 91,498.50
608004	CONCRETE SIDEWALK 4"	SQ. YD.	1,310	$ 100.00	$ 131,000.00
608106	DRIVE PAD 6"	SQ. YD.	380	$ 110.00	$ 41,800.00
	DETECTABLE WARNING SURFACE	SQ. FT.	240	$ 25.00	$ 6,000.00
609200	HEADER CURB	LIN. FT.	820	$ 50.00	$ 41,000.00
609430	CONCRETE VERTICAL CURB & GUTTER - 6" x 30"	LIN. FT.	2,320	$ 48.00	$ 111,360.00
617003	VIDEO RECORDING	L.S.	1	$ 15,000.00	$ 15,000.00
618000	TRAFFIC CONTROL MANAGEMENT	L. S.	1	$ 40,000.00	$ 40,000.00
621000	MOBILIZATION	L. S.	1	$ 170,000.00	$ 170,000.00
623314	CURB DROP INLET TYPE IV-B, 0' TO 4'	EACH	4	$ 12,000.00	$ 48,000.00
701000	PANEL SIGNS	SQ. FT.	250	$ 25.00	$ 6,250.00
701100	STEEL POST AND BASE POST FOR PANEL SIGNS	LIN. FT.	400	$ 12.00	$ 4,800.00
702810	TRAFFIC CONTROL DEVICES FOR CONSTRUCTION	L.S.	1	$ 55,000.00	$ 55,000.00
704000	RETROREFLECTIVE PAINTED MARKINGS 4"	LIN. FT.	24,500	$ 0.50	$ 12,250.00
704704	HOT THERMOPLASTIC PAVEMENT MARKING 24"	LIN. FT.	560	$ 15.30	$ 8,568.00
704731	HOT THERMOPLASTIC MARKING LANE SYMBOL (BIKEWAY)	EACH	26	$ 320.00	$ 8,320.00
716701	LED ROADWAY LUMINAIRE (ALT BID)	EACH	15	$ 850.00	$ 12,750.00
801000	CONSTRUCTION STAKING BY THE CONTRACTOR	L. S.	1	$ 30,000.00	$ 30,000.00
802000	POST CONSTRUCTION PLANS	L. S.	1	$ 8,000.00	$ 8,000.00
				Utility Replacements	$ 300,000.00
				Construction Contingency @ 12%	$ 278,203.51
				Construction Subtotal	$ 2,896,566.09
				NMGRT @ 8.3958%	$ 243,189.90
				Construction Total	**$ 3,139,755.99**
				Professional Services	
				Topo Survey	$ 25,000.00
				Geotechnical Investigation	$ 2,000.00
				Project Design	$ 348,000.00
				Environmental & Cultural Verification	$ 30,000.00
				Bid and Award	$ 20,000.00
				Construction Phase Services	$ 50,000.00
				QA Testing and Ind. Review Testing	$ 57,000.00
				Construction Observation (Full Time)	$ 95,000.00
				Project Closeout	$ 5,000.00
				NMGRT @ 8.3750%	$ 52,930.00
				Professional Services Total	**$ 684,930.00**
				2021 Transportation Project Fund Application Amount	**$ 3,824,686.00**



Stantec
00 HIGHWAY 180 EAST SUITE A
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(575) 538-5395 (OFFICE)
(575) 538-5410 (FAX)

REVISIONS

DATE

APRIL 2021

DRAWING

2021 LOCAL GOVERNMENT
TRANSPORTATION PROJECT AREA

PROJECT

CITY OF LAS VEGAS
LEGION DRIVE

DWG BY: WH

JOB #: 181710970

SHEET

1

CITY OF LAS VEGAS
COUNCIL MEETING AGENDA REQUEST FORM

Meeting Date: May 12, 2021

Date Submitted: 4/30/2021 **Department:** Public Works/Utilities

Item/Topic: Request for approval of Resolution No. 21-20 applying for and assuring matching funds in the amount of $1,689,934.00, and apply for a Match Waiver for the Transportation Project Fund (TPF). The City of Las Vegas will be contributing their share of 5%($84,496.70), New Mexico Department of Transportation's share being 95% ($1,605,437.30) Construction, Reconstruction, Pavement Rehabilitation, Construction Management, Drainage Improvements and Misc. Improvements to Hot Springs Boulevard(from Bernalillo Street to Valencia Street) and Valencia Street(from North Gonzales Street to Hot Springs Boulevard).

Fiscal Impact: Assuring availability of matching funds in the amount of $84,496.70 if a match waiver is not awarded. Potential matching funds may have to be budgeted from the General Fund.

Attachments: Resolution No. 21-20, cost estimate, location map.

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.

Approved For Submittal By:

Department Director

William Taylor
City Manager

Reviewed By:

Finance Director

City Attorney (Approved as to Form)

CITY CLERK'S USE ONLY
COUNCIL ACTION TAKEN

Resolution No. _____
Ordinance No. _____
Contract No. _____
Approved _____

Continued To: _____
Referred To: _____
Denied _____
Other _____

CITY OF LAS VEGAS, NEW MEXICO
Resolution No. 21-20

A RESOLUTION OF THE CITY OF LAS VEGAS TO APPLY FOR FY 2022 TRANSPORTATION PROJECT FUND (TPF) ADMINISTERED BY THE NEW MEXICO DEPARTMENT OF TRANSPORTATION (NMDOT) AND APPLY FOR A MATCH WAIVER FOR HOT SPRINGS BOULEVARD (FROM BERNALILLO STREET TO VALENCIA STREET) AND VALENCIA STREET (FROM NORTH GONZALES STREET TO HOT SPRINGS BOULEVARD) .

WHEREAS, the City of Las Vegas is submitting an application for Fiscal Year 2022 Transportation Project Fund in the amount of $1,689,934.00; and

WHEREAS, the City of Las Vegas intends to request a waiver for the matching fund requirement if the option is available; and

WHEREAS, the City of Las Vegas has a limited tax base which limits the funding for meeting the proportional matching share and a fund exists by the New Mexico State Legislature for Public Entities in need of "Hardship"; and

WHEREAS, the City of Las Vegas will commit to the 5% match ($84,496.70) for this project if the match waiver is not available; and

WHEREAS, the City of Las Vegas agrees to pay any costs that exceed the project amount if the application is selected for funding; and

WHEREAS, the City of Las Vegas will utilize funds for Reconstruction of drainage improvements, pavement rehabilitation, upgrading ADA curb & ramps, sidewalks, stripping, miscellaneous construction, and construction management of Hot Springs Boulevard(from Bernalillo Street to Valencia Street) and Valencia Street(from North Gonzales Street to Hot Springs Boulevard), project being 0.22 miles BOP Bernalillo Street EOP North Gonzales Street; and

WHEREAS, this project for the TPF program is to be adopted and has a priority standing for the proportional match waiver toward completion of the project.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Las Vegas that the recitals are incorporated herein by reference and the Governing Body hereby accepts the grant offer if awarded and apply for a Match Waiver through the NMDOT for Hot Springs Boulevard (from Bernalillo Street to Valencia Street) and Valencia Street (from Bernalillo Street to Valencia St).

PASSED, AND ADOPTED this ____ day of May, 2021.

_____
Louie A. Trujillo, Mayor

ATTEST:

_____
Casandra Fresquez, City Clerk

Reviewed and approved as to legal sufficiency only:

_____
Scott Aaron, City Attorney

Opinion of Probable Project Cost - Conceptual
City of Las Vegas
Hot Springs Blvd (Mills to Bernalillo & Bernalillo to Valencia)
Valencia (Hot Springs to Gonzales)
April 29, 2021

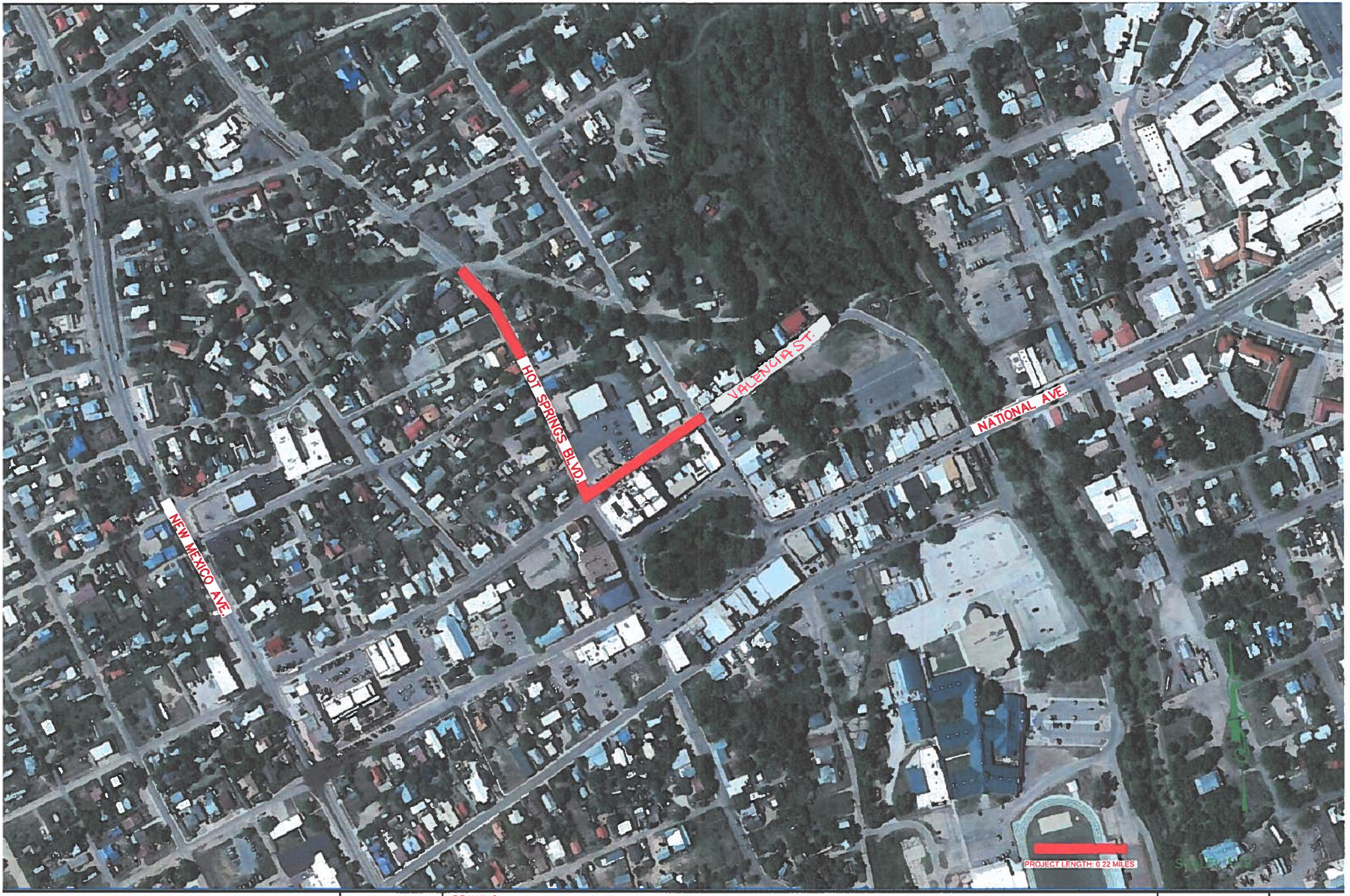
Stantec

The unit prices used in this Opinion of Probable costs are based on 2020 and 2021 construction experience. If construction is not completed in 2021, these costs should be escalated annually until construction is complete.

The following is our opinion of most probable project costs based on our best judgment and experience. Since we have no control over the cost of labor, materials, equipment, competitive bidding, or market conditions, we cannot guarantee that the actual project or construction costs will not vary from the Opinion of Probable Cost prepared.

The total project cost will also be affected by the time of year that bids are solicited, the amount of time allocated for construction, and the total amount of construction performed under a particular contract.

			HOT SPRINGS (BERNALILLO TO VALENCIA) & VALENCIA (HOT SPRINGS TO N. GONZALES)			HOT SPRINGS (MILLS TO BERNALILLO)		
ITEM NO.	ITEMS	UNIT	ESTIMATE	UNIT COST	EXTENDED COST	ESTIMATE	UNIT COST	EXTENDED COST
203000	UNCLASSIFIED EXCAVATION	CU. YD.				2,030	$ 12.00	$ 24,360.00
203200	UNSUITABLE MATERIAL EXCAVATION	CU. YD.				430	$ 12.00	$ 5,160.00
203211	UNSTABLE SUBGRADE STABILIZATION	SQ.YD.				430	$ 25.00	$ 10,750.00
207000	SUBGRADE PREPARATION	SQ. YD.	3,576	$ 2.50	$ 8,938.89			
303160	BASE COURSE 6"	SQ. YD.	3,576	$ 15.00	$ 53,633.33			
303170	BASE COURSE 7" TYPE I	SQ. YD.				5,893	$ 25.00	$ 147,325.00
408100	PRIME COAT MATERIAL	TON	7	$ 800.00	$ 5,363.33	5	$ 800.00	$ 4,000.00
414000	COLD MILLING (ASPHALT) 3"	SY-IN	10,727	$ 2.50	$ 26,816.67	17,679	$ 2.50	$ 44,197.50
416107	MINOR PAVING TYPE I, HMA SP-IV	SQ.YD.				8,593	$ 26.00	$ 223,418.00
423270	HMA SP-IV COMPLETE	SQ.YD.	3,576	$ 35.00	$ 125,144.44			
	SPEED HUMP	EACH	1	$ 1,200.00	$ 1,200.00	2	$ 1,200.00	$ 2,400.00
570036	36" CULVERT PIPE CMP	LIN. FT.				450	$ 150.00	$ 67,500.00
601000	REMOVAL OF STRUCTURES AND OBSTRUCTIONS	L. S.	1	$ 30,000.00	$ 30,000.00	1	$ 50,000.00	$ 50,000.00
603262	COMPOSTED MULCH SOCK	LIN. FT.	500	$ 5.00	$ 2,500.00	500	$ 5.00	$ 2,500.00
603281	SWPPP PLAN PREPARATION AND MAINTENANCE	L. S.	1	$ 10,000.00	$ 10,000.00	1	$ 7,500.00	$ 7,500.00
604300	GEOGRID REINFORCEMENT	SQ. YD.	3,576	$ 4.50	$ 16,090.00	8,593	$ 4.50	$ 38,668.50
608004	CONCRETE SIDEWALK 4"	SQ. YD.	1,400	$ 100.00	$ 140,000.00	982	$ 100.00	$ 98,200.00
608006	CONCRETE SIDEWALK 6"	SQ.YD.				219	$ 135.00	$ 29,565.00
	DETECTABLE WARNING SURFACE	SQ. FT.	40	$ 25.00	$ 1,000.00	60	$ 25.00	$ 1,500.00
608106	DRIVE PAD 6"	SQ. YD.	400	$ 110.00	$ 44,000.00	487	$ 110.00	$ 53,570.00
609200	HEADER CURB	LIN. FT.	140	$ 50.00	$ 7,000.00	280	$ 50.00	$ 14,000.00
609424	CONCRETE VERTICAL CURB & GUTTER - 6" x 24"	LIN. FT.	3,100	$ 48.00	$ 148,800.00	1,293	$ 48.00	$ 62,064.00
609648	CONCRETE VALLEY GUTTER 6" x 48"	LIN. FT.	90	$ 65.00	$ 5,850.00	130	$ 65.00	$ 8,450.00
609706	CONCRETE LAYDOWN CURB & GUTTER TYPE B - 6" X 24"	LIN. FT.				410	$ 55.00	$ 22,550.00
617003	VIDEO RECORDING	L.S.	1	$ 15,000.00	$ 15,000.00	1	$ 15,000.00	$ 15,000.00
618000	TRAFFIC CONTROL MANAGEMENT	L. S.	1	$ 20,000.00	$ 20,000.00	1	$ 30,000.00	$ 30,000.00
621000	MOBILIZATION	L. S.	1	$ 80,000.00	$ 80,000.00	1	$ 120,000.00	$ 120,000.00
623312	CURB DROP INLET TYPE II-B, 0' TO 4'	EACH				1	$ 12,000.00	$ 12,000.00
	TRENCH DRAIN SYSTEM COMPLETE WITH GRATE	EACH				1	$ 45,000.00	$ 45,000.00
667110	REMOVE AND RESET EXISTING MAIL BOX (INCLUDES NEW POST)	EACH				10	$ 500.00	$ 5,000.00
701000	PANEL SIGNS	SQ. FT.	100	$ 25.00	$ 2,500.00	108	$ 25.00	$ 2,700.00
701100	STEEL POST AND BASE POST FOR PANEL SIGNS	LIN. FT.	130	$ 12.00	$ 1,560.00	132	$ 12.00	$ 1,584.00
702810	TRAFFIC CONTROL DEVICES FOR CONSTRUCTION	L.S.	1	$ 30,000.00	$ 30,000.00	1	$ 25,000.00	$ 25,000.00
704000	RETROREFLECTIVE PAINTED MARKINGS 4"	LIN. FT.	4,740	$ 0.50	$ 2,370.00	2,500	$ 0.50	$ 1,250.00
704704	HOT THERMOPLASTIC PAVEMENT MARKING 24"	LIN. FT.	72	$ 16.00	$ 1,152.00	240	$ 16.00	$ 3,840.00
801000	CONSTRUCTION STAKING BY THE CONTRACTOR	L. S.	1	$ 15,000.00	$ 15,000.00	1	$ 20,000.00	$ 20,000.00
802000	POST CONSTRUCTION PLANS	L. S.	1	$ 7,500.00	$ 7,500.00	1	$ 5,000.00	$ 5,000.00
				Utility Replacements	$ 300,000.00		Utility Replacements	N/A
				Construction Contingency @ 12%	$ 96,170.24		Construction Contingency @ 12%	$ 144,486.24
				Construction Subtotal	$ 1,197,588.91		Construction Subtotal	$ 1,348,538.24
				NMGRT @ 8.3958%	$ 100,547.17		NMGRT @ 8.3958%	$ 113,220.57
				Construction Total	**$ 1,298,136.08**		**Construction Total**	**$ 1,461,758.81**
				Professional Services				
				Topo Survey	$ 7,500.00		Topo Survey	$ 20,500.00
				Geotechnical Investigation	N/A		Geotechnical Investigation	N/A
				Project Design	$ 144,000.00		Project Design	$ 109,378.00
				Environmental & Cultural Verification	$ 20,000.00		Environmental & Cultural Verification	$ 32,660.00
				Bid and Award	$ 15,000.00		Bid and Award	$ 11,655.00
				QA Testing and Ind. Review Testing	$ 10,020.00		QA Testing and Ind. Review Testing	$ 17,873.44
				Construction Phase Services	$ 40,000.00		Construction Phase Services	$ 31,287.00
				Construction Observation (Full-Time)	$ 120,000.00		Construction Observation (Full-Time)	$ 95,730.00
				Project Closeout	$ 5,000.00		Project Closeout	$ 5,000.00
				NMGRT @ 8.3750%	$ 30,277.30		NMGRT @ 8.3750%	$ 27,141.99
				Professional Services Total	**$ 391,797.30**		**Professional Services Total**	**$ 351,225.43**
				2021 Transportation Project Fund Application Amount	**$ 1,689,934.00**			**$ 1,812,985.00**



Stantec
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REVISIONS

DATE
APRIL 2021

DRAWING
2021 LOCAL GOVERNMENT
TRANSPORTATION PROJECT AREA

PROJECT
CITY OF LAS VEGAS
HOT SPRINGS -VALENCIA AVE

DWG BY: RM
JOB #: 181710975

SHEET
1

CITY OF LAS VEGAS
COUNCIL MEETING AGENDA REQUEST FORM

Meeting Date: May 12, 2021

Date Submitted: 04/20/2021 **Department:** City Attorney

Item/Topic: Request to Adopt Ordinance No. 21-10 amending the court fees collected by the Municipal Court in Section 20-13(A) and repeals and replaces Ordinance No. 21-01. This Ordinance is enacted pursuant to Sections 2.02 of the City of Las Vegas Municipal Charter, and is an exercise of the City of Las Vegas home rule powers. Amendments are being made at the request of Judge Trujillo for more specificity in regards to court fees collected.

Fiscal Impact: For each $40.00 fee collected by the Municipal Court pursuant to 20-13(A), $20.00 shall specifically go to the City's general fund, $15.00 shall specifically be used for public safety purposes, and $5.00 shall specifically be used for the Municipal Court building fund.

Attachments: Ordinance No. 21-10 & Ordinance No. 21-01 (redlined)

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.

Approved For Submittal By:

Department Director

City Manager

Reviewed By:

Finance Director

City Attorney (Approved as to Form)

CITY CLERK'S USE ONLY
COUNCIL ACTION TAKEN

Resolution No. _____
Ordinance No. _____
Contract No. _____
Approved _____

Continued To: _____
Referred To: _____
Denied _____
Other _____

CITY OF LAS VEGAS, NEW MEXICO
Ordinance No. 21-10

AN ORDINANCE TO AMEND the Code of the City of Las Vegas by amending the court fees collected by the Municipal Court in Section 20-13(A) and repeals and replaces Ordinance 21-01. This Ordinance is enacted pursuant to Sections 2.02 of the City of Las Vegas Municipal Charter, and is an exercise of the City's home rule powers.

BE IT ENACTED by the Governing Body of the City of Las Vegas as follows:

Section 1. The Code of the City of Las Vegas, Section 20-13(A) is hereby amended to read as follows:

> 20-13(A) Court Fee. In addition to any amounts collected by the Municipal Court as required by the State of New Mexico or entities other than the City of Las Vegas, the Municipal Court shall collect forty dollars ($40.00) for a court fee from any person who: (i) pleads guilty to any charge, (ii) pleads no contest to any charge, (iii) is found guilty regarding any charge, or (iv) from any person or entity filing a civil complaint for violation of any City ordinance, with the following exception. No such fee shall be collected from the City Attorney for the City of Las Vegas, a municipal code enforcement officer, a municipal Fire Department employee acting in their role as such an employee, a campus security officer acting in their role as such an officer, or a full-time salaried City of Las Vegas employee, county or state law enforcement officer, when the complaint is filed on behalf of a governmental entity. The Municipal Court may grant free process to any private party upon a showing of evidence of indigence. The Municipal Court may deny free process if it finds that the complaint, on its face, fails to sufficiently state a cause of action.

Section 2. For each $40.00 fee collected by the Municipal Court pursuant to 20-13(A), $20.00 shall specifically go to the City's general fund, $15.00 shall specifically be used for public safety purposes, and $5.00 shall specifically be used for the Municipal Court building fund.

Section 3. Full Force and Effect. Except as specifically amended above, Section 20-13 shall remain in full force and effect.

Section 4. Severability. The provisions of this ordinance are declared to be severable, and if any portion of this ordinance, for any reason, is held to be invalid or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portion of this ordinance.

Section 5. Effective Date. This ordinance shall become effective upon the execution by the Mayor and the affirmative vote of the majority of the Governing Body.

PASSED, ADOPTED and ENACTED this _____ day of May, 2021.

_____
Mayor Louie A. Trujillo

ATTEST:

_____
Casandra Fresquez, City Clerk

Reviewed and approved as to legal sufficiency only:

_____
Scott Aaron, City Attorney

CITY OF LAS VEGAS, NEW MEXICO
Ordinance No. ~~21-01~~ 21-10

AN ORDINANCE TO AMEND the Code of the City of Las Vegas by amending the court fees collected by the Municipal Court in Section 20-13(A) and repeals and replaces Ordinance 21-01. This Ordinance is enacted pursuant to Sections 2.02 of the City of Las Vegas Municipal Charter, and is an exercise of the City's home rule powers.

BE IT ENACTED by the Governing Body of the City of Las Vegas as follows:

Section 1. The Code of the City of Las Vegas, Section 20-13(A) is hereby amended ~~to change the "court fee" of twenty dollars ($20.00) to forty dollars ($40.00)~~ to read as follows:

> 20-13(A) Court Fee. In addition to any amounts collected by the Municipal Court as required by the State of New Mexico or entities other than the City of Las Vegas, the Municipal Court shall collect forty dollars ($40.00) for a court fee from any person who: (i) pleads guilty to any charge, (ii) pleads no contest to any charge, (iii) is found guilty regarding any charge, or (iv) from any person or entity filing a civil complaint for violation of any City ordinance, with the following exception. No fee shall be collected from the City Attorney for the City of Las Vegas, a municipal code enforcement officer, a municipal Fire Department employee acting in their role as such an employee, a campus security officer acting in their role as such an officer, or a full-time salaried City of Las Vegas employee, county or state law enforcement officer, when the complaint is filed on behalf of a governmental entity. ~~The Municipal Court shall collect forty dollars ($40.00) as and for a court fee from any person or entity filing a complaint for violation of any City ordinance except that no such fee shall be collected from the City Attorney for the City of Las Vegas, a municipal code enforcement officer, a municipal Fire Department employee acting in their role as such an employee, a campus security officer acting in their role as such an officer, or a full-time salaried City of Las Vegas, county or state law enforcement officer, when the complaint is filed on behalf of a governmental entity.~~ The Municipal Court may grant free process to any private party upon a showing of evidence of indigence. The Municipal Court may deny free process if it finds that the complaint, on its face, fails to sufficiently state a cause of action.

Section 2. For each $40.00 ~~court~~ fee collected by the Municipal Court pursuant to 20-13(A), $20.00 shall specifically go to the City's general fund, $15.00 shall specifically ~~go to the City funds~~ be used for public safety purposes, and $5.00 shall specifically ~~go to the City funds marked for the Municipal Court~~ be used for the Municipal Court building fund.

Section 3. Full Force and Effect. Except as specifically amended above, Section 20-13 shall remain in full force and effect.

Section 4. Severability. The provisions of this ordinance are declared to be severable, and if any portion of this ordinance, for any reason, is held to be invalid or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portion of this ordinance.

Section 5. Effective Date. This ordinance shall become effective upon the execution by the Mayor and the affirmative vote of the majority of the Governing Body.

PASSED, ADOPTED and ENACTED this _____ day of ~~February~~ May, 2021.

_____
Mayor Louie A. Trujillo

ATTEST:

_____
Casandra Fresquez, City Clerk

Reviewed and approved as to legal sufficiency only:

_____
Scott Aaron, City Attorney

CITY OF LAS VEGAS
COUNCIL MEETING AGENDA REQUEST FORM

Meeting Date: May 12, 2021

Date Submitted: 04/30/21 **Department:** Utilities

Item/Topic: Conduct a public hearing and adopt Ordinance No. 21-05 authorizing a loan agreement with NMFA for the water line replacement project on Mills Avenue and Hot Springs Blvd. The loan funding package is assigned as follows:

Loan Principle: $200,000.00

Loan Subsidy Grant Funds: $600,000.00

Total Amount: $800,000.00

Fiscal Impact: This project is expected to be fully funded based on engineering estimates.

Attachments: Transcript of proceedings, Ordinance 21-05, Notice of Public Hearing, Loan Agreement, General and No Litigation Certificate, Right of Way Certificate, Delivery Certificate and Cross-Receipt, Final Opinion of Counsel, Approving Opinion of Counsel to NMFA, Financing Schedule and Distribution List

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.

Approved For Submittal By:

Department Director

City Manager

Reviewed By:

Finance Director

City Attorney (Approved as to Form)

CITY CLERK'S USE ONLY
COUNCIL ACTION TAKEN

Resolution No. _____
Ordinance No. _____
Contract No. _____
Approved _____

Continued To: _____
Referred To: _____
Denied _____
Other _____

Draft 04/19/21

$800,000
CITY OF LAS VEGAS,
SAN MIGUEL COUNTY, NEW MEXICO
NEW MEXICO FINANCE AUTHORITY DRINKING WATER LOAN
NO. DW-5354

Closing Date: June 18, 2021

TRANSCRIPT OF PROCEEDINGS
INDEX

1. Open Meeting Act Resolution No. 20-33 adopted July 15, 2020

2. Ordinance No. 21-05, adopted May 12, 2021, Affidavit of Publication of Notice of Public Hearing and Intent to Adopt Ordinance, Notice and Agenda, and the Affidavit of Publication of the Notice of Adoption of Ordinance in the *Las Vegas Optic*

3. Drinking Water State Revolving Loan Fund Loan and Subsidy Agreement

4. General and No Litigation Certificate

5. Right-of-Way Certificate

6. Delivery, Deposit and Cross-Receipt Certificate

7. Opinion of Counsel to the City

8. Approving Opinion of Virtue & Najjar, PC Loan Counsel to the Finance Authority

9. Finance Authority Application and Project Approval (informational only)

TRANSCRIPT DISTRIBUTION LIST

City of Las Vegas, New Mexico
New Mexico Finance Authority
Virtue & Najjar, PC

RECORD OF PROCEEDINGS RELATING TO THE ADOPTION OF ORDINANCE NO. 21-05 OF THE CITY COUNCIL OF THE CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO MAY 12, 2021

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 held virtually via google meet video conference and livestreamed at http://www.lasvegasnm.gov/departments/city_clerk/city_meetings_and_minutes/index.php, being the meeting place of the Governing Body for the meeting held on the 12th day of May, 2021, at the hour of 5:30 p.m. Upon roll call, the following members were found to be present:

Present:

Mayor: _____

Councilors: _____

_____

_____

_____

_____

Absent:

_____

_____

Also Present:

_____

_____

_____

_____

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

CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO
ORDINANCE NO. 21-05

AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AND SUBSIDY AGREEMENT ("LOAN AGREEMENT") BY AND BETWEEN THE CITY OF LAS VEGAS, SAN MIGUEL COUNTY, 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 TWO HUNDRED THOUSAND DOLLARS ($200,000), TOGETHER WITH INTEREST, AND ADMINISTRATIVE FEES THEREON, AND TO ACCEPT A LOAN SUBSIDY OF NO MORE THAN SIX HUNDRED THOUSAND DOLLARS ($600,000), FOR THE PURPOSE OF FINANCING THE COSTS OF THE CONSTRUCTION OF A WATER DISTRIBUTION MAIN REPLACEMENT, INCLUDING BUT NOT LIMITED TO, THE REPLACEMENT OF EXISTING SERVICES, THE INSTALLATION OF ASSOCIATED APPURTENANCES, AND PRESSURE REDUCING VALVES ALONG HOT SPRINGS BOULEVARD BETWEEN THE SOUTHSIDE OF MILLS AVENUE AND SAN MIGUEL STREET, INCLUDING THE BORE AT HOT SPRINGS BOULEVARD AND MILLS AVENUE; 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 ORDINANCE; 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 Ordinance, unless the context requires otherwise.

WHEREAS, the Governmental Unit is a legally and regularly created, established, organized and existing incorporated 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 on the Term Sheet, 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 Ordinance 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 Ordinance have been obtained or are reasonably expected to be obtained prior to the Closing Date.

NOW, THEREFORE, BE IT ORDAINED 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, Finance Director, City Manager 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 Ordinance.

"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; NMSA 1978, §§ 3-31-1 through 3-31-12; the Municipal Charter of the Governmental Unit, all as amended; and enactments of the Governing Body relating to the Loan Agreement, including this Ordinance.

"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 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.

"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.

"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 Ordinance and not solely to the particular section or paragraph of this Ordinance 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 six hundred thousand dollars ($600,000).

"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 two hundred thousand dollars ($200,000).

"Maximum Principal Amount" means eight hundred thousand dollars ($800,000).

"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.

"Ordinance" means this Ordinance No. 21-05 adopted by the Governing Body of the Governmental Unit on May 12, 2021, approving the Loan Agreement and pledging the Pledged Revenues to the payment of the Loan Agreement Payments as shown on the Term Sheet to the Loan Agreement, as supplemented from time to time in accordance with the provisions hereof.

"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 Ordinance and described on the Term Sheet.

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

"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 Ordinance) 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 on the Term Sheet, 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 Ordinance has been adopted by the affirmative vote of at least a three-fourths 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 two hundred thousand dollars ($200,000) and interest thereon, and to accept a loan subsidy in the amount of six hundred thousand dollars ($600,000) 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 and Expenses 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 Ordinance was adopted. The Loan shall be in an amount not to exceed the Maximum Principal Amount of two hundred thousand dollars ($200,000). 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 Ordinance 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 Ordinance, 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 Ordinance 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 Ordinance, 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, Expenses 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 Ordinance.

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 Ordinance. 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 Ordinance, 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 Ordinance and the Loan Agreement for the full, punctual and complete performance of all the terms, covenants and agreements contained in this Ordinance 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 Ordinance set out in Section 17 of this Ordinance (with such changes, additions and deletions as may be necessary).

Section 12. Amendment of Ordinance. Prior to the Closing Date, the provisions of this Ordinance 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 Ordinance. After the Closing Date, this Ordinance 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. Ordinance Irrepealable. After the Closing Date, this Ordinance 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 Ordinance 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 Ordinance.

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 Ordinance, it shall be recorded in the book of the Governmental Unit kept for that purpose, authenticated by the signatures of the Mayor and City Clerk, and the title and general summary of the subject matter contained in this Ordinance (set out in Section 17 below) shall be published in a newspaper which is of general circulation in the Governmental Unit, and the Ordinance 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 Ordinance shall be published in substantially the following form:

[*Remainder of page intentionally left blank.*]

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

City of Las Vegas, San Miguel County, New Mexico
Notice of Adoption of Ordinance

Notice is hereby given of the title and of a general summary of the subject matter contained in Ordinance No. 21-05, duly adopted and approved by the Governing Body of the City of Las Vegas, New Mexico (the "Governmental Unit"), on May 12, 2021. Complete copies of the Ordinance are available for public inspection during normal and regular business hours in the office of the City Clerk, 1700 North Grand Ave., Las Vegas, New Mexico 87701.

The title of the Ordinance is:

CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO
ORDINANCE NO. 21-05

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 TWO HUNDRED THOUSAND DOLLARS ($200,000), TOGETHER WITH INTEREST, AND ADMINISTRATIVE FEES THEREON, AND TO ACCEPT A LOAN SUBSIDY OF NO MORE THAN SIX HUNDRED THOUSAND DOLLARS ($600,000), FOR THE PURPOSE OF FINANCING THE COSTS OF THE CONSTRUCTION OF A WATER DISTRIBUTION MAIN REPLACEMENT, INCUDING BUT NOT LIMITED TO, THE REPLACEMENT OF EXISTING SERVICES, THE INSTALLATION OF ASSOCIATED APPURTENANCES, AND PRESSURE REDUCING VALVES ALONG HOT SPRINGS BOULEVARD BETWEEN THE SOUTHSIDE OF MILLS AVENUE AND SAN MIGUEL STREET, INCLUDING THE BORE AT HOT SPRINGS BOULEVARD AND MILLS AVENUE; 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 ORDINANCE; 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 Ordinance. 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 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 Ordinance.

PASSED, APPROVED AND ADOPTED THIS 12TH DAY OF MAY, 2021.

CITY OF LAS VEGAS,
SAN MIGUEL COUNTY, NEW MEXICO

By_____
Louie Trujillo, Mayor

[SEAL]

ATTEST:

By_____
Casandra Fresquez, City Clerk

[*Remainder of page intentionally left blank.*]

Governing Body Member _____ then moved adoption of the foregoing Ordinance duly seconded by Governing Body Member _____.

The motion to adopt said Ordinance, 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 Ordinance adopted, whereupon the Mayor and the City Clerk signed the Ordinance upon the records of the minutes of the Governing Body.

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

CITY OF LAS VEGAS,
SAN MIGUEL COUNTY, NEW MEXICO

By_____
Louie Trujillo, 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 virtually via google meet video conference and livestreamed at http://www.lasvegasnm.gov/departments/city_clerk/city_meetings_and_minutes/index.php, on May 12, 2021, at the hour of 5:30 p.m., insofar as the same relate to the adoption of the Ordinance 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. 20-33 presently in effect.

IN WITNESS WHEREOF, I have hereunto set my hand this 18th day of June, 2021.

CITY OF LAS VEGAS,
SAN MIGUEL COUNTY, NEW MEXICO

[SEAL]

By_____
Casandra Fresquez, City Clerk

EXHIBIT "A"

Affidavit of Publication of Notice of Public Hearing and Intent to Adopt Ordinance,
Notice and Agenda of Meeting and
Affidavit of Publication of Notice of Adoption of Ordinance

CITY OF LAS VEGAS, NEW MEXICO
Notice of Public Hearing

Notice is hereby given that at its regular meeting on May 12, 2021, commencing at the hour of 5:30 p.m., being held virtually via google meet video conference and livestreamed at http://www.lasvegasnm.gov/departments/city_clerk/city_meetings_and_minutes/index.php, the City of Las Vegas, New Mexico ("City") will conduct a public hearing to consider a proposed Ordinance, the title of which appears below. A complete copy of the Ordinance is available for public inspection during normal and regular business hours at the Office of the City Clerk, at 1700 North Grand Ave., Las Vegas, New Mexico, 87701.

The title of the Ordinance is:

CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO
ORDINANCE NO. 21-05

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 TWO HUNDRED THOUSAND DOLLARS ($200,000), TOGETHER WITH INTEREST, AND ADMINISTRATIVE FEES THEREON, AND TO ACCEPT A LOAN SUBSIDY OF NO MORE THAN SIX HUNDRED THOUSAND DOLLARS ($600,000), FOR THE PURPOSE OF FINANCING THE COSTS OF THE CONSTRUCTION OF A WATER DISTRIBUTION MAIN REPLACEMENT, INCUDING BUT NOT LIMITED TO, THE REPLACEMENT OF EXISTING SERVICES, THE INSTALLATION OF ASSOCIATED APPURTENANCES, AND PRESSURE REDUCING VALVES ALONG HOT SPRINGS BOULEVARD BETWEEN THE SOUTHSIDE OF MILLS AVENUE AND SAN MIGUEL STREET, INCLUDING THE BORE AT HOT SPRINGS BOULEVARD AND MILLS AVENUE; 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 ORDINANCE; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN AGREEMENT.

A general summary of the subject matter of the Ordinance is contained in its title. Publication of this notice constitutes compliance with NMSA 1978, § 3-17-3.

Draft 04/19/21

$800,000 Maximum Principal Amount

Maximum Forgiven Principal Amount $600,000

Maximum Repayable Principal Amount $200,000

DRINKING WATER STATE REVOLVING LOAN FUND LOAN AND SUBSIDY AGREEMENT

dated

June 18, 2021

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 18, 2021, 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"), an incorporated 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; and

WHEREAS, a portion of the funds made available under this Loan Agreement pursuant to the DWSRLF Act and the Safe Drinking Water Act are federal funds categorized as CFDA 66.468; 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; 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 $27,790, which is less than 90% of the State median annual household income of $48,059, and it has an affordability ratio determined as provided in the Intended Use Plan of greater than 1.5; and **[NOTE TO FINANCE AUTHORITY: PLEASE CONFIRM THE NUMBERS AND RATIO RANGE IN THIS RECITAL]**

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 eight hundred thousand dollars ($800,000) 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, the Finance Director, the City Manager and the 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; NMSA 1978, §§ 3-31-1 through 3-31-12; the Municipal Charter of the Governmental Unit, all as amended; and enactments of the Governing Body relating to this Loan Agreement including the Ordinance.

"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 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.

"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.

"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 six hundred thousand dollars ($600,000).

"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 two hundred thousand dollars ($200,000).

"Maximum Principal Amount" means eight hundred thousand dollars ($800,000).

"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.

"Ordinance" means Ordinance No. 21-05 adopted by the Governing Body of the Governmental Unit on May 12, 2021, 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.

"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 S & P Global Ratings; 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 Ordinance 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.

"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 Ordinance 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 an incorporated municipality, a political subdivision of the State, and is duly organized and existing under the statutes and laws of the State, including specifically the Municipal Code, NMSA 1978, §§ 3-1-1 through 3-66-11, as amended and the Municipal Charter of the Governmental Unit. 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 and the other documents related to the transaction. The Governmental Unit has met all readiness 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 average Pledged Revenues from the three Fiscal Years immediately preceding the Fiscal Year in which the Closing Date occurs were above 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, so long as the Governmental Unit expends more or equal to the threshold amount set forth in 2 C.F.R. Section 200.501 during any one Fiscal Year, 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 service 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 service 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 disbursal 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), the Governmental Unit shall obtain the written consent of the Finance Authority and 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.

(o) The Governmental Unit acknowledges that it is subject to the terms of the Environmental Protection Agency Memorandum titled "Prohibition on Certain Telecommunication and Video Surveillance Services or Equipment in the SRF Programs" dated December 11, 2020. The Governmental Unit shall comply with 2 CFR 200.216 and Section 889 of Public Law 115-232 and shall not use Loan or Subsidy funds to obtain or enter into a contract to obtain covered telecommunications equipment produced or provided by companies listed in the System for Award Management exclusion list at SAM.gov. The exclusion list includes, but is not limited to, Huawei Technologies Company or ZTE Corporation, or any subsidiary or affiliate of such entities.

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:

$800,000
CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO
NEW MEXICO FINANCE AUTHORITY DRINKING WATER LOAN
No. DW-5354

STATE OF NEW MEXICO	)	**GENERAL AND NO LITIGATION**
	) ss.	**CERTIFICATE**
COUNTY OF SAN MIGUEL	)	

IT IS HEREBY CERTIFIED by the undersigned, the duly chosen, qualified and acting Mayor 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 Ordinance No. 21-05 adopted on May 12, 2021 (the "Ordinance"), 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 1888.

3. From at least January 1, 2021 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:	Louie Trujillo
Councilors:	Michael Montoya Elaine Rodriquez David G. Romero, Jr. David Ulibarri
City Clerk:	Casandra Fresquez
City Attorney:	Scott Aaron
City Manager:	William Taylor Ph.D.
Finance Director:	Jesus Baquera

4. Based on the data collected during the 2010 Census, the population of the Governmental Unit is less than 75% English speaking and less than 75% Spanish speaking. Notice of the public hearing and adoption of the Ordinance was published in English in the *Las*

Vegas Optic, a newspaper qualified to publish legal notices that is of general circulation in the City of Las Vegas, New Mexico.

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 Ordinance.

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 Ordinance 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 Ordinance. The Ordinance 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 Ordinance 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 Ordinance, and no event of default and no default under the Loan Agreement or the Ordinance 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 Ordinance 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 Ordinance 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 Ordinance nor any action contemplated by or pursuant to the Ordinance 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 Ordinance.

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 Ordinance, 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 and the lien created and granted to the Finance Authority by the Ordinance and the Loan Agreement is a first lien on the Pledged Revenues.

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 on a parity with or 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 Ordinance; (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 Ordinance.

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 Ordinance 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 Mayor, 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 the City Council Chambers, 1700 North Grand Ave., Las Vegas, New Mexico, 87701, the principal meeting place of the Governing Body. In compliance with COVID-19 Health Emergency Orders, meetings are being held virtually via google meet video conference and livestreamed at http://www.lasvegasnm.gov/departments/city_clerk/city_meetings_and_minutes/index.php, as indicated on the Governmental Unit's website.

21. The Governing Body has no rules of procedure which would invalidate or make ineffective the Ordinance or other action taken by the Governing Body in connection with the Loan Agreement. The Open Meetings Act Resolution No. 20-33 adopted and approved by the Governing Body on July 15, 2020 establishes notice standards as required by NMSA 1978, § 10-15-1, as amended. The Open Meetings Act Resolution No. 20-33 has not been amended or repealed. All action of the Governing Body with respect to the Loan Agreement and the Ordinance was taken at meetings held in compliance with the Open Meetings Act and Resolution No. 20-33.

22. The Mayor 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 18th day of June, 2021.

CITY OF LAS VEGAS,
SAN MIGUEL COUNTY, NEW MEXICO

By_____
Louie Trujillo, Mayor

[SEAL]

By_____
Casandra Fresquez, City Clerk

$800,000
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. DW-5354

RIGHT-OF-WAY CERTIFICATE

The undersigned on behalf of the City of Las Vegas (the "Governmental Unit"), a New Mexico incorporated municipality, in the County of San Miguel and the State of New Mexico, hereby certifies:

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 map 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.

[*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 18th day of June, 2021.

_____

Scott Aaron
Attorney for the City of Las Vegas, New Mexico
1700 N. Grand Avenue
Las Vegas, New Mexico 87701

LEGEND

SEWER MANHOLE (EXISTING)	SEWER MANHOLE (NEW)	NEW CROSS
STORM MANHOLE (EXISTING)	STORM MANHOLE (NEW)	NEW TEE
SIGN (EXISTING)	SIGN (NEW)	NEW 90° BEND
POWER POLE (EXISTING)	POWER POLE (NEW)	NEW 45° BEND
FIRE HYDRANT (EXISTING)	FIRE HYDRANT (NEW)	NEW REDUCER
WATER METER (EXISTING)	WATER METER (NEW)	
WATER VALVE (EXISTING)	WATER VALVE (NEW)	
GAS METER (EXISTING)	GAS METER (NEW)	
GAS VALVE (EXISTING)	GAS VALVE (NEW)	
SURVEY CONTROL POINT (EXISTING)	SURVEY CONTROL POINT (NEW)	
PROPERTY CORNER (EXISTING)	PROPERTY CORNER (NEW)	
EXISTING LIGHT POLE (EXISTING)	PROPOSED LIGHT POLE (NEW)	
MONITOR WELL (EXISTING)	MONITOR WELL (NEW)	
GUY ANCHOR (EXISTING)	GUY ANCHOR (NEW)	
POTHOLE, UTILITY (EXISTING)	POTHOLE, UTILITY (NEW)	
TELEPHONE PEDESTAL (EXISTING)	TELEPHONE PEDESTAL (NEW)	
CLEANOUT (EXISTING)	CLEANOUT (NEW)	
BLOWOFF ASSEMBLY (EXISTING)	BLOWOFF ASSEMBLY (NEW)	
AIR RELEASE VALVE (EXISTING)	AIR RELEASE VALVE (NEW)	
MAILBOX (EXISTING)	MAILBOX (NEW)	
BOLLARDS (EXISTING)	BOLLARDS (NEW)	

EXISTING UTILITIES & STRUCTURES

- WATER LINE
- SANITARY SEWER LINE
- GAS LINE
- UNDERGROUND ELECTRIC LINE
- UNDERGROUND TELEPHONE/FIBER OPTIC LINE
- OVERHEAD ELECTRIC LINE
- OVERHEAD TELEPHONE LINE
- OVERHEAD CABLE-TV LINE
- OVERHEAD MULTIPLE LINES
- OVERHEAD ANCHOR
- TRAFFIC SIGNAL LINE
- UNKNOWN LINE
- FENCE LINE
- WALL

NEW UTILITIES & STRUCTURES

- WATER LINE
- SANITARY SEWER LINE
- GAS LINE
- UNDERGROUND ELECTRIC LINE
- UNDERGROUND TELEPHONE/FIBER OPTIC LINE
- OVERHEAD ELECTRIC LINE
- OVERHEAD TELEPHONE LINE
- OVERHEAD CABLE-TV LINE
- OVERHEAD MULTIPLE LINES
- OVERHEAD ANCHOR
- TRAFFIC SIGNAL LINE
- UNKNOWN LINE
- FENCE LINE
- WALL

LEGEND, PROFILE

- EXISTING BURIED ELECTRIC
- EXISTING GAS
- EXISTING WATER
- EXISTING SANITARY SEWER
- PROPOSED BURIED ELECTRIC
- PROPOSED GAS
- PROPOSED WATER
- PROPOSED SANITARY SEWER

VICINITY MAP



SOLID WASTE PROJECT AREA

WAYLAND OLIVER
NEW MEXICO
18112
PROFESSIONAL ENGINEER
1/31/2020

NO	DESCRIPTION	DATE	BY
2			
1			

REVISIONS (OR CHANGE NOTICES)

Stantec

2450 HIGHWAY 180 EAST SUITE A
SILVER CITY NEW MEXICO 88061
(575) 538-5396 (OFFICE)
(575) 538-5418 (FAX)

SHEET TITLE

LEGEND AND VICINITY MAP

LAS VEGAS NM, 87701

SHEET NO 1 - 3

EMAIL WAYLAND.OLIVER@STANTEC.COM PHONE (575) 461-0741 WAYLAND OLIVER

PARKER, STEPHEN 17-Jan-20 Drawing File U:\227300558\DESIGN\SURVEY\MASTER\F-3 LEGEND & VICINITY MAP - COPY.DWG 5:29 PM

DESIGNED BY DLA STANTEC PROJECT NO 227300558

$800,000
CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO
NEW MEXICO FINANCE AUTHORITY DRINKING WATER LOAN
NO. DW-5354

STATE OF NEW MEXICO)
DELIVERY CERTIFICATE
AND
) ss. CROSS-RECEIPT
COUNTY OF SAN MIGUEL)

IT IS HEREBY CERTIFIED by the undersigned, the duly chosen and qualified Mayor and City Clerk of the City of Las Vegas, New Mexico (the "Governmental Unit"):

1. On the date of this Certificate, the Governmental Unit executed and delivered or caused to be executed and delivered a Drinking Water State Revolving Fund Loan and Subsidy Agreement in the Maximum Principal Amount of eight hundred thousand dollars ($800,000) (the "Loan Agreement") between the Governmental Unit and the New Mexico Finance Authority (the "Finance Authority") to the Finance Authority, the purchaser of the Loan Agreement, as authorized by Governmental Unit Ordinance No. 21-05, adopted by the Governmental Unit on May 12, 2021 (the "Ordinance") relating to the execution and delivery of the Loan Agreement.

2. The undersigned acknowledge that the Aggregate Program Amount, as defined in the Loan Agreement, is available for disbursement to the Governmental Unit pursuant to the terms of Section 4.2 of the Loan Agreement upon transmission of payment requisitions to the Finance Authority in substantially the form attached as Exhibit "C" to the Loan Agreement, with supporting documentation as provided in the Loan Agreement, and will be used as set forth in the Ordinance and the Loan Agreement.

WITNESS our hands this 18th day of June, 2021.

CITY OF LAS VEGAS,
SAN MIGUEL COUNTY, NEW MEXICO

_____
Louie Trujillo, Mayor

_____
Casandra Fresquez, City Clerk

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. DW-5354.

NEW MEXICO FINANCE AUTHORITY

By: _____
Marquita D. Russel
Chief Executive Officer
New Mexico Finance Authority

NEW MEXICO FINANCE AUTHORITY

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
$800,000 Loan No. DW-5354

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" or "Municipality"), understanding that the Lender, New Mexico Finance Authority (the "Finance Authority"), is relying on this opinion letter and, but for this opinion letter, 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 7, 2020, and the Finance Authority Board Approval, for Project No. DW-5354, for the City of Las Vegas (San Miguel County), dated September 24, 2020, relating to the project (herein the "Project"), as more specifically defined in the Loan and Subsidy Agreement dated June 18, 2021 (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, 2021 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 Mayor, 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 Ordinance of the City Council dated May 12, 2021 (the "Ordinance") authorizing the Mayor 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 Ordinance 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 Ordinance. The Ordinance 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 Ordinance under the provisions of the laws, bylaws or regulations of the Governmental Unit or the State.

G. The Ordinance is a valid and binding special limited obligation of the Governmental Unit enforceable in accordance with its terms and creates the pledge of and first lien on the Net Revenues of the Governmental Unit, as described in the Loan Agreement (the "Pledged Revenues") which it purports to create, and except as set forth in the Term Sheet the Governmental Unit has issued no additional obligations with a lien superior to the lien created by the Ordinance and the Loan Agreement.

H. The Loan Agreement is a valid and binding special, limited obligation of the Governmental Unit, enforceable in accordance with its terms and provisions and the terms and provisions of the Ordinance.

I. The Governmental Unit has no rules of procedure which would invalidate or make ineffective the Ordinance or other action taken by the Governmental Unit in connection with the Loan Agreement. Resolution No. 20-33 (the "Open Meetings Act Resolution"), as adopted and approved by the Governmental Unit on July 15, 2020, 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 Ordinance was taken at meetings held in compliance with the Open Meetings Act Resolution.

J. 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 Ordinance, and no event of default and no default under the Loan Agreement or the Ordinance has occurred and is continuing on the date of this Certificate.

K. 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 Ordinance and the Loan Agreement.

L. 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 Ordinance or the Loan Agreement to the date of this Certificate have been obtained and are in full force and effect.

M. 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.

N. Neither the Governmental Unit's adoption of the Ordinance nor any action contemplated by or pursuant to the Ordinance 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.

O. 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 Ordinance, (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 Ordinance.

P. 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.

Q. 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.

R. 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.

S. 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 18th day of June, 2021.

_____

Scott Aaron
Attorney for the City of Las Vegas
1700 N. Grand Avenue
Las Vegas, New Mexico 87701

[VIRTUE & NAJJAR, PC – LETTERHEAD]

June 18, 2021

New Mexico Finance Authority
207 Shelby Street
Santa Fe, New Mexico 87501

Re: $800,000 Loan and Subsidy to the City of Las Vegas, San Miguel County, New Mexico, No. DW-5354

Ladies and Gentlemen:

We have acted as Loan Counsel to the New Mexico Finance Authority in connection with the $800,000 loan and subsidy agreement dated June 18, 2021 (the "Loan Agreement") by and between the City of Las Vegas, San Miguel County, New Mexico (the "Governmental Unit") and the New Mexico Finance Authority (the "Finance Authority"). The Loan Agreement is executed and delivered by the Governmental Unit pursuant to Sections 6-21A-1 through 6-21A-9 and 3-31-1 through 3-31-12, NMSA 1978, as amended, the Municipal Charter of the Governmental Unit and the Governmental Unit's Ordinance No. 21-05, adopted on May 12, 2021 (the "Ordinance"). The Loan Agreement has been executed and delivered to provide funds to finance the costs of the construction of a water distribution main replacement, including but not limited to, the replacement of existing services, the installation of associated appurtenances, and pressure reducing valves along Hot Springs Boulevard between the southside of Mills Avenue and San Miguel Street, including the bore at Hot Springs Boulevard and Mills Avenue. for the Governmental Unit (the "Project"), as described in the Loan Agreement.

We have examined the Ordinance and such other law and certified proceedings and other documents as we deem necessary to deliver this opinion. As to questions of fact material to the opinions set forth herein, we have relied upon representations of the Governmental Unit contained in the Ordinance and certified proceedings and other documents furnished to us, without undertaking to verify the same by independent investigation. In addition, we have relied upon statements of law made and legal opinions delivered by the Governmental Unit and the opinions of its legal counsel in the certified proceedings.

Based on our examination, we are of the opinion that, under existing laws, regulations, rulings and judicial decisions as of the date hereof, subject to the provisions of federal bankruptcy law and other laws affecting creditors' rights and further subject to the exercise of

judicial discretion in accordance with general principles of equity and the assumptions, qualifications and limitations contained in this opinion:

1. The Ordinance is a valid and binding special limited obligation of the Governmental Unit enforceable in accordance with its terms and creates the pledge of the Net Revenues of the Governmental Unit, as described in the Loan Agreement (the "Pledged Revenues") which it purports to create.

2. The Loan Agreement is a valid and binding special, limited obligation of the Governmental Unit, enforceable in accordance with its terms and provisions and the terms and provisions of the Ordinance.

3. The Loan Agreement is payable solely from, and such payment is secured by a valid and binding first lien on the distribution of the Pledged Revenues on a parity to the lien thereon of other outstanding obligations secured by the Pledged Revenues and senior to the lien thereon of other outstanding obligations secured by a subordinate lien on the Pledged Revenues. The Finance Authority has no right to have taxes levied by the Governmental Unit for the payment of principal of or interest on the Loan Agreement and the Loan Agreement does not represent or constitute a debt or a pledge of, or a charge against, the general credit of the Governmental Unit.

4. The Loan Agreement is a valid and binding obligation of the Finance Authority and is enforceable in accordance with its terms and provisions.

We express no opinion with respect to the provisions of the Loan Agreement and the Ordinance with respect to indemnification, provisions requiring that amendments be in writing or payment of attorneys' fees.

This opinion letter is limited to matters expressly stated in this opinion letter and no opinion is inferred or may be implied beyond the matters expressly stated in this opinion letter.

We express no opinion as to, or the effect or applicability of, any laws other than the laws of the State of New Mexico. The opinions expressed herein are based only on the laws in effect as of the date hereof, and in all respects are subject to and may be limited by future legislation, as well as developing case law. We undertake no obligation to update or modify this opinion for any future events or occurrences, including, but not limited to, determining or confirming continuing compliance by the Finance Authority and the Governmental Unit with the terms of the Loan Agreement.

The foregoing opinions represent our legal judgment based upon a review of existing legal authorities that we deem relevant to render such opinions and are not a guarantee of results.

We understand that this opinion is being relied upon by the addressees hereof, and we consent to such reliance, but this opinion may not be delivered to or relied upon by any other person or entity without our written consent.

Very truly yours,

VIRTUE & NAJJAR, PC

MARCH 2021						
M	T	W	T	F	S	S
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MAY 2021						
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NEW MEXICO FINANCE AUTHORITY
FINANCING SCHEDULE & DISTRIBUTION LIST

CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO
DRINKING WATER STATE REVOLVING LOAN FUND LOANS
PROJECT NUMBERS:

DW-5354 – ($800,000) Hotsprings Waterline replacement
DW-5355 – ($500,000) WTP Pump Replacement
DW-5356 – ($300,000) Clarifier Basin Vacuum system
DW-5362 – ($500,000) Hanna Park Re-use System Expansion
DW-5363 – ($200,000) WTP pump replacement

Prepared: March 1, 2021
Revised: March 25, 2021

DATE	ACTION	PARTIES
Wednesday, September 9, 2020	Financial Advisor presents to Credit Committee	Finance Authority
Wednesday, September 16, 2020	Public Lending Committee recommends approval	Finance Authority
Thursday, September 24, 2020	Finance Authority Board meeting to approve loan requests	Finance Authority
Thursday, March 25, 2021	Distribute draft Ordinances and Notices of Public Hearing for review and comment to all	VN
Wednesday, March 31, 2021	Comments due on draft Notices of Public Hearing and draft Ordinances	Finance Authority, Borrower, Borrower's counsel
Wednesday, April 7, 2021	If needed, distribution of revised drafts of Notices of Public Hearing and Ordinances to City for first readings	VN
Wednesday, April 14, 2021	**First reading of Ordinances; Governing Body Schedules Ordinances for Public Hearing and has first readings of Ordinances**	**Borrower**
Monday, April 19, 2021	Distribute revised Ordinance, and draft Loan Documents for review and comment to all	**VN**
Monday, April 26, 2021	Submit Notices of Public Hearing and Intent to Adopt Ordinances to newspaper for publication before 11:00 a.m.	VN

Monday, April 26, 2021	Final Interim Debt Service Schedules Due to VN	Finance Authority
Wednesday, April 28, 2021	Publication of Notices of Public Hearing and Intent to Adopt Ordinances published in *Las Vegas Optic*	Newspaper
Wednesday, April 28, 2021	Final comments due on drafts of the Ordinances, Loan Agreements and Closing Documents	Finance Authority, Borrower, Borrower's Counsel
Wednesday, May 5, 2021	Closing documents in final form distributed to Borrower for signature with a copy to the Finance Authority	VN
Wednesday, May 12, 2021	Submit notices of adoption of Ordinances to the *Las Vegas Optic*	VN
Wednesday, May 12, 2021	**Governing Body adopts Ordinances**	**Borrower**
Friday, May 14, 2021	Publication of notices of adoption of Ordinances in the *Las Vegas Optic*	Legal newspaper for Borrower
Wednesday, May 26, 2021	Delivery of fully executed documents to Loan Counsel	Borrower
Thursday, June 10, 2021	Distribution of signed Ordinances, Loan Documents and Closing Documents to the Finance Authority for signature before 5:00 p.m.	VN
Monday, June 14, 2021	Expiration of 30-day limitation of action period	
Wednesday, June 16, 2021	Finance Authority signatures due	Finance Authority
Friday, June 18, 2021	Send closing emails to working group	VN
Friday, June 18, 2021	**Closing by email**	**All**
Two weeks after receipt of all transcript documents	Transcripts distributed	VN

BORROWER
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Phone: (505) 454-1401

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NEWSPAPER
Las Vegas Optic
614 Lincoln Street
Las Vegas, NM 87701
Phone: (505) 425-6796
Email: legals@lasvegasoptic.com

Publication Deadline: Published Wednesday's and Friday's. Deadline: for Wednesday publication, Notice must be received the Monday prior before 11:00 a.m. and for Friday publication, Notice must be received the Wednesday prior before 11:00 a.m.

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CITY OF LAS VEGAS
COUNCIL MEETING AGENDA REQUEST FORM

Meeting Date: May 12, 2021

Date Submitted: 04/30/21 **Department:** Utilities

Item/Topic: Conduct a public hearing and adopt Ordinance No. 21-06 authorizing a loan agreement with NMFA for the water treatment plant SCADA system project. The loan funding package is assigned as follows:

Loan Principle: $125,000.00

Loan Subsidy Grant Funds: $375,000.00

Total Amount: $500,000.00

Fiscal Impact: First phase is fully funded based on engineering estimates.

Attachments: Transcript of proceedings, Ordinance 21-06, Notice of Public Hearing, Loan Agreement, General and No Litigation Certificate, Right of Way Certificate, Delivery Certificate and Cross-Receipt, Final Opinion of Counsel, Approving Opinion of Counsel to NMFA, Financing Schedule and Distribution List

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.

Approved For Submittal By:

Department Director

City Manager

Reviewed By:

Finance Director

City Attorney (Approved as to Form)

CITY CLERK'S USE ONLY
COUNCIL ACTION TAKEN

Resolution No. _____
Ordinance No. _____
Contract No. _____
Approved _____

Continued To: _____
Referred To: _____
Denied _____
Other _____

Revised October 2020

$500,000
CITY OF LAS VEGAS,
SAN MIGUEL COUNTY, NEW MEXICO
NEW MEXICO FINANCE AUTHORITY DRINKING WATER LOAN
NO. 5355-DW

Closing Date: June 18, 2021

TRANSCRIPT OF PROCEEDINGS
INDEX

1. Open Meeting Act Resolution No. 20-33 adopted July 15, 2020

2. Ordinance No. 21-06, adopted May 12, 2021, Affidavit of Publication of Notice of Public Hearing and Intent to Adopt Ordinance, Notice and Agenda, and the Affidavit of Publication of the Notice of Adoption of Ordinance in the *Las Vegas Optic*

3. Drinking Water State Revolving Loan Fund Loan and Subsidy Agreement

4. General and No Litigation Certificate

5. Right-of-Way Certificate

6. Delivery, Deposit and Cross-Receipt Certificate

7. Opinion of Counsel to the City

8. Approving Opinion of Virtue & Najjar, PC Loan Counsel to the Finance Authority

9. Finance Authority Application and Project Approval (informational only)

TRANSCRIPT DISTRIBUTION LIST

City of Las Vegas, New Mexico
New Mexico Finance Authority
Virtue & Najjar, PC

RECORD OF PROCEEDINGS RELATING TO THE ADOPTION OF ORDINANCE NO. 21-06 OF THE CITY COUNCIL OF THE CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO MAY 12, 2021

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 held virtually via google meet video conference and livestreamed at http://www.lasvegasnm.gov/departments/city_clerk/city_meetings_and_minutes/index.php, being the meeting place of the Governing Body for the meeting held on the 12th day of May, 2021, at the hour of 5:30 p.m. Upon roll call, the following members were found to be present:

Present:

Mayor: _____

Councilors: _____

_____

_____

_____

_____

Absent:

_____

_____

Also Present:

_____

_____

_____

_____

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

CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO
ORDINANCE NO. 21-06

AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AND SUBSIDY AGREEMENT ("LOAN AGREEMENT") BY AND BETWEEN THE CITY OF LAS VEGAS, SAN MIGUEL COUNTY, 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 ONE HUNDRED TWENTY-FIVE THOUSAND DOLLARS ($125,000), TOGETHER WITH INTEREST, AND ADMINISTRATIVE FEES THEREON, AND TO ACCEPT A LOAN SUBSIDY OF NO MORE THAN THREE HUNDRED SEVENTY-FIVE THOUSAND DOLLARS ($375,000), FOR THE PURPOSE OF FINANCING THE COSTS OF A SUPERVISORY CONTROL AND DATA ACQUISITION (SCADA) SYSTEM THAT WILL MONITOR AND CONTROL THE PROCESS BOTH LOCALLY AND REMOTELY WITH VARIOUS PROCESS ELEMENTS FOR THE EXISTING WATER TREATMENT FACILITY WHICH PROVIDES THE PRIMARY SOURCE OF DRINKING WATER FOR THE GOVERNMENTAL UNIT; 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 ORDINANCE; 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 Ordinance, unless the context requires otherwise.

WHEREAS, the Governmental Unit is a legally and regularly created, established, organized and existing incorporated 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 on the Term Sheet, 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 Ordinance 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 Ordinance have been obtained or are reasonably expected to be obtained prior to the Closing Date.

NOW, THEREFORE, BE IT ORDAINED 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, Finance Director, City Manager 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 Ordinance.

"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; NMSA 1978, §§ 3-31-1 through 3-31-12; the Municipal Charter of the Governmental Unit, all as amended; and enactments of the Governing Body relating to the Loan Agreement, including this Ordinance.

"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 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.

"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.

"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 Ordinance and not solely to the particular section or paragraph of this Ordinance 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 three hundred seventy-five thousand dollars ($375,000).

"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 one hundred twenty-five thousand dollars ($125,000).

"Maximum Principal Amount" means five hundred thousand dollars ($500,000).

"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.

"Ordinance" means this Ordinance No. 21-06 adopted by the Governing Body of the Governmental Unit on May 12, 2021, approving the Loan Agreement and pledging the Pledged Revenues to the payment of the Loan Agreement Payments as shown on the Term Sheet to the Loan Agreement, as supplemented from time to time in accordance with the provisions hereof.

"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 Ordinance and described on the Term Sheet.

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

"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 Ordinance) 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 on the Term Sheet, 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 Ordinance has been adopted by the affirmative vote of at least a three-fourths 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 one hundred twenty-five thousand dollars ($125,000) and interest thereon, and to accept a loan subsidy in the amount of three hundred seventy-five thousand dollars ($375,000) 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 and Expenses 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 Ordinance was adopted. The Loan shall be in an amount not to exceed the Maximum Principal Amount of one hundred twenty-five thousand dollars ($125,000). 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 Ordinance 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 Ordinance, 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 Ordinance 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 Ordinance, 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, Expenses 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 Ordinance.

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 Ordinance. 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 Ordinance, 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 Ordinance and the Loan Agreement for the full, punctual and complete performance of all the terms, covenants and agreements contained in this Ordinance 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 Ordinance set out in Section 17 of this Ordinance (with such changes, additions and deletions as may be necessary).

Section 12. Amendment of Ordinance. Prior to the Closing Date, the provisions of this Ordinance 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 Ordinance. After the Closing Date, this Ordinance 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. Ordinance Irrepealable. After the Closing Date, this Ordinance 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 Ordinance 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 Ordinance.

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 Ordinance, it shall be recorded in the book of the Governmental Unit kept for that purpose, authenticated by the signatures of the Mayor and City Clerk, and the title and general summary of the subject matter contained in this Ordinance (set out in Section 17 below) shall be published in a newspaper which is of general circulation in the Governmental Unit, and the Ordinance 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 Ordinance shall be published in substantially the following form:

[*Remainder of page intentionally left blank.*]

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

City of Las Vegas, San Miguel County, New Mexico
Notice of Adoption of Ordinance

Notice is hereby given of the title and of a general summary of the subject matter contained in Ordinance No. 21-06, duly adopted and approved by the Governing Body of the City of Las Vegas, New Mexico (the "Governmental Unit"), on May 12, 2021. Complete copies of the Ordinance are available for public inspection during normal and regular business hours in the office of the City Clerk, 1700 North Grand Ave., Las Vegas, New Mexico 87701.

The title of the Ordinance is:

CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO
ORDINANCE NO. 21-06

AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AND SUBSIDY AGREEMENT ("LOAN AGREEMENT") BY AND BETWEEN THE CITY OF LAS VEGAS, SAN MIGUEL COUNTY, 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 ONE HUNDRED TWENTY-FIVE THOUSAND DOLLARS ($125,000), TOGETHER WITH INTEREST, AND ADMINISTRATIVE FEES THEREON, AND TO ACCEPT A LOAN SUBSIDY OF NO MORE THAN THREE HUNDRED SEVENTY-FIVE THOUSAND DOLLARS ($375,000), FOR THE PURPOSE OF FINANCING THE COSTS OF A SUPERVISORY CONTROL AND DATA ACQUISITION (SCADA) SYSTEM THAT WILL MONITOR AND CONTROL THE PROCESS BOTH LOCALLY AND REMOTELY WITH VARIOUS PROCESS ELEMENTS FOR THE EXISTING WATER TREATMENT FACILITY WHICH PROVIDES THE PRIMARY SOURCE OF DRINKING WATER FOR THE GOVERNMENTAL UNIT; 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 ORDINANCE; 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 Ordinance. 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 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 Ordinance.

PASSED, APPROVED AND ADOPTED THIS 12TH DAY OF MAY, 2021.

CITY OF LAS VEGAS,
SAN MIGUEL COUNTY, NEW MEXICO

By_____
Louie Trujillo, Mayor

[SEAL]

ATTEST:

By_____
Casandra Fresquez, City Clerk

[*Remainder of page intentionally left blank.*]

Governing Body Member _____ then moved adoption of the foregoing Ordinance duly seconded by Governing Body Member _____.

The motion to adopt said Ordinance, 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 Ordinance adopted, whereupon the Mayor and the City Clerk signed the Ordinance upon the records of the minutes of the Governing Body.

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

CITY OF LAS VEGAS,
SAN MIGUEL COUNTY, NEW MEXICO

By_____
Louie Trujillo, 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 virtually via google meet video conference and livestreamed at http://www.lasvegasnm.gov/departments/city_clerk/city_meetings_and_minutes/index.php, on May 12, 2021, at the hour of 5:30 p.m., insofar as the same relate to the adoption of the Ordinance 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. 20-33 presently in effect.

IN WITNESS WHEREOF, I have hereunto set my hand this 18th day of June, 2021.

CITY OF LAS VEGAS,
SAN MIGUEL COUNTY, NEW MEXICO

[SEAL]

By_____
Casandra Fresquez,, City Clerk

EXHIBIT "A"

Affidavit of Publication of Notice of Public Hearing and Intent to Adopt Ordinance,
Notice and Agenda of Meeting and
Affidavit of Publication of Notice of Adoption of Ordinance

CITY OF LAS VEGAS, NEW MEXICO
Notice of Public Hearing

Notice is hereby given that at its regular meeting on May 12, 2021, commencing at the hour of 5:30 p.m., being held virtually via google meet video conference and livestreamed at http://www.lasvegasnm.gov/departments/city_clerk/city_meetings_and_minutes/index.php, the City of Las Vegas, New Mexico ("City") will conduct a public hearing to consider a proposed Ordinance, the title of which appears below. A complete copy of the Ordinance is available for public inspection during normal and regular business hours at the Office of the City Clerk, at 1700 North Grand Ave., Las Vegas, New Mexico, 87701.

The title of the Ordinance is:

CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO
ORDINANCE NO. 21-06

AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AND SUBSIDY AGREEMENT ("LOAN AGREEMENT") BY AND BETWEEN THE CITY OF LAS VEGAS, SAN MIGUEL COUNTY, 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 ONE HUNDRED TWENTY-FIVE THOUSAND DOLLARS ($125,000), TOGETHER WITH INTEREST, AND ADMINISTRATIVE FEES THEREON, AND TO ACCEPT A LOAN SUBSIDY OF NO MORE THAN THREE HUNDRED SEVENTY-FIVE THOUSAND DOLLARS ($375,000), FOR THE PURPOSE OF FINANCING THE COSTS OF A SUPERVISORY CONTROL AND DATA ACQUISITION (SCADA) SYSTEM THAT WILL MONITOR AND CONTROL THE PROCESS BOTH LOCALLY AND REMOTELY WITH VARIOUS PROCESS ELEMENTS FOR THE EXISTING WATER TREATMENT FACILITY WHICH PROVIDES THE PRIMARY SOURCE OF DRINKING WATER FOR THE GOVERNMENTAL UNIT; 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 ORDINANCE; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN AGREEMENT.

A general summary of the subject matter of the Ordinance is contained in its title. Publication of this notice constitutes compliance with NMSA 1978, § 3-17-3.

Draft 04/19/21

$500,000 Maximum Principal Amount

Maximum Forgiven Principal Amount $375,000

Maximum Repayable Principal Amount $125,000

DRINKING WATER STATE REVOLVING LOAN FUND LOAN AND SUBSIDY AGREEMENT

dated

June 18, 2021

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 18, 2021, 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"), an incorporated 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; and

WHEREAS, a portion of the funds made available under this Loan Agreement pursuant to the DWSRLF Act and the Safe Drinking Water Act are federal funds categorized as CFDA 66.468; 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; 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 $27,790, which is less than 90% of the State median annual household income of $48,059, and it has an affordability ratio determined as provided in the Intended Use Plan of greater than 1.5; and**[NOTE TO FINANCE AUTHORITY: PLEASE CONFIRM THE NUMBERS AND RATIO RANGE IN THIS RECITAL]**

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 five hundred thousand dollars ($500,000) 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, the Finance Director, City Manager and the 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; NMSA 1978, §§ 3-31-1 through 3-31-12; the Municipal Charter of the Governmental Unit, all , as amended; and enactments of the Governing Body relating to this Loan Agreement including the Ordinance.

"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 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.

"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.

"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 three hundred seventy-five thousand dollars ($375,000).

"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 one hundred twenty-five thousand dollars ($125,000).

"Maximum Principal Amount" means five hundred thousand dollars ($500,000) .

"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.

"Ordinance" means Ordinance No. 21-06 adopted by the Governing Body of the Governmental Unit on May 12, 2021, 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.

"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 S & P Global Ratings; 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 Ordinance 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.

"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 Ordinance 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 an incorporated municipality, a political subdivision of the State, and is duly organized and existing under the statutes and laws of the State, including specifically the Municipal Code, NMSA 1978, §§ 3-1-1 through 3-66-11, as amended and the Municipal Charter of the Governmental Unit. 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 and the other documents related to the transaction. The Governmental Unit has met all readiness 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 average Pledged Revenues from the three Fiscal Years immediately preceding the Fiscal Year in which the Closing Date occurs were above 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, so long as the Governmental Unit expends more or equal to the threshold amount set forth in 2 C.F.R. Section 200.501 during any one Fiscal Year, 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 service 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 service 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 disbursal 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), the Governmental Unit shall obtain the written consent of the Finance Authority and 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. Requisitions may be paid by the Finance Authority to the Governmental Unit to reimburse the Governmental Unit for expenses incurred by the Governmental Unit for the Project prior to the Closing Date, upon submission of requisitions substantially in the form attached to this Loan Agreement as Exhibit "C", with the supporting documentation required by this Loan Agreement.

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.

(o) The Governmental Unit acknowledges that it is subject to the terms of the Environmental Protection Agency Memorandum titled "Prohibition on Certain Telecommunication and Video Surveillance Services or Equipment in the SRF Programs" dated December 11, 2020. The Governmental Unit shall comply with 2 CFR 200.216 and Section 889 of Public Law 115-232 and shall not use Loan or Subsidy funds to obtain or enter into a contract to obtain covered telecommunications equipment produced or provided by companies listed in the System for Award Management exclusion list at SAM.gov. The exclusion list includes, but is not limited to, Huawei Technologies Company or ZTE Corporation, or any subsidiary or affiliate of such entities.

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: Mayor
1700 N. Grand Ave.
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 September 24, 2020, 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_____
Marquita D. Russel, Chief Executive Officer

Prepared for Execution by Officers of the Finance Authority:

VIRTUE & NAJJAR, PC
As Loan Counsel to the Finance Authority

By _____
Richard L. C. Virtue

Approved for Execution by Officers of the Finance Authority:

By _____
Daniel C. Opperman, Chief Legal Officer
New Mexico Finance Authority Legal and Compliance Department

CITY OF LAS VEGAS,
SAN MIGUEL COUNTY, NEW MEXICO

By_____
Louie Trujillo, Mayor

[SEAL]

ATTEST:

By_____
Casandra Fresquez, City Clerk

EXHIBIT "A"

TERM SHEET

LOAN NO. DW-5355
TO THE CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO

Governmental Unit:	City of Las Vegas, New Mexico
Project Description:	Financing the costs of a Supervisory Control and Data Acquisition (SCADA) System that will monitor and control the process both locally and remotely with various process elements for the existing water treatment facility which provides the primary source of drinking water for the Governmental Unit.
Pledged Revenues:	Pledged Revenues means the Net Revenues of the System of the Governmental Unit pledged to payment of the Loan Agreement Payments by the Ordinance and the Loan Agreement.
Currently Outstanding Parity Obligations for Pledged Revenues:	2013 NMFA DW-2878 Loan; 2013 NMFA DW-2910 Loan; 2013 NMFA DW-2911 Loan; 2014 NMFA DW-3043 Loan; 2014 NMFA DW-3046 Loan; 2016 NMFA DW-3570 Loan; 2017 NMFA DW-3622 Loan; 2017 NMFA DW-3623 Loan; 2017 NMFA DW-3624 Loan; 2021 NMFA DW-5355 Loan; 2021 NMFA DW-5354 Loan; 2021 NMFA DW-5356 Loan; 2021 NMFA DW-5362 Loan; and 2021 NMFA DW-5363 Loan.
Currently Outstanding Senior Obligations:	None.
Currently Outstanding Subordinate Obligations:	NMFA WTB Loan WPF-197; NMFA WTB Loan 0218-WTB; NMFA WTB Loan WPF-219; NMFA WTB Loan WPF-251; NMFA WTB Loan WPF-286; NMFA WTB Loan WPF-287; and NMFA WTB Loan 0317-WTB.
Authorizing Legislation:	Governmental Unit Ordinance No. 21-06 adopted May 12, 2021.
Closing Date:	June 18, 2021
Interest Rate:	0.25% (which includes the Administrative Fee)
Maximum Forgiven Program Fund Component:	$375,000

Maximum Repayable Program Fund Component:	$125,000
Aggregate Program Fund Amount:	$500,000
Maximum Principal Amount:	$500,000
Subsidy Percent:	75%

EXHIBIT "B"

LOAN AGREEMENT PAYMENT SCHEDULE

[SEE ATTACHED]

[ATTACH INTERIM DEBT SERVICE SCHEDULE]

EXHIBIT "C"

FORM OF REQUISITION

RE: $500,000 Loan Agreement by and between the Finance Authority and the City of Las Vegas, New Mexico (the "Loan Agreement")

TO: DW@nmfa.net
New Mexico Finance Authority
207 Shelby Street
Santa Fe, New Mexico 87501
Attn: Drinking Water

LOAN NO. DW-5355 CLOSING DATE: June 18, 2021

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:		☐ Interim Request ☐ Final Request
AMOUNT OF PAYMENT:	$	

For Period (work encumbered) _____ to _____

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

☐ SBE (Small Business Entrepreneur)	☐ MBE (Minority Business Entrepreneur)	☐ WBE (Women owned business Entrepreneur)	☐ 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 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 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: $500,000 Loan Agreement by and between the Finance Authority and the City of Las Vegas, New Mexico (the "Loan Agreement")

Loan No. DW-5355

Closing Date: June 18, 2021

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: _____

$500,000
CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO
NEW MEXICO FINANCE AUTHORITY DRINKING WATER LOAN
No. DW-5355

STATE OF NEW MEXICO	)	**GENERAL AND NO LITIGATION**
	) ss.	**CERTIFICATE**
COUNTY OF SAN MIGUEL	)	

IT IS HEREBY CERTIFIED by the undersigned, the duly chosen, qualified and acting Mayor 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 Ordinance No. 21-06 adopted on May 12, 2021 (the "Ordinance"), 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 1888.

3. From at least January 1, 2021 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:	Louie Trujillo
Councilors:	Michael Montoya Elaine Rodriquez David G. Romero, Jr. David Ulibarri
City Clerk:	Casandra Fresquez
City Attorney:	Scott Aaron
City Manager:	William Taylor Ph.D.
Finance Director:	Jesus Baquera

4. Based on the data collected during the 2010 Census, the population of the Governmental Unit is less than 75% English speaking and less than 75% Spanish speaking. Notice of the public hearing and adoption of the Ordinance was published in English in the *Las*

Vegas Optic, a newspaper qualified to publish legal notices that is of general circulation in the City of Las Vegas, New Mexico.

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 Ordinance.

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 Ordinance 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 Ordinance. The Ordinance 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 Ordinance 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 Ordinance, and no event of default and no default under the Loan Agreement or the Ordinance 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 Ordinance 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 Ordinance 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 Ordinance nor any action contemplated by or pursuant to the Ordinance 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 Ordinance.

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 Ordinance, 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 and the lien created and granted to the Finance Authority by the Ordinance and the Loan Agreement is a first lien on the Pledged Revenues.

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 on a parity with or 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 Ordinance; (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 Ordinance.

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 Ordinance 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 Mayor, 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 the City Council Chambers, 1700 North Grand Ave., Las Vegas, New Mexico 87701, the principal meeting place of the Governing Body. In compliance with COVID-19 Health Emergency Orders, meetings are being held virtually via google meet video conference and livestreamed at http://www.lasvegasnm.gov/departments/city_clerk/city_meetings_and_minutes/index.php, as indicated on the Governmental Unit's website.

21. The Governing Body has no rules of procedure which would invalidate or make ineffective the Ordinance or other action taken by the Governing Body in connection with the Loan Agreement. The Open Meetings Act Resolution No. 20-33 adopted and approved by the Governing Body on July 15, 2020 establishes notice standards as required by NMSA 1978, § 10-15-1, as amended. The Open Meetings Act Resolution No. 20-33 has not been amended or repealed. All action of the Governing Body with respect to the Loan Agreement and the Ordinance was taken at meetings held in compliance with the Open Meetings Act and Resolution No. 20-33.

22. The Mayor 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 18th day of June, 2021.

CITY OF LAS VEGAS,
SAN MIGUEL COUNTY, NEW MEXICO

By_____
Louie Trujillo, Mayor

[SEAL]

By_____
Casandra Fresquez, City Clerk

$500,000
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. DW-5355

RIGHT-OF-WAY CERTIFICATE

The undersigned on behalf of the City of Las Vegas (the "Governmental Unit"), a New Mexico incorporated municipality, in the County of San Miguel and the State of New Mexico, hereby certifies:

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 map shows he 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.

[*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 18th day of June, 2021.

_____

Scott Aaron
Attorney for the City of Las Vegas, New Mexico
1700 N. Grand Avenue
Las Vegas, New Mexico 87701



100% Camera: 2,536 m 35°39'01"N 105°16'10"W 2,038 m

Draft 04/19/21

$500,000
CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO
NEW MEXICO FINANCE AUTHORITY DRINKING WATER LOAN
NO. DW-5355

STATE OF NEW MEXICO	)	DELIVERY CERTIFICATE AND
	) ss.	CROSS-RECEIPT
COUNTY OF SAN MIGUEL	)	

IT IS HEREBY CERTIFIED by the undersigned, the duly chosen and qualified Mayor and City Clerk of the City of Las Vegas, New Mexico (the "Governmental Unit"):

1. On the date of this Certificate, the Governmental Unit executed and delivered or caused to be executed and delivered a Drinking Water State Revolving Fund Loan and Subsidy Agreement in the Maximum Principal Amount of five hundred thousand dollars ($500,000) (the "Loan Agreement") between the Governmental Unit and the New Mexico Finance Authority (the "Finance Authority") to the Finance Authority, the purchaser of the Loan Agreement, as authorized by Governmental Unit Ordinance No. 21-06, adopted by the Governmental Unit on May 12, 2021 (the "Ordinance") relating to the execution and delivery of the Loan Agreement.

2. The undersigned acknowledge that the Aggregate Program Amount, as defined in the Loan Agreement, is available for disbursement to the Governmental Unit pursuant to the terms of Section 4.2 of the Loan Agreement upon transmission of payment requisitions to the Finance Authority in substantially the form attached as Exhibit "C" to the Loan Agreement, with supporting documentation as provided in the Loan Agreement, and will be used as set forth in the Ordinance and the Loan Agreement.

WITNESS our hands this 18th day of June, 2021.

CITY OF LAS VEGAS,
SAN MIGUEL COUNTY, NEW MEXICO

_____
Louie Trujillo, Mayor

_____
Casandra Fresquez, City Clerk

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. DW-5355.

NEW MEXICO FINANCE AUTHORITY

By: _____
Marquita D. Russel
Chief Executive Officer
New Mexico Finance Authority

NEW MEXICO FINANCE AUTHORITY

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
$500,000 Loan No. DW-5355

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" or "Municipality"), understanding that the Lender, New Mexico Finance Authority (the "Finance Authority"), is relying on this opinion letter and, but for this opinion letter, 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 7, 2020, and the Finance Authority Board Approval, for Project No. DW-5355, for the City of Las Vegas, (San Miguel County), dated September 24, 2020, relating to the project (herein the "Project"), as more specifically defined in the Loan and Subsidy Agreement dated June 18, 2021 (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, 2021 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 Mayor, 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 Ordinance of the City Council dated May 12, 2021 (the "Ordinance") authorizing the Mayor 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 Ordinance 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 Ordinance. The Ordinance 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 Ordinance under the provisions of the laws, bylaws or regulations of the Governmental Unit or the State.

G. The Ordinance is a valid and binding special limited obligation of the Governmental Unit enforceable in accordance with its terms and creates the pledge of and first lien on the Net Revenues of the Governmental Unit, as described in the Loan Agreement (the "Pledged Revenues") which it purports to create, and except as set forth in the Term Sheet the Governmental Unit has issued no additional obligations with a lien superior to the lien created by the Ordinance and the Loan Agreement.

H. The Loan Agreement is a valid and binding special, limited obligation of the Governmental Unit, enforceable in accordance with its terms and provisions and the terms and provisions of the Ordinance.

I. The Governmental Unit has no rules of procedure which would invalidate or make ineffective the Ordinance or other action taken by the Governmental Unit in connection with the Loan Agreement. Resolution No. 20-33 (the "Open Meetings Act Resolution"), as adopted and approved by the Governmental Unit on July 15, 2020, 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 Ordinance was taken at meetings held in compliance with the Open Meetings Act Resolution.

J. 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 Ordinance, and no event of default and no default under the Loan Agreement or the Ordinance has occurred and is continuing on the date of this Certificate.

K. 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 Ordinance and the Loan Agreement.

L. 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 Ordinance or the Loan Agreement to the date of this Certificate have been obtained and are in full force and effect.

M. 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.

N. Neither the Governmental Unit's adoption of the Ordinance nor any action contemplated by or pursuant to the Ordinance 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.

O. 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 Ordinance, (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 Ordinance.

P. 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.

Q. 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.

R. 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.

S. 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 18th day of June, 2021.

_____

Scott Aaron
Attorney for the City of Las Vegas
1700 N. Grand Avenue
Las Vegas, New Mexico 87701

Draft 04/19/21

[VIRTUE & NAJJAR, PC – LETTERHEAD]

June 18, 2021

New Mexico Finance Authority
207 Shelby Street
Santa Fe, New Mexico 87501

Re: $500,000 Loan and Subsidy to the City of Las Vegas, San Miguel County, New Mexico, No. DW-5355

Ladies and Gentlemen:

We have acted as Loan Counsel to the New Mexico Finance Authority in connection with the $500,000 loan and subsidy agreement dated June 18, 2021 (the "Loan Agreement") by and between the City of Las Vegas, San Miguel County, New Mexico (the "Governmental Unit") and the New Mexico Finance Authority (the "Finance Authority"). The Loan Agreement is executed and delivered by the Governmental Unit pursuant to Sections 6-21A-1 through 6-21A-9 and §§ 3-31-1 through 3-31-12, NMSA 1978, as amended, the Municipal Charter of the Governmental Unit and the Governmental Unit's Ordinance No. 21-06, adopted on May 12, 2021 (the "Ordinance"). The Loan Agreement has been executed and delivered to provide funds to finance the costs of a supervisory control and data acquisition (SCADA) system that will monitor and control the process both locally and remotely with various process elements for the existing water treatment facility which provides the primary source of drinking water for the Governmental Unit (the "Project"), as described in the Loan Agreement.

We have examined the Ordinance and such other law and certified proceedings and other documents as we deem necessary to deliver this opinion. As to questions of fact material to the opinions set forth herein, we have relied upon representations of the Governmental Unit contained in the Ordinance and certified proceedings and other documents furnished to us, without undertaking to verify the same by independent investigation. In addition, we have relied upon statements of law made and legal opinions delivered by the Governmental Unit and the opinions of it legal counsel in the certified proceedings.

Based on our examination, we are of the opinion that, under existing laws, regulations, rulings and judicial decisions as of the date hereof, subject to the provisions of federal bankruptcy law and other laws affecting creditors' rights and further subject to the exercise of judicial discretion in accordance with general principles of equity and the assumptions, qualifications and limitations contained in this opinion:

1. The Ordinance is a valid and binding special limited obligation of the Governmental Unit enforceable in accordance with its terms and creates the pledge of the Net Revenues of the Governmental Unit, as described in the Loan Agreement (the "Pledged Revenues") which it purports to create.

2. The Loan Agreement is a valid and binding special, limited obligation of the Governmental Unit, enforceable in accordance with its terms and provisions and the terms and provisions of the Ordinance.

3. The Loan Agreement is payable solely from, and such payment is secured by a valid and binding first lien on the distribution of the Pledged Revenues on a parity to the lien thereon of other outstanding obligations secured by the Pledged Revenues and senior to the lien thereon of other outstanding obligations secured by a subordinate lien on the Pledged Revenues. The Finance Authority has no right to have taxes levied by the Governmental Unit for the payment of principal of or interest on the Loan Agreement and the Loan Agreement does not represent or constitute a debt or a pledge of, or a charge against, the general credit of the Governmental Unit.

4. The Loan Agreement is a valid and binding obligation of the Finance Authority and is enforceable in accordance with its terms and provisions.

We express no opinion with respect to the provisions of the Loan Agreement and the Ordinance with respect to indemnification, provisions requiring that amendments be in writing or payment of attorneys' fees.

This opinion letter is limited to matters expressly stated in this opinion letter and no opinion is inferred or may be implied beyond the matters expressly stated in this opinion letter.

We express no opinion as to, or the effect or applicability of, any laws other than the laws of the State of New Mexico. The opinions expressed herein are based only on the laws in effect as of the date hereof, and in all respects are subject to and may be limited by future legislation, as well as developing case law. We undertake no obligation to update or modify this opinion for any future events or occurrences, including, but not limited to, determining or confirming continuing compliance by the Finance Authority and the Governmental Unit with the terms of the Loan Agreement.

The foregoing opinions represent our legal judgment based upon a review of existing legal authorities that we deem relevant to render such opinions and are not a guarantee of results.

We understand that this opinion is being relied upon by the addressees hereof, and we consent to such reliance, but this opinion may not be delivered to or relied upon by any other person or entity without our written consent.

Very truly yours,

VIRTUE & NAJJAR, PC

MARCH 2021						
M	T	W	T	F	S	S
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APRIL 2021						
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MAY 2021						
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31						

NEW MEXICO FINANCE AUTHORITY
FINANCING SCHEDULE & DISTRIBUTION LIST

CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO
DRINKING WATER STATE REVOLVING LOAN FUND LOANS
PROJECT NUMBERS:

DW-5354 – ($800,000) Hotsprings Waterline replacement
DW-5355 – ($500,000) WTP Pump Replacement
DW-5356 – ($300,000) Clarifier Basin Vacuum system
DW-5362 – ($500,000) Hanna Park Re-use System Expansion
DW-5363 – ($200,000) WTP pump replacement

Prepared: March 1, 2021
Revised: March 25, 2021

DATE	ACTION	PARTIES
Wednesday, September 9, 2020	Financial Advisor presents to Credit Committee	Finance Authority
Wednesday, September 16, 2020	Public Lending Committee recommends approval	Finance Authority
Thursday, September 24, 2020	Finance Authority Board meeting to approve loan requests	Finance Authority
Thursday, March 25, 2021	Distribute draft Ordinances and Notices of Public Hearing for review and comment to all	VN
Wednesday, March 31, 2021	Comments due on draft Notices of Public Hearing and draft Ordinances	Finance Authority, Borrower, Borrower's counsel
Wednesday, April 7, 2021	If needed, distribution of revised drafts of Notices of Public Hearing and Ordinances to City for first readings	VN
Wednesday, April 14, 2021	**First reading of Ordinances; Governing Body Schedules Ordinances for Public Hearing and has first readings of Ordinances**	**Borrower**
Monday, April 19, 2021	Distribute revised Ordinance, and draft Loan Documents for review and comment to all	**VN**
Monday, April 26, 2021	Submit Notices of Public Hearing and Intent to Adopt Ordinances to newspaper for publication before 11:00 a.m.	VN
Monday, April 26, 2021	Final Interim Debt Service Schedules Due to VN	Finance Authority

DATE	ACTION	PARTIES
Wednesday, April 28, 2021	Publication of Notices of Public Hearing and Intent to Adopt Ordinances published in *Las Vegas Optic*	Newspaper
Wednesday, April 28, 2021	Final comments due on drafts of the Ordinances, Loan Agreements and Closing Documents	Finance Authority, Borrower, Borrower's Counsel
Wednesday, May 5, 2021	Closing documents in final form distributed to Borrower for signature with a copy to the Finance Authority	VN
Wednesday, May 12, 2021	Submit notices of adoption of Ordinances to the *Las Vegas Optic*	VN
Wednesday, May 12, 2021	**Governing Body adopts Ordinances**	**Borrower**
Friday, May 14, 2021	Publication of notices of adoption of Ordinances in the *Las Vegas Optic*	Legal newspaper for Borrower
Wednesday, May 26, 2021	Delivery of fully executed documents to Loan Counsel	Borrower
Thursday, June 10, 2021	Distribution of signed Ordinances, Loan Documents and Closing Documents to the Finance Authority for signature before 5:00 p.m.	VN
Monday, June 14, 2021	Expiration of 30-day limitation of action period	
Wednesday, June 16, 2021	Finance Authority signatures due	Finance Authority
Friday, June 18, 2021	Send closing emails to working group	VN
Friday, June 18, 2021	**Closing by email**	**All**
Two weeks after receipt of all transcript documents	Transcripts distributed	VN

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NEWSPAPER
Las Vegas Optic
614 Lincoln Street
Las Vegas, NM 87701
Phone: (505) 425-6796
Email: legals@lasvegasoptic.com

Publication Deadline: Published Wednesday's and Friday's. Deadline: for Wednesday publication, Notice must be received the Monday prior before 11:00 a.m. and for Friday publication, Notice must be received the Wednesday prior before 11:00 a.m.

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CITY OF LAS VEGAS
COUNCIL MEETING AGENDA REQUEST FORM

Meeting Date: May 12, 2021

Date Submitted: 04/30/21 **Department:** Utilities

Item/Topic: Publication of Ordinance No. 21-07 authorizing a loan agreement with NMFA for the water treatment plant clarifier sedimentation basin vacuum system project. The loan funding package is assigned as follows:

Loan Principle: $75,000.00

Loan Subsidy Grant Funds: $225,000.00

Total Amount: $300,000.00

Fiscal Impact: Funding will cover 60% of project cost. Balance will be City funded.

Attachments: Transcript of proceedings, Ordinance 21-07, Notice of Public Hearing, Loan Agreement, General and No Litigation Certificate, Right of Way Certificate, Delivery Certificate and Cross-Receipt, Final Opinion of Counsel, Approving Opinion of Counsel to NMFA, Financing Schedule and Distribution List

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.

Approved For Submittal By:

Department Director

City Manager

Reviewed By:

Finance Director

City Attorney (Approved as to Form)

CITY CLERK'S USE ONLY
COUNCIL ACTION TAKEN

Resolution No. _____
Ordinance No. _____
Contract No. _____
Approved _____

Continued To: _____
Referred To: _____
Denied _____
Other _____

Revised October 2020

Draft 04/19/21

$300,000
CITY OF LAS VEGAS,
SAN MIGUEL COUNTY, NEW MEXICO
NEW MEXICO FINANCE AUTHORITY DRINKING WATER LOAN
NO. 5356-DW

Closing Date: June 18, 2021

TRANSCRIPT OF PROCEEDINGS
INDEX

1. Open Meeting Act Resolution No. 20-33 adopted July 15, 2020

2. Ordinance No. 21-07, adopted May 12, 2021, Affidavit of Publication of Notice of Public Hearing and Intent to Adopt Ordinance, Notice and Agenda, and the Affidavit of Publication of the Notice of Adoption of Ordinance in the *Las Vegas Optic*

3. Drinking Water State Revolving Loan Fund Loan and Subsidy Agreement

4. General and No Litigation Certificate

5. Right-of-Way Certificate

6. Delivery, Deposit and Cross-Receipt Certificate

7. Opinion of Counsel to the City

8. Approving Opinion of Virtue & Najjar, PC Loan Counsel to the Finance Authority

9. Finance Authority Application and Project Approval (informational only)

TRANSCRIPT DISTRIBUTION LIST

City of Las Vegas, New Mexico
New Mexico Finance Authority
Virtue & Najjar, PC

RECORD OF PROCEEDINGS RELATING TO THE ADOPTION OF ORDINANCE NO. 21-07 OF THE CITY COUNCIL OF THE CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO MAY 12, 2021

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 held virtually via google meet video conference and livestreamed at http://www.lasvegasnm.gov/departments/city_clerk/city_meetings_and_minutes/index.php, being the meeting place of the Governing Body for the meeting held on the 12th day of May, 2021, at the hour of 5:30 p.m. Upon roll call, the following members were found to be present:

Present:

Mayor: _____

Councilors: _____

_____

_____

_____

_____

Absent:

_____

_____

Also Present:

_____

_____

_____

_____

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

CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO
ORDINANCE NO. 21-07

AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AND SUBSIDY AGREEMENT ("LOAN AGREEMENT") BY AND BETWEEN THE CITY OF LAS VEGAS, SAN MIGUEL COUNTY, 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 SEVENTY-FIVE THOUSAND DOLLARS ($75,000), TOGETHER WITH INTEREST, AND ADMINISTRATIVE FEES THEREON, AND TO ACCEPT A LOAN SUBSIDY OF NO MORE THAN TWO HUNDRED TWENTY-FIVE THOUSAND DOLLARS ($225,000), FOR THE PURPOSE OF FINANCING THE COSTS OF REPLACING THE GOVERNMENTAL UNIT'S FAILING CLARIFIER SEDIMENTATION BASIN VACUUM SYSTEM LOCATED AT THE GOVERNMENTAL UNIT'S WATER TREATMENT PLANT; 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 ORDINANCE; 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 Ordinance, unless the context requires otherwise.

WHEREAS, the Governmental Unit is a legally and regularly created, established, organized and existing incorporated 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 on the Term Sheet, 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 Ordinance 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 Ordinance have been obtained or are reasonably expected to be obtained prior to the Closing Date.

NOW, THEREFORE, BE IT ORDAINED 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, Finance Director, City Manager 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 Ordinance.

"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; NMSA 1978, §§ 3-31-1 through 3-31-12; the Municipal Charter of the Governmental Unit, all as amended; and enactments of the Governing Body relating to the Loan Agreement, including this Ordinance.

"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 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.

"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.

"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 Ordinance and not solely to the particular section or paragraph of this Ordinance 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 two hundred twenty-five thousand dollars ($225,000).

"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 seventy-five thousand dollars ($75,000).

"Maximum Principal Amount" means three hundred thousand dollars ($300,000).

"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.

"Ordinance" means this Ordinance No. 21-07 adopted by the Governing Body of the Governmental Unit on May 12, 2021, approving the Loan Agreement and pledging the Pledged Revenues to the payment of the Loan Agreement Payments as shown on the Term Sheet to the Loan Agreement, as supplemented from time to time in accordance with the provisions hereof.

"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 Ordinance and described on the Term Sheet.

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

"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 Ordinance) 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 on the Term Sheet, 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 Ordinance has been adopted by the affirmative vote of at least a three-fourths 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 seventy-five thousand dollars ($75,000) and interest thereon, and to accept a loan subsidy in the amount of two hundred twenty-five thousand dollars ($225,000) 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 and Expenses 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 Ordinance was adopted. The Loan shall be in an amount not to exceed the Maximum Principal Amount of seventy-five thousand dollars ($75,000). 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 Ordinance 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 Ordinance, 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 Ordinance 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 Ordinance, 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, Expenses 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 Ordinance.

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 Ordinance. 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 Ordinance, 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 Ordinance and the Loan Agreement for the full, punctual and complete performance of all the terms, covenants and agreements contained in this Ordinance 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 Ordinance set out in Section 17 of this Ordinance (with such changes, additions and deletions as may be necessary).

Section 12. Amendment of Ordinance. Prior to the Closing Date, the provisions of this Ordinance 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 Ordinance. After the Closing Date, this Ordinance 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. Ordinance Irrepealable. After the Closing Date, this Ordinance 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 Ordinance 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 Ordinance.

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 Ordinance, it shall be recorded in the book of the Governmental Unit kept for that purpose, authenticated by the signatures of the Mayor and City Clerk, and the title and general summary of the subject matter contained in this Ordinance (set out in Section 17 below) shall be published in a newspaper which is of general circulation in the Governmental Unit, and the Ordinance 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 Ordinance shall be published in substantially the following form:

[*Remainder of page intentionally left blank.*]

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

City of Las Vegas, San Miguel County, New Mexico
Notice of Adoption of Ordinance

Notice is hereby given of the title and of a general summary of the subject matter contained in Ordinance No. 21-07, duly adopted and approved by the Governing Body of the City of Las Vegas, New Mexico (the "Governmental Unit"), on May 12, 2021. Complete copies of the Ordinance are available for public inspection during normal and regular business hours in the office of the City Clerk, 1700 North Grand Ave., Las Vegas, New Mexico 87701.

The title of the Ordinance is:

CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO
ORDINANCE NO. 21-07

AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AND SUBSIDY AGREEMENT ("LOAN AGREEMENT") BY AND BETWEEN THE CITY OF LAS VEGAS, SAN MIGUEL COUNTY, 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 SEVENTY-FIVE THOUSAND DOLLARS ($75,000), TOGETHER WITH INTEREST, AND ADMINISTRATIVE FEES THEREON, AND TO ACCEPT A LOAN SUBSIDY OF NO MORE THAN TWO HUNDRED TWENTY-FIVE THOUSAND DOLLARS ($225,000), FOR THE PURPOSE OF FINANCING THE COSTS OF REPLACING THE GOVERNMENTAL UNIT'S FAILING CLARIFIER SEDIMENTATION BASIN VACUUM SYSTEM LOCATED AT THE GOVERNMENTAL UNIT'S WATER TREATMENT PLANT; 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 ORDINANCE; 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 Ordinance. 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 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 Ordinance.

PASSED, APPROVED AND ADOPTED THIS 12TH DAY OF MAY, 2021.

CITY OF LAS VEGAS,
SAN MIGUEL COUNTY, NEW MEXICO

By_____
Louie Trujillo, Mayor

[SEAL]

ATTEST:

By_____
Casandra Fresquez, City Clerk

[*Remainder of page intentionally left blank.*]

Governing Body Member _____ then moved adoption of the foregoing Ordinance duly seconded by Governing Body Member _____.

The motion to adopt said Ordinance, 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 Ordinance adopted, whereupon the Mayor and the City Clerk signed the Ordinance upon the records of the minutes of the Governing Body.

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

CITY OF LAS VEGAS,
SAN MIGUEL COUNTY, NEW MEXICO

By_____
Louie Trujillo, 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 virtually via google meet video conference and livestreamed at http://www.lasvegasnm.gov/departments/city_clerk/city_meetings_and_minutes/index.php, on May 12, 2021, at the hour of 5:30 p.m., insofar as the same relate to the adoption of the Ordinance 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. 20-33 presently in effect.

IN WITNESS WHEREOF, I have hereunto set my hand this 18th day of June, 2021.

CITY OF LAS VEGAS,
SAN MIGUEL COUNTY, NEW MEXICO

[SEAL]

By_____
Casandra Fresquez,, City Clerk

EXHIBIT "A"

Affidavit of Publication of Notice of Public Hearing and Intent to Adopt Ordinance,
Notice and Agenda of Meeting and
Affidavit of Publication of Notice of Adoption of Ordinance

CITY OF LAS VEGAS, NEW MEXICO
Notice of Public Hearing

Notice is hereby given that at its regular meeting on May 12, 2021, commencing at the hour of 5:30 p.m., being held virtually via google meet video conference and livestreamed at http://www.lasvegasnm.gov/departments/city_clerk/city_meetings_and_minutes/index.php, the City of Las Vegas, New Mexico ("City") will conduct a public hearing to consider a proposed Ordinance, the title of which appears below. A complete copy of the Ordinance is available for public inspection during normal and regular business hours at the Office of the City Clerk, at 1700 North Grand Ave., Las Vegas, New Mexico, 87701.

The title of the Ordinance is:

CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO
ORDINANCE NO. 21-07

AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AND SUBSIDY AGREEMENT ("LOAN AGREEMENT") BY AND BETWEEN THE CITY OF LAS VEGAS, SAN MIGUEL COUNTY, 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 SEVENTY-FIVE THOUSAND DOLLARS ($75,000), TOGETHER WITH INTEREST, AND ADMINISTRATIVE FEES THEREON, AND TO ACCEPT A LOAN SUBSIDY OF NO MORE THAN TWO HUNDRED TWENTY-FIVE THOUSAND DOLLARS ($225,000), FOR THE PURPOSE OF FINANCING THE COSTS OF REPLACING THE GOVERNMENTAL UNIT'S FAILING CLARIFIER SEDIMENTATION BASIN VACUUM SYSTEM LOCATED AT THE GOVERNMENTAL UNIT'S WATER TREATMENT PLANT; 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 ORDINANCE; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN AGREEMENT.

A general summary of the subject matter of the Ordinance is contained in its title. Publication of this notice constitutes compliance with NMSA 1978, § 3-17-3.

Draft 04/19/21

$300,000 Maximum Principal Amount

Maximum Forgiven Principal Amount $225,000

Maximum Repayable Principal Amount $75,000

DRINKING WATER STATE REVOLVING LOAN FUND LOAN AND SUBSIDY AGREEMENT

dated

June 18, 2021

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 18, 2021, 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"), an incorporated 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; and

WHEREAS, a portion of the funds made available under this Loan Agreement pursuant to the DWSRLF Act and the Safe Drinking Water Act are federal funds categorized as CFDA 66.468; 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; 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 $27,790, which is less than 90% of the State median annual household income of $48,059, and it has an affordability ratio determined as provided in the Intended Use Plan of greater than 1.5; and **[NOTE TO FINANCE AUTHORITY: PLEASE CONFIRM THE NUMBERS AND RATIO RANGE IN THIS RECITAL]**

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 three hundred thousand dollars ($300,000) 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, the Finance Director, the City Manager and the 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; NMSA 1978, §§ 3-31-1 through 3-31-12; the Municipal Charter of the Governmental Unit, all as amended; and enactments of the Governing Body relating to this Loan Agreement including the Ordinance.

"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 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.

"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.

"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 two hundred twenty-five thousand dollars ($225,000).

"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 seventy-five thousand dollars ($75,000).

"Maximum Principal Amount" means three hundred thousand dollars ($300,000).

"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.

"Ordinance" means Ordinance No. 21-07 adopted by the Governing Body of the Governmental Unit on May 12, 2021, 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.

"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 S & P Global Ratings; 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 Ordinance 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.

"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 Ordinance 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 an incorporated municipality, a political subdivision of the State, and is duly organized and existing under the statutes and laws of the State, including specifically the Municipal Code, NMSA 1978, §§ 3-1-1 through 3-66-11, as amended and the Municipal Charter of the Governmental Unit. 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 and the other documents related to the transaction. The Governmental Unit has met all readiness 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 average Pledged Revenues from the three Fiscal Years immediately preceding the Fiscal Year in which the Closing Date occurs were above 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, so long as the Governmental Unit expends more or equal to the threshold amount set forth in 2 C.F.R. Section 200.501 during any one Fiscal Year, 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 service 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 service 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 disbursal 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), the Governmental Unit shall obtain the written consent of the Finance Authority and 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. Requisitions may be paid by the Finance Authority to the Governmental Unit to reimburse the Governmental Unit for expenses incurred by the Governmental Unit for the Project prior to the Closing Date, upon submission of requisitions substantially in the form attached to this Loan Agreement as Exhibit "C", with the supporting documentation required by this Loan Agreement.

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.

(o) The Governmental Unit acknowledges that it is subject to the terms of the Environmental Protection Agency Memorandum titled "Prohibition on Certain Telecommunication and Video Surveillance Services or Equipment in the SRF Programs" dated December 11, 2020. The Governmental Unit shall comply with 2 CFR 200.216 and Section 889 of Public Law 115-232 and shall not use Loan or Subsidy funds to obtain or enter into a contract to obtain covered telecommunications equipment produced or provided by companies listed in the System for Award Management exclusion list at SAM.gov. The exclusion list includes, but is not limited to, Huawei Technologies Company or ZTE Corporation, or any subsidiary or affiliate of such entities.

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: Mayor
1700 N. Grand Ave.
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 September 24, 2020, 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_____
Marquita D. Russel, Chief Executive Officer

Prepared for Execution by Officers of the Finance Authority:

VIRTUE & NAJJAR, PC
As Loan Counsel to the Finance Authority

By _____
Richard L. C. Virtue

Approved for Execution by Officers of the Finance Authority:

By _____
Daniel C. Opperman, Chief Legal Officer
New Mexico Finance Authority Legal and Compliance Department

CITY OF LAS VEGAS,
SAN MIGUEL COUNTY, NEW MEXICO

By_____
Louie Trujillo, Mayor

[SEAL]

ATTEST:

By_____
Casandra Fresquez, City Clerk

EXHIBIT "A"

TERM SHEET

LOAN NO. DW-5356
TO THE CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO

Governmental Unit:	City of Las Vegas, New Mexico
Project Description:	Financing the costs of replacing the Governmental Unit's failing clarifier sedimentation basin vacuum system located at the Governmental Unit's water treatment plant
Pledged Revenues:	Pledged Revenues means the Net Revenues of the System of the Governmental Unit pledged to payment of the Loan Agreement Payments by the Ordinance and the Loan Agreement.
Currently Outstanding Parity Obligations for Pledged Revenues:	2013 NMFA DW-2878 Loan; 2013 NMFA DW-2910 Loan; 2013 NMFA DW-2911 Loan; 2014 NMFA DW-3043 Loan; 2014 NMFA DW-3046 Loan; 2016 NMFA DW-3570 Loan; 2017 NMFA DW-3622 Loan; 2017 NMFA DW-3623 Loan; 2017 NMFA DW-3624 Loan; 2021 NMFA DW-5355 Loan; 2021 NMFA DW-5354 Loan; 2021 NMFA DW-5355 Loan; 2021 NMFA DW-5362 Loan; and 2021 NMFA DW-5363 Loan.
Currently Outstanding Senior Obligations:	None.
Currently Outstanding Subordinate Obligations:	NMFA WTB Loan WPF-197; NMFA WTB Loan 0218-WTB; NMFA WTB Loan WPF-219; NMFA WTB Loan WPF-251; NMFA WTB Loan WPF-286; NMFA WTB Loan WPF-287; and NMFA WTB Loan 0317-WTB
Authorizing Legislation:	Governmental Unit Ordinance No. 21-07 adopted May 12, 2021.
Closing Date:	June 18, 2021
Interest Rate:	0.25% (which includes the Administrative Fee)
Maximum Forgiven Program Fund Component:	$225,000
Maximum Repayable Program Fund Component:	$75,000

Aggregate Program Fund Amount:	$300,000
Maximum Principal Amount:	$300,000
Subsidy Percent:	75%

EXHIBIT "B"

LOAN AGREEMENT PAYMENT SCHEDULE

[SEE ATTACHED]

[ATTACH INTERIM DEBT SERVICE SCHEDULE]

EXHIBIT "C"

FORM OF REQUISITION

RE: $300,000 Loan Agreement by and between the Finance Authority and the City of Las Vegas, New Mexico (the "Loan Agreement")

TO: DW@nmfa.net
New Mexico Finance Authority
207 Shelby Street
Santa Fe, New Mexico 87501
Attn: Drinking Water

LOAN NO. DW-5356 CLOSING DATE: June 18, 2021

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

REQUISITION NUMBER:		☐ Interim Request ☐ Final Request
AMOUNT OF PAYMENT:	$	

For Period (work encumbered) _____ to _____

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

☐ SBE (Small Business Entrepreneur)	☐ MBE (Minority Business Entrepreneur)	☐ WBE (Women owned business Entrepreneur)	☐ 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 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 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: $300,000 Loan Agreement by and between the Finance Authority and the City of Las Vegas, New Mexico (the "Loan Agreement")

Loan No. DW-5356

Closing Date: June 18, 2021

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: _____

$300,000
CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO
NEW MEXICO FINANCE AUTHORITY DRINKING WATER LOAN
No. DW-5356

STATE OF NEW MEXICO	)	**GENERAL AND NO LITIGATION**
	) ss.	**CERTIFICATE**
COUNTY OF SAN MIGUEL	)	

IT IS HEREBY CERTIFIED by the undersigned, the duly chosen, qualified and acting Mayor 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 Ordinance No. 21-07 adopted on May 12, 2021 (the "Ordinance"), 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 1888.

3. From at least January 1, 2021 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:	Louie Trujillo
Councilors:	Michael Montoya Elaine Rodriquez David G. Romero, Jr. David Ulibarri
City Clerk:	Casandra Fresquez
City Attorney:	Scott Aaron
City Manager:	William Taylor Ph.D.
Finance Director:	Jesus Baquera

4. Based on the data collected during the 2010 Census, the population of the Governmental Unit is less than 75% English speaking and less than 75% Spanish speaking. Notice of the public hearing and adoption of the Ordinance was published in English in the *Las*

Vegas Optic, a newspaper qualified to publish legal notices that is of general circulation in the City of Las Vegas, New Mexico.

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 Ordinance.

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 Ordinance 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 Ordinance. The Ordinance 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 Ordinance 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 Ordinance, and no event of default and no default under the Loan Agreement or the Ordinance 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 Ordinance 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 Ordinance 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 Ordinance nor any action contemplated by or pursuant to the Ordinance 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 Ordinance.

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 Ordinance, 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 and the lien created and granted to the Finance Authority by the Ordinance and the Loan Agreement is a first lien on the Pledged Revenues.

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 on a parity with or 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 Ordinance; (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 Ordinance.

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 Ordinance 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 Mayor, 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 the City Council Chambers, 1700 North Grand Ave., Las Vegas, New Mexico 87701, the principal meeting place of the Governing Body. In compliance with COVID-19 Health Emergency Orders, meetings are being held virtually via google meet video conference and livestreamed at http://www.lasvegasnm.gov/departments/city_clerk/city_meetings_and_minutes/index.php, as indicated on the Governmental Unit's website.

21. The Governing Body has no rules of procedure which would invalidate or make ineffective the Ordinance or other action taken by the Governing Body in connection with the Loan Agreement. The Open Meetings Act Resolution No. 20-33 adopted and approved by the Governing Body on July 15, 2020 establishes notice standards as required by NMSA 1978, § 10-15-1, as amended. The Open Meetings Act Resolution No. 20-33 has not been amended or repealed. All action of the Governing Body with respect to the Loan Agreement and the Ordinance was taken at meetings held in compliance with the Open Meetings Act and Resolution No. 20-33.

22. The Mayor 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 18th day of June, 2021.

CITY OF LAS VEGAS,
SAN MIGUEL COUNTY, NEW MEXICO

By_____
Louie Trujillo, Mayor

[SEAL]

By_____
Casandra Fresquez, City Clerk

$300,000
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. DW-5356

RIGHT-OF-WAY CERTIFICATE

The undersigned on behalf of the City of Las Vegas (the "Governmental Unit"), a New Mexico incorporated municipality, in the County of San Miguel and the State of New Mexico, hereby certifies:

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 map 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.

[*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 18th day of June, 2021.

_____

Scott Aaron
Attorney for the City of Las Vegas, New Mexico
1700 N. Grand Avenue
Las Vegas, New Mexico 87701



100% Camera: 2,536 m 35°39'01"N 105°16'10"W 2,038 m

Draft 04/19//21

$300,000
CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO
NEW MEXICO FINANCE AUTHORITY DRINKING WATER LOAN
NO. DW-5356

STATE OF NEW MEXICO)
DELIVERY CERTIFICATE
AND
) ss. CROSS-RECEIPT
COUNTY OF SAN MIGUEL)

IT IS HEREBY CERTIFIED by the undersigned, the duly chosen and qualified Mayor and City Clerk of the City of Las Vegas, New Mexico (the "Governmental Unit"):

1. On the date of this Certificate, the Governmental Unit executed and delivered or caused to be executed and delivered a Drinking Water State Revolving Fund Loan and Subsidy Agreement in the Maximum Principal Amount of three hundred thousand dollars ($300,000) (the "Loan Agreement") between the Governmental Unit and the New Mexico Finance Authority (the "Finance Authority") to the Finance Authority, the purchaser of the Loan Agreement, as authorized by Governmental Unit Ordinance No. 21-07, adopted by the Governmental Unit on May 12, 2021 (the "Ordinance") relating to the execution and delivery of the Loan Agreement.

2. The undersigned acknowledge that the Aggregate Program Amount, as defined in the Loan Agreement, is available for disbursement to the Governmental Unit pursuant to the terms of Section 4.2 of the Loan Agreement upon transmission of payment requisitions to the Finance Authority in substantially the form attached as Exhibit "C" to the Loan Agreement, with supporting documentation as provided in the Loan Agreement, and will be used as set forth in the Ordinance and the Loan Agreement.

WITNESS our hands this 18th day of June, 2021.

CITY OF LAS VEGAS,
SAN MIGUEL COUNTY, NEW MEXICO

_____
Louie Trujillo, Mayor

_____
Casandra Fresquez, City Clerk

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. DW-5356.

NEW MEXICO FINANCE AUTHORITY

By: _____
Marquita D. Russel
Chief Executive Officer
New Mexico Finance Authority

NEW MEXICO FINANCE AUTHORITY

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
$300,000 Loan No. DW-5356

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" or "Municipality"), understanding that the Lender, New Mexico Finance Authority (the "Finance Authority"), is relying on this opinion letter and, but for this opinion letter, 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 7, 2020, and the Finance Authority Board Approval, for Project No. DW-5356, for the City of Las Vegas, (San Miguel County), dated September 24, 2020, relating to the project (herein the "Project"), as more specifically defined in the Loan and Subsidy Agreement dated June 18, 2021 (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, 2021 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 Mayor, 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 Ordinance of the City Council dated May 12, 2021 (the "Ordinance") authorizing the Mayor 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 Ordinance 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 Ordinance. The Ordinance 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 Ordinance under the provisions of the laws, bylaws or regulations of the Governmental Unit or the State.

G. The Ordinance is a valid and binding special limited obligation of the Governmental Unit enforceable in accordance with its terms and creates the pledge of and first lien on the Net Revenues of the Governmental Unit, as described in the Loan Agreement (the "Pledged Revenues") which it purports to create, and except as set forth in the Term Sheet the Governmental Unit has issued no additional obligations with a lien superior to the lien created by the Ordinance and the Loan Agreement.

H. The Loan Agreement is a valid and binding special, limited obligation of the Governmental Unit, enforceable in accordance with its terms and provisions and the terms and provisions of the Ordinance.

I. The Governmental Unit has no rules of procedure which would invalidate or make ineffective the Ordinance or other action taken by the Governmental Unit in connection with the Loan Agreement. Resolution No. 20-33 (the "Open Meetings Act Resolution"), as adopted and approved by the Governmental Unit on July 15, 2020, 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 Ordinance was taken at meetings held in compliance with the Open Meetings Act Resolution.

J. 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 Ordinance, and no event of default and no default under the Loan Agreement or the Ordinance has occurred and is continuing on the date of this Certificate.

K. 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 Ordinance and the Loan Agreement.

L. 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 Ordinance or the Loan Agreement to the date of this Certificate have been obtained and are in full force and effect.

M. 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.

N. Neither the Governmental Unit's adoption of the Ordinance nor any action contemplated by or pursuant to the Ordinance 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.

O. 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 Ordinance, (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 Ordinance.

P. 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.

Q. 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.

R. 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.

S. 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 18th day of June, 2021.

_____

Scott Aaron
Attorney for the City of Las Vegas
1700 N. Grand Avenue
Las Vegas, New Mexico 87701

Draft 04/19/21

[VIRTUE & NAJJAR, PC – LETTERHEAD]

June 18, 2021

New Mexico Finance Authority
207 Shelby Street
Santa Fe, New Mexico 87501

Re: $300,000 Loan and Subsidy to the City of Las Vegas, San Miguel County, New Mexico,
No. DW-5356

Ladies and Gentlemen:

We have acted as Loan Counsel to the New Mexico Finance Authority in connection with the $300,000 loan and subsidy agreement dated June 18, 2021 (the "Loan Agreement") by and between the City of Las Vegas, San Miguel County, New Mexico (the "Governmental Unit") and the New Mexico Finance Authority (the "Finance Authority"). The Loan Agreement is executed and delivered by the Governmental Unit pursuant to Sections 6-21A-1 through 6-21A-9 and §§ 3-31-1 through 3-31-12, NMSA 1978, as amended, the Municipal Charter of the Governmental Unit and the Governmental Unit's Ordinance No. 21-07, adopted on May 12, 2021 (the "Ordinance"). The Loan Agreement has been executed and delivered to provide funds to finance the cost of replacing the Governmental Unit's failing clarifier sedimentation basin vacuum system located at the Governmental Unit's water treatment plant for the Governmental Unit (the "Project"), as described in the Loan Agreement.

We have examined the Ordinance and such other law and certified proceedings and other documents as we deem necessary to deliver this opinion. As to questions of fact material to the opinions set forth herein, we have relied upon representations of the Governmental Unit contained in the Ordinance and certified proceedings and other documents furnished to us, without undertaking to verify the same by independent investigation. In addition, we have relied upon statements of law made and legal opinions delivered by the Governmental Unit and the opinions of its legal counsel in the certified proceedings.

Based on our examination, we are of the opinion that, under existing laws, regulations, rulings and judicial decisions as of the date hereof, subject to the provisions of federal bankruptcy law and other laws affecting creditors' rights and further subject to the exercise of judicial discretion in accordance with general principles of equity and the assumptions, qualifications and limitations contained in this opinion:

1. The Ordinance is a valid and binding special limited obligation of the Governmental Unit enforceable in accordance with its terms and creates the pledge of the Net Revenues of the Governmental Unit, as described in the Loan Agreement (the "Pledged Revenues") which it purports to create.

2. The Loan Agreement is a valid and binding special, limited obligation of the Governmental Unit, enforceable in accordance with its terms and provisions and the terms and provisions of the Ordinance.

3. The Loan Agreement is payable solely from, and such payment is secured by a valid and binding first lien on the distribution of the Pledged Revenues on a parity to the lien thereon of other outstanding obligations secured by the Pledged Revenues and senior to the lien thereon of other outstanding obligations secured by a subordinate lien on the Pledged Revenues. The Finance Authority has no right to have taxes levied by the Governmental Unit for the payment of principal of or interest on the Loan Agreement and the Loan Agreement does not represent or constitute a debt or a pledge of, or a charge against, the general credit of the Governmental Unit.

4. The Loan Agreement is a valid and binding obligation of the Finance Authority and is enforceable in accordance with its terms and provisions.

We express no opinion with respect to the provisions of the Loan Agreement and the Ordinance with respect to indemnification, provisions requiring that amendments be in writing or payment of attorneys' fees.

This opinion letter is limited to matters expressly stated in this opinion letter and no opinion is inferred or may be implied beyond the matters expressly stated in this opinion letter.

We express no opinion as to, or the effect or applicability of, any laws other than the laws of the State of New Mexico. The opinions expressed herein are based only on the laws in effect as of the date hereof, and in all respects are subject to and may be limited by future legislation, as well as developing case law. We undertake no obligation to update or modify this opinion for any future events or occurrences, including, but not limited to, determining or confirming continuing compliance by the Finance Authority and the Governmental Unit with the terms of the Loan Agreement.

The foregoing opinions represent our legal judgment based upon a review of existing legal authorities that we deem relevant to render such opinions and are not a guarantee of results.

We understand that this opinion is being relied upon by the addressees hereof, and we consent to such reliance, but this opinion may not be delivered to or relied upon by any other person or entity without our written consent.

Very truly yours,

VIRTUE & NAJJAR, PC

MARCH 2021						
M	T	W	T	F	S	S
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APRIL 2021						
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MAY 2021						
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31						

NEW MEXICO FINANCE AUTHORITY
FINANCING SCHEDULE & DISTRIBUTION LIST

CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO
DRINKING WATER STATE REVOLVING LOAN FUND LOANS
PROJECT NUMBERS:

DW-5354 – ($800,000) Hotsprings Waterline replacement
DW-5355 – ($500,000) WTP Pump Replacement
DW-5356 – ($300,000) Clarifier Basin Vacuum system
DW-5362 – ($500,000) Hanna Park Re-use System Expansion
DW-5363 – ($200,000) WTP pump replacement

Prepared: March 1, 2021
Revised: March 25, 2021

DATE	ACTION	PARTIES
Wednesday, September 9, 2020	Financial Advisor presents to Credit Committee	Finance Authority
Wednesday, September 16, 2020	Public Lending Committee recommends approval	Finance Authority
Thursday, September 24, 2020	Finance Authority Board meeting to approve loan requests	Finance Authority
Thursday, March 25, 2021	Distribute draft Ordinances and Notices of Public Hearing for review and comment to all	VN
Wednesday, March 31, 2021	Comments due on draft Notices of Public Hearing and draft Ordinances	Finance Authority, Borrower, Borrower's counsel
Wednesday, April 7, 2021	If needed, distribution of revised drafts of Notices of Public Hearing and Ordinances to City for first readings	VN
Wednesday, April 14, 2021	**First reading of Ordinances; Governing Body Schedules Ordinances for Public Hearing and has first readings of Ordinances**	**Borrower**
Monday, April 19, 2021	Distribute revised Ordinance, and draft Loan Documents for review and comment to all	**VN**
Monday, April 26, 2021	Submit Notices of Public Hearing and Intent to Adopt Ordinances to newspaper for publication before 11:00 a.m.	VN

Monday, April 26, 2021	Final Interim Debt Service Schedules Due to VN	Finance Authority
Wednesday, April 28, 2021	Publication of Notices of Public Hearing and Intent to Adopt Ordinances published in *Las Vegas Optic*	Newspaper
Wednesday, April 28, 2021	Final comments due on drafts of the Ordinances, Loan Agreements and Closing Documents	Finance Authority, Borrower, Borrower's Counsel
Wednesday, May 5, 2021	Closing documents in final form distributed to Borrower for signature with a copy to the Finance Authority	VN
Wednesday, May 12, 2021	Submit notices of adoption of Ordinances to the *Las Vegas Optic*	VN
Wednesday, May 12, 2021	**Governing Body adopts Ordinances**	**Borrower**
Friday, May 14, 2021	Publication of notices of adoption of Ordinances in the *Las Vegas Optic*	Legal newspaper for Borrower
Wednesday, May 26, 2021	Delivery of fully executed documents to Loan Counsel	Borrower
Thursday, June 10, 2021	Distribution of signed Ordinances, Loan Documents and Closing Documents to the Finance Authority for signature before 5:00 p.m.	VN
Monday, June 14, 2021	Expiration of 30-day limitation of action period	
Wednesday, June 16, 2021	Finance Authority signatures due	Finance Authority
Friday, June 18, 2021	Send closing emails to working group	VN
Friday, June 18, 2021	**Closing by email**	**All**
Two weeks after receipt of all transcript documents	Transcripts distributed	VN

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NEWSPAPER
Las Vegas Optic
614 Lincoln Street
Las Vegas, NM 87701
Phone: (505) 425-6796
Email: legals@lasvegasoptic.com

Publication Deadline: Published Wednesday's and Friday's. Deadline: for Wednesday publication, Notice must be received the Monday prior before 11:00 a.m. and for Friday publication, Notice must be received the Wednesday prior before 11:00 a.m.

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CITY OF LAS VEGAS
COUNCIL MEETING AGENDA REQUEST FORM

Meeting Date: May 12, 2021

Date Submitted: 04/30/21 **Department:** Utilities

Item/Topic: Conduct a public hearing and adopt Ordinance No. 21-08 authorizing a loan agreement with NMFA for the Hanna Park effluent line extension project. The loan funding package is assigned as follows:

Loan Principle: $125,000.00

Loan Subsidy Grant Funds: $375,000.00

Total Amount: $500,000.00

Fiscal Impact: This project is expected to be fully funded based on engineering estimates.

Attachments: Transcript of proceedings, Ordinance 21-08, Notice of Public Hearing, Loan Agreement, General and No Litigation Certificate, Right of Way Certificate, Delivery Certificate and Cross-Receipt, Final Opinion of Counsel, Approving Opinion of Counsel to NMFA, Financing Schedule and Distribution List

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.

Approved For Submittal By:

Department Director

City Manager

Reviewed By:

Finance Director

City Attorney (Approved as to Form)

CITY CLERK'S USE ONLY
COUNCIL ACTION TAKEN

Resolution No. _____
Ordinance No. _____
Contract No. _____
Approved _____

Continued To: _____
Referred To: _____
Denied _____
Other _____

Revised October 2020

Draft 04/19/21

$500,000
CITY OF LAS VEGAS,
SAN MIGUEL COUNTY, NEW MEXICO
NEW MEXICO FINANCE AUTHORITY DRINKING WATER LOAN
NO. 5362-DW

Closing Date: June 18, 2021

TRANSCRIPT OF PROCEEDINGS
INDEX

1. Open Meeting Act Resolution No. 20-33 adopted July 15, 2020

2. Ordinance No. 21-08, adopted May 12, 2021, Affidavit of Publication of Notice of Public Hearing and Intent to Adopt Ordinance, Notice and Agenda, and the Affidavit of Publication of the Notice of Adoption of Ordinance in the *Las Vegas Optic*

3. Drinking Water State Revolving Loan Fund Loan and Subsidy Agreement

4. General and No Litigation Certificate

5. Right-of-Way Certificate

6. Delivery, Deposit and Cross-Receipt Certificate

7. Opinion of Counsel to the City

8. Approving Opinion of Virtue & Najjar, PC Loan Counsel to the Finance Authority

9. Finance Authority Application and Project Approval (informational only)

TRANSCRIPT DISTRIBUTION LIST

City of Las Vegas, New Mexico
New Mexico Finance Authority
Virtue & Najjar, PC

RECORD OF PROCEEDINGS RELATING TO THE ADOPTION OF ORDINANCE NO. 21-08 OF THE CITY COUNCIL OF THE CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO MAY 12, 2021

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 held virtually via google meet video conference and livestreamed at http://www.lasvegasnm.gov/departments/city_clerk/city_meetings_and_minutes/index.php, being the meeting place of the Governing Body for the meeting held on the 12th day of May, 2021, at the hour of 5:30 p.m. Upon roll call, the following members were found to be present:

Present:

Mayor: _____

Councilors: _____

_____

_____

_____

_____

Absent:

_____

_____

Also Present:

_____

_____

_____

_____

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

CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO
ORDINANCE NO. 21-08

AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AND SUBSIDY AGREEMENT ("LOAN AGREEMENT") BY AND BETWEEN THE CITY OF LAS VEGAS, SAN MIGUEL COUNTY, 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 ONE HUNDRED TWENTY-FIVE THOUSAND DOLLARS ($125,000), TOGETHER WITH INTEREST, AND ADMINISTRATIVE FEES THEREON, AND TO ACCEPT A LOAN SUBSIDY OF NO MORE THAN THREE HUNDRED SEVENTY-FIVE THOUSAND DOLLARS ($375,000), FOR THE PURPOSE OF FINANCING THE COSTS OF EXPANDING THE HANNA PARK WATER REUSE SYSTEM INCLUDING, BUT NOT LIMITED TO, THE INSTALLATION OF APPROXIMATELY 7,000 FEET OF 4 INCH, 6 INCH, AND 10 INCH PVC EFFLUENT WATERLINES FROM THE GOVERNMENTAL UNIT'S RECREATION CENTER TO HANNA PARK INCLUDING ALL ASSOCIATED APPURTENANCES; 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 ORDINANCE; 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 Ordinance, unless the context requires otherwise.

WHEREAS, the Governmental Unit is a legally and regularly created, established, organized and existing incorporated 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 on the Term Sheet, 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 Ordinance 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 Ordinance have been obtained or are reasonably expected to be obtained prior to the Closing Date.

NOW, THEREFORE, BE IT ORDAINED 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, Finance Director, City Manager 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 Ordinance.

"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; NMSA 1978, §§ 3-31-1 through 3-31-12; the Municipal Charter of the Governmental Unit, all as amended; and enactments of the Governing Body relating to the Loan Agreement, including this Ordinance.

"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 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.

"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.

"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 Ordinance and not solely to the particular section or paragraph of this Ordinance 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 three hundred seventy-five thousand dollars ($375,000) .

"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 one hundred twenty-five thousand dollars ($125,000).

"Maximum Principal Amount" means five hundred thousand dollars ($500,000).

"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.

"Ordinance" means this Ordinance No. 21-08 adopted by the Governing Body of the Governmental Unit on May 12, 2021, approving the Loan Agreement and pledging the Pledged Revenues to the payment of the Loan Agreement Payments as shown on the Term Sheet to the Loan Agreement, as supplemented from time to time in accordance with the provisions hereof.

"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 Ordinance and described on the Term Sheet.

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

"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 Ordinance) 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 on the Term Sheet, 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 Ordinance has been adopted by the affirmative vote of at least a three-fourths 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 one hundred twenty-five thousand dollars ($125,000) and interest thereon, and to accept a loan subsidy in the amount of three hundred seventy-five thousand dollars ($375,000) 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 and Expenses 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 Ordinance was adopted. The Loan shall be in an amount not to exceed the Maximum Principal Amount of one hundred twenty-five thousand dollars ($125,000). 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 Ordinance 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 Ordinance, 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 Ordinance 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 Ordinance, 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, Expenses 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 Ordinance.

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 Ordinance. 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 Ordinance, 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 Ordinance and the Loan Agreement for the full, punctual and complete performance of all the terms, covenants and agreements contained in this Ordinance 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 Ordinance set out in Section 17 of this Ordinance (with such changes, additions and deletions as may be necessary).

Section 12. Amendment of Ordinance. Prior to the Closing Date, the provisions of this Ordinance 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 Ordinance. After the Closing Date, this Ordinance 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. Ordinance Irrepealable. After the Closing Date, this Ordinance 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 Ordinance 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 Ordinance.

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 Ordinance, it shall be recorded in the book of the Governmental Unit kept for that purpose, authenticated by the signatures of the Mayor and City Clerk, and the title and general summary of the subject matter contained in this Ordinance (set out in Section 17 below) shall be published in a newspaper which is of general circulation in the Governmental Unit, and the Ordinance 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 Ordinance shall be published in substantially the following form:

[*Remainder of page intentionally left blank.*]

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

City of Las Vegas, San Miguel County, New Mexico
Notice of Adoption of Ordinance

Notice is hereby given of the title and of a general summary of the subject matter contained in Ordinance No. 21-08, duly adopted and approved by the Governing Body of the City of Las Vegas, New Mexico (the "Governmental Unit"), on May 12, 2021. Complete copies of the Ordinance are available for public inspection during normal and regular business hours in the office of the City Clerk, 1700 North Grand Ave., Las Vegas, New Mexico 87701.

The title of the Ordinance is:

CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO
ORDINANCE NO. 21-08

AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AND SUBSIDY AGREEMENT ("LOAN AGREEMENT") BY AND BETWEEN THE CITY OF LAS VEGAS, SAN MIGUEL COUNTY, 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 ONE HUNDRED TWENTY-FIVE THOUSAND DOLLARS ($125,000), TOGETHER WITH INTEREST, AND ADMINISTRATIVE FEES THEREON, AND TO ACCEPT A LOAN SUBSIDY OF NO MORE THAN THREE HUNDRED SEVENTY-FIVE THOUSAND DOLLARS ($375,000), FOR THE PURPOSE OF FINANCING THE COSTS OF EXPANDING THE HANNA PARK WATER REUSE SYSTEM INCLUDING, BUT NOT LIMITED TO, THE INSTALLATION OF APPROXIMATELY 7,000 FEET OF 4 INCH, 6 INCH, AND 10 INCH PVC EFFLUENT WATERLINES FROM THE GOVERNMENTAL UNIT'S RECREATION CENTER TO HANNA PARK INCLUDING ALL ASSOCIATED APPURTENANCES; 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 ORDINANCE; 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 Ordinance. 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 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 Ordinance.

PASSED, APPROVED AND ADOPTED THIS 12TH DAY OF MAY, 2021.

CITY OF LAS VEGAS,
SAN MIGUEL COUNTY, NEW MEXICO

By_____
Louie Trujillo, Mayor

[SEAL]

ATTEST:

By_____
Casandra Fresquez, City Clerk

[*Remainder of page intentionally left blank.*]

Governing Body Member _____ then moved adoption of the foregoing Ordinance duly seconded by Governing Body Member _____.

The motion to adopt said Ordinance, 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 Ordinance adopted, whereupon the Mayor and the City Clerk signed the Ordinance upon the records of the minutes of the Governing Body.

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

CITY OF LAS VEGAS,
SAN MIGUEL COUNTY, NEW MEXICO

By_____
Louie Trujillo, 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 virtually via google meet video conference and livestreamed at http://www.lasvegasnm.gov/departments/city_clerk/city_meetings_and_minutes/index.php, on May 12, 2021, at the hour of 5:30 p.m., insofar as the same relate to the adoption of the Ordinance 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. 20-33 presently in effect.

IN WITNESS WHEREOF, I have hereunto set my hand this 18th day of June, 2021.

CITY OF LAS VEGAS,
SAN MIGUEL COUNTY, NEW MEXICO

[SEAL]

By_____
Casandra Fresquez, City Clerk

EXHIBIT "A"

Affidavit of Publication of Notice of Public Hearing and Intent to Adopt Ordinance,
Notice and Agenda of Meeting and
Affidavit of Publication of Notice of Adoption of Ordinance

CITY OF LAS VEGAS, NEW MEXICO
Notice of Public Hearing

Notice is hereby given that at its regular meeting on May 12, 2021, commencing at the hour of 5:30 p.m., being held virtually via google meet video conference and livestreamed at http://www.lasvegasnm.gov/departments/city_clerk/city_meetings_and_minutes/index.php, the City of Las Vegas, New Mexico ("City") will conduct a public hearing to consider a proposed Ordinance, the title of which appears below. A complete copy of the Ordinance is available for public inspection during normal and regular business hours at the Office of the City Clerk, at 1700 North Grand Ave., Las Vegas, New Mexico, 87701.

The title of the Ordinance is:

CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO
ORDINANCE NO. 21-08

AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AND SUBSIDY AGREEMENT ("LOAN AGREEMENT") BY AND BETWEEN THE CITY OF LAS VEGAS, SAN MIGUEL COUNTY, 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 ONE HUNDRED TWENTY-FIVE THOUSAND DOLLARS ($125,000), TOGETHER WITH INTEREST, AND ADMINISTRATIVE FEES THEREON, AND TO ACCEPT A LOAN SUBSIDY OF NO MORE THAN THREE HUNDRED SEVENTY-FIVE THOUSAND DOLLARS ($375,000), FOR THE PURPOSE OF FINANCING THE COSTS OF EXPANDING THE HANNA PARK WATER REUSE SYSTEM INCLUDING, BUT NOT LIMITED TO, THE INSTALLATION OF APPROXIMATELY 7,000 FEET OF 4 INCH, 6 INCH, AND 10 INCH PVC EFFLUENT WATERLINES FROM THE GOVERNMENTAL UNIT'S RECREATION CENTER TO HANNA PARK INCLUDING ALL ASSOCIATED APPURTENANCES; 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 ORDINANCE; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN AGREEMENT.

A general summary of the subject matter of the Ordinance is contained in its title. Publication of this notice constitutes compliance with NMSA 1978, § 3-17-3.

Draft 04/19/21

$500,000 Maximum Principal Amount

Maximum Forgiven Principal Amount $375,000

Maximum Repayable Principal Amount $125,000

DRINKING WATER STATE REVOLVING LOAN FUND LOAN AND SUBSIDY AGREEMENT

dated

June 18, 2021

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 18, 2021, 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"), an incorporated 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; and

WHEREAS, a portion of the funds made available under this Loan Agreement pursuant to the DWSRLF Act and the Safe Drinking Water Act are federal funds categorized as CFDA 66.468; 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; 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 $27,790, which is less than 90% of the State median annual household income of $48,059, and it has an affordability ratio determined as provided in the Intended Use Plan of greater than 1.5; and **[NOTE TO FINANCE AUTHORITY: PLEASE CONFIRM THE NUMBERS AND RATIO RANGE IN THIS RECITAL]**

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 five hundred thousand dollars ($500,000) 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, the Finance Director, the City Manager and the 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; NMSA 1978, §§ 3-31-1 through 3-31-12; the Municipal Charter of the Governmental Unit, all as amended; and enactments of the Governing Body relating to this Loan Agreement including the Ordinance.

"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 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.

"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.

"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 three hundred seventy-five thousand dollars ($375,000).

"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 one hundred twenty-five thousand dollars ($125,000).

"Maximum Principal Amount" means five hundred thousand dollars ($500,000) .

"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.

"Ordinance" means Ordinance No. 21-08 adopted by the Governing Body of the Governmental Unit on May 12, 2021, 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.

"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 S & P Global Ratings; 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 Ordinance 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.

"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 Ordinance 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 an incorporated municipality, a political subdivision of the State, and is duly organized and existing under the statutes and laws of the State, including specifically the Municipal Code, NMSA 1978, §§ 3-1-1 through 3-66-11, as amended and the Municipal Charter of the Governmental Unit. 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 and the other documents related to the transaction. The Governmental Unit has met all readiness 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 average Pledged Revenues from the three Fiscal Years immediately preceding the Fiscal Year in which the Closing Date occurs were above 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, so long as the Governmental Unit expends more or equal to the threshold amount set forth in 2 C.F.R. Section 200.501 during any one Fiscal Year, 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 service 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 service 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 disbursal 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), the Governmental Unit shall obtain the written consent of the Finance Authority and 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.

(o) The Governmental Unit acknowledges that it is subject to the terms of the Environmental Protection Agency Memorandum titled "Prohibition on Certain Telecommunication and Video Surveillance Services or Equipment in the SRF Programs" dated December 11, 2020. The Governmental Unit shall comply with 2 CFR 200.216 and Section 889 of Public Law 115-232 and shall not use Loan or Subsidy funds to obtain or enter into a contract to obtain covered telecommunications equipment produced or provided by companies listed in the System for Award Management exclusion list at SAM.gov. The exclusion list includes, but is not limited to, Huawei Technologies Company or ZTE Corporation, or any subsidiary or affiliate of such entities.

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: Mayor
1700 N. Grand Ave.
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 September 24, 2020, 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_____
Marquita D. Russel, Chief Executive Officer

Prepared for Execution by Officers of the Finance Authority:

VIRTUE & NAJJAR, PC
As Loan Counsel to the Finance Authority

By _____
Richard L. C. Virtue

Approved for Execution by Officers of the Finance Authority:

By _____
Daniel C. Opperman, Chief Legal Officer
New Mexico Finance Authority Legal and Compliance Department

CITY OF LAS VEGAS,
SAN MIGUEL COUNTY, NEW MEXICO

By_____
Louie Trujillo, Mayor

[SEAL]

ATTEST:

By_____
Casandra Fresquez, City Clerk

EXHIBIT "A"

TERM SHEET

LOAN NO. DW-5362
TO THE CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO

Governmental Unit:	City of Las Vegas, New Mexico
Project Description:	Financing the costs of expanding the Hanna Park water reuse system, including but not limited to, the installation of approximately 7,000 feet of 4 inch, 6 inch, and 10 inch PVC effluent waterlines from the Governmental Unit's recreation center to Hanna Park including all associated appurtenances
Pledged Revenues:	Pledged Revenues means the Net Revenues of the System of the Governmental Unit pledged to payment of the Loan Agreement Payments by the Ordinance and the Loan Agreement.
Currently Outstanding Parity Obligations for Pledged Revenues:	2013 NMFA DW-2878 Loan; 2013 NMFA DW-2910 Loan; 2013 NMFA DW-2911 Loan; 2014 NMFA DW-3043 Loan; 2014 NMFA DW-3046 Loan; 2016 NMFA DW-3570 Loan; 2017 NMFA DW-3622 Loan; 2017 NMFA DW-3623 Loan; 2017 NMFA DW-3624 Loan; 2021 NMFA DW-5355 Loan; 2021 NMFA DW-5354 Loan; 2021 NMFA DW-5355 Loan; 2021 NMFA DW-5356 Loan; and 2021 NMFA DW-5363 Loan.
Currently Outstanding Senior Obligations:	None
Currently Outstanding Subordinate Obligations:	NMFA WTB Loan WPF-197; NMFA WTB Loan 0218-WTB; NMFA WTB Loan WPF-219; NMFA WTB Loan WPF-251; NMFA WTB Loan WPF-286; NMFA WTB Loan WPF-287; and NMFA WTB Loan 0317-WTB
Authorizing Legislation:	Governmental Unit Ordinance No. 21-08 adopted May 12, 2021.
Closing Date:	June 18, 2021
Interest Rate:	0.25% (which includes the Administrative Fee)
Maximum Forgiven Program Fund Component:	$375,000

Maximum Repayable Program Fund Component:	$125,000
Aggregate Program Fund Amount:	$500,000
Maximum Principal Amount:	$500,000
Subsidy Percent:	75%

EXHIBIT "B"

LOAN AGREEMENT PAYMENT SCHEDULE

[SEE ATTACHED]

[ATTACH INTERIM DEBT SERVICE SCHEDULE]

EXHIBIT "C"

FORM OF REQUISITION

RE: $500,000 Loan Agreement by and between the Finance Authority and the City of Las Vegas, New Mexico (the "Loan Agreement")

TO: DW@nmfa.net
New Mexico Finance Authority
207 Shelby Street
Santa Fe, New Mexico 87501
Attn: Drinking Water

LOAN NO. DW-5362 CLOSING DATE: June 18, 2021

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

REQUISITION NUMBER:		☐ Interim Request ☐ Final Request
AMOUNT OF PAYMENT:	$	

For Period (work encumbered) _____ to _____

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

☐ SBE (Small Business Entrepreneur)	☐ MBE (Minority Business Entrepreneur)	☐ WBE (Women owned business Entrepreneur)	☐ 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 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 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: $500,000 Loan Agreement by and between the Finance Authority and the City of Las Vegas, New Mexico (the "Loan Agreement")

Loan No. DW-5362

Closing Date: June 18, 2021

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: _____

$500,000
CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO
NEW MEXICO FINANCE AUTHORITY DRINKING WATER LOAN
No. DW-5362

STATE OF NEW MEXICO	)	**GENERAL AND NO LITIGATION**
	) ss.	**CERTIFICATE**
COUNTY OF SAN MIGUEL	)	

IT IS HEREBY CERTIFIED by the undersigned, the duly chosen, qualified and acting Mayor 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 Ordinance No. 21-08 adopted on May 12, 2021 (the "Ordinance"), 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 1888.

3. From at least January 1, 2021 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:	Louie Trujillo
Councilors:	Michael Montoya Elaine Rodriquez David G. Romero, Jr. David Ulibarri
City Clerk:	Casandra Fresquez
City Attorney:	Scott Aaron
City Manager:	William Taylor Ph.D.
Finance Director:	Jesus Baquera

4. Based on the data collected during the 2010 Census, the population of the Governmental Unit is less than 75% English speaking and less than 75% Spanish speaking. Notice of the public hearing and adoption of the Ordinance was published in English in the *Las*

Vegas Optic, a newspaper qualified to publish legal notices that is of general circulation in the City of Las Vegas, New Mexico.

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 Ordinance.

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 Ordinance 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 Ordinance. The Ordinance 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 Ordinance 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 Ordinance, and no event of default and no default under the Loan Agreement or the Ordinance 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 Ordinance 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 Ordinance 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 Ordinance nor any action contemplated by or pursuant to the Ordinance 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 Ordinance.

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 Ordinance, 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 and the lien created and granted to the Finance Authority by the Ordinance and the Loan Agreement is a first lien on the Pledged Revenues.

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 on a parity with or 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 Ordinance; (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 Ordinance.

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 Ordinance 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 Mayor, 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 the City Council Chambers, 1700 North Grand Ave., Las Vegas, New Mexico, 87701, the principal meeting place of the Governing Body. In compliance with COVID-19 Health Emergency Orders, meetings are being held virtually via google meet video conference and livestreamed at http://www.lasvegasnm.gov/departments/city_clerk/city_meetings_and_minutes/index.php, as indicated on the Governmental Unit's website.

21. The Governing Body has no rules of procedure which would invalidate or make ineffective the Ordinance or other action taken by the Governing Body in connection with the Loan Agreement. The Open Meetings Act Resolution No. 20-33 adopted and approved by the Governing Body on July 15, 2020 establishes notice standards as required by NMSA 1978, § 10-15-1, as amended. The Open Meetings Act Resolution No. 20-33 has not been amended or repealed. All action of the Governing Body with respect to the Loan Agreement and the Ordinance was taken at meetings held in compliance with the Open Meetings Act and Resolution No. 20-33.

22. The Mayor 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 18th day of June, 2021.

CITY OF LAS VEGAS,
SAN MIGUEL COUNTY, NEW MEXICO

By_____
Louie Trujillo, Mayor

[SEAL]

By_____
Casandra Fresquez, City Clerk

$500,000
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. DW-5362

RIGHT-OF-WAY CERTIFICATE

The undersigned on behalf of the City of Las Vegas (the "Governmental Unit"), a New Mexico incorporated municipality, in the County of San Miguel and the State of New Mexico, hereby certifies:

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 map 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.

[*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 18th day of June, 2021.

_____

Scott Aaron
Attorney for the City of Las Vegas, New Mexico
1700 N. Grand Avenue
Las Vegas, New Mexico 87701



PROJECT LOCATION MAP

SCALE: 1"=300'

N

SURVEY DATA

DESCRIPTION	NORTHING	EASTING	ELEVATION
GOLF	679879.512	278005.089	
RADIO	676241.105	281696.793	
3510515009	682465.931	282657.020	
B 75			6480.41
MCA-01	678644.573	280673.951	6432.70
MCA-02	679273.018	280976.482	6439.21
MCA-03	681835.330	281609.883	6453.89
NMSHTD22#	681259.857	281277.776	6450.37

1. NEW MEXICO STATE PLANE COORDINATES – NAD 83 NAVD 88 – EAST ZONE
2. TO CONVERT PROJECT GROUND COORDINATES TO STATE PLANE GRID COORDINATES: ADD 1,000,000 TO THE NORTHING. THEN MULTIPLY GROUND COORDINATES BY 0.99967947

MOLZENCORBIN
2701 Miles Road SE
Albuquerque, New Mexico 87106
505 342 5703 office
505 342 3673 fax
MolzenCorbin.com

NOTICE OF DEFECTIVE / INCOMPLETE SUBMISSION
THIS CONTRACT ALLOWS THE OWNER TO HAVE PAYMENT WITHIN 45 DAYS AFTER SUBMISSION OF AN UNDISPUTED REQUEST FOR PAYMENT

NUMERIC SCALE CONFIRMATION

DRAWINGS ARE DEPICTED AT INTENDED NUMERIC SCALES IF THIS BAR EQUALS ONE INCH

PRELIMINARY NOT FOR CONSTRUCTION

REV NO	REV DATE	REVISION/DESCRIPTION

DESIGNED BY: MCL
DRAWN BY: DMA
CHECKED BY: CHR
PROJECT ENGINEER: CHR
PROJECT DATE: APRIL 2017

PROJECT INFORMATION SHEET

CITY HALL EFFLUENT LINES
CITY OF LAS VEGAS
NEW MEXICO

LVCI 16-22

G-002

SHEET

G-002 4/14/20 1:2

© COPYRIGHT

Draft 04/19/21

$500,000
CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO
NEW MEXICO FINANCE AUTHORITY DRINKING WATER LOAN
NO. DW-5362

STATE OF NEW MEXICO)
DELIVERY CERTIFICATE
AND
) ss. CROSS-RECEIPT
COUNTY OF SAN MIGUEL)

IT IS HEREBY CERTIFIED by the undersigned, the duly chosen and qualified Mayor and City Clerk of the City of Las Vegas, New Mexico (the "Governmental Unit"):

1. On the date of this Certificate, the Governmental Unit executed and delivered or caused to be executed and delivered a Drinking Water State Revolving Fund Loan and Subsidy Agreement in the Maximum Principal Amount of five hundred thousand dollars ($500,000) (the "Loan Agreement") between the Governmental Unit and the New Mexico Finance Authority (the "Finance Authority") to the Finance Authority, the purchaser of the Loan Agreement, as authorized by Governmental Unit Ordinance No. 21-08, adopted by the Governmental Unit on May 12, 2021 (the "Ordinance") relating to the execution and delivery of the Loan Agreement.

2. The undersigned acknowledge that the Aggregate Program Amount, as defined in the Loan Agreement, is available for disbursement to the Governmental Unit pursuant to the terms of Section 4.2 of the Loan Agreement upon transmission of payment requisitions to the Finance Authority in substantially the form attached as Exhibit "C" to the Loan Agreement, with supporting documentation as provided in the Loan Agreement, and will be used as set forth in the Ordinance and the Loan Agreement.

WITNESS our hands this 18th day of June, 2021.

CITY OF LAS VEGAS,
SAN MIGUEL COUNTY, NEW MEXICO

_____
Louie Trujillo, Mayor

_____
Casandra Fresquez, City Clerk

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. DW-5362.

NEW MEXICO FINANCE AUTHORITY

By: _____
Marquita D. Russel
Chief Executive Officer
New Mexico Finance Authority

NEW MEXICO FINANCE AUTHORITY

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
$500,000 Loan No. DW-5362

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" or "Municipality"), understanding that the Lender, New Mexico Finance Authority (the "Finance Authority"), is relying on this opinion letter and, but for this opinion letter, 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 7, 2020, and the Finance Authority Board Approval, for Project No. DW-5362, for the City of Las Vegas, (San Miguel County), dated September 24, 2020, relating to the project (herein the "Project"), as more specifically defined in the Loan and Subsidy Agreement dated June 18, 2021 (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, 2021 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 Mayor, 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 Ordinance of the City Council dated May 12, 2021 (the "Ordinance") authorizing the Mayor 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 Ordinance 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 Ordinance. The Ordinance 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 Ordinance under the provisions of the laws, bylaws or regulations of the Governmental Unit or the State.

G. The Ordinance is a valid and binding special limited obligation of the Governmental Unit enforceable in accordance with its terms and creates the pledge of and first lien on the Net Revenues of the Governmental Unit, as described in the Loan Agreement (the "Pledged Revenues") which it purports to create, and except as set forth in the Term Sheet the Governmental Unit has issued no additional obligations with a lien superior to the lien created by the Ordinance and the Loan Agreement.

H. The Loan Agreement is a valid and binding special, limited obligation of the Governmental Unit, enforceable in accordance with its terms and provisions and the terms and provisions of the Ordinance.

I. The Governmental Unit has no rules of procedure which would invalidate or make ineffective the Ordinance or other action taken by the Governmental Unit in connection with the Loan Agreement. Resolution No. 20-33 (the "Open Meetings Act Resolution"), as adopted and approved by the Governmental Unit on July 15, 2020, 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 Ordinance was taken at meetings held in compliance with the Open Meetings Act Resolution.

J. 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 Ordinance, and no event of default and no default under the Loan Agreement or the Ordinance has occurred and is continuing on the date of this Certificate.

K. 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 Ordinance and the Loan Agreement.

L. 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 Ordinance or the Loan Agreement to the date of this Certificate have been obtained and are in full force and effect.

M. 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.

N. Neither the Governmental Unit's adoption of the Ordinance nor any action contemplated by or pursuant to the Ordinance 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.

O. 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 Ordinance, (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 Ordinance.

P. 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.

Q. 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.

R. 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.

S. 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 18th day of June, 2021.

_____

Scott Aaron
Attorney for the City of Las Vegas
1700 N. Grand Avenue
Las Vegas, New Mexico 87701

[VIRTUE & NAJJAR, PC – LETTERHEAD]

June 18, 2021

New Mexico Finance Authority
207 Shelby Street
Santa Fe, New Mexico 87501

Re: $500,000 Loan and Subsidy to the City of Las Vegas, San Miguel County, New Mexico, No. DW-5362

Ladies and Gentlemen:

We have acted as Loan Counsel to the New Mexico Finance Authority in connection with the $500,000 loan and subsidy agreement dated June 18, 2021 (the "Loan Agreement") by and between the City of Las Vegas, San Miguel County, New Mexico (the "Governmental Unit") and the New Mexico Finance Authority (the "Finance Authority"). The Loan Agreement is executed and delivered by the Governmental Unit pursuant to Sections 6-21A-1 through 6-21A-9 and §§ 3-29-1 through 3-29-21, NMSA 1978, as amended, the Municipal Charter of the Governmental Unit and the Governmental Unit's Ordinance No. 21-08, adopted on May 12, 2021 (the "Ordinance"). The Loan Agreement has been executed and delivered to finance the cost of expanding the Hanna Park water reuse system, including but not limited to, the installation of approximately 7,000 feet of 4 inch, 6 inch, and 10 inch PVC effluent waterlines from the Governmental Unit's recreation center to Hanna Park including all associated appurtenances for the Governmental Unit (the "Project"), as described in the Loan Agreement.

We have examined the Ordinance and such other law and certified proceedings and other documents as we deem necessary to deliver this opinion. As to questions of fact material to the opinions set forth herein, we have relied upon representations of the Governmental Unit contained in the Ordinance and certified proceedings and other documents furnished to us, without undertaking to verify the same by independent investigation. In addition, we have relied upon statements of law made and legal opinions delivered by the Governmental Unit and the opinions of its legal counsel in the certified proceedings.

Based on our examination, we are of the opinion that, under existing laws, regulations, rulings and judicial decisions as of the date hereof, subject to the provisions of federal bankruptcy law and other laws affecting creditors' rights and further subject to the exercise of judicial discretion in accordance with general principles of equity and the assumptions, qualifications and limitations contained in this opinion:

1. The Ordinance is a valid and binding special limited obligation of the Governmental Unit enforceable in accordance with its terms and creates the pledge of the Net Revenues of the Governmental Unit, as described in the Loan Agreement (the "Pledged Revenues") which it purports to create.

2. The Loan Agreement is a valid and binding special, limited obligation of the Governmental Unit, enforceable in accordance with its terms and provisions and the terms and provisions of the Ordinance.

3. The Loan Agreement is payable solely from, and such payment is secured by a valid and binding first lien of the distribution on the Pledged Revenues on a parity to the lien thereon of other outstanding obligations secured by the Pledged Revenues and senior to the lien thereon of other outstanding obligations secured by a subordinate lien on the Pledged Revenues. The Finance Authority has no right to have taxes levied by the Governmental Unit for the payment of principal of or interest on the Loan Agreement and the Loan Agreement does not represent or constitute a debt or a pledge of, or a charge against, the general credit of the Governmental Unit.

4. The Loan Agreement is a valid and binding obligation of the Finance Authority and is enforceable in accordance with its terms and provisions.

We express no opinion with respect to the provisions of the Loan Agreement and the Ordinance with respect to indemnification, provisions requiring that amendments be in writing or payment of attorneys' fees.

This opinion letter is limited to matters expressly stated in this opinion letter and no opinion is inferred or may be implied beyond the matters expressly stated in this opinion letter.

We express no opinion as to, or the effect or applicability of, any laws other than the laws of the State of New Mexico. The opinions expressed herein are based only on the laws in effect as of the date hereof, and in all respects are subject to and may be limited by future legislation, as well as developing case law. We undertake no obligation to update or modify this opinion for any future events or occurrences, including, but not limited to, determining or confirming continuing compliance by the Finance Authority and the Governmental Unit with the terms of the Loan Agreement.

The foregoing opinions represent our legal judgment based upon a review of existing legal authorities that we deem relevant to render such opinions and are not a guarantee of results.

We understand that this opinion is being relied upon by the addressees hereof, and we consent to such reliance, but this opinion may not be delivered to or relied upon by any other person or entity without our written consent.

Very truly yours,

VIRTUE & NAJJAR, PC

MARCH 2021						
M	T	W	T	F	S	S
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MAY 2021						
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31						

NEW MEXICO FINANCE AUTHORITY
FINANCING SCHEDULE & DISTRIBUTION LIST

CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO
DRINKING WATER STATE REVOLVING LOAN FUND LOANS
PROJECT NUMBERS:

DW-5354 – ($800,000) Hotsprings Waterline replacement
DW-5355 – ($500,000) WTP Pump Replacement
DW-5356 – ($300,000) Clarifier Basin Vacuum system
DW-5362 – ($500,000) Hanna Park Re-use System Expansion
DW-5363 – ($200,000) WTP pump replacement

Prepared: March 1, 2021
Revised: March 25, 2021

DATE	ACTION	PARTIES
Wednesday, September 9, 2020	Financial Advisor presents to Credit Committee	Finance Authority
Wednesday, September 16, 2020	Public Lending Committee recommends approval	Finance Authority
Thursday, September 24, 2020	Finance Authority Board meeting to approve loan requests	Finance Authority
Thursday, March 25, 2021	Distribute draft Ordinances and Notices of Public Hearing for review and comment to all	VN
Wednesday, March 31, 2021	Comments due on draft Notices of Public Hearing and draft Ordinances	Finance Authority, Borrower, Borrower's counsel
Wednesday, April 7, 2021	If needed, distribution of revised drafts of Notices of Public Hearing and Ordinances to City for first readings	VN
Wednesday, April 14, 2021	**First reading of Ordinances; Governing Body Schedules Ordinances for Public Hearing and has first readings of Ordinances**	**Borrower**
Monday, April 19, 2021	Distribute revised Ordinance, and draft Loan Documents for review and comment to all	**VN**
Monday, April 26, 2021	Submit Notices of Public Hearing and Intent to Adopt Ordinances to newspaper for publication before 11:00 a.m.	VN

Monday, April 26, 2021	Final Interim Debt Service Schedules Due to VN	Finance Authority
Wednesday, April 28, 2021	Publication of Notices of Public Hearing and Intent to Adopt Ordinances published in *Las Vegas Optic*	Newspaper
Wednesday, April 28, 2021	Final comments due on drafts of the Ordinances, Loan Agreements and Closing Documents	Finance Authority, Borrower, Borrower's Counsel
Wednesday, May 5, 2021	Closing documents in final form distributed to Borrower for signature with a copy to the Finance Authority	VN
Wednesday, May 12, 2021	Submit notices of adoption of Ordinances to the *Las Vegas Optic*	VN
Wednesday, May 12, 2021	**Governing Body adopts Ordinances**	**Borrower**
Friday, May 14, 2021	Publication of notices of adoption of Ordinances in the *Las Vegas Optic*	Legal newspaper for Borrower
Wednesday, May 26, 2021	Delivery of fully executed documents to Loan Counsel	Borrower
Thursday, June 10, 2021	Distribution of signed Ordinances, Loan Documents and Closing Documents to the Finance Authority for signature before 5:00 p.m.	VN
Monday, June 14, 2021	Expiration of 30-day limitation of action period	
Wednesday, June 16, 2021	Finance Authority signatures due	Finance Authority
Friday, June 18, 2021	Send closing emails to working group	VN
Friday, June 18, 2021	**Closing by email**	**All**
Two weeks after receipt of all transcript documents	Transcripts distributed	VN

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NEWSPAPER
Las Vegas Optic
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Publication Deadline: Published Wednesday's and Friday's. Deadline: for Wednesday publication, Notice must be received the Monday prior before 11:00 a.m. and for Friday publication, Notice must be received the Wednesday prior before 11:00 a.m.

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CITY OF LAS VEGAS
COUNCIL MEETING AGENDA REQUEST FORM

Meeting Date: May 12, 2021

Date Submitted: 04/30/21 **Department:** Utilities

Item/Topic: Conduct a public hearing and adopt Ordinance No. 21-09 authorizing a loan agreement with NMFA for the water treatment plant pump replacement project. The loan funding package is assigned as follows:

Loan Principle: $50,000.00

Loan Subsidy Grant Funds: $150,000.00

Total Amount: $200,000.00

Fiscal Impact: This project is expected to be fully funded based on engineering estimates.

Attachments: Transcript of proceedings, Ordinance 21-09, Notice of Public Hearing, Loan Agreement, General and No Litigation Certificate, Right of Way Certificate, Delivery Certificate and Cross-Receipt, Final Opinion of Counsel, Approving Opinion of Counsel to NMFA, Financing Schedule and Distribution List

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.

Approved For Submittal By:

Department Director

City Manager

Reviewed By:

Finance Director

City Attorney (Approved as to Form)

CITY CLERK'S USE ONLY
COUNCIL ACTION TAKEN

Resolution No. _____
Ordinance No. _____
Contract No. _____
Approved _____

Continued To: _____
Referred To: _____
Denied _____
Other _____

Revised October 2020

$200,000
CITY OF LAS VEGAS,
SAN MIGUEL COUNTY, NEW MEXICO
NEW MEXICO FINANCE AUTHORITY DRINKING WATER LOAN
NO. 5363-DW

Closing Date: June 18, 2021

TRANSCRIPT OF PROCEEDINGS
INDEX

1. Open Meeting Act Resolution No. 20-33 adopted July 15, 2020

2. Ordinance No. 21-09, adopted May 12, 2021, Affidavit of Publication of Notice of Public Hearing and Intent to Adopt Ordinance, Notice and Agenda, and the Affidavit of Publication of the Notice of Adoption of Ordinance in the *Las Vegas Optic*

3. Drinking Water State Revolving Loan Fund Loan and Subsidy Agreement

4. General and No Litigation Certificate

5. Right-of-Way Certificate

6. Delivery, Deposit and Cross-Receipt Certificate

7. Opinion of Counsel to the City

8. Approving Opinion of Virtue & Najjar, PC Loan Counsel to the Finance Authority

9. Finance Authority Application and Project Approval (informational only)

TRANSCRIPT DISTRIBUTION LIST

City of Las Vegas, New Mexico
New Mexico Finance Authority
Virtue & Najjar, PC

RECORD OF PROCEEDINGS RELATING TO THE ADOPTION OF ORDINANCE NO. 21-09 OF THE CITY COUNCIL OF THE CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO MAY 12, 2021

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 held virtually via google meet video conference and livestreamed at http://www.lasvegasnm.gov/departments/city_clerk/city_meetings_and_minutes/index.php, being the meeting place of the Governing Body for the meeting held on the 12th day of May, 2021, at the hour of 5:30 p.m. Upon roll call, the following members were found to be present:

Present:

Mayor: _____

Councilors: _____

_____

_____

_____

_____

Absent:

_____

_____

Also Present:

_____

_____

_____

_____

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

CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO
ORDINANCE NO. 21-09

AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AND SUBSIDY AGREEMENT ("LOAN AGREEMENT") BY AND BETWEEN THE CITY OF LAS VEGAS, SAN MIGUEL COUNTY, 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 FIFTY THOUSAND DOLLARS ($50,000), TOGETHER WITH INTEREST, AND ADMINISTRATIVE FEES THEREON, AND TO ACCEPT A LOAN SUBSIDY OF NO MORE THAN ONE HUNDRED FIFTY THOUSAND DOLLARS ($150,000), FOR THE PURPOSE OF FINANCING THE COSTS OF REPLACING THREE DILAPIDATED PUMPS EXCEEDING FORTY-YEARS; 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 ORDINANCE; 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 Ordinance, unless the context requires otherwise.

WHEREAS, the Governmental Unit is a legally and regularly created, established, organized and existing incorporated 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 on the Term Sheet, 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 Ordinance 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 Ordinance have been obtained or are reasonably expected to be obtained prior to the Closing Date.

NOW, THEREFORE, BE IT ORDAINED 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, Finance Director, City Manager 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 Ordinance.

"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; NMSA 1978, §§ 3-31-1 through 3-31-12; the Municipal Charter of the Governmental Unit, all as amended; and enactments of the Governing Body relating to the Loan Agreement, including this Ordinance.

"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 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.

"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.

"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 Ordinance and not solely to the particular section or paragraph of this Ordinance 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 one hundred fifty thousand dollars ($150,000) .

"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 fifty thousand dollars ($50,000).

"Maximum Principal Amount" means two hundred thousand dollars ($200,000).

"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.

"Ordinance" means this Ordinance No. 21-09 adopted by the Governing Body of the Governmental Unit on May 12, 2021, approving the Loan Agreement and pledging the Pledged Revenues to the payment of the Loan Agreement Payments as shown on the Term Sheet to the Loan Agreement, as supplemented from time to time in accordance with the provisions hereof.

"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 Ordinance and described on the Term Sheet.

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

"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 Ordinance) 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 on the Term Sheet, 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 Ordinance has been adopted by the affirmative vote of at least a three-fourths 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 fifty thousand dollars ($50,000) and interest thereon, and to accept a loan subsidy in the amount of one hundred fifty thousand dollars

($150,000) 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 and Expenses 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 Ordinance was adopted. The Loan shall be in an amount not to exceed the Maximum Principal Amount of fifty thousand dollars ($50,000). 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 Ordinance 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 Ordinance, 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 Ordinance 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 Ordinance, 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, Expenses 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 Ordinance.

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 Ordinance. 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 Ordinance, 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 Ordinance and the Loan Agreement for the full, punctual and complete performance of all the terms, covenants and agreements contained in this Ordinance 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 Ordinance set out in Section 17 of this Ordinance (with such changes, additions and deletions as may be necessary).

Section 12. Amendment of Ordinance. Prior to the Closing Date, the provisions of this Ordinance 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 Ordinance. After the Closing Date, this Ordinance 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. Ordinance Irrepealable. After the Closing Date, this Ordinance 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 Ordinance 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 Ordinance.

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 Ordinance, it shall be recorded in the book of the Governmental Unit kept for that purpose, authenticated by the signatures of the Mayor and City Clerk, and the title and general summary of the subject matter contained in this Ordinance (set out in Section 17 below) shall be published in a newspaper which is of general circulation in the Governmental Unit, and the Ordinance 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 Ordinance shall be published in substantially the following form:

[*Remainder of page intentionally left blank.*]

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

City of Las Vegas, San Miguel County, New Mexico
Notice of Adoption of Ordinance

Notice is hereby given of the title and of a general summary of the subject matter contained in Ordinance No. 21-09, duly adopted and approved by the Governing Body of the City of Las Vegas, New Mexico (the "Governmental Unit"), on May 12, 2021. Complete copies of the Ordinance are available for public inspection during normal and regular business hours in the office of the City Clerk, 1700 North Grand Ave., Las Vegas, New Mexico 87701.

The title of the Ordinance is:

CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO
ORDINANCE NO. 21-09

AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AND SUBSIDY AGREEMENT ("LOAN AGREEMENT") BY AND BETWEEN THE CITY OF LAS VEGAS, SAN MIGUEL COUNTY, 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 FIFTY THOUSAND DOLLARS ($50,000), TOGETHER WITH INTEREST, AND ADMINISTRATIVE FEES THEREON, AND TO ACCEPT A LOAN SUBSIDY OF NO MORE THAN ONE HUNDRED FIFTY THOUSAND DOLLARS ($150,000), FOR THE PURPOSE OF FINANCING THE COSTS OF REPLACING THREE DILAPIDATED PUMPS EXCEEDING FORTY-YEARS; 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 ORDINANCE; 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 Ordinance. 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 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 Ordinance.

PASSED, APPROVED AND ADOPTED THIS 12TH DAY OF MAY, 2021.

CITY OF LAS VEGAS,
SAN MIGUEL COUNTY, NEW MEXICO

By_____
Louie Trujillo, Mayor

[SEAL]

ATTEST:

By_____
Casandra Fresquez, City Clerk

[*Remainder of page intentionally left blank.*]

Governing Body Member _____ then moved adoption of the foregoing Ordinance duly seconded by Governing Body Member _____.

The motion to adopt said Ordinance, 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 Ordinance adopted, whereupon the Mayor and the City Clerk signed the Ordinance upon the records of the minutes of the Governing Body.

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

CITY OF LAS VEGAS,
SAN MIGUEL COUNTY, NEW MEXICO

By_____
Louie Trujillo, 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 virtually via google meet video conference and livestreamed at http://www.lasvegasnm.gov/departments/city_clerk/city_meetings_and_minutes/index.php, on May 12, 2021, at the hour of 5:30 p.m., insofar as the same relate to the adoption of the Ordinance 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. 20-33 presently in effect.

IN WITNESS WHEREOF, I have hereunto set my hand this 18th day of June, 2021.

CITY OF LAS VEGAS,
SAN MIGUEL COUNTY, NEW MEXICO

[SEAL]

By_____
Casandra Fresquez,, City Clerk

EXHIBIT "A"

Affidavit of Publication of Notice of Public Hearing and Intent to Adopt Ordinance,
Notice and Agenda of Meeting and
Affidavit of Publication of Notice of Adoption of Ordinance

CITY OF LAS VEGAS, NEW MEXICO
Notice of Public Hearing

Notice is hereby given that at its regular meeting on May 12, 2021, commencing at the hour of 5:30 p.m., being held virtually via google meet video conference and livestreamed at http://www.lasvegasnm.gov/departments/city_clerk/city_meetings_and_minutes/index.php, the City of Las Vegas, New Mexico ("City") will conduct a public hearing to consider a proposed Ordinance, the title of which appears below. A complete copy of the Ordinance is available for public inspection during normal and regular business hours at the Office of the City Clerk, at 1700 North Grand Ave., Las Vegas, New Mexico, 87701.

The title of the Ordinance is:

CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO
ORDINANCE NO. 21-09

AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AND SUBSIDY AGREEMENT ("LOAN AGREEMENT") BY AND BETWEEN THE CITY OF LAS VEGAS, SAN MIGUEL COUNTY, 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 FIFTY THOUSAND DOLLARS ($50,000), TOGETHER WITH INTEREST, AND ADMINISTRATIVE FEES THEREON, AND TO ACCEPT A LOAN SUBSIDY OF NO MORE THAN ONE HUNDRED FIFTY THOUSAND DOLLARS ($150,000), FOR THE PURPOSE OF FINANCING THE COSTS OF REPLACING THREE DILAPIDATED PUMPS EXCEEDING FORTY-YEARS; 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 ORDINANCE; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN AGREEMENT.

A general summary of the subject matter of the Ordinance is contained in its title. Publication of this notice constitutes compliance with NMSA 1978, § 3-17-3.

$200,000 Maximum Principal Amount

Maximum Forgiven Principal Amount $150,000

Maximum Repayable Principal Amount $50,000

DRINKING WATER STATE REVOLVING LOAN FUND LOAN AND SUBSIDY AGREEMENT

dated

June 18, 2021

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 18, 2021, 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"), an incorporated 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; and

WHEREAS, a portion of the funds made available under this Loan Agreement pursuant to the DWSRLF Act and the Safe Drinking Water Act are federal funds categorized as CFDA 66.468; 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; 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 $27,790, which is less than 90% of the State median annual household income of $48,059, and it has an affordability ratio determined as provided in the Intended Use Plan of greater than 1.5; and **[NOTE TO FINANCE AUTHORITY: PLEASE CONFIRM THE NUMBERS AND RATIO RANGE IN THIS RECITAL]**

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 two hundred thousand dollars ($200,000) 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, the Finance Director, the City Manager and the 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; NMSA 1978, §§ 3-31-1 through 3-31-12; the Municipal Charter of the Governmental Unit, all as amended; and enactments of the Governing Body relating to this Loan Agreement including the Ordinance.

"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 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.

"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.

"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 one hundred fifty thousand dollars ($150,000).

"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 fifty thousand dollars ($50,000).

"Maximum Principal Amount" means two hundred thousand dollars ($200,000) .

"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.

"Ordinance" means Ordinance No. 21-09 adopted by the Governing Body of the Governmental Unit on May 12, 2021, 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.

"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 S & P Global Ratings; 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 Ordinance 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.

"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 Ordinance 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 an incorporated municipality, a political subdivision of the State, and is duly organized and existing under the statutes and laws of the State, including specifically the Municipal Code, NMSA 1978, §§ 3-1-1 through 3-66-11, as amended and the Municipal Charter of the Governmental Unit. 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 and the other documents related to the transaction. The Governmental Unit has met all readiness 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 average Pledged Revenues from the three Fiscal Years immediately preceding the Fiscal Year in which the Closing Date occurs were above 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, so long as the Governmental Unit expends more or equal to the threshold amount set forth in 2 C.F.R. Section 200.501 during any one Fiscal Year, 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 service 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 service 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 disbursal 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), the Governmental Unit shall obtain the written consent of the Finance Authority and 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. Requisitions may be paid by the Finance Authority to the Governmental Unit to reimburse the Governmental Unit for expenses incurred by the Governmental Unit for the Project prior to the Closing Date, upon submission of requisitions substantially in the form attached to this Loan Agreement as Exhibit "C", with the supporting documentation required by this Loan Agreement.

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.

(o) The Governmental Unit acknowledges that it is subject to the terms of the Environmental Protection Agency Memorandum titled "Prohibition on Certain Telecommunication and Video Surveillance Services or Equipment in the SRF Programs" dated December 11, 2020. The Governmental Unit shall comply with 2 CFR 200.216 and Section 889 of Public Law 115-232 and shall not use Loan or Subsidy funds to obtain or enter into a contract to obtain covered telecommunications equipment produced or provided by companies listed in the System for Award Management exclusion list at SAM.gov. The exclusion list includes, but is not limited to, Huawei Technologies Company or ZTE Corporation, or any subsidiary or affiliate of such entities.

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: Mayor
1700 N. Grand Ave.
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 September 24, 2020, 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_____
Marquita D. Russel, Chief Executive Officer

Prepared for Execution by Officers of the Finance Authority:

VIRTUE & NAJJAR, PC
As Loan Counsel to the Finance Authority

By _____
Richard L. C. Virtue

Approved for Execution by Officers of the Finance Authority:

By _____
Daniel C. Opperman, Chief Legal Officer
New Mexico Finance Authority Legal and Compliance Department

CITY OF LAS VEGAS,
SAN MIGUEL COUNTY, NEW MEXICO

By_____
Louie Trujillo, Mayor

ATTEST:

By_____
Casandra Fresquez, City Clerk

EXHIBIT "A"

TERM SHEET

LOAN NO. DW-5363
TO THE CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO

Governmental Unit:	City of Las Vegas, New Mexico
Project Description:	Finance the costs of replacing three dilapidated pumps exceeding forty-years.
Pledged Revenues:	Pledged Revenues means the Net Revenues of the System of the Governmental Unit pledged to payment of the Loan Agreement Payments by the Ordinance and the Loan Agreement.
Currently Outstanding Parity Obligations for Pledged Revenues:	2013 NMFA DW-2878 Loan; 2013 NMFA DW-2910 Loan; 2013 NMFA DW-2911 Loan; 2014 NMFA DW-3043 Loan; 2014 NMFA DW-3046 Loan; 2016 NMFA DW-3570 Loan; 2017 NMFA DW-3622 Loan; 2017 NMFA DW-3623 Loan; 2017 NMFA DW-3624 Loan; 2021 NMFA DW-5355 Loan; 2021 NMFA DW-5354 Loan; 2021 NMFA DW-5355 Loan; 2021 NMFA DW-5356 Loan; and 2021 NMFA DW-5362 Loan.
Currently Outstanding Senior Obligations:	None.
Currently Outstanding Subordinate Obligations:	NMFA WTB Loan WPF-197; NMFA WTB Loan 0218-WTB; NMFA WTB Loan WPF-219; NMFA WTB Loan WPF-251; NMFA WTB Loan WPF-286; NMFA WTB Loan WPF-287; and NMFA WTB Loan 0317-WTB
Authorizing Legislation:	Governmental Unit Ordinance No. 21-09 adopted May 12, 2021.
Closing Date:	June 18, 2021
Interest Rate:	0.25% (which includes the Administrative Fee)
Maximum Forgiven Program Fund Component:	$150,000
Maximum Repayable Program Fund Component:	$50,000

Aggregate Program Fund Amount:	$200,000
Maximum Principal Amount:	$200,000
Subsidy Percent:	75%

EXHIBIT "B"

LOAN AGREEMENT PAYMENT SCHEDULE

[SEE ATTACHED]

[ATTACH INTERIM DEBT SERVICE SCHEDULE]

EXHIBIT "C"

FORM OF REQUISITION

RE: $200,000 Loan Agreement by and between the Finance Authority and the City of Las Vegas, New Mexico (the "Loan Agreement")

TO: DW@nmfa.net
New Mexico Finance Authority
207 Shelby Street
Santa Fe, New Mexico 87501
Attn: Drinking Water

LOAN NO. DW-5363 CLOSING DATE: June 18, 2021

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

REQUISITION NUMBER:		☐ Interim Request ☐ Final Request
AMOUNT OF PAYMENT:	$	

For Period (work encumbered) _____ to _____

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

☐ SBE (Small Business Entrepreneur)	☐ MBE (Minority Business Entrepreneur)	☐ WBE (Women owned business Entrepreneur)	☐ 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 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 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: $200,000 Loan Agreement by and between the Finance Authority and the City of Las Vegas, New Mexico (the "Loan Agreement")

Loan No. DW-5363

Closing Date: June 18, 2021

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: _____

$200,000
CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO
NEW MEXICO FINANCE AUTHORITY DRINKING WATER LOAN
No. DW-5363

STATE OF NEW MEXICO	)	**GENERAL AND NO LITIGATION**
	) ss.	**CERTIFICATE**
COUNTY OF SAN MIGUEL	)	

IT IS HEREBY CERTIFIED by the undersigned, the duly chosen, qualified and acting Mayor 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 Ordinance No. 21-09 adopted on May 12, 2021 (the "Ordinance"), 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 1888.

3. From at least January 1, 2021 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:	Louie Trujillo
Councilors:	Michael Montoya Elaine Rodriquez David G. Romero, Jr. David Ulibarri
City Clerk:	Casandra Fresquez
City Attorney:	Scott Aaron
City Manager:	William Taylor Ph.D.
Finance Director:	Jesus Baquera

4. Based on the data collected during the 2010 Census, the population of the Governmental Unit is less than 75% English speaking and less than 75% Spanish speaking. Notice of the public hearing adoption of the Ordinance was published in English in the *Las*

Vegas Optic, a newspaper qualified to publish legal notices that is of general circulation in the City of Las Vegas, New Mexico.

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 Ordinance.

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 Ordinance 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 Ordinance. The Ordinance 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 Ordinance 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 Ordinance, and no event of default and no default under the Loan Agreement or the Ordinance 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 Ordinance 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 Ordinance 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 Ordinance nor any action contemplated by or pursuant to the Ordinance 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 Ordinance.

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 Ordinance, 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 and the lien created and granted to the Finance Authority by the Ordinance and the Loan Agreement is a first lien on the Pledged Revenues.

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 on a parity with or 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 Ordinance; (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 Ordinance.

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 Ordinance 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 Mayor, 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 the City Council Chambers, 1700 North Grand Ave., Las Vegas, New Mexico, 87701, the principal meeting place of the Governing Body. In compliance with COVID-19 Health Emergency Orders, meetings are being held virtually via google meet video conference and livestreamed at http://www.lasvegasnm.gov/departments/city_clerk/city_meetings_and_minutes/index.php, as indicated on the Governmental Unit's website.

21. The Governing Body has no rules of procedure which would invalidate or make ineffective the Ordinance or other action taken by the Governing Body in connection with the Loan Agreement. The Open Meetings Act Resolution No. 20-33 adopted and approved by the Governing Body on July 15, 2020 establishes notice standards as required by NMSA 1978, § 10-15-1, as amended. The Open Meetings Act Resolution No. 20-33 has not been amended or repealed. All action of the Governing Body with respect to the Loan Agreement and the Ordinance was taken at meetings held in compliance with the Open Meetings Act and Resolution No. 20-33.

22. The Mayor 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 18th day of June, 2021.

CITY OF LAS VEGAS,
SAN MIGUEL COUNTY, NEW MEXICO

By_____
Louie Trujillo, Mayor

[SEAL]

By_____
Casandra Fresquez, City Clerk

$200,000
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. DW-5363

RIGHT-OF-WAY CERTIFICATE

The undersigned on behalf of the City of Las Vegas (the "Governmental Unit"), a New Mexico incorporated municipality, in the County of San Miguel and the State of New Mexico, hereby certifies:

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 map 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.

[*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 18th day of June, 2021.

_____

Scott Aaron
Attorney for the City of Las Vegas, New Mexico
1700 N. Grand Avenue
Las Vegas, New Mexico 87701



100% Camera: 2,536 m 35°39'01"N 105°16'10"W 2,038 m

Draft 04/19/21

$200,000
CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO
NEW MEXICO FINANCE AUTHORITY DRINKING WATER LOAN
NO. DW-5363

STATE OF NEW MEXICO)
DELIVERY CERTIFICATE
AND
) ss. CROSS-RECEIPT
COUNTY OF SAN MIGUEL)

IT IS HEREBY CERTIFIED by the undersigned, the duly chosen and qualified Mayor and City Clerk of the City of Las Vegas, New Mexico (the "Governmental Unit"):

1. On the date of this Certificate, the Governmental Unit executed and delivered or caused to be executed and delivered a Drinking Water State Revolving Fund Loan and Subsidy Agreement in the Maximum Principal Amount of two hundred thousand dollars ($200,000) (the "Loan Agreement") between the Governmental Unit and the New Mexico Finance Authority (the "Finance Authority") to the Finance Authority, the purchaser of the Loan Agreement, as authorized by Governmental Unit Ordinance No. 21-09, adopted by the Governmental Unit on May 12, 2021 (the "Ordinance") relating to the execution and delivery of the Loan Agreement.

2. The undersigned acknowledge that the Aggregate Program Amount, as defined in the Loan Agreement, is available for disbursement to the Governmental Unit pursuant to the terms of Section 4.2 of the Loan Agreement upon transmission of payment requisitions to the Finance Authority in substantially the form attached as Exhibit "C" to the Loan Agreement, with supporting documentation as provided in the Loan Agreement, and will be used as set forth in the Ordinance and the Loan Agreement.

WITNESS our hands this 18th day of June, 2021.

CITY OF LAS VEGAS,
SAN MIGUEL COUNTY, NEW MEXICO

_____
Louie Trujillo, Mayor

_____
Casandra Fresquez, City Clerk

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. DW-5363.

NEW MEXICO FINANCE AUTHORITY

By: _____
Marquita D. Russel
Chief Executive Officer
New Mexico Finance Authority

NEW MEXICO FINANCE AUTHORITY

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
$200,000 Loan No. DW-5363

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" or "Municipality"), understanding that the Lender, New Mexico Finance Authority (the "Finance Authority"), is relying on this opinion letter and, but for this opinion letter, 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 7, 2020, and the Finance Authority Board Approval, for Project No. DW-5363, for the City of Las Vegas, (San Miguel County), dated September 24, 2020, relating to the project (herein the "Project"), as more specifically defined in the Loan and Subsidy Agreement dated June 18, 2021 (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, 2021 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 Mayor, 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 Ordinance of the City Council dated May 12, 2021 (the "Ordinance") authorizing the Mayor 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 Ordinance 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 Ordinance. The Ordinance 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 Ordinance under the provisions of the laws, bylaws or regulations of the Governmental Unit or the State.

G. The Ordinance is a valid and binding special limited obligation of the Governmental Unit enforceable in accordance with its terms and creates the pledge of and first lien on the Net Revenues of the Governmental Unit, as described in the Loan Agreement (the "Pledged Revenues") which it purports to create, and except as set forth in the Term Sheet the Governmental Unit has issued no additional obligations with a lien superior to the lien created by the Ordinance and the Loan Agreement.

H. The Loan Agreement is a valid and binding special, limited obligation of the Governmental Unit, enforceable in accordance with its terms and provisions and the terms and provisions of the Ordinance.

I. The Governmental Unit has no rules of procedure which would invalidate or make ineffective the Ordinance or other action taken by the Governmental Unit in connection with the Loan Agreement. Resolution No. 20-33 (the "Open Meetings Act Resolution"), as adopted and approved by the Governmental Unit on July 15, 2020, 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 Ordinance was taken at meetings held in compliance with the Open Meetings Act Resolution.

J. 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 Ordinance, and no event of default and no default under the Loan Agreement or the Ordinance has occurred and is continuing on the date of this Certificate.

K. 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 Ordinance and the Loan Agreement.

L. 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 Ordinance or the Loan Agreement to the date of this Certificate have been obtained and are in full force and effect.

M. 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.

N. Neither the Governmental Unit's adoption of the Ordinance nor any action contemplated by or pursuant to the Ordinance 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.

O. 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 Ordinance, (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 Ordinance.

P. 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.

Q. 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.

R. 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.

S. 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 18th day of June, 2021.

_____

Scott Aaron
Attorney for the City of Las Vegas
1700 N. Grand Avenue
Las Vegas, New Mexico 87701

Draft 04/19/21

[VIRTUE & NAJJAR, PC – LETTERHEAD]

June 18, 2021

New Mexico Finance Authority
207 Shelby Street
Santa Fe, New Mexico 87501

Re: $200,000 Loan and Subsidy to the City of Las Vegas, San Miguel County, New Mexico, No. DW-5363

Ladies and Gentlemen:

We have acted as Loan Counsel to the New Mexico Finance Authority in connection with the $200,000loan and subsidy agreement dated June 18, 2021 (the "Loan Agreement") by and between the City of Las Vegas, San Miguel County, New Mexico (the "Governmental Unit") and the New Mexico Finance Authority (the "Finance Authority"). The Loan Agreement is executed and delivered by the Governmental Unit pursuant to Sections 6-21A-1 through 6-21A-9 and §§ 3-29-1 through 3-29-21, NMSA 1978, as amended, the Municipal Charter of the Governmental Unit and the Governmental Unit's Ordinance No. 21-09, adopted on May 12, 2021(the "Ordinance"). The Loan Agreement has been executed and delivered to provide funds to finance the cost of replacing three dilapidated pumps exceeding forty-years for the Governmental Unit (the "Project"), as described in the Loan Agreement.

We have examined the Ordinance and such other law and certified proceedings and other documents as we deem necessary to deliver this opinion. As to questions of fact material to the opinions set forth herein, we have relied upon representations of the Governmental Unit contained in the Ordinance and certified proceedings and other documents furnished to us, without undertaking to verify the same by independent investigation. In addition, we have relied upon statements of law made and legal opinions delivered by the Governmental Unit and the opinions of its legal counsel in the certified proceedings.

Based on our examination, we are of the opinion that, under existing laws, regulations, rulings and judicial decisions as of the date hereof, subject to the provisions of federal bankruptcy law and other laws affecting creditors' rights and further subject to the exercise of judicial discretion in accordance with general principles of equity and the assumptions, qualifications and limitations contained in this opinion:

1. The Ordinance is a valid and binding special limited obligation of the Governmental Unit enforceable in accordance with its terms and creates the pledge of the Net Revenues of the Governmental Unit, as described in the Loan Agreement (the "Pledged Revenues") which it purports to create.

2. The Loan Agreement is a valid and binding special, limited obligation of the Governmental Unit, enforceable in accordance with its terms and provisions and the terms and provisions of the Ordinance.

3. The Loan Agreement is payable solely from, and such payment is secured by a valid and binding first lien on the distribution of the Pledged Revenues on a parity to the lien thereon of other outstanding obligations secured by the Pledged Revenues and senior to the lien thereon of other outstanding obligations secured by a subordinate lien on the Pledged Revenues. The Finance Authority has no right to have taxes levied by the Governmental Unit for the payment of principal of or interest on the Loan Agreement and the Loan Agreement does not represent or constitute a debt or a pledge of, or a charge against, the general credit of the Governmental Unit.

4. The Loan Agreement is a valid and binding obligation of the Finance Authority and is enforceable in accordance with its terms and provisions.

We express no opinion with respect to the provisions of the Loan Agreement and the Ordinance with respect to indemnification, provisions requiring that amendments be in writing or payment of attorneys' fees.

This opinion letter is limited to matters expressly stated in this opinion letter and no opinion is inferred or may be implied beyond the matters expressly stated in this opinion letter.

We express no opinion as to, or the effect or applicability of, any laws other than the laws of the State of New Mexico. The opinions expressed herein are based only on the laws in effect as of the date hereof, and in all respects are subject to and may be limited by future legislation, as well as developing case law. We undertake no obligation to update or modify this opinion for any future events or occurrences, including, but not limited to, determining or confirming continuing compliance by the Finance Authority and the Governmental Unit with the terms of the Loan Agreement.

The foregoing opinions represent our legal judgment based upon a review of existing legal authorities that we deem relevant to render such opinions and are not a guarantee of results.

We understand that this opinion is being relied upon by the addressees hereof, and we consent to such reliance, but this opinion may not be delivered to or relied upon by any other person or entity without our written consent.

Very truly yours,

VIRTUE & NAJJAR, PC

MARCH 2021						
M	T	W	T	F	S	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

APRIL 2021						
M	T	W	T	F	S	S
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5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

MAY 2021						
M	T	W	T	F	S	S
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3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

NEW MEXICO FINANCE AUTHORITY
FINANCING SCHEDULE & DISTRIBUTION LIST

CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO
DRINKING WATER STATE REVOLVING LOAN FUND LOANS
PROJECT NUMBERS:

DW-5354 – ($800,000) Hotsprings Waterline replacement
DW-5355 – ($500,000) WTP Pump Replacement
DW-5356 – ($300,000) Clarifier Basin Vacuum system
DW-5362 – ($500,000) Hanna Park Re-use System Expansion
DW-5363 – ($200,000) WTP pump replacement

Prepared: March 1, 2021
Revised: March 25, 2021

DATE	ACTION	PARTIES
Wednesday, September 9, 2020	Financial Advisor presents to Credit Committee	Finance Authority
Wednesday, September 16, 2020	Public Lending Committee recommends approval	Finance Authority
Thursday, September 24, 2020	Finance Authority Board meeting to approve loan requests	Finance Authority
Thursday, March 25, 2021	Distribute draft Ordinances and Notices of Public Hearing for review and comment to all	VN
Wednesday, March 31, 2021	Comments due on draft Notices of Public Hearing and draft Ordinances	Finance Authority, Borrower, Borrower's counsel
Wednesday, April 7, 2021	If needed, distribution of revised drafts of Notices of Public Hearing and Ordinances to City for first readings	VN
Wednesday, April 14, 2021	**First reading of Ordinances; Governing Body Schedules Ordinances for Public Hearing and has first readings of Ordinances**	**Borrower**
Monday, April 19, 2021	Distribute revised Ordinance, and draft Loan Documents for review and comment to all	**VN**
Monday, April 26, 2021	Submit Notices of Public Hearing and Intent to Adopt Ordinances to newspaper for publication before 11:00 a.m.	VN

Monday, April 26, 2021	Final Interim Debt Service Schedules Due to VN	Finance Authority
Wednesday, April 28, 2021	Publication of Notices of Public Hearing and Intent to Adopt Ordinances published in *Las Vegas Optic*	Newspaper
Wednesday, April 28, 2021	Final comments due on drafts of the Ordinances, Loan Agreements and Closing Documents	Finance Authority, Borrower, Borrower's Counsel
Wednesday, May 5, 2021	Closing documents in final form distributed to Borrower for signature with a copy to the Finance Authority	VN
Wednesday, May 12, 2021	Submit notices of adoption of Ordinances to the *Las Vegas Optic*	VN
Wednesday, May 12, 2021	**Governing Body adopts Ordinances**	**Borrower**
Friday, May 14, 2021	Publication of notices of adoption of Ordinances in the *Las Vegas Optic*	Legal newspaper for Borrower
Wednesday, May 26, 2021	Delivery of fully executed documents to Loan Counsel	Borrower
Thursday, June 10, 2021	Distribution of signed Ordinances, Loan Documents and Closing Documents to the Finance Authority for signature before 5:00 p.m.	VN
Monday, June 14, 2021	Expiration of 30-day limitation of action period	
Wednesday, June 16, 2021	Finance Authority signatures due	Finance Authority
Friday, June 18, 2021	Send closing emails to working group	VN
Friday, June 18, 2021	**Closing by email**	**All**
Two weeks after receipt of all transcript documents	Transcripts distributed	VN

BORROWER
City of Las Vegas
1700 North Grand Ave
Las Vegas, NM 87701
Phone: (505) 454-1401

Contact(s):
Marvin Cordova, Project Manager
905 12th Street
Las Vegas, New Mexico
Email: mcordova@lasvegasnm.gov
Phone: (505) 454-1401 ext. 2003

Maria Gilvarry, Utilities Director
Phone: (505) 454-3832 ext. 2000

NEW MEXICO FINANCE AUTHORITY
(Finance Authority)
207 Shelby Street
Santa Fe, New Mexico 87501
Phone: (505) 984-1454

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Managing Director, Program Administration
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Paralegal and Compliance Assistant

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BORROWER'S COUNSEL
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Phone: (505) 454-1401 ext. 1201

Darlene Arguello, Paralegal
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Phone: (505) 454-1401 ext. 1203

BORROWER'S ENGINEERS

DW-5354
Wayland Oliver, Project Engineer
Stantec
Phone: (575) 461-4277
Email: wayland.oliver@stantec.com

DW-5355, DW-5356 and DW-5363
Donzil Q. Worthington, Project Engineer
Bohannan Huston, Inc.
Phone: (505) 823-1000
Email: dworthington@bhinc.com

DW-5362
Jonah Ruybalid, P.E., CFM
Molzen Corbin
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Email: jruybalid@molzencorbin.com

LOAN COUNSEL
Virtue & Najjar, PC (VN)
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NEWSPAPER
Las Vegas Optic
614 Lincoln Street
Las Vegas, NM 87701
Phone: (505) 425-6796
Email: legals@lasvegasoptic.com

Publication Deadline: Published Wednesday's and Friday's. Deadline: for Wednesday publication, Notice must be received the Monday prior before 11:00 a.m. and for Friday publication, Notice must be received the Wednesday prior before 11:00 a.m.

Pam Ortiz, Paralegal
Email: portiz@virtuelaw.com
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Cybele Carpenter, Paralegal
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Phone: (505) 983-6101ext. 0

CITY OF LAS VEGAS
COUNCIL MEETING AGENDA REQUEST FORM

Meeting Date: May 12, 2021

Date Submitted: 04/30/2021 **Department:** Utilities

Item/Topic: Award request for bids #2021-17 for the North Gonzales waterline replacement to Hays Plumbing & Heating Inc.

Advertised: 03/26/21; Las Vegas Optic, Albuquerque Journal and City Website
Proposal Opening: 04/21/21
Number of Bids: 4 – DUB-L-EE, LLC – $281,856.43
A.A.C. Construction LLC – $311,650.00
Apple Mountain Construction – $262,961.04
Hays Plumbing & Heating Inc. – $237,160.40

Fiscal Impact: Paid for through grant funding received from SAP 19-D2520-GF.

Attachments: Original bid, bid opening sheet, engineers recommendation, bid tab, bids received.

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.

Approved For Submittal By:

Department Director

City Manager

Reviewed By:

Finance Director

City Attorney (Approved as to Form)

CITY CLERK'S USE ONLY
COUNCIL ACTION TAKEN

Resolution No. _____
Ordinance No. _____
Contract No. _____
Approved _____

Continued To: _____
Referred To: _____
Denied _____
Other _____

Revised October 2020

REQUEST FOR BIDS

The City of Las Vegas, New Mexico will open Sealed Bids at 2:00 p.m., April 21, at the City Council Chambers, 1700 North Grand Avenue, Las Vegas, New Mexico, or other designated area at the City Offices; ON THE FOLLOWING:

NORTH GONZALES WATER LINE REPLACEMENT PROJECT

The BIDDING FORMS AND TECHNICAL SPECIFICATIONS may be examined at the following location: **City Clerk's Office at 1700 North Grand Avenue, Las Vegas, NM 87701**

Copies of the BIDDING FORMS AND TECHNICAL SPECIFICATIONS may be examined at the following location: City Clerk's Office at 1700 North Grand Avenue, Las Vegas, NM 87701 or www.lasvegasnm.gov

Mailed bids should be addressed to the City Clerk, 1700 N. Grand Ave., Las Vegas, New Mexico 87701; with the envelope marked: **NORTH GONZALES WATER LINE REPLACEMENT PROJECT** Opening No. 2021-17; on the lower left-hand corner of the submitted envelope. It shall be the responsibility of the Offeror to see that their bid is delivered to the **City Clerk** by the date and time set for the bid request. If the mail or delivery of bid request is delayed beyond the opening date and time, bid thus delayed will not be considered. A public opening will be held and any bidder or their authorized representative is invited to attend.

The City of Las Vegas reserves the right to reject any/or all bids submitted.

CITY OF LAS VEGAS,

William Taylor

William Taylor, City Manager

Scott Aaron 2-25-2021

Scott Aaron, City Attorney

Casandra Fresquez

Casandra Fresquez, City Clerk

J Baq 2-25-21

Jesus Baquera, Finance Director

Helen Vigil, Purchasing Director

Opening No. 2021-17 Date Issued: 3/22/2021

Published: LAS VEGAS OPTIC March 24 ,2021
ALBUQUERQUE JOURNAL March 24 ,2021
www.lasvegasnm.gov March 24,2021

BIDDER INFORMATION

OFFEROR: _____

AUTHORIZED AGENT: _____

ADDRESS: _____

TELEPHONE NUMBER (___)_____

FAX NUMBER (___)_____

DELIVERY: _____

STATE PURCHASING RESIDENT CERTIFICATION NO.: _____

NEW MEXICO CONTRACTORS LICENSE NO.: _____

BID ITEM (S): **NORTH GONZALES WATER LINE REPLACEMENT PROJECT**

ITEM (S) UNDER THIS BID ARE TO BE F.O.B. LAS VEGAS, NEW MEXICO 87701. THE CITY OF LAS VEGAS RESERVES THE RIGHT REJECT ANY OR ALL BIDS AND TO WAIVE ANY TECHNICAL IRREGULARITY IN THE FORM OF THE BID.

AFFIDAVIT FOR FILING WITH COMPETITIVE BID

STATE OF _____ }

} ss

COUNTY OF _____ }

I, _____,being of first duly sworn, state under penalty of perjury that I am at least eighteen years of age, and am the agent authorized by the bidder to submit the attached bid. Affiant further states that the bidder has not been a party to any collusion among bidders in restraint of freedom of competition by agreement to bid at a fixed price or to refrain from bidding; or with any city official or employee as to the terms of said prospective contract, or any other terms of said prospective contract; or in any discussion between bidders with any city official concerning an exchange of money or any other thing of value for special consideration in the letting of a contract.

_____
Signature

Subscribed and sworn to before me, this ___ day of _____, 20___.

(SEAL)

_____
Notary Public Signature

My Commission Expires: _____

STANDARD BID CLAUSES

AWARDED BID
Awarding of bid shall be made to the responsible Bidder whose Bid best meets the required specifications. The City of Las Vegas (City) reserves the right to reject or accept any of all Bid specifications and to waive any insubstantial irregularity in the form of the Bid.

TIMETABLE
Bid pursuant to this request must be received at the City Clerk's Office at 1700 North Grand Avenue, Las Vegas, New Mexico, on or before: Apr 21, 2021; 2:00 p.m.; at which time all bids received will be opened. An opening will occur at the City's Council Chambers or other designated area at the City Offices. Awarding of Bid is projected for _____, 2021. The successful Bidder will be notified by mail.

ENVELOPES
Sealed Bid envelopes shall be clearly marked on the lower left-hand corner, identified by the Bid Name and Opening Number. Failure to comply with this requirement may result in the rejection of the submitted Bid.

BRIBERY AND KICKBACK
The Procurement Code (NMSA 13-1-28 through 13-1-199) imposes a third degree felony penalty for bribery of a public official or public employee. In addition, the New Mexico Criminal Statutes (NMSA 30-24-1 and 30-24-2) state that it is a third degree felony to commit the offense of demanding or receiving a bribe by a public official or public employee, and it is a fourth degree felony to commit the offense of soliciting or receiving illegal kickbacks. NMSA 30-41-1 through 30-41-3 include that it is a fourth degree felony to commit the offense of offering or paying illegal kickbacks.

NON-COLLUSION
In signing their Bid and Affidavit, the Bidder certifies that he/she has not, either directly or indirectly, entered into action of restraint of free competition, in connection with the submitted bid.

RESPONSIBILITY OF BIDDER
At all times it shall be the responsibility of the Bidder to see that their bid is delivered to the City Clerk by the Date and Time scheduled for opening. If the mail or delivery of said Bid is delayed beyond the scheduled opening date and time set, this bid will not be considered.

CLARIFICATION OF BID
Bidder requiring clarification or interpretation of Bid specifications shall make a written request to the Department involved in this bid request at least five (5) days prior to the scheduled bid opening date; with a copy forwarded to the Finance Department. Any interpretation, corrections, or changes of said Bid Specifications, Opening Date, or Time Change will be made by Addendum only. Interpretations, Corrections or changes of said Bid made in any other manner will not be binding and the Bidder shall not rely upon such interpretation, corrections and changes.

MODIFICATION OF BID
Bids may be withdrawn upon receipt of written request prior to the scheduled bid opening for the purpose of making any corrections or changes. Such corrections must be properly identified and signed or initialed by the Bidder. Resubmission must be prior to the scheduled bid opening time in order to be considered. After bid opening, no price modifications of submitted bids or other

provisions shall be permitted.

WITHDRAWAL OF BID

A low Bidder alleging a material mistake of fact, after bids have been opened may request their bid be withdrawn upon receipt of a written request to the Finance Department prior to the scheduled awarding date.

INSPECTION

Final inspection and acceptance will be made at the City's discretion. Products rejected for nonconformance with the specifications shall be removed by the Bidder, at his/her risk and expense promptly after notice of rejection.

FEDERAL TAX IDENTIFICATION NUMBER

Pursuant to IRS requirements, Bidder shall provide their Federal Tax ID Number if Bidder is incorporated. If Bidder is a sole proprietorship or partnership they then shall provide their Social Security Number.

FEDERAL TAX ID NUMBER: _____

SOCIAL SECURITY NUMBER: _____

NEW MEXICO TAX IDENTIFICATION NUMBER

Payment may be withheld under (Section 7-10-5, N.M.S.A. 1978) if you are subject to New Mexico Gross Receipts Tax and have not registered for New Mexico (CRS) Tax Identification Number. Contact the New Mexico Taxation & Revenue Department at (505) 827-0700 for registering instructions.

NEW MEXICO TAX IDENTIFICATION NO. (CRS): _____

CAMPAIGN CONTRIBUTION DISCLOSURE FORM

The Bidder shall submit a complete Campaign Contribution Disclosure Form Pursuant to NMSA 13-1-191.1, as amended.

COMMERCIAL WARRANTY

The Bidder agrees that the products or services furnished under a Purchase Order shall be covered by the most favorable commercial warranties that the Bidder gives to any customer for such products or services. And that the rights and remedies provided therein shall extend to the City and are in addition to and do not limit any rights afforded to the City by any other clause of its Purchase Order. Bidder agrees not to disclaim warranties of fitness for any particular purpose or merchantability.

Furthermore, Bidder agrees that its warranty for all products furnished under a Purchase Order pursuant to this Call for Bids shall be for a period of one year following the installation of said products by others. The Bidder agrees that prior to receiving payment, Bidder shall provide to the City written notice by the City's Engineer that the products have been installed correctly and have been demonstrated to be capable of performing their intended function.

SPECIAL NOTICE

To preclude possible errors and/or misinterpretations, bid prices must be affixed in ink or typewritten legibly. *Enclose one (1) original and five (5) copies of Bid documents.*

DEFAULT

The City reserves the right to cancel all or any part of an order without cost to the City if the Bidder fails to meet the provision of the City's Purchase Order or the product specifications and to hold the Bidder liable for any excess costs occasioned due to the Bidder's default. The Bidder shall not be liable for any excess costs if failure to perform on an order arises out of cause beyond the control and without fault or negligence of the Bidder. Such causes include but are not restricted to acts of GOD or public enemy; acts of State or Federal Government; fires, floods, epidemics, quarantine restrictions, strikes, embargoes, unusually severe weather, or defaults of subcontractors. Due to any of the above, unless the City shall determine that the supplies or services to be furnished by the subcontractor are obtainable from other sources in the City, this paragraph shall not be exclusive and shall be in addition to any other rights now being provided by law.

BID PROTESTS

If any bidder is of the opinion that the specifications as written preclude him/her from submitting a bid, his/her opinion should be made known to the Department involved in this bid request at least fifteen (15) days prior to the scheduled bid opening date with a copy forwarded to the Finance Department. Bid protests will not be considered from parties who do not also furnish satisfactorily documentation with their protest that their proposed system fully meets the functional intent of the TECHNICAL SPECIFICATIONS which accompany a Call for Bids.

NON-EXCLUSION

Specifications of the bid request are not meant to exclude any Bidder or Manufacturer. Where a brand name or equal is indicated, it is for the purpose of describing the standard of quality, performance and characteristics desired and is not intended to restrict competition. "No Substitute" specifications may be authorized, only if required to match existing equipment.

If any Bidder is of the opinion that the specifications as written preclude him/her from submitting a bid, his/her opinion should be made known to the Department involved in this bid request at least five (5) days prior to the scheduled bid opening date, with a copy forwarded to the Finance

Department.

Brand names and numbers are for reference only and equivalents will be considered. If bidding "EQUIVALENT" Bidder must be prepared to furnish complete data upon request, preferably with the bid to avoid awarding delay.

CONTRACT
When the City issues a Purchase Order in response to an awarded Bid a binding contract is created (unless a specific contract has been created).

TERMINATION
This Price Agreement may be terminated by either party upon signing a written notice to the other party at least thirty (30) days in advance of the date of termination. Notice of termination of this Price Agreement shall not affect any outstanding orders.

TAXES:
Bidder must pay all applicable taxes.

NOTE:
If bidder is from outside the City of Las Vegas, the successful bidder must pay Gross Receipts Tax in the City of Las Vegas.

CITY OF LAS VEGAS

BIDFORM

BID ITEM (S): **NORTH GONZALES WATER LINE REPLACEMENT PROJECT**

Item No.	Description	Unit	Estimated Quantity	Bid Unit Price	Bid Price
Items to be Purchased by Contractor (Amounts to be paid to City)					
1				$	$
2				$	$
PURCHASE AMOUNT ITEMS 1 TO 2 Exclusive of New Mexico Gross Receipts Tax $ _____					
Other Project Construction Requirements					
3				$	$
4				$	$
5				$	$
BID AMOUNT ITEMS 3 TO 5 Exclusive of New Mexico Gross Receipts Tax $ _____					

TOTAL BID AMOUNT Exclusive of New Mexico Gross Receipts Tax. (If bid amount for purchased items is greater than construction items the city will receive a credit from the contractor. Bid will be awarded to the responsive bidder with the lowest bid total. For deciding the awardee a negative amount or a credit is lower than a positive amount or charge). $_____

NOTE: _____

_____

_____

_____

_____.

CAMPAIGN CONTRIBUTION DISCLOSURE FORM

Pursuant to the Procurement Code, NMSA 13-1-28, *et al*, as amended, a prospective contractor subject to this section shall disclose all campaign contributions given by the prospective contractor or a family member or representative of the prospective contractor to an applicable public official of the state or a local public body during the two years prior to the date on which a proposal is submitted or, in the case of a sole source or small purchase contract, the two years prior to the date on which the contractor signs the contract, if the aggregate total of contributions given by the prospective contractor or a family member or representative of the prospective contractor to the public official exceeds two hundred fifty dollars ($250.00) over the two-year period. A prospective contractor submitting a disclosure statement pursuant to this section who has not contributed to an applicable public official, whose family members have not contributed to an applicable public official or whose representatives have not contributed to an applicable public official shall make a statement that no contribution was made.

A prospective contractor or a family member or representative of the prospective contractor shall not give a campaign contribution or other thing of value to an applicable public official or the applicable public official's employees during the pendency of the procurement process or during the pendency of negotiations for a sole source or small purchase contract.

Furthermore, a solicitation or proposed award for a proposed contract may be canceled pursuant to NMSA 13-1-181 or a contract that is executed may be ratified or terminated pursuant to NMSA 13-1-18 if a prospective contractor fails to submit a fully completed disclosure statement pursuant to this section; or a prospective contractor or family member or representative of the prospective contractor gives a campaign contribution or other thing of value to an applicable public official or the applicable public official's employees during the pendency of the procurement process.

The state agency or local public body that procures the services or items of tangible personal property shall indicate on the form the name or names of every applicable public official, if any, for which disclosure is required by a prospective contractor.

THIS FORM MUST BE INCLUDED IN THE REQUEST FOR PROPOSALS AND MUST BE FILED BY ANY PROSPECTIVE CONTRACTOR WHETHER OR NOT THEY, THEIR FAMILY MEMBER, OR THEIR REPRESENTATIVE HAS MADE ANY CONTRIBUTIONS SUBJECT TO DISCLOSURE.

The following definitions apply:

"Applicable public official" means a person elected to an office or a person appointed to complete a term of an elected office, who has the authority to award or influence the award of the contract for which the prospective contractor is submitting a competitive sealed proposal or who has the authority to negotiate a sole source of small purchase contract that may be awarded without submission of a sealed competitive proposal.

"Campaign Contribution" means a gift, subscription, loan, advance or deposit of money or other thing of value, including the estimated value of an in-kind contribution, that is made to or received by an applicable public official or any person authorized to raise, collect or expend contributions on that official's behalf for the purpose of electing the official to statewide or local office. "Campaign Contribution" includes the payment of a debt incurred in an election campaign, but does not include the value of services provided without compensation or unreimbursed travel or other personal expenses of individuals who volunteer a portion or all of their time on behalf of a candidate or political committee, nor does it include the administrative or solicitation expenses of a political committee that are paid by an organization that sponsors the committee.

"Family member" means a spouse, father, mother, child, father-in-law, mother- in-law, daughter-in-law or son-in-law of (a) a prospective contractor, if the prospective contractor is a natural person; or (b) an owner of a prospective contractor;

"Pendency of the procurement process" means the time period commencing with the public notice of the request for

proposals and ending with the award of the contract or the cancellation of the request for proposals.

"Prospective contractor" means a person or business that is subject to the competitive sealed proposal process set forth in the Procurement Code [NMSA 13-1-28 through 13-1-199] or is not required to submit a competitive sealed proposal because that person or business qualifies for a sole source or small purchase contract.

"Representative of a prospective contractor" means an officer or director of a corporation, a member or manager of a limited liability corporation, a partner of a partnership or a trustee of a trust of the prospective contractor.

Name(s) of Applicable Public Official(s) if any:_____
(Completed by State Agency or Local Public Body)

DISCLOSURE OF CONTRIBUTIONS BY PROSPECTIVE CONTRACTOR:

Contribution Made By: _____

Relation to Prospective Contractor: _____

Date Contribution(s) Made: _____

_____

Amount(s) of Contribution(s) _____

_____

Nature of Contribution(s) _____

_____

Purpose of Contribution(s) _____

_____

(Attach extra pages if necessary)

_____ _____

Signature Date

_____

Title (position)

—OR—

NO CONTRIBUTIONS IN THE AGGREGATE TOTAL OVER TWO HUNDRED FIFTY DOLLARS ($250.00) WERE MADE to an applicable public official by me, a family member or representative.

_____ _____

Signature Date

_____

Title (Position)

CITY OF LAS VEGAS
RFP/BID/OPENING

DATE: 21-Apr-2021

TIME: 2:00 PM

OPENING NO.: **2021-17**

DEPARTMENT: **WATER**

LOCATION: City of Las Vegas Chambers
1700 N. Grand Ave.
Las Vegas, NM 87701

ITEM(S): **NORTH GONZALES WATER LINE REPLACEMENT PROJECT**

	RECEIVED FROM:	AMOUNT	SUB CONTRACTOR LIST	BID BOND	AFFIDAVIT NOTARIZED	CAMPAIGN DISC. FORM
1	DUB-L-EE, LLC	281856.43	✓	✓	✓	✓
2	A.H.C. Construction LLC	311,650.00	✓	✓	-0-	✓
3	Apple Mountain Constructors	262,961.04	✓	✓	✓	✓
4	Hays Plumbing & Heating Inc	237,160.40	✓	✓	✓	✓
5						
6						

	COMPANY REPRESENTATIVE	COMPANY NAME
1	Antonio Vigil	City of Las Vegas
2	Travis Martinez	City of Las Vegas
3	Joe Sanchez	DUB-L-EE
4	Margaret Silva	City of Las Vegas - Inventory
5	Bryan Baca	Hays P&H
6	[signature]	CLV P/M
7	[signature]	CLV Purchasing
8	Jonah Raybalid	Melzen Corbin
9	Matthew Urban Jr.	Apple Mountain Constructors
10	Andrew Sisneros	A.H.C. Construction, LLC

(use other side of form when full)

ORIGINALS TAKEN BY CITY CLERK:

[signature]

DATE: 4/21/21

COPIES TAKEN BY DEPT:

[signature]

DATE: 4/21/2021

OPENED BY: FINANCE DEPARTMENT

[signature]

DATE: 4.21.2021

MOLZENCORBIN

April 28, 2021

Mr. Marvin Cordova
Project Manager
City of Las Vegas
1700 North Grand Avenue
Las Vegas, New Mexico 87701

RE: City of Las Vegas – North Gonzales Waterline Replacement LVG175-31
Consideration of Award

Dear Mr. Cordova:

The City of Las Vegas received four (4) Bids on April 21, 2021 for the above-mentioned project. A summary of the Bids received and the Engineer's Estimate is provided on the enclosed Bid Tabulation and Bid Evaluation Summary.

The apparent low Bidder was Hays Plumbing & Heating, Inc. with a low total Bid of $237,160.40 exclusive of New Mexico Gross Receipts Tax.

- Hays Plumbing & Heating, Inc. is a registered Contractor in the State of New Mexico, License No. 8243, with active License Classifications EL01, ES03, ES04, ES05, ES06, GA0S, GF02, GF03, GF04, GF05, GF09, GF98, MM98, and GB98. We have verified this information with Contractor Listing Services, Inc. (www.public.psiexams.com).

- The Surety for the Bid Bond is Insurors Indemnity Company, NAIC# 43273. As required, the Surety is listed on Federal Circular 570 and licensed to do business in the State of New Mexico to an underwriter's limit of $2,837,000.00. We have verified this with the U.S. Department of Treasury's listing of approved Sureties approved to conduct business in the State of New Mexico (www.fms.treas.gov/c570).

- Hays Plumbing & Heating Inc. submitted all the required forms.

Based on the information before us, Hays Plumbing & Heating, Inc. has submitted the lowest apparent responsive Bid. Therefore, we recommend the Contract for this Work be awarded to Hays Plumbing & Heating, Inc. If the City decides to award the project, please let us know and we will provide the City with the appropriate Notice of Award form. We understand that the Owner reserves the right to award or reject any Bid, as well as waive any technical irregularities in the Bids.

Please call me at (505) 242-5700, if you have any questions or need additional information.

Sincerely,

MOLZEN CORBIN

Jonah Ruybalid, P.E.

DD:scc

Bid Tabulation
North Gonzales Waterline Replacement
City of Las Vegas

Bid Opening: April 21, 2021 at 2:00 p.m.

Item No.	Description	Unit	Qty	Engineer's Estimate		Hays Plumbing & Heating, Inc.		Apple Mountain Construction		DUB-L-EE, LLC		A.A.C Construction, LLC	
				Unit Price	Amount	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount
North Gonzales Waterline Replacement Taos to San Miguel Estimated Construction Cost													
1	Mobilization, Insurance, and Bonds.	LS	1	$17,500.00	$17,500.00	$17,500.00	$17,500.00	$17,500.00	$17,500.00	$17,500.00	$17,500.00	$17,500.00	$17,500.00
2	Demobilization and Closeout.	LS	1	$3,000.00	$3,000.00	$3,000.00	$3,000.00	$3,000.00	$3,000.00	$3,000.00	$3,000.00	$3,000.00	$3,000.00
3	Construction Staking.	LS	1	$10,000.00	$10,000.00	$500.00	$500.00	$11,050.00	$11,050.00	$15,180.00	$15,180.00	$20,000.00	$20,000.00
4	Traffic / Pedestrian Control.	LS	1	$22,000.00	$22,000.00	$15,000.00	$15,000.00	$6,892.00	$6,892.00	$14,863.75	$14,863.75	$20,000.00	$20,000.00
5	4" HMA Over 6" Aggregate Base Course and 12" Subgrade Prep for Pavement Replacement Including Sawcut, Remove and Dispose of Existing Asphalt Pavement. Milled or pulverized material to be hauled to location designated by City, within City limits.	SY	510	$125.00	$63,750.00	$65.00	$33,150.00	$76.67	$39,101.70	$74.30	$37,893.00	$76.00	$38,760.00
6	6" PVC Waterline Including Pipe and Fittings.	LF	1,110	$7.00	$7,770.00	$12.64	$14,030.40	$11.95	$13,264.50	$17.70	$19,647.00	$15.00	$16,650.00
7	6" PVC Waterline Installation of Pipe and Fittings, Restraints, Trenching, Backfill, Compaction, Tracer Wire, Identification Tape, All Associated Work, and Materials.	LF	900	$28.00	$25,200.00	$28.00	$25,200.00	$21.32	$19,188.00	$29.21	$26,289.00	$48.00	$43,200.00
8	6" PVC Waterline Installation Of Pipe and Fittings, Restraints, Trenching, Backfill, Compaction, Tracer Wire, Identification Tape, Rock Excavation, All Associated Work, and Materials.	LF	210	$75.00	$15,750.00	$28.00	$5,880.00	$88.34	$18,551.40	$38.32	$8,047.20	$89.00	$18,690.00
9	6" Gate Valve Including Trench, Backfill, Compaction, Valve Box, Concrete Collar, Tracer Wire Termination, and Concrete Support, Complete in Place (CIP).	EA	4	$2,100.00	$8,400.00	$1,600.00	$6,400.00	$1,447.00	$5,788.00	$1,324.18	$5,296.72	$3,250.00	$13,000.00
10	8" Gate Valve Including Trench, Backfill, Compaction, Valve Box, Concrete Collar, Tracer Wire Termination, and Concrete Support, CIP.	EA	1	$2,300.00	$2,300.00	$2,300.00	$2,300.00	$1,900.00	$1,900.00	$1,764.05	$1,764.05	$4,500.00	$4,500.00
11	Connection to Existing Water Line Including All Materials, CIP.	EA	3	$2,500.00	$7,500.00	$3,000.00	$9,000.00	$3,293.33	$9,879.99	$2,068.20	$6,204.60	$3,500.00	$10,500.00
12	Reconnect Existing Water Services. Include the Extension of the Existing Service Line or the Connection to the Existing Service Line with Pipe Saddle, Corporation Stop, Service Pipe Material, Sidewalk Saw Cutting and Replacement, Curb Saw Cutting and Replacement, All Appurtenances, and All Incidental Work, CIP.	EA	31	$1,200.00	$37,200.00	$1,200.00	$37,200.00	$1,616.45	$50,109.95	$1,233.82	$38,248.42	$850.00	$26,350.00
13	Digital Video Recording Services per Section 01 45 16.14 – Digital Video Recording.	LS	1	$1,500.00	$1,500.00	$500.00	$500.00	$260.00	$260.00	$5,218.13	$5,218.13	$2,000.00	$2,000.00
14	14" Steel Trench Casing (25') for 6" Waterline Shown on Drawing (Sheet W-301). Include Trenching, Backfilling, Materials, Steel Casing, Ductile Iron Carrier Pipe (35'), Pipe Joint Restraints, Spacers, All Appurtenances, and All Incidental Work, CIP.	LS	1	$10,000.00	$10,000.00	$7,500.00	$7,500.00	$6,107.00	$6,107.00	$3,784.90	$3,784.90	$6,500.00	$6,500.00
15	Laboratory Testing.	ALLOW	1	$7,500.00	$7,500.00	$7,500.00	$7,500.00	$7,500.00	$7,500.00	$7,500.00	$7,500.00	$7,500.00	$7,500.00
16	Utility Relocation.	ALLOW	1	$10,000.00	$10,000.00	$10,000.00	$10,000.00	$10,000.00	$10,000.00	$10,000.00	$10,000.00	$10,000.00	$10,000.00
17	Pre-Authorized Construction Changes.	ALLOW	1	$30,000.00	$30,000.00	$30,000.00	$30,000.00	$30,000.00	$30,000.00	$30,000.00	$30,000.00	$30,000.00	$30,000.00
18	Pressure Testing and Disinfection.	LS	1	$3,500.00	$3,500.00	$5,000.00	$5,000.00	$2,236.00	$2,236.00	$4,784.66	$4,784.66	$5,500.00	$5,500.00
19	Remove and Dispose of unsuitable material as coordinated with City and Engineer. Import and install suitable material.	CY	250	$32.00	$8,000.00	$30.00	$7,500.00	$34.53	$8,632.50	$106.54	$26,635.00	$72.00	$18,000.00

Subtotal Bid Amount= Base Bid + Additive Alternate (exclusive of NMGRT)	**$290,870.00**	**$237,160.40**	**$260,961.04**	**$281,856.43**	**$311,650.00**
Gross Receipts Tax @ 8.3958%	**$24,420.86**	**$19,911.51**	**$21,909.77**	**$23,664.10**	**$26,165.51**
TOTAL BID AMOUNT (including New Mexico Gross Receipts Tax)	**$315,290.86**	**$257,071.91**	**$282,870.81**	**$305,520.53**	**$337,815.51**

For Ranking Purposes: Resident Contractor Pref. (5%):		**Yes: 5%**	**$225,302.38**	**Yes: 5%**	**$247,912.99**	**Yes: 5%**	**$267,763.61**	**Yes: 5%**	**$296,067.50**
For Ranking Purposes: Resident Veteran Contractor Pref. (10%):		**No**		**No**		**No**		**No**	
BID AMOUNT RANKING AFTER PREFERENCE:		**#1**		**#2**		**#3**		**#4**	

I hereby certify that the above figures are the same as those submitted in the Bid Proposals except for corrected items marked with an ((*))

Jonah Ruybalid, P.E. 04-28-2021
Date

BID EVALUATION SUMMARY

BID DATE: April 22, 2021 OWNER: City of Las Vegas
ENGINEER: Molzen-Corbin & Associates PROJECT: North Gonzales Waterline Replacement

	HAYS PLUMBING & HEATING	APPLE MOUNTAIN CONSTRUCTION	DUB-L-EE,LLC	A.A.C. CONSTRUCTION, LLC
Bid Signed?	Yes	Yes	Yes	Yes
Bid bond provided?	Yes	Yes	Yes	Yes
Addenda No. 1&2 acknowledged?	Yes	Yes	Yes	Yes
Contractor's License No noted in Bid	8243	367255	373895	361394
NMDOL Registration No.	002369720111209	002427420120330	1746820150218	03058720140922
Verification of Contractor's License and Classifications per NM Construction Industries	EL01, ES03, ES04, ES05, ES06, GA01, GB98, GF02, GF03, GF04, GF05, GF09, GF98, MM98	GF03, GF04, GF05, GF09, GS01, GS05, GS09, GA98	GA02, GA03, GB98, GF08, GF09, MM98	GF98
Subcontractors Listed in Bid	Desert Fox	BSN Santa Fe	Billingsley Engineering, Inc.	RL Leeder Company, Billingsley
Are subcontractors registered with NMDOL	Yes	Yes	N/A	Yes
Does Bidder have required Classifications as Determined by NM Construction Industries?	Yes	Yes	Yes	Yes
Verification of Bid Bond	Insurors Indemnity Company NAIC# 43273 with the underwriting limitation of $2,837,000.00	Old Republic Surety Company NAIC# 40444 with the underwriting limitation of $7,897,000.00	Granite Re, Inc. NAIC# 26310 with the underwriting limitation of $4,503,000.00	Granite Re, Inc. NAIC# 26310 with the underwriting limitation of $4,503,000.00
Total Base Bid Amount excluding NMGRT	$237,160.40	$260,961.04	$281,856.43	$311,650.00
Resident Contractor Preference?	Yes	Yes	Yes	Yes
Resident Veteran Contractor Preference?	No	No	No	No
Amount with Preferences	$225,302.38	$247,912.99	$267,763.61	$296,067.50
Bid Amount Correct?	Yes	Yes	Yes	Yes

NOTE: Verification with New Mexico Construction Industries per the Internet.

Notice of Award

Date: _____

Project: North Gonzales Waterline Replacement	
Owner: City of Las Vegas	Owner's Contract No.:
Contract: North Gonzales Waterline Replacement	Engineer's Project No.: LVG175-31
Bidder: Hay's Plumbing & Heating, Inc.	
Bidder's Address: 600 Railroad Ave	
Las Vegas, New Mexico 87701	

You are notified that your Bid dated April 21, 2021 for the above Contract has been considered. You are the Successful Bidder and are awarded a Contract for North Gonzales Waterline Replacement

The Contract Price of your Contract is Two Hundred Thirty Seven Thousand, One Hundred and Sixty and 40/100 Dollars ($237,160.40) excluding NMGRT. The following documents are provided with the Notice of Award:

- Five (5) copies of the Agreement, Performance Bond, and Payment Bond.
- A Sample Insurance Certificate.

You must comply with the following conditions precedent within 10 days of the date you receive this Notice of Award.

1. You must deliver to the Owner's Engineer five (5) fully executed counterparts of the Agreement, the Contract Security Bonds, and Insurance Certificates, as specified in the Instructions to Bidders and General Conditions.
2. List other conditions precedent:

_____

_____

Failure to comply with these conditions within the time specified will entitle Owner to consider you in default, annul this Notice of Award, and declare your Bid security forfeited.

Within ten days after you comply with the above conditions, Owner will return to you one fully executed counterpart of the Contract Documents.

City of Las Vegas
Owner

By: _____
Authorized Signature

_____
Title

Copy to Engineer

BIDDER INFORMATION

OFFEROR: DUB-L-EE, LLC

AUTHORIZED AGENT: Joseph Sanchez

ADDRESS: 98 Hwy 66 E, Albuquerque, NM 87123

TELEPHONE NUMBER (505) 292-1684

FAX NUMBER (505) 717-2599

DELIVERY: 98 Hwy 66 E, Albuquerque, NM 87123

RECEIVED
APR 21 2021
CITY OF LAS VEGAS
PURCHASING DEPT.
2:00 PM
MS

STATE PURCHASING RESIDENT CERTIFICATION NO.: L0177780400

NEW MEXICO CONTRACTORS LICENSE NO.: 373895

BID ITEM (S): **NORTH GONZALES WATER LINE REPLACEMENT PROJECT**

ITEM (S) UNDER THIS BID ARE TO BE F.O.B. LAS VEGAS, NEW MEXICO 87701. THE CITY OF LAS VEGAS RESERVES THE RIGHT REJECT ANY OR ALL BIDS AND TO WAIVE ANY TECHNICAL IRREGULARITY IN THE FORM OF THE BID.

AFFIDAVIT FOR FILING WITH COMPETITIVE BID

STATE OF New Mexico }

} ss

COUNTY OF Bernalillo }

I, Eddie W. Saiz, being of first duly sworn, state under penalty of perjury that I am at least eighteen years of age, and am the agent authorized by the bidder to submit the attached bid. Affiant further states that the bidder has not been a party to any collusion among bidders in restraint of freedom of competition by agreement to bid at a fixed price or to refrain from bidding; or with any city official or employee as to the terms of said prospective contract, or any other terms of said prospective contract; or in any discussion between bidders with any city official concerning an exchange of money or any other thing of value for special consideration in the letting of a contract.

Signature

Subscribed and sworn to before me, this 20th day of April, 2021.

(SEAL)

OFFICIAL SEAL
Katherine S. Sosa
NOTARY PUBLIC
STATE OF NEW MEXICO
My Commission Expires: 10/9/2024

Notary Public Signature

My Commission Expires: Oct. 9, 2024

STANDARD BID CLAUSES

AWARDED BID

Awarding of bid shall be made to the responsible Bidder whose Bid best meets the required specifications. The City of Las Vegas (City) reserves the right to reject or accept any of all Bid specifications and to waive any insubstantial irregularity in the form of the Bid.

TIMETABLE

Bid pursuant to this request must be received at the City Clerk's Office at 1700 North Grand Avenue, Las Vegas, New Mexico, on or before: April 21, 2021; 2:00 p.m.; at which time all bids received will be opened. An opening will occur at the City's Council Chambers or other designated area at the City Offices. Awarding of Bid is projected for _____ , 2021. The successful Bidder will be notified by mail.

ENVELOPES

Sealed Bid envelopes shall be clearly marked on the lower left-hand corner, identified by the Bid Name and Opening Number. Failure to comply with this requirement may result in the rejection of the submitted Bid.

BRIBERY AND KICKBACK

The Procurement Code (NMSA 13-1-28 through 13-1-199) imposes a third degree felony penalty for bribery of a public official or public employee. In addition, the New Mexico Criminal Statutes (NMSA 30-24-1 and 30-24-2) state that it is a third degree felony to commit the offense of demanding or receiving a bribe by a public official or public employee, and it is a fourth degree felony to commit the offense of soliciting or receiving illegal kickbacks. NMSA 30-41-1 through 30-41-3 include that it is a fourth degree felony to commit the offense of offering or paying illegal kickbacks.

NON-COLLUSION

In signing their Bid and Affidavit, the Bidder certifies that he/she has not, either directly or indirectly, entered into action of restraint of free competition, in connection with the submitted bid.

RESPONSIBILITY OF BIDDER

At all times it shall be the responsibility of the Bidder to see that their bid is delivered to the City Clerk by the Date and Time scheduled for opening. If the mail or delivery of said Bid is delayed beyond the scheduled opening date and time set, this bid will not be considered.

CLARIFICATION OF BID

Bidder requiring clarification or interpretation of Bid specifications shall make a written request to the Department involved in this bid request at least five (5) days prior to the scheduled bid opening date; with a copy forwarded to the Finance Department. Any interpretation, corrections, or changes of said Bid Specifications, Opening Date, or Time Change will be made by Addendum only. Interpretations, Corrections or changes of said Bid made in any other manner will not be binding and the Bidder shall not rely upon such interpretation, corrections and changes.

MODIFICATION OF BID

Bids may be withdrawn upon receipt of written request prior to the scheduled bid opening for the purpose of making any corrections or changes. Such corrections must be properly identified and signed or initialed by the Bidder. Resubmission must be prior to the scheduled bid opening time in order to be considered. After bid opening, no price modifications of submitted bids or other

provisions shall be permitted.

WITHDRAWAL OF BID

A low Bidder alleging a material mistake of fact, after bids have been opened may request their bid be withdrawn upon receipt of a written request to the Finance Department prior to the scheduled awarding date.

INSPECTION

Final inspection and acceptance will be made at the City's discretion. Products rejected for nonconformance with the specifications shall be removed by the Bidder, at his/her risk and expense promptly after notice of rejection.

FEDERAL TAX IDENTIFICATION NUMBER

Pursuant to IRS requirements, Bidder shall provide their Federal Tax ID Number if Bidder is incorporated. If Bidder is a sole proprietorship or partnership they then shall provide their Social Security Number.

FEDERAL TAX ID NUMBER: 45-4953530

SOCIAL SECURITY NUMBER: —

NEW MEXICO TAX IDENTIFICATION NUMBER

Payment may be withheld under (Section 7-10-5, N.M.S.A. 1978) if you are subject to New Mexico Gross Receipts Tax and have not registered for New Mexico (CRS) Tax Identification Number. Contact the New Mexico Taxation & Revenue Department at (505) 827-0700 for registering instructions.

NEW MEXICO TAX IDENTIFICATION NO. (CRS): 03-241348-003

BID

VETERANS

BID FORM

PROJECT IDENTIFICATION: North Gonzales Waterline Replacement

ARTICLE 1 – BID RECIPIENT

1.01 This Bid is submitted to: City of Las Vegas
1700 North Grand Avenue
Las Vegas, New Mexico 87701

1.02 The undersigned Bidder proposes and agrees, if this Bid is accepted, to enter into an Agreement with Owner in the form included in the Bidding Documents to perform all Work as specified or indicated in the Bidding Documents for the prices and within the times indicated in this Bid and in accordance with the other terms and conditions of the Bidding Documents.

ARTICLE 2 – BIDDER'S ACKNOWLEDGEMENTS

2.01 Bidder accepts all of the terms and conditions of the Instructions to Bidders, including without limitation those dealing with the disposition of Bid security. This Bid will remain subject to acceptance for 60 days after the Bid opening, or for such longer period of time that Bidder may agree to in writing upon request of Owner. Bidder will sign and submit the Agreement and the Bonds and other documents required by the Bidding Requirements within ten days after the date of Owner's Notice of Award.

ARTICLE 3 – BIDDER'S REPRESENTATIONS

3.01 In submitting this Bid, Bidder represents that:

A. Bidder has examined and carefully studied the Bidding Documents, other related data identified in the Bidding Documents, and the following Addenda, receipt of which is hereby acknowledged:

Addendum No.	Addendum Date
1	3/31/2021
2	4/16/2021

B. Bidder has visited the Site and become familiar with and is satisfied as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work.

C. Bidder is familiar with and is satisfied as to all Laws and Regulations that may affect cost, progress, and performance of the Work.

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D. Bidder has carefully studied all: (1) reports of explorations and tests of subsurface conditions at or contiguous to the Site and all drawings of physical conditions relating to existing surface or subsurface structures at the Site (except Underground Facilities) that have been identified in SC-4.02, and (2) reports and drawings of Hazardous Environmental Conditions, if any, at the Site that have been identified in SC-4.06.

E. Bidder has considered the information known to Bidder; information commonly known to contractors doing business in the locality of the Site; information and observations obtained from visits to the Site; the Bidding Documents; and the Site-related reports and drawings identified in the Bidding Documents, with respect to the effect of such information, observations, and documents on (1) the cost, progress, and performance of the Work; (2) the means, methods, techniques, sequences, and procedures of construction to be employed by Bidder, including applying the specific means, methods, techniques, sequences, and procedures of construction expressly required by the Bidding Documents; and (3) Bidder's safety precautions and programs.

F. Based on the information and observations referred to in Paragraph 3.01.E above, Bidder does not consider that further examinations, investigations, explorations, tests, studies, or data are necessary for the determination of this Bid for performance of the Work at the price(s) bid and within the times required, and in accordance with the other terms and conditions of the Bidding Documents.

G. Bidder is aware of the general nature of work to be performed by Owner and others at the Site that relates to the Work as indicated in the Bidding Documents.

H. Bidder has given Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Bidder has discovered in the Bidding Documents, and the written resolution thereof by Engineer is acceptable to Bidder.

I. The Bidding Documents are generally sufficient to indicate and convey understanding of all terms and conditions for the performance of the Work for which this Bid is submitted.

ARTICLE 4 – BIDDER'S CERTIFICATION

4.01 Bidder certifies that:

A. This Bid is genuine and not made in the interest of or on behalf of any undisclosed individual or entity and is not submitted in conformity with any collusive agreement or rules of any group, association, organization, or corporation;

B. Bidder has not directly or indirectly induced or solicited any other Bidder to submit a false or sham Bid;

C. Bidder has not solicited or induced any individual or entity to refrain from bidding; and

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D. Bidder has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for the Contract. For the purposes of this Paragraph 4.01.D:

1. "corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value likely to influence the action of a public official in the bidding process;

2. "fraudulent practice" means an intentional misrepresentation of facts made (a) to influence the bidding process to the detriment of Owner, (b) to establish bid prices at artificial non-competitive levels, or (c) to deprive Owner of the benefits of free and open competition:

3. "collusive practice" means a scheme or arrangement between two or more Bidders, with or without the knowledge of Owner, a purpose of which is to establish bid prices at artificial, non-competitive levels; and

4. "coercive practice" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the bidding process or affect the execution of the Contract.

ARTICLE 5 – BASIS OF BID

5.01 Bidder shall complete the Work in accordance with the Contract Documents for the following price(s):

Item No.	Description	Unit	Est. Qty.	Bid Unit Price	Bid Price
North Gonzales Waterline Replacement Taos to San Miguel Estimated Construction Cost					
1	Mobilization, Insurance, and Bonds.	LS	1	$ 17,500.00	$ 17,500.00
2	Demobilization and Closeout.	LS	1	$ 3,000.00	$ 3,000.00
3	Construction Staking.	LS	1	$ 15,180.00	$ 15,180.00
4	Traffic / Pedestrian Control.	LS	1	$ 14,863.75	$ 14,863.75
5	4" HMA Over 6" Aggregate Base Course and 12" Subgrade Prep for Pavement Replacement Including Sawcut, Remove and Dispose of Existing Asphalt Pavement. Milled or pulverized material to be hauled to location designated by City, within City limits.	SY	510	$ 74.30	$ 37,893.00
6	6" PVC Waterline including Pipe and Fittings.	LF	1,110	$ 17.70	$ 19,647.00
7	6" PVC Waterline Installation of Pipe and Fittings; Restraints, Trenching, Backfill, Compaction, Tracer Wire, Identification Tape, All Associated Work, and Materials.	LF	900	$ 29.21	$ 26,289.00
8	6" PVC Waterline Installation Of Pipe and Fittings; Restraints, Trenching, Backfill, Compaction, Tracer Wire, Identification Tape, Rock Excavation, All Associated Work, and Materials. Contractor to Haul Rock Offsite and Dispose.	LF	210	$ 38.32	$ 8,047.20

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Item No.	Description	Unit	Est. Qty.	Bid Unit Price	Bid Price
9	6" Gate Valve Including Trench, Backfill, Compaction, Valve Box, Concrete Collar, Tracer Wire Termination, and Concrete Support, Complete In Place (CIP).	EA	4	$ 1,324.18	$ 5,296.72
10	8" Gate Valve Including Trench, Backfill, Compaction, Valve Box, Concrete Collar, Tracer Wire Termination, and Concrete Support, CIP.	EA	1	$ 1,764.05	$ 1,764.05
11	Connection to Existing Water Line Including All Materials, CIP.	EA	3	$ 2,068.20	$ 6,204.60
12	Reconnect Existing Water Services. Include the Extension of the Existing Service Line or the Connection to the Existing Service Line with Pipe Saddle, Corporation Stop, Service Pipe Material, Sidewalk Saw Cutting and Replacement, Curb Saw Cutting and Replacement, All Appurtenances, and All Incidental Work,	EA	31	$ 1,233.82	$ 38,248.42
13	Digital Video Recording Services per Section 01 45 16.14 – Digital Video Recording.	LS	1	$ 5,218.13	$ 5,218.13
14	14" Steel Trench Casing or 16" Steel Trench Casing (25') for 6" Waterline Shown on Drawing (Sheet W-301). Include Trenching, Backfilling, Materials, Steel Casing, Ductile Iron Carrier Pipe (35'), Pipe Joint Restraints, Spacers, All Appurtenances, and All Incidental Work, CIP.	LS	1	$ 3,784.90	$ 3,784.90
15	Laboratory Testing.	ALLOW	1	$ 7,500.00	$ 7,500.00
16	Utility Relocation.	ALLOW	1	$ 10,000.00	$ 10,000.00
17	Pre-Authorized Construction Changes.	ALLOW	1	$ 30,000.00	$ 30,000.00
18	Pressure Testing and Disinfection.	LS	1	$ 4,784.66	$ 4,784.66
19	Remove and Dispose of unsuitable material as coordinated with City and Engineer. Import and install suitable material.	CY	250	$ 106.54	$ 26,635.00

TOTAL BID AMOUNT (Exclusive of New Mexico Gross Receipts Tax) $ 281,856.43

Unit Prices have been computed in accordance with Paragraph 11.03 of the General Conditions.

Bidder acknowledges that estimated quantities are not guaranteed, and are solely for the purpose of comparison of Bids, and final payment for all unit price Bid items will be based on actual quantities, determined as provided in the Contract Documents.

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5.03 This Contract includes two (2) preferences for the award of the Bid: (1) New Mexico Resident Contractor Preference and (2) Resident Veterans Preference Certification.

A. To receive a Resident Contractor preference pursuant to Section 13-4-2 NMSA 1978 or a Resident Veteran Contractor preference pursuant to Section 13-1-21 NMSA 1978, a Bidder shall submit with its Bid a copy of a valid Resident Contractor Certificate or Resident Veteran Contractor Certificate issued by the Taxation and Revenue Department. In addition, if the Bidder is seeking the Resident Veteran Contractor preference, the Bidder shall submit with its Bid the Resident Veterans Preference Certification form.

B. For the purpose of awarding, the following shall apply:

1. A Bid submitted by a Resident Contractor shall be deemed to be five percent (5%) lower than the Bid actually submitted.

2. A Bid submitted by a Resident Veteran Contractor with annual revenues of up to Three Million Dollars ($3,000,000) in the preceding tax year shall be deemed to be ten percent (10%) lower than the Bid actually submitted.

3. A public body shall not award a Bidder both a Resident Contractor preference and a Resident Veteran Contractor preference.

4. When a Joint Bid is submitted by a combination of Resident Veteran and Resident or Nonresident Contractor, the preference shall be calculated in proportion to the percentage of the Contract, based on the dollar amount of the Bid provided under the Contract that will be performed by each business as specified in the Joint Bid.

For information on obtaining a Resident Contractor Certificate or Resident Veteran Certificate, the potential Bidder should contact the State of New Mexico Taxation and Revenue Department, P.O. Box 5373, Santa Fe, New Mexico 87502-5374, telephone (505) 827-0951, or on the web at http://www.tax.newmexico.gov/forms-and-publications/pages/recently-updated.aspx.

5.04 Gross receipts tax rates will be adjusted by the Contractor during the construction period to reflect the actual applicable rates issued by the New Mexico Taxation and Revenue Department.

ARTICLE 6 – TIME OF COMPLETION

6.01 Bidder agrees that the Work will be substantially complete and will be completed and ready for final payment in accordance with Paragraph 14.07 of the General Conditions on or before the dates or within the number of calendar days indicated in the Agreement.

6.02 Bidder accepts the provisions of the Agreement as to liquidated damages.

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ARTICLE 7 – ATTACHMENTS TO THIS BID

7.01 The following documents are submitted with and made a condition of this Bid:

A. Required Bid Security

B. List of Proposed Subcontractors for compliance with New Mexico Subcontractor's Fair Practices Act

C. Resident Contractor Certificate issued by the Taxation and Revenue Department (if seeking preference)

D. Resident Veteran Contractor Certificate issued by the Taxation and Revenue Department (if seeking preference)

ARTICLE 8 – DEFINED TERMS

8.01 The terms used in this Bid with initial capital letters have the meanings stated in the Instructions to Bidders, the General Conditions, and the Supplementary Conditions.

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ARTICLE 9 – BID SUBMITTAL

9.01 This Bid is submitted by:

If Bidder is:

An Individual

Name (typed or printed): _____

By: _____
(Individual's signature)

Doing business as: _____

A Partnership

Partnership Name: _____

By: _____
(Signature of general partner -- attach evidence of authority to sign)

Name (typed or printed): _____

A Corporation

Corporation Name: DUB-L-EE, LLC (SEAL)

State of Incorporation: New Mexico
Type (General Business, Professional, Service, Limited Liability): LLC

By: _____
(Signature -- attach evidence of authority to sign)

Name (typed or printed): Eddie W. Saiz

Title: President
(CORPORATE SEAL)

Attest _____

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A Joint Venture

Name of Joint Venture: _____

First Joint Venturer Name: _____ (SEAL)

By: _____
(Signature of first joint venture partner -- attach evidence of authority to sign)

Name (typed or printed): _____

Title: _____

Second Joint Venturer Name: _____(SEAL)

By: _____
(Signature of second joint venture partner -- attach evidence of authority to sign)

Name (typed or printed): _____

Title: _____

(Each joint venturer must sign. The manner of signing for each individual, partnership, and corporation that is a party to the joint venture should be in the manner indicated above.)

Bidder's Business Address 98 Hwy 66 E, Albuquerque, NM 87123

Phone No. 505-292-1684 Fax No. 505-717-2599

E-mail esaiz@dub-l-ee.com

SUBMITTED on 4/21/21, 2021.

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9.02 Contractor License Information:

New Mexico Contractor's License Number 373895

License Classifications GA02, GA03, GB98, GF08, GF09, MM98

New Mexico Department of Workforce Solutions Registration Number 1746820150218

Federal Identification Number (FEIN #) 45-4953530

ARTICLE 10 – PREFERENCES

10.01 Resident Contractor Preference:

Is Bidder claiming Resident Contractor Preference? Yes, Cert #L0177780400

If Yes, provide a copy of your Resident Contractor Certificate issued by the Taxation and Revenue Department.

10.02 Resident Veteran Contractor Preference:

Is Bidder claiming Resident Veteran Contractor Preference? No

If Yes, provide a copy of your Resident Veteran Contractor Certificate issued by the Taxation and Revenue Department.

New Mexico Contractor's License Number 373895

License Classifications GA02, GA03, GB98, GF08, GF09, MM98

New Mexico Department of Workforce Solutions Registration Number 1746820150218

Federal Identification Number (FEIN #) 45-4953530

Dun & Bradstreet Data Universal Numbering System (D-U-N-S Number) 078460041

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CAMPAIGN CONTRIBUTION DISCLOSURE FORM

Pursuant to the Procurement Code, NMSA 13-1-28, *et al*, as amended, a prospective contractor subject to this section shall disclose all campaign contributions given by the prospective contractor or a family member or representative of the prospective contractor to an applicable public official of the state or a local public body during the two years prior to the date on which a proposal is submitted or, in the case of a sole source or small purchase contract, the two years prior to the date on which the contractor signs the contract, if the aggregate total of contributions given by the prospective contractor or a family member or representative of the prospective contractor to the public official exceeds two hundred fifty dollars ($250.00) over the two-year period. A prospective contractor submitting a disclosure statement pursuant to this section who has not contributed to an applicable public official, whose family members have not contributed to an applicable public official or whose representatives have not contributed to an applicable public official shall make a statement that no contribution was made.

A prospective contractor or a family member or representative of the prospective contractor shall not give a campaign contribution or other thing of value to an applicable public official or the applicable public official's employees during the pendency of the procurement process or during the pendency of negotiations for a sole source or small purchase contract.

Furthermore, a solicitation or proposed award for a proposed contract may be canceled pursuant to NMSA 13-1-181 or a contract that is executed may be ratified or terminated pursuant to NMSA 13-1-18 if a prospective contractor fails to submit a fully completed disclosure statement pursuant to this section; or a prospective contractor or family member or representative of the prospective contractor gives a campaign contribution or other thing of value to an applicable public official or the applicable public official's employees during the pendency of the procurement process.

The state agency or local public body that procures the services or items of tangible personal property shall indicate on the form the name or names of every applicable public official, if any, for which disclosure is required by a prospective contractor.

THIS FORM MUST BE INCLUDED IN THE REQUEST FOR PROPOSALS AND MUST BE FILED BY ANY PROSPECTIVE CONTRACTOR WHETHER OR NOT THEY, THEIR FAMILY MEMBER, OR THEIR REPRESENTATIVE HAS MADE ANY CONTRIBUTIONS SUBJECT TO DISCLOSURE.

The following definitions apply:

"**Applicable public official**" means a person elected to an office or a person appointed to complete a term of an elected office, who has the authority to award or influence the award of the contract for which the prospective contractor is submitting a competitive sealed proposal or who has the authority to negotiate a sole source of small purchase contract that may be awarded without submission of a sealed competitive proposal.

"**Campaign Contribution**" means a gift, subscription, loan, advance or deposit of money or other thing of value, including the estimated value of an in-kind contribution, that is made to or received by an applicable public official or any person authorized to raise, collect or expend contributions on that official's behalf for the purpose of electing the official to statewide or local office. "Campaign Contribution" includes the payment of a debt incurred in an election campaign, but does not include the value of services provided without compensation or unreimbursed travel or other personal expenses of individuals who volunteer a portion or all of their time on behalf of a candidate or political committee, nor does it include the administrative or solicitation expenses of a political committee that are paid by an organization that sponsors the committee.

"**Family member**" means a spouse, father, mother, child, father-in-law, mother- in-law, daughter-in-law or son-in-law of (a) a prospective contractor, if the prospective contractor is a natural person; or (b) an owner of a prospective contractor;

"**Pendency of the procurement process**" means the time period commencing with the public notice of the request for

proposals and ending with the award of the contract or the cancellation of the request for proposals.

"Prospective contractor" means a person or business that is subject to the competitive sealed proposal process set forth in the Procurement Code [NMSA 13-1-28 through 13-1-199] or is not required to submit a competitive sealed proposal because that person or business qualifies for a sole source or small purchase contract.

"Representative of a prospective contractor" means an officer or director of a corporation, a member or manager of a limited liability corporation, a partner of a partnership or a trustee of a trust of the prospective contractor.

Name(s) of Applicable Public Official(s) if any: None
(Completed by State Agency or Local Public Body)

DISCLOSURE OF CONTRIBUTIONS BY PROSPECTIVE CONTRACTOR:

Contribution Made By: None Made

Relation to Prospective Contractor: None Made

Date Contribution(s) Made: None Made

Amount(s) of Contribution(s) None Made

Nature of Contribution(s) None Made

Purpose of Contribution(s) None Made

(Attach extra pages if necessary)

Signature Date

Title (position)

--OR—

NO CONTRIBUTIONS IN THE AGGREGATE TOTAL OVER TWO HUNDRED FIFTY DOLLARS ($250.00) WERE MADE to an applicable public official by me, a family member or representative.

Signature

4/20/2021
Date

President

Title (Position)

SUBCONTRACTOR'S FAIR PRACTICE ACT COMPLIANCE

SUBCONTRACTOR'S FAIR PRACTICE ACT COMPLIANCE

This project is subject to the provisions of the State of New Mexico Subcontractor's Fair Practice Act.

Listing Threshold: ***$6,000.00***

Portion of project to which requirements apply:

Complete Project.

For each category of the project, which the BIDDER will be subcontracting for an amount exceeding the listing threshold indicated above, the BIDDER shall define the subcontracting categories and list only one subcontractor for each category. The listing shall be in the format indicated on the following page, and shall be completed and submitted with the Bid.

No CONTRACTOR whose Bid is accepted shall sublet or subcontract any portion of the Work of the Project in an amount exceeding the threshold amount given above, where the original bid amount did not designate a subcontractor, unless 1) the CONTRACTOR received no bid for that category (note: the BIDDER must designate on the list of subcontractors that "no bid was received"), or 2) the Work is pursuant to a change order that causes changes or deviations from the original contract.

No CONTRACTOR whose Bid is accepted shall substitute any subcontractor in place of the subcontractor listed in the Bid except as provided for in the Subcontractor's Fair Practice Act.

Any changes or additions of subcontractors shall be promptly reported to the ENGINEER in writing within two (2) calendar days of the known change or addition to the submitted List of Project Subcontractors in the Bid.

All subcontractors with work in excess of $60,000 must be registered with the New Mexico Department of Workforce Solutions, Labor Enforcement. On page SCFP-2, include the total of the subcontracted work and the subcontractor's New Mexico Department of Workforce Solutions Registration Number, if work is in excess of $60,000.

LIST OF PROJECT SUBCONTRACTORS FOR
AMOUNTS EXCEEDING THE LISTING THRESHOLD

Subcontract Category: Construction Staking
Estimated Value of Work: $15,180.00
Subcontractor's Name: Billingsley Engineering, Inc.
Business Address: P.O. Box 1120
901 6th St., Las Vegas, NM 87701
Phone Number: (505) 454-9592
E-mail Address: office@billingsleyengineering.com
Federal Identification No. (FEIN #): 85-0321466
New Mexico Contractor's License No.: Professional Eng. 6370
License Categories: Professional Survey 10934
New Mexico Dept. of Workforce Solutions Registration No.: N/A
(list only if value of work is in excess of $60,000)

Subcontract Category: None
Estimated Value of Work:
Subcontractor's Name:
Business Address:
Phone Number:
E-mail Address:
Federal Identification No. (FEIN #):
New Mexico Contractor's License No.:
License Categories:
New Mexico Dept. of Workforce Solutions Registration No.:
(list only if value of work is in excess of $60,000)

Subcontract Category None

Estimated Value of Work

Subcontractor's Name

Business Address

Phone Number

E-mail Address

Federal Identification No. (FEIN #)

New Mexico Contractor's License No.

License Categories

New Mexico Dept. of Workforce Solutions Registration No.
(list only if value of work is in excess of $60,000)

Subcontract Category None

Estimated Value of Work

Subcontractor's Name

Business Address

Phone Number

E-mail Address

Federal Identification No. (FEIN #)

New Mexico Contractor's License No.

License Categories

New Mexico Dept. of Workforce Solutions Registration No.
(list only if value of work is in excess of $60,000)

Signature of Authorized Representative for BIDDER:

Date: 4/20/2021

Duplicate, complete, and submit additional sheets as required.

STATE OF NEW MEXICO

CONSTRUCTION INDUSTRIES DIVISION

DUB-L-EE LLC

LICENSE NUMBER

373895

EXPIRES

04/30/2021

Qualifying Party(S)

SANCHEZ JOSEPH
CARRILLO DAVID
SAIZ EDDIE
SAIZ EDDIE
SANCHEZ JOSEPH

CLASSIFICATION(S)

GA02, GA03, GB98, GF08
GF09, MM98

DIRECTOR

This card is the property of the CID and shall be surrendered upon demand

STATE OF NEW MEXICO

TAXATION AND REVENUE DEPARTMENT

RESIDENT CONTRACTOR CERTIFICATE

Issued to: **DUB-L-EE LLC**

DBA: **DUB-L-EE LLC**
98 HIGHWAY 66 E
ALBUQUERQUE, NM 87123-9587

Expires: **30-Jun-2023**

Certificate Number:

L0177780400

Stephanie Schardin Clarke
Cabinet Secretary

THIS CERTIFICATE IS NOT TRANSFERABLE

Susana Martinez
Governor

Pat McMurray
Director

Robert "Mike" Unthank
Superintendent

State of New Mexico

Regulation and Licensing Department

CONSTRUCTION INDUSTRIES DIVISION

2550 Cerillos Rd.
Santa Fe, New Mexico 87505

This is to certify that: **DUB-L-EE LLC**

PERMANENT LICENSE #373895

Located at: **13 OLD RD SE, ALBUQUERQUE, NM 87123**

Has complied with all the requirements of the law and is hereby licensed as a contractor, to operate under the classification(s) of:

GA02, GA03, GB98, GF09, MM98

And to permit or contract projects singly in New Mexico of a dollar amount up to:

UNLIMITED

Given under my signature and the seal of the Construction Industries Division at Santa Fe, New Mexico on

04/12/2012

Signature of Contractor

Pat McMurray
Director

NOTE: This Certificate is now and shall remain the property of the CONSTRUCTION INDUSTRIES DIVISION and shall be surrendered at any time upon demand. This certificate is not transferable

BID BOND

Any singular reference to Bidder, Surety, Owner or other party shall be considered plural where applicable.

BIDDER *(Name and Address)*:
Dub-L-EE, LLC
98 Highway 66E
Albuquerque, NM 87123-9587

SURETY *(Name and Address of Principal Place of Business)*:
Granite Re, Inc.
14001 Quailbrook Dr.
Oklahoma City, OK 73134

OWNER *(Name and Address)*:
City of Las Vegas
1700 North Grand Avenue
Las Vegas, New Mexico 87701

BID
Bid Due Date: April 21, 2021
Description *(Project Name and Include Location)*: North Gonzales Waterline Replacement
Las Vegas, New Mexico

BOND
Bond Number: BID
Date *(Not earlier than Bid due date)*: April 21, 2021
Penal sum Five Percent Of The Amount Bid (Words) $ 5% (Figures)

Surety and Bidder, intending to be legally bound hereby, subject to the terms set forth below, do each cause this Bid Bond to be duly executed by an authorized officer, agent, or representative.

BIDDER	**SURETY**
Dub-L-EE, LLC (Seal)	Granite Re, Inc. (Seal)
Bidder's Name and Corporate Seal	Surety's Name and Corporate Seal
By: _____	By: _____
Signature	Signature (Attach Power of Attorney)
Eddie Saiz	Susan J. Vance
Print Name	Print Name
President	Attorney-In-Fact
Title	Title
Attest: _____	Attest: _____
Signature	Signature
Secretary	Witness
Title	Title

Note: Above addresses are to be used for giving any required notice. Provide execution by any additional parties, such as joint venturers, if necessary.

GRANITE RE, INC.

GENERAL POWER OF ATTORNEY

Know all Men by these Presents:

That GRANITE RE, INC., a corporation organized and existing under the laws of the State of MINNESOTA and having its principal office at the City of OKLAHOMA CITY in the State of OKLAHOMA does hereby constitute and appoint:

ROGER N. DOWNEY; CHRISTIAN B. DOWNEY; SHERRYL L. QUINT; MARIA Y. ANKENY; SUSAN J. VANCE; JOSEPH A. MENICUCCI its true and lawful Attorney-in-Fact(s) for the following purposes, to wit:

To sign its name as surety to, and to execute, seal and acknowledge any and all bonds, and to respectively do and perform any and all acts and things set forth in the resolution of the Board of Directors of the said GRANITE RE, INC. a certified copy of which is hereto annexed and made a part of this Power of Attorney; and the said GRANITE RE, INC. through us, its Board of Directors, hereby ratifies and confirms all and whatsoever the said:

ROGER N. DOWNEY; CHRISTIAN B. DOWNEY; SHERRYL L. QUINT; MARIA Y. ANKENY; SUSAN J. VANCE; JOSEPH A. MENICUCCI may lawfully do in the premises by virtue of these presents.

In Witness Whereof, the said GRANITE RE, INC. has caused this instrument to be sealed with its corporate seal, duly attested by the signatures of its President and Secretary/Treasurer, this 3rd day of January, 2020.

GRANITE RE, INC. SEAL MINNESOTA

Kenneth D. Whittington, President

Kyle P. McDonald, Treasurer

STATE OF OKLAHOMA)
) SS:
COUNTY OF OKLAHOMA)

On this 3rd day of January, 2020, before me personally came Kenneth D. Whittington, President of the GRANITE RE, INC. Company and Kyle P. McDonald, Secretary/Treasurer of said Company, with both of whom I am personally acquainted, who being by me severally duly sworn, said, that they, the said Kenneth D. Whittington and Kyle P. McDonald were respectively the President and the Secretary/Treasurer of GRANITE RE, INC., the corporation described in and which executed the foregoing Power of Attorney; that they each knew the seal of said corporation; that the seal affixed to said Power of Attorney was such corporate seal, that it was so fixed by order of the Board of Directors of said corporation, and that they signed their name thereto by like order as President and Secretary/Treasurer, respectively, of the Company.

KATHLEEN E. CARLSON NOTARY PUBLIC STATE OF OKLAHOMA

My Commission Expires:
August 8, 2021
Commission #: 01013257

Kathleen E. Carlson
Notary Public

GRANITE RE, INC.

Certificate

THE UNDERSIGNED, being the duly elected and acting Secretary/Treasurer of Granite Re, Inc., a Minnesota Corporation, HEREBY CERTIFIES that the following resolution is a true and correct excerpt from the July 15, 1987, minutes of the meeting of the Board of Directors of Granite Re, Inc. and that said Power of Attorney has not been revoked and is now in full force and effect.

"RESOLVED, that the President, any Vice President, the Secretary, and any Assistant Vice President shall each have authority to appoint individuals as attorneys-in-fact or under other appropriate titles with authority to execute on behalf of the company fidelity and surety bonds and other documents of similar character issued by the Company in the course of its business. On any instrument making or evidencing such appointment, the signatures may be affixed by facsimile. On any instrument conferring such authority or on any bond or undertaking of the Company, the seal, or a facsimile thereof, may be impressed or affixed or in any other manner reproduced; provided, however, that the seal shall not be necessary to the validity of any such instrument or undertaking."

IN WITNESS WHEREOF, the undersigned has subscribed this Certificate and affixed the corporate seal of the Corporation this 21ST day of April, 2021.

GRANITE RE, INC. SEAL MINNESOTA

Kyle P. McDonald, Secretary/Treasurer

BID FORM

RECEIVED
APR 21 2021
CITY OF LAS VEGAS
PURCHASING DEPT.
2:04 pm
MS

PROJECT IDENTIFICATION: North Gonzales Waterline Replacement

ARTICLE 1 – BID RECIPIENT

1.01 This Bid is submitted to: City of Las Vegas
1700 North Grand Avenue
Las Vegas, New Mexico 87701

1.02 The undersigned Bidder proposes and agrees, if this Bid is accepted, to enter into an Agreement with Owner in the form included in the Bidding Documents to perform all Work as specified or indicated in the Bidding Documents for the prices and within the times indicated in this Bid and in accordance with the other terms and conditions of the Bidding Documents.

ARTICLE 2 – BIDDER'S ACKNOWLEDGEMENTS

2.01 Bidder accepts all of the terms and conditions of the Instructions to Bidders, including without limitation those dealing with the disposition of Bid security. This Bid will remain subject to acceptance for 60 days after the Bid opening, or for such longer period of time that Bidder may agree to in writing upon request of Owner. Bidder will sign and submit the Agreement and the Bonds and other documents required by the Bidding Requirements within ten days after the date of Owner's Notice of Award.

ARTICLE 3 – BIDDER'S REPRESENTATIONS

3.01 In submitting this Bid, Bidder represents that:

A. Bidder has examined and carefully studied the Bidding Documents, other related data identified in the Bidding Documents, and the following Addenda, receipt of which is hereby acknowledged:

Addendum No.	Addendum Date
1	3-31-2021
2	4-16-2021

B. Bidder has visited the Site and become familiar with and is satisfied as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work.

C. Bidder is familiar with and is satisfied as to all Laws and Regulations that may affect cost, progress, and performance of the Work.

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D. Bidder has carefully studied all: (1) reports of explorations and tests of subsurface conditions at or contiguous to the Site and all drawings of physical conditions relating to existing surface or subsurface structures at the Site (except Underground Facilities) that have been identified in SC-4.02, and (2) reports and drawings of Hazardous Environmental Conditions, if any, at the Site that have been identified in SC-4.06.

E. Bidder has considered the information known to Bidder; information commonly known to contractors doing business in the locality of the Site; information and observations obtained from visits to the Site; the Bidding Documents; and the Site-related reports and drawings identified in the Bidding Documents, with respect to the effect of such information, observations, and documents on (1) the cost, progress, and performance of the Work; (2) the means, methods, techniques, sequences, and procedures of construction to be employed by Bidder, including applying the specific means, methods, techniques, sequences, and procedures of construction expressly required by the Bidding Documents; and (3) Bidder's safety precautions and programs.

F. Based on the information and observations referred to in Paragraph 3.01.E above, Bidder does not consider that further examinations, investigations, explorations, tests, studies, or data are necessary for the determination of this Bid for performance of the Work at the price(s) bid and within the times required, and in accordance with the other terms and conditions of the Bidding Documents.

G. Bidder is aware of the general nature of work to be performed by Owner and others at the Site that relates to the Work as indicated in the Bidding Documents.

H. Bidder has given Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Bidder has discovered in the Bidding Documents, and the written resolution thereof by Engineer is acceptable to Bidder.

I. The Bidding Documents are generally sufficient to indicate and convey understanding of all terms and conditions for the performance of the Work for which this Bid is submitted.

ARTICLE 4 – BIDDER'S CERTIFICATION

4.01 Bidder certifies that:

A. This Bid is genuine and not made in the interest of or on behalf of any undisclosed individual or entity and is not submitted in conformity with any collusive agreement or rules of any group, association, organization, or corporation;

B. Bidder has not directly or indirectly induced or solicited any other Bidder to submit a false or sham Bid;

C. Bidder has not solicited or induced any individual or entity to refrain from bidding; and

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D. Bidder has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for the Contract. For the purposes of this Paragraph 4.01.D:

1. "corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value likely to influence the action of a public official in the bidding process;

2. "fraudulent practice" means an intentional misrepresentation of facts made (a) to influence the bidding process to the detriment of Owner, (b) to establish bid prices at artificial non-competitive levels, or (c) to deprive Owner of the benefits of free and open competition;

3. "collusive practice" means a scheme or arrangement between two or more Bidders, with or without the knowledge of Owner, a purpose of which is to establish bid prices at artificial, non-competitive levels; and

4. "coercive practice" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the bidding process or affect the execution of the Contract.

ARTICLE 5 – BASIS OF BID

5.01 Bidder shall complete the Work in accordance with the Contract Documents for the following price(s):

Item No.	Description	Unit	Est. Qty.	Bid Unit Price	Bid Price
North Gonzales Waterline Replacement Taos to San Miguel Estimated Construction Cost					
1	Mobilization, Insurance, and Bonds.	LS	1	$ 17,500.00	$ 17,500.00
2	Demobilization and Closeout.	LS	1	$ 3,000.00	$ 3,000.00
3	Construction Staking.	LS	1	$ 20,000	$ 20,000
4	Traffic / Pedestrian Control.	LS	1	$ 20,000	$ 20,000
5	4" HMA Over 6" Aggregate Base Course and 12" Subgrade Prep for Pavement Replacement Including Sawcut, Remove and Dispose of Existing Asphalt Pavement. Milled or pulverized material to be hauled to location designated by City, within City limits.	SY	510	$ 76	$ 38,760
6	6" PVC Waterline including Pipe and Fittings.	LF	1,110	$ 15	$ 16,650
7	6" PVC Waterline Installation of Pipe and Fittings; Restraints, Trenching, Backfill, Compaction, Tracer Wire, Identification Tape, All Associated Work, and Materials.	LF	900	$ 48	$ 43,200
8	6" PVC Waterline Installation Of Pipe and Fittings; Restraints, Trenching, Backfill, Compaction, Tracer Wire, Identification Tape, Rock Excavation, All Associated Work, and Materials. Contractor to Haul Rock Offsite and Dispose.	LF	210	$ 89	$ 18,690

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Item No.	Description	Unit	Est. Qty.	Bid Unit Price	Bid Price
9	6" Gate Valve Including Trench, Backfill, Compaction, Valve Box, Concrete Collar, Tracer Wire Termination, and Concrete Support, Complete In Place (CIP).	EA	4	$ 3,250	$ 13,000
10	8" Gate Valve Including Trench, Backfill, Compaction, Valve Box, Concrete Collar, Tracer Wire Termination, and Concrete Support, CIP.	EA	1	$ 4,500	$ 4,500
11	Connection to Existing Water Line Including All Materials, CIP.	EA	3	$ 3,500	$ 10,500
12	Reconnect Existing Water Services. Include the Extension of the Existing Service Line or the Connection to the Existing Service Line with Pipe Saddle, Corporation Stop, Service Pipe Material, Sidewalk Saw Cutting and Replacement, Curb Saw Cutting and Replacement, All Appurtenances, and All Incidental Work,	EA	31	$ 850	$ 26,350
13	Digital Video Recording Services per Section 01 45 16.14 – Digital Video Recording.	LS	1	$ 2,000	$ 2,000
14	14" Steel Trench Casing or 16" Steel Trench Casing (25') for 6" Waterline Shown on Drawing (Sheet W-301). Include Trenching, Backfilling, Materials, Steel Casing, Ductile Iron Carrier Pipe (35'), Pipe Joint Restraints, Spacers, All Appurtenances, and All Incidental Work, CIP.	LS	1	$ 6,500	$ 6,500
15	Laboratory Testing.	ALLOW	1	$ 7,500.00	$ 7,500.00
16	Utility Relocation.	ALLOW	1	$ 10,000.00	$ 10,000.00
17	Pre-Authorized Construction Changes.	ALLOW	1	$ 30,000.00	$ 30,000.00
18	Pressure Testing and Disinfection.	LS	1	$ 5,500	$ 5,500
19	Remove and Dispose of unsuitable material as coordinated with City and Engineer. Import and install suitable material.	CY	250	$ 72	$ 18,000

TOTAL BID AMOUNT (Exclusive of New Mexico Gross Receipts Tax) $ 311,650.00

Unit Prices have been computed in accordance with Paragraph 11.03 of the General Conditions.

Bidder acknowledges that estimated quantities are not guaranteed, and are solely for the purpose of comparison of Bids, and final payment for all unit price Bid items will be based on actual quantities, determined as provided in the Contract Documents.

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5.02 This Contract will be awarded on the basis of the lowest responsive total Bid received from a responsible Bidder. If the lowest acceptable Bid exceeds available funds, the Owner retains the right to reject all Bids or negotiate a change of scope with the lowest responsive Bidder. Owner may only negotiate up to 10% higher than the budgeted project funds. Such negotiation shall not be allowed if the lowest Bid is more than 10% over the budgeted project funds. If a change of scope is negotiated and effected, it will be in the form of a formal Change Order to the Contract. If these conditions are not satisfied, the Owner is required to reject all Bids and re-bid the project to comply with State procurement requirements.

5.03 This Contract includes two (2) preferences for the award of the Bid: (1) New Mexico Resident Contractor Preference and (2) Resident Veterans Preference Certification.

D. To receive a Resident Contractor preference pursuant to Section 13-4-2 NMSA 1978 or a Resident Veteran Contractor preference pursuant to Section 13-1-21 NMSA 1978, a Bidder shall submit with its Bid a copy of a valid Resident Contractor Certificate or Resident Veteran Contractor Certificate issued by the Taxation and Revenue Department. In addition, if the Bidder is seeking the Resident Veteran Contractor preference, the Bidder shall submit with its Bid the Resident Veterans Preference Certification form.

E. For the purpose of awarding, the following shall apply:

1. A Bid submitted by a Resident Contractor shall be deemed to be five percent (5%) lower than the Bid actually submitted.

2. A Bid submitted by a Resident Veteran Contractor with annual revenues of up to Three Million Dollars ($3,000,000) in the preceding tax year shall be deemed to be ten percent (10%) lower than the Bid actually submitted.

3. A public body shall not award a Bidder both a Resident Contractor preference and a Resident Veteran Contractor preference.

4. When a Joint Bid is submitted by a combination of Resident Veteran and Resident or Nonresident Contractor, the preference shall be calculated in proportion to the percentage of the Contract, based on the dollar amount of the Bid provided under the Contract that will be performed by each business as specified in the Joint Bid.

For information on obtaining a Resident Contractor Certificate or Resident Veteran Certificate, the potential Bidder should contact the State of New Mexico Taxation and Revenue Department, P.O. Box 5373, Santa Fe, New Mexico 87502-5374, telephone (505) 827-0951, or on the web at http://www.tax.newmexico.gov/forms-and-publications/pages/recently-updated.aspx.

5.04 Gross receipts tax rates will be adjusted by the Contractor during the construction period to reflect the actual applicable rates issued by the New Mexico Taxation and Revenue Department.

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ARTICLE 6 – TIME OF COMPLETION

6.01 Bidder agrees that the Work will be substantially complete and will be completed and ready for final payment in accordance with Paragraph 14.07 of the General Conditions on or before the dates or within the number of calendar days indicated in the Agreement.

6.02 Bidder accepts the provisions of the Agreement as to liquidated damages.

ARTICLE 7 – ATTACHMENTS TO THIS BID

7.01 The following documents are submitted with and made a condition of this Bid:

D. Required Bid Security

E. List of Proposed Subcontractors for compliance with New Mexico Subcontractor's Fair Practices Act

F. Resident Contractor Certificate issued by the Taxation and Revenue Department (if seeking preference)

G. Resident Veteran Contractor Certificate issued by the Taxation and Revenue Department (if seeking preference)

ARTICLE 8 – DEFINED TERMS

8.01 The terms used in this Bid with initial capital letters have the meanings stated in the Instructions to Bidders, the General Conditions, and the Supplementary Conditions.

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ARTICLE 9 – BID SUBMITTAL

9.01 This Bid is submitted by:

If Bidder is:

An Individual

Name (typed or printed): _____

By: _____
(Individual's signature)

Doing business as: _____

A Partnership

Partnership Name: _____

By: _____
(Signature of general partner -- attach evidence of authority to sign)

Name (typed or printed): _____

A Corporation

Corporation Name: A.A.C. Construction, LLC (SEAL)

State of Incorporation: New Mexico
Type (General Business, Professional, Service, Limited Liability): LLC

By: _____
(Signature -- attach evidence of authority to sign)

Name (typed or printed): Andrew Sisneros

Title: Managing Member

(CORPORATE SEAL)

Attest _____

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A Joint Venture

Name of Joint Venture: _____

First Joint Venturer Name: _____ (SEAL)

By: _____
(Signature of first joint venture partner -- attach evidence of authority to sign)

Name (typed or printed): _____

Title: _____

Second Joint Venturer Name: _____(SEAL)

By: _____
(Signature of second joint venture partner -- attach evidence of authority to sign)

Name (typed or printed): _____

Title: _____

(Each joint venturer must sign. The manner of signing for each individual, partnership, and corporation that is a party to the joint venture should be in the manner indicated above.)

Bidder's Business Address 18 La Luna Rd, Santa Fe, NM 87507

Phone No. 505-930-0481 Fax No. 505-471-4484

E-mail andrew@cnsp.net

SUBMITTED on April 21, 20 21.

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9.02 Contractor License Information:

New Mexico Contractor's License Number 361394

License Classifications GF-98

New Mexico Department of Workforce Solutions Registration Number 03058720140922

Federal Identification Number (FEIN #) 80-0371646

ARTICLE 10 – PREFERENCES

10.01 Resident Contractor Preference:

Is Bidder claiming Resident Contractor Preference? Yes

If Yes, provide a copy of your Resident Contractor Certificate issued by the Taxation and Revenue Department.

10.02 Resident Veteran Contractor Preference:

Is Bidder claiming Resident Veteran Contractor Preference? No

If Yes, provide a copy of your Resident Veteran Contractor Certificate issued by the Taxation and Revenue Department.

New Mexico Contractor's License Number 361394

License Classifications GF-98

New Mexico Department of Workforce Solutions Registration Number 03058720140922

Federal Identification Number (FEIN #) 80-0371646

Dun & Bradstreet Data Universal Numbering System (D-U-N-S Number) 80949270

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BID BOND

BID BOND

Any singular reference to Bidder, Surety, Owner or other party shall be considered plural where applicable.

BIDDER *(Name and Address)*:
A.A.C. Construction, LLC
18 La Luna Rd.
Santa Fe, NM 87507

SURETY *(Name and Address of Principal Place of Business)*:
Granite Re, Inc.
14001 Quailbrook Dr.
Oklahoma City, OK 73134

OWNER *(Name and Address)*:
City of Las Vegas
1700 North Grand Avenue
Las Vegas, New Mexico 87701

BID
Bid Due Date: April 21, 2021
Description *(Project Name and Include Location)*: North Gonzales Waterline Replacement
Las Vegas, New Mexico

BOND
Bond Number: BID
Date *(Not earlier than Bid due date)*: April 21, 2021
Penal sum Five Percent Of The Amount Bid (Words) $ 5% (Figures)

Surety and Bidder, intending to be legally bound hereby, subject to the terms set forth below, do each cause this Bid Bond to be duly executed by an authorized officer, agent, or representative.

BIDDER	**SURETY**
A.A.C. Construction, LLC (Seal)	Granite Re, Inc. (Seal)
Bidder's Name and Corporate Seal	Surety's Name and Corporate Seal
By: _____	By: Susan J Vance
Signature	Signature (Attach Power of Attorney)
Andrew Sisneros	Susan J. Vance
Print Name	Print Name
Managing Member	Attorney-In-Fact
Title	Title
Attest: _____	Attest: _____
Signature	Signature
Witness	Witness
Title	Title

Note: Above addresses are to be used for giving any required notice. Provide execution by any additional parties, such as joint venturers, if necessary.

1. Bidder and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors, and assigns to pay to Owner upon default of Bidder the penal sum set forth on the face of this Bond. Payment of the penal sum is the extent of Bidder's and Surety's liability. Recovery of such penal sum under the terms of this Bond shall be Owner's sole and exclusive remedy upon default of Bidder.

2. Default of Bidder shall occur upon the failure of Bidder to deliver within the time required by the Bidding Documents (or any extension thereof agreed to in writing by Owner) the executed Agreement required by the Bidding Documents and any performance and payment bonds required by the Bidding Documents.

3. This obligation shall be null and void if:

3.1 Owner accepts Bidder's Bid and Bidder delivers within the time required by the Bidding Documents (or any extension thereof agreed to in writing by Owner) the executed Agreement required by the Bidding Documents and any performance and payment bonds required by the Bidding Documents, or

3.2 All Bids are rejected by Owner, or

3.3 Owner fails to issue a Notice of Award to Bidder within the time specified in the Bidding Documents (or any extension thereof agreed to in writing by Bidder and, if applicable, consented to by Surety when required by Paragraph 5 hereof).

4. Payment under this Bond will be due and payable upon default of Bidder and within 30 calendar days after receipt by Bidder and Surety of written notice of default from Owner, which notice will be given with reasonable promptness, identifying this Bond and the Project and including a statement of the amount due.

5. Surety waives notice of any and all defenses based on or arising out of any time extension to issue Notice of Award agreed to in writing by Owner and Bidder, provided that the total time for issuing Notice of Award including extensions shall not in the aggregate exceed 120 days from Bid due date without Surety's written consent.

6. No suit or action shall be commenced under this Bond prior to 30 calendar days after the notice of default required in Paragraph 4 above is received by Bidder and Surety and in no case later than one year after Bid due date.

7. Any suit or action under this Bond shall be commenced only in a court of competent jurisdiction located in the state in which the Project is located.

8. Notices required hereunder shall be in writing and sent to Bidder and Surety at their respective addresses shown on the face of this Bond. Such notices may be sent by personal delivery, commercial courier, or by United States Registered or Certified Mail, return receipt requested, postage pre-paid, and shall be deemed to be effective upon receipt by the party concerned.

9. Surety shall cause to be attached to this Bond a current and effective Power of Attorney evidencing the authority of the officer, agent, or representative who executed this Bond on behalf of Surety to execute, seal, and deliver such Bond and bind the Surety thereby.

10. This Bond is intended to conform to all applicable statutory requirements. Any applicable requirement of any applicable statute that has been omitted from this Bond shall be deemed to be included herein as if set forth at length. If any provision of this Bond conflicts with any applicable statute, then the provision of said statute shall govern and the remainder of this Bond that is not in conflict therewith shall continue in full force and effect.

11. The term "Bid" as used herein includes a Bid, offer, or proposal as applicable.

GRANITE RE, INC.

GENERAL POWER OF ATTORNEY

Know all Men by these Presents:

That GRANITE RE, INC., a corporation organized and existing under the laws of the State of MINNESOTA and having its principal office at the City of OKLAHOMA CITY in the State of OKLAHOMA does hereby constitute and appoint:

ROGER N. DOWNEY; CHRISTIAN B. DOWNEY; SHERRYL L. QUINT; MARIA Y. ANKENY; SUSAN J. VANCE; JOSEPH A. MENICUCCI its true and lawful Attorney-in-Fact(s) for the following purposes, to wit:

To sign its name as surety to, and to execute, seal and acknowledge any and all bonds, and to respectively do and perform any and all acts and things set forth in the resolution of the Board of Directors of the said GRANITE RE, INC. a certified copy of which is hereto annexed and made a part of this Power of Attorney; and the said GRANITE RE, INC. through us, its Board of Directors, hereby ratifies and confirms all and whatsoever the said:

ROGER N. DOWNEY; CHRISTIAN B. DOWNEY; SHERRYL L. QUINT; MARIA Y. ANKENY; SUSAN J. VANCE; JOSEPH A. MENICUCCI may lawfully do in the premises by virtue of these presents.

In Witness Whereof, the said GRANITE RE, INC. has caused this instrument to be sealed with its corporate seal, duly attested by the signatures of its President and Secretary/Treasurer, this 3rd day of January, 2020.

GRANITE RE, INC. CORPORATE SEAL MINNESOTA

Kenneth D. Whittington, President

Kyle P. McDonald, Treasurer

STATE OF OKLAHOMA)
) SS:
COUNTY OF OKLAHOMA)

On this 3rd day of January, 2020, before me personally came Kenneth D. Whittington, President of the GRANITE RE, INC. Company and Kyle P. McDonald, Secretary/Treasurer of said Company, with both of whom I am personally acquainted, who being by me severally duly sworn, said, that they, the said Kenneth D. Whittington and Kyle P. McDonald were respectively the President and the Secretary/Treasurer of GRANITE RE, INC., the corporation described in and which executed the foregoing Power of Attorney; that they each knew the seal of said corporation; that the seal affixed to said Power of Attorney was such corporate seal, that it was so fixed by order of the Board of Directors of said corporation, and that they signed their name thereto by like order as President and Secretary/Treasurer, respectively, of the Company.

KATHLEEN E. CARLSON NOTARY PUBLIC STATE OF OKLAHOMA

Kathleen E. Carlson
Notary Public

My Commission Expires:
August 8, 2021
Commission #: 01013257

GRANITE RE, INC.

Certificate

THE UNDERSIGNED, being the duly elected and acting Secretary/Treasurer of Granite Re, Inc., a Minnesota Corporation, HEREBY CERTIFIES that the following resolution is a true and correct excerpt from the July 15, 1987, minutes of the meeting of the Board of Directors of Granite Re, Inc. and that said Power of Attorney has not been revoked and is now in full force and effect.

"RESOLVED, that the President, any Vice President, the Secretary, and any Assistant Vice President shall each have authority to appoint individuals as attorneys-in-fact or under other appropriate titles with authority to execute on behalf of the company fidelity and surety bonds and other documents of similar character issued by the Company in the course of its business. On any instrument making or evidencing such appointment, the signatures may be affixed by facsimile. On any instrument conferring such authority or on any bond or undertaking of the Company, the seal, or a facsimile thereof, may be impressed or affixed or in any other manner reproduced; provided, however, that the seal shall not be necessary to the validity of any such instrument or undertaking."

IN WITNESS WHEREOF, the undersigned has subscribed this Certificate and affixed the corporate seal of the Corporation this 21st day of April, 2021.

GRANITE RE, INC. CORPORATE SEAL MINNESOTA

SUBCONTRACTOR'S FAIR PRACTICE ACT COMPLIANCE

SUBCONTRACTOR'S FAIR PRACTICE ACT COMPLIANCE

This project is subject to the provisions of the State of New Mexico Subcontractor's Fair Practice Act.

Listing Threshold: ***$6,000.00***

Portion of project to which requirements apply:

Complete Project.

For each category of the project, which the BIDDER will be subcontracting for an amount exceeding the listing threshold indicated above, the BIDDER shall define the subcontracting categories and list only one subcontractor for each category. The listing shall be in the format indicated on the following page, and shall be completed and submitted with the Bid.

No CONTRACTOR whose Bid is accepted shall sublet or subcontract any portion of the Work of the Project in an amount exceeding the threshold amount given above, where the original bid amount did not designate a subcontractor, unless 1) the CONTRACTOR received no bid for that category (note: the BIDDER must designate on the list of subcontractors that "no bid was received"), or 2) the Work is pursuant to a change order that causes changes or deviations from the original contract.

No CONTRACTOR whose Bid is accepted shall substitute any subcontractor in place of the subcontractor listed in the Bid except as provided for in the Subcontractor's Fair Practice Act.

Any changes or additions of subcontractors shall be promptly reported to the ENGINEER in writing within two (2) calendar days of the known change or addition to the submitted List of Project Subcontractors in the Bid.

All subcontractors with work in excess of $60,000 must be registered with the New Mexico Department of Workforce Solutions, Labor Enforcement. On page SCFP-2, include the total of the subcontracted work and the subcontractor's New Mexico Department of Workforce Solutions Registration Number, if work is in excess of $60,000.

LIST OF PROJECT SUBCONTRACTORS FOR
AMOUNTS EXCEEDING THE LISTING THRESHOLD

Subcontract Category: Paving
Estimated Value of Work: 22,000
Subcontractor's Name: RL Leeder Company
Business Address: P.O. Box 15147
Santa Fe, NM 87592
Phone Number: 505-473-1360
E-mail Address: RL leeder company@gmail.com
Federal Identification No. (FEIN #): 85-0463679
New Mexico Contractor's License No.: 83147
License Categories: GA-2
New Mexico Dept. of Workforce Solutions Registration No.: 011 20200512 10 — N/A
(list only if value of work is in excess of $60,000)

Subcontract Category: Survey
Estimated Value of Work: 12,000
Subcontractor's Name: Billingsley Engineering Inc.
Business Address: P.O. Box 1120
Las Vegas, NM 87701
Phone Number: (505) 454-9592
E-mail Address: bill@billingsleyengineering.com
Federal Identification No. (FEIN #): 85-0321466
New Mexico Contractor's License No.: NO CID, Engineering / Survey
License Categories: D
New Mexico Dept. of Workforce Solutions Registration No.: N/A
(list only if value of work is in excess of $60,000) 28503214662016

Subcontract Category _____

Estimated Value of Work _____

Subcontractor's Name _____

Business Address _____

_____

NONE

Phone Number _____

E-mail Address _____

Federal Identification No. (FEIN #) _____

New Mexico Contractor's License No. _____

License Categories _____

New Mexico Dept. of Workforce Solutions Registration No. _____
(list only if value of work is in excess of $60,000)

Subcontract Category _____

Estimated Value of Work _____

Subcontractor's Name _____

Business Address _____

NONE

_____

Phone Number _____

E-mail Address _____

Federal Identification No. (FEIN #) _____

New Mexico Contractor's License No. _____

License Categories _____

New Mexico Dept. of Workforce Solutions Registration No. _____
(list only if value of work is in excess of $60,000)

Signature of Authorized Representative for BIDDER:

_____ Date: 4-21-2021

Duplicate, complete, and submit additional sheets as required.

CAMPAIGN CONTRIBUTION DISCLOSURE FORM

Pursuant to the Procurement Code, NMSA 13-1-28, *et al*, as amended, a prospective contractor subject to this section shall disclose all campaign contributions given by the prospective contractor or a family member or representative of the prospective contractor to an applicable public official of the state or a local public body during the two years prior to the date on which a proposal is submitted or, in the case of a sole source or small purchase contract, the two years prior to the date on which the contractor signs the contract, if the aggregate total of contributions given by the prospective contractor or a family member or representative of the prospective contractor to the public official exceeds two hundred fifty dollars ($250.00) over the two-year period. A prospective contractor submitting a disclosure statement pursuant to this section who has not contributed to an applicable public official, whose family members have not contributed to an applicable public official or whose representatives have not contributed to an applicable public official shall make a statement that no contribution was made.

A prospective contractor or a family member or representative of the prospective contractor shall not give a campaign contribution or other thing of value to an applicable public official or the applicable public official's employees during the pendency of the procurement process or during the pendency of negotiations for a sole source or small purchase contract.

Furthermore, a solicitation or proposed award for a proposed contract may be canceled pursuant to NMSA 13-1-181 or a contract that is executed may be ratified or terminated pursuant to NMSA 13-1-18 if a prospective contractor fails to submit a fully completed disclosure statement pursuant to this section; or a prospective contractor or family member or representative of the prospective contractor gives a campaign contribution or other thing of value to an applicable public official or the applicable public official's employees during the pendency of the procurement process.

The state agency or local public body that procures the services or items of tangible personal property shall indicate on the form the name or names of every applicable public official, if any, for which disclosure is required by a prospective contractor.

THIS FORM MUST BE INCLUDED IN THE REQUEST FOR PROPOSALS AND MUST BE FILED BY ANY PROSPECTIVE CONTRACTOR WHETHER OR NOT THEY, THEIR FAMILY MEMBER, OR THEIR REPRESENTATIVE HAS MADE ANY CONTRIBUTIONS SUBJECT TO DISCLOSURE.

The following definitions apply:

"**Applicable public official**" means a person elected to an office or a person appointed to complete a term of an elected office, who has the authority to award or influence the award of the contract for which the prospective contractor is submitting a competitive sealed proposal or who has the authority to negotiate a sole source of small purchase contract that may be awarded without submission of a sealed competitive proposal.

"**Campaign Contribution**" means a gift, subscription, loan, advance or deposit of money or other thing of value, including the estimated value of an in-kind contribution, that is made to or received by an applicable public official or any person authorized to raise, collect or expend contributions on that official's behalf for the purpose of electing the official to statewide or local office. "Campaign Contribution" includes the payment of a debt incurred in an election campaign, but does not include the value of services provided without compensation or unreimbursed travel or other personal expenses of individuals who volunteer a portion or all of their time on behalf of a candidate or political committee, nor does it include the administrative or solicitation expenses of a political committee that are paid by an organization that sponsors the committee.

"**Family member**" means a spouse, father, mother, child, father-in-law, mother- in-law, daughter-in-law or son-in-law of (a) a prospective contractor, if the prospective contractor is a natural person; or (b) an owner of a prospective contractor;

"**Pendency of the procurement process**" means the time period commencing with the public notice of the request for

proposals and ending with the award of the contract or the cancellation of the request for proposals.

"**Prospective contractor**" means a person or business that is subject to the competitive sealed proposal process set forth in the Procurement Code [NMSA 13-1-28 through 13-1-199] or is not required to submit a competitive sealed proposal because that person or business qualifies for a sole source or small purchase contract.

"**Representative of a prospective contractor**" means an officer or director of a corporation, a member or manager of a limited liability corporation, a partner of a partnership or a trustee of a trust of the prospective contractor.

Name(s) of Applicable Public Official(s) if any:_____
(Completed by State Agency or Local Public Body)

DISCLOSURE OF CONTRIBUTIONS BY PROSPECTIVE CONTRACTOR:

Contribution Made By: _____

Relation to Prospective Contractor: _____

Date Contribution(s) Made: _____

_____

Amount(s) of Contribution(s) _____

_____

Nature of Contribution(s) _____

_____

Purpose of Contribution(s) _____

_____

(Attach extra pages if necessary)

_____ _____

Signature Date

_____

Title (position)

--OR—

NO CONTRIBUTIONS IN THE AGGREGATE TOTAL OVER TWO HUNDRED FIFTY DOLLARS ($250.00) WERE MADE to an applicable public official by me, a family member or representative.

4-21-2021

Signature Date

Managing Member

Title (Position)

Certificate of Contractor Registration



This is to certify that

A.A.C. Construction, LLC

18 LA LUNA RD

SANTA FE, NM, 87507-4312

has registered with the Department of Workforce Solutions

Registration Date: 9/19/2018 **Registration Number: 03058720140922**

**This certificate does not show the current status of the company.
To see the current status for this company please go to the Public Works and Apprenticeship Application (PWAA) at
https://www.dws.state.nm.us/pwaa**

STATE OF NEW MEXICO

TAXATION AND REVENUE DEPARTMENT

RESIDENT CONTRACTOR CERTIFICATE

Issued to: **A.A.C. CONSTRUCTION, LLC**

DBA: **A.A.C. CONSTRUCTION, LLC**
18 LA LUNA RD
SANTA FE, NM 87507-4312

Expires: **16-Feb-2024**

Certificate Number:

L1571131824

Stephanie Schardin Clarke
Cabinet Secretary

THIS CERTIFICATE IS NOT TRANSFERABLE

CONSENT AND APPROVAL OF ACTION OF THE SOLE MEMBER OF A.A.C. CONSTRUCTION, LLC FOR 2011

THE UNDERSIGNED, being the sole Member of A.A.C. Construction, LLC (the "Company"), hereby ratifies and approves the following resolutions:

RESOLVED; that it is in the intent of the Company to maintain the present membership arrangement in the Company unless and until changed by a written resolution signed by the sole Member.

FURTHER RESOLVED; that the sole Member elected Andrew C. Sisneros to serve as Managing Member of the Company until the next annual meeting of the company, or until his successor is duly elected and qualified as provided in the Operating Agreement of the Company; and

FURTHER RESOLVED; that the sole Member approves and ratifies the actions of the Managing Members for the previous year.

Effective: June 25, 2011

ANDREW C. SISNEROS, MANAGING MEMBER

BIDDER INFORMATION

OFFEROR: Apple Mountain Constructors

AUTHORIZED AGENT: Matt Urban, General Manager

ADDRESS: 146 Camino Del Norte, Estancia NM 87016

TELEPHONE NUMBER (505)705-0578

FAX NUMBER (___)

DELIVERY: 146 Camino Del Norte, Estancia NM 87016

STATE PURCHASING RESIDENT CERTIFICATION NO.: 362134

NEW MEXICO CONTRACTORS LICENSE NO.: 367255

BID ITEM (S): **NORTH GONZALES WATER LINE REPLACEMENT PROJECT**

RECEIVED
APR 21 2021
CITY OF LAS VEGAS
PURCHASING DEPT.
2:08 pm
MS

ITEM (S) UNDER THIS BID ARE TO BE F.O.B. LAS VEGAS, NEW MEXICO 87701. THE CITY OF LAS VEGAS RESERVES THE RIGHT REJECT ANY OR ALL BIDS AND TO WAIVE ANY TECHNICAL IRREGULARITY IN THE FORM OF THE BID.

AFFIDAVIT FOR FILING WITH COMPETITIVE BID

STATE OF New Mexico }

} ss

COUNTY OF Torrance }

I, Matthew Urban, being of first duly sworn, state under penalty of perjury that I am at least eighteen years of age, and am the agent authorized by the bidder to submit the attached bid. Affiant further states that the bidder has not been a party to any collusion among bidders in restraint of freedom of competition by agreement to bid at a fixed price or to refrain from bidding; or with any city official or employee as to the terms of said prospective contract, or any other terms of said prospective contract; or in any discussion between bidders with any city official concerning an exchange of money or any other thing of value for special consideration in the letting of a contract.

Signature

Subscribed and sworn to before me, this 21 day of April, 2021.

(SEAL)

Marie Urban
Notary Public Signature

OFFICIAL SEAL
MARIE URBAN
Notary Public
State of New Mexico
My Comm. Expires 7-19-22

My Commission Expires: July 19, 2022

STANDARD BID CLAUSES

AWARDED BID

Awarding of bid shall be made to the responsible Bidder whose Bid best meets the required specifications. The City of Las Vegas (City) reserves the right to reject or accept any of all Bid specifications and to waive any insubstantial irregularity in the form of the Bid.

TIMETABLE

Bid pursuant to this request must be received at the City Clerk's Office at 1700 North Grand Avenue, Las Vegas, New Mexico, on or before: April 21, 2021; 2:00 p.m.; at which time all bids received will be opened. An opening will occur at the City's Council Chambers or other designated area at the City Offices. Awarding of Bid is projected for _____, 2021. The successful Bidder will be notified by mail.

ENVELOPES

Sealed Bid envelopes shall be clearly marked on the lower left-hand corner, identified by the Bid Name and Opening Number. Failure to comply with this requirement may result in the rejection of the submitted Bid.

BRIBERY AND KICKBACK

The Procurement Code (NMSA 13-1-28 through 13-1-199) imposes a third degree felony penalty for bribery of a public official or public employee. In addition, the New Mexico Criminal Statutes (NMSA 30-24-1 and 30-24-2) state that it is a third degree felony to commit the offense of demanding or receiving a bribe by a public official or public employee, and it is a fourth degree felony to commit the offense of soliciting or receiving illegal kickbacks. NMSA 30-41-1 through 30-41-3 include that it is a fourth degree felony to commit the offense of offering or paying illegal kickbacks.

NON-COLLUSION

In signing their Bid and Affidavit, the Bidder certifies that he/she has not, either directly or indirectly, entered into action of restraint of free competition, in connection with the submitted bid.

RESPONSIBILITY OF BIDDER

At all times it shall be the responsibility of the Bidder to see that their bid is delivered to the City Clerk by the Date and Time scheduled for opening. If the mail or delivery of said Bid is delayed beyond the scheduled opening date and time set, this bid will not be considered.

CLARIFICATION OF BID

Bidder requiring clarification or interpretation of Bid specifications shall make a written request to the Department involved in this bid request at least five (5) days prior to the scheduled bid opening date; with a copy forwarded to the Finance Department. Any interpretation, corrections, or changes of said Bid Specifications, Opening Date, or Time Change will be made by Addendum only. Interpretations, Corrections or changes of said Bid made in any other manner will not be binding and the Bidder shall not rely upon such interpretation, corrections and changes.

MODIFICATION OF BID

Bids may be withdrawn upon receipt of written request prior to the scheduled bid opening for the purpose of making any corrections or changes. Such corrections must be properly identified and signed or initialed by the Bidder. Resubmission must be prior to the scheduled bid opening time in order to be considered. After bid opening, no price modifications of submitted bids or other

provisions shall be permitted.

WITHDRAWAL OF BID

A low Bidder alleging a material mistake of fact, after bids have been opened may request their bid be withdrawn upon receipt of a written request to the Finance Department prior to the scheduled awarding date.

INSPECTION

Final inspection and acceptance will be made at the City's discretion. Products rejected for nonconformance with the specifications shall be removed by the Bidder, at his/her risk and expense promptly after notice of rejection.

FEDERAL TAX IDENTIFICATION NUMBER

Pursuant to IRS requirements, Bidder shall provide their Federal Tax ID Number if Bidder is incorporated. If Bidder is a sole proprietorship or partnership they then shall provide their Social Security Number.

FEDERAL TAX ID NUMBER: 80-0183728

SOCIAL SECURITY NUMBER: N/A

NEW MEXICO TAX IDENTIFICATION NUMBER

Payment may be withheld under (Section 7-10-5, N.M.S.A. 1978) if you are subject to New Mexico Gross Receipts Tax and have not registered for New Mexico (CRS) Tax Identification Number. Contact the New Mexico Taxation & Revenue Department at (505) 827-0700 for registering instructions.

NEW MEXICO TAX IDENTIFICATION NO. (CRS): 03-169667-00-8

CAMPAIGN CONTRIBUTION DISCLOSURE FORM

The Bidder shall submit a complete Campaign Contribution Disclosure Form Pursuant to NMSA 13-1-191.1, as amended.

COMMERCIAL WARRANTY

The Bidder agrees that the products or services furnished under a Purchase Order shall be covered by the most favorable commercial warranties that the Bidder gives to any customer for such products or services. And that the rights and remedies provided therein shall extend to the City and are in addition to and do not limit any rights afforded to the City by any other clause of its Purchase Order. Bidder agrees not to disclaim warranties of fitness for any particular purpose or merchantability.

Furthermore, Bidder agrees that its warranty for all products furnished under a Purchase Order pursuant to this Call for Bids shall be for a period of one year following the installation of said products by others. The Bidder agrees that prior to receiving payment, Bidder shall provide to the City written notice by the City's Engineer that the products have been installed correctly and have been demonstrated to be capable of performing their intended function.

SPECIAL NOTICE

To preclude possible errors and/or misinterpretations, bid prices must be affixed in ink or typewritten legibly. *Enclose one (1) original and five (5) copies of Bid documents.*

DEFAULT

The City reserves the right to cancel all or any part of an order without cost to the City if the Bidder fails to meet the provision of the City's Purchase Order or the product specifications and to hold the Bidder liable for any excess costs occasioned due to the Bidder's default. The Bidder shall not be liable for any excess costs if failure to perform on an order arises out of cause beyond the control and without fault or negligence of the Bidder. Such causes include but are not restricted to acts of GOD or public enemy; acts of State or Federal Government; fires, floods, epidemics, quarantine restrictions, strikes, embargoes, unusually severe weather, or defaults of subcontractors. Due to any of the above, unless the City shall determine that the supplies or services to be furnished by the subcontractor are obtainable from other sources in the City, this paragraph shall not be exclusive and shall be in addition to any other rights now being provided by law.

BID PROTESTS

If any bidder is of the opinion that the specifications as written preclude him/her from submitting a bid, his/her opinion should be made known to the Department involved in this bid request at least fifteen (15) days prior to the scheduled bid opening date with a copy forwarded to the Finance Department. Bid protests will not be considered from parties who do not also furnish satisfactorily documentation with their protest that their proposed system fully meets the functional intent of the TECHNICAL SPECIFICATIONS which accompany a Call for Bids.

NON-EXCLUSION

Specifications of the bid request are not meant to exclude any Bidder or Manufacturer. Where a brand name or equal is indicated, it is for the purpose of describing the standard of quality, performance and characteristics desired and is not intended to restrict competition. "No Substitute" specifications may be authorized, only if required to match existing equipment.

If any Bidder is of the opinion that the specifications as written preclude him/her from submitting a bid, his/her opinion should be made known to the Department involved in this bid request at least five (5) days prior to the scheduled bid opening date, with a copy forwarded to the Finance

Department.

Brand names and numbers are for reference only and equivalents will be considered. If bidding "EQUIVALENT" Bidder must be prepared to furnish complete data upon request, preferably with the bid to avoid awarding delay.

CONTRACT
When the City issues a Purchase Order in response to an awarded Bid a binding contract is created (unless a specific contract has been created).

TERMINATION
This Price Agreement may be terminated by either party upon signing a written notice to the other party at least thirty (30) days in advance of the date of termination. Notice of termination of this Price Agreement shall not affect any outstanding orders.

TAXES:
Bidder must pay all applicable taxes.

NOTE:
If bidder is from outside the City of Las Vegas, the successful bidder must pay Gross Receipts Tax in the City of Las Vegas.

CITY OF LAS VEGAS

BIDFORM

BID ITEM (S): **NORTH GONZALES WATER LINE REPLACEMENT PROJECT**

Item No.	Description	Unit	Estimated Quantity	Bid Unit Price	Bid Price
Items to be Purchased by Contractor (Amounts to be paid to City)					
1	N/A			$	$
2	N/A			$	$
PURCHASE AMOUNT ITEMS 1 TO 2 Exclusive of New Mexico Gross Receipts Tax $ _____					
Other Project Construction Requirements					
3	N/A			$	$
4	N/A			$	$
5	N/A			$	$
BID AMOUNT ITEMS 3 TO 5 Exclusive of New Mexico Gross Receipts Tax $ _____					

TOTAL BID AMOUNT Exclusive of New Mexico Gross Receipts Tax. (If bid amount for purchased items is greater than construction items the city will receive a credit from the contractor. Bid will be awarded to the responsive bidder with the lowest bid total. For deciding the awardee a negative amount or a credit is lower than a positive amount or charge). $ N/A

NOTE: _____

_____

_____

_____

_____.

CAMPAIGN CONTRIBUTION DISCLOSURE FORM

Pursuant to the Procurement Code, NMSA 13-1-28, *et al*, as amended, a prospective contractor subject to this section shall disclose all campaign contributions given by the prospective contractor or a family member or representative of the prospective contractor to an applicable public official of the state or a local public body during the two years prior to the date on which a proposal is submitted or, in the case of a sole source or small purchase contract, the two years prior to the date on which the contractor signs the contract, if the aggregate total of contributions given by the prospective contractor or a family member or representative of the prospective contractor to the public official exceeds two hundred fifty dollars ($250.00) over the two-year period. A prospective contractor submitting a disclosure statement pursuant to this section who has not contributed to an applicable public official, whose family members have not contributed to an applicable public official or whose representatives have not contributed to an applicable public official shall make a statement that no contribution was made.

A prospective contractor or a family member or representative of the prospective contractor shall not give a campaign contribution or other thing of value to an applicable public official or the applicable public official's employees during the pendency of the procurement process or during the pendency of negotiations for a sole source or small purchase contract.

Furthermore, a solicitation or proposed award for a proposed contract may be canceled pursuant to NMSA 13-1-181 or a contract that is executed may be ratified or terminated pursuant to NMSA 13-1-18 if a prospective contractor fails to submit a fully completed disclosure statement pursuant to this section; or a prospective contractor or family member or representative of the prospective contractor gives a campaign contribution or other thing of value to an applicable public official or the applicable public official's employees during the pendency of the procurement process.

The state agency or local public body that procures the services or items of tangible personal property shall indicate on the form the name or names of every applicable public official, if any, for which disclosure is required by a prospective contractor.

THIS FORM MUST BE INCLUDED IN THE REQUEST FOR PROPOSALS AND MUST BE FILED BY ANY PROSPECTIVE CONTRACTOR WHETHER OR NOT THEY, THEIR FAMILY MEMBER, OR THEIR REPRESENTATIVE HAS MADE ANY CONTRIBUTIONS SUBJECT TO DISCLOSURE.

The following definitions apply:

"**Applicable public official**" means a person elected to an office or a person appointed to complete a term of an elected office, who has the authority to award or influence the award of the contract for which the prospective contractor is submitting a competitive sealed proposal or who has the authority to negotiate a sole source of small purchase contract that may be awarded without submission of a sealed competitive proposal.

"**Campaign Contribution**" means a gift, subscription, loan, advance or deposit of money or other thing of value, including the estimated value of an in-kind contribution, that is made to or received by an applicable public official or any person authorized to raise, collect or expend contributions on that official's behalf for the purpose of electing the official to statewide or local office. "Campaign Contribution" includes the payment of a debt incurred in an election campaign, but does not include the value of services provided without compensation or unreimbursed travel or other personal expenses of individuals who volunteer a portion or all of their time on behalf of a candidate or political committee, nor does it include the administrative or solicitation expenses of a political committee that are paid by an organization that sponsors the committee.

"**Family member**" means a spouse, father, mother, child, father-in-law, mother- in-law, daughter-in-law or son-in-law of (a) a prospective contractor, if the prospective contractor is a natural person; or (b) an owner of a prospective contractor;

"**Pendency of the procurement process**" means the time period commencing with the public notice of the request for

Signature

4/21/2021
Date

General Manager

Title (Position)

BID FORM

PROJECT IDENTIFICATION: North Gonzales Waterline Replacement

ARTICLE 1 – BID RECIPIENT

1.01 This Bid is submitted to: City of Las Vegas
1700 North Grand Avenue
Las Vegas, New Mexico 87701

1.02 The undersigned Bidder proposes and agrees, if this Bid is accepted, to enter into an Agreement with Owner in the form included in the Bidding Documents to perform all Work as specified or indicated in the Bidding Documents for the prices and within the times indicated in this Bid and in accordance with the other terms and conditions of the Bidding Documents.

ARTICLE 2 – BIDDER'S ACKNOWLEDGEMENTS

2.01 Bidder accepts all of the terms and conditions of the Instructions to Bidders, including without limitation those dealing with the disposition of Bid security. This Bid will remain subject to acceptance for 60 days after the Bid opening, or for such longer period of time that Bidder may agree to in writing upon request of Owner. Bidder will sign and submit the Agreement and the Bonds and other documents required by the Bidding Requirements within ten days after the date of Owner's Notice of Award.

ARTICLE 3 – BIDDER'S REPRESENTATIONS

3.01 In submitting this Bid, Bidder represents that:

A. Bidder has examined and carefully studied the Bidding Documents, other related data identified in the Bidding Documents, and the following Addenda, receipt of which is hereby acknowledged:

Addendum No.	Addendum Date
No 1	March 31,2021
No 2	April 16,2021

B. Bidder has visited the Site and become familiar with and is satisfied as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work.

C. Bidder is familiar with and is satisfied as to all Laws and Regulations that may affect cost, progress, and performance of the Work.

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D. Bidder has carefully studied all: (1) reports of explorations and tests of subsurface conditions at or contiguous to the Site and all drawings of physical conditions relating to existing surface or subsurface structures at the Site (except Underground Facilities) that have been identified in SC-4.02, and (2) reports and drawings of Hazardous Environmental Conditions, if any, at the Site that have been identified in SC-4.06.

E. Bidder has considered the information known to Bidder; information commonly known to contractors doing business in the locality of the Site; information and observations obtained from visits to the Site; the Bidding Documents; and the Site-related reports and drawings identified in the Bidding Documents, with respect to the effect of such information, observations, and documents on (1) the cost, progress, and performance of the Work; (2) the means, methods, techniques, sequences, and procedures of construction to be employed by Bidder, including applying the specific means, methods, techniques, sequences, and procedures of construction expressly required by the Bidding Documents; and (3) Bidder's safety precautions and programs.

F. Based on the information and observations referred to in Paragraph 3.01.E above, Bidder does not consider that further examinations, investigations, explorations, tests, studies, or data are necessary for the determination of this Bid for performance of the Work at the price(s) bid and within the times required, and in accordance with the other terms and conditions of the Bidding Documents.

G. Bidder is aware of the general nature of work to be performed by Owner and others at the Site that relates to the Work as indicated in the Bidding Documents.

H. Bidder has given Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Bidder has discovered in the Bidding Documents, and the written resolution thereof by Engineer is acceptable to Bidder.

I. The Bidding Documents are generally sufficient to indicate and convey understanding of all terms and conditions for the performance of the Work for which this Bid is submitted.

ARTICLE 4 – BIDDER'S CERTIFICATION

4.01 Bidder certifies that:

A. This Bid is genuine and not made in the interest of or on behalf of any undisclosed individual or entity and is not submitted in conformity with any collusive agreement or rules of any group, association, organization, or corporation;

B. Bidder has not directly or indirectly induced or solicited any other Bidder to submit a false or sham Bid;

C. Bidder has not solicited or induced any individual or entity to refrain from bidding; and

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D. Bidder has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for the Contract. For the purposes of this Paragraph 4.01.D:

1. "corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value likely to influence the action of a public official in the bidding process;

2. "fraudulent practice" means an intentional misrepresentation of facts made (a) to influence the bidding process to the detriment of Owner, (b) to establish bid prices at artificial non-competitive levels, or (c) to deprive Owner of the benefits of free and open competition;

3. "collusive practice" means a scheme or arrangement between two or more Bidders, with or without the knowledge of Owner, a purpose of which is to establish bid prices at artificial, non-competitive levels; and

4. "coercive practice" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the bidding process or affect the execution of the Contract.

ARTICLE 5 – BASIS OF BID

5.01 Bidder shall complete the Work in accordance with the Contract Documents for the following price(s):

Item No.	Description	Unit	Est. Qty.	Bid Unit Price	Bid Price
North Gonzales Waterline Replacement Taos to San Miguel Estimated Construction Cost					
1	Mobilization, Insurance, and Bonds.	LS	1	$ 17,500.00	$ 17,500.00
2	Demobilization and Closeout.	LS	1	$ 3,000.00	$ 3,000.00
3	Construction Staking.	LS	1	$ 11,050.00	$ 11,050.00
4	Traffic / Pedestrian Control.	LS	1	$ 8,892.00	$ 8,892.00
5	4" HMA Over 6" Aggregate Base Course and 12" Subgrade Prep for Pavement Replacement Including Sawcut, Remove and Dispose of Existing Asphalt Pavement. Milled or pulverized material to be hauled to location designated by City, within City limits.	SY	510	$ 76.67	$ 39,101.70
6	6" PVC Waterline including Pipe and Fittings.	LF	1,110	$ 11.95	$ 13,264.50
7	6" PVC Waterline Installation of Pipe and Fittings; Restraints, Trenching, Backfill, Compaction, Tracer Wire, Identification Tape, All Associated Work, and Materials.	LF	900	$ 21.32	$ 19,188.00
8	6" PVC Waterline Installation Of Pipe and Fittings; Restraints, Trenching, Backfill, Compaction, Tracer Wire, Identification Tape, Rock Excavation, All Associated Work, and Materials. Contractor to Haul Rock Offsite and Dispose.	LF	210	$ 88.34	$ 18,551.40

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Item No.	Description	Unit	Est. Qty.	Bid Unit Price	Bid Price
9	6" Gate Valve Including Trench, Backfill, Compaction, Valve Box, Concrete Collar, Tracer Wire Termination, and Concrete Support, Complete In Place (CIP).	EA	4	$ 1,447.00	$ 5,788.00
10	8" Gate Valve Including Trench, Backfill, Compaction, Valve Box, Concrete Collar, Tracer Wire Termination, and Concrete Support, CIP.	EA	1	$1,900.00	$ 1,900.00
11	Connection to Existing Water Line Including All Materials, CIP.	EA	3	$ 3,293.33	$ 9,879.99
12	Reconnect Existing Water Services. Include the Extension of the Existing Service Line or the Connection to the Existing Service Line with Pipe Saddle, Corporation Stop, Service Pipe Material, Sidewalk Saw Cutting and Replacement, Curb Saw Cutting and Replacement, All Appurtenances, and All Incidental Work,	EA	31	$ 1616.45	$ 50,109.95
13	Digital Video Recording Services per Section 01 45 16.14 – Digital Video Recording.	LS	1	$ 260.00	$ 260.00
14	14" Steel Trench Casing or 16" Steel Trench Casing (25') for 6" Waterline Shown on Drawing (Sheet W-301). Include Trenching, Backfilling, Materials, Steel Casing, Ductile Iron Carrier Pipe (35'), Pipe Joint Restraints, Spacers, All Appurtenances, and All Incidental Work, CIP.	LS	1	$ 6,107.00	$ 6,107.00
15	Laboratory Testing.	ALLOW	1	$ 7,500.00	$ 7,500.00
16	Utility Relocation.	ALLOW	1	$ 10,000.00	$ 10,000.00
17	Pre-Authorized Construction Changes.	ALLOW	1	$ 30,000.00	$ 30,000.00
18	Pressure Testing and Disinfection.	LS	1	$ 2,236	$ 2,236.00
19	Remove and Dispose of unsuitable material as coordinated with City and Engineer. Import and install suitable material.	CY	250	$ 34.53	$ 8,632.50

TOTAL BID AMOUNT (Exclusive of New Mexico Gross Receipts Tax) $ 262,961.04

Unit Prices have been computed in accordance with Paragraph 11.03 of the General Conditions.

Bidder acknowledges that estimated quantities are not guaranteed, and are solely for the purpose of comparison of Bids, and final payment for all unit price Bid items will be based on actual quantities, determined as provided in the Contract Documents.

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5.02 This Contract will be awarded on the basis of the lowest responsive total Bid received from a responsible Bidder. If the lowest acceptable Bid exceeds available funds, the Owner retains the right to reject all Bids or negotiate a change of scope with the lowest responsive Bidder. Owner may only negotiate up to 10% higher than the budgeted project funds. Such negotiation shall not be allowed if the lowest Bid is more than 10% over the budgeted project funds. If a change of scope is negotiated and effected, it will be in the form of a formal Change Order to the Contract. If these conditions are not satisfied, the Owner is required to reject all Bids and re-bid the project to comply with State procurement requirements.

5.03 This Contract includes two (2) preferences for the award of the Bid: (1) New Mexico Resident Contractor Preference and (2) Resident Veterans Preference Certification.

D. To receive a Resident Contractor preference pursuant to Section 13-4-2 NMSA 1978 or a Resident Veteran Contractor preference pursuant to Section 13-1-21 NMSA 1978, a Bidder shall submit with its Bid a copy of a valid Resident Contractor Certificate or Resident Veteran Contractor Certificate issued by the Taxation and Revenue Department. In addition, if the Bidder is seeking the Resident Veteran Contractor preference, the Bidder shall submit with its Bid the Resident Veterans Preference Certification form.

E. For the purpose of awarding, the following shall apply:

1. A Bid submitted by a Resident Contractor shall be deemed to be five percent (5%) lower than the Bid actually submitted.

2. A Bid submitted by a Resident Veteran Contractor with annual revenues of up to Three Million Dollars ($3,000,000) in the preceding tax year shall be deemed to be ten percent (10%) lower than the Bid actually submitted.

3. A public body shall not award a Bidder both a Resident Contractor preference and a Resident Veteran Contractor preference.

4. When a Joint Bid is submitted by a combination of Resident Veteran and Resident or Nonresident Contractor, the preference shall be calculated in proportion to the percentage of the Contract, based on the dollar amount of the Bid provided under the Contract that will be performed by each business as specified in the Joint Bid.

For information on obtaining a Resident Contractor Certificate or Resident Veteran Certificate, the potential Bidder should contact the State of New Mexico Taxation and Revenue Department, P.O. Box 5373, Santa Fe, New Mexico 87502-5374, telephone (505) 827-0951, or on the web at http://www.tax.newmexico.gov/forms-and-publications/pages/recently-updated.aspx.

5.04 Gross receipts tax rates will be adjusted by the Contractor during the construction period to reflect the actual applicable rates issued by the New Mexico Taxation and Revenue Department.

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ARTICLE 6 – TIME OF COMPLETION

6.01 Bidder agrees that the Work will be substantially complete and will be completed and ready for final payment in accordance with Paragraph 14.07 of the General Conditions on or before the dates or within the number of calendar days indicated in the Agreement.

6.02 Bidder accepts the provisions of the Agreement as to liquidated damages.

ARTICLE 7 – ATTACHMENTS TO THIS BID

7.01 The following documents are submitted with and made a condition of this Bid:

D. Required Bid Security

E. List of Proposed Subcontractors for compliance with New Mexico Subcontractor's Fair Practices Act

F. Resident Contractor Certificate issued by the Taxation and Revenue Department (if seeking preference)

G. Resident Veteran Contractor Certificate issued by the Taxation and Revenue Department (if seeking preference)

ARTICLE 8 – DEFINED TERMS

8.01 The terms used in this Bid with initial capital letters have the meanings stated in the Instructions to Bidders, the General Conditions, and the Supplementary Conditions.

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ARTICLE 9 – BID SUBMITTAL

9.01 This Bid is submitted by:

If Bidder is:

An Individual

Name (typed or printed): Matthew Urban

By: _____
(Individual's signature)

Doing business as: Apple Mountain Constructors

A Partnership

Partnership Name: N/A

By: _____
(Signature of general partner -- attach evidence of authority to sign)

Name (typed or printed): _____

A Corporation

Corporation Name: N/A (SEAL)

State of Incorporation: _____
Type (General Business, Professional, Service, Limited Liability): _____

By: _____
(Signature -- attach evidence of authority to sign)

Name (typed or printed): _____

Title: _____
(CORPORATE SEAL)

Attest _____

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A Joint Venture

Name of Joint Venture: N/A

First Joint Venturer Name: _____ (SEAL)

By: _____
(Signature of first joint venture partner -- attach evidence of authority to sign)

Name (typed or printed): _____

Title: _____

Second Joint Venturer Name: N/A (SEAL)

By: _____
(Signature of second joint venture partner -- attach evidence of authority to sign)

Name (typed or printed): _____

Title: _____

(Each joint venturer must sign. The manner of signing for each individual, partnership, and corporation that is a party to the joint venture should be in the manner indicated above.)

Bidder's Business Address 146 Camino Del Norte, Estancia NM 87016

Phone No. 505-705-0578 Fax No. _____

E-mail amceo8@hotmail.com

SUBMITTED on April 21, 2021.

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9.02 Contractor License Information:

New Mexico Contractor's License Number 367255

License Classifications GF-03-04-05-09, GS-01-05-09, GA-98

New Mexico Department of Workforce Solutions Registration Number 002427420120330

Federal Identification Number (FEIN #) 80-0183728

ARTICLE 10 – PREFERENCES

10.01 Resident Contractor Preference:

Is Bidder claiming Resident Contractor Preference? Yes

If Yes, provide a copy of your Resident Contractor Certificate issued by the Taxation and Revenue Department.

10.02 Resident Veteran Contractor Preference:

Is Bidder claiming Resident Veteran Contractor Preference? No

If Yes, provide a copy of your Resident Veteran Contractor Certificate issued by the Taxation and Revenue Department.

New Mexico Contractor's License Number N/A

License Classifications N/A

New Mexico Department of Workforce Solutions Registration Number N/A

Federal Identification Number (FEIN #) N/A

Dun & Bradstreet Data Universal Numbering System (D-U-N-S Number) N/A

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EJCDC
ENGINEERS JOINT CONTRACT DOCUMENTS COMMITTEE

PENAL SUM FORM

BID BOND

Any singular reference to Bidder, Surety, Owner or other party shall be considered plural where applicable.

BIDDER *(Name and Address)*:
Apple Mountain Constructors, LLC
146 Camino Del Norte
Estancia, NM 87016

SURETY *(Name, and Address of Principal Place of Business)*:
Old Republic Surety Company
17505 N. 79th Ave, Ste 102
Glendale, AZ 85308

OWNER *(Name and Address)*:
City of Las Vegas
1700 North Grand Avenue
Las Vegas, NM 87701

BID

Bid Due Date: 04/21/2021

Description *(Project Name— Include Location)*:
North Gonzales Waterline Replacement, Las Vegas, NM

BOND

Bond Number:

Date: 04/19/2021

Penal sum Five percent of the amount bid (Words) 5% $ (Figures)

Surety and Bidder, intending to be legally bound hereby, subject to the terms set forth below, do each cause this Bid Bond to be duly executed by an authorized officer, agent, or representative.

BIDDER	SURETY
Apple Mountain Constructors, LLC (Seal)	Old Republic Surety Company (Seal)
Bidder's Name and Corporate Seal	Surety's Name and Corporate Seal
By: Signature	By: Signature (Attach Power of Attorney)
Matt Ulbarri	Leigh Ann Dons
Print Name	Print Name
G.M.	Attorney-In-Fact
Title	Title
Attest: Signature	Attest: Signature
Title P.M.	Title Account Manager

Note: Addresses are to be used for giving any required notice.
Provide execution by any additional parties, such as joint venturers, if necessary.

1. Bidder and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors, and assigns to pay to Owner upon default of Bidder the penal sum set forth on the face of this Bond. Payment of the penal sum is the extent of Bidder's and Surety's liability. Recovery of such penal sum under the terms of this Bond shall be Owner's sole and exclusive remedy upon default of Bidder.

2. Default of Bidder shall occur upon the failure of Bidder to deliver within the time required by the Bidding Documents (or any extension thereof agreed to in writing by Owner) the executed Agreement required by the Bidding Documents and any performance and payment bonds required by the Bidding Documents.

3. This obligation shall be null and void if:

3.1 Owner accepts Bidder's Bid and Bidder delivers within the time required by the Bidding Documents (or any extension thereof agreed to in writing by Owner) the executed Agreement required by the Bidding Documents and any performance and payment bonds required by the Bidding Documents, or

3.2 All Bids are rejected by Owner, or

3.3 Owner fails to issue a Notice of Award to Bidder within the time specified in the Bidding Documents (or any extension thereof agreed to in writing by Bidder and, if applicable, consented to by Surety when required by Paragraph 5 hereof).

4. Payment under this Bond will be due and payable upon default of Bidder and within 30 calendar days after receipt by Bidder and Surety of written notice of default from Owner, which notice will be given with reasonable promptness, identifying this Bond and the Project and including a statement of the amount due.

5. Surety waives notice of any and all defenses based on or arising out of any time extension to issue Notice of Award agreed to in writing by Owner and Bidder, provided that the total time for issuing Notice of Award including extensions shall not in the aggregate exceed 120 days from the Bid due date without Surety's written consent.

6. No suit or action shall be commenced under this Bond prior to 30 calendar days after the notice of default required in Paragraph 4 above is received by Bidder and Surety and in no case later than one year after the Bid due date.

7. Any suit or action under this Bond shall be commenced only in a court of competent jurisdiction located in the state in which the Project is located.

8. Notices required hereunder shall be in writing and sent to Bidder and Surety at their respective addresses shown on the face of this Bond. Such notices may be sent by personal delivery, commercial courier, or by United States Registered or Certified Mail, return receipt requested, postage pre-paid, and shall be deemed to be effective upon receipt by the party concerned.

9. Surety shall cause to be attached to this Bond a current and effective Power of Attorney evidencing the authority of the officer, agent, or representative who executed this Bond on behalf of Surety to execute, seal, and deliver such Bond and bind the Surety thereby.

10. This Bond is intended to conform to all applicable statutory requirements. Any applicable requirement of any applicable statute that has been omitted from this Bond shall be deemed to be included herein as if set forth at length. If any provision of this Bond conflicts with any applicable statute, then the provision of said statute shall govern and the remainder of this Bond that is not in conflict therewith shall continue in full force and effect.

11. The term "Bid" as used herein includes a Bid, offer, or proposal as applicable.

OLD REPUBLIC SURETY COMPANY

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That OLD REPUBLIC SURETY COMPANY, a Wisconsin stock insurance corporation, does make, constitute and appoint:

CHARLES O. BROWN, LEIGH ANN DONS, RICKY D. LACKEY, CHERYL L. ATKEISSON, OF ALBUQUERQUE, NM

its true and lawful Attorney(s)-in-Fact, with full power and authority, for and on behalf of the company as surety, to execute and deliver and affix the seal of the company thereto (if a seal is required), bonds, undertakings, recognizances or other written obligations in the nature thereof, (other than bail bonds, bank depository bonds, mortgage deficiency bonds, mortgage guaranty bonds, guarantees of installment paper and note guaranty bonds, self-insurance workers compensation bonds guaranteeing payment of benefits, asbestos abatement contract bonds, waste management bonds, hazardous waste remediation bonds or black lung bonds), as follows:

ALL WRITTEN INSTRUMENTS

and to bind OLD REPUBLIC SURETY COMPANY thereby, and all of the acts of said Attorneys-in-Fact, pursuant to these presents, are ratified and confirmed. This document is not valid unless printed on colored background and is multi-colored. This appointment is made under and by authority of the board of directors at a special meeting held on February 18, 1982. This Power of Attorney is signed and sealed by facsimile under and by the authority of the following resolutions adopted by the board of directors of the OLD REPUBLIC SURETY COMPANY on February 18, 1982.

RESOLVED that, the president, any vice-president, or assistant vice president, in conjunction with the secretary or any assistant secretary, may appoint attorneys-in-fact or agents with authority as defined or limited in the instrument evidencing the appointment in each case, for and on behalf of the company to execute and deliver and affix the seal of the company to bonds, undertakings, recognizances, and suretyship obligations of all kinds; and said officers may remove any such attorney-in-fact or agent and revoke any Power of Attorney previously granted to such person.

RESOLVED FURTHER, that any bond, undertaking, recognizance, or suretyship obligation shall be valid and binding upon the Company
(i) when signed by the president, any vice president or assistant vice president, and attested and sealed (if a seal be required) by any secretary or assistant secretary; or
(ii) when signed by the president, any vice president or assistant vice president, secretary or assistant secretary, and countersigned and sealed (if a seal be required) by a duly authorized attorney-in-fact or agent; or
(iii) when duly executed and sealed (if a seal be required) by one or more attorneys-in-fact or agents pursuant to and within the limits of the authority evidenced by the Power of Attorney issued by the company to such person or persons.

RESOLVED FURTHER, that the signature of any authorized officer and the seal of the company may be affixed by facsimile to any Power of Attorney or certification there of authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligations of the company;and such signature and seal when so used shall have the same force and effect as though manually affixed.

IN WITNESS WHEREOF, OLD REPUBLIC SURETY COMPANY has caused these presents to be signed by its proper officer, and its corporate seal to be affixed this 2ND day of DECEMBER, 2019.

Assistant Secretary

OLD REPUBLIC SURETY COMPANY

President

STATE OF WISCONSIN, COUNTY OF WAUKESHA-SS

On this 2ND day of DECEMBER, 2019, personally came before me, Alan Pavlic and Kevin Abitz, to me known to be the individuals and officers of the OLD REPUBLIC SURETY COMPANY who executed the above instrument, and they each acknowledged the execution of the same, and being by me duly sworn, did severally depose and say; that they are the said officers of the corporation aforesaid, and that the seal affixed to the above instrument is the seal of the corporation, and that said corporate seal and their signatures as such officers were duly affixed and subscribed to the said instrument by the authority of the board of directors of said corporation.

Notary Public

My commission expires: 9/28/2022

(Expiration of notary commission does not invalidate this instrument)

CERTIFICATE

I, the undersigned, assistant secretary of the OLD REPUBLIC SURETY COMPANY, a Wisconsin corporation, CERTIFY that the foregoing and attached Power of Attorney remains in full force and has not been revoked; and furthermore, that the Resolutions of the board of directors set forth in the Power of Attorney, are now in force.

51-6019

Signed and sealed at the City of Brookfield, WI this 19th day of April, 2021.

Assistant Secretary

WESTERN ASSURANCE CORP.

THIS DOCUMENT HAS A COLORED BACKGROUND AND IS MULTI-COLORED ON THE FACE. THE COMPANY LOGO APPEARS ON THE BACK OF THIS DOCUMENT AS A WATERMARK. IF THESE FEATURES ARE ABSENT, THIS DOCUMENT IS VOID.

1. Bidder and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors, and assigns to pay to Owner upon default of Bidder the penal sum set forth on the face of this Bond. Payment of the penal sum is the extent of Bidder's and Surety's liability. Recovery of such penal sum under the terms of this Bond shall be Owner's sole and exclusive remedy upon default of Bidder.

2. Default of Bidder shall occur upon the failure of Bidder to deliver within the time required by the Bidding Documents (or any extension thereof agreed to in writing by Owner) the executed Agreement required by the Bidding Documents and any performance and payment bonds required by the Bidding Documents.

3. This obligation shall be null and void if:

3.1 Owner accepts Bidder's Bid and Bidder delivers within the time required by the Bidding Documents (or any extension thereof agreed to in writing by Owner) the executed Agreement required by the Bidding Documents and any performance and payment bonds required by the Bidding Documents, or

3.2 All Bids are rejected by Owner, or

3.3 Owner fails to issue a Notice of Award to Bidder within the time specified in the Bidding Documents (or any extension thereof agreed to in writing by Bidder and, if applicable, consented to by Surety when required by Paragraph 5 hereof).

4. Payment under this Bond will be due and payable upon default of Bidder and within 30 calendar days after receipt by Bidder and Surety of written notice of default from Owner, which notice will be given with reasonable promptness, identifying this Bond and the Project and including a statement of the amount due.

5. Surety waives notice of any and all defenses based on or arising out of any time extension to issue Notice of Award agreed to in writing by Owner and Bidder, provided that the total time for issuing Notice of Award including extensions shall not in the aggregate exceed 120 days from Bid due date without Surety's written consent.

6. No suit or action shall be commenced under this Bond prior to 30 calendar days after the notice of default required in Paragraph 4 above is received by Bidder and Surety and in no case later than one year after Bid due date.

7. Any suit or action under this Bond shall be commenced only in a court of competent jurisdiction located in the state in which the Project is located.

8. Notices required hereunder shall be in writing and sent to Bidder and Surety at their respective addresses shown on the face of this Bond. Such notices may be sent by personal delivery, commercial courier, or by United States Registered or Certified Mail, return receipt requested, postage pre-paid, and shall be deemed to be effective upon receipt by the party concerned.

9. Surety shall cause to be attached to this Bond a current and effective Power of Attorney evidencing the authority of the officer, agent, or representative who executed this Bond on behalf of Surety to execute, seal, and deliver such Bond and bind the Surety thereby.

10. This Bond is intended to conform to all applicable statutory requirements. Any applicable requirement of any applicable statute that has been omitted from this Bond shall be deemed to be included herein as if set forth at length. If any provision of this Bond conflicts with any applicable statute, then the provision of said statute shall govern and the remainder of this Bond that is not in conflict therewith shall continue in full force and effect.

11. The term "Bid" as used herein includes a Bid, offer, or proposal as applicable.

SUBCONTRACTOR'S FAIR PRACTICE ACT COMPLIANCE

SUBCONTRACTOR'S FAIR PRACTICE ACT COMPLIANCE

This project is subject to the provisions of the State of New Mexico Subcontractor's Fair Practice Act.

Listing Threshold: ***$6,000.00***

Portion of project to which requirements apply:

Complete Project.

For each category of the project, which the BIDDER will be subcontracting for an amount exceeding the listing threshold indicated above, the BIDDER shall define the subcontracting categories and list only one subcontractor for each category. The listing shall be in the format indicated on the following page, and shall be completed and submitted with the Bid.

No CONTRACTOR whose Bid is accepted shall sublet or subcontract any portion of the Work of the Project in an amount exceeding the threshold amount given above, where the original bid amount did not designate a subcontractor, unless 1) the CONTRACTOR received no bid for that category (note: the BIDDER must designate on the list of subcontractors that "no bid was received"), or 2) the Work is pursuant to a change order that causes changes or deviations from the original contract.

No CONTRACTOR whose Bid is accepted shall substitute any subcontractor in place of the subcontractor listed in the Bid except as provided for in the Subcontractor's Fair Practice Act.

Any changes or additions of subcontractors shall be promptly reported to the ENGINEER in writing within two (2) calendar days of the known change or addition to the submitted List of Project Subcontractors in the Bid.

All subcontractors with work in excess of $60,000 must be registered with the New Mexico Department of Workforce Solutions, Labor Enforcement. On page SCFP-2, include the total of the subcontracted work and the subcontractor's New Mexico Department of Workforce Solutions Registration Number, if work is in excess of $60,000.

LIST OF PROJECT SUBCONTRACTORS FOR
AMOUNTS EXCEEDING THE LISTING THRESHOLD

Subcontract Category: Construction Staking
Estimated Value of Work: $8500.00
Subcontractor's Name: BSN Santa Fe
Business Address: 28 Bisbee Court Suite B-10
Santa Fe, NM 87508-1410
Phone Number: 505-473-1079
E-mail Address: jeffrey@bsnsantafe.com
Federal Identification No. (FEIN #): 85-2746642
New Mexico Contractor's License No.: 8877
License Categories: P.L.S.
New Mexico Dept. of Workforce Solutions Registration No.: 1-739920181222
(list only if value of work is in excess of $60,000)

Subcontract Category: _____
Estimated Value of Work: _____
Subcontractor's Name: _____
Business Address: _____
_____
Phone Number: _____
E-mail Address: _____
Federal Identification No. (FEIN #): _____
New Mexico Contractor's License No.: _____
License Categories: _____
New Mexico Dept. of Workforce Solutions Registration No.: _____
(list only if value of work is in excess of $60,000)

Subcontract Category _____

Estimated Value of Work _____

Subcontractor's Name _____

Business Address _____

_____

_____

Phone Number _____

E-mail Address _____

Federal Identification No. (FEIN #) _____

New Mexico Contractor's License No. _____

License Categories _____

New Mexico Dept. of Workforce Solutions Registration No. _____
(list only if value of work is in excess of $60,000)

Subcontract Category _____

Estimated Value of Work _____

Subcontractor's Name _____

Business Address _____

_____

_____

Phone Number _____

E-mail Address _____

Federal Identification No. (FEIN #) _____

New Mexico Contractor's License No. _____

License Categories _____

New Mexico Dept. of Workforce Solutions Registration No. _____
(list only if value of work is in excess of $60,000)

Signature of Authorized Representative for BIDDER:

_____ Date: 4-21-2021

Duplicate, complete, and submit additional sheets as required.

STATE OF NEW MEXICO

CONSTRUCTION INDUSTRIES DIVISION

APPLE MOUNTAIN CONSTRUCTORS, LLC

LICENSE NUMBER

367255

EXPIRES

10/31/2022

Qualifying Party(S)

URBAN MATTHEW

CLASSIFICATION(S)

GA98, GF03, GF04, GF05
GF09, GS01, GS05, GS08

DIRECTOR

This card is the property of the CID and shall be surrendered upon demand

STATE OF NEW MEXICO

TAXATION AND REVENUE DEPARTMENT

RESIDENT CONTRACTOR CERTIFICATE

Issued to: **APPLE MOUNTAIN CONSTRUCTORS LLC**

DBA: **APPLE MOUNTAIN CONSTRUCTORS LLC**
146 CAMINO DEL NORTE
ESTANCIA, NM 87016-6749

Expires: **03-Jan-2023**

Certificate Number:

L1936263856

Stephanie Schardin Clarke
Cabinet Secretary

THIS CERTIFICATE IS NOT TRANSFERABLE

Certificate of Contractor Registration

New Mexico Department of WORKFORCE SOLUTIONS

This is to certify that

Apple Mountain Constructors

146 CAMINO DEL NORTE

ESTANCIA, NM, 87016

has registered with the Department of Workforce Solutions

Registration Date: 4/24/2020 **Registration Number: 002427420120330**

This certificate does not show the current status of the company.
To see the current status for this company please go to the Public Works and Apprenticeship Application (PWAA) at
https://www.dws.state.nm.us/pwaa

New Mexico Department of Workforce Solutions, Labor Relations Division, Public Works, 121 Tijeras Ave NE. Suite 3000, Albuquerque, NM 87102, (505) 841-4400

Apple Mountain Constructors

Contractor's Qualification Statement

146 Camino Del Norte, Estancia, NM 87016
Matt Urban, GM (505)705-0578 Fax (505)384-0577
NM Lic. #367255

- Project Name: Water Transmission Line Replacement

Owner: Town of Elida
Contract Amount: $551,712.54
Completion Date: 03/07/2020
Description: Water pipeline, transmission line to town storage tank, replacing fire hydrants, installation of an AMI System.
Contact Name: Allen Bolinger Phone: (505) 228-4791

- Project Name: Caballos Trail Waterline Replacement

Owner: Eldorado Area Water & Sanitation District
Contract Amount: $ 96,976.58
Completion Date: 10-03-2019
Description: install approximately 1,375 feet of 6-inch waterline (PVC or DIP), connect to existing 8-inch distribution line, connect to four (4) existing services, install two new fire hydrant assemblies, and abandon existing 2" waterline in place.
Contact Name: Casey Cook Phone: (505) 242-5700

- Project Name: Water System Improvement Project

Owner: Gabaldon MDWCA
Contract Amount: $ 164,468.00
Completion Date: 8-14-2019
Description: installation of approximately 1,830 linear feet of 2" PVC waterline, including gate valves, combination air release valves and all appurtenances, including electrical for the previously constructed well and controls for two wells, disinfection equipment, and ventilation system for an existing building.
Contact Name: Ramon Lucero Phone: (505) 299-0942

- Project Name: Acomita Waterlooping Project

Owner: Pueblo of Acoma
Contract Amount: $ 352,347.21
Completion Date: 4-11-2019
Description: constructing approximately 5,786 LF of 10-inch PVC water main, 270 LF of 10-inch HDPE water main, 105 LF of 4-inch PVC water main, 40 LF of pavement cut & restoration, demolition & removal of existing 300,000 gallon water storage tank (27' Dia. x 83' High)
Contact Name: Arvind Patel Phone: (505) 552-5131

- Project Name: Waterline Improvements II-Dipaolo Dr.

Owner: Village of Ruidoso
Contract Amount: $ 299,139.77
Completion Date: 12/08/18
Description: approximately 2,250 LF or more of 6" PVC pipe and related appurtenances on Dipaolo Drive.
Contact Name: Billy Randolph Phone: (575) 257-2721

- Project Name: Rio Quemado Watershed Restoration Project Phase II

Owner: Santa Fe County Public Works
Contract Amount:$102,398.95
Completion Date:02/27/18
Description: Stream bank stabilization and restoration and includes the rehabilitation of existing in-stream irrigation diversion structures using fluvial geomorphological restoration techniques. Installation of rock cross vanes structures in the stream bed, steel irrigation heading structures, pipeline, site grading and revegetation.
Contact Name: Colleen Baker Phone: (505) 992-9868

- Project Name: Prairie Hills Wastewater Treatment System

Owner: Troya Homes, LLC
Contract Amount: $64,383.00
Completion Date: 12/09/17
Description: Demolition of existing tank, installation of new Anoxic tank, infiltration gallery, piping, fencing, steel bollards, observation port, grading.
Contact Name: Jerry May Phone: (505) 933-2616

- Project Name: Waterline Extension for Conjilon MDWC & MSWA Road 295A

Owner: Conjilon MDWC & MSWA
Contract Amount: $163,304.70
Completion Date: 11/17/17
Description: Installation of 6" waterline, reconnection of water meters. Installation of 2" service line, Pex A material, 3 PRV stations.
Contact Name: Albert Martinez Phone: (505) 490-2902

- Project Name: Alto Reservoir/Eagle Creek Recreation Area

Owner: Village of Ruidoso
Contract Amount: $351,662.00
Completion Date: 02-11-17
Description: Trail construction; blading and reshaping, install pre-engineered pedestrian bridges, slope and erosion protection structures, pole planting, concrete vault toilet, shade structures/kiosk.
Contact Name: Rodney Griego Phone: (575) 257-5030

- Project Name: ETSWCD NRCS Emergency Watershed Protection

Owner: East Torrance SWCD
Contract Amount: $44,507
Completion Date: 10-01-16
Description: Contour tree felling/mastication, critical area seeding, wood debris removal, earth work, pit excavation, grade stabilization structures, diversion, silt fence w/woven wire and posts of various locations.
Contact Name: Cheri Lujan Phone: (505)384-2272 ext. 5

- Project Name: ESWCD NRCS Emergency Watershed Protection

Owner: Edgewood SWCD
Contract Amount: $90,200
Completion Date: 10-01-16
Description: Contour tree felling/mastication, critical area seeding, wood debris removal, earth work, pit excavation, grade stabilization structures, diversion, silt fence w/woven wire and posts of various locations.
Contact Name: Brenda Smythe Phone: (505)832-1111

- Project Name: Upper Arroyo Hondo Water System Improvements Phase I

Owner: Upper Arroyo HondoMDWCA
Contract Amount: $188,060.02.00 (not including change orders)
Completion Date: 11-07-15
Description: Uranium treatment system w/building, tank repair, 6" pipe with fire hydrant, new 4" water supply pipe, submersible pump, radio read water meters, electrical for well house.
Contact Name: Rodger Padilla Phone: (575)779-5358

- Project Name: Questa Stream Improvement Project

Owner: New Mexico Department of Game & Fish
Contract Amount: $781,723.84
Completion Date: 08-01-15
Description: Trail construction, fish habitat, river restoration, pedestrian bridges, dam construction, dewatering, headwall construction & piping
Contact Name: Eric Frey Phone: (505)476-8102

- Project Name: Sierra Vista Water Improvement

Owner: Bernalillo CountySierra Vista Mutual Domestic Association
Contract Amount: $100,000
Completion Date: 11-01-14
Description: 3,000 LF of 8" waterline
Contact Name: Mike Sherard Phone:(505)385-7027

- Project Name: Cedar Crest Water System Improvements

Owner: Bernalillo County Cedar Crest Mutual Domestic Water Consumers & SWA
Contract Amount:$366,557.41
Completion Date:09-01-2014
Description: 2,100 LF of 8" waterline, new 80,000 gal Storage Tank, metering building, fire hydrants
Contact Name: Kris Thacher Phone:(505)286-7707

- Project Name: Bonito Campground Crossing Repairs

Owner: City of Alamogordo
Contract Amount:$218,597.05
Completion Date:05-03-2014
Description: Debris removal, installation of 12" & 14" CMP, gabion baskets, rip rap, dewatering, channel restoration
Contact Name: Bob Johnson Phone:(575) 439-4129

- Project Name: LA Canyon Reservoir Road Emergency Road Repair & Reservoir Maintenance

Owner: Los Alamos County
Contract Amount:$329,945.00
Completion Date:01-16-14
Description: Emergency road reconstruction and reservoir maintenance due to flooding, dredging of reservoir, debris removal, dewatering, channel excavation
Contact Name: Jack Richardson Phone: (505) 662-8273

- Project Name: Site Improvements For the Chilili Affordable Housing Project

Owner: La Merced Del Pueblo de Chilili
Contract Amount:144,829.88
Completion Date:01-25-13
Description: 32 acre residential development, underground utilities, new road construction, rip rap, 6" water main, service lines, fire hydrants, underground electrical service lines
Contact Name: Juan Sanchez Phone: (505) 281-4726

- Project Name: Arroyo Hondo Wetland Enhancement

Owner: Santa Fe County Public Works
Contract Amount:$149,976.43
Completion Date 09-21-12
Description: Wetland restoration, base course, rip rap, boulder placement, backfill, culverts, parking lot, trail construction & pedestrian bridge
Contact Name: Scott Kaseman Phone: (505)992-9887

- Project Name: East Fork Trailhead/Middle Fork FSDR 58

Owner: Carson National Forest
Contract Amount:$53,234.30
Completion Date 08-20-12
Description: Road Rehab, base course, rip rap, backfill, culverts, parking lot, trail construction
Contact Name: Herb Vigil Phone: (575)758-6296

- Project Name: Water Control Structure, Pipeline & Streambank Protection Project

Owner: JP Gonzales Acequia Association
Contract Amount:$38,595.60
Completion Date:04-09-12
Description: Structure & debris removal, gabion baskets & filter fabric, rip rap, backfill, metal fabrication, acequia improvements, pipe & concrete headwall
Contact Name: Louie Martinez Phone: (505)685-4668

- Project Name: Conjilon Creek Restoration-Resurface and Traffic Control

Owner: USDA Forest Service, Carson National Forest
Contract Amount:$78,225.00
Completion Date:10-14-2011
Description: Road reconstruction and parking lot, Aggregate Course Surfacing, Barricades, Fencing
Contact Name: Denise Hinds Phone: (575)758-6200

- Project Name: White Fire Baer Treatments Roads and Tanks

Owner: USDA Forest Service-Lincoln National Forest
Contract Amount:$49,250
Completion Date:08-10-11
Description: Flood control, rip rap and bolder installation, dirt tank restoration and installation, bank excavation, road restoration, rolling dips, barriers
Contact Name: Maria E. Borodko Phone: 575-434-7341

- Project Name: La Tierra Fire Station Addition

Owner: Santa Fe County
Contract Amount:$42,852.00
Completion Date:06-07-11
Description: Excavation, 2'over ex., material blending, demolition, paving, rip rap, soil compaction
Contact Name: Phillip Tenorio Phone: 505-832-6111

- Project Name: Sewer Extension

Owner: Bernalillo County
Contract Amount:$89,000.00
Completion Date:12-30-10
Description: 6" Sewer extension for residential area with stub outs
Contact Name: Dennis Lueras Phone: 505-991-0058

- Project Name: Fire Suppression Lagoon

Owner: La Merced De Pueblo De Chilili
Contract Amount:$98,000.00
Completion Date:10-10-10
Description: Fresh water lagoon construction for emergency forest fire fighting & other village use.
Contact Name: Juan Sanchez Phone: 505-281-4726

- Project Name: Glenco Flood Control

Owner: Upper Hondo Soil & Water Conservation
Contract Amount:$54,600.00
Completion Date:10-10-09
Description: Stream bank restoration, rip rap installation, gabion structures, stream bank excavation, diversion channels
Contact Name: Tom Roybal Phone: 575-202-4692

- Project Name: Sewer Extension

Owner: Bernalillo County
Contract Amount:$365,000.00
Completion Date:09-21-09
Description: 3,500' of 8" sewer extension with service line stubs, manholes, paving, additive of flood cell and relative piping and outfall
Contact Name: Dennis Lueras Phone 505-991-0058

- Project Name: Rio Grande High School Utility

Owner: B&D Industries
Contract Amount:$50,000.00
Completion Date:07-27-09
Description: Removal and replacement of sewer utility and paving
Contact Name: John Espandola Phone: 505-991-6621

- Project Name: Cleaver (Ruidoso downs) storm water control

Owner: Upper Hondo Soil & Water Conservation
Contract Amount:$38,200.00
Completion Date:03-08-09
Description: Stream bank restoration, rip rap installation, fish habitat, streambed pool excavation, cobble stone and bolder barb installation, debris removal
Contact Name: Tom Roybal Phone: 575-202-4692

- Project Name: Varcarcel (Ruidoso downs) storm water control

Owner: Upper Hondo Soil & Water Conservation
Contract Amount: $27,500.00
Completion Date: 03-08-09
Description: Stream bank restoration, fish habitat, streambed pool excavation, cobble stone and bolder barb installation,
Contact Name: Tom Roybal Phone: 575-202-4692

- Project Name: Glenco Flood Control

Owner: Upper Hondo Soil & Water Conservation
Contract Amount: $72,900.00
Completion Date: 02-08-09
Description: Stream bank restoration, streambed and bank excavation wire enclosed rip rap installation, 60" culvert pipe installation, culvert removal, soil compaction and analyses, surveying, material blending
Contact Name: Tom Roybal Phone: 575-202-4692

- Project Name: Flood Control and Stream Bank Restoration (Ruidoso)

Owner: Village of Ruidoso
Contract Amount: $202,499.11
Completion Date: 01-12-09
Description: Debris/sediment removal, rip rap and gabion installation, streambed excavation, diversion channels, dewatering soil compaction and analyses, surveying
Contact Name: Vickie Eichelberger Phone: 575-257-2721

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 4/20/2021

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER	CONTACT NAME: Cheryl Atkeisson
Western Assurance Corp. 3701 Paseo Del Norte NE PO Box 94600 Albuquerque NM 87199-4600	PHONE (A/C, No, Ext): (505) 265-8481 FAX (A/C, No): (505) 266-3500 E-MAIL ADDRESS: catkeisson@westernassurance.com
INSURED	INSURER(S) AFFORDING COVERAGE / NAIC #
Apple Mountain Constructors, LLC 146 Camino Del Norte Estancia NM 87016	INSURER A: Cincinnati Indemnity Company INSURER B: Cincinnati Insurance Company INSURER C: NM Employers Assurance Company INSURER D: INSURER E: INSURER F:

COVERAGES **CERTIFICATE NUMBER:** 20/21 Revised Master **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: X POLICY PRO-JECT LOC OTHER:	X		ENP0553109	10/1/2020	10/1/2021	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 1,000,000 $ 100,000 $ 5,000 $ 1,000,000 $ 2,000,000 $ 2,000,000
B	AUTOMOBILE LIABILITY ANY AUTO ALL OWNED AUTOS X SCHEDULED AUTOS X HIRED AUTOS NON-OWNED AUTOS	X		EBA0553109	10/1/2020	10/1/2021	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ 1,000,000 $ $ $
A	X UMBRELLA LIAB OCCUR EXCESS LIAB CLAIMS-MADE DED RETENTION $			ENP0553109	10/1/2020	10/1/2021	EACH OCCURRENCE AGGREGATE	$ 1,000,000 $ 1,000,000
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y / N If yes, describe under DESCRIPTION OF OPERATIONS below	N / A		55322.114 New Mexico Operations Only	12/17/2020	12/17/2021	X PER STATUTE OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	$ 1,000,000 $ 1,000,000 $ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Project: North Gonzales Waterline Replacement

CERTIFICATE HOLDER

City of Las Vegas
Molzin Corbin (Engineer)
1700 North Grand Ave
Las Vegas, NM 87701

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

C Atkeisson/CHERYL Cheryl Atkeisson

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONTRACTORS ADDITIONAL INSURED - AUTOMATIC STATUS AND AUTOMATIC WAIVER OF SUBROGATION WHEN REQUIRED IN WRITTEN CONTRACT, AGREEMENT, PERMIT OR AUTHORIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. **Additional Insured - Owners, Lessees Or Contractors - Automatic Status For Other Parties When Required In Written Contract Or Agreement With You**

1. **Section II - Who Is An Insured** is amended to include as an additional insured any person or organization you have agreed in writing in a contract or agreement to add as an additional insured on this Coverage Part. Such person(s) or organization(s) is an additional insured only with respect to liability for:

   a. "Bodily injury", "property damage" or "personal and advertising injury" *caused, in whole or in part, by* the performance of your ongoing operations by you or on your behalf, under that written contract or written agreement. Ongoing operations does not apply to "bodily injury" or "property damage" occurring after:

      (1) All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or

      (2) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project; and

   b. "Bodily injury" or "property damage" *caused, in whole or in part, by* "your work" performed under that written contract or written agreement and included in the "products-completed operations hazard", but only if:

      (1) The Coverage Part to which this endorsement is attached provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard"; and

      (2) The written contract or written agreement requires you to provide additional insured coverage included within the "products-completed operations hazard" for that person or organization.

      If the written contract or written agreement requires you to provide additional insured coverage included within the "products-completed operations hazard" for a specified length of time for that person or organization, the "bodily injury" or "property damage" must occur prior to the expiration of that period of time in order for this insurance to apply.

      If the written contract or written agreement requires you to provide additional insured coverage for a person or organization per only ISO additional insured endorsement form number **CG 20 10**, without specifying an edition date, and without specifically requiring additional insured coverage included within the "products-completed operations hazard", this Paragraph **b.** does not apply to that person or organization.

2. If the written contract or written agreement described in Paragraph **1.** above specifically requires you to provide additional insured coverage to that person or organization:

   a. *Arising out of* your ongoing operations or *arising out of* "your work"; or

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b. By way of an edition of an ISO additional insured endorsement that includes *arising out of* your ongoing operations or *arising out of* "your work":

then the phrase *caused, in whole or in part, by* in Paragraph **A.1.a.** and/or Paragraph **A.1.b.** above, whichever applies, is replaced by the phrase *arising out of*.

3. With respect to the insurance afforded to the additional insureds described in Paragraph **A.1.**, the following additional exclusion applies:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:

a. The preparing, approving or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or

b. Supervisory, inspection, architectural or engineering activities.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of, or the failure to render, any professional architectural, engineering or surveying services.

4. This Paragraph **A.** does not apply to additional insureds described in Paragraph **B.**

B. **Additional Insured - State Or Governmental Agency Or Subdivision Or Political Subdivision - Automatic Status When Required In Written Permits Or Authorizations**

1. **Section II - Who Is An Insured** is amended to include as an additional insured any state or governmental agency or subdivision or political subdivision you have agreed in writing in a contract, agreement, permit or authorization to add as an additional insured on this Coverage Part. Such state or governmental agency or subdivision or political subdivision is an additional insured only with respect to operations performed by you or on your behalf for which the state or governmental agency or subdivision or political subdivision issued, in writing, a contract, agreement, permit or authorization.

2. With respect to the insurance afforded to the additional insureds described in Paragraph **B.1.**, the following additional exclusions apply:

This insurance does not apply to:

a. "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the federal government, state or municipality; or

b. "Bodily injury" or "property damage" included within the "products-completed operations hazard."

C. The insurance afforded to additional insureds described in Paragraphs **A.** and **B.**:

1. Only applies to the extent permitted by law; and

2. Will not be broader than that which you are required by the written contract, written agreement, written permit or written authorization to provide for such additional insured; and

3. Does not apply to any person, organization, state, governmental agency or subdivision or political subdivision specifically named as an additional insured for the same project in the schedule of an endorsement added to this Coverage Part.

D. With respect to the insurance afforded to the additional insureds described in Paragraphs **A.** and **B.**, the following is added to **Section III - Limits Of Insurance**:

The most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the written contract, written agreement, written permit or written authorization described in Paragraphs **A.** and **B.**; or

2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

E. **Section IV - Commercial General Liability Conditions** is amended to add the following:

Automatic Additional Insured Provision

This insurance applies only if the "bodily injury" or "property damage" occurs, or the "personal and advertising injury" offense is committed:

1. During the policy period; and

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2. Subsequent to your execution of the written contract or written agreement, or the issuance of a written permit or written authorization, described in Paragraphs **A.** and **B.**

F. Except when **G.** below applies, the following is added to **Section IV - Commercial General Liability Conditions, 5. Other Insurance,** and supersedes any provision to the contrary:

When Other Additional Insured Coverage Applies On An Excess Basis

This insurance is primary to other insurance available to the additional insured described in Paragraphs **A.** and **B.** except:

1. As otherwise provided in **Section IV - Commercial General Liability Conditions, 5. Other Insurance, b. Excess Insurance;** or
2. For any other valid and collectible insurance available to the additional insured as an additional insured by attachment of an endorsement to another insurance policy that is written on an excess basis. In such case, this insurance is also excess.

G. The following is added to **Section IV - Commercial General Liability Conditions, 5. Other Insurance,** and supersedes any provision to the contrary:

Primary Insurance When Required By Written Contract, Agreement, Permit Or Authorization

Except when wrap-up insurance applies to the claim or "suit" on behalf of the additional insured, this insurance is primary to any other insurance available to the additional insured described in Paragraphs **A.** and **B.** provided that:

1. The additional insured is a Named Insured under such other insurance; and
2. You have agreed in writing in a contract, agreement, permit or authorization described in Paragraph **A.** or **B.** that this insurance would be primary to any other insurance available to the additional insured.

As used in this endorsement, wrap-up insurance means any insurance provided by a consolidated (wrap-up) insurance program.

Primary And Noncontributory Insurance When Required By Written Contract, Agreement, Permit Or Authorization

Except when wrap-up insurance applies to the claim or "suit" on behalf of the additional insured, this insurance is primary to and will not seek contribution from any other insurance available to the additional insured described in Paragraphs **A.** and **B.** provided that:

1. The additional insured is a Named Insured under such other insurance; and
2. You have agreed in writing in a contract, agreement, permit or authorization described in Paragraph **A.** or **B.** that this insurance would be primary and would not seek contribution from any other insurance available to the additional insured.

As used in this endorsement, wrap-up insurance means any insurance provided by a consolidated (wrap-up) insurance program.

H. **Section IV - Commercial General Liability Conditions, 9. Transfer Of Rights Of Recovery Against Others To Us** is amended by the addition of the following:

We waive any right of recovery we may have against any additional insured under this endorsement against whom you have agreed to waive such right of recovery in a written contract, written agreement, written permit or written authorization because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a written contract, written agreement, written permit or written authorization. However, our rights may only be waived prior to the "occurrence" giving rise to the injury or damage for which we make payment under this Coverage Part. The insured must do nothing after a loss to impair our rights. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce those rights.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONTRACTORS' COMMERCIAL GENERAL LIABILITY BROADENED ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

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• Vendors;	
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B. Limits Of Insurance:

The Commercial General Liability Limits of Insurance apply to the insurance provided by this endorsement, except as provided below:

1. Employee Benefit Liability Coverage

   Each Employee Limit: $1,000,000
   Aggregate Limit: $3,000,000
   Deductible Amount: $ 1,000

3. Damage To Premises Rented To You

   The lesser of:

   a. The Each Occurrence Limit shown in the Declarations; or

   b. $500,000 unless otherwise stated $ _____

4. Supplementary Payments

   a. Bail Bonds: $ 2,500

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b. Loss Of Earnings: $ 500

5. **Medical Payments**

Medical Expense Limit: $ 10,000

9. **Property Damage To Borrowed Equipment**

Each Occurrence Limit: $10,000
Deductible Amount: $ 250

16. **Voluntary Property Damage Coverage** (Coverage a.) **And Care, Custody Or Control Liability Coverage** (Coverage b.)

Limits Of Insurance
Coverage **a.**
$1,000 Each Occurrence
$5,000 Aggregate
Coverage **b.** $5,000 Each Occurrence unless otherwise stated $ _____

Deductible Amount (Each Occurrence)
Coverage **a.** $250
Coverage **b.** $250 unless otherwise stated $ _____

COVERAGE	PREMIUM BASIS (a) Area (b) Payroll (c) Gross Sales (d) Units (e) Other	RATE (For Limits in Excess of $5,000)	ADVANCE PREMIUM (For Limits in Excess of $5,000)
b. Care, Custody Or Control			**$**
TOTAL ANNUAL PREMIUM			**$**

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C. Coverages

1. Employee Benefit Liability Coverage

a. The following is added to **Section I - Coverages:**

Employee Benefit Liability Coverage

(1) Insuring Agreement

(a) We will pay those sums that the insured becomes legally obligated to pay as damages caused by any act, error or omission of the insured, or of any other person for whose acts the insured is legally liable, to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend against any "suit" seeking damages to which this insurance does not apply. We may, at our discretion, investigate any report of an act, error or omission and settle any claim or "suit" that may result. But:

1) The amount we will pay for damages is limited as described in **Section III - Limits Of Insurance**; and

2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under **Supplementary Payments**.

(b) This insurance applies to damages only if the act, error or omission, is negligently committed in the "administration" of your "employee benefit program"; and

1) Occurs during the policy period; or

2) Occurred prior to the "first effective date" of this endorsement provided:

a) You did not have knowledge of a claim or "suit" on or before the "first effective date" of this endorsement.

You will be deemed to have knowledge of a claim or "suit" when any "authorized representative":

i) Reports all, or any part, of the act, error or omission to us or any other insurer;

ii) Receives a written or verbal demand or claim for damages because of the act, error or omission; and

b) There is no other applicable insurance.

(2) Exclusions

This insurance does not apply to:

(a) Bodily Injury, Property Damage Or Personal And Advertising Injury

"Bodily injury", "property damage" or "personal and advertising injury".

(b) Dishonest, Fraudulent, Criminal Or Malicious Act

Damages arising out of any intentional, dishonest, fraudulent, criminal or malicious act, error or omission, committed by any insured, including the willful or reckless violation of any statute.

(c) Failure To Perform A Contract

Damages arising out of failure of performance of contract by any insurer.

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(d) Insufficiency Of Funds

Damages arising out of an insufficiency of funds to meet any obligations under any plan included in the "employee benefit program".

(e) Inadequacy Of Performance Of Investment/Advice Given With Respect To Participation

Any claim based upon:

1) Failure of any investment to perform;

2) Errors in providing information on past performance of investment vehicles; or

3) Advice given to any person with respect to that person's decision to participate or not to participate in any plan included in the "employee benefit program".

(f) Workers' Compensation And Similar Laws

Any claim arising out of your failure to comply with the mandatory provisions of any workers' compensation, unemployment compensation insurance, social security or disability benefits law or any similar law.

(g) ERISA

Damages for which any insured is liable because of liability imposed on a fiduciary by the Employee Retirement Income Security Act of 1974, as now or hereafter amended, or by any similar federal, state or local laws.

(h) Available Benefits

Any claim for benefits to the extent that such benefits are available, with reasonable effort and cooperation of the insured, from the applicable funds accrued or other collectible insurance.

(i) Taxes, Fines Or Penalties

Taxes, fines or penalties, including those imposed under the Internal Revenue Code or any similar state or local law.

(j) Employment-Related Practices

Any liability arising out of any:

(1) Refusal to employ;

(2) Termination of employment;

(3) Coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or other employment - related practices, acts or omissions; or

(4) Consequential liability as a result of **(1)**, **(2)** or **(3)** above.

This exclusion applies whether the insured may be held liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

(3) Supplementary Payments

Section I - Coverages, Supplementary Payments - Coverages A And B also apply to this Coverage.

b. Who Is An Insured

As respects **Employee Benefit Liability Coverage**, **Section II - Who Is An Insured** is replaced by the following:

(1) If you are designated in the Declarations as:

(a) An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.

(b) A partnership or joint venture, you are an insured. Your members, your part-

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ners, and their spouses are also insureds but only with respect to the conduct of your business.

(c) A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.

(d) An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

(e) A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

(2) Each of the following is also an insured:

(a) Each of your "employees" who is or was authorized to administer your "employee benefit program";

(b) Any persons, organizations or "employees" having proper temporary authorization to administer your "employee benefit program" if you die, but only until your legal representative is appointed; or

(c) Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.

(3) Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if no other similar insurance applies to that organization. However, coverage under this provision:

(a) Is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier; and

(b) Does not apply to any act, error or omission that was committed before you acquired or formed the organization.

c. **Limits Of Insurance**

As respects **Employee Benefit Liability Coverage**, **Section III - Limits Of Insurance** is replaced by the following:

(1) The Limits of Insurance shown in Section **B. Limits Of Insurance. 1. Employee Benefit Liability Coverage** and the rules below fix the most we will pay regardless of the number of:

(a) Insureds;

(b) Claims made or "suits" brought;

(c) Persons or organizations making claims or bringing "suits";

(d) Acts, errors or omissions; or

(e) Benefits included in your "employee benefit program".

(2) The Aggregate Limit shown in Section **B. Limits Of Insurance. 1. Employee Benefit Liability Coverage** of this endorsement is the most we will pay for all damages because of acts, errors or omissions negligently committed in the "administration" of your "employee benefit program".

(3) Subject to the limit described in (2) above, the Each Employee Limit shown in Section **B. Limits Of Insurance. 1. Employee Benefit Liability Coverage** of this endorsement is the most we will pay for all damages sustained by any one "employee", including damages sustained by such "employee's" dependents and beneficiaries, as a result of:

(a) An act, error or omission; or

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(b) A series of related acts, errors or omissions, regardless of the amount of time that lapses between such acts, errors or omissions;

negligently committed in the "administration" of your "employee benefit program".

However, the amount paid under this endorsement shall not exceed, and will be subject to the limits and restrictions that apply to the payment of benefits in any plan included in the "employee benefit program."

(4) **Deductible Amount**

(a) Our obligation to pay damages on behalf of the insured applies only to the amount of damages in excess of the Deductible Amount stated in the Declarations as applicable to Each Employee. The limits of insurance shall not be reduced by the amount of this deductible.

(b) The Deductible Amount stated in the Declarations applies to all damages sustained by any one "employee", including such "employee's" dependents and beneficiaries, because of all acts, errors or omissions to which this insurance applies.

(c) The terms of this insurance, including those with respect to:

1) Our right and duty to defend the insured against any "suits" seeking those damages; and

2) Your duties, and the duties of any other involved insured, in the event of an act, error or omission, or claim;

apply irrespective of the application of the Deductible Amount.

(d) We may pay any part or all of the Deductible Amount to effect settlement of any claim or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the Deductible Amount as we have paid.

d. **Additional Conditions**

As respects **Employee Benefit Liability Coverage, Section IV - Commercial General Liability Conditions** is amended as follows:

(1) Item **2. Duties In The Event Of Occurrence, Offense, Claim Or Suit** is replaced by the following:

2. Duties In The Event Of An Act, Error Or Omission, Or Claim Or Suit

a. You must see to it that we are notified as soon as practicable of an act, error or omission which may result in a claim. To the extent possible, notice should include:

(1) What the act, error or omission was and when it occurred; and

(2) The names and addresses of anyone who may suffer damages as a result of the act, error or omission.

b. If a claim is made or "suit" is brought against any insured, you must:

(1) Immediately record the specifics of the claim or "suit" and the date received; and

(2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

c. You and any other involved insured must:

(1) Immediately send us copies of any demands, notices, summonses or legal papers re-

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ceived in connection with the claim or "suit":

(2) Authorize us to obtain records and other information:

(3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and

(4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of an act, error or omission to which this insurance may also apply.

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.

(2) Item **5. Other Insurance** is replaced by the following:

5. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when **c.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in **b.** below.

b. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

c. No Coverage

This insurance shall not cover any loss for which the insured is entitled to recovery under any other insurance in force previous to the effective date of this Coverage Part.

e. Additional Definitions

As respects **Employee Benefit Liability Coverage, Section V - Definitions** is amended as follows:

(1) The following definitions are added:

1. "Administration" means:

a. Providing information to "employees", including their dependents and beneficiaries, with respect to eligibility for or scope of "employee benefit programs";

b. Interpreting the "employee benefit programs";

c. Handling records in connection with the "employee benefit programs"; or

d. Effecting, continuing or terminating any "employee's" participation in

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any benefit included in the "employee benefit program".

However, "administration" does not include:

a. Handling payroll deductions; or

b. The failure to effect or maintain any insurance or adequate limits of coverage of insurance, including but not limited to unemployment insurance, social security benefits, workers' compensation and disability benefits.

2. "Cafeteria plans" means plans authorized by applicable law to allow "employees" to elect to pay for certain benefits with pre-tax dollars.

3. "Employee benefit programs" means a program providing some of all of the following benefits to "employees", whether provided through a "cafeteria plan" or otherwise:

a. Group life insurance; group accident or health insurance; dental, vision and hearing plans; and flexible spending accounts; provided that no one other than an "employee" may subscribe to such benefits and such benefits are made generally available to those "employees" who satisfy the plan's eligibility requirements;

b. Profit sharing plans, employee savings plans, employee stock ownership plans, pension plans and stock subscription plans, provided that no one other than an "employee" may subscribe to such benefits and such benefits are made generally available to all "employees" who are eligible under the plan for such benefits;

c. Unemployment insurance, social security benefits, workers' compensation and disability benefits; and

d. Vacation plans, including buy and sell programs; leave of absence programs, including military, maternity, family, and civil leave; tuition assistance plans; transportation and health club subsidies.

4. "First effective date" means the date upon which coverage was first effected in a series of uninterrupted renewals of insurance coverage.

(2) The following definitions are deleted in their entirety and replaced by the following:

8. "Employee" means a person actively employed, formerly employed, on leave of absence or disabled, or retired. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

21. "Suit" means a civil proceeding in which money damages because of an act, error or omission to which this insurance applies are alleged. "Suit" includes:

a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent;

b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent; or

c. An appeal of a civil proceeding.

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2. **Unintentional Failure To Disclose Hazards**

   Section IV - Commercial General Liability Conditions, 7. Representations is amended by the addition of the following:

   Based on our dependence upon your representations as to existing hazards, if unintentionally you should fail to disclose all such hazards at the inception date of your policy, we will not reject coverage under this Coverage Part based solely on such failure.

3. **Damage To Premises Rented To You**

   a. The last Paragraph of **2. Exclusions** under **Section I - Coverage A - Bodily Injury And Property Damage Liability** is replaced by the following:

      Exclusions **c.** through **q.** do not apply to "property damage" by fire, explosion, lightning, smoke or soot to premises while rented to you or temporarily occupied by you with permission of the owner, for which the amount we will pay is limited to the **Damage To Premises Rented To You** Limit as described in **Section III - Limits Of Insurance.**

   b. The insurance provided under **Section I - Coverage A - Bodily Injury And Property Damage Liability** applies to "property damage" arising out of water damage to premises that are both rented to and occupied by you.

      (1) As respects Water Damage Legal Liability, as provided in Paragraph **3.b.** above:

      The exclusions under **Section I - Coverage A - Bodily Injury And Property Damage Liability. 2. Exclusions**, other than **i. War** and the **Nuclear Energy Liability Exclusion (Broad Form)**, are deleted and the following are added:

      This insurance does not apply to:

      (a) "Property damage":

         (i) Assumed in any contract or agreement; or

         (ii) Caused by or resulting from any of the following:

            1) Wear and tear;

            2) Rust or other corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;

            3) Smog;

            4) Mechanical breakdown, including rupture or bursting caused by centrifugal force;

            5) Settling, cracking, shrinking or expansion;

            6) Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents or other animals; or

            7) Presence, growth, proliferation, spread or any activity of fungus, including mold or mildew, and any mycotoxins, spores, scents or byproducts produced or released by fungi.

      (b) "Property damage" caused directly or indirectly by any of the following:

         (i) Earthquake, volcanic eruption, landslide or any other earth movement;

         (ii) Water that backs up or overflows or is otherwise discharged from a sewer, drain, sump, sump pump or related equipment;

         (iii) Water under the ground surface pressing on, or flowing or seeping through:

            1) Foundations, walls, floors or paved surfaces;

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2) Basements, whether paved or not; or

3) Doors, windows or other openings.

(c) "Property damage" caused by or resulting from water that leaks or flows from plumbing, heating, air conditioning, fire protection systems, or other equipment, caused by or resulting from freezing, unless:

(i) You did your best to maintain heat in the building or structure; or

(ii) You drained the equipment and shut off the water supply if the heat was not maintained.

(d) "Property damage" to:

(i) Plumbing, heating, air conditioning, fire protection systems, or other equipment or appliances; or

(ii) The interior of any building or structure, or to personal property in the building or structure, caused by or resulting from rain, snow, sleet or ice, whether driven by wind or not.

c. **Limit Of Insurance**

With respect to the insurance afforded in Paragraphs **3.a.** and **3.b.** above, the **Damage To Premises Rented To You** Limit as shown in the Declarations is amended as follows:

(1) Paragraph **6.** of **Section III - Limits Of Insurance** is replaced by the following:

6. Subject to Paragraph **5.** above, the **Damage To Premises Rented To You** Limit is the most we will pay under **Coverage A - Bodily Injury And Property Damage Liability** for damages because of "property damage" to any one premises:

a. While rented to you, or temporarily occupied by you with permission of the owner;

b. In the case of damage by fire, explosion, lightning, smoke or soot, while rented to you; or

c. In the case of damage by water, while rented to and occupied by you.

(2) The most we will pay is limited as described in Section **B. Limits Of Insurance. 3. Damage To Premises Rented To You** of this endorsement.

4. **Supplementary Payments**

Under **Section I - Supplementary Payments - Coverages A And B:**

a. Paragraph **2.** is replaced by the following:

Up to the limit shown in Section **B. Limits Of Insurance. 4.a.** Bail Bonds of this endorsement for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

b. Paragraph **4.** is replaced by the following:

All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to the limit shown in Section **B. Limits Of Insurance. 4.b.** Loss Of Earnings of this endorsement per day because of time off from work.

5. **Medical Payments**

The Medical Expense Limit of Any One Person as stated in the Declarations is amended to the limit shown in Section **B. Limits Of Insurance. 5. Medical Payments** of this endorsement.

6. **180 Day Coverage For Newly Formed Or Acquired Organizations**

Section II - Who Is An Insured is amended as follows:

Subparagraph **a.** of Paragraph **3.** is replaced by the following:

a. Insurance under this provision is afforded only until the 180th day after

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you acquire or form the organization or the end of the policy period, whichever is earlier;

7. **Waiver Of Subrogation**

Section IV - Commercial General Liability Conditions, 9. Transfer Of Rights Of Recovery Against Others To Us is amended by the addition of the following:

We waive any right of recovery we may have against any person or organization against whom you have agreed to waive such right of recovery in a written contract or agreement because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a written contract or agreement with that person or organization and included in the "products-completed operations hazard". However, our rights may only be waived prior to the "occurrence" giving rise to the injury or damage for which we make payment under this Coverage Part. The insured must do nothing after a loss to impair our rights. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce those rights.

8. **Automatic Additional Insured - Specified Relationships**

a. The following is added to **Section II - Who Is An Insured**:

(1) Any person(s) or organization(s) described in Paragraph **8.a.(2)** of this endorsement (hereinafter referred to as additional insured) whom you are required to add as an additional insured under this Coverage Part by reason of a written contract, written agreement, written permit or written authorization.

(2) Only the following persons or organizations are additional insureds under this endorsement, and insurance coverage provided to such additional insureds is limited as provided herein:

(a) Managers Or Lessors Of Premises

The manager or lessor of a premises leased to you with whom you have agreed per Paragraph **8.a.(1)** of this endorsement to provide insurance, but only with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you, subject to the following additional exclusions:

This insurance does not apply to:

(i) Any "occurrence" which takes place after you cease to be a tenant in that premises;

(ii) Structural alterations, new construction or demolition operations performed by or on behalf of such additional insured.

(b) Lessor Of Leased Equipment

Any person or organization from whom you lease equipment when you and such person(s) or organization(s) have agreed per Paragraph **8.a.(1)** of this endorsement to provide insurance. Such person(s) or organization(s) are insureds only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person(s) or organization(s). A person's or organization's status as an additional insured under this endorsement ends when their contract or agreement with you for such leased equipment ends. However, this insurance does not apply to any "occurrence" which takes place after the equipment lease expires.

(c) Vendors

Any person or organization (referred to below as vendor) with whom you have agreed per Paragraph **8.a.(1)** of this endorsement to provide insurance, but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the

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vendor's business, subject to the following additional exclusions:

(i) The insurance afforded the vendor does not apply to:

1) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;

2) Any express warranty unauthorized by you;

3) Any physical or chemical change in the product made intentionally by the vendor;

4) Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;

5) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;

6) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;

7) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or

8) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:

a) The exceptions contained in Paragraphs **(c) (i) 4)** or **6)** of this endorsement; or

b) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

(ii) This insurance does not apply to any insured person or organization:

1) From whom you have acquired such products, or any ingredient, part

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or container, entering into, accompanying or containing such products; or

2) When liability included within the "products-completed operations hazard" has been excluded under this Coverage Part with respect to such products.

(d) State Or Governmental Agency Or Subdivision Or Political Subdivision - Permits Or Authorizations Relating To Premises

Any state or governmental agency or subdivision or political subdivision with which you have agreed per Paragraph **8.a.(1)** of this endorsement to provide insurance, subject to the following additional provision:

This insurance applies only with respect to the following hazards for which the state or governmental agency or subdivision or political subdivision has issued a permit or authorization in connection with premises you own, rent or control and to which this insurance applies:

(i) The existence, maintenance, repair, construction, erection or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoist away openings, sidewalk vaults, street banners or decorations and similar exposures; or

(ii) The construction, erection or removal of elevators; or

(iii) The ownership, maintenance or use of any elevators covered by this insurance.

(e) Mortgagee, Assignee Or Receiver

Any person or organization with whom you have agreed per Paragraph **8.a.(1)** of this endorsement to provide insurance, but only with respect to their liability as mortgagee, assignee, or receiver and arising out of the ownership, maintenance, or use of the premises by you. However, this insurance does not apply to structural alterations, new construction and demolition operations performed by or for that person or organization.

(3) The insurance afforded to additional insureds described in Paragraph **8.a.(1)** of this endorsement:

(a) Only applies to the extent permitted by law; and

(b) Will not be broader than that which you are required by the written contract, written agreement, written permit or written authorization to provide for such additional insured; and

(c) Does not apply to any person, organization, vendor, state, governmental agency or subdivision or political subdivision, specifically named as an additional insured under any other provision of, or endorsement added to, this Coverage Part, provided such other provision or endorsement covers the injury or damage for which this insurance applies.

b. With respect to the insurance afforded to the additional insureds described in Paragraph **8.a.(1)** of this endorsement, the following is added to **Section III - Limits Of Insurance**:

The most we will pay on behalf of the additional insured is the amount of insurance:

(1) Required by the written contract, written agreement, written permit or written authorization described

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in Paragraph **8.a.(1)** of this endorsement: or

(2) Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

c. **Section IV - Commercial General Liability Conditions** is amended to include the following:

Automatic Additional Insured Provision

This insurance applies only if the "bodily injury" or "property damage" occurs, or the "personal and advertising injury" offense is committed:

(1) During the policy period: and

(2) Subsequent to your execution of the written contract or written agreement, or the issuance of a written permit or written authorization, described in Paragraph **8.a.(1)**.

d. **Section IV - Commercial General Liability Conditions** is amended as follows:

Condition **5. Other Insurance** is amended to include:

Primary And Noncontributory Insurance

This insurance is primary to and will not seek contribution from any other insurance available to an additional insured per Paragraph **8.a.(1)** of this endorsement provided that:

(1) The additional insured is a Named Insured under such other insurance; and

(2) You have agreed in writing in a contract, agreement, permit or authorization described in **8.a.(2)** of this endorsement that this insurance would be primary and would not seek contribution from any other insurance available to the additional insured.

9. **Property Damage To Borrowed Equipment**

a. The following is added to **Exclusion 2.j. Damage To Property** under **Section I - Coverage A - Bodily Injury And Property Damage Liability:**

Paragraphs **(3)** and **(4)** of this exclusion do not apply to tools or equipment loaned to you, provided they are not being used to perform operations at the time of loss.

b. With respect to the insurance provided by this section of the endorsement, the following additional provisions apply:

(1) The Limits of Insurance shown in the Declarations are replaced by the limits designated in Section **B. Limits Of Insurance. 9. Property Damage To Borrowed Equipment** of this endorsement with respect to coverage provided by this endorsement. These limits are inclusive of and not in addition to the limits being replaced. The Limits of Insurance shown in Section **B. Limits Of Insurance. 9. Property Damage To Borrowed Equipment** of this endorsement fix the most we will pay in any one "occurrence" regardless of the number of:

(a) Insureds;

(b) Claims made or "suits" brought; or

(c) Persons or organizations making claims or bringing "suits".

(2) **Deductible Clause**

(a) Our obligation to pay damages on your behalf applies only to the amount of damages for each "occurrence" which are in excess of the Deductible Amount stated in Section **B. Limits Of Insurance. 9. Property Damage To Borrowed Equipment** of this endorsement. The limits of insurance will not be reduced by the application of such deductible amount.

(b) **Section IV - Commercial General Liability Conditions, 2. Duties In The Event Of Occurrence, Offense, Claim Or Suit,** applies to each claim or "suit" irrespective of the amount.

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(c) We may pay any part or all of the deductible amount to effect settlement of any claim or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.

10. **Employees As Insureds - Specified Health Care Services And Good Samaritan Services**

Paragraph **2.a.(1)(d)** under **Section II - Who Is An Insured** does not apply to:

a. Your "employees" who provide professional health care services on your behalf as a duly licensed nurse, emergency medical technician or paramedic in the jurisdiction where an "occurrence" or offense to which this insurance applies takes place; or

b. Your "employees" or "volunteer workers", other than an employed or volunteer doctor, providing first aid or good samaritan services during their work hours for you will be deemed to be acting within the scope of their employment by you or performing duties related to the conduct of your business.

11. **Broadened Notice Of Occurrence**

Paragraph **a.** of Condition **2. Duties In The Event Of Occurrence, Offense, Claim Or Suit** under **Section IV - Commercial General Liability Conditions** is replaced by the following:

a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

(1) How, when and where the "occurrence" or offense took place;

(2) The names and addresses of any injured persons and witnesses; and

(3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

This requirement applies only when the "occurrence" or offense is known to an "authorized representative".

12. **Nonowned Aircraft**

The following is added to **Exclusion 2.g. Aircraft, Auto Or Watercraft** under **Section I - Coverage A - Bodily Injury And Property Damage Liability**:

This exclusion does not apply to an aircraft you do not own, provided that:

a. The pilot in command holds a current effective certificate, issued by a duly constituted authority of the United States of America or Canada, designating that person as a commercial or airline transport pilot;

b. The aircraft is rented with a trained, paid crew; and

c. The aircraft does not transport persons or cargo for a charge.

13. **Bodily Injury Redefined**

Section V - Definitions, 4. "Bodily injury" is replaced by the following:

4. "Bodily injury" means bodily harm or injury, sickness, disease, disability, humiliation, shock, fright, mental anguish or mental injury, including care, loss of services or death resulting from any of these at any time.

14. **Expected Or Intended Injury Redefined**

The last sentence of **Exclusion 2.a. Expected Or Intended Injury** under **Section I - Coverage A - Bodily Injury And Property Damage Liability** is replaced by the following:

This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

15. **Former Employees As Insureds**

The following is added to Paragraph **2.** under **Section II - Who Is An Insured:**

2. Each of the following is also an insured:

Any of your former "employees", directors, managers, members, partners or "executive officers", including but not limited to retired, disabled or those on leave of absence, but only for acts within the scope of their employment by you or for duties related to the conduct of your business.

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16. **Voluntary Property Damage Coverage**

a. **Coverage D - Voluntary Property Damage Coverage**

Section I - Coverages is amended to include the following:

(1) **Insuring Agreement**

(a) We will pay the cost to repair or replace "property damage" to property of others arising out of operations incidental to your business when:

1) Damage is caused by you; or

2) Damage occurs while in your possession.

At your written request, we will make this payment regardless of whether you are at fault for the "property damage".

If you, at our request, replace, or make any repairs to, damaged property of others, the amount we will pay under **Voluntary Property Damage Coverage** will be determined by your actual cost to replace or repair the damaged property, excluding any profit or overhead.

Any payment we make under **Voluntary Property Damage Coverage** shall not be interpreted as an admission of liability by you or by us.

It shall be your duty, not our duty, to defend any claim or "suit" to which this insurance applies.

No other obligation or liability to pay sums or perform acts or services is covered.

(b) This insurance applies to "property damage" only if:

1) The "property damage" takes place in the "coverage territory"; and

2) The "property damage" occurs during the policy period.

(2) **Exclusions**

This insurance does not apply to "property damage" that would be excluded by **Coverage A - Bodily Injury And Property Damage Liability, 2. Exclusions**, except for **j. Damage To Property**, paragraphs **(3)**, **(4)**, **(5)** and **(6)**, **k. Damage To Your Product**, and **l. Damage To Your Work**.

(3) **Definitions**

For purposes of **Voluntary Property Damage Coverage** only, the following definitions under **Section V - Definitions** are replaced by the following:

16. "Occurrence" means an incident, including continuous or repeated exposure to substantially the same general harmful conditions that result in "property damage".

20. "Property damage" means physical injury to tangible property. "Electronic data" is not tangible property, and "property damage" does not include disappearance, abstraction or theft.

b. **Care, Custody Or Control Liability Coverage**

For purposes of the coverage provided by **Care, Custody Or Control Liability Coverage** in this endorsement only:

(1) **Section I - Coverage A - Bodily Injury And Property Damage Liability, 2. Exclusions, j. Damage To Property**, Subparagraphs **(3)**, **(4)** and **(5)** do not apply to "property damage" to the property of others described therein.

(2) It shall be your duty, not our duty, to defend any claim or "suit" to which this insurance applies.

No other obligation or liability to pay sums or perform acts or services is covered.

This Paragraph **(2)** supersedes any provision in the Coverage Part to the contrary.

(3) "Property damage" for which **Care, Custody Or Control Liability Coverage** provides cover-

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age shall be deemed to be caused by an "occurrence" but shall not serve to limit or restrict the applicability of any exclusion for "property damage" under this Coverage Part.

c. **Limits Of Insurance And Deductibles**

For purposes of the coverage provided by **Voluntary Property Damage Coverage** and **Care, Custody Or Control Liability Coverage, Section III - Limits Of Insurance** is amended to include the following:

(1) The Limits of Insurance shown in the Declarations are replaced by the limits designated in Section **B. Limits Of Insurance, 16. Voluntary Property Damage Coverage And Care, Custody Or Control Liability Coverage,** in this endorsement. These limits are inclusive of, and not in addition to, the limits being replaced. The Limits of Insurance shown in the Schedule fix the most we will pay regardless of the number of:

(a) Insureds;

(b) Claims made or "suits" brought: or

(c) Persons or organizations making claims or bringing "suits".

(2) (a) Subject to **(3)** below, the **Voluntary Property Damage Coverage,** Each Occurrence Limit Of Insurance is the most we will pay for the sum of damages under Voluntary **Property Damage Coverage**:

(b) The **Care, Custody Or Control Liability Coverage,** Each Occurrence Limit Of Insurance is the most we will pay for the sum of damages under **Care, Custody Or Control Liability Coverage**:

because of all "property damage" arising out of any one "occurrence".

(3) The **Voluntary Property Damage Coverage,** Aggregate Limit Of Insurance is the most we will pay for the sum of all damages under **Voluntary Property Damage Coverage.** This limit applies separately to each "coverage term".

(4) **Deductible Clause**

(a) Our obligation to pay damages on your behalf applies only to the amount of damages for each "occurrence" which are in excess of the Deductible Amount stated for the applicable coverage in the Schedule. The limits of insurance will not be reduced by the application of such Deductible Amount.

(b) **Section IV - Commercial General Liability Conditions, 2. Duties In The Event Of Occurrence, Offense, Claim Or Suit,** applies to each claim or "suit" irrespective of the amount.

(c) We may pay any part or all of the Deductible Amount to effect settlement of any claim or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the Deductible Amount as has been paid by us.

17. **Broadened Contractual Liability - Work Within 50' Of Railroad Property**

Section V - Definitions, 12. "Insured contract" is amended as follows:

a. Paragraph **c.** is replaced by the following:

c. Any easement or license agreement:

b. Paragraph **f.(1)** is deleted in its entirety.

18. **Alienated Premises**

Exclusion 2.j. Damage to Property, Paragraph **(2)** under **Section I - Coverage A - Bodily Injury And Property Damage Liability** does not apply if the premises are "your work".

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CinciPlus®
BUSINESS AUTO XC+®
(EXPANDED COVERAGE PLUS)
ENDORSEMENT

This endorsement modifies insurance provided by the following:

BUSINESS AUTO COVERAGE FORM

With respect to the coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

A. Blanket Waiver of Subrogation

SECTION IV - BUSINESS AUTO CONDITIONS, A. Loss Conditions, 5. Transfer of Rights of Recovery Against Others to Us is amended by the addition of the following:

We waive any right of recovery we may have against any person or organization because of payments we make for "bodily injury" or "property damage" arising out of the operation of a covered "auto" when you have assumed liability for such "bodily injury" or "property damage" under an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the "insured contract".

B. Noncontributory Insurance

SECTION IV - BUSINESS AUTO CONDITIONS, B. General Conditions, 5. Other Insurance c. is replaced by the following:

c. Regardless of the provisions of Paragraph **a.** above, this Coverage Form's Liability Coverage is primary and we will not seek contribution from any other insurance for any liability assumed under an "insured contract" that requires liability to be assumed on a primary noncontributory basis.

C. Additional Insured by Contract

SECTION II - LIABILITY COVERAGE, A. Coverage, 1. Who is an Insured is amended to include as an insured any person or organization with which you have agreed in a valid written contract to provide insurance as is afforded by this policy.

This provision is limited to the scope of the valid written contract.

This provision does not apply unless the valid written contract has been:

1. Executed prior to the accident causing "bodily injury" or "property damage"; and
2. Is still in force at the time of the "accident" causing "bodily injury" or "property damage".

D. Employee Hired Auto

1. Changes in Liability Coverage

The following is added to the **Section II - Liability Coverage, A. Coverage, 1. Who is an Insured:**

An "employee" of yours is an "insured" while operating an "auto" hired or rented under a contract or agreement in that "employee's" name, with your permission, while performing duties related to the conduct of your business.

2. Changes in General Conditions

SECTION IV - BUSINESS AUTO CONDITIONS, B. General Conditions, 5. Other Insurance is amended by replacing Paragraph **5.b.** with the following:

b. For Hired Auto Physical Damage Coverage the following are deemed to be covered "autos" you own:

(1) Any covered "auto" you lease, hire, rent or borrow; and

(2) Any covered "auto" hired or rented by your "employee" under a contract in that individual "employee's" name, with your permission, while performing duties related to the conduct of your business.

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However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

E. **Audio, Visual and Data Electronic Equipment**

SECTION III – PHYSICAL DAMAGE COVERAGE, C. Limit of Insurance is amended by adding the following:

4. The most we will pay for all "loss" to audio, visual or data electronic equipment and any accessories used with this equipment as a result of any one "accident" is the lesser of:

   a. The actual cash value of the damaged or stolen property as of the time of the "accident";

   b. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality; or

   c. $2,500.

   Provided the equipment at the time of the "loss" is:

   a. Permanently installed in or upon the covered "auto" in a housing, opening or other location that is not normally used by the "auto" manufacturer for the installation of such equipment;

   b. Removable from a permanently installed housing unit as described in Paragraph **2.a.** above; or

   c. An integral part of such equipment.

F. **Who is an Insured – Amended**

SECTION II – LIABILITY COVERAGE, A. Coverage, 1. Who is an Insured is amended by adding the following:

The following are "insureds":

1. Any subsidiary which is a legally incorporated entity of which you own a financial interest of more than 50% of the voting stock on the effective date of this coverage form.

   However, the insurance afforded by this provision does not apply to any subsidiary that is an "insured" under any other automobile liability policy, or would be an "insured" under such policy but for termination of such policy or the exhaustion of such policy's limits of insurance.

2. Any organization that is newly acquired or formed by you and over which you maintain majority ownership. The insurance provided by this provision:

   a. Is effective on the date of acquisition or formation, and is afforded for 180 days after such date;

   b. Does not apply to "bodily injury" or "property damage" resulting from an "accident" that occurred before you acquired or formed the organization;

   c. Does not apply to any newly acquired or formed organization that is a joint venture or partnership; and

   d. Does not apply to an insured under any other automobile liability policy, or would be an insured under such a policy but for the termination of such policy or the exhaustion of such policy's limits of insurance.

3. Any of your "employees" while using a covered "auto" in your business or your personal affairs, provided you do not own, hire or borrow that "auto".

G. **Liability Coverage Extensions – Supplementary Payments –Higher Limits**

SECTION II – LIABILITY COVERAGE, A. Coverage, 2. Coverage Extensions, a. Supplementary Payments is amended by:

1. Replacing the $2,000 Limit of Insurance for bail bonds with $4,000 in **(2)**; and

2. Replacing the $250 Limit of Insurance for reasonable expenses with $500 in **(4)**.

H. **Amended Fellow Employee Exclusion**

SECTION II – LIABILITY COVERAGE, B. Exclusions, 5. Fellow Employee is modified as follows:

Exclusion 5. **Fellow Employee** is deleted.

I. **Hired Auto – Physical Damage**

If hired "autos" are covered "autos" for Liability Coverage, then Comprehensive and Collision Physical Damage Coverages as provided under **SECTION III – PHYSICAL DAMAGE COVERAGE** of this Coverage Part are extended to "autos" you hire, subject to the following:

1. The most we will pay for "loss" to any hired "auto" is $50,000 or the actual cash value or cost to repair or replace, whichever is the least, minus a deductible.

2. The deductible will be equal to the largest deductible applicable to any owned "auto" for that coverage, or $1,000, whichever is less.

3. Hired Auto – Physical Damage coverage is excess over any other collectible insurance.

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4. Subject to the above limit, deductible, and excess provisions we will provide coverage equal to the broadest coverage applicable to any covered "auto" you own insured under this policy.

Coverage includes loss of use of that hired auto, provided it results from an "accident" for which you are legally liable and as a result of which a monetary loss is sustained by the leasing or rental concern. The most we will pay for any one "accident" is $3,000.

If a limit for Hired Auto - Physical Damage is shown in the Schedule, then that limit replaces, and is not added to, the $50,000 limit indicated above.

J. Rental Reimbursement

SECTION III - PHYSICAL DAMAGE is amended by adding the following:

1. We will pay for rental reimbursement expenses incurred by you for the rental of an "auto" because of a "loss" to a covered "auto". Payment applies in addition to the otherwise applicable amount of each coverage you have on a covered "auto". No deductible applies to this coverage.

2. We will pay only for those expenses incurred during the policy perice beginning 24 hours after the "loss" and ending, regardless of the policy's expiration, with the lesser of the following number of days:

   a. The number of days reasonably required to repair the covered "auto". If "loss" is caused by theft, this number of days is added to the number of days it takes to locate the covered "auto" and return it to you or

   b. 30 days.

3. Our payment is limited to the lesser of the following amounts:

   a. Necessary and actual expenses incurred; or

   b. $50 per day.

4. This coverage does not apply while there are spare or reserve "autos" available to you for your operations.

5. We will pay under this coverage only that amount of your rental reimbursement expenses which is not already provided for under **SECTION III - PHYSICAL DAMAGE COVERAGE, A. Coverage, 4. Coverage Extensions.**

K. Transportation Expense - Higher Limits

SECTION III - PHYSICAL DAMAGE COVERAGE, A. Coverage, 4. Coverage Extensions is amended by replacing $20 per day with $50 per day, and $600 maximum with $1,500 maximum in **Extension a. Transportation Expenses.**

L. Airbag Coverage

SECTION III - PHYSICAL DAMAGE COVERAGE, B. Exclusions, 3.a. is amended by adding the following:

However, the mechanical and electrical breakdown portion of this exclusion does not apply to the accidental discharge of an airbag. This coverage for airbags is excess over any other collectible insurance or warranty.

M. Loan or Lease Gap Coverage

1. **SECTION III - PHYSICAL DAMAGE COVERAGE, C. Limit of Insurance** is deleted in its entirety and replaced by the following, but only for private passenger type "autos" with an original loan or lease, and only in the event of a "total loss" to such a private passenger type "auto":

   a. The most we will pay for "loss" in any one "accident" is the greater of:

      (1) The amount due under the terms of the lease or loan to which your covered private passenger type "auto" is subject, but will not include:

         (a) Overdue lease or loan payments;

         (b) Financial penalties imposed under the lease due to high mileage, excessive use or abnormal wear and tear;

         (c) Security deposits not refunded by the lessor;

         (d) Costs for extended warranties, Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan or lease; and

         (e) Carry-over balances from previous loans or leases, or

      (2) Actual cash value of the stolen or damaged property.

   b. An adjustment for depreciation and physical condition will be made in determining actual cash value at the time of "loss".

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2. **SECTION V – DEFINITIONS** is amended by adding the following, but only for the purposes of this **Loan or Lease Gap Coverage**:

   "Total loss" means a "loss" in which the cost of repairs plus the salvage value exceeds the actual cash value.

N. Glass Repair – Waiver of Deductible

SECTION III – PHYSICAL DAMAGE COVERAGE, D. Deductible is amended by adding the following:

No deductible applies to glass damage if the glass is repaired in a manner acceptable to us rather than replaced.

O. Duties in the Event of an Accident, Claim, Suit or Loss – Amended

SECTION IV – BUSINESS AUTO CONDITIONS, A. Loss Conditions, 2. Duties in the Event of Accident, Claim, Suit or Loss, a. is amended by adding the following:

This condition applies only when the "accident" or "loss" is known to:

1. You, if you are an individual;
2. A partner, if you are a partnership;
3. An executive officer or insurance manager, if you are a corporation; or
4. A member or manager, if you are a limited liability company.

P. Unintentional Failure to Disclose Hazards

SECTION IV – BUSINESS AUTO CONDITIONS, B. General Conditions, 2. Concealment, Misrepresentation or Fraud is amended by adding the following:

However, if you unintentionally fail to disclose any hazards existing on the effective date of this Coverage Form, we will not deny coverage under this Coverage Form because of such failure.

Q. Mental Anguish Resulting from Bodily Injury

SECTION V – DEFINITIONS, C. "Bodily injury" is deleted in its entirety and replaced by the following:

"Bodily injury" means bodily injury, sickness or disease sustained by a person, including mental anguish and death sustained by the same person that results from such bodily injury, sickness or disease. "Bodily injury" does not include mental anguish or death that does not result from bodily injury, sickness or disease.

R. Coverage for Certain Operations in Connection with Railroads

With respect to the use of a covered "auto" in operations for or affecting a railroad:

1. **Section V – Definitions, H.** "Insured contract", **1.c.** is amended to read:

   c. An easement or license agreement;

2. **Section V – Definitions, H.** "Insured contract", **2.a.** is deleted.

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BIDDER INFORMATION

OFFEROR: Hays Plumbing & Heating, Inc.

AUTHORIZED AGENT: Randy Hays

ADDRESS: 600 Railroad Ave. Las Vegas, NM 87701

TELEPHONE NUMBER (505) 425-7535

FAX NUMBER (___)_____

DELIVERY: 600 Railroad Ave. Las Vegas, NM 87701

STATE PURCHASING RESIDENT CERTIFICATION NO.: L1061474736

NEW MEXICO CONTRACTORS LICENSE NO.: 8243

BID ITEM (S): **NORTH GONZALES WATER LINE REPLACEMENT PROJECT**

ITEM (S) UNDER THIS BID ARE TO BE F.O.B. LAS VEGAS, NEW MEXICO 87701. THE CITY OF LAS VEGAS RESERVES THE RIGHT REJECT ANY OR ALL BIDS AND TO WAIVE ANY TECHNICAL IRREGULARITY IN THE FORM OF THE BID.

AFFIDAVIT FOR FILING WITH COMPETITIVE BID

STATE OF New Mexico }

} ss

COUNTY OF San Miguel }

I, Gordon Hays, being of first duly sworn, state under penalty of perjury that I am at least eighteen years of age, and am the agent authorized by the bidder to submit the attached bid. Affiant further states that the bidder has not been a party to any collusion among bidders in restraint of freedom of competition by agreement to bid at a fixed price or to refrain from bidding; or with any city official or employee as to the terms of said prospective contract, or any other terms of said prospective contract; or in any discussion between bidders with any city official concerning an exchange of money or any other thing of value for special consideration in the letting of a contract.

Gordon Hays
Signature

Subscribed and sworn to before me, this 21st day of April, 2021.

(SEAL)

OFFICIAL SEAL
DIANE TRUJILLO
NOTARY PUBLIC-State of New Mexico
My Commission Expires 4/16/23

Notary Public Signature

My Commission Expires: 4/16/2023

provisions shall be permitted.

WITHDRAWAL OF BID

A low Bidder alleging a material mistake of fact, after bids have been opened may request their bid be withdrawn upon receipt of a written request to the Finance Department prior to the scheduled awarding date.

INSPECTION

Final inspection and acceptance will be made at the City's discretion. Products rejected for nonconformance with the specifications shall be removed by the Bidder, at his/her risk and expense promptly after notice of rejection.

FEDERAL TAX IDENTIFICATION NUMBER

Pursuant to IRS requirements, Bidder shall provide their Federal Tax ID Number if Bidder is incorporated. If Bidder is a sole proprietorship or partnership they then shall provide their Social Security Number.

FEDERAL TAX ID NUMBER: 85 0168958

SOCIAL SECURITY NUMBER: _____

NEW MEXICO TAX IDENTIFICATION NUMBER

Payment may be withheld under (Section 7-10-5, N.M.S.A. 1978) if you are subject to New Mexico Gross Receipts Tax and have not registered for New Mexico (CRS) Tax Identification Number. Contact the New Mexico Taxation & Revenue Department at (505) 827-0700 for registering instructions.

NEW MEXICO TAX IDENTIFICATION NO. (CRS): 01-705574-001

CAMPAIGN CONTRIBUTION DISCLOSURE FORM

Pursuant to the Procurement Code, NMSA 13-1-28, *et al*, as amended, a prospective contractor subject to this section shall disclose all campaign contributions given by the prospective contractor or a family member or representative of the prospective contractor to an applicable public official of the state or a local public body during the two years prior to the date on which a proposal is submitted or, in the case of a sole source or small purchase contract, the two years prior to the date on which the contractor signs the contract, if the aggregate total of contributions given by the prospective contractor or a family member or representative of the prospective contractor to the public official exceeds two hundred fifty dollars ($250.00) over the two-year period. A prospective contractor submitting a disclosure statement pursuant to this section who has not contributed to an applicable public official, whose family members have not contributed to an applicable public official or whose representatives have not contributed to an applicable public official shall make a statement that no contribution was made.

A prospective contractor or a family member or representative of the prospective contractor shall not give a campaign contribution or other thing of value to an applicable public official or the applicable public official's employees during the pendency of the procurement process or during the pendency of negotiations for a sole source or small purchase contract.

Furthermore, a solicitation or proposed award for a proposed contract may be canceled pursuant to NMSA 13-1-181 or a contract that is executed may be ratified or terminated pursuant to NMSA 13-1-18 if a prospective contractor fails to submit a fully completed disclosure statement pursuant to this section; or a prospective contractor or family member or representative of the prospective contractor gives a campaign contribution or other thing of value to an applicable public official or the applicable public official's employees during the pendency of the procurement process.

The state agency or local public body that procures the services or items of tangible personal property shall indicate on the form the name or names of every applicable public official, if any, for which disclosure is required by a prospective contractor.

THIS FORM MUST BE INCLUDED IN THE REQUEST FOR PROPOSALS AND MUST BE FILED BY ANY PROSPECTIVE CONTRACTOR WHETHER OR NOT THEY, THEIR FAMILY MEMBER, OR THEIR REPRESENTATIVE HAS MADE ANY CONTRIBUTIONS SUBJECT TO DISCLOSURE.

The following definitions apply:

"Applicable public official" means a person elected to an office or a person appointed to complete a term of an elected office, who has the authority to award or influence the award of the contract for which the prospective contractor is submitting a competitive sealed proposal or who has the authority to negotiate a sole source of small purchase contract that may be awarded without submission of a sealed competitive proposal.

"Campaign Contribution" means a gift, subscription, loan, advance or deposit of money or other thing of value, including the estimated value of an in-kind contribution, that is made to or received by an applicable public official or any person authorized to raise, collect or expend contributions on that official's behalf for the purpose of electing the official to statewide or local office. "Campaign Contribution" includes the payment of a debt incurred in an election campaign, but does not include the value of services provided without compensation or unreimbursed travel or other personal expenses of individuals who volunteer a portion or all of their time on behalf of a candidate or political committee, nor does it include the administrative or solicitation expenses of a political committee that are paid by an organization that sponsors the committee.

"Family member" means a spouse, father, mother, child, father-in-law, mother- in-law, daughter-in-law or son-in-law of (a) a prospective contractor, if the prospective contractor is a natural person; or (b) an owner of a prospective contractor;

"Pendency of the procurement process" means the time period commencing with the public notice of the request for

proposals and ending with the award of the contract or the cancellation of the request for proposals.

"**Prospective contractor**" means a person or business that is subject to the competitive sealed proposal process set forth in the Procurement Code [NMSA 13-1-28 through 13-1-199] or is not required to submit a competitive sealed proposal because that person or business qualifies for a sole source or small purchase contract.

"**Representative of a prospective contractor**" means an officer or director of a corporation, a member or manager of a limited liability corporation, a partner of a partnership or a trustee of a trust of the prospective contractor.

Name(s) of Applicable Public Official(s) if any:_____
(Completed by State Agency or Local Public Body)

DISCLOSURE OF CONTRIBUTIONS BY PROSPECTIVE CONTRACTOR:

Contribution Made By: _____

Relation to Prospective Contractor: _____

Date Contribution(s) Made: _____

_____

Amount(s) of Contribution(s) _____

_____

Nature of Contribution(s) _____

_____

Purpose of Contribution(s) _____

_____

(Attach extra pages if necessary)

_____ _____

Signature Date

_____

Title (position)

--OR—

NO CONTRIBUTIONS IN THE AGGREGATE TOTAL OVER TWO HUNDRED FIFTY DOLLARS ($250.00) WERE MADE to an applicable public official by me, a family member or representative.

Gordon Hays

Signature

Gordon Hays

Date

04/21/2021

President

Title (Position)

BID FORM

PROJECT IDENTIFICATION: North Gonzales Waterline Replacement

ARTICLE 1 – BID RECIPIENT

1.01 This Bid is submitted to: City of Las Vegas
1700 North Grand Avenue
Las Vegas, New Mexico 87701

1.02 The undersigned Bidder proposes and agrees, if this Bid is accepted, to enter into an Agreement with Owner in the form included in the Bidding Documents to perform all Work as specified or indicated in the Bidding Documents for the prices and within the times indicated in this Bid and in accordance with the other terms and conditions of the Bidding Documents.

ARTICLE 2 – BIDDER'S ACKNOWLEDGEMENTS

2.01 Bidder accepts all of the terms and conditions of the Instructions to Bidders, including without limitation those dealing with the disposition of Bid security. This Bid will remain subject to acceptance for 60 days after the Bid opening, or for such longer period of time that Bidder may agree to in writing upon request of Owner. Bidder will sign and submit the Agreement and the Bonds and other documents required by the Bidding Requirements within ten days after the date of Owner's Notice of Award.

ARTICLE 3 – BIDDER'S REPRESENTATIONS

3.01 In submitting this Bid, Bidder represents that:

A. Bidder has examined and carefully studied the Bidding Documents, other related data identified in the Bidding Documents, and the following Addenda, receipt of which is hereby acknowledged:

Addendum No.	Addendum Date
1	03/31/2021
2	04/16/2021

B. Bidder has visited the Site and become familiar with and is satisfied as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work.

C. Bidder is familiar with and is satisfied as to all Laws and Regulations that may affect cost, progress, and performance of the Work.

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D. Bidder has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for the Contract. For the purposes of this Paragraph 4.01.D:

1. "corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value likely to influence the action of a public official in the bidding process;

2. "fraudulent practice" means an intentional misrepresentation of facts made (a) to influence the bidding process to the detriment of Owner, (b) to establish bid prices at artificial non-competitive levels, or (c) to deprive Owner of the benefits of free and open competition;

3. "collusive practice" means a scheme or arrangement between two or more Bidders, with or without the knowledge of Owner, a purpose of which is to establish bid prices at artificial, non-competitive levels; and

4. "coercive practice" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the bidding process or affect the execution of the Contract.

ARTICLE 5 – BASIS OF BID

5.01 Bidder shall complete the Work in accordance with the Contract Documents for the following price(s):

Item No.	Description	Unit	Est. Qty.	Bid Unit Price	Bid Price
North Gonzales Waterline Replacement Taos to San Miguel Estimated Construction Cost					
1	Mobilization, Insurance, and Bonds.	LS	1	$ 17,500.00	$ 17,500.00
2	Demobilization and Closeout.	LS	1	$ 3,000.00	$ 3,000.00
3	Construction Staking.	LS	1	$ 500.00	$ 500.00
4	Traffic / Pedestrian Control.	LS	1	$ 15,000.00	$ 15,000.00
5	4" HMA Over 6" Aggregate Base Course and 12" Subgrade Prep for Pavement Replacement Including Sawcut, Remove and Dispose of Existing Asphalt Pavement. Milled or pulverized material to be hauled to location designated by City, within City limits.	SY	510	$ 65.00	$ 33,150.00
6	6" PVC Waterline including Pipe and Fittings.	LF	1,110	$ 12.64	$ 14,030.40
7	6" PVC Waterline Installation of Pipe and Fittings; Restraints, Trenching, Backfill, Compaction, Tracer Wire, Identification Tape, All Associated Work, and Materials.	LF	900	$ 28.00	$ 25,200.00
8	6" PVC Waterline Installation Of Pipe and Fittings; Restraints, Trenching, Backfill, Compaction, Tracer Wire, Identification Tape, Rock Excavation, All Associated Work, and Materials. Contractor to Haul Rock Offsite and Dispose.	LF	210	$ 28.00	$ 5,880.00

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Item No.	Description	Unit	Est. Qty.	Bid Unit Price	Bid Price
9	6" Gate Valve Including Trench, Backfill, Compaction, Valve Box, Concrete Collar, Tracer Wire Termination, and Concrete Support, Complete In Place (CIP).	EA	4	$ 1,600.00	$ 6,400.00
10	8" Gate Valve Including Trench, Backfill, Compaction, Valve Box, Concrete Collar, Tracer Wire Termination, and Concrete Support, CIP.	EA	1	$ 2,300.00	$ 2,300.00
11	Connection to Existing Water Line Including All Materials, CIP.	EA	3	$ 3,000.00	$ 9,000.00
12	Reconnect Existing Water Services. Include the Extension of the Existing Service Line or the Connection to the Existing Service Line with Pipe Saddle, Corporation Stop, Service Pipe Material, Sidewalk Saw Cutting and Replacement, Curb Saw Cutting and Replacement, All Appurtenances, and All Incidental Work,	EA	31	$ 1,200.00	$ 37,200.00
13	Digital Video Recording Services per Section 01 45 16.14 – Digital Video Recording.	LS	1	$ 500.00	$ 500.00
14	14" Steel Trench Casing or 16" Steel Trench Casing (25') for 6" Waterline Shown on Drawing (Sheet W-301). Include Trenching, Backfilling, Materials, Steel Casing, Ductile Iron Carrier Pipe (35'), Pipe Joint Restraints, Spacers, All Appurtenances, and All Incidental Work, CIP.	LS	1	$ 7,500.00	$ 7,500.00
15	Laboratory Testing.	ALLOW	1	$ 7,500.00	$ 7,500.00
16	Utility Relocation.	ALLOW	1	$ 10,000.00	$ 10,000.00
17	Pre-Authorized Construction Changes.	ALLOW	1	$ 30,000.00	$ 30,000.00
18	Pressure Testing and Disinfection.	LS	1	$ 5,000.00	$ 5,000.00
19	Remove and Dispose of unsuitable material as coordinated with City and Engineer. Import and install suitable material.	CY	250	$ 30.00	$ 7,500.00

TOTAL BID AMOUNT (Exclusive of New Mexico Gross Receipts Tax) $ 237,160.40

Unit Prices have been computed in accordance with Paragraph 11.03 of the General Conditions.

Bidder acknowledges that estimated quantities are not guaranteed, and are solely for the purpose of comparison of Bids, and final payment for all unit price Bid items will be based on actual quantities, determined as provided in the Contract Documents.

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ARTICLE 9 – BID SUBMITTAL

9.01 This Bid is submitted by:

If Bidder is:

An Individual

Name (typed or printed): _____

By: _____
(Individual's signature)

Doing business as: _____

A Partnership

Partnership Name: _____

By: _____
(Signature of general partner -- attach evidence of authority to sign)

Name (typed or printed): _____

A Corporation

Corporation Name: Hays Plumbing & Heating, Inc. (SEAL)

State of Incorporation: New Mexico
Type (General Business, Professional, Service, Limited Liability): General Business

By: Gordon Hays
(Signature -- attach evidence of authority to sign)

Name (typed or printed): Gordon Hays

Title: President
(CORPORATE SEAL)

Attest _____
Randy Hays, Treasurer

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A Joint Venture

Name of Joint Venture: _____

First Joint Venturer Name: _____ (SEAL)

By: _____
(Signature of first joint venture partner -- attach evidence of authority to sign)

Name (typed or printed): _____

Title: _____

Second Joint Venturer Name: _____(SEAL)

By: _____
(Signature of second joint venture partner -- attach evidence of authority to sign)

Name (typed or printed): _____

Title: _____

(Each joint venturer must sign. The manner of signing for each individual, partnership, and corporation that is a party to the joint venture should be in the manner indicated above.)

Bidder's Business Address 600 Railroad Ave. Las Vegas, NM 87701

Phone No. 505-425-7535 Fax No. _____

E-mail hays_plumbing@hotmail.com

SUBMITTED on April 21, 2021.

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9.02 Contractor License Information:

New Mexico Contractor's License Number 8243

License Classifications EL01, ES03, ES04, ES05, ES06, GA01, GB98, GF02, GF03, GF04, GF05, GF09, GF98, MM98

New Mexico Department of Workforce Solutions Registration Number 002369720111209

Federal Identification Number (FEIN #) 85 0168958

ARTICLE 10 – PREFERENCES

10.01 Resident Contractor Preference:

Is Bidder claiming Resident Contractor Preference? Yes

If Yes, provide a copy of your Resident Contractor Certificate issued by the Taxation and Revenue Department.

10.02 Resident Veteran Contractor Preference:

Is Bidder claiming Resident Veteran Contractor Preference? No

If Yes, provide a copy of your Resident Veteran Contractor Certificate issued by the Taxation and Revenue Department.

New Mexico Contractor's License Number 8243

License Classifications EL01, ES03, ES04, ES05, ES06, GA01, GB98, GF02, GF03, GF04, GF05, GF09, GF98, MM98

New Mexico Department of Workforce Solutions Registration Number 002369720111209

Federal Identification Number (FEIN #) 85 0168958

Dun & Bradstreet Data Universal Numbering System (D-U-N-S Number) 064910391

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INSURORS
INDEMNITY COMPANIES

Phone: 877 816 2800 | PO Box 32577
Waco, Texas 76703-4200

BID BOND
(NEW MEXICO)

Bond No. CNB-38715-00

KNOW ALL MEN BY THESE PRESENTS:

THAT we, Hays Plumbing & Heating, Inc, as Principal, hereinafter called the Principal, and INSURORS INDEMNITY COMPANY, Waco, Texas, as Surety, hereinafter called the Surety, are held and firmly bound unto City of Las Vegas, as Obligee, hereinafter called the Obligee, in the amount of 5 % of the amount of this bid not to exceed 5% of the Greatest Amound Bid Dollars ($ 5% of G.A.B), for the payment of which sum well and truly to be made, the said Principal and the said Surety, bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the principal has submitted a bid for
North Gonzales Waterline Replacement,1010 linear feet of 6: PVC Waterline

NOW, THEREFORE, If the contract be timely awarded to the Principal and the Principal shall within such time as specified in the bid, enter into a contract in writing and give bond with good and sufficient surety, or, in the event of the failure of the Principal to enter into such Contract and give such bond or bonds; if the Principal shall pay to the Obligee the difference not to exceed the penalty hereof between the amount specified in said bid and such larger amount for which the Obligee may in good faith contract with another party to perform the work covered by said bid, then this obligation shall be null and void, otherwise to remain in full force and effect

PROVIDED, HOWEVER, unless the bid documents require the bid security remain in effect for a longer period of time, Surety shall have no liability heron if a contract for the bid amount is not awarded to Principal within 60 days of the date hereof.

SIGNED, SEALED AND DATED this 21st day of April, 2021.

Principal:
Hays Plumbing & Heating, Inc
(Seal)
By: Gordon Hays
(title)

Surety:
INSURORS INDEMNITY COMPANY
(Seal)
By: Maria Y. Ankeny
Maria Y. Ankeny, Attorney-in-Fact

Bond verification: bonddept@insurorsindemnity.com

INSURORS
INDEMNITY COMPANIES

Phone: 877 816 2800 | PO Box 32577
Waco, Texas 76703-4200

IMPORTANT NOTICE - AVISO IMPORTANTE

To obtain information or make a complaint:

You may call Insurors Indemnity Company's toll-free telephone number for information or to make a complaint at:

1-877-816-2800

You may also write to Insurors Indemnity Company at:

P.O. Box 32577
Waco, TX 76703-4200
Or
225 South Fifth Street
Waco, TX 76701

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at

1-800-252-3439

You may write the Texas Department of Insurance at:

Consumer Protection (111-1A)
P.O. Box 149091
Austin, TX 78714-9091
Fax: 512-490-1007

Web: http://www.tdi.texas.gov

E-mail: ConsumerProtection@tdi.texas.gov

PREMIUM OR CLAIM DISPUTES:

Should you have a dispute concerning your premium or about a claim, you should contact the agent or the company first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

ATTACH THIS NOTICE TO YOUR POLICY:

This notice is for information only and does not become a part or condition of the attached document.

Para obtener informacion o para someter una queja:

Usted puede llamar al numero de telefono gratis de Insurors Indemnity Company's para informacion o para someter una queja al

1-877-816-2800

Usted tanbien puede escribir a Insurors Indemnity Company:

P.O. Box 32577
Waco, TX 76703-4200
O
225 South Fifth Street
Waco, TX 76701

Puede comunicarse con el Departamento de Seguros de Texas para obtener informacion acerca de companias, coberturas, derechos o quejas al

1-800-252-3439

Puede escribir al Departamento de Seguros de Texas:

Consumer Protection (111-1A)
P.O. Box 149091
Austin, TX 78714-9091
Fax: 512-490-1007

Web: http://www.tdi.texas.gov

E-mail: ConsumerProtection@tdi.texas.gov

DISPUTAS SOBRE PRIMAS O RECLAMOS:

Si tiene una disputa concemiente a su prima o a un reclamo, debe comunicarse con el agente o la compania primero. Si no se resuelve la disputa, puede entonces comunicarse con el departamento (TDI).

UNA ESTE AVISO A SU POLIZA:

Este aviso es solo para proposito de informacion y no se convierte en parte o condicion del documento adjunto.

INSURORS
INDEMNITY COMPANIES

POWER OF ATTORNEY of INSURORS INDEMNITY COMPANY
Waco, Texas

KNOW ALL PERSONS BY THESE PRESENTS: **Number:** CNB-38715-00

That INSURORS INDEMNITY COMPANY, Waco, Texas, organized and existing under the laws of the State of Texas, and authorized and licensed to do business in the State of Texas and the United States of America, does hereby make, constitute and appoint

Maria Y. Ankeny of the City of Albuquerque, State of NM

as Attorney in Fact, with full power and authority hereby conferred upon him to sign, execute, acknowledge and deliver for and on its behalf as Surety and as its act and deed, all of the following classes of document, to-wit:

Indemnity, Surety and Undertakings that may be desired by contract, or may be given in any action or proceeding in any court of law or equity; Indemnity in all cases where indemnity may be lawfully given and with full power and authority to execute consents and waivers to modify or change or extend any bond or document executed for this Company.

INSURORS INDEMNITY COMPANY

Attest: Tammy Tieperman
Tammy Tieperman, Secretary

By:
Dave E. Talbert, President

State of Texas
County of McLennan

On the 11th day of November, 2014, before me a Notary Public in the State of Texas, personally appeared Dave E. Talbert and Tammy Tieperman, who being by me duly sworn, acknowledged that they executed the above Power of Attorney in their capacities as President, and Corporate Secretary, respectively, of Insurors Indemnity Company, and acknowledged said Power of Attorney to be the voluntary act and deed of the Company.

Notary Public, State of Texas

Sherri Carnes
Notary Public, State of Texas
My Comm. Exp. 5/21/21
Notary ID 2288[illegible]-7

Insurors Indemnity Company certifies that this Power of Attorney is granted under and by authority of the following resolutions of the Company adopted by the Board of Directors on November 11, 2014:

RESOLVED, that all bonds, undertakings, contracts or other obligations may be executed in the name of the Company by persons appointed as Attorney in Fact pursuant to a Power of Attorney issued in accordance with these Resolutions. Said Power of Attorney shall be executed in the name and on behalf of the Company either by the Chairman and CEO or the President, under their respective designation. The signature of such officer and the seal of the Company may be affixed by facsimile to any Power of Attorney, and, unless subsequently revoked and subject to any limitation set forth therein, any such Power of Attorney or certificate bearing such facsimile signature and seal shall be valid and binding upon the Company and any such power so executed and certified by facsimile signature and seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is validly attached.

RESOLVED, that Attorneys in Fact shall have the power and authority, subject to the terms and limitations of the Power of Attorney issued to them, to execute and deliver on behalf of the Company and to attach the seal of the Company to any and all bonds and undertakings, and any such instrument executed by such Attorneys in Fact shall be binding upon the Company as if signed by an Executive Officer and sealed and attested to by the Secretary or Assistant Secretary of the Company.

I, Tammy Tieperman, Secretary of Insurors Indemnity Company, do hereby certify that the foregoing is a true excerpt from the Resolutions of the said Company as adopted by its Board of Directors on November 11, 2014, and that this Resolution is in full force and effect. I certify that the foregoing Power of Attorney is in full force and effect and has not been revoked.

In Witness Whereof, I have set my hand and the seal of INSURORS INDEMNITY COMPANY on this 21st day of April, 2021.

Tammy Tieperman
Tammy Tieperman, Secretary

NOTE: IF YOU HAVE ANY QUESTION REGARDING THE VALIDITY OR WORDING OF THIS POWER OF ATTORNEY, PLEASE CALL 800 933 7444 OR WRITE TO US AT P. O. BOX 32577, WACO, TEXAS 76703 OR EMAIL US AT BONDDEPT@INSURORSINDEMNITY.COM.

LIST OF PROJECT SUBCONTRACTORS FOR
AMOUNTS EXCEEDING THE LISTING THRESHOLD

Subcontract Category: Paving

Estimated Value of Work: $33,000.00

Subcontractor's Name: Desert Fox, LLC

Business Address: PO Box 1499 Peralta NM 87042

Phone Number: 505-892-5400

E-mail Address: desertfoxpaving@yahoo.com

Federal Identification No. (FEIN #): 90-0611289

New Mexico Contractor's License No.: 367698

License Categories: GB98 GA1 GA4

New Mexico Dept. of Workforce Solutions Registration No.: _____
(list only if value of work is in excess of $60,000)

Subcontract Category: _____

Estimated Value of Work: _____

Subcontractor's Name: _____

Business Address: _____

Phone Number: _____

E-mail Address: _____

Federal Identification No. (FEIN #): _____

New Mexico Contractor's License No.: _____

License Categories: _____

New Mexico Dept. of Workforce Solutions Registration No.: _____
(list only if value of work is in excess of $60,000)

Subcontract Category _____

Estimated Value of Work _____

Subcontractor's Name _____

Business Address _____

_____

_____

Phone Number _____

E-mail Address _____

Federal Identification No. (FEIN #) _____

New Mexico Contractor's License No. _____

License Categories _____

New Mexico Dept. of Workforce Solutions Registration No. _____
(list only if value of work is in excess of $60,000)

Subcontract Category _____

Estimated Value of Work _____

Subcontractor's Name _____

Business Address _____

_____

_____

Phone Number _____

E-mail Address _____

Federal Identification No. (FEIN #) _____

New Mexico Contractor's License No. _____

License Categories _____

New Mexico Dept. of Workforce Solutions Registration No. _____
(list only if value of work is in excess of $60,000)

Signature of Authorized Representative for BIDDER:

Gordon Hays _____ Date: 04/21/2021

Gordon Hays, President

Duplicate, complete, and submit additional sheets as required.

STATE OF NEW MEXICO

TAXATION AND REVENUE DEPARTMENT

RESIDENT CONTRACTOR CERTIFICATE

Issued to: **HAYS PLUMBING & HEATING INC**

DBA: **HAYS PLUMBING & HEATING INC**
600 RAILROAD AVE
LAS VEGAS, NM 87701-4531

Expires: **24-Feb-2024**

Certificate Number:

L1061474736

Stephanie Schardin Clarke
Cabinet Secretary

THIS CERTIFICATE IS NOT TRANSFERABLE

Certificate of Contractor Registration

New Mexico Department of WORKFORCE SOLUTIONS

This is to certify that

Hays Plumbing & Heating, Inc.

600 RAILROAD AVE

LAS VEGAS, NM, 87701-4531

has registered with the Department of Workforce Solutions

Registration Date: 1/11/2019 **Registration Number: 002369720111209**

This certificate <u>does not</u> show the current status of the company.
To see the current status for this company please go to the Public Works and Apprenticeship Application (PWAA) at
https://www.dws.state.nm.us/pwaa

New Mexico Department of Workforce Solutions, Labor Relations Division, Public Works, 121 Tijeras Ave NE. Suite 3000, Albuquerque, NM 87102, (505) 841-4400

STATE OF NEW MEXICO

CONSTRUCTION INDUSTRIES DIVISION

HAYS PLUMBING & HEATING INC

LICENSE NUMBER

8243

EXPIRES

08/31/2021

Qualifying Party(S)

HAYS RANDY
HAYS RANDY
DALE JASON OLE
HAYS HOWARD L.

CLASSIFICATION(S)

EL01, ES03, ES04, ES05
ES06, GA01, GB98, GF02
GF03, GF04, GF05, GF09
GF98, MM98

Martin Romero

DIRECTOR

This card is the property of the CID and shall be surrendered upon demand

RESOLUTION

WHEREAS, all of the shareholders and officers of Hays Plumbing and Heating, Inc., a New Mexico for profit corporation (the "Corporation"), met to discuss their desire to bestow upon the shareholders and officers of the Corporation named herein, the authority to enter into agreements, legal or otherwise, on behalf of and binding upon the Corporation.

UPON motion duly made and seconded, it is

RESOLVED that the shareholders and directors of Hays Plumbing and Heating, Inc., and the Corporation hereby consent and agree that Gordon Hays as President, Jason Dale as Vice President, Randy Joe Hays as Treasurer, and Donna Hays as Secretary of the Corporation, hold the requisite authority to execute and enter into any and all agreements, contracts, and other documents, legal or otherwise, for the management and operation of the Corporation, on behalf of and binding upon the Corporation.

Dated: January 4, 2019

By: Gordon Hays
Gordon Hays, President
Hays Plumbing and Heating, Inc.

By:
Jason Dale, Vice President
Hays Plumbing and Heating, Inc.

By:
Randy Joe Hays, Treasurer
Hays Plumbing and Heating, Inc.

By: Donna Hays
Donna Hays, Secretary
Hays Plumbing and Heating, Inc.

CITY OF LAS VEGAS
COUNCIL MEETING AGENDA REQUEST FORM

Meeting Date: May 12, 2021

Date Submitted: 4/28/2021 **Department:** Finance

Item/Topic: Request approval of Resolution 21-13. For Acceptance and Approval of the FY20 Audit.

Fiscal Impact: NONE.

Attachments: City of Las Vegas FY20 audit release letter.

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.

Approved For Submittal By:

Department Director

City Manager

Reviewed By:

Finance Director

City Attorney (Approved as to Form)

CITY CLERK'S USE ONLY
COUNCIL ACTION TAKEN

Resolution No. _____ **Continued To:** _____
Ordinance No. _____ **Referred To:** _____
Contract No. _____ **Denied** _____
Approved _____ **Other** _____

Revised October 2020

CITY OF LAS VEGAS, NEW MEXICO
Resolution No. 21-13

ACCEPTANCE AND APPROVAL OF THE FY 2020 AUDIT

WHEREAS, the City of Las Vegas is required by statue to contract with an independent auditor to perform the required annual audit or agreed upon procedures for FY 2020; and

WHEREAS, the City of Las Vegas Governing body has directed the accomplishment of the audit for FY 2020 be completed; and,

WHEREAS, this audit has been completed and presented to the City of Las Vegas Governing Body per the March 31, 2021 letter from the State Auditor authorizing release of the FY 2020 audit; and

WHEREAS, NMAC 2.2.2.10 (M) (4) provides in pertinent part that "Once the audit report is officially released to the agency by the state auditor (by a release letter) and the required waiting period of five calendar days has passed, unless waived by the agency in writing, the audit report shall be presented by the IPA, to a quorum of the governing authority of the agency at a meeting held in accordance with the Open Meetings Act, if applicable, and,

NOW, THEREFORE BE IT RESOLVED, the City Council of the City of Las Vegas, does hereby accept and approve the completed audit report and findings as indicated within this document;

ACCEPTED AND APPROVED this 14th day of April 2021.

_____
Mayor Louie A. Trujillo

ATTEST:

_____
Casandra Fresquez, City Clerk

Reviewed and approved as to legal sufficiency only:

_____
Scott Aaron, City Attorney

BRIAN S. COLÓN, ESQ.
STATE AUDITOR

NATALIE CORDOVA, CPA
DEPUTY STATE AUDITOR

State of New Mexico
Office of the State Auditor

CONSTITUENT SERVICES
(505) 476-3821

Via: Email

3/31/2021
Dominic Chavez, Deputy Finance Director
dchavez@lasvegasnm.gov
City of Las Vegas

SAO Ref No. F0005

Re: Authorization to Release 2020 City of Las Vegas Audit Report

The Office of the State Auditor (OSA) received the audit report for your agency on 12/15/2020. The OSA has completed the review of the audit report required by Section 12-6-14(B) NMSA 1978 and any applicable provisions of the Audit Rule. This letter is your authorization to make the final payment to the Independent Public Accountant (IPA) who contracted with your agency to perform the financial and compliance audit. In accordance with the audit contract, the IPA is required to deliver to the agency the number of copies of the report specified in the contract.

Pursuant to Section 12-6-5 NMSA 1978, the audit report does not become a public record until five days after the date of this release letter, unless your agency has already submitted a written waiver to the OSA. Once the five-day period has expired, or upon the OSA's receipt of a written waiver:

- the OSA will send the report to the Department of Finance and Administration, the Legislative Finance Committee and other relevant oversight agencies;
- the OSA will post the report on its public website; and
- the agency and the IPA shall arrange for the IPA to present the report to the governing authority of the agency, per the Audit Rule, at a meeting held in accordance with the Open Meetings Act, if applicable.

The OSA has received a 5 day written waiver request by your agency and the report will posted to the OSA's website and made public immediately.

The IPA's findings and comments are included in the audit report on page 122-124. It is ultimately the responsibility of the governing authority of the agency to take corrective action on all findings and comments.

Sincerely,

Brian S. Colón, Esq.
State Auditor

cc. Axiom CPA and Business Advisors, LLC

CITY OF LAS VEGAS
COUNCIL MEETING AGENDA REQUEST FORM

Meeting Date: May 12, 2021

Date Submitted: 4/28/2021 **Department:** Finance

Item/Topic: The resolution No. 21-18 to make budget adjustment for the 2020-2021 Fiscal Year. The City of Las Vegas is in need of making a budget adjustment in the 2020-2021 fiscal Year budget to include a revenue and expense increase to Fund 214 Street CO-OP Projects-MAP-2020 Contract # D18626 in the amount of $415,000.00 State Portion 75% $311,250.00 City Match 25% $103,750.00. COOP-2020 Contract # D18524 in the amount of $117,787.00.State Portion 75% $88,340.00 City Match 25% $29,447.00 WAIVED. Fund 282 Senior Center in the amount of $35,000.00. Fund 206 EMS in the amount of $20,000.00

Fiscal Impact: Fund 214—Street Coop will have a budget increase in the amount of $532.787.00.
Fund 282 ---Senior Center will have a budget increase in the amount of $35,000.00.
Fund 206—EMS will have a budget increase in the amount of $20,000.00.

Attachments: Resolution 21-18. Resolution 20-48. MAP 2020-2021 Project Cost Estimate. Agreement/Contract No. 3726-21. NM Dept of Health letter dated August 7, 2020. NM Dept of Transportation letter dated November 20, 2020.

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.

Approved For Submittal By:

Department Director

City Manager

Reviewed By:

Finance Director

City Attorney (Approved as to Form)

CITY CLERK'S USE ONLY
COUNCIL ACTION TAKEN

Resolution No. _____
Ordinance No. _____
Contract No. _____
Approved _____

Referred To: _____

Continued To: _____
Denied _____
Other _____

Revised October 2020

CITY OF LAS VEGAS, NEW MEXICO
Resolution No. 21-18

A RESOLUTION TO MAKE BUDGET ADJUSTMENT FOR THE 2020-2021 FISCAL YEAR

WHEREAS, the Governing Body of Las Vegas has developed a budget adjustment request for fiscal year 2020-21: and

WHEREAS, said budget was developed on the basis of increases in revenues, expenditures and transfers (in) out through cooperation with all user departments, elected officials and other department supervisors. please see attached schedule; and,

WHEREAS, the City of Las Vegas is in need of making a budget adjustment in the 2020-2021 fiscal Year budget to include a revenue and expense increase to Fund 214 Street CO-OP Projects-MAP-2020 Contract # D18626 in the amount of $415,000.00 State Portion 75% $311,250.00 City Match 25% $103,750.00. COOP-2020 Contract # D18524 in the amount of $117,787.00.State Portion 75% $88,340.00 City Match 25% $29,447.00 WAIVED. Fund 282 Senior Center in the amount of $35,000.00. Fund 206 EMS in the amount of $20,000.00;and.

WHEREAS, the Governing Body finds that the budget adjustment request should be as it meets the requirements as currently determined for fiscal year 2020-21.

NOW, THEREFORE BE IT RESOLVED, the City Council of the City of Las Vegas, that the recitals and any exhibits are incorporated herein by reference and the Governing Body hereby approves the aforementioned budget adjustment request and respectfully request approval from the Local Governing Division of the Department of Finance and Administration.

ACCEPTED AND OPTED this _____ day of May 2021.

_____
Mayor Louie A. Trujillo

ATTEST:

_____
Casandra Fresquez, City Clerk

Reviewed and approved as to legal sufficiency only:

_____
Scott Aaron, City Attorney

CITY OF LAS VEGAS, NEW MEXICO
Resolution No. 20-48

A RESOLUTION TO APPLY FOR AND ACCEPT THE GRANT OFFER FROM THE NEW MEXICO DEPARTMENT OF TRANSPORTATION (NMDOT) FOR MOUNTAIN VIEW DRIVE

WHEREAS, the City of Las Vegas ("City") has applied to the New Mexico Department of Transportation ("NMDOT") for a Municipal Arterial Program (MAP) grant for planning, designing, construction, reconstruction, pavement rehabilitation, drainage improvements, construction management, and miscellaneous construction; and

WHEREAS, the City expects to receive the Grant in a total amount of $311,250.00 ("Grant"); and

WHEREAS, the City would have to contribute 25% ($103,750.00) in order to receive the Grant of $311,250.00 (75%) for a total amount of $415,000.00 to include New Mexico gross receipts tax; and

WHEREAS, improvements are needed on Mountain View Drive for the safety and well being of the residents of Las Vegas, New Mexico; and

WHEREAS, the Grant will be used for road improvements on Mountain View Drive.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Las Vegas that the recitals are incorporated herein by reference and the Governing Body accepts the Grant, agrees to contribute 25% of the Grant amount in order to obtain the Grant, and agrees to use the Grant for road improvements on Mountain View Drive.

APPROVED AND ADOPTED this 12th day of August, 2020.

Louie A. Trujillo, Mayor

ATTEST:

Casandra Fresquez, City Clerk

Reviewed and approved as to legal sufficiency only:

Scott Aaron, City Attorney

MAP 2020-2021 PROJECT COST ESTIMATE

Mountain View Drive Improvements - Phase II Longview Drive to Moreland Drive
City of Las Vegas

ITEM NO.	DESCRIPTION	UNIT	ESTIM QUANT	UNIT PRICE	AMOUNT
Roadway Improvements					
1	Remove and Dispose of Existing Subgrade	CY	80	$16.00	$1,280.00
2	12" Subgrade Prep	SY	80	$5.00	$400.00
3	Provide and Install Base Course including Compaction 12"	SY	80	$19.00	$1,520.00
4	Tack Coat Material	TON	5	$625.00	$3,125.00
5	Prime Coat Material	TON	5	$625.00	$3,125.00
6	Cold Milling 2 '	SY	2325	$5.00	$11,625.00
7	Cold Milling 4"	SY	3600	$9.00	$32,400.00
8	Provide and Install Geogrid	SY	80	$7.50	$600.00
9	HMA SP-IV 2"	SY	2325	$17.00	$39,525.00
10	HMA SP-IV 1.5"	SY	3680	$15.00	$55,200.00
11	HMA SP-IV 2.5"	SY	3680	$19.00	$69,920.00
12	Provide and Install 6" x 24" Concrete Curb and Gutter Upon Direction From Engineer	LF	80	$30.00	$2,400.00
13	Remove and Dispose of Existing Curb and Gutter Upon Direction From Engineer	LF	80	$15.00	$1,200.00
14	Removal of Structures and Obstructions (remove and dispose of sign and base posts)	LS	1	$1,500.00	$1,500.00
15	Manhole Adjustment	EA	4	$900.00	$3,600.00
16	Adjust Valve Box to Grade	EA	8	$650.00	$5,200.00
17	Panel Signs	SF	29.25	$30.00	$877.50
18	Steel Post and Base Post for Aluminum Panel Sign	LF	25.50	$15.00	$382.50
19	Retroreflectorized Markings 4" White	LF	2300	$1.00	$2,300.00
20	Retroreflectorized Markings 4" Yellow	LF	2400	$1.00	$2,400.00
21	Retroreflectorized Pavement Marking 24" Wide	LF	140	$11.00	$1,540.00
Miscellaneous					
22	Mobilization	LS	1	$20,000.00	$20,000.00
23	Traffic Control	LS	1	$15,000.00	$15,000.00
24	Demobilization	LS	1	$3,400.00	$3,400.00
25	Video Taping	LS	1	$1,500.00	$1,500.00
26	SWPPP	LS	1	$2,500.00	$2,500.00
27	Post Construction Plans	LS	1	$2,500.00	$2,500.00
28	Pre-Authorized Construction Changes	ALLOW	1	$5,000.00	$5,000.00
29	Material Testing Allowance	ALLOW	1	$5,000.00	$5,000.00
30	Construction Staking	LS	1	$5,000.00	$5,000.00

CONST	Construction Subtotal	$300,020.00
CONST	Construction Phase Services	$24,450.00
CONST	Construction Observation	$25,000.00
CONST	Total Construction Costs	$349,470.00
CONST	Est NMGRT @ 8.3958%	$29,340.80
CONST	Total Construction Costs with NMGRT	**$378,810.80**
ENGIN	Engineering	$30,000.00
ENGIN	NMDOT Certifications/Coordination	$3,500.00
ENGIN	Total Engineering Fees	$33,500.00
ENGIN	Est NMGRT @ 7.875%	$2,638.13
ENGIN	Total Engineering Fee with NMGRT	**$36,138.13**
	TOTAL PROJECT COST	**$415,000.00**

State Funding Requested @ 75%	$311,250.00
City of Las Vegas Participation @ 25%	$103,750.00

Agreement / Contract
No. 3726-21
City of Las Vegas
Date

Contract No. 2020-21 – 68049-54050

North Central New Mexico Economic Development District
Non-Metro Area Agency on Aging

GRANT AGREEMENT
ONE-TIME EMERGENCY FUNDING

282-6200-540-5998
282-6700-750-7128

This grant agreement is made by and between North Central New Mexico Economic Development District (NCNMEDD) Non-Metro Area Agency on Aging (Non-Metro AAA), hereinafter referred to as the "Agency" and **City of Las Vegas,** hereinafter referred to as the "Subrecipient Contractor".

North Central New Mexico Economic Development District (NCNMEDD) received a grant award from the Aging and Long-Term Services Department for the administration of the Area Agency on Aging in Planning and Service Area 2, 3, and 4 of New Mexico.

A subaward of **$35,000.00** from this grant is made to Subrecipient Contractor to address anticipated budget shortfalls in the provision of ~~homemaker and respite~~ Nutrition services to consumers enrolled in the Title III Older Americans Act (OAA) programs. The full amount of the award will be disbursed to the Subrecipient via ACH upon receipt of timely and accurate information necessary for reimbursement.

Subrecipient must utilize all funding as soon as possible but no later than **June 30, 2021.**

For the faithful performance of the terms of this agreement, the parties affix their signatures and bind themselves effective April 1, 2021.

City of Las Vegas
Legal Name of Subrecipient Contractor

William Taylor
Signature

William Taylor
Printed/Typed Name of Signatory

4/23/21
Date

NCNMEDD Non-Metro Area Agency on Aging
Name of Area Agency on Aging

Monica Abeita
Signature

Monica Abeita, Executive Director
Printed/Typed Name of Signatory

04-01-2021
Date

MICHELLE LUJAN GRISHAM
GOVERNOR

NEW MEXICO
DEPARTMENT OF
HEALTH

KATHYLEEN M. KUNKEL
CABINET SECRETARY

August 7, 2020

City of Las Vegas
1700 N. Grand Ave.
Las Vegas NM 87701

Dear Sir/Mam:

In accordance with the Terms of Rules Governing in Emergency Medical Services Fund Act, DOH 7.27.4 NMAC, a warrant in the amount of $27,707.00 is authorized for disbursement on behalf of the following local recipient (s) in accordance with their approved applications:

Las Vegas Fire Department $7,707.00 Superior Ambulance $20,000.00

These funds from the Local Funding Program of the EMS Fund Act for FY 21 (July 1,2020 – June 30,2021) must be accounted for in accordance with the rules set forth by the New Mexico Department of Finance and Administration, Local Government Division and the EMS Fund Act Rules 7.27.4 NMAC.

In order to keep our records in order, we are asking that each Applicant (Fiscal Agent) submit an itemized expenditures report for FY20 EMS Fund Act Local Funding Award (July 1, 2019 – June 30, 2020). If you administer funds for more than one (1) Local recipient, please submit a report for each.

If you have any questions, please contact me at (505) 476-8233 or by e-mail at ann.martinez1@state.nm.us

Sincerely,
Ann Martinez
Ann Martinez FF I / EMT-I
EMS Fund Act Coordinator

Xc: EMS Regional Director
City of Las Vegas
Local Government Division/DFA

New Mexico DEPARTMENT OF TRANSPORTATION
MOBILITY FOR EVERYONE

November 20, 2020

Daniel Gurule, Manger
CITY OF LAS VEGAS
1700 N Grand Ave
Las Vegas, New Mexico 87701

Project No: L400500

Dear Manger Gurule:

We are pleased to inform you that your request for Match Waiver funds, for Project L400500 was approved by the State Transportation Commission. The project funding is as follows:

Total Project Amount:	$117,787.00
Department Share:	$88,340.00
Matching Funding Waived	$29,447.00
Entity Match	$ .00

The District 4 office will develop needed documentation then forward to you for signature. If you have any questions or comments please contact me at (505) 699-9946.

Sincerely,

Clarissa Martinez
LGRF/Capital Outlay Manager, NMDOT

C: District 4 Engineer
District 4 LGRF Coordinator

Michelle Lujan Grisham
Governor

Michael R. Sandoval
Cabinet Secretary

Commissioners

Jennifer Sandoval
Commissioner, Vice-Chairman
District 1

Bruce Ellis
Commissioner
District 2

Hilma E. Chynoweth
Commissioner
District 3

Walter G. Adams
Commissioner, Chairman
District 4

Thomas C. Taylor
Commissioner
District 5

Charles Lundstrom
Commissioner, Secretary
District 6

CITY OF LAS VEGAS
COUNCIL REGULAR MEETING AGENDA REQUEST FORM

Meeting Date: May 12, 2021

Date Submitted: 5/3/2021 **Department:** Executive

Item/Topic: **New Positions**

Fiscal Impact: **Increase to FY22 Salary Budgets**

Attachments: **List of Positions Requested/Memo from Stephen Aragon**

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.

Approved For Submittal By:

Department Director

City Manager

Reviewed By:

Finance Director

City Attorney (Approved as to Form)

CITY CLERK'S USE ONLY
COUNCIL ACTION TAKEN

Resolution No. _____
Ordinance No. _____
Contract No. _____
Approved _____

Continued To: _____
Referred To: _____
Denied _____
Other _____

The following positions (total of 5.75 FTE) will be included in the FY22 Budget. Those departments that have budget in FY21 may fill the positions prior to July 1, 2021. With Council approval, we can begin advertising the positions in May/June.

Parks Field Supervisor (1.0 FTE) – see attached justification

Pool Supervisor (1.0 FTE) – see attached justification

Public Information Officer (.50 FTE) – this position will help the City promote events, accomplishments, etc.

Administrative Aide (.25 FTE)/Temporary – The Event Planner/Film Liaison is in need of an administrative aide due to the overwhelming load that the office is currently experiencing. The incumbent will be full-time; however, the OJT Program will pay 75% of the wages.

Accountant (1.0 FTE) – The Grant Writer position, currently in the Community Development Division, will be vacant, and the grant pre-award and post-award responsibilities will be transferred to the Finance Department.

IT Technician (1.0 FTE) – As the City increases the use of technology, an additional positions is necessary to keep up with the needs of the departments.

Animal Control Supervisor (1.0 FTE) – This position is needed to supervise the operation to include the care and treatment of animals and to perform a variety of technical tasks relative to the assigned areas of responsibility. This position will also work very closely with the AWC shelter.

City of Las Vegas
1700 N. Grand Avenue | Las Vegas, NM 87701 | T 505.454.1401 | lasvegasnm.gov
Mayor Louie A. Trujillo

MEMORANDUM

To: Donna Castro, HR Director

From: _____
Stephen Aragon, Parks & Recreation Director

Date: April 30th, 2021

RE: Position Creation Request

This memo is to request the creation of 2 positions in the Parks and Recreation Department. Here are the 2 positions being requested along with summary of need for each:

Parks Field Supervisor

The Parks Division is need of having a strong individual to lead the Parks Maintenance I & II Workers out in the field. While the Parks Division has been productive, there is still much room for improvement and adding this position would increase productivity and efficiency in completing Park's improvements and maintenance. Parks Field Supervisor would be the direct supervisor for the Parks Maintenance I & II Workers. Parks Field Supervisor would report directly to the Parks & Rec Director. Adding this position would allow for Parks & Rec Maintenance Supervisor to dedicate the proper time needed for equipment and facility maintenance and repair. This position would also allow for Parks & Rec Director to dedicate the proper time needed for administrative operations for the department.

Pool Supervisor

The Rec Center is need of having an individual to oversee and ensure the proper operation of the Rec Center pool and provide direct supervision to lifeguards on duty. The Pool Supervisor will become a CPR/1st Aid Certified Instructor and Certified Lifeguard Trainer to train and recertify new and existing staff. The Lifeguard Supervisor will also become a Certified Pool Operator (CPO) which is a requirement to operate a public pool. Pool Supervisor would be the direct supervisor for Lifeguards. Pool Supervisor would report to the Rec Center Supervisor.

Should you have any further questions, please feel free to contact me at (505) 426-1739. Thank you.

CITY OF LAS VEGAS
COUNCIL SPECIAL MEETING AGENDA REQUEST FORM

Meeting Date: May 12, 2021

Date Submitted: 4/27/21 **Department:** Executive

Item/Topic Discussion and Direction on whether to continue to hold council meetings virtually or to exclusively return to in-person meetings.

Discussion and Direction for public meetings of City Boards, Commissions and Committees (BCC's). For example, Do BCC's have the option to hold their meetings virtually or return to exclusively in person meetings, and do BCC's, subject to OMA, need to stream their meetings on YouTube?

San Miguel County has moved into the turquoise level, which signifies low risk. Governor Michelle Lujan Grisham plans for the State to fully re-open in June after 60% of New Mexicans are fully vaccinated.

Fiscal Impact: N/A

Attachments: N/A

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.

Approved For Submittal By:
Mayor Louie Trujillo

William Taylor
City Manager

Reviewed By:

_____
Finance Director

_____
City Attorney (Approved as to Form)

CITY CLERK'S USE ONLY
COUNCIL ACTION TAKEN

Resolution No. _____
Ordinance No. _____
Contract No. _____
Approved _____

Continued To: _____
Referred To: _____
Denied _____
Other _____

CITY OF LAS VEGAS
COUNCIL MEETING AGENDA REQUEST FORM

Meeting Date:

Date Submitted: 04/29/2021 **Department:** Park & Rec

Item/Topic: Approval of MOU's with La Plaza Little League and Las Vegas Little League. MOU's will be valid for 120 days due to COVID-19 Pandemic and loss of league revenues. Both Leagues have agreed to provide in-kind services of both field and facility maintenance. After both Little Leagues have completed their 2021 seasons, lease agreements will be drafted and presented to Mayor and Council for approval for both leagues to meet NM Anti-Donation Law. La Plaza Little League is requesting to start games on May 17th, 2021 and Las Vegas Little League is requesting to start June 5th, 2021. Both league seasons will run through end of July 2021.

Fiscal Impact: Salaries for Parks & Rec employees for maintenance of fields. Utilities cost associated with use of field lighting, electricity/sewer/waste/water for facilities at fields.

Attachments: MOU – La Plaza Little League, MOU – Las Vegas Little League; note MOU will be submitted once approval from City Attorney.

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.

Approved For Submittal By:

Department Director

City Manager

Reviewed By:

Finance Director

City Attorney (Approved as to Form)

CITY CLERK'S USE ONLY
COUNCIL ACTION TAKEN

Resolution No. _____
Ordinance No. _____
Contract No. _____
Approved _____

Continued To: _____
Referred To: _____
Denied _____
Other _____

LEASE AGREEMENT FOR BASEBALL FIELD

This Agreement is made and entered into on this____day of May, 2021 ("Effective Date") by and between the City of Las Vegas, a New Mexico home-rule municipality ("Lessor"), and La Plaza Little League ("Lessee").

That for and in consideration of the rental, hereinafter agreed to be paid by the Lessee, the Lessor does hereby grant a non-exclusive lease to said Lessee regarding certain facilities as defined below.

1. The Lessee agrees that lands (1318 Grant Street, Youth Field 1, Youth Field 2, Henry Martinez Field), buildings, and equipment which are made available under this agreement ("Property") will not be used by any person, firm, corporation or other entity for the purpose of conducting an exhibition, display, entertainment or other event except as expressly provided for herein. The sole purpose of this Agreement is to lease the aforementioned baseball fields for the purpose of Lessee to hold baseball field activities from May 17, 2021 to July 31, 2021 ("Term").

2. The Lessee agrees not to engage in or permit the Property to be used for any other purpose than the purpose specifically stated above, or any unlawful or offensive purpose, and agrees, in the use of the Property, to abide by all regulations of the Lessor, local Laws and Ordinances, and the laws of the State of New Mexico and the United States Government.

3. No profit making entity may use the Property, nor shall the Lessee use the Property for profit making purposes.

4. The Lessee may not charge admission fees to the Property.

5. No person under the age of 18 years old shall be allowed at the Property without adult supervision. Adult supervision shall be provided by the Lessee, and the Lessee shall be solely responsible for any damages or injury that may occur on the Property. Lessee shall hold harmless, indemnify and defend the City, and all of City's employees, agents, officers and councilpersons, against and from any and all claims, losses, demands, judgments, damages, liabilities, lawsuits, expenses, attorney fees, witness fees, and/or action of any kind, whether from death, bodily injury or damage to property. The Lessee's obligations under this paragraph shall not be affected, lessened or terminated by the cancellation, expiration or termination of this Agreement, or for any other reason, and shall survive this Agreement. Lessee shall not assign any interest in this Agreement or sublease the Property. Lessor may terminate this Agreement at any time, for any reason, in Lessor's sole discretion. This Agreement shall not be amended except by a written document signed by Lessor and Lessee.

6. It is unlawful for any alcoholic beverages or illegal substances to be used, possessed or consumed on the Property at any time.

7. The driving of nails, tacks or other articles into the walls, or the posting of paper signs and the like, or any other method of modifying the Property, are absolutely prohibited.

8. Any equipment other than equipment furnished in the Lessor, shall be brought in, set up and taken down at the Lessee's sole expense. No outside equipment shall be left over or stored on the Property. Lessee must replace any equipment that, in Lessor's sole discretion, is destroyed, stolen or damaged.

9. The Lessee agrees to deliver the Property, at the expiration of this Agreement, in as good a condition as at the beginning of this Agreement.

10. If damage or breakage occurs, or if the Property is not cleaned up sufficient to satisfy Lessor's sole discretion, Lessee shall pay the costs of Lessor to repair said damage/breakage or for proper cleaning.

11. The Lessor will not be liable for the loss of or damage to any article belonging to the Lessee regardless of whether such loss or damage is due to the negligence of the Lessor, its' officers, agents or employees. The Lessor shall not be liable for any injuries to persons or property sustained as the result of anything done or not done by the Lessee while Lessee, and its invitees and agents, are using the Property.

12. The Lessee agrees to recognize and admit any representative of Lessor to the Property.

13. In lieu of money, Lessee shall pay consideration to Lessee in the form of "in-kind" maintenance of the Property to meet Lessor's expectations in Lessor's sole discretion.

14. It is understood and agreed upon that this agreement is subject to cancellation if and when the Lessor, in its sole discretion, finds that a cancellation of the use of the Property is warranted, at which time Lessor shall inform Lessee is by phone at Lessee's phone number of_____.

15. The Lessee will pick up from Lessor the key to the Property on the day of the commencement of this Agreement. Lessee is responsible for the return of this key to Lessor and shall at that time be held responsible for any damages to the Property. Lessee shall not duplicate the key for any reason.

16. This agreement represents the entire agreement between parties hereto and cannot be modified except by a written amendment signed by Lessor and Lessee. This agreement shall be governed by the laws of the State of New Mexico. Lessee shall carry and maintain at all times during this agreement a comprehensive general liability insurance policy covering bodily injury, disease illnesses and death, and property damage liability in an amount not less than $1,000,000.00 per occurrence, and Lessee shall have Lessor named as an additional insured on such policy. This agreement shall not take any effect unless and until Lessee provides Lessor with a copy of said policy.

17. If the Lessee fails to comply with any of the terms and provisions of this contract then all of Lessee's rights hereunder shall terminate at once and the Lessor may enter the Property and expel the Lessee, and Lessee shall not have any remedies. Notice to quit possession and every other formality is hereby expressly waived by the Lessee is case of default or violation of any of the terms of this agreement. By entering into this agreement, the parties do not intend to create any right, title or interest in or for the benefit of any person other than Lessor and Lessee. No person or entity shall claim any right, title or interest under this agreement or seek to enforce this agreement as a third party beneficiary under this Agreement.

In witness whereof, the parties above-named have executed this Agreement as of the Effective Date.

Lessor:

_____
William Taylor, City Manager

Lessee:

_____
By:
Printed Name:
Position or Title:

_____
Casandra Fresquez, City Clerk

Approved as to legal sufficiency only:

_____
Scott Aaron, City Attorney

Approval Form

Date Submitted: 5/4/2021

Department Submitting: Parks and Recreation

Submitter: Stephen Aragon

Date Re-Submitted after Changes: _____

Documents To Be Reviewed: La Plaza Little League,

Upon Completion and Approval of Review: *(Please indicate here if you want to pick-up your documents after step1 is approved or have them delivered for you to the next approving step):*
Deliver to the next approving step

Comments: If you would please forward the documents to the next approving step.

The following is the approval order: *(Please circle either approved or disapproved)*

Approved / ~~Disapproved~~: *(Reason for Disapproval)*: _____
☐ *Changes*: _____ Date: _____

1 _____ 5/4/2011
Scott Aaron, City Attorney Review — Date

Approved /Disapproved: *(Reason for Disapproval)*: _____

2 _____ 5-4-2021
Finance Director — Date

~~Approved~~ /Disapproved: *(Reason for Disapproval)*: _____

3 _____ 5-4-2021
William Taylor, City Manager — Date

☐ Picked Up By (*after CA review*): _____ Date: _____

☑ Hand ~~Delivered~~ By: _____ Date: 5/4/21

(1) Received By: _____ Dept: Finance Date: 5/4/21

(2) Received By: _____ Dept: _____ Date: _____

(3) Final Pick Up By: _____ Dept: _____ Date: _____

LEASE AGREEMENT FOR BASEBALL FIELD

This Agreement is made and entered into on this____day of May, 2021 ("Effective Date") by and between the City of Las Vegas, a New Mexico home-rule municipality ("Lessor"), and Las Vegas Little League ("Lessee").

That for and in consideration of the rental, hereinafter agreed to be paid by the Lessee, the Lessor does hereby grant a non-exclusive lease to said Lessee regarding certain facilities as defined below.

1. The Lessee agrees that lands (1318 Grant Street, Adult Softball Field and the Gallegos Field on Mills Avenue), buildings, and equipment which are made available under this agreement ("Property") will not be used by any person, firm, corporation or other entity for the purpose of conducting an exhibition, display, entertainment or other event except as expressly provided for herein. The sole purpose of this Agreement is to lease the aforementioned baseball fields for the purpose of Lessee to hold baseball field activities from June 2, 2021 to July 31, 2021 ("Term").

2. The Lessee agrees not to engage in or permit the Property to be used for any other purpose than the purpose specifically stated above, or any unlawful or offensive purpose, and agrees, in the use of the Property, to abide by all regulations of the Lessor, local Laws and Ordinances, and the laws of the State of New Mexico and the United States Government.

3. No profit making entity may use the Property, nor shall the Lessee use the Property for profit making purposes.

4. The Lessee may not charge admission fees to the Property.

5. No person under the age of 18 years old shall be allowed at the Property without adult supervision. Adult supervision shall be provided by the Lessee, and the Lessee shall be solely responsible for any damages or injury that may occur on the Property. Lessee shall hold harmless, indemnify and defend the City, and all of City's employees, agents, officers and councilpersons, against and from any and all claims, losses, demands, judgments, damages, liabilities, lawsuits, expenses, attorney fees, witness fees, and/or action of any kind, whether from death, bodily injury or damage to property. The Lessee's obligations under this paragraph shall not be affected, lessened or terminated by the cancellation, expiration or termination of this Agreement, or for any other reason, and shall survive this Agreement. Lessee shall not assign any interest in this Agreement or sublease the Property. Lessor may terminate this Agreement at any time, for any reason, in Lessor's sole discretion. This Agreement shall not be amended except by a written document signed by Lessor and Lessee.

6. It is unlawful for any alcoholic beverages or illegal substances to be used, possessed or consumed on the Property at any time.

7. The driving of nails, tacks or other articles into the walls, or the posting of paper signs and the like, or any other method of modifying the Property, are absolutely prohibited.

8. Any equipment other than equipment furnished in the Lessor, shall be brought in, set up and taken down at the Lessee's sole expense. No outside equipment shall be left over or stored on the Property. Lessee must replace any equipment that, in Lessor's sole discretion, is destroyed, stolen or damaged.

9. The Lessee agrees to deliver the Property, at the expiration of this Agreement, in as good a condition as at the beginning of this Agreement.

10. If damage or breakage occurs, or if the Property is not cleaned up sufficient to satisfy Lessor's sole discretion, Lessee shall pay the costs of Lessor to repair said damage/breakage or for proper cleaning.

11. The Lessor will not be liable for the loss of or damage to any article belonging to the Lessee regardless of whether such loss or damage is due to the negligence of the Lessor, its' officers, agents or employees. The Lessor shall not be liable for any injuries to persons or property sustained as the result of anything done or not done by the Lessee while Lessee, and its invitees and agents, are using the Property.

12. The Lessee agrees to recognize and admit any representative of Lessor to the Property.

13. In lieu of money, Lessee shall pay consideration to Lessee in the form of "in-kind" maintenance of the Property to meet Lessor's expectations in Lessor's sole discretion.

14. It is understood and agreed upon that this agreement is subject to cancellation if and when the Lessor, in its sole discretion, finds that a cancellation of the use of the Property is warranted, at which time Lessor shall inform Lessee is by phone at Lessee's phone number of_____.

15. The Lessee will pick up from Lessor the key to the Property on the day of the commencement of this Agreement. Lessee is responsible for the return of this key to Lessor and shall at that time be held responsible for any damages to the Property. Lessee shall not duplicate the key for any reason.

16. This agreement represents the entire agreement between parties hereto and cannot be modified except by a written amendment signed by Lessor and Lessee. This agreement shall be governed by the laws of the State of New Mexico. Lessee shall carry and maintain at all times during this agreement a comprehensive general liability insurance policy covering bodily injury, disease illnesses and death, and property damage liability in an amount not less than $1,000,000.00 per occurrence, and Lessee shall have Lessor named as an additional insured on such policy. This agreement shall not take any effect unless and until Lessee provides Lessor with a copy of said policy.

17. If the Lessee fails to comply with any of the terms and provisions of this contract then all of Lessee's rights hereunder shall terminate at once and the Lessor may enter the Property and expel the Lessee, and Lessee shall not have any remedies. Notice to quit possession and every other formality is hereby expressly waived by the Lessee is case of default or violation of any of the terms of this agreement. By entering into this agreement, the parties do not intend to create any right, title or interest in or for the benefit of any person other than Lessor and Lessee. No person or entity shall claim any right, title or interest under this agreement or seek to enforce this agreement as a third party beneficiary under this Agreement.

In witness whereof, the parties above-named have executed this Agreement as of the Effective Date.

Lessor:

_____
William Taylor, City Manager

Lessee:

_____
By:
Printed Name:
Position or Title:

_____
Casandra Fresquez, City Clerk

Approved as to legal sufficiency only:

_____
Scott Aaron, City Attorney

Approval Form

Date Submitted: 5/4/21

Department Submitting: Parks & Rec Submitter: Stephen Aragon

Date Re-Submitted after Changes:

Documents To Be Reviewed: Las Vegas Little League Contract Deadline:

Upon Completion and Approval of Review: *(Please indicate here if you want to pick-up your documents after step1 is approved or have them delivered for you to the next approving step):*

Comments: Forward to next approving step

The following is the approval order: *(Please circle either approved or disapproved)*

Approved / ~~Disapproved~~: *(Reason for Disapproval)*:

☐ ***Changes:*** Date:

1 Scott Aaron, City Attorney Review — Date 5/4/2011

Approved /Disapproved: *(Reason for Disapproval)*:

2 Jesus Baquera, Finance Director — Date 5-4-2021

Approved /Disapproved: *(Reason for Disapproval)*:

3 William Taylor, City Manager — Date 5-4-2021

☐ Picked Up By (*after CA review*): Date:

☑ Hand Delivered By: Darlene Arguello Date: 5/4/21

(1) Received By: Dept: Finance Date: 5/4/21

(2) Received By: Dept: Date:

(3) Final Pick Up By: Dept: Date:

CITY OF LAS VEGAS
COUNCIL REGULAR MEETING AGENDA REQUEST FORM

Meeting Date: May 12, 2021

Date Submitted: 5/3/2021 **Department:** Community Development

Item/Topic: Request approval of the Lodgers Tax recommendation to provide funding to the Citizens Committee on Historic Preservation (CCHP) to fund the marketing and advertising campaign that promotes the City of Las Vegas as a key destination for Santa Fe Trail Bicentennial visitors. CCHP will engage a professional travel writer to develop press releases and travel articles sent to major newspapers, journals, magazines, and guidebooks, with national and international distribution. The Santa Fe Trail Bicentennial will be a prime summer destination event, featured on numerous web sites and travel magazines.

Fiscal Impact: Lodger's tax funding will be in the amount of $5,000.00

Attachments: N/A

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.

Approved For Submittal By:

Department Director

William Taylor
City Manager

Reviewed By:

Finance Director

City Attorney (Approved as to Form)

CITY CLERK'S USE ONLY
COUNCIL ACTION TAKEN

Resolution No. _____
Ordinance No. _____
Contract No. _____
Approved _____

Continued To: _____
Referred To: _____
Denied _____
Other _____

CITY OF LAS VEGAS
COUNCIL REGULAR MEETING AGENDA REQUEST FORM

Meeting Date: May 12, 2021

Date Submitted: 5/3/2021 **Department:** Community Development

Item/Topic: Request approval of the Lodgers Tax recommendation to provide funding for marketing the Friday, Al Fresco event via radio and posters. This event has been expanded to provide a post-COVID celebration between May 7th and October 31st, 2021 with additional emphasis over 4th of July.

Fiscal Impact: Lodger's tax funding will be in the amount of $5,000.00

Attachments: N/A

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.

Approved For Submittal By:

Department Director

City Manager

Reviewed By:

Finance Director

City Attorney (Approved as to Form)

CITY CLERK'S USE ONLY
COUNCIL ACTION TAKEN

Resolution No. _____
Ordinance No. _____
Contract No. _____
Approved _____

Continued To: _____
Referred To: _____
Denied _____
Other _____

CITY OF LAS VEGAS
COUNCIL MEETING AGENDA REQUEST FORM

Meeting Date: 5/12/21

Date Submitted: 4/29/21 **Department: Community Development**

Item/Topic: Request Approval of the MOU between the City and Tierra Encantada Farmer's Market for the use of City property at 2522 Hotsprings Blvd during the selling season October 31st 2021.

Fiscal Impact: City will provide a Port-a-Potty and remove waste periodically, value of $400/month. Farmer's Market will provide services listed on Exhibit A of the MOU.

Attachments: MOU

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.

Approved For Submittal By:

Department Director

City Manager

Reviewed By:

Finance Director

City Attorney (Approved as to Form)

CITY CLERK'S USE ONLY
COUNCIL ACTION TAKEN

Resolution No. _____
Ordinance No. _____
Contract No. _____
Approved _____

Continued To: _____
Referred To: _____
Denied _____
Other _____

MEMORANDUM OF UNDERSTANDING
BETWEEN THE CITY OF LAS VEGAS AND
TIERRA ENCANTADA FARMER'S MARKET

This Memorandum of Understanding ("MOU") is made on this _____ day of _____, 2021 ("Effective Date"), between the City of Las Vegas, a New Mexico home-rule municipality ("City") and the Tierra Encantada Farmer's Market ("Market"). The parties intend by this MOU to establish a mutually beneficial working relationship. The MOU addresses the relationship, roles and responsibilities of the parties in carrying out this MOU.

PURPOSE:
The primary purpose of this MOU is for the City to provide space, and the Market to provide payment to the City, for use of the facility located at 2522 Hotsprings Boulevard, Las Vegas, New Mexico 87701 (the "Premises"). This MOU shall be effective from the Effective Date to the end of the selling season, October 31st 2021, or at such time as this MOU is terminated or extended in writing, whichever comes first.

The parties intend to undertake the following roles and responsibilities pursuant to this MOU, and intend that all terms of this MOU shall remain in effect for a period of thirty (30) following the Effective Date, unless terminated earlier, and all terms shall be binding on all successors in interest.

1. The City shall permit the Market to use the Premises once a week between April 1, 2021 and May 31, 2021, and twice per week between June 1, 2021 and October 31, 2021. During winter months the Market may operate twice a month for their "Quick Shop" Sales.
2. The Market shall pay to the City an amount equal to ten dollars ($10.00) per day for each vendor who arrives at, uses, or who otherwise accesses the Premises for any reason. Said payment shall be made within thirty (30) days of each use of the Premises. The Parties may substitute all or a portion of the actual payment for "in-kind" payment upon prior written agreement between the Parties **(See Exhibit A)**.
3. The Market shall be solely and fully liable and responsible for the Premises, and any claims arising during the Market's possession and/or use of the Premises.
4. Neither party shall be responsible or liable for the acts or omissions of the other party. The Market and the City hereby mutually waive their respective rights of recovery against each other for any loss of, or damage to, either parties' property, on the sole condition that such loss and/or damage is fully covered by said insurance policies and payable the party who sustained the loss and/or damage. The Market shall indemnify and hold harmless the City, its elected officials, agents and employees from any and all claims, suits and causes of action whatsoever. The Market further agrees to hold the City harmless from all claims for injury, damages or death sustained by the Market, the Market's employees, volunteers, vendors, agents or other representatives, including all persons who may act in any agency role for the Market. No provision of this MOU modifies or waives any provision of the New Mexico Tort Claims Act.
5. Each party pledges in good faith to proceed with this MOU subject to the terms and conditions of this MOU. The parties shall attempt to resolve any and all disputes through

good faith discussions. The Market shall not have authority to enter into any contract binding upon the City or to create any obligation on the part of the City.

6. Any modification to this MOU shall be made in writing and signed by both parties and their designees. This MOU contains the entire understanding between the City and Market with respect to the subject matter herein, and all prior negotiations, writings, agreements and understandings are merged into and are superseded by this MOU. No statement, promise or inducement made by the City or Market, either written or oral, which is not contained in this MOU is binding between the City and the Market.

IN WITNESS WHEREOF, the parties have set their hands on the Effective Date.

City of Las Vegas:

_____
Dr. William Taylor, City Manager

ATTEST:

_____
Casandra Fresquez, City Clerk

Approved as to legal sufficiency only:

_____
Scott Aaron, City Attorney

Tierra Encantada Farmer's Market:

_____
Name of signatory

Exhibit A

The Market and City Mutual Services

A. The City of Las Vegas recognizes that the west side of the community has been designated as a "Food Desert" and by setting up and providing a Farmers Market on that side of town, Tierra Encantada provides food resources and other community services as listed below. As long as the Market continues to maintain the premises and provide these services, the City will consider this as in-kind payment for using the premises.

   The Market will provide the following services on a continuing basis while using the City Facilities:

   1. Electronic Benefit Transfer (EBT) is the food stamp program available to be used at farmers markets, as well as grocery stores, to be used for any food - veggies, fruit, eggs, meat, baked goods, and food producing plants.

   2. Double Up Food Bucks. This is a metal token which can only be used for fresh fruits and vegetables grown in NM. These tokens can be used at any participating farmers market and participating grocery stores.

   3. El Centro. Provides "prescriptions" to patients who would benefit from fresh fruits and vegetables. This year the NM Farmers Marketing Assoc will be expanding the program, calling it "Fresh Rx" and using tokens. It is funded by a USDA grant, and is a statewide program with community health centers and farmers markets.

   4. Farmers Market Nutrition Program is associated with WIC. Checks are given directly to participants who spend them directly with the vendor. This is funded by the USDA.

   5. Property Maintenance. During the period of this MOU the Market shall maintain the property appearance to include mowing, weed-whacking, trash pickup, etc.

B. The City will, in addition to providing the premises as stipulated in this agreement, provide and maintain a "Port-a-Potty" on the Premises. The Market will be responsible for cleaning the unit and the City will remove the waste periodically.