



Agenda Item Number: 6-6-13.8B

**SANDOVAL COUNTY
BOARD OF COUNTY COMMISSIONERS**

Date of Commission

Meeting: June 6, 2013

Division / Elected

Office: Division of Public Works

Staff Contact: Tommy Mora Jr., Interim Director

Title of Item: Ordinance Authorizing the Execution and Delivery of a Loan Agreement and Intercept Agreement for Landfill Project

Action Requested: Motion to Adopt Ordinance No. 6-6-13.8B Authorizing a Loan by and between Sandoval County and the New Mexico Finance Authority for the Purpose of (1) Paying the Costs of Landfill Projects, (2) Funding a Loan Agreement Reserve Account, and (3) Paying Costs of Issuance of the Loan / \$6,858,859

Summary: On April 4, 2013, the Commission approved a resolution authorizing submission of an application for financial assistance and project approval to the New Mexico Finance Authority. This ordinance authorizes the County to move forward in obtaining the loan from the Finance Authority. The Finance Authority approved the loan. The loan proceeds would finance the cost of expanding the County's landfill capacity.

Staff recommends approval.

Attachments: Ordinance No. 6-6-13.8B

FISCAL IMPACT

Will have debt service for the loan, but will gain air space at the landfill which will add additional revenue up to 45 million dollars of air space.



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STAFF ANALYSIS SUMMARY

County Manager:	Recommend Board of County Commission approval. PPR 5/30/2013
Initiating Elected Official / Division Director:	Recommend approval. TMJ 5/30/13
Legal:	Reviewed and approved by Bond Counsel. PFT 5/30/13
Finance:	Recommend Approval CCH 5/30/13

STATE OF NEW MEXICO
SANDOVAL COUNTY
ORDINANCE NO. 6-6-13.8B

AN ORDINANCE AUTHORIZING A LOAN BY AND BETWEEN SANDOVAL COUNTY, NEW MEXICO AND THE NEW MEXICO FINANCE AUTHORITY, EVIDENCING A SPECIAL, LIMITED OBLIGATION OF THE COUNTY TO PAY A PRINCIPAL AMOUNT NOT TO EXCEED \$6,858,859, TOGETHER WITH INTEREST THEREON, FOR THE PUPOSES OF (1) PAYING THE COSTS OF LANDFILL PROJECTS, (2) FUNDING A LOAN AGREEMENT RESERVE ACCOUNT AND (3) PAYING COSTS OF ISSUANCE OF THE LOAN, INCLUDING A PROCESSING FEE; PRESCRIBING OTHER DETAILS CONCERNING THE LOAN AND THE FUNDS APPERTAINING THERETO; PROVIDING FOR A SUPPLEMENTAL RESOLUTION TO BE SUBSEQUENTLY ADOPTED SPECIFYING DETAILS OF AND APPROVING FORMS OF THE LOAN AGREEMENT AND THE INTERCEPT AGREEMENT AND SPECIFYING NET EFFECTIVE INTEREST RATES; 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 AND THE INTERCEPT 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 county under the general laws of the State; and

WHEREAS, the Governmental Unit is a qualified entity under the New Mexico Finance Authority Act, Sections 6-21-1 through 6-21-31, NMSA 1978, and the Governing Body is authorized to borrow funds for financing of public projects for the benefit of the Governmental Unit; 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 interests of the Governmental Unit and its residents that the Loan Agreement and Intercept Agreement be executed and delivered and that the financing 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 Net Revenues of the System for the payment of amounts due under the Loan Agreement; and

WHEREAS, the Governing Body has determined that it may lawfully pledge the Environmental Services Gross Receipts Tax Revenues for the payment of amounts due under the Loan Agreement and Intercept Agreement; and

WHEREAS, other than as will be described on Exhibit "A" to the Loan Agreement, the Pledged Revenues have not been pledged or hypothecated in any manner or for any purpose to secure the payment of any obligation which is currently outstanding; and

WHEREAS, the Loan Agreement shall be a special, limited obligation of the Governmental Unit, payable solely from the Pledged Revenues and shall not constitute a general obligation of the Governmental Unit, or a debt or pledge of the faith and credit of the Governmental Unit or the State; and

WHEREAS, other than the Pledged Revenues, no tax revenues collected by the Governmental Unit shall be pledged to the Loan Agreement; and

WHEREAS, the Loan Agreement shall be executed and delivered pursuant to Section 4-62-1 through 4-62-10, NMSA 1978, as amended, and with an irrevocable first lien, but not necessarily an exclusive first lien, on the Pledged Revenues; and

WHEREAS, the Governmental Unit desires to provide that distributions of the Environmental Services Gross Receipts Tax Revenues be redirected to the Finance Authority or its assigns pursuant to the Intercept Agreement between the Governmental Unit and the Finance Authority (the "Intercept Agreement") for the payment of amounts due under the Loan Agreement; and

WHEREAS, the Governing Body intends by this Ordinance to authorize the entering into of a Loan Agreement with the Finance Authority in the maximum amount and for the purposes set forth herein; and

WHEREAS, pursuant to the Supplemental Resolution, the Governing Body of the Governmental Unit will approve the forms of the Loan Agreement and the Intercept Agreement and terms and additional details of the Loan and the Loan Agreement including, without limitation, the net effective interest rates; and

WHEREAS, the Governing Body hereby determines that the Project is to be used for governmental purposes of the Governmental Unit and will not be used for purposes which would cause the Loan Agreement to be deemed a "private activity bond" as defined by the Internal Revenue Code of 1986, as amended; 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 the 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 and Intercept Agreement which are required to have been obtained by the date of this Ordinance, have been obtained or are reasonably expected to be obtained.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF SANDOVAL COUNTY THAT:

Section 1. Definitions. As used in the Ordinance, the following terms shall, for all purposes, have the meanings 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):

“Act” means the general laws of the State, including Sections 4-62-1 through 4-62-10 and Sections 6-21-1 through 6-21-31, NMSA 1978, as amended, and enactments of the Governing Body relating to the Loan Agreement and the Intercept Agreement, including this Ordinance.

“Aggregate Annual Debt Service Requirement” means the total principal and interest payments due and payable pursuant to the Loan Agreement and on all Parity Obligations secured by a pledge of any of the Pledged Revenues for any one Fiscal Year.

“Authorized Officers” means the Chair of the Governing Body, County Manager, County Treasurer, and County Clerk of the Governmental Unit.

“Bonds” means public project revolving fund revenue bonds, if any, issued hereafter by the Finance Authority to fund or reimburse the Loan Agreement.

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

“Code” means the Internal Revenue Code of 1986, as amended, and the applicable regulations thereunder.

“Completion Date” means the date of final payment of the cost of the Project.

“Distributing State Agency” means the department or agency of the State, as will be described on the Term Sheet, authorized to distribute the Environmental Services Gross Receipts Tax Revenues on behalf of the Governmental Unit.

“Environmental Services Gross Receipts Tax Revenues” means the monthly distributions to the Governmental Unit from the New Mexico Department of Taxation and Revenue pursuant to Section 7-20E-17 NMSA 1978.

“Expenses” means the cost of execution of the Loan Agreement and the costs of issuance of the Bonds, if any, and the periodic and regular fees and expenses incurred by the Finance Authority in administering the Loan Agreement, including legal fees.

“Finance Authority” means the New Mexico Finance Authority.

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

“Finance Authority Loan Agreement Reserve Account” means the loan agreement reserve account in the name of the Governmental Unit established under the Indenture, funded from proceeds of the Loan Agreement or by the Governmental Unit, and administered by the Trustee pursuant to the Indenture.

“Finance Authority Loan Agreement Reserve Requirement” means the amount shown as the Loan Agreement Reserve Account Deposit on the Term Sheet attached as Exhibit “A” to the Loan Agreement, which amount shall not to exceed the least of (i) ten percent (10%) of the Loan Agreement Principal Amount, (ii) 125% of the average annual principal and interest requirements under the Loan Agreement, or (iii) the maximum annual principal and interest requirements under the Loan Agreement.

“Fiscal Year” means the period commencing on July 1 in 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 County Commission of the Governmental Unit, or any future successor governing body of the Governmental Unit.

“Governmental Unit” means Sandoval County, New Mexico.

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

“Indenture” means the General Indenture of Trust and Pledge dated as of June 1, 1995, as amended and supplemented, by and between the Finance Authority and the Trustee, as successor trustee, or the Subordinated General Indenture of Trust and Pledge dated as of March 1, 2005, as supplemented, by and between Finance Authority and the Trustee, as successor trustee, as determined by the Finance Authority pursuant to a Pledge Notification or Supplemental Indenture (as defined in the Indenture).

“Intercept Agreement” means the Intercept Agreement dated the Closing Date between the Governmental Unit and Finance Authority providing for the direct payment by the Governmental Unit or the Distributing State Agency to the Finance Authority of Environmental Services Gross Receipts Tax Revenues in amounts sufficient to pay principal and interest and any other amounts due on the Loan Agreement, and any amendments or supplements to the Intercept Agreement.

“Loan” means the funds to be loaned to the Governmental Unit by the Finance Authority pursuant to the Loan Agreement.

“Loan Agreement” means the Loan Agreement dated the Closing Date between the Finance Authority and the Governmental Unit which provides for the financing of the Project and requires payments by or on behalf of the Governmental Unit to the Finance Authority.

“Loan Agreement Payment” means, collectively, the Principal Component and the Interest Component to be paid by the Governmental Unit as payment of the Loan Agreement as shown on Exhibit “B” thereto.

“Loan Agreement Payment Date” means each date a payment is due on the Loan Agreement as shown on Exhibit “B” thereto.

“Loan Agreement Principal Amount” means the original principal amount of the Loan Agreement as shown on the Term Sheet.

“Net Revenues of the System” means the gross revenues of the System less Operation and Maintenance Expenses.

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

“Operation and Maintenance Expenses” means all reasonable and necessary current expenses of the Governmental Unit, paid or accrued, of operating, maintaining and repairing the System, and includes without limiting the generality of the foregoing, legal and overhead expenses of the various departments of the Governmental Unit directly related and reasonably allocable to the administration of the System, insurance premiums, reasonable charges of depository banks, paying agents and registrars relating to Parity Obligations, contractual services, professional, including legal, services required by ordinances and resolutions of the Governmental Unit relating to the issuance of Parity Obligations, costs of bond registration, salaries and administrative expenses, labor, and cost of materials and supplies used for current operations of the System. Operation and Maintenance Expenses do not include: (1) any allowance for depreciation, payments in lieu of taxes, liabilities incurred by the Governmental Unit as the result of negligence in the operation, construction or improvement of the System or any other grounds of legal liability not based on contract, (2) the costs of acquisitions, improvements, extensions, enlargements or betterments of the System, or (3) any charges for the accumulation of reserves for capital replacements, and any payments made to the Governmental Unit’s general fund as payments in lieu of franchise taxes or other Governmental Unit taxes.

“Ordinance” means this Ordinance No. 6-6-13.8B as adopted by the Governing Body on June 6, 2013, approving the Loan Agreement and Intercept Agreement and pledging the Pledged Revenues to the payment of the Loan Agreement, as amended from time to time, and as supplemented by the Supplemental Resolution.

“Parity Obligations” means the Loan Agreement and any other obligations, now or hereafter issued or incurred, payable from or secured by a lien or pledge of the Pledged Revenues and issued with a lien on the Pledged Revenues on parity with the Loan Agreement, including those obligations to be described on the Term Sheet, if any.

“Pledged Revenues” means the Net Revenues of the System and the Environmental Services Gross Receipts Tax Revenues.

“Processing Fee” means the processing fee to be paid by the Governmental Unit on the Closing Date to the Finance Authority for the costs of originating and servicing the Loan, as shown on the Term Sheet.

“Program Account” means the account in the name of the Governmental Unit established pursuant to the Indenture and held by the Trustee for the deposit of the net proceeds of the Loan Agreement for disbursement to the Governmental Unit for payment of the costs of the Project.

“Project” means landfill projects for the System.

“State” means the State of New Mexico.

“Supplemental Resolution” means the resolution supplementing this Ordinance subsequently adopted by the Governing Body of the Governmental Unit approving the forms of Loan Agreement and Intercept Agreement and the terms and details of the Loan and the Loan Agreement, including, without limitation, the net effective interest rates and other terms of the Loan.

“System” means the revenue-producing project owned and operated by the Governmental Unit (or any successor thereof designated to operate the Governmental Unit’s solid waste and refuse disposal system), which provides garbage, trash and other similar waste and refuse disposal services to the public, including any landfill trash disposal sites owned, leased or operated by the Governmental Unit and used in connection therewith. The System consists of all properties, real, personal, mixed or otherwise, and all improvements, extensions, enlargements, repairs or betterments thereto, now owned or hereafter acquired by the Governmental Unit through purchase, construction or otherwise, and used in connection with the System, including but not necessarily limited to all vehicles, equipment and other facilities used in the transportation, destruction and disposal of garbage, trash and other similar waste and refuse. The term System does not include any facilities reasonably relating to and used by other Governmental Unit divisions or departments in connection with other Governmental Unit services.

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

“Trustee” means BOKF, NA dba Bank of Albuquerque, or any successor trustee company, national or state banking association or financial institution at the time appointed Trustee by the Finance Authority.

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 Project and the execution and delivery of the Loan Agreement and the Intercept Agreement, be, and the same hereby are, ratified, approved and confirmed.

Section 3. Authorization of the Project and the Loan. The Project and the method of financing the Project through the Loan from the Finance Authority are hereby authorized and ordered. The Project is for the benefit 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. The Project is needed to meet the needs of the Governmental Unit and its residents and the issuance, execution and delivery of the Loan Agreement is necessary and advisable.

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

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

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

E. The Project and the execution and delivery of the Loan Agreement and the Intercept Agreement pursuant to the Act to provide funds for the financing of the Project are necessary and in the interest of the public health, safety, and welfare of the residents of the Governmental Unit.

F. The Governmental Unit will finance the Project, in whole or in part, with the net proceeds of the Loan.

G. Other than as will be described in 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 and the Intercept Agreement.

H. The net effective interest rate on the Loan will not exceed twelve percent (12.0%) per annum, which is the maximum rate permitted by State law.

Section 5. Loan - Authorization and Detail.

A. Authorization. This Ordinance has been adopted by the affirmative vote of a two-thirds majority of all of the members of the Governing Body. For the purpose of protecting the public health, conserving the property, protecting the general welfare and prosperity of the residents of the Governmental Unit and acquiring the Project, it is hereby declared necessary that the Governmental Unit, pursuant to the Act, enter into the Loan to be evidenced by the Loan Agreement and Intercept Agreement evidencing a special, limited obligation of the Governmental Unit to pay a principal amount not to exceed \$7,761,925, plus interest, and the execution and delivery of the Loan Agreement and the Intercept Agreement in

the forms approved by the Governing Body in the Supplemental Resolution are hereby authorized. The Governmental Unit shall use the proceeds of the Loan to (i) finance the Project, (ii) fund the Finance Authority Loan Agreement Reserve Account, (iii) make a deposit to the Finance Authority Debt Service Account, and (iv) pay the Processing Fee and Expenses. The Project will be owned by the Governmental Unit.

B. Detail. The Loan shall be in an original aggregate principal amount not to exceed \$7,651,925, shall be payable in installments of principal due on May 1 of the years to be designated in Exhibit "B" to the Loan Agreement and bear interest payable on May 1 and November 1 of each year, at the rates to be designated in Exhibit "B" to the Loan Agreement. The Loan shall be issued at interest rates not to exceed twelve percent (12%) per annum, with such net effective interest rates as shall be approved by and set forth in the Supplemental Resolution..

Section 6. Approval of Loan Agreement and Intercept Agreement by Supplemental Resolution. The forms of the Loan Agreement and the Intercept Agreement will be presented at the meeting of the Governing Body at which the Supplemental Resolution is adopted and will thereby be approved. Authorized Officers are hereby individually authorized to execute, acknowledge and deliver the Loan Agreement and the Intercept Agreement with such changes, insertions and omissions as may be approved by such individual Authorized Officers, and the County Clerk is hereby authorized to affix the seal of the Governmental Unit on the Loan Agreement and the Intercept Agreement and attest the same. The execution of the Loan Agreement and the Intercept 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 will be 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 and 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 or in the Loan Agreement, or any other instruments, shall be construed as obligating the Governmental Unit (except with respect to the application of the Pledged Revenues), as incurring 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 the Project.

A. Program Account, Finance Authority Debt Service Account and Finance Authority Loan Agreement Reserve Account. The Governmental Unit hereby consents to creation of the Finance Authority Debt Service Account to be held and maintained by the Finance Authority and to the Program Account and Finance Authority Loan Agreement Reserve Account to be held and maintained by the Trustee pursuant to the Indenture, each in connection with the Loan. The Governmental Unit hereby approves: (i) the deposit of a portion of the proceeds of the Loan Agreement in the Program Account and the Finance Authority Debt Service Account; (ii) the deposit of funds in the amount of the Finance Authority Loan Agreement Reserve Requirement in the Finance Authority Loan Agreement Reserve Account, and (iii) the payment of the Processing Fee to the Finance Authority, all as will be set forth in the Term Sheet.

The proceeds derived from the execution and delivery of the Loan Agreement shall be deposited promptly upon the receipt thereof in the Finance Authority Debt Service Account and the Program Account and Finance Authority Loan Agreement Reserve Account, and the Processing Fee shall be paid to the Finance Authority, all as provided in the Loan Agreement and the Indenture.

Until the Completion Date, the money in the Program Account shall be used and paid out solely for the Project in compliance with applicable law and the provisions of the Loan Agreement and the Indenture.

The Governmental Unit will complete the Project with all due diligence.

B. Completion of the Project. As soon as practicable after the Completion Date, and, in any event, not more than sixty (60) days from the Completion Date, any balance remaining in the Program Account shall be transferred and deposited into the Finance Authority Debt Service Account, as provided in the Loan Agreement and the Indenture.

C. Finance Authority and Trustee Not Responsible. The Finance Authority and the Trustee 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. The Governmental Unit shall pay Pledged Revenues to the Finance Authority, or pursuant to the Intercept Agreement, the Environmental Services Gross Receipts Tax Revenues shall be redirected to the Finance Authority, for deposit in the Finance Authority Debt Service Account and remittance to the Trustee in an amount sufficient to pay the Loan Agreement Payments, including an amount sufficient to cure any deficiencies in the Finance Authority Loan Agreement Reserve Account to maintain the Finance Authority Loan Agreement Reserve Requirement..

B. Termination on Deposits to Maturity. No payment shall be made into the Finance Authority Debt Service Account if the amount in the Finance Authority Debt Service Account and Finance Authority Loan Agreement Reserve Account total a sum at least equal to the entire aggregate amount to become due as to principal and interest, on, 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 and interest 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 below.

C. Use of Surplus Revenues. After making all the payments hereinabove required to be made by this Section, any moneys remaining in the Finance Authority Debt Service Account shall be transferred to the Governmental Unit on a timely basis and shall be 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 other 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. The Pledged Revenues are hereby authorized to be pledged to, and are hereby pledged, and the Governmental Unit grants a security interest therein for, the payment of the principal, interest, 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 and first lien, but not necessarily an exclusive first lien, on the Pledged Revenues with the lien thereon of the Parity Obligations as set forth herein and in the Loan Agreement. The Governmental Unit shall not create a lien on the Pledged Revenues superior to that of the Loan Agreement.

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, the Intercept 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, the Loan Agreement and the Intercept Agreement for the full, punctual and complete performance of all the terms, covenants and agreements contained in this Ordinance, the Loan Agreement and the Intercept Agreement, including but not limited to, the execution and delivery of closing documents in connection with the execution and delivery of the Loan Agreement and the Intercept 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 date of the initial delivery of the Loan Agreement to Finance Authority, the provisions of this Ordinance may be supplemented or amended by ordinance or resolution of the Governing Body with respect to any changes which are not inconsistent with the substantive provisions of this Ordinance. This Ordinance may be amended by ordinance of the Governing Body 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 Loan Agreement and the Intercept Agreement have been executed and delivered, this Ordinance shall be and remain irrepealable until all obligations due under the Loan Agreement shall be fully paid, canceled and discharged, as provided therein.

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 signature of the Chair of the Board of County Commissioners and the County Clerk of the Governmental Unit, 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 maintains an office and is of general circulation in the Governmental Unit, or posted in accordance with law, and such 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:

(Form of Summary of Ordinance for Publication)

Sandoval 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. _____ duly adopted and approved by the Governing Body of the County of Sandoval, New Mexico, on June 6, 2013. A complete copy of the Ordinance is available for public inspection during the normal and regular business hours of the County Clerk, 1500 Idalia Road, Building D, Bernalillo, New Mexico.

The title of the Ordinance is:

SANDOVAL COUNTY
ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING A LOAN BY AND BETWEEN
SANDOVAL COUNTY, NEW MEXICO AND THE NEW MEXICO FINANCE

AUTHORITY, EVIDENCING A SPECIAL, LIMITED OBLIGATION OF THE COUNTY TO PAY A PRINCIPAL AMOUNT NOT TO EXCEED \$7,651,925, TOGETHER WITH INTEREST THEREON, FOR THE PUPOSES OF (1) PAYING THE COSTS OF LANDFILL PROJECTS, (2) FUNDING A LOAN AGREEMENT RESERVE ACCOUNT AND (3) PAYING COSTS OF ISSUANCE OF THE LOAN, INCLUDING A PROCESSING FEE; PRESCRIBING OTHER DETAILS CONCERNING THE LOAN AND THE FUNDS APPERTAINING THERETO; PROVIDING FOR A SUPPLEMENTAL RESOLUTION TO BE SUBSEQUENTLY ADOPTED SPECIFYING DETAILS OF AND APPROVING FORMS OF THE LOAN AGREEMENT AND THE INTERCEPT AGREEMENT AND SPECIFYING NET EFFECTIVE INTEREST RATES; 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 AND THE INTERCEPT AGREEMENT.

A summary of the subject matter of the Ordinance is contained in its title. This notice constitutes compliance with Section 6-14-6, NMSA 1978.

(End of Form of Summary for Publication)

Adopted by the Governing Body of Sandoval County this 6th day of June, 2013.

BOARD OF COUNTY COMMISSIONERS
OF SANDOVAL COUNTY, NEW MEXICO

Darryl F. Madalena, Chair

ATTEST:

Nora Scherzinger, Vice-Chair

Eileen Garbagni, County Clerk

Orlando Lucero, Member

Don Chapman, Member

Glenn Walters, Member

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EXHIBIT "A"

Meeting Agenda
June 6, 2013
County Commission Meeting

(See attached)

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANDOVAL)

I, Eileen Garbagni, the duly acting and qualified County Clerk of the County of Sandoval, New Mexico (the "County"), do hereby certify:

1. The foregoing pages are a true, perfect, and complete copy of the record of the proceedings of the County Commission (the "Governing Body"), constituting the governing body of the County had and taken at a duly called regular meeting held at the Sandoval County Administration Building, 1500 Idalia Road, Building D, Bernalillo, New Mexico, on June 6, 2013 at the hour of 6:00 p.m., insofar as the same relate to the proposed loan to the County from the New Mexico Finance Authority, 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. Such proceedings were duly had and taken as therein shown, the meeting therein was duly held, and the persons therein named were present at such meeting, as therein shown.

3. Notice of such meeting was given in compliance with the permitted methods of giving notice of regular meetings of the Governing Body as required by the County's open meetings standards presently in effect.

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of _____, 2013.

COUNTY OF SANDOVAL,
NEW MEXICO

Eileen Garbagni, County Clerk

[SEAL]