

OCTOBER 2014						
M	T	W	T	F	S	S
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13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

NOVEMBER 2014						
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DECEMBER 2014						
M	T	W	T	F	S	S
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**NEW MEXICO FINANCE AUTHORITY
and
COLONIAS INFRASTRUCTURE BOARD**

**FINANCING SCHEDULE & DISTRIBUTION LIST
COLONIAS INFRASTRUCTURE PROJECT FUND
GRANT AGREEMENT**

**GRANT COUNTY, NEW MEXICO
\$692,133 Grant**

Project No. 3160-CIF

Prepared: October 21, 2014

DATE	ACTION	PARTIES
Tuesday, March 6, 2014	Application received by Finance Authority	Grantee
Wednesday, June 4, 2014	Colonias Infrastructure Board Approval	CIB
Thursday, July 24, 2014	New Mexico Finance Authority Board Approval	Finance Authority
Thursday, September 11, 2014	E.O. 2013-006 Certification Letter Received	Finance Authority
Tuesday, October 21, 2014	Distribute Draft Financing Schedule and draft closing documents for review and comment by Finance Authority, Grantee and Grantee's counsel	VN
Wednesday, October 29, 2014	Comments received on draft closing documents from Finance Authority Grantee and Grantee's counsel	Finance Authority
Wednesday, November 5, 2014	Closing documents in final form distributed to Grantee	VN
Wednesday, November 12, 2014	Governing body adopts Resolution	Grantee
Wednesday, November 19, 2014	Closing documents signed by Grantee and delivered to closing counsel	Grantee

DATE	ACTION	PARTIES
Monday, December 1, 2014	Delivery of closing documents forwarded to Finance Authority in paper and electronic form for signature	VN
Wednesday, December 3, 2014	CIB Chairman signs closing documents	Finance Authority/CIB
Friday, December 5, 2014	Closing	All
Two weeks after receipt of all transcript documents	Transcript distributed	VN

DISTRIBUTION LIST

GRANTEE

Grant County New Mexico

Physical Address:

1400 Highway 180 East

Silver City, NM 88061

Mailing Address:

P.O. Box 898

Silver City, New Mexico 88622

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P.O. Box 2157

Silver City, New Mexico 88062

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Contact: Anthony Gutierrez, Planning Director

Phone: (575) 574-0007

Email: agutierrez@grantcountynm.com

GRANTEE'S COUNSEL:

Abigail E. Robinson, County Attorney

Phone: (575) 574-0008

Email: arobinson@grantcountynm.com

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Santa Fe, New Mexico 87502-2249

Phone: (505) 983-6101

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Richard L.C. Virtue, Attorney

NEW MEXICO FINANCE AUTHORITY

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**RECORD OF PROCEEDINGS RELATING TO THE ADOPTION OF
RESOLUTION NO. R-14-61 OF THE BOARD OF COUNTY COMMISSIONERS
OF GRANT COUNTY, NEW MEXICO
NOVEMBER 12, 2014**

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

The Board of County Commissioners (the "Governing Body") of Grant County (the "Grantee") met in a regular session in full conformity with the law and the rules and regulations of the Governing Body at 1400 Highway 180 East, Silver City, New Mexico, being the meeting place of the Governing Body for the meeting held on the 12th day of November, 2014 at the hour of 9:00 a.m. Upon roll call, the following members were found to be present:

Present:

Chairman: Brett Kasten

Commissioners: Ron Hall

Gabriel Ramos

Absent:

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118

Also Present:

For more information, contact the Office of the Vice President for Research and Economic Development at 515-294-6450 or research@iastate.edu.

Thereupon, there were officially filed with the County Clerk copies of a proposed Resolution and Colonias Infrastructure Project Fund Grant Agreement in final form, the proposed Resolution being as hereinafter set forth:

[*Remainder of page intentionally left blank.*]

GRANT COUNTY
RESOLUTION NO. R-14-61

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A COLONIAS INFRASTRUCTURE PROJECT FUND GRANT AGREEMENT BY AND AMONG THE NEW MEXICO COLONIAS INFRASTRUCTURE BOARD (“CIB”) AND THE NEW MEXICO FINANCE AUTHORITY (“FINANCE AUTHORITY,” AND COLLECTIVELY WITH THE CIB, THE “LENDERS/GRANTORS”) AND GRANT COUNTY (THE “GRANTEE”), FOR THE BENEFIT OF THE COLONIA OF THE COMMUNITY OF ROSEDALE, IN THE TOTAL AMOUNT OF \$692,133, EVIDENCING AN OBLIGATION OF THE GRANTEE TO UTILIZE THE GRANT AMOUNT SOLELY FOR THE PURPOSE OF FINANCING THE COSTS OF COMPLETION OF THE CONSTRUCTION PHASE OF ROSEDALE ROAD INCLUDING RESURFACING EXISTING ROADWAY AND IMPROVING STORM WATER DRAINAGE FACILITIES THAT WILL ABATE ROADS, DRAINAGE AND FLOODING HAZARDS INCLUDING DANGEROUS BLIND SPOTS FOR PEDESTRIANS AND DRIVERS AT VARIOUS TURNS, AND SOLELY IN THE MANNER DESCRIBED IN THE GRANT AGREEMENT; CERTIFYING THAT THE GRANT AMOUNT, TOGETHER WITH OTHER FUNDS AVAILABLE TO THE GRANTEE, IS SUFFICIENT TO COMPLETE THE PROJECT; APPROVING THE FORM OF AND OTHER DETAILS CONCERNING THE GRANT AGREEMENT; RATIFYING ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT WITH THIS RESOLUTION; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE GRANT AGREEMENT.

Capitalized terms used in the following preambles and not defined in the preambles have the same meaning as defined in this Resolution unless the context requires otherwise.

WHEREAS, the CIB is a public body duly organized and created pursuant to the laws of the State of New Mexico (the “State”), particularly the Colonias Infrastructure Act, NMSA 1978, §§ 6-30-1 through 6-30-8, as amended, (the “Colonias Infrastructure Act” or the “Act”); and

WHEREAS, the Finance Authority is a public body politic and corporate, separate and apart from the State, constituting a governmental instrumentality, duly organized and created pursuant to the laws of the State, particularly NMSA 1978, §§ 6-21-1, through 6-21-31, as amended, (the “Finance Authority Act”); and

WHEREAS, the Grantee is a Political Subdivision of the State, being a legally and regularly created, established, organized and existing county under the general laws of the State and more specifically, NMSA 1978, §§ 4-9-1 and 4-9-2, as amended; and

WHEREAS, the Act creates the Colonias Infrastructure Project Fund (the “Fund”) in the Finance Authority, to be administered by the Finance Authority to originate grants or loans and grants to Qualified Entities for Qualified Projects recommended by the CIB; and

WHEREAS, there exists within the boundaries of the Grantee, the Colonia, a community that has been designated as a Colonia within the meaning of the Act; and

WHEREAS, the Grantee will be receiving the Grant for the benefit of the Colonia and the constituent public the Grantee serves; and

WHEREAS, the Grantee has determined that it is in the best interests of the Grantee and the Colonia to enter into an Agreement with the Grantors to accept a grant in the amount of six hundred ninety-two thousand one hundred thirty-three dollars (\$692,133) from the Grantors to finance the costs of the Project, this project being more particularly described in the Term Sheet; and

WHEREAS, the Governing Body has determined and hereby determines that the Project may be financed with amounts granted pursuant to the Grant Agreement, that the Grant Amount, together with the Local Match and other monies available to the Grantee, is sufficient to complete the Project, and that it is in the best interest of the Grantee and the Colonia and the constituent public the Grantee serves that the Grant Agreement be executed and delivered and that the funding of the Project take place by executing and delivering the Grant Agreement; and

WHEREAS, the Grantee is providing a Local Match equal to at least twenty percent (20%) of the Grant Amount in lieu of the loan component; and

WHEREAS, the Governing Body has determined that it may lawfully enter into the Grant Agreement, accept the Grant Amount and be bound to the obligations and by the restrictions thereunder; and

WHEREAS, the Grant Agreement shall not constitute a general obligation of the Grantee, the CIB or the Finance Authority or a debt or pledge of the full faith and credit of the Grantee, the CIB, the Finance Authority or the State; and

WHEREAS, there have been presented to the Governing Body and there presently are on file with the County Clerk this Resolution and the form of the Grant Agreement which is incorporated by reference and considered to be a part hereof; and

WHEREAS, the Governing Body hereby determines that (i) the Local Match is now available to the Grantee to complete the Project; or (ii) that the Governing Body will take such steps as are necessary to obtain the Local Match within six (6) months after the Closing Date; and

WHEREAS, the Grantee acknowledges that, in the event that it is unable to provide the Local Match within six (6) months after the Closing Date, the Grant Agreement shall, at the option of the CIB and the Finance Authority, terminate and be of no further force or effect; and

WHEREAS, the Grantee has met the requirements of Executive Order 2013-006 and has or will meet prior to the first disbursement of any portion of the Grant Amount, the Conditions and readiness to proceed requirements established for the portion of the Grant Amount disbursed

or caused to be disbursed by the Finance Authority and the CIB; and

WHEREAS, all required authorizations, consents and approvals in connection with (i) the use of the Grant Amount for the purposes described, and according to the restrictions set forth, in the Grant Agreement; (ii) the availability of other monies necessary and sufficient, together with the Grant Amount, to complete the Project; and (iii) the authorization, execution and delivery of the Grant Agreement which are required to have been obtained by the date of this Resolution, have been obtained or are reasonably expected to be obtained.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF GRANT COUNTY, NEW MEXICO:

Section 1. Definitions. Capitalized terms defined in the foregoing preambles, if not defined in this Section 1, shall have the same meaning as stated in the preambles, unless the context clearly requires otherwise. As used in this Resolution, the following terms shall, for all purposes, have the meanings herein specified, unless the context clearly requires otherwise (such meanings to be equally applicable to both the singular and the plural forms of the terms defined):

“Agreement” or “Grant Agreement” means the Grant Agreement and any amendments or supplements thereto, including the exhibits attached thereto.

“Authorized Officers” means, any one or more of the Chairman of the Governing Body, County Manager, County Treasurer and County Clerk thereof.

“Colonia” or “Colonias” means a Colonia as defined in the Act, and more particularly in NMSA 1978, § 6-30-3(C), as amended; and particularly the Colonia of the community of Rosedale.

“Conditions” has the meaning given to that term in the Grant Agreement.

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

“Effective Date” or “Closing Date” means the date of execution of the Grant Agreement by the Grantee, the CIB and the Finance Authority.

“Eligible Architectural, Engineering and Construction Management Fees” means the fees and costs associated with the architectural, engineering and construction project management costs for services rendered to the Grantee for the transaction of the Project and those directly associated with the Project, in an amount up to twelve percent (12%) of the Grant Amount.

“Eligible Fees for Other Professional Services” means the fees and costs incurred for other professional services necessary to the completion of the Project including, but not limited to, services provided by accounting and auditing firms, hydrologists and surveyors. Such fees may not exceed five percent (5%) of the Grant Amount.

“Eligible Fiscal Agent Fees” means fees and costs incurred by a fiscal agent for the administration of Project funds, including the collection and reporting of Project information as required by the Agreement, in an amount not exceeding five percent (5%) of the Grant Amount.

“Eligible Legal Costs” means legal fees and costs for services rendered by legal counsel on behalf of the Grantee for transaction of the Project and those directly associated with the Qualified Project, in an amount not exceeding ten percent (10%) of the Grant Amount, but does not include adjudication services.

“Eligible Items” has the meaning given to that term in the Grant Agreement.

“Expenses” means the costs of the Grantors of originating and administering the Grant, and includes Grantee’s Eligible Architectural, Engineering and Construction Management Fees, Eligible Fees for Other Professional Services, Eligible Legal Costs and Eligible Fiscal Agent Fees to the extent allowed under the Act, the Rules, other applicable statutes and rules, and applicable Policies.

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

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

“Governing Body” means the Board of County Commission of the Grantee, or any future successor governing body of the Grantee.

“Grant” or “Grant Amount” means the amount provided to the Grantee as a grant pursuant to the Grant Agreement for the purpose of funding the Project, and equals six hundred ninety-two thousand one hundred thirty-three dollars (\$692,133).

“Grantors” means the CIB and the Finance Authority.

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

“Local Match” means the amount determined pursuant to the Policies to be provided by the Grantee which includes the total value of the soft or hard match (each as defined in the Policies) which, in combination with the Grant Amount and other monies available to the Grantee, is sufficient to complete the Project. The Local Match is one hundred thirty-eight thousand four hundred twenty-seven dollars (\$138,427).

“NMAC” means the New Mexico Administrative Code.

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

“Policies” means the Colonias Infrastructure Project Fund Project Selection and Management Policies, approved by the CIB.

“Political Subdivision of the State” means a municipality, a county, water and sanitation district, an association organized and existing pursuant to the Sanitary Projects Act, NMSA 1978, § 3-29-1 through § 3-29-21, as amended, or any other entity recognized by statute as a political subdivision of the State.

“Project” means the project described in the Term Sheet.

“Project Account” means the book account established by the Finance Authority in the name of the Grantee for purposes of tracking expenditure of the Grant Amount by the Grantee to pay for the costs of the Project, as shown in the Term Sheet, which account shall be kept separate and apart from all other accounts of the Finance Authority.

“Qualified Entity” means a county, municipality, or other entity recognized as a Political Subdivision of the State pursuant to NMSA 1978, § 6-30-3(F), as amended.

“Qualified Project” means a project selected by the CIB for financial assistance that is primarily intended to develop Colonias infrastructure. A Qualified Project may include a water system, a wastewater system, solid waste disposal facilities, flood and drainage control, roads or housing infrastructure pursuant to NMSA 1978, § 6-30-3(G), as amended, but does not include general operation and maintenance, equipment, housing allowance payments or mortgage subsidies.

“Resolution” means this Resolution as it may be supplemented or amended from time to time, pursuant to Section 9.

“Rules” means Review and Selection of Colonias Infrastructure Projects, New Mexico Colonias Infrastructure Board, Sections 2.91.2.1 through 2.91.2.18 NMAC.

“State” means the State of New Mexico.

“Term Sheet” means Exhibit “A” attached to the Grant Agreement.

“Useful Life” means the period during which the Project is expected to be usable for the purpose for which it was acquired and constructed.

Section 2. Ratification. All action heretofore taken (not inconsistent with the provisions of this Resolution) by the Grantee and officers of the Grantee directed toward the

acquisition and completion of the Project, and the execution and delivery of the Grant Agreement shall be, and the same hereby is, ratified, approved and confirmed.

Section 3. Authorization of the Project and the Grant Agreement. The acquisition and completion of the Project and the method of funding the Project through execution and delivery of the Grant Agreement are hereby authorized and ordered. The Project is for the benefit and use of the Grantee and the Colonia and the constituent public served by the Grantee.

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

A. The Project is needed to meet the needs of the Grantee and the Colonia and the constituent public served by the Grantee.

B. Moneys available and on hand for the Project from all sources other than the Grant are not sufficient to defray the cost of acquiring and completing the Project but, together with the Grant Amount, are sufficient to complete the Project.

C. The Project and the execution and delivery of the Grant Agreement pursuant to the Act to provide funds for the financing of the Project are necessary and in the interest of the public health, safety, and welfare of the constituent public served by the Grantee.

D. The Grantee will acquire and complete the Project with the proceeds of the Grant, the Local Match and other amounts available to the Grantee, and except as otherwise expressly provided by the Grant Agreement, will utilize, operate and maintain the Project for the duration of its Useful Life.

E. Together with the Grant Amount, and other amounts available to the Grantee, the Local Match is now available to the Grantee, or is expected to become available to the Grantee within six (6) months after the Closing Date, and, in combination with the Grant Amount, the Local Match and other amounts available to the Grantee, will be sufficient to complete the Project and pay Expenses.

F. The Grantors shall maintain on behalf of the Grantee a separate Project Account as a book account only on behalf of the Grantee and financial records in accordance with Generally Accepted Accounting Principles during the construction or implementation of the Project.

G. The Grantee has or will acquire title to or easements or rights of way on the real property upon which the Project is being constructed or located prior to the disbursement of any portion of the Grant Amount for use of construction.

Section 5. Grant Agreement – Authorization and Detail.

A. Authorization. This Resolution has been adopted by the affirmative vote of at least a majority of all of the members of the Governing Body. For the purpose of protecting

the public health, conserving the property, and protecting the general welfare and prosperity of the public served by the Grantee and acquiring and completing the Project, it is hereby declared necessary that the Grantee execute and deliver the Grant Agreement evidencing the Grantee's acceptance of the Grant Amount of six hundred ninety-two thousand one hundred thirty-three dollars (\$692,133) to be utilized solely for the purpose of completing the Project and paying Expenses, and solely in the manner and according to the restrictions set forth in the Grant Agreement, the execution and delivery of which is hereby authorized. The Grantee shall use the Grant Amount to finance the acquisition and completion of the Project and to pay Expenses.

B. Detail. The Grant Agreement shall be in substantially the form of the Grant Agreement presented at the meeting of the Governing Body at which this Resolution was adopted. The Grant shall be in the amount of six hundred ninety-two thousand one hundred thirty-three dollars (\$692,133).

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

Section 7. Disposition of Proceeds: Completion of the Project.

A. Project Account and Expenses. The Grantee hereby consents to creation of the Project Account and the payment of Expenses by the Finance Authority and further approves of the deposit or crediting of a portion of the Grant Amount to pay Expenses. Until the Completion Date, the amount of the Grant credited to the Project Account shall be used and paid out solely for the purpose of acquiring the Project in compliance with applicable law and the provisions of the Grant Agreement or to pay Expenses.

B. Completion of the Project. The Grantee shall proceed to complete the Project with all due diligence. Upon the Completion Date, the Grantee shall execute a certificate stating that completion of and payment for the Project has been completed. Following the Completion Date or the earlier expiration of the time allowed for disbursement of the Grant Amount as provided in the Grant Agreement, any balance remaining in the Project Account shall be transferred and deposited into the Colonias Infrastructure Project Fund or otherwise distributed as provided in the Grant Agreement.

C. CIB and Finance Authority Not Responsible. Grantee shall apply the funds derived from the Grant Agreement as provided therein, and in particular Article V of the Grant Agreement. Neither the CIB nor the Finance Authority shall in any manner be responsible for the application or disposal by the Grantee or by its officers of the funds derived from the Grant Agreement or of any other funds held by or made available to the Grantee in connection with the Project. Grantors shall not be liable for the refusal or failure of any other agency of the State to transfer any portion of the Grant Amount in its possession, custody and control to the

Finance Authority for disbursement to the Grantee, or to honor any request for such transfer or disbursement of the Grant Amount.

Section 8. Authorized Officers. Authorized Officers are hereby individually authorized and directed to execute and deliver any and all papers, instruments, opinions, affidavits and other documents and to do and cause to be done any and all acts and things necessary or proper for carrying out this Resolution, the Grant Agreement and all other transactions contemplated hereby and thereby. Authorized Officers are hereby individually authorized to do all acts and things required of them by this Resolution and the Grant Agreement for the full, punctual and complete performance of all the terms, covenants and agreements contained in this Resolution and the Grant Agreement including but not limited to, the execution and delivery of closing documents in connection with the execution and delivery of the Grant Agreement.

Section 9. Amendment of Resolution. This Resolution after its adoption may be amended without receipt by the Grantee of any additional consideration, but only with the prior written consent of the CIB and the Finance Authority.

Section 10. Resolution Irrepealable. After the Grant Agreement has been executed and delivered, this Resolution shall be and remain irrepealable until all obligations due under the Grant Agreement shall be fully discharged, as herein provided.

Section 11. Severability Clause. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 12. Repealer Clause. All bylaws, orders, ordinances, resolutions, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any bylaw, order, resolution or ordinance, or part thereof, heretofore repealed.

Section 13. Effective Date. Upon due adoption of this Resolution, it shall be recorded in the book of the Grantee kept for that purpose, authenticated by the signatures of the Chairman of the Governing Body and County Clerk of the Grantee, and this Resolution shall be in full force and effect thereafter, in accordance with law; provided, however, that if recording is not required for the effectiveness of this Resolution, this Resolution shall be effective upon adoption of this Resolution by the Governing Body.

[Remainder of page intentionally left blank.]

[Signature page follows.]

PASSED, APPROVED AND ADOPTED THIS 12TH DAY OF NOVEMBER, 2014.

GRANT COUNTY, NEW MEXICO

By Brett Kasten
Brett Kasten, Chairman,
Board of County Commissioners

ATTEST:

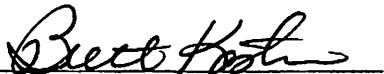
Robert Zamarripa
Robert Zamarripa, County Clerk

[Remainder of page intentionally left blank.]

PASSED, APPROVED AND ADOPTED THIS 12TH DAY OF NOVEMBER, 2014.

GRANT COUNTY, NEW MEXICO

By



Brett Kasten, Chairman,
Board of County Commissioners

ATTEST:


Robert Zamarripa, County Clerk

[Remainder of page intentionally left blank.]

Governing Body Member Gabriel Ramos then moved adoption of the foregoing Resolution, duly seconded by Governing Body Member Ron Hull.

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

Those Voting Aye:

Ron Hull

Gabriel Ramos

Brett Kaslen

Those Voting Nay:

0

Those Absent:

6

Three (3) Members of the Governing Body having voted in favor of the motion, the Chairman of the Governing Body declared the motion carried and the Resolution adopted, whereupon the Chairman of the Governing Body and County Clerk signed the Resolution upon the records of the minutes of the Governing Body.

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

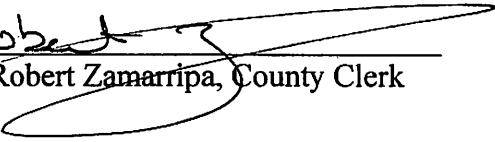
GRANT COUNTY, NEW MEXICO

By



Brett Kasten, Chairman,
Board of County Commissioners

ATTEST:

By 
Robert Zamarripa, County Clerk

[Remainder of page intentionally left blank.]

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

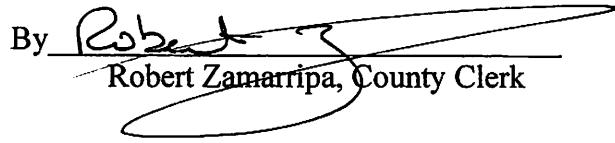
GRANT COUNTY, NEW MEXICO

By



Brett Kasten, Chairman,
Board of County Commissioners

ATTEST:

By 
Robert Zamarripa, County Clerk

[Remainder of page intentionally left blank.]

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

I, Robert Zamarripa, the duly qualified and acting County Clerk of Grant County (the "Grantee"), do hereby certify:

1. The foregoing pages are a true, perfect, and complete copy of the record of the proceedings of the Board of County Commissioners of the Grantee (the "Governing Body"), had and taken at a duly called regular meeting held at the 1400 Highway 180 East, Silver City, New Mexico, on November 12, 2014 at the hour of 9:00 a.m., insofar as the same relate to the adoption of Resolution No. R-14-61 and the execution and delivery of the proposed Grant Agreement, a copy of which is set forth in the official records of the proceedings of the Governing Body kept in my office. None of the action taken has been rescinded, repealed, or modified.

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

3. Notice of the meeting was given in compliance with the permitted methods of giving notice of meetings of the Governing Body as required by the State Open Meetings Act, NMSA 1978, § 10-15-1, as amended, including the Grantee's Open Meetings Act Resolution No. R-14-01, adopted and approved on January 9, 2014 in effect on the date of the meeting.

IN WITNESS WHEREOF, I have hereunto set my hand this 5th day of December, 2014.

GRANT COUNTY, NEW MEXICO

By Robert Zamarripa
Robert Zamarripa, County Clerk

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

I, Robert Zamarripa, the duly qualified and acting County Clerk of Grant County (the "Grantee"), do hereby certify:

1. The foregoing pages are a true, perfect, and complete copy of the record of the proceedings of the Board of County Commissioners of the Grantee (the "Governing Body"), had and taken at a duly called regular meeting held at the 1400 Highway 180 East, Silver City, New Mexico, on November 12, 2014 at the hour of 9:00 a.m., insofar as the same relate to the adoption of Resolution No. R-14-61 and the execution and delivery of the proposed Grant Agreement, a copy of which is set forth in the official records of the proceedings of the Governing Body kept in my office. None of the action taken has been rescinded, repealed, or modified.

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

3. Notice of the meeting was given in compliance with the permitted methods of giving notice of meetings of the Governing Body as required by the State Open Meetings Act, NMSA 1978, § 10-15-1, as amended, including the Grantee's Open Meetings Act Resolution No. R-14-01, adopted and approved on January 9, 2014 in effect on the date of the meeting.

IN WITNESS WHEREOF, I have hereunto set my hand this 5th day of December, 2014.

GRANT COUNTY, NEW MEXICO

By Robert Zamarripa
Robert Zamarripa, County Clerk

EXHIBIT "A"

Notice of Meeting, Meeting Agenda and Minutes.

\$692,133

**COLONIAS INFRASTRUCTURE PROJECT FUND
GRANT AGREEMENT**

Dated

December 5, 2014

By and Among the

**COLONIAS INFRASTRUCTURE BOARD
and the
NEW MEXICO FINANCE AUTHORITY,
as Grantors,**

and

**GRANT COUNTY,
New Mexico,
as Grantee.**

**COLONIAS INFRASTRUCTURE PROJECT FUND
GRANT AGREEMENT**

THIS GRANT AGREEMENT (the "Agreement") dated December 5, 2014, is entered into by and among the **COLONIAS INFRASTRUCTURE BOARD** (the "CIB") and the **NEW MEXICO FINANCE AUTHORITY** (the "Finance Authority") (collectively, the "Grantors"), and **GRANT COUNTY**, New Mexico, (the "Grantee") for the benefit of the Colonia of the community of Rosedale (the "Colonia").

W I T N E S S E T H:

Capitalized terms used in the following preambles and not defined above or in the preambles of this Agreement have the same meaning as defined in Article I of this Agreement unless the context requires otherwise.

WHEREAS, the CIB is a public body duly organized and created pursuant to the laws of the State of New Mexico (the "State"), particularly the Colonias Infrastructure Act, NMSA 1978, §§ 6-30-1 through 6-30-8, as amended (the "Colonias Infrastructure Act" or the "Act"); and

WHEREAS, the Finance Authority is a public body politic and corporate, separate and apart from the State, constituting a governmental instrumentality, duly organized and created pursuant to the laws of the State, particularly NMSA 1978, §§ 6-21-1 through 6-21-31, as amended, (the "Finance Authority Act"); and

WHEREAS, the Act creates the Colonias Infrastructure Project Fund (the "Fund") in the Finance Authority, to be administered by the Finance Authority to originate grants or loans and grants to Qualified Entities for Qualified Projects recommended by the CIB; and

WHEREAS, the Grantee is a Political Subdivision of the State, being a legally and regularly created, established, organized and existing county under the general laws of the State and more specifically, NMSA 1978, §§ 4-9-1 and 4-9-2, as amended; and

WHEREAS, there exists within the boundaries of the Grantee, the Colonia, a community that has been designated as a Colonia within the meaning of the Act; and

WHEREAS, the Grantee will be receiving the Grant for the benefit of the Colonia and the constituent public served by the Grantee; and

WHEREAS, pursuant to the Rules and the Policies, the CIB and the Finance Authority are authorized to make grants to Qualified Entities from the Fund for Qualified Projects; and

WHEREAS, the Grantee applied to the CIB and the Finance Authority for a Qualifying Project to receive funding pursuant to the Act, the Rules and the Policies, is a Qualified Entity under the Act and has determined that it is in the best interests of the Grantee and the Colonia and the constituent public the Grantee serves that the Grantee enter into this Agreement with the Grantors to accept a grant in the amount of six hundred ninety-two thousand one hundred thirty-

three dollars (\$692,133) from the Grantors to finance the costs of the Project, this Project being more particularly described in the Term Sheet; and

WHEREAS, the Grantee is providing a Local Match equal to at least twenty percent (20%) of the Grant Amount in lieu of the loan component; and

WHEREAS, the CIB on June 4, 2014 recommended to the Finance Authority that the Grantee receive financial assistance from the Fund in the form of the Grant for the benefit of the Colonia and the CIB has authorized the Finance Authority to enter into and administer this Agreement; and

WHEREAS, the Finance Authority approved the Grant Amount from the Fund to the Grantee on July 24, 2014; and

WHEREAS, the Grantee has met the requirements of Executive Order 2013-006 and has represented that it has met or will meet prior to the first disbursement of any portion of the Grant Amount, the Conditions and the readiness to proceed requirements established for the Grant by the Finance Authority and the CIB; and

WHEREAS, the execution, performance, and delivery of this Agreement have been authorized, approved, and directed by the Governing Body pursuant to the Resolution; and

WHEREAS, the execution and performance of this Agreement have been authorized, approved, and directed by all necessary and appropriate action of the CIB and the Finance Authority and their respective officers.

NOW, THEREFORE, in consideration of the premises and the mutual promises and covenants herein contained, the parties hereto agree:

ARTICLE I DEFINITIONS

The capitalized terms defined in this Article I where used in this Grant Agreement, including the foregoing preambles shall have the meanings assigned in this Article I, unless the context clearly requires otherwise. Capitalized terms defined in the foregoing preambles, if not defined in this Article I, shall have the same meaning as stated in the preambles, unless the context clearly requires otherwise.

“Agreement” or “Grant Agreement” means this Grant Agreement and any amendments or supplements hereto, including the exhibits attached hereto.

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

“Application” means the Colonias Infrastructure Project Fund Application for Funding dated March 6, 2014 of the Grantee and pursuant to which the Grantee requested funding for the Project.

“Authorized Officers” means, with respect to the Grantee, any one or more of the Chairman, County Manager, County Treasurer and County Clerk thereof; with respect to the Finance Authority, any one or more of the Chairperson, Vice-Chairperson, Secretary and Chief Executive Officer of the Finance Authority; and with respect to the CIB, any one or more of the Chairperson or the Vice-Chairperson, Secretary and the Treasurer thereof, and any other officer or employee of the Finance Authority or of the CIB designated in writing by an Authorized Officer thereof.

“Colonia” or “Colonias” means a Colonia as defined in the Act, and more particularly in NMSA 1978, § 6-30-3(C), as amended, and particularly the Colonia of the community of Rosedale.

“Conditions” means (1) all readiness to proceed requirements established for the Grant by the Finance Authority and the CIB; (2) all requirements set forth in the Term Sheet; (3) all requirements outlined in Article II, Paragraph (m) and Section 5.1; (4) a determination that the disbursement applied for does not exceed any limitation upon the amount payable for any Eligible Item pursuant to the Act, the Rules, and the Policies governing the Fund; (5) the plans and specifications for the Project shall have been approved by all entities required by the CIB or Finance Authority in their sole discretion to approve such plans and specifications; and (6) the Grantee shall provide evidence satisfactory to the Finance Authority of a prescriptive easement providing necessary additional rights of way to construct and complete the Project prior to the Effective Date.

“Effective Date” or “Closing Date” means the date of execution of this Agreement by the Grantee, the CIB, and the Finance Authority.

“Eligible Architectural, Engineering and Construction Management Fees” means the fees and costs associated with the architectural, engineering, and construction project management costs for services rendered to the Grantee for the transaction of the Project and those directly associated with the Project in an amount up to twelve percent (12%) of the Grant Amount.

“Eligible Fees for Other Professional Services” means the fees and costs incurred for other professional services necessary to the completion of the Project including, but not limited to, services provided by accounting and auditing firms, hydrologists and surveyors. Such fees may not exceed five percent (5%) of the Grant Amount.

“Eligible Fiscal Agent Fees” means fees and costs incurred by a fiscal agent for the administration of Project funds, including the collection and reporting of Project information as required by this Agreement, in an amount not exceeding five percent (5%) of the Grant Amount.

“Eligible Items” means eligible Project costs for which grants may be made pursuant to Title 2, Chapter 91, Part 2 NMAC and includes costs of acquiring and constructing the Project, plus Expenses.

“Eligible Legal Costs” means legal fees and costs for services rendered by legal counsel on behalf of the Grantee for transaction of the Project and those directly associated with the

Qualified Project, in an amount not exceeding ten percent (10%) of the Grant Amount, but does not include adjudication services.

“Event of Default” means one or more events of default as defined in Section 8.1 of this Agreement.

“Expenses” means the costs of the Grantors of originating and administering the Grant, and includes Grantee’s Eligible Architectural, Engineering and Construction Management Fees, Eligible Fees for Other Professional Services, Eligible Legal Costs and Eligible Fiscal Agent Fees to the extent allowed under the Act, the Rules, other applicable statutes and rules, and applicable Policies.

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

“Force Majeure” means any act of God, fire, floods, storms, explosions, accidents, epidemics, war, civil disorder, strikes, lockouts or other labor difficulties, or any law, rule, regulation, order or other action adopted or taken by any federal, state or local government authority, or any other cause not reasonably within such party’s control.

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

“Governing Body” means the Board of County Commissioners of the Grantee, or any future successor governing body of the Grantee.

“Grant” or **“Grant Amount”** means the amount provided to the Grantee as a grant pursuant to this Agreement for the purpose of funding the Project and equals six hundred ninety-two thousand one hundred thirty-three dollars (\$692,133).

“Grantors” means the CIB and the Finance Authority.

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

“Local Match” means the amount determined pursuant to the Policies to be provided by the Grantee which includes the total value of the soft or hard match (each as defined in the Policies) which, in combination with the Grant Amount and other moneys available to the Grantee, is sufficient to complete the Project. The Local Match is one hundred thirty-eight thousand four hundred twenty-seven dollars (\$138,427).

“NMAC” means the New Mexico Administrative Code.

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

“Policies” means the Colonias Infrastructure Project Fund Project Selection and Management Policies, approved by the CIB.

“Political Subdivision of the State” means a municipality, a county, water and sanitation district, an association organized and existing pursuant to the Sanitary Projects Act, NMSA 1978, § 3-29-1 through § 3-29-21, as amended, or any other entity recognized by statute as a political subdivision of the State.

“Project” means infrastructure development in accordance with the Act consisting of improvements to roads and flood and drainage control, but does not include general operation and maintenance, equipment, housing allowance payments or mortgage subsidies and is more specifically described on the Term Sheet and shall include such other related work and revisions necessary to complete the Project.

“Project Account” means the book account established by the Finance Authority in the name of the Grantee for purposes of tracking expenditure of the Grant Amount by the Grantee to pay for the costs of the Project, which shall be kept separate and apart from all other accounts of the Finance Authority.

“Qualified Entity” means a county, municipality, or other entity recognized as a Political Subdivision of the State pursuant to NMSA 1978, § 6-30-3(F), as amended.

“Qualified Project” means a project selected by the CIB for financial assistance that is primarily intended to develop Colonias infrastructure. A Qualified Project may include a water system, a wastewater system, solid waste disposal facilities, flood and drainage control, roads or housing infrastructure pursuant to NMSA 1978, § 6-30-3(G), as amended, but does not include general operation and maintenance, equipment, housing allowance payments or mortgage subsidies.

“Resolution” means the Grantee’s Resolution No. _____, adopted on November 12, 2014, authorizing the acceptance of the Grant and the execution of this Agreement.

“Rules” means Review and Selection of Colonias Infrastructure Projects, New Mexico Colonias Infrastructure Board, Sections 2.91.2.1 through 2.91.2.18 NMAC.

“State” means the State of New Mexico.

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

“Useful Life” means the period during which the Project is expected to be usable for the purpose for which it was acquired and constructed.

ARTICLE II
REPRESENTATIONS, COVENANTS AND WARRANTIES
OF THE GRANTEE

The Grantee represents, covenants and warrants as follows:

- (a) Binding Nature of Covenants. All covenants, stipulations, obligations and agreements of the Grantee contained in this Grant Agreement and the Resolution shall be binding upon the Grantee and its successors and upon any board or body to which any powers or duties affecting such covenants, stipulations, obligations, and agreements shall be transferred by or in accordance with law.
- (b) Authorization of Agreement. The Grantee is a Qualified Entity as defined in the Act and the Rules. Pursuant to the laws of the State and in particular, the laws governing its creation and existence, as amended and supplemented from time to time, the Grantee is authorized to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder. The Grantee has duly authorized and approved its acceptance of the Grant and the execution and delivery of this Agreement and the other documents related to the transaction described in this Agreement, and no other approval is required that has not been obtained.
- (c) Necessity of Project. The completion and operation of the Project under the terms and Conditions provided in this Agreement are necessary, convenient, and in furtherance of the governmental purposes of the Grantee and are in the best interest of the Grantee and the Colonia and the constituent public the Grantee serves.
- (d) Useful Life. The Agreement Term is not greater than the Useful Life of the Project, and in any event shall not exceed thirty (30) years.
- (e) Benefit to Grantee; Operation Over Useful Life. During the Agreement Term, the Project will at all times be used for the purpose of benefiting the Grantee and in particular the Colonia and the constituent public the Grantee serves. The Grantee will operate and maintain the Project, so that it will function properly over its Useful Life.
- (f) No Breach or Default Caused by Agreement. Neither the execution and delivery of this Agreement, nor the fulfillment of or compliance with the terms and Conditions in the Agreement, nor the consummation of the transactions contemplated herein, conflicts with or results in a breach of terms, conditions or provisions of any restriction or any agreement or instrument to which the Grantee is a party or by which the Grantee is bound, or any laws, ordinances, governmental rules or regulations or court or other governmental orders to which the Grantee or its properties are subject, or constitutes a default under any of the foregoing.
- (g) Irrevocability of Enactments. While this Agreement remains outstanding, any ordinance, resolution or other enactment of the Governing Body accepting the terms hereof, or in any way relating to the Grant or this Agreement, including the Resolution, shall be irrevocable until the Project has been fully acquired and completed, and shall not be subject to

amendment or modification in any manner which would result in any use of the proceeds of this Agreement in a manner not permitted or contemplated by the terms hereof.

(h) No Litigation. To the knowledge of the Grantee after due investigation, no litigation or proceeding is pending or threatened against the Grantee or any other person affecting the right of the Grantee to execute this Agreement or to comply with its obligations hereunder.

(i) No Event of Default. No event has occurred and no condition exists which, upon the execution and delivery of this Agreement, would constitute an Event of Default on the part of the Grantee hereunder.

(j) Grantee's Existence. The Grantee will maintain its legal identity and existence so long as this Agreement remains outstanding unless another Political Subdivision of the State, State agency, or other entity by operation of law succeeds to the liabilities, rights and duties of the Grantee under this Agreement without adversely affecting to any substantial degree the privileges and rights of the Grantors, and that entity is a Qualified Entity.

(k) Use of Project; Continuing Covenant. Other than as outlined in subparagraph (j) above, the Grantee shall not sell, lease, mortgage, pledge, relocate or otherwise dispose of or transfer the Project or any part of the Project during its Useful Life; provided, however, that if the Project is a joint project of the Grantee and other Qualified Entities (as defined by the Act), the Grantee and the other Qualified Entities may, with the express written approval of the Grantors and not otherwise, enter into an agreement allocating ownership and operational and maintenance responsibilities for the Project during its Useful Life. Any, such agreement shall provide that the Grantors, or either of them, shall have the power to enforce the terms of this Agreement, without qualification, as to each and every Qualified Entity owning or operating any portion of the Project during its Useful Life.

(l) Records and Reporting. The Grantee shall maintain financial records in accordance with Generally Accepted Accounting Principles throughout the Agreement Term, conduct an audit of the Project's financial records if requested by the CIB or the Finance Authority and provide any and all other information and access to the Project as requested by the CIB or the Finance Authority.

(m) Acquisition and Completion. The Grantee hereby agrees that in order to effectuate the purposes of this Agreement and to acquire and complete the Project it shall take such steps as are necessary and appropriate to acquire, complete, operate and maintain the Project lawfully and efficiently in accord with all applicable laws, ordinances, resolutions and regulations relating to the acquisition, operation, maintenance and completion of the Project and use of the Grant proceeds. The Project shall be constructed, installed and completed substantially in accordance with the approved plans and specifications, and shall fully incorporate the available technologies and operational design for water use efficiency described in the approved plans and specifications. No Grant funds shall be used for items not constituting Eligible Items.

(n) Use of Grant Proceeds for Construction; Other Qualified Entities. The Grantee shall operate and maintain the Project in good operating condition and repair at all times during the Useful Life of the Project, so that the Project will function properly over the Useful Life of the Project; provided, that if any portion of the Project will be constructed, installed, located, completed or extended on real property owned by a Qualified Entity (as defined by the Act) other than the Grantee, the Grantee may, prior to any use of the Grant funds for the Project on such real property, obtain the written agreement of such other Qualified Entity to perform these obligations with respect to such real property (and the portion of the Project to be constructed, installed, located, completed or extended on such real property), which written agreement shall be subject to approval by the Grantors and shall include an express statement by such other Qualified Entity that the Grantors are third party beneficiaries of such written agreement.

(o) Local Match. The Local Match is legally available for the Project, has been applied or set aside by the Grantee solely for the purposes of the Project and sufficient evidence of the Local Match has been provided and will be continued to be provided as part of the Grantee's quarterly reporting as outlined in Section 6.1 and as otherwise requested by the Finance Authority. The Grantee hereby covenants that the value of labor and/or equipment at fair market rates is sufficient to meet the required Local Match and the labor and/or equipment has been or will be donated for the scope of work on the proposed Project, as described on the Term Sheet.

(p) Audit Requirement. During the Agreement Term the Grantee shall comply with the requirements of the State Audit Act, NMSA 1978, §§ 12-6-1 through 12-6-14, as amended, and provide the CIB and Finance Authority with a copy of any audit prepared pursuant to the State Audit Act.

ARTICLE III AGREEMENT TERM

The Agreement Term shall commence on the Effective Date and shall terminate upon the earliest of the following events: a determination by the CIB or Finance Authority, in its sole discretion, that (a) the Grantee is unable to proceed with the Project for the foreseeable future, (b) the Grantee has failed to commence the Project in a reasonably timely manner as determined by the CIB or Finance Authority, each in its sole discretion, (c) the Grant or any portion thereof is not necessary for the Project (in which case the Grant Amount may be modified by the Finance Authority), (d) the Grantee has not expended the funds within three (3) years of the Closing Date; or (e) the Useful Life of the Project has ended, which in any event shall not exceed thirty (30) years. In any of the above cases the unexpended funds shall be transferred by the Finance Authority to the appropriate account or fund in accordance with applicable law and the Grantee shall have no right to access the funds.

ARTICLE IV GRANT TO THE GRANTEE; INVESTMENT OF MONEYS

Section 4.1 Grant to the Grantee.

(a) Grant to the Grantee. The Grantors hereby grant to the Grantee and the Grantee hereby accepts from the Grantors an amount equal to the Grant Amount subject to the terms of this Grant Agreement.

(b) Project Account. The Finance Authority shall establish and maintain the Project Account as a book account only, on behalf of the Grantee, which account shall be kept separate and apart from all other accounts of the Finance Authority. The Grantee hereby pledges to the Grantors all its rights, title and interest in the Grant Amount including the Project Account, and the Expenses for the purpose of securing the Grantee's obligations under this Agreement.

(c) Constitutional and Statutory Debt Limitations. No provision of this Agreement shall be construed or interpreted as creating a general obligation or other indebtedness of the CIB, the Finance Authority, the State or the Grantee within the meaning of any constitutional or statutory debt limitation.

Section 4.2 Investment of Grantee's Accounts. Money on deposit in the Grantee's accounts created hereunder and held by the Finance Authority may be invested by the Finance Authority for the credit of the Fund.

Section 4.3 Grant Amount Does Not Exceed Total Cost. The sum of the Grant Amount and the Local Match (and as set forth on the Term Sheet) does not exceed the cost of the Project and the Expenses, which sum, along with other moneys reasonably expected to be available to the Grantee, is sufficient to complete the Project and pay the Expenses.

ARTICLE V GRANT AMOUNT DISBURSEMENT CONDITIONS

Section 5.1 Conditions Precedent to Disbursement of Grant. Prior to the disbursement of the Grant Amount or any portion thereof by the Finance Authority from the Fund, the following conditions shall be satisfied:

(a) The Finance Authority, on behalf of the CIB, shall have determined that the Grantee has met the Conditions established for the Grant by the Finance Authority and the CIB; and

(b) Prior to disbursement of any portion of the Grant Amount for planning and design, the Grantee shall have provided written assurance addressed to the CIB and the Finance Authority and signed by an attorney (or shall have provided a title insurance policy) that the Grantee has or will acquire proper title to or easements, rights of way, or permits on the real property upon or through which the planning and design phase is to be conducted, or if acquisition and completion of the Project does not require physical or visual access to existing lands or facilities, the Grantee shall have provided written assurance addressed to the CIB and the Finance Authority and signed by an attorney certifying that no title to, easements, rights of way, or permits are necessary to acquire and complete the Project; and

(c) Prior to disbursement of any portion of the Grant Amount for installation or construction, the plans and specifications for the Project shall have been approved by all entities required by the CIB or Finance Authority in their sole discretion to approve such plans and specifications and the Grantee shall have provided written assurance addressed to the CIB and the Finance Authority and signed by an attorney (or shall have provided a title insurance policy) that the Grantee has or will acquire proper title to or easements, rights of way, or permits on the real property upon or through which the Project is to be installed, constructed, located, completed or extended; and

(d) If any portion of the Project will be installed, constructed, located, completed or extended on real property owned by a Qualified Entity (as defined by the Act) other than the Grantee, the Grantee shall have provided written assurance addressed to the CIB and the Finance Authority and signed by an attorney (or shall have provided a title insurance policy) that such other Qualified Entity has proper title to such real property; and

(e) The Grantee shall be in compliance with the provisions of this Agreement; and

(f) No event of default has occurred; and

(g) the Grantee shall provide evidence satisfactory to the Finance Authority of a prescriptive easement providing necessary additional rights of way to construct and complete the Project prior to the Effective Date; and

(h) The Grantee shall have provided any other information requested by the Finance Authority or CIB in its absolute discretion including documentation sufficient to make a determination whether any requested disbursement is for payment of Eligible Items and is fully consistent with the Act, the Rules, and the Policies, as applicable.

Section 5.2 Accounting for Amounts Credited to the Project Account. So long as Section 5.1 has been complied with and all Conditions to the disbursement of the Grant Amount have been satisfied (including approval of all plans and specifications), upon receipt by the Finance Authority of a requisition substantially in the form of Exhibit “B” attached hereto signed by an Authorized Officer of the Grantee, supported by certification by the Grantee's project architect, engineer, or such other authorized representative of the Grantee that the amount of the disbursement request represents the progress of design, construction, acquisition or other Project-related activities accomplished as of the date of the disbursement request, the Finance Authority shall seek funds sufficient to satisfy the request and, upon receipt of those funds disburse from the Fund, amounts which together are sufficient to pay the requisition in full or that portion approved by the Finance Authority or CIB in their sole discretion. The certification provided pursuant to this Section 5.2 in support of the requisition must be acceptable in form and substance to the Finance Authority and, at its request, the CIB. The Grantee shall provide such records or access to the Project as the Finance Authority, and, at its request, the CIB, in the discretion of each, may request in connection with the approval of the Grantee's requisition requests made hereunder.

Section 5.3 Acknowledgment and Non-liability for Funding Interruption. The Grantee hereby acknowledges that the Finance Authority may be required to seek or request funds to satisfy the request outlined in Section 5.2 from an agency, instrumentality or other Political Subdivision of the State of New Mexico and that the Grantors may have no control or authority over those entities. The Grantee hereby agrees to waive on behalf of itself and indemnify and hold the Grantors harmless from any and all third party claims, liability or damage that may or could be caused as a result of a delay or denial of funds related to or arising from the procedure described above or any other mechanism necessary or required to request, secure or process funds.

Section 5.4 No Disbursement for Prior Expenditures Except upon Approval. No disbursement shall be made from the Fund, of the Grant Amount, or any portion thereof, without the approval of the Finance Authority and, at its request, the CIB, to reimburse any expenditure made prior to the Closing Date.

Section 5.5 Completion of Disbursement of Grant Funds. Upon the earlier of (1) the completion of the Project, or (2) the expenditure of the whole Grant Amount, an Authorized Officer of the Grantee shall deliver a certificate to the Finance Authority and the CIB, substantially in the form of Exhibit "E" attached hereto, stating that, to his or her knowledge, either (1) the Project has been completed, or (2) that the portion of the Grant Amount needed to complete the Project has been disbursed in accordance with the terms of this Agreement. No portion of the Grant Amount shall be disbursed after the date which is three (3) years from the Closing Date, unless a later date is approved in writing by an Authorized Officer of the CIB and an Authorized Officer of the Finance Authority.

ARTICLE VI ADMINISTRATION

Section 6.1 Grantee Reporting to Grantors. The Grantee shall provide the Grantors with a quarterly written report substantially in the form of Exhibit "C" attached hereto, or other report format as designated by the Finance Authority, and signed by an Authorized Officer of the Grantee. The first quarterly report shall be due on March 31, 2015, and subsequent reports shall be due on each March 31, June 30, September 30 and December 31 thereafter until the report date next following final distribution of the Grant funds. The description of the status of the Project in each quarterly report shall include, among other information, (a) a comparison of actual and anticipated requests for distributions of Grant funds as of the report date with those anticipated as of the Closing Date, (b) a description of actual and anticipated changes in the cost estimates for the Project as of the report date compared with those anticipated as of the Closing Date, and (c) a description of the percentage of completion of the Project.

Section 6.2 Application of Project Account Subsequent to Disbursement of Grant Funds; Termination of Pledge. Upon the completion of the Project as signified by delivery of the completion certificate required by Section 5.5 hereof, the Finance Authority shall determine, by reference to the Project Account, whether any portion of the authorized Grant Amount remains unexpended. Unexpended funds shall be transferred by the Finance Authority to the appropriate account or fund in accordance with applicable law, the Finance Authority shall make the

appropriate entry in the Project Account, and the Grantee shall have no further right to access the funds.

Section 6.3 Further Assurances and Corrective Instruments. The Grantors and the Grantee agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for carrying out the intention hereof.

Section 6.4 Representatives of Grantors or of Grantee. Whenever under the provisions hereof the approval of the Grantors, collectively or individually, or the Grantee is required, or the Grantee, or the Grantors, collectively or individually, are required to take some action at the request of any of them, such approval or such request shall be given for the Grantors, collectively or individually, or for the Grantee, by an Authorized Officer of the Grantors, collectively or individually, or the Grantee, as the case may be, and any party hereto shall be authorized to act on any such approval or request.

Section 6.5 Selection of Contractors. All contractors providing services or materials in connection with the Project shall be selected in accordance with applicable provisions of the New Mexico Procurement Code, NMSA 1978, §§ 13-1-28 through 13-1-199, as amended, or, if the Grantee is not subject to the New Mexico Procurement Code, shall be selected in accordance with a documented procurement process duly authorized and established pursuant to laws and regulations applicable to the Grantee.

Section 6.6 Required Contract Provisions. The Grantee shall require the following provisions in any contract or subcontract executed in connection with the Project to which the Grantee is a party:

(a) There shall be no discrimination against any employee or applicant for employment because of race, color, creed, sex, religion, sexual preference, ancestry or national origin; and

(b) Any contractor or subcontractor providing construction services in connection with the Project shall post a performance and payment bond in accordance with the requirements of NMSA 1978, § 13-4-18, as amended.

ARTICLE VII INSURANCE; NON-LIABILITY OF GRANTORS

Section 7.1 Insurance. The Grantee shall carry general liability insurance or participate in the State's risk-management program and, to the extent allowed by the New Mexico Tort Claims Act, NMSA 1978, §§ 41-4-1 through 41-4-30, as amended, shall and hereby agrees to name the Grantors as additional insureds with respect to all claims, by or on behalf of any person, firm, corporation or other legal entity arising from the acquisition, completion or implementation of the Project or otherwise during the Agreement Term; provided, that if any portion of the Project will be constructed, located, completed or extended on real property owned by a Qualified Entity (as defined by the Act) other than the Grantee, the Grantee may obtain the written agreement of such other Qualified Entity to perform these insurance/risk-management

program requirements for Grantee with respect to such real property (and the portion of the Project to be constructed, located, completed or extended on such real property), which written agreement shall include an express statement by such other Qualified Entity that the Grantors are third party beneficiaries of such written agreement.

Section 7.2 Non-Liability of Grantors.

(a) Grantors shall not be liable in any manner for the Project, Grantee's use of the Grant, the acquisition, implementation, construction, installation, ownership, operation or maintenance of the Project, or any failure to act properly by the Grantee or any other owner or operator of the Project.

(b) Grantors shall not be liable for the refusal or failure of any other agency of the State to transfer any portion of the Grant Amount in its possession, custody and control to the Finance Authority for disbursement to the Grantee, or to honor any request for such transfer or disbursement of the Grant Amount.

(c) To the extent permitted by law, the Grantee shall and hereby agrees to indemnify and save the Finance Authority and the CIB harmless against and from all claims, by or on behalf of any person, firm, corporation, or other legal entity, arising from the acquisition or operation of the Project during the Agreement Term, from: (i) any act of negligence or other misconduct of the Grantee, or breach of any covenant or warranty by the Grantee hereunder; and (ii) the incurrence of any cost or expense in connection with the acquisition or operation of the Project in excess of the Grant Agreement proceeds and interest on the investment thereof. The Grantee shall indemnify and save the Finance Authority and the CIB harmless, from and to the extent funds legally available therefor, from any such claim arising as aforesaid from (i) or (ii) above, or in connection with any action or proceeding brought thereon and, upon notice from the Finance Authority or the CIB, shall defend the Finance Authority or the CIB, as applicable, in any such action or proceeding.

**ARTICLE VIII
EVENTS OF DEFAULT AND REMEDIES**

Section 8.1 Events of Default Defined. Any one of the following shall be an "Event of Default" under this Agreement:

(a) Failure by the Grantee to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Agreement for a period of thirty (30) days after written notice, specifying such failure and requesting that it be remedied, is given to the Grantee by the Grantors, collectively or individually, unless the Grantors, collectively or individually shall agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice can be wholly cured within a period of time not materially detrimental to the rights of the Grantors but cannot be cured within the applicable thirty (30) day period, the Grantors, collectively or individually, will not unreasonably withhold their consent to an extension of such time if corrective action is instituted by the Grantee within the applicable period and diligently pursued until the failure is corrected; and provided, further,

that if by reason of Force Majeure the Grantee is unable to carry out the agreements on its part herein contained, the Grantee shall not be deemed in default under this paragraph 8.1(a) during the continuance of such inability (but Force Majeure shall not excuse any other Event of Default); or

(b) Any warranty, representation or other statement by or on behalf of the Grantee contained in this Agreement or in any instrument furnished in compliance with or in reference to this Agreement is determined to be false or misleading in any material respect in the sole discretion of the Finance Authority or CIB; or

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

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

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

Section 8.2 Limitations on Remedies. A judgment requiring payment of money entered against the Grantee shall not exceed the Grant Amount.

Section 8.3 Remedies on Default. Whenever any Event of Default has occurred and is continuing, and subject to Section 8.4 hereof, the Grantors, collectively or individually, may take whatever of the following actions may appear necessary or desirable to enforce performance of any agreement of the Grantee in this Grant Agreement:

(a) File a mandamus proceeding or other action or proceeding or suit at law or in equity to compel the Grantee to perform or carry out its duties under the law and the agreements and covenants required to be performed by it contained herein;

(b) Terminate this Grant Agreement;

(c) Cease disbursing any amount to or on behalf of the Grantee;

(d) Demand that the Grantee immediately repay the Grant Amount or any portion thereof if such funds were not utilized in accordance with this Grant Agreement;

(e) File a suit in equity to enjoin any acts or things which are unlawful or violate the rights of the Grantors, collectively or individually; or

(f) Take whatever other action at law or in equity may appear necessary or desirable to enforce any other of their rights hereunder.

The Grantee shall be responsible for reimbursing the Grantors for any and all fees and costs incurred in enforcing the terms of this Grant Agreement.

Section 8.4 No Remedy Exclusive. No remedy herein conferred upon or reserved to the Grantors, collectively or individually, is intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Grantee or the Grantors to exercise any remedy reserved in this Article VIII, it shall not be necessary to give any notice, other than such notice as may be required in this Article VIII.

Section 8.5 Waivers of Events of Default. The Grantors, collectively or individually, may, in the respective discretion of each, waive any Event of Default hereunder and the consequences of any such Event of Default; provided, however, all expenses of the Grantors, collectively or individually, in connection with such Event of Default shall have been paid or provided for. Such waiver shall be effective only if made by a written statement of waiver issued by the Finance Authority and the CIB. In case of any such waiver or rescission, or in case any proceeding taken by the Grantors, collectively or individually, on account of any such Event of Default shall have been discontinued or abandoned or determined adversely, then and in every such case, the Grantors shall be restored to their former positions and rights hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other Event of Default, or impair any right consequent thereon.

Section 8.6 No Additional Waiver Implied by One Waiver. In the event that any agreement contained herein should be breached by either party and thereafter waived by the other party, such waiver shall be in writing and limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section 8.7 Agreement to Pay Attorneys' Fees and Expenses. In the event that the Grantee shall default under any of the provisions hereof, and the Finance Authority or the CIB shall employ attorneys or incur other expenses for the collection of payments hereunder, or the enforcement of performance or observance of any obligation or agreement on the part of the Grantee herein contained, the Grantee agrees that it shall, on demand therefor, pay to the Finance Authority or the CIB, as applicable, the fees of such attorneys and such other expenses so incurred, to the extent such attorneys' fees and expenses may be determined to be reasonable by

a court of competent jurisdiction; provided, however, that the obligation of the Grantee under this Section shall be limited to expenditures from and to the extent of funds legally available therefor.

ARTICLE IX **MISCELLANEOUS**

Section 9.1 **Notices.** All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered as follows:

If to the Grantee, to:

Grant County
Attn.: County Clerk
1400 Highway 180 East
Silver City, NM 88061

If to the CIB or to the Finance Authority, to:

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

The Grantee or the Grantors may, by notice given hereunder, designate any further or different addresses to which subsequent notices; certificates or other communications shall be sent.

Section 9.2 **Binding Effect.** This Agreement shall inure to the benefit of and shall be binding upon the Grantors and the Grantee and their respective successors and assigns, if any.

Section 9.3 **Integration.** This Agreement and any other agreements, certifications and commitments entered into between the Grantors and the Grantee on the Effective Date constitute the entire agreement of the parties regarding the Grant and the funding of the Project through the Grant as of the Effective Date, and the terms of this Agreement supersede any prior applications, discussions, understandings or agreements between or among the parties in connection with the Grant, to the extent such prior applications, discussions, understandings or agreements are inconsistent with this Agreement.

Section 9.4 **Amendments.** This Agreement may be amended only with the written consent of all of the parties to this Agreement. The consent of the Finance Authority for amendments may be given by an Authorized Officer of the Finance Authority.

Section 9.5 **No Liability of Individual Officers, Directors or Trustees.** No recourse under or upon any obligation, covenant or agreement contained in this Agreement shall be had against any member, employee, director or officer, as such, past, present or future, of the Grantors, either directly or through the Finance Authority or the CIB, or against any officer,

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

Section 9.6 Severability. In the event that any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 9.7 Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 9.8 Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New Mexico. Pursuant to NMSA 1978, § 6-21-26, as amended, the venue for any proceedings or any other action or procedure against the Finance Authority shall be in Santa Fe County.

Section 9.9 Captions. The captions or headings herein are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

Section 9.10 Application of Act, Rules and Policies. The Grantors and the Grantee expressly acknowledge that this Agreement is governed by provisions and requirements of the Act and the Rules, as amended and supplemented, and all applicable provisions and requirements of the Act and the Rules are incorporated into this Agreement by reference.

[Remainder of page intentionally left blank.]

[Signature pages follow.]

IN WITNESS WHEREOF, the Finance Authority, on behalf of itself, and the CIB, on behalf of itself, each have executed this Agreement, which was approved by the CIB on June 4, 2014, and by the Finance Authority's Board of Directors on July 24, 2014, in their respective corporate names with their corporate seals affixed hereto and attested by their duly Authorized Officers; and the Grantee has caused this Agreement to be executed and attested by duly Authorized Officers thereof. All of the above are effective as of the date first above written.

GRANTORS:

NEW MEXICO FINANCE AUTHORITY

By _____
Acting Chief Executive Officer or Designee

ATTEST:

By _____

COLONIAS INFRASTRUCTURE BOARD

By _____
Chairperson or Vice-Chairperson

Prepared for Execution by Officers of the
New Mexico Finance Authority and the
Colonias Infrastructure Board:

VIRTUE & NAJJAR, PC

By _____
Jonas M. Nahoum

Approved for Execution by Officers of the
New Mexico Finance Authority and the
Colonias Infrastructure Board:

By _____
Daniel C. Opperman,
Finance Authority General Counsel

GRANTEE:

GRANT COUNTY, NEW MEXICO

By *Brett Kasten*
Brett Kasten, Chairman,
Board of County Commissioners

ATTEST:

By *Robert Zamarripa*
Robert Zamarripa, County Clerk

GRANTEE:

GRANT COUNTY, NEW MEXICO

By 
Brett Kasten, Chairman,
Board of County Commissioners

ATTEST:

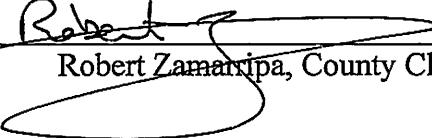
By 
Robert Zamarripa, County Clerk

EXHIBIT "A"

TERM SHEET

**\$692,133 COLONIAS INFRASTRUCTURE PROJECT GRANT TO
GRANT COUNTY, NEW MEXICO**

Project Description: The Project is infrastructure development in accordance with the Act consisting of improvements to roads and flood and drainage control, but does not include general operation and maintenance, equipment, housing allowance payments or mortgage subsidies and is more specifically described as completion of the construction phase of Rosedale Road including resurfacing existing roadway and improving storm water drainage facilities that will abate roads, drainage and flooding hazards including dangerous blind spots for pedestrians and drivers at various turns and shall include such other related work and revisions necessary to complete the Project.

Grant Amount: \$692,133

Authorizing Legislation: Grantee Resolution No. _____, adopted November 12, 2014

Local Match: \$138,427, provided by a soft match of in-kind services by “Grant County Professional Services” and “Grant County Mill and Construction,” and as calculated pursuant to Section 2.5 of the Policies

Closing Date: December 5, 2014

Project Account Deposit: \$692,133

Conditions to be satisfied prior to first disbursement of the Grant Amount:

Delivery to Finance Authority of (i) a copy of the agenda of the meeting of the Governing Body at which the Resolution was adopted and at which this Agreement, the Resolution and all other Grant documents were authorized by the Governing Body (the “Meeting”), certified as a true and correct copy by the County Clerk of the Grantee, (ii) a copy of the minutes or record of proceedings of the Meeting, approved and signed by the Chairman of the Governing Body and attested to by the County Clerk of the Grantee, and (iii) a copy of the notice of meeting for the Meeting evidencing compliance with the Grantee’s Open Meetings standards in effect on the date of the Meeting.

Other Conditions applicable to all disbursements of the Grant Amount:

All Conditions defined in the Grant Agreement; and

The Grantee shall provide evidence satisfactory to the Finance Authority of a prescriptive easement providing necessary additional rights of way to construct and complete the Project prior to the Effective Date.

EXHIBIT "B"

FORM OF REQUISITION

RE: \$692,133 Grant Agreement by and between the Colonias Infrastructure Board and the Finance Authority, as Grantors, and Grant County, as Grantee (the "Grant Agreement")

Grant No. 3160-CIF

Closing Date: December 5, 2014

TO: NEW MEXICO FINANCE AUTHORITY

You are hereby authorized to disburse from the Project Account – Grant County with regard to the above-referenced Grant Agreement the following:

REQUISITION NUMBER: _____

NAME AND ADDRESS OF PAYEE: _____

WIRING INFORMATION

BANK NAME:	
ACCOUNT NUMBER:	
ROUTING NUMBER:	

AMOUNT OF PAYMENT: \$ _____

PURPOSE OF PAYMENT: _____

ELIGIBLE ITEM CATEGORY (See below): _____

AMOUNT OF LOCAL MATCH EXPENDED SINCE LAST REQUISITION: \$ _____

Attach proof of expenditures for hard match (cancelled check, wire transfer receipt, and written certification of type and value of any soft match)

AMOUNT OF LOCAL MATCH EXPENDED TO DATE: \$ _____

TOTAL: \$ _____

DATED: _____ By: _____
Authorized Officer

Title: _____

Each obligation, item of cost or expense mentioned herein is for a grant made by the Grantors pursuant to the Act to the Grantee within the State of New Mexico, is due and payable, has not been the subject of any previous requisition and is a proper charge against the Project Account – Grant County. All representations contained in the Grant Agreement and the related closing documents remain true and correct and the Grantee is not in breach of any of the covenants contained therein.

The proceeds of the Grant are to be used to pay the costs of Eligible Items, as defined in the Grant Agreement. Eligible Items include (1) planning, designing, construction, improving or expanding a Qualified Project; (2) developing engineering feasibility reports for Qualified Projects; (3) inspecting construction of Qualified Projects; (4) providing professional services; (5) completing environmental assessments or archeological clearances and other surveys for Qualified Projects; (6) acquiring land, water rights, easements or rights of way; (7) paying legal costs and fiscal agent fees associated with development of Qualified Projects, within limits set by the Board.

All construction and all installation of equipment with proceeds of the Grant has or will be used in accordance with plans and/or specifications approved by all entities required by the CIB or Finance Authority in their sole discretion to approve such plans and specifications, has or will be acquired in compliance with applicable procurement laws and regulations and has or will be inspected and approved in accordance with applicable laws and regulations.

Capitalized terms used herein, are used as defined or used in the Grant Agreement.

EXHIBIT "C"

COLONIAS INFRASTRUCTURE PROJECT FUND STATUS REPORT
PREPARED FOR THE
NEW MEXICO FINANCE AUTHORITY

Fund Recipient Names: Grant County	CIF Project Number: 3160-CIF
Recipient Contact: Anthony Gutierrez	CIF Project Name: Roads and Drainage Improvements to Rosedale Road
Phone Number: (575) 574-0007	Project Type: Construction of Roads and Drainage
Quarterly Project Report <input type="checkbox"/> Final <input type="checkbox"/> Other <input type="checkbox"/> _____	Report Period: From - _____ / _____ / _____ To - _____ / _____ / _____
Contract Expiration: _____	
Total CIB Award: \$ _____ Current Balance: \$ _____	
Loan % 0 Grant % 100 Local Match % 20	
Expected CIF Award Expenditure Next Quarter: \$ _____	
Amount of Local Match Expended to Date: \$ _____	
Expected Local Match Expenditure Next Quarter: \$ _____	
Project Phase: Planning <input type="checkbox"/> Design <input type="checkbox"/> Construction <input type="checkbox"/>	
PROJECT TIME: Original Completion Date: _____ Current Completion Date: _____ Days Remaining for Completion _____	
Percent Project is Complete _____ % On Schedule? Yes <input type="checkbox"/> No <input type="checkbox"/>	
Briefly Describe Project Progress During This Reporting Period: 	
Issues Addressed During This Period (Indicate any current and/or anticipated issues that remain unresolved): 	

Goals/Milestones With Timeline or Dates For The Next Reporting Period:

Name and Title of Authorized Representative: <i>(Print)</i>	Authorized Representative Signature:
--	--------------------------------------

Date: _____

EXHIBIT "D"

FORM OF CERTIFICATE OF COMPLETION

RE: \$692,133 Grant Agreement by and between the Colonias Infrastructure Board and the Finance Authority, as Grantors, and Grant County, as Grantee (the "Grant Agreement")

Grant No. 3160-CIF

Closing Date: December 5, 2014

TO: NEW MEXICO FINANCE AUTHORITY

I, _____, the _____ of the
[Name] [Title or position]

Grantee, hereby certify as follows:

1. The project described in the Grant Agreement (the "Project"), or the applicable phase of the project if funding was for a phased Project, was completed and placed in service on _____, 20____.

2. The total cost of the Project was \$ _____.

3. Cost of the Project paid from the Grant Amount was \$ _____.

4. The portion of the Grant Amount unexpended for the Project is \$ _____.

5. The Project was completed and is and shall be used consistent with and subject to the covenants set forth in the Grant Agreement.

This certificate shall not be deemed to prejudice or affect any rights of or against third parties which exist at the date of this certificate or which may subsequently come into being.

GRANT COUNTY, NEW MEXICO

By: _____

Its: _____

\$692,133
GRANT COUNTY, NEW MEXICO
COLONIAS INFRASTRUCTURE PROJECT FUND GRANT
No. 3160-CIF

STATE OF NEW MEXICO)	<u>GENERAL AND</u>
) ss.	<u>NO LITIGATION</u>
COUNTY OF GRANT)	<u>CERTIFICATE</u>

IT IS HEREBY CERTIFIED by the undersigned, the duly chosen, qualified and acting Chairman and County Clerk for Grant County (the "Grantee") in the State of New Mexico (the "State"):

Capitalized terms used in this Certificate have the same meaning as defined in Resolution No. _____ adopted by the Governing Body of the Grantee on November 12, 2014 (the "Resolution") unless otherwise defined in this Certificate or the context requires otherwise.

1. The Grantee is a duly organized and existing county under the laws of the State of New Mexico.

2. There exists within the boundaries of the Grantee, the Colonia of the community of Rosedale, a community that has been designated within the meaning of the Colonias Infrastructure Act, and the Grantee will be receiving the Grant for the benefit of the Colonia of the community of Rosedale and the constituent public served by the Grantee.

3. From at least July 24, 2014 to and including the date of this Certificate, the following were and now are the duly chosen, qualified and acting officers of the Grantee:

Chairman: Brett Kasten

Commissioners: Gabriel Ramos
Ron Hall

County Clerk: Robert Zamarripa

4. There is no reason within our knowledge and belief after due investigation, why the Grantee may not enter into the Grant Agreement with the New Mexico Finance Authority and the Colonias Infrastructure Board, as authorized by the Resolution.

5. No material adverse change has occurred, nor has any development occurred involving a prospective material and adverse change in, or affecting the affairs, business, financial condition, results of operations, prospects, or properties of the Grantee since the date of the Resolution.

6. To the best of our knowledge and belief after due investigation, none of the events of default referred to in Article VIII of the Grant Agreement has occurred.

7. There is no threatened action, suit, proceeding, inquiry or investigation against the Grantee, at law or in equity, by or before any court, public board or body, nor to our knowledge is there any basis therefor, affecting the existence of the Grantee or the titles of its officials to their respective offices, or in any way materially adversely affecting or questioning (a) the use of the proceeds of the Grant Agreement for the Project and to pay certain expenses as described therein, (b) the validity or enforceability of the Grant Agreement or any proceedings of the Grantee taken with respect to the Resolution or the Grant Agreement, (c) the execution and delivery of the Grant Agreement, or (d) the power of the Grantee to carry out the transactions contemplated by the Resolution and the Grant Agreement.

8. The Grantee has complied with all the covenants and satisfied all the conditions on its part to be performed or satisfied at or prior to the date hereof, and the representations and warranties of the Grantee contained in the Grant Agreement and in the Resolution are true and correct as of the date hereof.

9. The Grantee is not in default, and has not been in default within the ten (10) years immediately preceding the date of this Certificate, in the payment of principal of, premium, if any, or interest on any bonds, notes or other obligations which it has issued, assumed or guaranteed as to payment of principal, premium, if any, or interest.

10. To our knowledge and belief after due investigation, neither the Chairman of the Governing Body, the County Clerk, any member of the Governing Body of the Grantee, nor any other officer, employee or other agent of the Grantee is interested (except in the performance of his or her official rights, privileges, powers and duties), directly or indirectly, in the profits of any contract, or job for work, or services to be performed and appertaining to the Project.

11. Regular meetings of the Grantee's Governing Body and the meeting at which the Resolution was adopted have been held at 1400 Highway 180 East, Silver City, New Mexico, the principal meeting place of the Grantee.

12. The Grantee's Governing Body has no rules of procedure which would invalidate or make ineffective the Resolution or other action taken by the Grantee's Governing Body in connection with the Grant Agreement. The Open Meetings Act Resolution adopted and approved by the Governing Body on January 9, 2014 establishes notice standards for meetings of the Governing Body. The Open Meetings Act Resolution has not been amended or repealed. All action of the Governing Body with respect to the Resolution and the Grant Agreement was taken at meetings held in compliance with the Open Meetings Act Resolution No. R-14-01 which resolution was effective on November 12, 2014 and has not been amended, repealed or rescinded.

13. The Chairman of the Governing Body and the County Clerk, on the date of the signing of the Grant Agreement and on the date of this Certificate, are the duly chosen, qualified and acting officers of the Grantee authorized to execute the Grant Agreement.

14. This Certificate is for the benefit of the Finance Authority and the Colonias Infrastructure Board.

15. This Certificate may be executed in counterparts.

[Signature page follows.]

WITNESS our signatures and the seal of the Grantee this 5th day of December, 2014.

GRANT COUNTY, NEW MEXICO

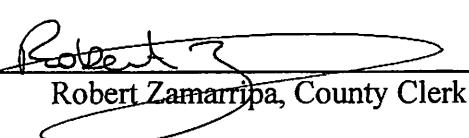
(SEAL)

By



Brett Kasten, Chairman,
Board of County Commissioners

By



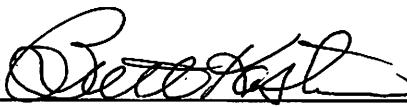
Robert Zamarripa, County Clerk

WITNESS our signatures and the seal of the Grantee this 5th day of December, 2014.

GRANT COUNTY, NEW MEXICO

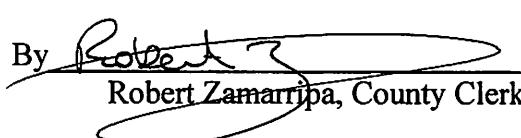
(SEAL)

By



Brett Kasten
Brett Kasten, Chairman,
Board of County Commissioners

By



Robert Zamarripa
Robert Zamarripa, County Clerk

\$692,133
GRANT COUNTY, NEW MEXICO
COLONIAS INFRASTRUCTURE PROJECT FUND GRANT
No. 3160-CIF

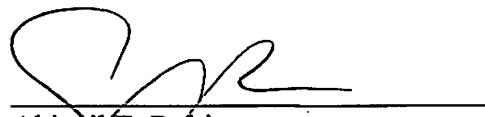
RIGHT-OF-WAY CERTIFICATE

The undersigned on behalf of Grant County (the "Grantee"), a county in the State of New Mexico, hereby certifies except as noted in item 4 below:

1. That the Grantee is the owner in fee simple of the lands needed for the design, construction, operation, and maintenance of the facilities to be constructed, installed, repaired, or enlarged with the proceeds of the above-referenced Grant made by the New Mexico Finance Authority and the New Mexico Colonias Infrastructure Board (the "Project"), or that the Grantee has acquired and presently holds continuous and adequate rights-of-way on lands owned by others that are needed for the Project, whether public or private, and such omissions, defects, or restrictions as may exist will in no substantial way or manner endanger the value or the operation of the Project.
2. That the Grantee has acquired all necessary permits, franchises, and authorizations or other instruments by whatsoever name designated, from public utilities and public bodies, commissions, or agencies authorizing the construction, operation, and maintenance of the facilities upon, along or across streets, roads, highways, and utility corridors.
3. That the attached map shows the location of all lands and rights-of-way needed for the Project, which lands and rights-of-way the Grantee has acquired and now holds by purchase or dedication, by right of use or adverse possession, or by legal conveyances such as right-of-way or easement deeds, permits, or other instruments.
4. Exceptions: NONE.

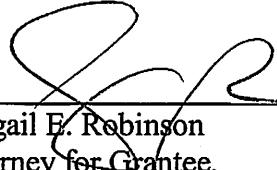
[Signature page follows.]

IN WITNESS WHEREOF, the undersigned has executed this Certificate on behalf of Grant County as of this 5th day of December, 2014.

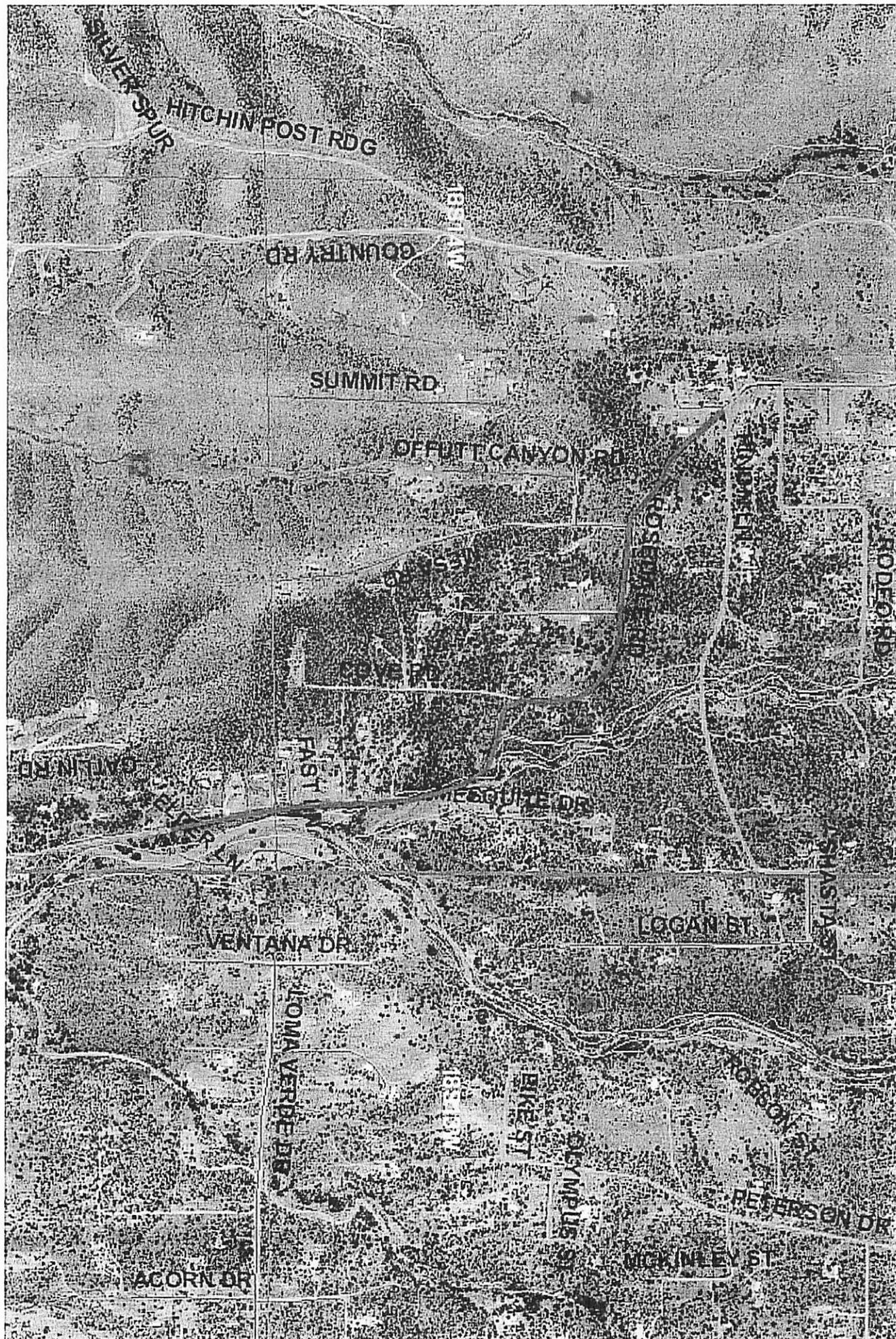


Abigail E. Robinson
Attorney for Grantee,
Grant County
P.O. Box 898
Silver City, NM 88622

IN WITNESS WHEREOF, the undersigned has executed this Certificate on behalf of Grant County as of this 5th day of December, 2014.



Abigail E. Robinson
Attorney for Grantee,
Grant County
P.O. Box 898
Silver City, NM 88622



NEW MEXICO FINANCE AUTHORITY

FINAL OPINION OF COUNSEL

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

Re: Grant County, New Mexico
\$692,133 Grant No. 3160-CIF

Ladies and Gentlemen:

I am an attorney representing Grant County (the “Grantee”) in connection with the above-referenced Grant. I am licensed to practice law and in good standing in the State of New Mexico. I provide this opinion in my role as counsel to the Grantee, understanding that the New Mexico Finance Authority and the New Mexico Colonias Infrastructure Board (the “Grantors”) are relying on all representations herein made by me on behalf of my client and but for these representations, the Grant would not be approved.

Capitalized terms used in this opinion have the same meaning as defined in Resolution No. _____ adopted by the Governing Body of the Grantee on November 12, 2014 (the “Resolution”) unless otherwise defined in this opinion or the context requires otherwise.

I hereby certify that I have examined:

- (1) Grant County Colonias Infrastructure Project Fund Application dated March 6, 2014 (the “Application”) and the New Mexico Colonias Infrastructure Board approval dated June 4, 2014 and the New Mexico Finance Authority Board approval dated July 24, 2014 for Grant No. 3160-CIF, relating to the Project.
- (2) The statutes creating the Grantee.
- (3) The Annual Open Meetings Act Resolution or resolutions of the Grantee in effect on November 12, 2014 and on December 5, 2014.
- (4) The proceedings of the Governing Body (including all agendas, minutes, resolutions, ordinances and publications) which authorize the Grant application, the Project development, the budget for the Project, and the contracts with the various Project professionals including but not limited to architects, engineers, planners and contractors.
- (5) Proceedings of the Grantee from the date of the Application to the date of this opinion, including, without limiting the generality of the foregoing, the action of the Grantee relating to (a) the selection of its Chairman of the Governing Body, Board of County Commissioners, and County Clerk; (b) the adoption of the Grantee’s

Annual Open Meetings Act Resolution or resolutions; (c) the adoption of ordinances or resolutions governing the operation of the Project; (d) the plans and specifications for the Project; (e) cost estimates for the Project; (f) the adoption of ordinances, resolutions and regulations for the furnishing of service to customers; (g) the proposed operating budget for services to be provided, in whole or in part, by means of the Project; (h) the proposal to finance the Project, in whole or in part, with a Grant made by the CIB, acting through the Finance Authority; (i) the Resolution authorizing the Authorized Officer of Grantee to execute necessary documents to obtain the Grant for the Project; (j) all necessary approvals for the Project from federal, State or local authorities; and (k) the execution and delivery of the Grant Agreement evidencing such Grant.

- (6) The Resolution and the Grant Agreement providing that the Grantors on behalf of the Grantee shall maintain a book Project Account on behalf of the Grantee and shall cause the disbursement of the Grant Amount as provided in Article IV of the Grant Agreement.
- (7) The maps and plats related to the location of the Project showing the existing public rights-of-way established for the Project, any real property to be acquired by purchase or dedication, by right of use or adverse possession or by legal conveyances such as right-of-way or easement deeds, permits or other instruments.

To the best of my knowledge based upon my examination of the foregoing and information provided to by Grantee, it is my opinion that:

- A. The Grantee is a duly organized and existing county under the laws of the State of New Mexico.
- B. There exists within the boundaries of the Grantee, the Colonia of the community of Rosedale, a community that has been designated as a Colonia within the meaning of the Colonias Infrastructure Act and the Grantee will be receiving the Grant for the benefit of the Colonia of the community of Rosedale and the constituent public served by the Grantee.
- C. The ordinances, resolutions, rules and regulations governing the operation of the Project have been duly adopted and are now in full force and effect.
- D. The Authorized Officers of the Grantee were duly and validly elected or appointed and are empowered to act for the Grantee.
- E. The Grantee has corporate power:
 - (1) to acquire, construct, install and complete the Project;
 - (2) to execute and deliver Grant documents including those identified above;

(3) to perform all acts required by such Grant documents to be done by it; and
(4) to own, operate and maintain the Project during its Useful Life.

F. All proceedings of the Grantee, its elected and appointed officers, and employees, required or necessary to be taken in connection with the authorization of the actions specified above have been duly taken and all such authorizations are presently in full force and effect.

G. The Resolution has been duly signed and adopted in accordance with all applicable laws and has not been repealed, rescinded, revoked, modified, amended or supplemented in any manner except as set forth in the Resolution. The Resolution constitutes valid and sufficient legal authority for the Grantee to carry out and enforce the provisions of the Grant Agreement.

H. No event will result from the execution and delivery of the Grant Agreement that constitutes a default or an event of default under either the Grant Agreement or the Resolution, and no event of default and no default under the Grant Agreement or the Resolution has occurred and is continuing on the date of this opinion.

I. The Grantee has duly authorized and approved the consummation by it of all transactions, and has complied with all requirements and satisfied all Conditions, which are required by the Grant Agreement to have been authorized, approved, performed or consummated by the Grantee at or prior to the date of this opinion. The Grantee has full legal right, power and authority to carry out and consummate the transactions contemplated by the Resolution and the Grant Agreement.

J. All approvals, consents and orders of any governmental authority having jurisdiction in the matter which would constitute a condition precedent to the enforceability of the Grant Agreement or any of the actions required to be taken by the Resolution or the Grant Agreement to the date of this opinion have been obtained and are in full force and effect.

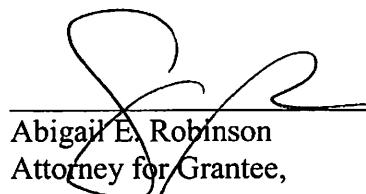
K. Neither the Grantee's adoption of the Resolution nor any action contemplated by or pursuant to the Resolution or the Grant Agreement does or will conflict with, or constitutes a breach by the Grantee of, or default by the Grantee under any law, court decree or order, governmental regulation, rule or order, ordinance, resolution, agreement, indenture, mortgage or other instrument to which the Grantee is subject or by which it is bound.

L. There is no actual or threatened action, suit, proceeding, inquiry or investigation against the Grantee, at law or in equity, by or before any court, public board or body, nor to my knowledge, is there any basis therefore, affecting the existence of the Grantee or the titles of its officials to their respective offices, or in any way materially adversely affecting or questioning (a) the territorial jurisdiction of the Grantee, (b) the use of the proceeds of the Grant Agreement for the Project and to pay certain costs of the Finance Authority and the CIB associated with the administration of the Colonias Infrastructure Project Fund, (c) the validity or enforceability of the Grant Agreement or any proceedings of the Grantee

with respect to the Resolution or the Grant Agreement, (d) the execution and delivery of the Grant Agreement, or (e) the power of the Grantee to carry out the transactions contemplated by the Resolution and the Grant Agreement.

- M. Based on a visual inspection of the maps associated with the Project location, there are no apparent liens affecting the title to any real property upon which the Project will be located.
- N. No legal proceedings have been instituted or are pending, and to my knowledge none are threatened, whether or not the Grantee is named as a party in such proceedings, which would affect the Grantee's interest in the real property upon which the Project will be located, and there are no judgments against the Grantee or liens against any property of the Grantee that would impair the Grantee's ability to complete the Project.
- O. The Grantee has acquired all of the necessary land rights, easements and rights-of-way for the Project including rights-of-way claimed by the Grantee as a prescriptive easement, which the Grantee will record and provide written documentation to the Finance authority of the recording of such easement in the Grant County Clerk's office. The Grantee now has sufficient, adequate and continuous rights-of-way to permit the construction, installation, operation and maintenance of the Project.
- P. The Grantee has complied with all of the requirements of the New Mexico Procurement Code, NMSA 1978, §§ 13-1-28 through 13-1-199, as amended, applicable to the Project on or prior to the date of this opinion letter.

Dated this 5th day of December, 2014.

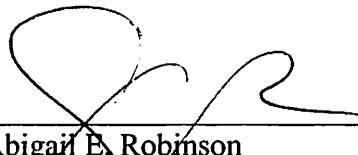


Abigail E. Robinson
Attorney for Grantee,
Grant County
P.O. Box 898
Silver City, NM 88622

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Dated this 5th day of December, 2014.



Abigail E. Robinson
Attorney for Grantee,
Grant County
P.O. Box 898
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VIRTUE & NAJJAR, PC

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November 6, 2014

SENT VIA FEDERAL EXPRESS TO:

Mr. Anthony Gutierrez,
Planning Director
Grant County
1400 US Highway 180 East
Silver City, New Mexico 88061

3160-CIF Colonias Infrastructure Project Fund
Grant Agreement to Grant County, New Mexico

Dear Mr. Gutierrez:

We enclose the documents listed below for the Chairman's signature, the County Clerk's signature and the Attorney's signature for the above-referenced Grant:

1. Financing Schedule (no signature requested);
2. Authorizing Resolution (1 original and 1 sets of additional signature pages);
3. Grant Agreement (1 original document and 1 additional signature page);
4. General and No Litigation Certificate (1 original document and 1 additional signature page);
5. Right of Way Certificate (1 original document and 1 additional signature page); and
6. Final Opinion of Counsel (1 original document and 1 additional signature page).

All original documents and signature pages will need to be signed and sealed, if indicated, and returned as discussed below.

We anticipate that the County Commission will adopt the Authorizing Resolution ("Resolution") on November 12, 2014. Following the meeting, please insert the Resolution Number in the appropriate blank spaces in the original documents, complete the attendance record (front page) and the voting record (page 11), and have the original signature pages (pages 10 and 12) each signed and sealed by the Chairman and the County Clerk. Return all of the above referenced documents to me, along with the original County Clerk's Certificate (page 13 of the Resolution) signed and sealed.

In regard to all the documents, I have flagged all the pages requiring the signature of the Chairman with green tabs, the County Clerk's signature with blue tabs and the Attorney's signature with red tabs.

November 6, 2014

Page 2

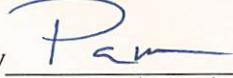
Also, we ask that you please provide us with a copy of the Commission's notice of meeting for the November 12th meeting, which will be attached as Exhibit "A" to the Resolution.

In addition to the notice of meeting, we ask that you also return the meeting agenda and a signed copy of the approved November 12th minutes. The provisions in the Loan/Grant Agreement (Term Sheet Exhibit A) set forth the conditions to be satisfied prior to the first disbursement of the Loan/Grant funds. Grant County cannot draw funds until the minutes of the November 12th meeting have been signed and approved.

We ask that you please have all the documents signed where indicated, and returned to us by Wednesday, November 19, 2014 using the enclosed prepaid FedEx envelope and slip. Thank you for your assistance with this matter. If you have any questions, or you need additional information, please call Pam Ortiz at (505) 983-6101, extension 55, or Jonas Nahoum at (505) 983-6101 extension 59.

Very truly yours,

Virtue & Najjar, PC

By 
Pamela Ortiz
Paralegal

Enclosures