

Misc. BK 2343

STATE OF NEW MEXICO

3525

SS.

COUNTY OF GRANT

The Board of County Commissioners (herein the "Board") of Grant County (herein the "County"), in the State of New Mexico, met in open regular session in full conformity with law and the ordinances and rules of the County, at the County Courthouse, 201 North Cooper, in Silver City, New Mexico, being the regular meeting place of the Board, at the hour of 7:00 p.m., on Thursday, April 24, 1997.

Upon roll call, the following were found to be present, constituting a quorum:

Chairman:	Manuel T. Serna
Commissioners:	Zeke Santa Maria
	Carl W. Scholl

Absent:

There were also present:

County Manager:	Luis S. Cardoza
County Clerk:	Gabriel Ramos
County Attorney:	Steve Amland

Thereupon the following proceedings, among others, were had and taken, to wit:

The County Clerk announced that a private sale was negotiated for the purchase of the Grant County Gross Receipts Tax Revenue Bonds, Series April 1, 1997. The Chairman announced that the Board at this meeting is to consider the adoption of the bond ordinance awarding such bonds and authorizing the same.

The County Clerk also announced that copies of a draft of such proposed ordinance previously was filed with him on April 15, 1997.

Thereupon, there was officially filed with the County Clerk, the Chairman and each Commissioner, a copy of the ordinance in its final form which is in substantially the form filed with the County Clerk on April 15, 1997. Commissioner Serna thereupon introduced the ordinance, which is as follows:

STATE OF NEW MEXICO
County of Grant
I hereby certify that this instrument
was filed for record on this 25
day of April, A.D. 19 97
at 1:30 o'clock P.M., and duly
recorded in book 224 of the records
of Grant
at page 3525-68
Witness my hand and seal of office
Gabriel Ramos
COUNTY CLERK, GRANT CO., N.M.
C. Zuniga Deputy

AN ORDINANCE AUTHORIZING THE ISSUANCE OF GRANT COUNTY GROSS RECEIPTS TAX REVENUE BONDS, SERIES APRIL 1, 1997 IN THE PRINCIPAL AMOUNT OF \$3,020,000 FOR THE PURPOSE OF DEFRAYING THE COST OF (1) PUBLIC BUILDINGS PROJECTS AND (2) STREET PROJECTS; PROVIDING THAT THE BONDS WILL BE PAYABLE AND COLLECTIBLE FROM THE REVENUE ATTRIBUTABLE TO THE FIRST ONE-EIGHTH PORTION OF THE COUNTY'S GROSS RECEIPTS TAX WHICH IS LEVIED PURSUANT TO ORDINANCE NO. 204 (ADOPTED JUNE 23, 1987) PURSUANT TO SECTIONS 7-20E-1 THROUGH 7-20E-12, NMSA 1978, AS AMENDED AND SUPPLEMENTED, AND OTHER SPECIFIED REVENUE RELATED THERETO; PROVIDING FOR THE DISPOSITION OF THE RECEIPTS DERIVED FROM SAID TAX PROCEEDS; PRESCRIBING OTHER DETAILS CONCERNING SAID BONDS AND SAID TAX PROCEEDS, INCLUDING BUT NOT LIMITED TO COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH AND THE FORM, TERMS, CONDITIONS, MANNER OF EXECUTION OF SAID BONDS AND THE PROJECT; RATIFYING ACTION PREVIOUSLY TAKEN IN CONNECTION THEREWITH; REPEALING ALL ORDINANCES IN CONFLICT HERewith; AMENDING SECTION 4 OF ORDINANCE NO. 204; AND DECLARING AN EMERGENCY.

(1) WHEREAS, the County of Grant, New Mexico (the "County") is a legally and regularly created, established, organized and existing county under the general laws of the State of New Mexico; and

(2) WHEREAS, pursuant to Sections 7-20E-1 through 7-20E-12, NMSA 1978, as amended and supplemented, the County is authorized to impose a County gross receipts tax of up to three-eighths of 1% of the gross receipts of persons engaging in business within all of the County (with certain specified exemptions); and

(3) WHEREAS, pursuant to the predecessor statutory provisions of such Sections 7-20E-1 through 7-20E-12, NMSA 1978, as amended and supplemented, the County on June 23, 1987 heretofore has adopted Ordinance No. 204 which imposes a County gross receipts tax of 1/8 of 1% of the gross receipts of persons engaging in business within the County; and

(4) WHEREAS, the County gross receipt tax is collected by the Revenue Division of the New Mexico Taxation and Revenue Department, and is remitted to the County after certain deductions and disbursements pursuant to Sections 7-1-6.13 and 7-20E-7, NMSA 1978; and

(5) WHEREAS, Sections 4-62-1C and 4-62-4C, NMSA 1978, in effect permit the County to pledge to the payment of gross receipts tax revenue bonds the amount of money from the first one-eighth of one percent increment distributed to it pursuant to Sections 7-1-6.13 and

7-1-6-16, NMSA 1978, for any County gross receipts tax imposed pursuant to Section 7-20E-A, NMSA 1978; and

(6) WHEREAS, the County intends to pledge revenues received from the imposition of the first one-eighth of 1% gross receipts tax as security for the payment of the Bonds herein authorized (the "Pledged Revenues" or "Pledged Gross Receipts Tax Revenues" as hereafter defined in Section 1 hereof); and

(7) WHEREAS, there are no obligations of the County which are now outstanding to which the Pledged Revenues have been pledged; and

(8) WHEREAS, the Board hereby determines that there is an urgent need for the Project as herein defined, that the "Grant County Gross Receipts Tax Revenue Bonds, Series April 1, 1997" ("Bonds" or "1997 Bonds as further defined herein") shall be issued for the Project and consequently also will provide for the public health, peace and safety of the County and its citizens; and

(9) WHEREAS, the Bonds herein authorized shall be issued pursuant to Sections 4-62-1 through 4-62-10, NMSA 1978, and with a first (but not necessarily exclusively first) lien on the Pledged Revenues; and

(10) WHEREAS, other than the Pledged Revenues, no tax revenues collected by the County will be pledged to the 1997 Bonds; and

(11) WHEREAS, after negotiation, the Board has determined and hereby determines that it is in the best interests of the County and its citizens that the Bonds be sold at negotiated sale to the Purchaser at a purchase price of par (\$3,020,000), less a total discount of \$57,470.00, plus accrued interest to the delivery date pursuant to the Bond Purchase Agreement dated April 24, 1997, between the Purchaser and the County ("Bond Purchase Agreement") and the Board hereby determines to sell, and hereby does sell such Bonds to the Purchaser pursuant to the Bond Purchase Agreement which is hereby accepted; and

(12) WHEREAS, Section 4-62-6C, NMSA 1978, provides as follows:

C. Any law that authorized the pledge of any or all of the pledged revenues to the payment of any revenue bonds issued pursuant to Chapter 4, Article 62, NMSA 1978 or that affects the pledged revenues, or any law supplemental thereto or otherwise appertaining thereto, shall not be repealed or amended or otherwise modified in such a manner as to impair any outstanding revenue bonds, unless such outstanding revenue bonds have been discharged in full or provision has been fully made therefor.

(13) WHEREAS, the Income Fund and the three accounts therein, all created hereunder, are to be held and administered by the First National Bank of Doña Ana County, Las Cruces, New Mexico, or its successors or assigns as provided herein, acting as Paying Agent, Registrar and Fiscal Agent pursuant to the terms of the Registrar and Paying Agent Agreement dated as of April 1, 1997 (the "Fiscal Agent Agreement"); and

(14) WHEREAS, there have been presented to the Board and there presently are on file with the County Clerk (a) the Bond Purchase Agreement, (b) the Fiscal Agent Agreement and (c) the Preliminary Official Statement dated April 15, 1997 (the "Preliminary Official Statement") previously distributed by the Purchaser to prospective purchasers of the Bonds, all of which are incorporated by reference and considered to be a part hereof; and

(15) WHEREAS, the Board hereby determined that the Project is for a governmental purpose and is not a project which would cause the Bonds to be "private activity bonds" as defined by the Internal Revenue Code of 1986, as amended, and the Board hereby further determines that neither the County nor any subordinate entity thereof reasonably expects to issue more than \$5,000,000 face amount of bonds or any other similar obligations during calendar year 1997.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF GRANT COUNTY, NEW MEXICO:

Section 1. Definitions. The terms in this section defined for all purposes of this ordinance and of any ordinance amendatory hereof or supplemental hereto, or relating hereto, and of any instrument or document appertaining hereto, except where the context by clear implication herein otherwise requires, shall have meanings herein specified:

"Acquisition Fund" means the "Grant County Gross Receipts Tax Revenue Bonds, Series April 1, 1997, Acquisition Fund" created in Section 16C hereof.

"Board" means the Board of County Commissioners of the County.

"Bonds" or "1997 Bonds" means the "Grant County Gross Receipts Tax Revenue Bonds, Series April 1, 1997," which are herein authorized.

"Bond Account" or "1997 Bond Account" means the "Grant County Gross Receipts Tax Revenue Bonds, Series April 1, 1997, Interest and Bond Retirement Account", established in Section 19A hereof which is an account within the Income Fund.

"County" means the county and body corporate and politic known as Grant County, New Mexico.

"Excess Revenue Mandatory Redemption Account" means the "Grant County Gross Receipts Tax Revenue Bonds, Series April 1, 1997, Excess Revenue Mandatory Redemption Account" established in Section 19C hereof which is an account within the Income Fund.

"Federal Securities" means direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America.

"Fiscal Agent" means First National Bank of Doña Ana County, Las Cruces, New Mexico.

"Fiscal Agent Agreement" has the meaning ascribed to such term in preambles (13) and (14) hereof.

"Fiscal Year" for the purposes of this ordinance means the twelve months commencing on the first day of July of any calendar year and ending on the last day of June of the next calendar year; but it may mean any other 12-month period which any appropriate authority hereafter may establish.

"Income Fund" means the "Grant County First One-Eighth Gross Receipts Tax Income Fund" which is created in Section 18 hereof and which constitutes a special bond fund within the meaning of Section 4-62-1B, NMSA 1978.

"Independent Accountant" means any registered or certified public accountant or firm of such accountants duly licensed to practice and practicing as such under the laws of the State of New Mexico, appointed and paid by the County, who (1) is, in fact, independent and not under the domination of the County, (2) does not have any substantial interest, direct or indirect, with the County, and (3) is not connected with the County as an officer or employee of the County, but who may be regularly retained to make annual or similar audits of the books or records of the County.

"Insured Bank" means a bank which is a member of the Federal Deposit Insurance Corporation.

"Minimum Reserve" means \$302,000.

"Paving Agent" means the Fiscal Agent, or its successors or assigns, as agent for the County for (i) the payment of the Bonds, the interest thereon and any prior redemption premium in connection therewith and (ii) possession of the fund and accounts created hereunder.

"Pledged Gross Receipts Tax Revenues" or "Pledged Revenues" means the amounts of money derived from all of the revenue attributable to the first one-eighth of one per cent increment of the County gross receipts tax transferred to the County pursuant to Section 7-1-6.13, NMSA 1978, which County gross receipts tax is imposed on all persons engaging in business in the County pursuant to Ordinance No. 204 adopted and approved on June 23, 1987, as amended hereby and as authorized by Sections 7-20E-1 through 7-20E-12, NMSA 1978 as amended and supplemented, (1) which tax equals, subject to the exemptions specified in Section 7-20E-5, NMSA 1978 and the deductions referred to in Section 7-20E-7, NMSA 1978, one-eighth of one per cent of the gross receipts of all persons engaging in business in the County for the privilege of engaging in business in the County, (2) which amounts are collected and, after any deductions for administrative costs and any

disbursements for tax credits, refunds and the payment of interest applicable to such gross receipts tax and subject to any increase or decrease pursuant to Section 7-1-6.15, N.M.S.A. 1978, are distributed monthly (together with the balance of the County's gross receipts tax) by the Revenue Division of the Taxation and Revenue Department of the State of New Mexico to the County pursuant to Sections 7-1-6.13 and 7-1-6.16, N.M.S.A. 1978 (provided that "Pledged County Gross Receipts Tax Revenues" does not include and the County is not pledging to the Bonds any of such County gross receipts tax revenues received pursuant to Section 7-1-6.16, N.M.S.A. 1978 which exceeds the aforesaid, and does not include any gross receipts tax revenues received pursuant to any other statute).

"Project" means (1) constructing, purchasing, furnishing, equipping, rehabilitating, making additions to or making improvements to one or more public buildings or purchasing or improving any ground relating thereto, including but not necessarily limited to acquiring and improving parking lots, or any combination of the foregoing (including but not necessarily limited to purchasing, furnishing, equipping, rehabilitating and improving an existing building for County government offices and furnishing, equipping, rehabilitating, making additions and improvements to the existing County jail), (2) reconstructing, resurfacing, maintaining, repairing or otherwise improving existing alleys, streets, roads or bridges or any combination of the foregoing or laying off, opening, constructing or otherwise acquiring new alleys, streets, roads or bridges or any combination of the foregoing, provided that any of the foregoing improvements may include but are not limited to the acquisition of rights of way, and (3) all costs incidental to the foregoing and the issuance of the Bonds, including but not necessarily limited to the initial funding of the Reserve Account as provided in Section 16B hereof.

"Purchaser" means Kious and Company, Inc., Albuquerque, New Mexico.

"Registrar" means the Fiscal Agent, as registrar and transfer agent for the Bonds.

"Regular Record Date" means the 15th day of the calendar month (whether or not a business day) preceding each regularly scheduled interest payment date on the Bonds.

"Reserve Account" or "1997 Reserve Account" means the "Grant County Gross Receipts Tax Revenue Bonds, Series April 1, 1997, Reserve Account", created in Section 19B hereof, which is an account within the Income Fund.

"Series Date" means the date of the Bonds, i.e., April 1, 1997.

"Special Record Date" means a special date fixed to determine the names and addresses of registered owners of the Bonds for purposes of paying interest on a special interest payment date for the payment of defaulted interest thereon, all as further provided in Section 5B hereof.

Section 2. Ratification. All action heretofore taken (not inconsistent with the express provisions of this ordinance) by the Board and officers of the County directed toward the Project, the enactment of Ordinance No. 204 as herein amended and toward the authorization, sale and issuance of the Bonds in the Purchase hereinafter authorized (including but not necessarily limited to the prior distribution of the Preliminary Official Statement and the publication of the notice of intention to adopt this ordinance and the ratifying resolution) is, and the same hereby is ratified, approved and confirmed.

Section 3. Authorization of Project. The Project is hereby authorized at a total cost of not exceeding \$3,035,000 and the necessary thereof is hereby so declared, excluding any such cost defrayed or to be defrayed by any source other than the Bonds.

Section 4. Authorization of Bonds. For the purpose of protecting the public health, conserving the property and advancing the general welfare of the citizens of the County, and for the purpose of defraying the cost of the Project, it is hereby declared that the interest or necessary of the County and the inhabitants thereof demand the issuance by said County of its fully registered (i.e., registered as to payment of both principal and interest) revenue bonds without coupons to be designated "Grant County Cross Receipts Tax Revenue Bonds, Series April 1, 1997," in the aggregate principal amount of \$3,020,000 to be payable and collectible, both as to principal and interest solely from the Pledged Revenues.

Section 5. Bond Details.

A. Basic Details. The Bonds shall be dated as of April 1, 1997 (herein the "Series Date"), are issuable in the denomination of \$5,000 each or any integral multiple thereof (provided that no Bond may be in a denomination which exceeds the principal coming due on any maturity date and no individual Bond will be issued for more than one maturity), numbered consecutively from 1 upwards, shall bear interest from the Series Date until maturity at the rates hereinafter designated payable on September 1, 1997 and semiannually thereafter on March 1 and September 1 in each year, and shall mature on September 1 in each of the years hereinafter designated, as follows:

<u>Amounts Maturing</u>	<u>Interest Rate (Per Annum)</u>	<u>Years Maturing</u>
\$140,000	4.60%	1998
145,000	4.80%	1999
150,000	5.00%	2000
160,000	5.15%	2001
165,000	5.25%	2002
175,000	5.35%	2003
185,000	5.45%	2004
195,000	5.55%	2005
205,000	5.60%	2006
215,000	5.625%	2007
230,000	5.65%	2008
240,000	5.70%	2009
255,000	5.75%	2010
270,000	5.75%	2011
290,000	5.75%	2012

provided, however, the individual Bonds shall bear interest from the most recent interest payment date to which interest has been fully paid or duly provided for in full or, if no interest has been paid, from the Series Date.

B. Payment-Regular Record Date. The principal of and any prior redemption premium applicable to any Bond shall be payable to the registered owner thereof as shown on the registration books kept by Registrar which is hereby appointed as registrar (and transfer agent) for the Bonds, upon maturity or prior redemption thereof and upon presentation and surrender at the Paying Agent which also is hereby appointed as the paying agent for the Bonds. If any Bond shall not be paid upon such presentation and surrender at or after maturity or on a designated prior redemption date on which the County may have exercised its right to prior redeem any Bond pursuant to Section 6 hereof, it shall continue to draw interest at the rate borne by said Bond until the principal thereof is paid in full. Payment of interest on any Bond shall be made to the registered owner thereof as of the Regular Record Date (as herein defined) by check or draft mailed by the Paying Agent, on or before each interest payment date (or, if such interest payment date is not a business day, on or before the next succeeding business day), to the registered owner thereof on the Regular Record Date at his address as it last appears on the registration books kept by the Registrar on the Regular Record Date (or by such other arrangement as may be mutually agreed to by the Paying Agent and any registered owner on such Regular Record Date). All such payments shall be made in lawful money of the United States of America. The person in whose name any Bond is registered at the close of business on any Regular Record Date with respect to any interest payment date shall be entitled to receive the interest payable thereon on such interest payment date notwithstanding any transfer or exchange thereof subsequent to such Regular Record Date and prior to such interest payment date; but any such interest not so timely paid or duly provided for shall cease to be payable as provided above and shall be payable to the person in whose name any Bond is registered at the close of business on a Special Record Date fixed by the Registrar for the payment of any such defaulted interest. Such Special Record Date shall be fixed by the Registrar whenever moneys become available for defaulted interest, and notice of any such Special Record Date shall

be given not less than ten days prior thereto, by first-class mail, to the registered owners of the Bonds as of a date selected by the Registrar, stating the Special Record Date and the date fixed for the payment of such defaulted interest. The same institution shall be the Registrar and Paying Agent.

Section 6. Prior Redemption.

A. Optional Redemption. Bonds maturing on and after September 1, 2006, shall be subject to prior redemption at the County's option in one or more units of principal of \$5,000 on and after September 1, 2005, in whole at any time, or in part on any interest payment date thereafter, in such order of maturities as the County may determine (and by lot if less than all of the Bonds of such maturity is called, such selection by lot to be made by the Registrar in such manner as he shall consider appropriate and fair) for the principal amount of each \$5,000 unit so redeemed, accrued interest thereon to the redemption date and a premium computed as follows (expressed as percentages of principal amounts of Bonds so redeemed):

<u>Dates When Redeemed</u> <u>(Both Dates Inclusive)</u>	<u>Redemption</u> <u>Premium</u>
September 1, 2005 through August 31, 2006	1%
September 1, 2006 through August 31, 2007	½%
September 1, 2007 and thereafter	None

B. Special Mandatory Prior Redemption. The Bonds shall be subject to special mandatory prior redemption from amounts which are required to be deposited into the Excess Revenue Mandatory Redemption Account after specified annual deposits into the Bond Account for payment of principal and interest on the Bonds (all as further provided in Section 19 hereof), in one or more units of principal of \$5,000 on each September 1 commencing on September 1, 1997, in whole or in part in inverse order of maturity (and by lot if less than all of the Bonds of such maturity is called, such selection by lot to be made by the Registrar in such manner as he shall consider appropriate and fair) at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the redemption date. The Registrar is required to give such notice of special mandatory prior redemption without any notice from the County. Not less than thirty days prior to each September 1, the Registrar shall proceed to select for such special mandatory prior redemption (by lot in such manner as the Registrar may determine) from all Bonds outstanding in inverse order of maturity a principal amount of Bonds equal to the aggregate principal amount of Bonds redeemable with funds available in the Excess Revenue Mandatory Redemption Account, shall call such Bonds or portions thereof (\$5,000 or any integral multiple thereof) for such redemption on such September 1, and shall give notice of such call as provided in paragraph D of this Section.

C. Instructions by County. Unless waived by the Registrar, at least 45 days prior to any date selected by the County for optional prior redemption of any of the Bonds pursuant to A of this Section the County shall give written instructions to the Registrar with respect to such optional prior redemption. (Such written instructions will not be given with respect to special mandatory prior redemption pursuant to C of this Section, and the Paying Agent/Registrar will provide for such special mandatory prior redemption without any further instructions other than the terms of this ordinance).

D. Notice by Registrar. Notice of optional prior redemption and special mandatory prior redemption shall be given by the Registrar by sending a copy of such notice by registered or certified first-class, postage prepaid mail, not more than 60 days and not less than 30 days prior to the redemption date to each registered owner of just the Bonds being so redeemed as shown on the registration books kept by the Registrar as of the date of selection of units of principal for redemption. The Registrar shall not be required to give notice of any prior redemption (except special mandatory prior redemption) unless it has received written instructions from the County in regard thereof, at least 45 days prior to such redemption date or unless waived by the Registrar. Failure to give such notice by mailing to the registered owner of any Bond, or any defect therein, shall not affect the validity of the proceedings for the redemption of any of the Bonds.

E. Other Redemption Details. The notice required by paragraph D of this Section shall specify the number or numbers of the Bond or Bonds or portions thereof to be so redeemed (if less than all are to be redeemed); and all notices required by this Section shall specify the date fixed for redemption, and shall further state that on such redemption date there will become and be due and payable upon each \$5,000 unit of principal so to be redeemed at the Paying Agent the principal thereof and the applicable prior redemption premium thereon (if any), and that from and after such date interest will cease to accrue. Accrued interest to the redemption date will be paid by check or draft mailed to the registered owner (or by alternative means if so agreed to by the Paying Agent and the registered owner). Notice having been given in the manner hereinbefore provided, the Bond or Bonds so called for redemption shall become due and payable on the redemption date so designated; and upon presentation thereof at the Paying Agent, the County from the sources identified herein will pay the Bond or Bonds so called for redemption and the applicable prior redemption premium (if any). In the event that only a portion of the principal amount of a Bond is so redeemed, a new Bond representing the unredeemed principal shall be duly completed, authenticated and delivered by the Registrar to the registered owner pursuant to Section 9 hereof and without charge to the registered owner thereof.

F. Fiscal Agent Obligations. The provisions of paragraph B of this Section (relating to special mandatory sinking fund redemption) as supplemented to the extent applicable by the remaining paragraphs of this Section shall be administered by the Fiscal Agent without further direction from the County.

Section 7. Negotiability. Subject to the provisions specifically made or necessarily implied herein, the Bonds shall be fully negotiable, and shall have all the qualities of negotiable paper, and the registered owner or owners thereof shall possess all rights enjoyed by the holders of negotiable instruments under the provisions of the Uniform Commercial Code.

Section 8. Execution.

A. Filing Manual Signatures. Prior to the execution and authentication of any Bond pursuant to Sections 6-9-1 through 6-9-6, both inclusive, NMSA 1978, the Chairman, County Clerk and County Treasurer shall each forthwith file with the Secretary of State of New Mexico, his or her manual signature certified by him or her under oath; provided, that such filing shall not be necessary for any officer where any previous such filing may have legal application to the Bonds.

B. Method of Execution. Each Bond of said issue shall be signed and executed by the facsimile signature of the Chairman under facsimile of the seal of the County, which shall be printed, stamped, engraved or otherwise placed thereon; each Bond shall be executed and attested with the facsimile signature of the County Clerk and countersigned with the facsimile signature of the County Treasurer; and each Bond shall be authenticated by the manual signature by an authorized officer of the Registrar as hereafter provided. The Bonds bearing the facsimile signatures of the officers in office at the time of the authorization thereof shall be the valid and binding obligations of the County (subject to the requirement of authentication by the Registrar as hereinafter provided) notwithstanding that before the delivery thereof and payment therefor, or before the issuance thereof upon transfer or exchange, any or all of the persons whose facsimile signatures appear thereon shall have ceased to fill their respective offices. The Chairman, County Clerk and County Treasurer shall, by the execution of a signature certificate pertaining to the Bonds, adopt as and for their respective signatures the facsimiles thereof appearing on the Bonds; and, at the time of the execution of said signature certificate, said Chairman, County Clerk and County Treasurer may each adopt as and for his or her facsimile signature the facsimile signature of his or her predecessor in office in the event that such facsimile signature appears upon any of the Bonds.

C. Certificate of Authentication. No Bond shall be valid or obligatory for any purpose unless the certificate of authentication, substantially in the form hereinafter provided, has been duly executed by the Registrar. The Registrar's certificate of authentication shall be deemed to have been duly executed by it if manually signed by an authorized officer of the Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder.

Section 9. Provisions Relating to Registration, Transfer, Exchange, Replacement and Cancellation of and Registration Records for the Bonds.

A. Registration Books - Transfer and Exchange Authentication. Books for the registration and transfer of the Bonds shall be kept by the Registrar. Upon the surrender for transfer of any Bonds at the Registrar, duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing, the Registrar shall authenticate and deliver in the name of the transferee or transferees a new Bond or Bonds of a like aggregate principal amount and of the same maturity, bearing a number or numbers not contemporaneously outstanding. Bonds may be exchanged at the Registrar for an equal aggregate principal amount of Bonds of the same maturity of other authorized denominations. The Registrar shall authenticate and deliver a Bond or Bonds which the registered owner making the exchange is entitled to receive, bearing a number or numbers not contemporaneously outstanding. Exchanges and transfers of Bonds as herein provided shall be without charge to the owner or any transferee, but the Registrar may require the payment by the owner of any Bond requesting exchange or transfer of any tax or other governmental charge required to be paid with respect to such exchange or transfer.

B. Times When Transfer or Exchange Not Required. The Registrar shall not be required (1) to transfer or exchange all or a portion of any Bond subject to prior redemption during the period of fifteen days next preceding the mailing of notice to the registered owners calling any Bonds for prior redemption pursuant to Section 6B hereof or (2) to transfer or exchange all or a

portion of a Bond after the mailing to registered owners of notice calling such Bond or portion thereof for prior redemption.

C. Payment - Registered Owners. The person in whose name any Bond shall be registered, on the registration books kept by the Registrar, shall be deemed and regarded as the absolute owner thereof for the purpose of making payment thereof and for all other purposes except as may otherwise be provided with respect to payment of interest as is provided in Section 5 B thereof; and payment of or on account of either principal or interest on any Bond shall be made only to or upon the written order of the registered owner thereof or his legal representative, but such registration may be changed upon transfer of such Bond in the manner and subject to the conditions and limitations provided herein. All such payments shall be valid and effectual to discharge the liability upon such Bond to the extent of the sum or sums so paid.

D. Replacement Bonds. If any Bond shall be lost, stolen, destroyed or mutilated, the Registrar shall, upon receipt of such evidence, information or indemnity relating thereto as it may reasonably require, authenticate and deliver a replacement Bond or Bonds of a like aggregate principal amount and of the same maturity, bearing a number or numbers not contemporaneously outstanding. If such lost, stolen, destroyed or mutilated Bond shall have matured, the Registrar may direct the Paying Agent to pay such Bond in lieu of replacement.

E. Delivery of Bond Certificates to Registrar. The officers of the County are authorized to deliver to the Registrar fully executed but unauthenticated Bonds in such quantities as may be convenient to be held in custody by the Registrar pending use as herein provided.

F. Cancellation of Bonds. Whenever any Bond shall be surrendered to the Paying Agent upon payment thereof, or to the Registrar for transfer, exchange or replacement as provided herein, such Bond shall be promptly cancelled by the Paying Agent or Registrar, and counterparts of a certificate of such cancellation shall be furnished by the Paying Agent or Registrar to the County.

Section 10. Successor Fiscal Agent, Registrar and Paying Agent. If the Fiscal Agent, Registrar or Paying Agent initially appointed hereunder shall resign or is prohibited by law from continuing as Fiscal Agent, Registrar or Paying Agent, or if the County shall reasonably determine that said Registrar or Paying Agent has become incapable of fulfilling its duties hereunder, the County may, upon notice mailed to each registered owner of bonds at the address last shown on the registration books, appoint a successor Fiscal Agent, Registrar or Paying Agent, or both. Every such successor Fiscal Agent, Registrar or Paying Agent shall be a bank or trust company located in and in good standing in the United States and having a shareholders equity (e.g., capital stock, surplus and undivided profits), however denominated, not less than \$20,000,000. The Fiscal Agent, Registrar and Paying Agent shall be the same institution.

Section 11. Special Obligations. All of the Bonds, together with the interest accruing thereon, shall be payable and collectible solely out of the Pledged Revenues, which are irrevocably so pledged; the registered owner or owners thereof may not look to any general or other fund for the payment of the principal of or interest on such obligations, except the designated special funds pledged therefor; and the Bonds shall not constitute an indebtedness or a debt within the meaning of any constitutional or statutory provision or limitation; nor shall they be considered or

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held to be general obligations of the County; and each of the Bonds herein authorized to be issued shall recite on its face that it is payable and collectible solely from the Pledged Revenues, the income from which is so pledged, and that the registered owner thereof may not look to any general or other fund for the payment of principal and interest on, and prior redemption premium due in connection with, the Bonds.

Section 12. Forms of Bonds, Certificate of Authentication, Assignment and Legal Opinion Certificate. The Bonds, Registrar's Certificate of Authentication, Form of Assignment and the Legal Opinion Certificate shall be in substantially the following forms (provided that any of the text on the face of the Bond may, with appropriate reference, be printed on the back of the Bond):

3538

(Form of Bond)

UNITED STATES OF AMERICA
STATE OF NEW MEXICO
COUNTY OF GRANT

No. _____

\$ _____

GROSS RECEIPTS TAX REVENUE BONDS
SERIES APRIL 1, 1997

INTEREST RATE	MATURITY DATE	SERIES DATE	CUSIP
___% per annum	_____	April 1, 1997	

REGISTERED OWNER:

PRINCIPAL AMOUNT:

The County of Grant (herein "County"), in the State of New Mexico, for value received, hereby promises to pay upon presentation and surrender of this bond, solely from the special funds provided therefor as hereinafter set forth, to the registered owner named above, or registered assigns, on the Maturity Date specified above (unless this bond, if subject to prior redemption, shall have been called for prior redemption in which case on such redemption date), upon the presentation and surrender hereof at the First National Bank of Doña Ana County, Las Cruces, New Mexico, or its successor therein the "Paying Agent", the Principal Amount stated above, in lawful money of the United States of America, and to pay to the registered owner hereof as of the Regular Record Date (being the 15th day of the calendar month [whether or not a business day] preceeding each regularly scheduled interest payment date as defined in the Bond Ordinance No. 97-04-24 as supplemented by Resolution No. 97-04-24A, both adopted April 24, 1997, which authorizes this bond and which together are referred to herein as the "Bond Ordinance"), by check or draft mailed to such registered owner, on or before each interest payment date as hereinafter provided (or, if such interest payment date is not a business day, on or before the next succeeding business day), at his address as it last appears on the Regular Record Date on the registration books kept for that purpose by the First National Bank of Doña Ana County, Las Cruces, New Mexico, as registrar (i.e., transfer agent) for the bonds, or its successor (herein the "Registrar") or by such other arrangement as may be agreed to by the Paying Agent and the registered owner hereof, interest on said sum in lawful money of the United States of America from the Series Date specified above or the most recent interest payment date to which interest has been fully paid or duly provided for in full (as more fully provided in the Bond Ordinance) until maturity at the per annum Interest Rate specified above, payable on September 1, 1997 and semiannually thereafter on March 1 and September 1 in each year. Any such interest not so timely paid or duly provided for shall cease to be payable to the registered owner as of the Regular Record Date and shall be payable to the registered owner as of a Special Record Date (as defined in the Bond Ordinance), as further provided in the Bond Ordinance. If upon presentation and surrender to the Paying Agent at or after maturity

or on a designated prior redemption date on which the County may have exercised its right to prior redeem this bond pursuant to the Bond Ordinance, payment of this bond is not made as herein provided, interest hereon shall continue at the rate herein designated until the principal hereof is paid in full.

The bonds of the series of which this bond is a part (herein the "Bonds") maturing on and after September 1, 2006, are subject to prior redemption at the County's option in one or more units of principal of \$5,000 on and after September 1, 2005 in whole at any time, or in part on any interest payment date thereafter in such order of maturities as the County may determine (and by lot if less than all of the bonds of such maturity is called, such selection by lot to be made by the Registrar in such manner as he shall consider appropriate and fair), for the principal amount of each \$5,000 unit of principal so redeemed, accrued interest to the redemption date and a premium computed as follows (expressed as percentages of principal amounts of bonds so redeemed):

<u>Dates When Redeemed</u> <u>(Both Dates Inclusive)</u>	<u>Redemption</u> <u>Premium</u>
September 1, 2005 through August 31, 2006	1%
September 1, 2006 through August 31, 2007	½%
September 1, 2007 and thereafter	None

Redemption shall be made upon prior mailed notice to each registered owner of each bond selected for redemption as shown on the registration books kept by the Registrar in the manner and upon the conditions provided in the Bond Ordinance.

The Bonds additionally are subject to special mandatory prior redemption from excess Pledged Revenues (as defined below) deposited into the Excess Revenue Mandatory Redemption Account after specified annual deposits for payment of principal and interest on the Bonds (as further described below and in the Bond Ordinance) in one or more units of principal of \$5,000 on any September 1, commencing on September 1, 1997, in whole or in part in inverse order of maturity (and by lot if less than all of the Bonds of such maturity is called, such selection by lot to be made by the Registrar in such manner as he shall consider appropriate and fair) at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the redemption date. Notice of such special mandatory prior redemption shall be made upon prior mailed notice to each registered owner of each bond selected for redemption as shown on the registration books kept by the Registrar in the manner and upon the conditions provided in the Bond Ordinance.

In the case of each of the aforesaid prior redemption provisions, failure to mail any notice of redemption and any defects therein shall not affect the validity of any such redemption.

FOR PURPOSES OF SECTION 265(b)(3)(B) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, THE COUNTY HAS DESIGNATED THIS BOND AS A QUALIFIED TAX EXEMPT OBLIGATION.

The Bonds are fully registered (i.e., registered as to payment of both principal and interest), and are issuable in the denomination of \$5,000 or any denomination which is an integral multiple of \$5,000 (provided that no bond may be in a denomination which exceeds the principal

coming due on any maturity date and no individual bond will be issued for more than one maturity). Upon surrender of any of such bonds at the Registrar with a written instrument satisfactory to the Registrar duly executed by the registered owner or his duly authorized attorney, such bond may, at the option of the registered owner or his duly authorized attorney, be exchanged for an equal aggregate principal amount of such bonds of the same maturity of other authorized denominations, subject to such terms and conditions as set forth in the Bond Ordinance.

This bond is fully transferable by the registered owner hereof in person or by his duly authorized attorney on the registration books kept by the Registrar upon surrender of this bond together with a duly executed written instrument of transfer satisfactory to the Registrar. Upon such transfer a new fully registered bond of authorized denomination or denominations of the same aggregate principal amount and maturity will be issued to the transferee in exchange for this bond, subject to such terms and conditions as set forth in the Bond Ordinance. The County and the Registrar and Paying Agent may deem and treat the person in whose name this bond is registered as the absolute owner hereof for the purpose of making payment and for all other purposes.

This bond is one of a series of bonds designated "Grant County Gross Receipts Tax Revenue Bonds, Series April 1, 1997," of like tenor and date, except as to interest rate, number and maturity, authorized for the purpose of (1) constructing, purchasing, furnishing, equipping, rehabilitating, making additions to or making improvements to one or more public buildings or purchasing or improving any ground relating hereto, including but not necessarily limited to acquiring and improving parking lots, or any combination of the foregoing (including but not necessarily limited to purchasing, furnishing, equipping, rehabilitating, making additions and improvements to an existing building for County government offices and furnishing, equipping, rehabilitating, making additions to and improvements to the existing County jail), and (2) reconstructing, resurfacing, maintaining, repairing or otherwise improving existing alleys, streets, roads or bridges or any combination of the foregoing or laying off, opening, constructing or otherwise acquiring new alleys, streets, roads or bridges or any combination of the foregoing, provided that any of the foregoing improvements may include but are not limited to the acquisition of rights of way, and (3) all costs incidental to the foregoing and the issuance of the Bonds, including but not necessarily limited to the initial funding of the Reserve Account as provided in the Bond Ordinance.

This bond is issued pursuant to and in strict compliance with the Constitution and laws of the State of New Mexico.

This bond does not constitute an indebtedness of the County within the meaning of any constitutional or statutory provision or limitation, shall not be considered or held to be a general obligation of the County, and is payable and collectible solely from the "Pledged Revenues" which constitute the amount of money derived from all of the revenue attributable to the first one-eighth of one percent increment of the County gross receipts tax transferred to the County pursuant to Section 7-1-6.13, N.M.S.A. 1978, which County gross receipts tax is imposed on all persons engaging in business in the County pursuant to Ordinance No. 204, adopted and approved on June 23, 1987, as amended by the Bond Ordinance and as authorized by Sections 7-20E-1 through 7-20E-12, N.M.S.A. 1978, as amended and supplemented, (1) which tax equals, subject to the exemptions specified in Section 7-20E-5, N.M.S.A. 1978 and the deductions referred to in Section 7-20E-7, N.M.S.A. 1978, one-eighth of one percent of the gross receipts of all persons engaging in business in

the County for the privilege of engaging in business in the County (2) which amounts are collected and, after any deductions for administrative costs and any disbursements for tax credits, refunds and the payment of interest applicable to such gross receipts tax and subject to any increase or decrease pursuant to Section 7-1-6.12, N.M.S.A. 1978, are distributed monthly (together with the balance of the County's municipal gross receipts tax) by the Revenue Division of the Taxation and Revenue Department of the State of New Mexico to the County pursuant to Sections 7-1-6.13 and 7-1-6.16, N.M.S.A. 1978 (provided that "pledged revenues" do not include and the County is not pledging to the Bonds any of such County gross receipts tax revenues received pursuant to Section 7-1-6.16, N.M.S.A. 1978 or revenues received pursuant to such Section 7-1-6.13, N.M.S.A. 1978 which exceeds the amount said, and does not include any gross receipts tax revenues received pursuant to any other statute; and the registered owner may not look to any general or other fund for the payment of the principal of, interest on, and any prior redemption premium in connection with this obligation except the special funds (i.e., the Pledged Revenues) pledged therefor. Payment of this bond, and the interest thereon, shall be made solely from, and as security for such payment there are pledged, pursuant to the Bond (Ordinance, two special accounts identified as the "Grant County Gross Receipts Tax Revenue Bonds, Series April 1, 1997, Interest and Bond Retirement Account" ("Bond Account") and the "Grant County Gross Receipts Tax Revenue Bonds, Series April 1, 1997, Reserve Account") into which accounts the County covenants to pay from the Pledged Revenues, sums sufficient to pay when due the principal of and the interest on the bonds and to create (except to the extent created from other funds) and maintain a reasonable and specified reserve for such purpose. Payment of this bond may also be made pursuant to special mandatory prior redemption previously referred to herein from the special account created pursuant to the Bond (Ordinance identified as the "Grant County Gross Receipts Tax Revenue Bonds, Series April 1, 1997, Excess Revenue Mandatory Redemption Account" ("Excess Revenue Mandatory Redemption Account") into which the County has covenanted to deposit all Pledged Revenues for the twelve-month period commencing on August 1 of each year after having made all deposits into the Bond Account for principal and interest coming due on the Bonds during such twelve-month period and any required payments into the Reserve Account during such twelve-month period. Reference is made to said Bond (Ordinance for a description of said fund and accounts, the nature and extent of the security afforded thereby for the payment of the principal of any prior redemption premium in connection with and the interest on the bonds and the procedures relating thereto. The Bond Account, Reserve Account and Excess Revenue Mandatory Redemption Account are irrevocably and exclusively pledged to the payment of the Bonds. The Bonds are equitably and reliably secured by a lien on the Pledged Revenues; and the Bonds constitute an irrevocable and exclusively first lien upon the Pledged Revenues.

The County covenants and agrees with the registered owner of this bond and perform each and every person who may become the registered owner hereof that it will keep and perform all of the covenants of the Bond (Ordinance).

This bond is subject to the conditions, and every registered owner hereof by accepting the same agrees with the obligor and every subsequent registered owner hereof that the principal of and the interest on this bond shall be paid, and this bond is transferable, free from, and without regard to any equities between the obligor and the original or any intermediate registered owner hereof for any setoffs or cross-claims.

It is further certified, recited and warranted that all the requirements of law have been fully complied with by the Board of County Commissioners and officers of the County in the issue of this bond; and that it is issued pursuant to and in strict conformity with the Constitution and laws of the State of New Mexico, and particularly the terms and provisions of Sections 4-62-1 through 4-62-10, NMSA 1978, as amended, and all laws thereunto enabling and supplemental thereto.

This bond shall not be valid or obligatory for any purpose until the Registrar shall have manually signed the certificate of authentication herein.

IN WITNESS WHEREOF, Grant County has caused this bond to be signed, subscribed, and executed, and attested with the facsimile signatures of the Chairman of the Board of County Commissioners and its County Clerk, respectively: has caused the facsimile of its corporate seal to be affixed hereon; has caused this bond to be countersigned with the facsimile signature of the County Treasurer, all as of the Series Date.

(Facsimile Signature)

Chairman

(FACSIMILE SEAL)

Attest: _____
(Facsimile Signature)

County Clerk

Countersigned:

(Facsimile Signature)

County Treasurer

(End of Form of Bond)

Note: The appropriate reference on the face of the Bond may be substantially as follows:

"Reference is hereby made to the further provisions of this bond set forth on the reverse hereof and such further provisions shall for all purposes have the same effect as if set forth at this place."

(Form of Registrar's Certificate of Authentication)

REGISTRAR'S CERTIFICATE OF AUTHENTICATION

Date of Authentication: _____

This is one of the bonds described in the within-mentioned Bond Ordinance, and this bond has been duly registered on the registration books kept by the undersigned as Registrar for such Bonds.

FIRST NATIONAL BANK OF DOÑA ANA
COUNTY
Las Cruces, New Mexico
as Registrar

By: _____
Authorized Officer

(End of Form of Registrar's Certificate of Authentication)

(Form of Assignment)

ASSIGNMENT

For value received, _____ hereby sells, assigns and transfers unto _____ the within bond and hereby irrevocably constitutes and appoints _____ attorney, to transfer the same on the books of the Registrar, with full power of substitution in the premises.

Signature Guaranteed: _____

Signature of Transferee_____
Address of Transferee

Dated: _____

Social Security Number or
other Tax Identification Number

NOTE: The signature to this Assignment must correspond with the name as written on the face of the within bond in every particular, without alteration or enlargement or any change whatsoever. The signature must be guaranteed by an eligible guarantor institution as defined in 17 C.F.R. § 240.17 Ad-15(a)(2).

(End of Form of Assignment)

(Form of Legal Opinion Certificate)

STATE OF NEW MEXICO

COUNTY OF GRANT

) SS. LEGAL OPINION CERTIFICATE
)

I, Gabriel Ramos, County Clerk of Grant County, in the State of New Mexico, do hereby certify that the following approving legal opinion of Sherman & Howard L.L.C., Attorneys at Law, Denver, Colorado, to wit:

(Attorneys' approving opinion was inserted in submargins, including complimentary closing and "s/ Sherman & Howard")

is a true, perfect and complete copy of a manually executed and dated copy thereof on file in the records of the County in my office; that manually executed and dated copies of the opinion were forwarded to a representative of the original purchasers, and that the opinion was dated and issued as of the date of delivery of and the payment for the bonds of the series of which this bond is one.

IN WITNESS WHEREOF, I have caused to be hereunto set my facsimile signature and having affixed hereto a facsimile of the official seal of the County of Grant.

(Facsimile Signature)

County Clerk
Grant County, New Mexico

(FACSIMILE SEAL)

Section 13. Designation as Tax-Exempt Obligation. For the purposes of Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended, the County hereby designates the Bonds as qualified tax-exempt obligations.

Section 14. Period of Project's Usefulness. It is hereby determined and recited that the period of usefulness of the facilities (i.e. the Project) to be acquired with the proceeds of the Bonds is not less than 16 years from the date of the Bonds.

Section 15. Sale and Delivery of Bonds, Initial Registration and Approval of Documents.

A. Sale and Delivery of Bonds and Initial Registration. The County hereby agrees to sell the Bonds to the Purchaser in accordance with the Bond Purchase Agreement. The Registrar shall initially register the Bonds as directed in writing by the Purchaser. When the Bonds have been duly executed, authenticated, registered and sold the County Treasurer shall deliver them to the Purchaser on receipt of the agreed purchase price unless otherwise provided in writing by the Purchaser.

B. Approval of Documents. The form, terms and provisions of the Bond Purchase Agreement, the Fiscal Agent Agreement and the Preliminary Official Statement in the forms heretofore on file with the County Clerk and presented at this meeting, are in all respects approved, authorized and confirmed. The Chairman of the Board is authorized and directed to execute, and the County Clerk is authorized and directed to affix the seal of the County to and attest the Bond Purchase Agreement, the Fiscal Agent Agreement and the Preliminary Official Statement in such substantially the same form as the Preliminary Official Statement presented to this meeting with such changes therein as are not inconsistent with this ordinance and as shall be approved by the Chairman of the Board. His execution thereof to constitute conclusive evidence of his approval of any and all changes or revisions thereof from the form now before this meeting.

Section 16. Bond and Other Proceeds.

A. Disposition of Bond Proceeds. The proceeds, including accrued interest, from the sale of the Bonds shall be applied by the County simultaneously with the delivery of the Bonds to the Purchaser in the following manner and priority:

(1) Accrued Interest. First, all moneys received as accrued interest from the sale of the Bonds shall be deposited into the 1997 Bond Account, to be applied to the payment of interest next due on the Bonds.

(2) Acquisition Fund. Second, except as herein otherwise provided, the proceeds derived from the sale of the Bonds shall be deposited promptly upon the receipt thereof into a separate account which shall be known as the "Grant County Gross Receipts Acquisition Fund". The moneys in the Acquisition Fund shall be used solely for the Project, except that after the Project is completed, all money remaining in the Acquisition Fund, if any, shall be credited to the Bond Account.

(3) Use of Proceeds. Except as herein otherwise specifically provided, the proceeds derived from the sale of the Bonds shall be used and paid solely for the purpose of acquiring the Project.

B. 1997 Reserve Account. Simultaneously with the delivery of the Bonds, \$302,000 from legally available County funds shall be deposited into the Reserve Account so that a total amount of \$302,000 (i.e., the "Minimum Reserve") shall be accumulated in the Reserve Account immediately upon delivery of the Bonds.

Section 17. Purchaser Not Responsible. The validity of the Bonds is not dependent on nor affected by the validity or regularity of any proceedings related to the completion of the Project as hereafter defined. The Purchaser of the Bonds, and any subsequent owner of any Bonds, shall in no manner be responsible for the application or disposal by the County or by any officer or any employee or other agent of the County of the moneys derived from the sale of the Bonds or of any other moneys herein designated.

Section 18. Income Fund. So long as any of the 1997 Bonds shall be outstanding, either as to principal or interest, or both, the Pledged Revenues shall be set aside and deposited monthly with the Fiscal Agent by the County as received into a separate fund hereby created and to be known as the "Grant County First (one-Eight Gross Receipts Tax Income Fund)" (herein the "Income Fund") which constitutes a special bond fund as required by Section 4-62-1B, NMSA 1978. The Income Fund and the accounts therein shall be held, maintained and administered (including but not necessarily limited to the provisions of Sections 6 B and 19 hereof) at all times by the Fiscal Agent pursuant to the terms of this Bond Ordinance solely for the benefit of the registered owners of the Bonds.

Section 19. Administration of Income Fund. So long as any of the 1997 Bonds shall be outstanding, either as to principal or interest or both, the following payments shall be made from the Income Fund:

A. Bond Account Payments. First, as a first charge on the Income Fund, there shall be continuously credited to a separate account hereby created and to be known as the "Grant County (Gross Receipts Tax Refunding Revenue Bonds, Series April 1, 1997, Interest and Bond Retirement Account" (herein the "Bond Account" or the "1997 Bond Account"), all amounts of the Pledged Revenues received from the Revenues Division of the New Mexico Taxation and Revenue Department or its successor in function (the "Revenue Division") for the initial period commencing immediately following delivery of the Bonds and ending with the earlier of the receipt by the County of the July distribution or July 31, 1997 until there has been accumulated an amount (taking into account any other amounts, e.g., accrued interest on deposit in the Bond Fund and available therefor) which is sufficient to pay the installment of interest on the 1997 Bonds coming due on September 1, 1997; and thereafter for each succeeding twelve month period which commences on August 1 of each year (commencing in 1997) and ends on July 31 of the next succeeding calendar year, all amounts of the Pledged Revenues as received from the Revenue Division shall be continuously credited to the Bond Account until there has been accumulated therein an amount, which together with any other moneys therein and available therefor, sufficient to pay the maturing installments of interest on the 1997 Bonds on March 1 and September 1 of the next succeeding calendar year and sufficient to pay the principal coming due on the 1997 Bonds on September 1 of the next succeeding

calendar year. The Bond Account is irrevocably and exclusively pledged to the payment of the Bonds. Nothing herein shall prevent the County, in its discretion, from making any of the foregoing deposits from other legally available funds.

B. Reserve Account Payments. As provided in Section 16B hereof, immediately upon the delivery of the 1997 Bonds, an amount equal to the Minimum Reserve derived from other legally available revenues of the County shall be credited to a separate account hereby created to be known as the "Grant County Gross Receipts Tax Revenue Bonds, Series April 1, 1997, Reserve Account" (herein "Reserve Account" or "1997 Reserve Account"). Thereafter, second and after accumulation of the amounts specified in paragraph A for each twelve month period (or in the case of the payment of interest on September 1, 1997, the shorter initial period ending prior thereto) designated therein, there shall be credited monthly to the 1997 Reserve Account from the Income Fund, such amount or amounts, if any, as are necessary to maintain the 1997 Reserve Account as a continuing reserve in an amount not less than the Minimum Reserve to meet possible deficiencies in the 1997 Bond Account. The moneys in the 1997 Reserve Account shall be accumulated and maintained as a continuing reserve to be used, except as hereinafter provided in paragraphs D and E of this Section, only to prevent deficiencies in the payment of the principal of and interest on the 1997 Bonds hereby authorized resulting from the failure to credit to the 1997 Bond Account sufficient funds to pay said principal and interest as the same accrue. Amounts in the 1997 Reserve Account in excess of the Minimum Reserve shall be withdrawn from the 1997 Reserve Account and deposited into the 1997 Bond Account (including investment income therefrom) and shall be used to pay the principal of or interest on the 1997 Bonds or any obligations refunding the 1997 Bonds. Any investment of money in the 1997 Reserve Account shall be valued at its original cost. The Reserve Account is irrevocably and exclusively pledged to the payment of the Bonds.

C. Excess Revenue Mandatory Redemption Account Payments. Third, after accumulation of interest or interest and principal in the Bond Account for the twelve-month or such shorter initial period as provided in paragraph A of this Section, after the deposits (if any) required to be made into the Reserve Account as provided in paragraph B of this Section and immediately after receipt of the July amounts of the Pledged Revenues from the Revenue Division of the New Mexico Department of Finance and Administration or its successor in function, but in no event later than July 31 if such distribution is not received in July, as an additional charge on the Income Fund, there shall be credited to a separate account hereby created and to be known as the "Grant County Gross Receipts Tax Revenue Bonds, Series April 1, 1997 Excess Revenue Mandatory Redemption Account" (herein the "Excess Revenue Mandatory Redemption Account") all remaining amounts then credited to the Income Fund. Such amounts deposited to the Excess Revenue Mandatory Redemption Account shall be applied to the special mandatory prior redemption of the Bonds in one or more units of principal of \$5,000 as the Paying Agent shall determine pursuant to Section 6B of this Bond Ordinance on the immediately succeeding September 1 of the same calendar year. Promptly upon its determination of the maximum amount of Bonds which may be so redeemed from such funds, the Paying Agent/Registrar shall give notice of special mandatory prior redemption of such Bonds for which sufficient moneys are then available in the Excess Revenue Mandatory Redemption Account and such funds shall be applied to the special mandatory prior redemption of such Bonds as are selected for redemption on such next succeeding September 1. Any moneys remaining in the Excess Revenue Mandatory Redemption Account and not necessary for the special mandatory prior redemption of Bonds on such next succeeding September 1 (i.e., because such amount is less than \$5,000), together with any funds subsequently transferred from the Income Fund

to the Excess Revenue Mandatory Redemption Account prior to such September 1, if any, shall be credited to the Bond Account of the Income Fund on September 1 of such calendar year and shall be applied to the payment of the interest next coming due on the Bonds. The Excess Revenue Mandatory Redemption Account is irrevocably and exclusively pledged to the payment of the Bonds.

D. Termination Upon Deposits to Maturity. No payment need be made into the 1997 Bond Account, the 1997 Reserve Account or both if the amounts in the 1997 Bond Account, the 1997 Reserve Account and the Excess Revenue Mandatory Redemption Account total a sum at least equal to the entire amount of the 1997 Bonds then outstanding, both as to principal and interest to their respective maturities and to the next possible special mandatory prior redemption date, and both accrued and not accrued, in which case, moneys in said funds in an amount at least equal to such principal and interest requirements shall be used solely to pay such as the same accrue and any moneys in excess thereof in said funds and any other moneys derived from the Pledged Revenues may be used in any lawful manner determined by the County.

E. Defraying Delinquencies in 1997 Bond and 1997 Reserve Accounts. If, at any designated time, the County shall, for any reason, fail to pay into the 1997 Bond Account the full amount above stipulated from the Pledged Revenues, then an amount shall be paid into said 1997 Bond Account at the designated time from the moneys, if any, in the 1997 Reserve Account in an amount equal to the difference between that paid from said Pledged Revenues and the full amount so stipulated. The money so used shall be replaced in the 1997 Reserve Account from the available Pledged Revenues then on deposit in the Income Fund and from the first revenues thereafter received from the Pledged Revenues. If the County shall, for any reason, fail to pay into the 1997 Reserve Account the full amount above stipulated from the Pledged Revenues, the difference between the amount paid and the amount so stipulated shall in like manner be paid therein from the first revenues thereafter available in the Revenue Fund. The moneys in the 1997 Bond Account and the 1997 Reserve Account shall be used solely and only for the purpose of paying the principal of and the interest on the 1997 Bonds issued hereunder subject to the provisions of paragraph 1 of Subsection A of this Section.

Section 20. General Administration of Funds. The funds and accounts designated in Sections 15 to 19, both inclusive, of this ordinance shall be administered as follows:

A. Investment of Money. Any moneys in any fund or account designated in Sections 15 through 19 may be invested in any legal investment permitted by law at the direction of the County Treasurer, provided however to the extent permitted by law, in the absence of direction by the County Treasurer, the Fiscal Agent may invest such funds in any money market fund having a rating of at least A-A by Moody's Investors Service and Standard & Poor's Corporation (or any successor thereof) which consists only of Federal Securities. The obligations so purchased as an investment of moneys in said fund or account shall be deemed at all times to be part of said fund or account, and the interest accruing thereon and any profit realized therefrom shall be credited to the fund or account, and any loss resulting from each investment shall be charged to the fund or account. The Paying Agent shall present for redemption or sale on the prevailing market any obligations so purchased as an investment of moneys in the fund whenever it shall be necessary to do so in order to provide moneys to meet any payment or transfer from such fund or account.

B. Deposits of Funds. The moneys and investments comprising each of the funds and accounts hereinabove designated in Sections 15 to 19, both inclusive, of this ordinance shall be maintained and kept separate from all other funds and accounts in an Insured Bank or Insured Banks by the Fiscal Agent. The amounts prescribed shall be paid to the appropriate funds or accounts as specified in Section 19. Each payment shall be made into the proper bank account and credited to the proper fund or account not later than the last day designated; provided that when the designated date is a Sunday or a legal holiday, then such payment shall be made on the next preceding secular day. Nothing herein shall prevent the establishment of one such bank account or more (or consolidation with any existing bank account), for all of the funds and accounts in said Sections 15 to 19, both inclusive, of this ordinance.

Section 21. First Lien on Pledged Revenues. The Bonds constitute an irrevocable and exclusively first lien on the Pledged Revenues.

Section 22. Additional Bonds and Other Obligations Not Permitted. So long as any of the Bonds remain outstanding, i.e., so long as there is not defeasance of all of the Bonds pursuant to Section 25 hereof, the Pledged Revenues may not be pledged to the payment of any other bonds or obligations.

Section 23. Equality of Bonds. The Bonds authorized to be issued hereunder and from time to time outstanding 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 their issuance, it being the intention of the Board that there shall be no priority among the Bonds regardless of the fact that they may be actually issued and delivered at different times.

Section 24. Protective Covenants. The County hereby covenants and agrees with each and every registered owner of the Bonds that:

A. Payment of Bonds Herein Authorized. The County will promptly pay the principal of and the interest on every Bond issued hereunder and secured hereby at the place, on the dates and in the manner specified herein and in said Bonds according to the true intent and meaning hereof. Such principal and interest are payable solely from the Pledged Revenues.

B. Records. So long as any of the Bonds remain outstanding, proper books of record and account will be kept by the County, separate and apart from all other records and accounts, showing complete and correct entries of all transactions relating to the Pledged Revenues.

C. Audits. The County further agrees that it will, within 180 days following the close of each Fiscal Year, cause an audit of such books and accounts to be made by an Independent Accountant, showing the revenues and expenditures of the Pledged Revenues. The County agrees to furnish forthwith a copy of each of such audits and reports to the Purchaser upon request. Any such registered owner shall have the right to discuss, with the Independent Accountant or person making the audit, the report and the contents thereof and to ask for such additional information as he may reasonably require.

D. Extending Interest Payments. In order to prevent any accumulation of claims for interest after maturity, the County will not directly or indirectly extend or assent to extension of

time for the payment of any claim for interest on any of the Bonds and it will not directly or indirectly be a party to or approve any arrangement for any such extension or for the purpose of keeping alive any of said interest and in case the time for payment of any such interest shall be extended, such installment or installments of interest after such extension or arrangement shall not be entitled in case of default hereunder to the benefit or security of this ordinance except subject to the prior payment in full of the principal of all Bonds issued hereunder and then outstanding, and of matured interest on such Bonds the payment of which has not been extended.

E. Performing Duties. The County will faithfully and punctually perform all duties with respect to the Project and the Bonds required by the Constitution and laws of the State of New Mexico and the ordinances and resolutions of the County, including but not limited to the proper segregation of the Pledged Revenues and their application of the respective funds.

F. Other Liens. Other than as recited in this ordinance, there are no liens or encumbrances of any nature whatsoever on or against the Pledged Revenues.

G. County's Existence. The County will maintain its corporate identity and existence so long as any of the Bonds herein authorized remain outstanding unless another political subdivision by operation of law succeeds to the duties, privileges, powers, liabilities, disabilities, immunities and rights of the County and is obligated by law to receive and distribute the Pledged Revenues in place of the County, without affecting to any substantial degree the privileges and rights of any registered owner of any outstanding Bonds.

H. Duty With Respect to Pledged Revenues. If the statutes or any ordinance which materially affects the Pledged Revenues or any part of said ordinances, shall ever be held to be invalid or unenforceable, it shall be the duty of the County to immediately take any action necessary to produce sufficient Pledged Revenues to comply with the contracted obligations of this ordinance, except as is provided in paragraph I of this Section.

I. No Impairment of Contract. The County agrees that any law or ordinance or resolution of the County in any manner affecting the Pledged Revenues or the Bonds, or otherwise appertaining thereto, shall not be repealed or otherwise directly or indirectly modified, in such a manner as to impair adversely any Bonds outstanding, unless such Bonds have been discharged in full or provision has been fully made therefor, or unless the consent of the required percentage of the registered owners of the then outstanding Bonds is obtained pursuant to Section 33 of this ordinance.

J. Tax Covenant. The County covenants for the benefit of the owners of the Bonds that it will not take any action or omit to take any action with respect to the Bonds, the proceeds thereof, any other funds of the County or any facilities financed with the proceeds of the Bonds if such action or omission (i) would cause the interest on the Bonds to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 as amended to the date of delivery of the Bonds (the "Tax Code"), (ii) would cause interest on the Bonds to lose its exclusion from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code except to the extent such interest is required to be included in the adjusted current earnings adjustment applicable to corporations under Section 56 of the Tax Code in calculating corporate alternative minimum taxable income, or (iii) would cause interest on the

Bonds to lose its exclusion from net income under present New Mexico income tax laws, i.e., the State Income Tax Act and the Corporate Income and Franchise Tax Act each as amended to the date of delivery of the Bonds (together the "New Mexico Tax Acts"). The foregoing covenant shall remain in full force and effect notwithstanding the payment in full or defeasance of the Bonds until the date on which all obligations of the County in fulfilling the above covenant under the Tax Code and the New Mexico Tax Acts have been met.

Section 25. Defeasance. When all principal, any applicable prior redemption premium and interest in connection with the Bonds hereby authorized have been duly paid, the pledge and lien and all obligations hereunder shall thereby be discharged and the Bonds shall no longer be deemed to be outstanding within the meaning of this ordinance. There shall be deemed to be such due payment as to any Bond when the Board has placed in escrow and in trust with a commercial bank located within or without the State of New Mexico and exercising trust powers, an amount sufficient (including the known minimum yield from Federal Securities in which such amount may initially be invested) to meet all requirements of principal, interest and any applicable prior redemption premium as the same become due to its maturity (including mandatory sinking fund redemption, if applicable) or designated optional prior redemption date as of which the County shall have exercised or obligated itself to exercise its option to call such Bond. The Federal Securities shall become due prior to the respective times on which the proceeds thereof shall be needed, in accordance with a schedule established and agreed upon between the Board and such bank at the time of the creation of the escrow or the Federal Securities shall be subject to the redemption at the option of the holders thereof to assure such availability as so needed to meet such schedule. Federal Securities within the meaning of this Section shall include only direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America and which are not callable prior to maturity by the issuer of such obligations.

Section 26. Delegated Powers. The officers of the County be, and they hereby are authorized and directed to take all action necessary or appropriate to effectuate the provisions of this ordinance, including, without limiting the generality of the foregoing, the printing and reprinting of said Bonds, the original and (if necessary) subsequent delivery to the Registrar of a number (as determined by the responsible officer) of fully or partially executed Bonds to be held by the Registrar for use as herein provided, the execution of the Bond Purchase Agreement, Fiscal Agent Agreement and the execution of such certificates as may be required by the Purchaser or the Bond Purchase Agreement, the Final Official Statement in substantially the form presented at this meeting subject to such changes, corrections, deletions and additions as they may determine, and the execution of such certificates as may be required by the Purchaser.

Section 27. Events of Default. Each of the following events is hereby declared an "event of default":

A. Nonpayment of Principal. If payment of the principal of and prior redemption premium, if applicable, any of the Bonds herein authorized to be issued shall not be made when the same become due and payable, either at maturity (including mandatory sinking fund redemption), or by proceedings for prior redemption (including special mandatory prior redemption), or otherwise; or

B. Nonpayment of Interest. If payment of any installment of interest shall not be made when the same becomes due and payable or within 30 days thereafter; or

C. Incapable to Perform. If the County shall for any reason be rendered incapable of fulfilling its obligations hereunder; or

D. Default of any Provision. If the County shall make default in the due and punctual performance of its covenants or conditions, agreements and provisions contained in the Bonds or in this ordinance on its part to be performed, and if such default shall continue for 60 days after written notice specifying such default and requiring the same to be remedied shall have been given to the County by the registered owners of 25% in principal amount of the Bonds then outstanding.

Section 28. Remedies upon Default. Upon the happening and continuance of any of the events of default as provided in Section 27 of this ordinance, then and in every case the registered owner or owners of not less than 25% in principal amount of the Bonds then outstanding, including but not limited to a trustee or trustees therefor, may proceed against the County, its Board, and its agents, officers and employees to protect and enforce the rights of any registered owner of Bonds under this ordinance by mandamus or other suit, action or special proceedings in equity or at law, in any court of competent jurisdiction, either for specific performance of any covenant or agreement contained herein or in an award or execution of any power herein granted for the enforcement of any power, legal or equitable remedy as such registered owner or owners may deem most effectual to protect and enforce the rights aforesaid, or thereby to enjoin any act or thing which may be unlawful or in violation of any right of any registered owner, or to require the Board of the County to act as if it were the trustee of an expressed trust, or any combination of such remedies. All such proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all registered owners of the Bonds then outstanding. The failure of any such registered owner so to proceed shall not relieve the County or any of its officers, agents or employees of any liability for failure to perform any duty. Each right or privilege of any such registered owner (or trustee thereof) is in addition and cumulative to any other right or privilege, and the exercise of any right or privilege by or on behalf of any registered owner shall not be deemed a waiver of any other right or privilege thereof.

Section 29. Duties Upon Default. Upon the happening of any of the events of default as provided in Section 27 of this ordinance, the County, in addition, will do and perform all proper acts on behalf of and for the registered owners of the Bonds to protect and preserve the security created for the payment of the principal of and interest on said Bonds promptly as the same become due. All proceeds derived from the Pledged Revenues, so long as any of the Bonds herein authorized, either as to principal or interest, are outstanding and unpaid, shall be paid into the Income Fund and used for the purposes therein provided. In the event the County fails or refuses to proceed as in this Section provided, the registered owner or registered owners of not less than 25% in principal amount of the Bonds then outstanding, after demand in writing, may proceed to protect and enforce the rights of the registered owners as hereinabove provided.

Section 30. Enforcement. Any registered owner of any one or more of said Bonds, may, either by law or in equity, by suit, action, mandamus or other appropriate proceedings in any court of competent jurisdiction enforce the payment of, interest on, or any prior redemption premium

due in connection with any Bond on or after the date on which such payment is due, and may by suit, action, mandamus or other appropriate proceeding or proceedings enforce and compel the performance of such payment in accordance with the provisions of this ordinance.

Section 31. Separability. If any section, paragraph, clause or provision shall 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 32. Repealer Clause. All ordinances or parts of ordinances inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any ordinance or part of any ordinance heretofore repealed.

Section 33. Amendment. This ordinance may be amended or supplemented by ordinance adopted by the Board in accordance with the laws of the State of New Mexico, as follows:

A. Without Consent of the Registered Owners. The County without the consent of or notice to the registered owners of the Bonds, may adopt an ordinance supplemental hereto (which supplemental ordinance shall thereafter form a part hereof) for any one or more or all of the following purposes:

(1) To add to the covenants and agreements in this ordinance contained other covenants and agreements thereafter to be observed for the protection or benefit of the registered owners of the Bonds; or

(2) To cure any ambiguity, to cure, correct or supplement any defect or inconsistent provision contained in this ordinance, or to make any provision with respect to matters arising under this ordinance or for any other purpose if such provisions are necessary or desirable and do not adversely affect the interests of the owners of the Bonds; or

(3) To subject to this ordinance additional revenues, properties or collateral.

B. With Consent of the Registered Owners. The County, without receipt by the County of any additional consideration but with the written consent of the registered owners of 75% of the Bonds authorized by this ordinance and outstanding at the time of the adoption of such amendatory or supplemental ordinance also may amend this ordinance in any other manner not permitted by paragraph A of this Section; provided, however, that no such ordinance shall have the effect of permitting:

(1) An extension of the maturity of any Bond authorized by this ordinance; or

(2) A reduction in the principal amount of any Bond, the rate of interest thereon or the prior redemption premium due in connection therewith; or

(3) The creation of a lien upon or pledge of Pledged Revenues ranking prior to the lien or pledge created by this ordinance; or

(4) A reduction of the principal amount of Bonds required for consent to such amendatory or supplemental ordinance; or

(5) The establishment of priorities as between Bonds issued and outstanding under the provisions of this ordinance; or

(6) The modification of or otherwise affecting the rights of the registered owners of less than all of the Bonds then outstanding.

Section 34. Continuing Disclosure Undertaking.

A. Written Undertaking. This Section constitutes the written undertaking of the County for the benefit of Bond owners (for purposes of this undertaking, such term shall include beneficial owners). Such written undertaking is required in order to allow the Purchaser to comply with Rule 15c2-12 promulgated by the Securities and Exchange Commission (the "SEC") under the Securities Exchange Act of 1934, as amended, (17 C.F.R. Part 240, § 240.15c2-12) (the "Rule").

B. Definitions. For purposes of this Section, the following definitions shall apply:

(1) "Annual Financial Information" means the financial information and operating data with respect to the County of the type set forth in the Official Statement, delivered at least annually to each Repository pursuant to subsection C hereof, including Audited Financial Statements and financial information and operating data relating to the Pledged Revenues, general County financial information and a table reflecting estimated debt service coverage by the Pledged Revenues.

(2) "Audited Financial Statements" means the County's annual financial statements, prepared in accordance with Generally Accepted Accounting Principles as in effect from time to time, audited by a firm of certified public accountants as required by the laws of the State.

(3) "Event Information" means the information delivered pursuant to subsection E hereof.

(4) "NRMSIR" means each nationally recognized municipal securities information repository ("NRMSIR") recognized by the SEC from time to time pursuant to the Rule. Such NRMSIRs currently include: (1) Kenny Information Systems, Inc., 65 Broadway - 16th Floor, New York, New York 10006, Attn: Kenny Repository Service, telephone (212) 770-4595, fax: (212) 797-7994; (2) Thomson NRMSIR, Attn: Municipal Disclosure, 395 Hudson Street, New York, New York 10014, telephone: (212) 807-5001 or (800) 689-8466, fax: (212) 989-2078, Email: disclosure@muller.com; (3) Bloomberg Municipal Repositories, P. O. Box 840, Princeton, New Jersey 08452-0840, telephone: (609) 279-3200, fax: (609) 279-5962, Email: MUNIS@bloomberg.com; (4) Moody's NRMSIR, Public Finance Information Center, 99 Church Street, New York, New York 10007, telephone: (800) 339-6306, fax: (212) 553-1460; (5) Disclosure, Inc., 5161 River Road, Bethesda, Maryland 20816, Attn: Document Acquisitions/Municipal Securities.

telephone: (301) 951-2390 or (800) 638-8241 (for purchase of documents), fax: (301) 951-1366 (for issuers to fax in documents), Email: Sherri.sewalt@Disclosure.com; and (6) Donnelly Financial Municipal Securities Disclosure Archive, 559 Main Street, Hudson, Massachusetts 01749, telephone: (800) 580-3670, fax: (508) 562-1969, Email: Sspotkill@rdfin.com.

(5) "Official Statement" means the Official Statement dated April 24, 1997 delivered in connection with the original issue and sale of the Bonds.

(6) "Repository" means (i) each NRMSIR and (ii) any SID.

(7) "SID" means any State Information Depository operated or designated by the State that receives information from all issuers within the State. As of the date of this undertaking, no SID exists for the State.

(8) "MSRB" means the Municipal Securities Rulemaking Board. The current address of the MSRB is 1640 King Street, #300, Alexandria, Virginia 22314.

(9) "SEC" means the Securities and Exchange Commission.

C. Annual Financial Information to Repositories. Commencing with the fiscal year ending June 30, 1997 and annually while the Bonds remain outstanding, the County agrees to provide or cause to be provided annually to each Repository the Annual Financial Information. Such Annual Financial Information shall be provided to each Repository within 270 days of the end of the County's fiscal year.

D. Annual and Audited Financial Information By Reference. The County may provide Annual Financial Information and Audited Financial Information by specific reference to documents previously provided to each Repository or filed with the SEC; provided, however, that if the document so referenced is a final official statement within the meaning of the Rule, such final official statement must be available from the MSRB.

E. Notice of Material Events. At any time the Bonds are outstanding, the County shall provide, in a timely manner, to the MSRB and the SID, notice of any of the following events with respect to the Bonds, if such event is material:

- (1) Principal and interest payment delinquencies;
- (2) Nonpayment related defaults;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;

- Bonds:
- (6) Adverse tax opinions or events affecting the tax-exempt status of the
 - (7) Modifications to rights of Bond owners:
 - (8) Bond calls:
 - (9) Defeasances:
 - (10) Release, substitution or sale of property securing repayment of the
 - (11) Rating changes.
- Bonds; and

F. Notice of Failure to Provide. At any time the Bonds are outstanding, the County shall provide, in a timely manner, to the MSRB and the SID, notice of any failure of the County to timely provide the Annual Financial Information as specified in subsection C hereof.

G. Transmittal of Information. In transmitting the information required by this Section and subject to technical and economic feasibility, the County shall employ such methods of electronic or physical information transmission as is requested or recommended by each Repository or the MSRB unless otherwise required by law.

H. Consequences of Failure to Comply. The obligations of the County hereunder shall be for the benefit of the Bond owners. Unless otherwise required by law, no Bond owner shall be entitled to damages for the County's non-compliance with its undertakings set forth in this Section; however, Bond owners may enforce specific performance of such undertakings by any judicial proceeding available. Breach of the undertakings of the County hereunder shall not constitute an event of default under Section 27 or any other provision of this Ordinance and none of the rights and remedies provided by this resolution shall be available to the Bond owners.

I. Effective Period of Undertaking. The undertaking contained in this Section shall be in effect from and after the issuance and delivery of the Bonds and shall extend to the earlier of (i) the date all principal and interest on the Bonds shall have been deemed paid pursuant to the terms of this resolution; (ii) the date that the County shall no longer constitute an "obligated person" within the meaning of the Rule; or (iii) the date on which those portions of the Rule which require this written undertaking are held to be invalid by a court of competent jurisdiction in a non-appealable action, have been repealed retroactively or otherwise do not apply to the Bonds.

J. Amendment. This Section may be amended from time to time without the consent of the Bond owners in compliance with the Rule and any interpretive guidance related to the Rule. The County shall provide notice of such amendment to each Repository.

K. Annual Appropriation. This Section shall be subject to annual appropriation by the Board.

Section 35. Amendment of Ordinance No. 204. Section 4 of Ordinance No. 204, adopted on June 23, 1987, is hereby amended to read as follows:

"Section 4: Dedication. The revenue derived from the foregoing gross receipts tax shall be used for the purpose of (1) constructing, purchasing, furnishing, equipping, rehabilitating, making additions to or making improvements to public buildings, or purchasing or improving any ground relating thereto, including but not necessarily to acquiring and improving parking lots or any combination of the foregoing, and (2) reconstructing, resurfacing, maintaining, repairing or otherwise improving existing alleys, streets, roads or bridges or any combination of the foregoing, or laying off, opening, constructing or otherwise acquiring new alleys, streets, roads or bridges or any combination of the foregoing and including acquisition of rights-of-way or any combination of the foregoing, and thereafter, to the extent permitted by law, for use in the general fund."

Section 36. Ordinance Irrepealable. After any of the Bonds herein authorized are issued, this ordinance shall be and remain irrepealable until the Bonds and interest thereon shall be fully paid, cancelled and discharged as therein provided, or there has been defeasance as provided in Section 26 hereof.

Section 37. Emergency Clause and Effective Date. This ordinance is necessary for the preservation of the public health, peace and safety of the inhabitants of the County; by reason of the fact that the County is in great need of the Project, this ordinance is hereby declared to be an emergency measure on the ground of urgent public need and therefore, immediately upon its adoption by at least two-thirds of all of the fully authorized members of the entire Board and upon its final passage, shall be recorded in the book of ordinances of the County kept for that purpose, authenticated by the signatures of the Chairman and County Clerk, and said ordinance shall be in full force and effect 30 days after this ordinance has been recorded in the book kept by the County for that purpose.

Section 38. Publication Notice. The following notice shall be published one time in the *Silver City Daily Press*, being a legal newspaper published and of general circulation in the County, as soon as is practicable following the adoption hereof:

3558

COUNTY OF GRANT, NEW MEXICO
NOTICE OF ADOPTION OF ORDINANCE NO. 97-04-24
AND RESOLUTION NO. 97-04-24A

NOTICE IS HEREBY GIVEN that on April 24, 1997 the Board of County Commissioners of Grant County duly adopted and approved its Ordinance No. 97-04-24 and Resolution No. 97-04-24A relating to the Grant County Gross Receipts Tax Revenue Bonds, Series April 1, 1997 and the gross receipts tax imposed by Ordinance No. 204 as amended by Ordinance No. 97-04-24. The title of Ordinance No. 97-04-24 is:

AN ORDINANCE AUTHORIZING THE ISSUANCE OF THE GRANT COUNTY GROSS RECEIPTS TAX REVENUE BONDS, SERIES APRIL 1, 1997 IN THE PRINCIPAL AMOUNT OF \$3,020,000 FOR THE PURPOSE OF DEFRAYING THE COST OF (1) PUBLIC BUILDINGS PROJECTS AND (2) STREET PROJECTS; PROVIDING THAT THE BONDS WILL BE PAYABLE AND COLLECTIBLE FROM THE REVENUE ATTRIBUTABLE TO THE FIRST ONE-EIGHTH PORTION OF THE COUNTY'S GROSS RECEIPTS TAX WHICH IS LEVIED PURSUANT TO ORDINANCE NO. 204 (ADOPTED JUNE 23, 1987) PURSUANT TO SECTIONS 7-29E-1 THROUGH 7-29F-12, NMSA 1978 AS AMENDED AND SUPPLEMENTED AND OTHER SPECIFIED REVENUE RELATED THERETO; PROVIDING FOR THE DISPOSITION OF THE RECEIPTS DERIVED FROM SAID TAX PROCEEDS; PRESCRIBING OTHER DETAILS CONCERNING SAID BONDS AND SAID TAX PROCEEDS, INCLUDING BUT NOT LIMITED TO COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH AND THE FORM, TERMS, CONDITIONS, MANNER OF EXECUTION OF SAID BONDS AND THE PROJECT; RATIFYING ACTION PREVIOUSLY TAKEN IN CONNECTION THEREWITH; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH; AMENDING SECTION 4 OF ORDINANCE NO. 204; AND DECLARING AN EMERGENCY.

COMPLETE COPIES OF THE ORDINANCE AND RESOLUTION ARE ON FILE IN THE OFFICE OF THE COUNTY CLERK AT THE COUNTY COURTHOUSE, 201 NORTH COOPER, IN SILVER CITY, NEW MEXICO, AND ARE AVAILABLE FOR INSPECTION AND/OR PURCHASE DURING REGULAR OFFICE HOURS. THIS NOTICE ALSO CONSTITUTES COMPLIANCE WITH SECTIONS 6-14-4 THROUGH 6-14-7, NMSA 1978.

WITNESS my hand and the seal of the County of Grant this April 24, 1997.

(SEAL)


COUNTY CLERK

PASSED, ADOPTED, SIGNED AND APPROVED THIS APRIL 24, 1997.

Margaret T. Serna, Chairman

Zeke Santa Maria, Member

Carl W. Scholl, Member

(SEAL)

Attest:

Gabriel Ramos, County Clerk

The Chairman thereupon asked if any Commissioner or other person in attendance would like to have such bond ordinance read in full. There being no such request, the Chairman announced that copies of the bond ordinance are available to anyone requesting the same.

Commissioner Santa Maria then moved that said ordinance as filed with the County Clerk at this meeting be passed and adopted. Commissioner Scholl seconded the motion.

The question being upon the passage and adoption of said ordinance, the roll was called with the following result:

Those Voting Yes:	Zeke Santa Maria
Those Voting Nay:	Carl W. Scholl
Those Absent:	Manuel T. Serna
	None
	None

The presiding officer thereupon declared that at least two-thirds of all the members of that Board having voted in favor thereof, the said motion was carried and the said ordinance duly passed and adopted.

Thereupon there was officially filed with the County Clerk, the Chairman and each Commissioner the following resolution which was introduced by Commissioner Serna

3561

RESOLUTION NO. 97-04-24A

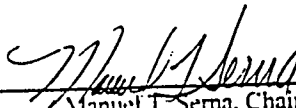
WHEREAS, pursuant to statutes now cited as Sections 7-20-E-1 through 7-20-E-12, NMSA 1978, the Board of County Commissioners of Grant County ("Board" and "County") respectively adopted Ordinance No. 204 which imposes a County gross receipts tax of 1.8 of 1% of the gross receipts of persons engaging in business within the County, and which Ordinance and tax remain in effect; and

WHEREAS, the Board by Ordinance No. 97-04-24, adopted on this April 24, 1997, has authorized the issuance of its "Grant County Gross Receipts Tax Revenue Bonds, Series April 1, 1997," in the principal amount of \$3,020,000 ("1997 Bonds") and has amended Section 4 of Ordinance No. 204,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF GRANT, NEW MEXICO:

Section 1. All action heretofore taken by the Board and the officers of the County directed toward the financing of the Project, the sale and issuance of the 1997 Bonds, the pledge of the Pledged Revenue and the adoption of Ordinance No. 97-04-24 and Ordinance No. 204 as amended by Ordinance No. 97-04-24, be, and the same hereby is ratified, approved and confirmed. All capitalized terms shall have the same meaning as such terms have in Ordinance No. 97-04-24.

PASSED, ADOPTED, SIGNED AND APPROVED THIS APRIL 24, 1997.

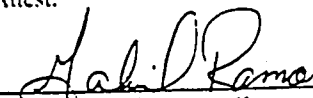

Manuel T. Serna, Chairman


Zeke Santa Maria, Member


Carl W. Scholl, Member

(SEAL)

Attest:


Gabriel Ramos, County Clerk

The Chairman thereupon asked if any Commissioner or other person in attendance would like to have such resolution read in full. There being no such request, the Chairman announced that copies of the resolution are available to anyone requesting the same.

Commissioner Scholl then moved that said resolution as filed with the County Clerk at this meeting be passed and adopted. Commissioner Santa Maria seconded the motion.

The question being upon the passage and adoption of said resolution, the roll was called with the following result:

Those Voting Yea:	Zeke Santa Maria Carl W. Scholl Manuel T. Serna
-------------------	---

Those Voting Nay:	<u>None</u>
-------------------	-------------

Those Absent:	<u>None</u>
---------------	-------------

The presiding officer thereupon declared that at least two-thirds of all the members of that Board having voted in favor thereof, the said motion was carried and the said resolution duly passed and adopted.

The Chairman thereupon determined that each member of the Board has been furnished with the foregoing minutes relating to such bond issue (being page 1 through 38). After discussion thereof, Commissioner Scholl then moved approval of the foregoing minutes (pages 1 through 38). Commissioner Santa Maria seconded such motion which, upon being put to a vote, was passed and adopted on the following recorded vote:

Those Voting Yea:	Zeke Santa Maria Carl W. Scholl Manuel T. Serna
-------------------	---

Those Voting Nay:	<u>None</u>
Those Absent:	<u>None</u>

The presiding officer thereupon declared that at least a majority of all the members of the Board having voted in favor thereof, said motion was carried and such minutes (pages 1 through 38) are approved and official.

After consideration of matters not relating to such County Gross Receipts Tax Revenue Bonds, the meeting on motion duly made, seconded and unanimously carried, was adjourned.

G. M. O'Shea
Chairman

(SEAL)

Attest:

Mal. P. Rana
Clerk

I, Gabriel Ramos, County Clerk of the Grant County, New Mexico, do hereby certify:

1. The foregoing pages numbered 1 through 39, both inclusive, constitute a full and correct copy of the record of the proceedings taken by the Board of County Commissioners of such County at a regular meeting thereof held on April 24, 1997 at the Grant County Courthouse, 201 North Cooper, in Silver City, New Mexico, so far as said minutes relate to Ordinance No. 97-04-24 (being pages 2 through 35) and Resolution No. 97-04-24A (page 37), a copy of each of which is herein set forth said copies of said ordinance and resolution as passed by the Board of County Commissioners at said meeting are in substantially the same form as the ordinance and resolution filed with me on April 15, 1997; and said ordinance and resolution as passed on April 24, 1997 have been duly authenticated by the signatures of the Chairman of the County and myself as County Clerk; sealed with the corporate seal of said County; and recorded in my office on April 24, 1997. The minutes contained on pages 1 through 38 insofar as they relate to the adoption of such ordinance and resolution have been duly approved by the Board and are official.

2. Notice of such meeting of April 24, 1997, was given by publishing a notice of such meeting in the *Silver City Daily Press* on April 24, 1997 (an affidavit of publication thereof being attached hereto as Exhibit A), by posting such notice in the lobby of the Grant County Courthouse and by sending a notice and proposed agenda to all Grant County radio stations, TV Stations and newspapers of general circulation, all at least three days prior to such meeting and all in accordance with the County's Resolution No. 97-01-09A, adopted January 9, 1997, establishing notice standards with respect to meetings of the Board (a copy of such notice being attached hereto as Exhibit B).

3. The Chairman and members of the Board of County Commissioners were present at said meeting, and the members of said Board of County Commissioners voted on the passage of such ordinance and resolution in said minutes set forth and said ordinance which ordinance was on April 24, 1997, published in the *Silver City Daily Press*, being a newspaper which maintains an office in and is of general circulation within said County, copies of such affidavits of publication being attached hereto as Exhibit C.

4. No other business concerning said ordinances was taken at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of said County of Grant, New Mexico, this May 27, 1997.

(SEAL)

County Clerk

3565

EXHIBIT A

(Attach Affidavit of Publication of Notice of
April 24, 1997 Meeting from Silver City Daily Press)

(Attach Notice and Agenda of Meeting as Sent)

EXHIBIT B

9953

(Attach Affidavit of Publication of Notice of Adoption of Ordinance)

EXHIBIT C

3567

STATE OF NEW MEXICO

COUNTY OF GRANT

AFFIDAVIT OF FILING OF
CERTIFIED SIGNATURES

SS.

Mmanuel T. Serna, Gabriel Ramos and Rusilia Benavidez each being by me first duly sworn, upon oath, deposes and says:

Each hereby certifies that they are the Chairman of the Board of County Commissioners, County Clerk and County Treasurer respectively, of the County of Grant, State of New Mexico; and the following signatures designated by his or her official title is his or her own manually executed signature and is being filed with the Secretary of State of New Mexico, so that after such filing, the facsimile signature of each respective officer may hereafter be used on the public securities hereafter issued by said County, pursuant to Sections 6-9-1 through 6-9-6, NMSA 1978.

Further affidants saith not.

(SEAL)

Chairman
Board of County Commissioners

Mmanuel T. Serna
County Clerk

Gabriel Ramos
County Treasurer

1997.

SUBSCRIBED, SWORN AND CERTIFIED to before me this 25 day of

My commission expires 8/24/2000

Veronica J. Gonzalez
Notary Public

The above affidavit has been filed in the office of the Secretary of State of New Mexico on this _____ day of _____, 1997.

Stephanie Gonzales
Secretary of State of New Mexico

By: _____