

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

The Board of County Commissioners (the “Board”) of Grant County (the “County”), in the State of New Mexico, met in open regular session in full conformity with law and the ordinances and rules of the County, in the Commission Meeting Room at the Grant County Administration Center, located at 1400 Highway 180 East, Silver City, New Mexico, in the County, being the regular meeting place of the Board, at 9:00 a.m. on Thursday, March 21, 2019, at which time there were present and answering the roll call the following members:

Chairman:

Chris M. Ponce

Commissioners:

Javier (“Harvey”) Salas
Alicia Edwards
Gerald W. Billings, Jr.
Harry Browne

Absent:

None

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

There was officially filed with the County Clerk, the Chairman and each Commissioner, a copy of an ordinance in final form, which is as follows:

**GRANT COUNTY, NEW MEXICO
BOARD OF COUNTY COMMISSIONERS
ORDINANCE NO. O-19-02**

AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF GRANT COUNTY, NEW MEXICO GENERAL OBLIGATION BONDS, SERIES 2019, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$8,000,000 (THE “BONDS”) PAYABLE FROM AD VALOREM TAXES LEVIED ON ALL TAXABLE PROPERTY WITHIN THE COUNTY, LEVIED WITHOUT LIMIT AS TO RATE OR AMOUNT; APPROVING THE DELEGATION OF AUTHORITY TO MAKE CERTAIN DETERMINATIONS REGARDING THE SALE OF THE BONDS PURSUANT TO THE SUPPLEMENTAL PUBLIC SECURITIES ACT; PROVIDING FOR THE FORM, TERMS AND CONDITIONS OF THE BONDS, THE MANNER OF THEIR EXECUTION, AND THE METHOD OF, AND SECURITY FOR, PAYMENT; APPROVING NOTICE OF SALE, DISCLOSURE AND OTHER DOCUMENTS RELATING TO THE BONDS; RATIFYING ACTION PREVIOUSLY TAKEN IN CONNECTION THEREWITH; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH; AND PROVIDING FOR OTHER DETAILS CONCERNING THE BONDS.

WHEREAS, Grant County, New Mexico (the “County”) is a legally and regularly created, established, organized and existing political subdivision of the State of New Mexico (the “State”) created pursuant to NMSA 1978, Sections 4-9-1 to -2 (1867, as amended through 1917); and

WHEREAS, at a special bond election held coincident with the general election duly called and held in the County, on the 6th day of November, 2018 (the “Election”), the electors of the County authorized the Board of County Commissioners (the “Board”) of the County to contract bonded indebtedness on behalf of the County and upon the credit thereof by issuing general obligation bonds of the County; and

WHEREAS, the purposes and categorization of the proposed general obligation bonds (the “Bonds”) to be sold are as follows:

Description	Initial Authorization	Proposed Sale Amount
1. Remodel and make additions to necessary public buildings within the County, including, but not limited to, courthouses, jails, bridges, hospitals, public libraries, facilities for the holding of county fairs,	\$4,000,000	\$4,000,000

cultural facilities, juvenile detention homes, athletic facilities, parking structures, administrative facilities, facilities for housing equipment, repairing equipment and servicing equipment and sewage facilities, and for water, sewer or sanitary landfill systems.

2. Constructing or repairing public roads and for construction and acquisition of water, sewer or sanitary landfill systems.	\$4,000,000	\$4,000,000
Total Amounts:	<u>\$8,000,000</u>	<u>\$8,000,000</u>

WHEREAS, the Board hereby determines that it is necessary and in the best interest of the County and the inhabitants thereof that the Bonds be issued at this time for the purposes and in the amounts set forth in the immediately preceding recital (each, a “Project” and collectively, the “Projects”), provided that a satisfactory price be obtained therefor upon a public, competitive sale; and

WHEREAS, the Board has determined and does hereby determine that the Bonds shall be issued at this time under the authority of the New Mexico Constitution and applicable law as hereinafter set forth, and desires to fix the form and details of the Bonds and to provide for the levy of taxes for the payment of the principal of and interest on the Bonds; and

WHEREAS, pursuant to NMSA 1978, Section 6-14-10.2 (2017) of the Supplemental Public Securities Act, the Board is authorized to adopt an ordinance delegating to one or more of its members, officers, or employees the authority to sign a contract for the purchase or sale of public securities or to accept a binding bid for public securities and to determine the final terms for public securities to be issued so long as such final terms are within the parameters established by an authorizing ordinance adopted in conformity with the Supplemental Public Securities Act; and

WHEREAS, the County intends to market and sell the Bonds via public, competitive sale and the entity or entities to whom the Bonds will be originally sold (the “Purchaser”), the purchase price and other details of the Bonds will be established in the Final Terms Certificate (as defined in Section 13 below) pursuant to this ordinance (this “Bond Ordinance” or “Ordinance”); and

WHEREAS, in order to, among other things, allow the Board flexibility in setting the pricing date of the Bonds and to optimize debt service costs to the County, the Board desires to grant to the County Manager the authority to (a) determine any or all of the following terms of the Bonds: (i) the interest and principal dates; (ii) the principal amounts; (iii) the sale prices; (iv) the interest rates; (v) the interest payment periods; (vi) the redemption and tender provisions; (vii) the procurement of municipal bond insurance and any related covenants or agreements; (viii) the creation of any capitalized interest or debt service reserve funds, including the size and funding of the funds; (ix) the amount of underwriting discount, if any; and (x) the final terms of agreements, if any, with one or more trustee, paying agent, registrar, dissemination agent or any other agent or service provider required for the purchase, sale, issuance, and delivery of the Bonds; and (b) to make any changes with respect thereto from those terms which were before the Board at the time of adoption of this Bond Ordinance, provided such terms do not exceed the parameters set forth for such terms in Sections 2, 3, and 13 of this Bond Ordinance (the “Parameters”), as further described herein; and

WHEREAS, there has been presented to the Board at this meeting a form of the preliminary official statement (the “Preliminary Official Statement”) to be used in connection with the sale of the Bonds and the Board desires to authorize the distribution of the Preliminary Official Statement in substantially the form presented in connection with this Bond Ordinance and attached hereto as Exhibit A; and

WHEREAS, there has been presented to the Board at this meeting a form of Continuing Disclosure Undertaking providing for the disclosure by the Board of certain annual financial information with respect to the County and the County’s borrowers, for the purpose of enabling the Purchaser to comply with Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934; and

WHEREAS, pursuant to NMSA 1978, Section 6-14-6 (1975), after the passage of thirty (30) days from the publication of the notice of adoption of this Bond Ordinance, as directed in Section 27 of this Bond Ordinance (the “Notice of Adoption”), any action attacking the validity of the proceedings had or taken by the Board preliminary to and in the authorization and issuance of the Bonds described in the Notice of Adoption is perpetually barred; and

WHEREAS, all required authorizations, consents or approvals of any state, governmental body, agency or authority, in connection with the authorization, execution and delivery of the Bonds which are required to have been obtained by the date hereof have been obtained, and which will be required to be obtained prior to the date of issuance of the Bonds, will have been obtained by such date; and

WHEREAS, no action or suit has been commenced by any person or corporation contesting the validity of any of the proceedings directed toward the issuance and sale of the Bonds heretofore taken by the Board and the officers of the County; and

WHEREAS, there has been published in the *Silver City Daily Press and Independent*, a newspaper of general circulation in the County, public notice of the Commission’s intention to adopt this Bond Ordinance, which notice contained the title and general summary of the subject

matter of this Bond Ordinance and the date and time of the meeting of the Board at which this Bond Ordinance is proposed for final passage, which notice was published at least fourteen (14) days prior to final action upon this Bond Ordinance; and

WHEREAS, there has been on deposit with the County Clerk the proposed form of this Bond Ordinance; and

WHEREAS, the Board currently intends and reasonably expects to participate in the sale of the Bonds, a tax-exempt borrowing, to finance capital expenditures in connection with the Projects within 18 months of the date of such capital expenditures or the placing in service of the Projects, whichever is later (but in no event more than three years after the date of the original expenditure of such moneys), including an amount not to exceed \$100,000 for reimbursing the County for the portion of such capital expenditures made no earlier than 60 days prior to the date hereof (or such other date as may conform to Internal Revenue Service rules) or to be made after the date hereof but before such borrowing; and

WHEREAS, the Board desires to explicitly declare its official intent, pursuant to 26 C.F.R. § 1.150-2, to reimburse the County for such capital expenditures with the proceeds of the County's future tax-exempt borrowing.

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

Section 1. **RATIFICATION.** All action heretofore taken and not inconsistent with the provisions of this Bond Ordinance by the Board, the officers of the County and its employees or agents directed toward the Election, the issuance of the Bonds (including publication of the revised Notice of Meeting and Intent to Adopt Bond Ordinance in the *Silver City Daily Press* and *Independent* on February 25, 2019), or the sale of the Bonds to the Purchaser be, and the same hereby are, ratified, approved and confirmed.

Section 2. **AUTHORIZATION; NOTICE OF BOND SALE.**

A. **AUTHORIZATION.** This Bond Ordinance has been adopted by the affirmative vote of a majority of all members of the Board. For the purpose of protecting the public health, conserving the property, protecting the general welfare and prosperity of the citizens of the County, by financing the capital projects described herein, it is hereby declared necessary that the County, pursuant to the Public Securities Act, NMSA 1978, Sections 6-14-1 to -3 (1970, as amended through 1999), the Public Securities Limitation of Action Act, NMSA 1978, Sections 6-14-4 to -7 (1975), the Supplemental Public Securities Act, NMSA 1978, Sections 6-14-8 to -11 (1983, as amended through 2017), NMSA 1978, Sections 6-15-1 to -22 (1925, as amended through 2013) and the Bond Election Act, NMSA 1978, Sections 6-15-23 to -28 (1970, as amended through 2018), and acts amendatory and supplemental thereto (collectively, the "Act"), issue its negotiable, fully registered, general obligation bonds to be designated "Grant County, New Mexico General Obligation Bonds, Series 2019," in an aggregate principal amount not to exceed \$8,000,000 (the "Bonds") and the issuance, sale and delivery of the Bonds is hereby authorized. The Bonds shall be sold at a public, competitive sale

to the Purchaser. The maximum net effective interest rate for the Bonds shall not exceed five percent (5.000%) per annum. Such maximum net effective interest rate is reasonable under existing and anticipated bond market conditions and is necessary and advisable for the marketing and sale of the Bonds. The underwriter's discount on the Bonds shall not exceed one percent (1.000%) of the aggregate principal amount of the Bonds.

B. NOTICE OF BOND SALE. The Summary Notice of Bond Sale (the "Summary Notice") for the Bonds shall be in substantially the form attached hereto as Exhibit B, with such changes as are not inconsistent herewith and approved by the Chair of the Board. The Official Notice of Bond Sale (the "Official Notice") for the Bonds shall be in substantially the form attached hereto as Exhibit C, with such changes as are not inconsistent herewith and approved by the Chair of the Board. The Chair of the Board and the Clerk of the County be, and the same hereby are, authorized and directed to have published a notice of sale of the Bonds in the *Silver City Daily Press and Independent*, a newspaper of general circulation in the County, such publication to occur once at least one week prior to the date of sale of the Bonds, currently expected to occur on or about April 4, 2019. The published notice of bond sale referred to in the immediately preceding sentence may be in the form of the Summary Notice described in the first sentence of this Section 2(B) or in the form of the Official Notice described in the second sentence of this Section 2(B). In addition, the Chair of the Board is hereby authorized and directed to give such other notice of the sale of the Bonds as he or she may determine, including the publication of the notice in financial papers and periodicals and the distribution among investment bankers and others of the Preliminary Official Statement relating to the Bonds.

Section 3. BOND DETAILS. The Board, on behalf of the County and upon the full faith and credit thereof, shall issue the Bonds in one series in the maximum aggregate principal amount of \$8,000,000. The form, terms and provisions of the Bonds, as set forth in Section 10 of this Bond Ordinance below, are hereby approved with only such changes therein as are consistent with this Bond Ordinance and the Final Terms Certificate (as defined in Section 13 below).

The Bonds shall be dated the date of issuance (the "Series Date"), and shall be issued in fully registered form only, without coupons, and when issued will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC") as registered owner of the Bonds. DTC will act as the securities depository of the Bonds. A single certificate will be issued and delivered to DTC for the total principal amount of each maturity of the Bonds. Individual purchases of the Bonds will be made in book-entry form only in the principal amount of \$5,000 or integral multiples thereof ("Authorized Denomination" or "Authorized Denominations"). The Purchaser of the Bonds will not receive certificates representing its interest in the bonds purchased. The Bonds shall bear interest from the Series Date to maturity at the rates per annum set forth in the Final Terms Certificate (defined in Section 13 below), but not to exceed ten percent (10%) per annum, as required by NMSA 1978, Section 6-14-3 (1981), payable to the registered owner thereof, or registered assigns, commencing on the date established in the Final Terms Certificate (defined in Section 13 below), and semi-annually thereafter on March 1 and September 1 in each year in which the Bonds are outstanding (each, an "Interest Payment Date"); and shall mature on September 1 of each year as set forth in the Final Terms Certificate (defined in Section 13 below), provided, however, Bonds

which are reissued upon transfer, exchange or other replacement shall bear interest from the most recent Interest Payment Date to which interest has been fully paid or provided for in full or, if no interest has been paid, from the Series Date.

The exact principal amount, Authorized Denominations, transfer restrictions, if any, and maturity schedule for the Bonds shall be established in the Final Terms Certificate (defined in Section 13 below), subject to the parameters and conditions contained in Section 13 of this Bond Ordinance.

The principal of each bond and interest due at maturity shall be payable to the registered owner thereof as shown on the registration books kept by the County Treasurer, as "registrar/paying agent" (or any successor thereto, the "Registrar/Paying Agent") for the Bonds, upon maturity and upon presentation and surrender thereof at the principal office of the Registrar/Paying Agent. The County may appoint a successor or successors to the Registrar/Paying Agent to perform some or all of the duties of registrar, paying agent and transfer agent, which shall be a financial institution having an unimpaired capital and surplus of not less than \$10,000,000. Payments to DTC made hereunder shall be made in accord with the DTC Representations Letter. If any bond shall not be paid upon such presentation and surrender at or after maturity, it shall continue to draw interest at the rate borne by said bond until the principal thereof is paid in full. Payment of interest on the Bonds (other than at maturity) shall be made by check or draft mailed (or in such other manner as may be agreed upon by the Registrar/Paying Agent and the registered owner) to the registered owner thereof as of the close of business on the Record Date (defined below) at its address as it appears on the registration books kept by the Registrar/Paying Agent (or by such other arrangement as may be mutually agreed to by the Registrar/Paying Agent and such registered owner). All such payments shall be made in lawful money of the United States of America. The term "Record Date" as used herein with respect to any Interest Payment Date shall mean the fifteenth (15th) day of the month next preceding the Interest Payment Date. The person in whose name any bond is registered at the close of business on any Record Date with respect to any Interest Payment Date shall be entitled to receive the interest payable thereon on such Interest Payment Date notwithstanding any transfer or exchange thereof subsequent to such Record Date and prior to such Interest Payment Date; but interest on any bond which is not timely paid or duly provided for shall cease to be payable as provided above and shall be payable to the person in whose name such bond is registered at the close of business on a special record date (the "Special Record Date") fixed by the Registrar/Paying Agent for the payment of any such overdue interest. The Special Record Date shall be fixed by the Registrar/Paying Agent whenever moneys become available for payment of overdue interest, and notice of any such Special Record Date shall be given not less than ten (10) days prior thereto, by first-class mail, to the registered owners of the Bonds as of the fifth day preceding the mailing of such notice by the Registrar/Paying Agent, stating the Special Record Date and the date fixed for the payment of overdue interest.

Section 4. PRIOR REDEMPTION.

A. All or any portion of the Bonds may be subject to optional redemption, mandatory redemption and/or mandatory sinking fund redemption prior to their stated maturities

at a redemption price and on the dates established therefor in the Final Terms Certificate (defined in Section 13 below).

B. Notice of any redemption, if authorized in the Final Terms Certificate (defined in Section 13 below), shall be given by the Registrar/Paying Agent by sending a copy of such notice by registered or certified first-class, postage prepaid mail at least thirty (30) days prior to the redemption date to the registered owners of the bonds to be redeemed, at the address shown as of the close of business of the Registrar/Paying Agent on the fifth day prior to the mailing of notice on the registration books kept by the Registrar/Paying Agent. The County shall give the Registrar/Paying Agent written instructions to give notice of redemption to the registered owners of the bonds to be redeemed at least forty-five (45) days prior to such redemption date. Neither the County's failure to give such notice nor the Registrar/Paying Agent's failure to give such notice to the registered owners of the Bonds, or any defect therein, shall affect the validity of the proceedings for the redemption of any bonds for which proper notice was given. Notice of redemption shall specify the amount being redeemed, the date fixed for redemption, and that on such redemption date there will become and be due and payable upon the bonds to be redeemed at the office of the Registrar/Paying Agent, the principal amount to be redeemed plus accrued interest to the redemption date and that from and after such date interest will cease to accrue on such amount. Notice having been given in the manner hereinbefore provided, the bonds so called for redemption shall become due and payable on the redemption date so designated and if an amount of money sufficient to redeem the bonds called for redemption shall on the redemption date be on deposit with the Registrar/Paying Agent, the bonds to be redeemed shall be deemed not outstanding and shall cease to bear interest from and after such redemption date. Upon presentation of the bonds to be redeemed at the office of the Registrar/Paying Agent, the Registrar/Paying Agent will pay the bonds so called for redemption with funds deposited with the Registrar/Paying Agent by the County.

Section 5. EXECUTION OF THE BONDS. One bond for each stated maturity shall bear the manual or facsimile signatures of the Chair or Vice-Chair of the Board and shall be attested by the manual or facsimile signature of the County Clerk or a deputy County Clerk with the seal or facsimile seal of the County. The Bonds shall be authenticated by the manual signature of the County Treasurer as Registrar/Paying Agent. The Bonds bearing the signatures or the signing thereof shall be the valid and binding obligations of the County, notwithstanding that before the delivery of the Bonds and payment therefor, or before the issuance thereof upon transfer or exchange, any or all of the persons whose signatures appear on the Bonds shall have ceased to fill their respective offices. The Chair of the Board and the County Clerk, pursuant to the Uniform Facsimile Signature of Public Officials Act, NMSA 1978, Sections 6-9-1 to -6 (1959, as amended through 1983), may each file his/her manual signature, certified by him/her under oath, with the Secretary of State of New Mexico, provided that such filing shall not be necessary for any officer where any previous filing shall have application to the Bonds.

Section 6. PLEDGE OF FULL FAITH AND CREDIT. The Bonds represent all of the bonds approved at the special bond election held coincident with the general election duly called and held in the County on November 6, 2018. The Bonds shall constitute the general obligation of the County, payable from general *ad valorem* taxes which shall be levied without

limitation as to the rate or amount. The full faith and credit of the County shall be, and hereby is, irrevocably pledged to the payment of the principal of and interest on the Bonds.

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

Section 7. REGISTRATION, TRANSFER, EXCHANGE AND OWNERSHIP OF BONDS.

A. Registration, Transfer and Exchange. Books for the registration, transfer and exchange of the Bonds shall be kept by the County Treasurer as Registrar/Paying Agent for the Bonds. Upon the surrender or transfer or exchange of any fully registered bond at the principal office of the Registrar/Paying Agent or any successor, duly endorsed for transfer or exchange or accompanied by an assignment duly executed by the registered owner or his/her attorney duly authorized in writing, the Registrar/Paying Agent shall authenticate and deliver, not more than three (3) business days after receipt of the bond or bonds to be transferred, in the name of the transferee or registered owner, as appropriate, a new bond or bonds in fully registered form of the same aggregate principal amount of Authorized Denominations, and of the same maturity, interest rate and series, bearing a number or numbers not contemporaneously outstanding. Bonds may be exchanged at the principal office of the Registrar/Paying Agent for an equal aggregate principal amount of bonds of other Authorized Denominations, and of the same maturity, series and interest rate. The Registrar/Paying Agent shall authenticate and deliver, not more than three (3) business days after receipt of the bond to be exchanged, a bond or bonds which the registered owner making the exchange is entitled to receive, bearing a number or numbers not contemporaneously outstanding. Exchanges and transfers of bonds as herein provided shall be without charge to the owner or any transferee, but the Registrar/Paying Agent may require the payment by the owner of any bond requesting exchange or transfer of any tax or other governmental charge required to be paid with respect to such exchange or transfer.

B. Limitations. The Registrar/Paying Agent shall not be required (i) to transfer or exchange the bond during the period of fifteen (15) days next preceding the mailing of notice calling any bonds for redemption as herein provided, or (ii) to transfer or exchange any bond or parts thereof called for redemption. The Registrar/Paying Agent shall close books for change of registered owners' addresses on each Record Date; transfers will be permitted within the period from each Record Date to each Interest Payment Date, but such transfers shall not include a transfer of accrued interest payable.

C. Owners of the Bonds. The person in whose name any bond shall be registered, on the registration books kept by the Registrar/Paying Agent, shall be deemed and regarded as the absolute owner thereof for the purpose of making payment thereof and for all other purposes except as may otherwise be provided with respect to payment of interest as is provided in Section 3 hereof; and payment of or on account of either principal or interest on any bond shall be made

only to or upon the written order of the registered owner thereof or his/her legal representative, but such registration may be changed upon transfer of such bond in the manner and subject to the conditions and limitations provided herein. All such payments shall be valid and effectual to discharge the liability upon such bond to the extent of the sum or sums so paid.

D. Lost Bonds. If any bond shall be lost, stolen, destroyed or mutilated, the Registrar/Paying Agent shall, upon receipt of the mutilated bond and such evidence, information or indemnity relating thereto as it may reasonably require and as may be required by law, authenticate and deliver a replacement bond or bonds of a like aggregate principal amount of Authorized Denominations, and of the same maturity, interest rate and series, bearing a number or numbers not contemporaneously outstanding. If such lost, stolen, destroyed or mutilated bond shall have matured or have been called for redemption, the Registrar/Paying Agent may pay such bond in lieu of replacement.

E. Additional Bonds. The officers of the County are authorized to deliver to the Registrar/Paying Agent fully executed but unauthenticated bonds in such quantities as may be convenient to be held in custody by the Registrar/Paying Agent pending use as herein provided.

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

G. Charges. For each new bond issued in connection with a transfer or exchange, the Registrar/Paying Agent may make a charge to the owner of the bond requesting such exchange or transfer sufficient to reimburse the Registrar/Paying Agent for any tax, fee or other governmental charge required to be paid with respect to such transfer or exchange.

H. Book-Entry Bonds.

i. The registered bondholder of all of the Bonds shall be DTC and any substitute for or successor to such securities depository as the County may designate in writing (a "Securities Depository") and such Bonds shall be registered in the name of the nominee for the Securities Depository. The Bonds referred to in this subsection i shall refer to the Bonds registered in the name of the Securities Depository.

ii. The Bonds shall be initially issued in the form of separate, single, authenticated fully-registered bonds in the amount of each separately stated maturity of the Bonds. Upon initial issuance, the ownership of each such bond shall be registered in the registration books kept by the Registrar/Paying Agent in the name of the nominee of the Securities Depository. The Registrar/Paying Agent and the County may treat the Securities Depository (or its nominee) as the sole and exclusive registered owner of the Bonds registered in its name for the purposes of (a) payment of the principal or redemption price of or interest on the Bonds, (b) selecting the Bonds or portions thereof to be redeemed, and giving any notice permitted or required to be given to bondholders under this Ordinance, (c) registering the transfer

of bonds, and (d) obtaining any consent or other action to be taken by bondholders and for all other purposes whatsoever and neither the Registrar/Paying Agent nor the County shall be affected by any notice to the contrary (except as provided in subsection (iii) below). Neither the Registrar/Paying Agent nor the County shall have any responsibility or obligation to any broker-dealers, banks and other financial institutions from time to time for which DTC holds bonds as Securities Depository (each, a “Participant”), any entity from time to time for whose account the Participant or Participants hold bonds (the “Beneficial Holders”) or any other person claiming a beneficial ownership interest in the Bonds under or through the Securities Depository or any Participant, or any other person which is not shown on the registration books of the Registrar/Paying Agent as being a bondholder, with respect to the accuracy of any records maintained by the Securities Depository or any Participant, the payment to the Securities Depository of any amount in respect of the principal or redemption price of or interest on the Bonds; any notice which is permitted or required to be given to bondholders under this Bond Ordinance; the selection by the Securities Depository or any Participant of any person to receive payment in the event of a partial redemption of the Bonds; or any consent given or other action taken by the Securities Depository as bondholder. The Registrar/Paying Agent shall pay all principal and redemption price of and interest on the Bonds only to or “upon the order of” the Securities Depository (as that term is used in the Uniform Commercial Code as adopted in the State of New Mexico), all such payments shall be valid and effective to fully satisfy and discharge the County’s obligations with respect to the principal, purchase price or redemption price of and interest on the Bonds to the extent of the sum or sums so paid. Except as provided in subsection iii below, no person other than the Securities Depository shall receive an authenticated bond for each separate stated maturity evidencing the obligation of the County to make payment of principal or redemption price and interest pursuant to this Ordinance. Upon delivery by the Securities Depository to the Registrar/Paying Agent of written notice to the effect that the Securities Depository has determined to substitute a new nominee in place of the preceding nominee, the Bonds will be transferable to such new nominee in accordance with subsection vi below.

iii. In the event the County determines that it is in the best interest of the County not to continue the book-entry system of transfer or that the interest of the bondholders might be adversely affected if the book-entry system of transfer is continued, the County may notify the Securities Depository, whereupon the Securities Depository will notify the Participants of the availability through the Securities Depository of bond certificates. In such event, the Registrar/Paying Agent shall authenticate, transfer and exchange bond certificates as requested by the Securities Depository in appropriate amounts in accordance with subsection vi below. The Securities Depository may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the County and discharging its responsibilities with respect thereto under applicable law, or the County may determine that the Securities Depository is incapable of discharging its responsibilities and may so advise the Securities Depository. In either such event, the County shall either establish its own book-entry system or use reasonable efforts to locate another Securities Depository. Under such circumstances (if there is no successor Securities Depository) the County and the Registrar/Paying Agent shall be obligated to deliver bond certificates as described in this Bond Ordinance and in accordance with subsection vi below. In the event bond certificates are issued, the provisions of this Bond Ordinance shall apply to such bond certificates in all respects, including, among other things, the transfer and

exchange of such certificates and the method of payment of principal or redemption price of and interest on such certificates. Whenever the Securities Depository requests the County and the Registrar/Paying Agent to do so, the Registrar/Paying Agent and the County will cooperate with the Securities Depository in taking appropriate action after reasonable notice (a) to make available one or more separate certificates evidencing the Bonds to any Participant having bonds credited to its account with the Securities Depository or (b) to arrange for another securities depository to maintain custody of certificates evidencing the Bonds.

iv. Notwithstanding any other provision of this Bond Ordinance to the contrary, so long as any bond is registered in the name of the nominee of the Securities Depository, all payment with respect to the principal or redemption price of and interest on such bond and all notices with respect to such bond shall be made and given respectively, to the Securities Depository as provided in its representation letter.

v. In connection with any notice or other communication to be provided to bondholders pursuant to this Bond Ordinance by the County or the Registrar/Paying Agent with respect to any consent or other action to be taken by bondholders, the County or the Registrar/Paying Agent, as the case may be, shall establish a record date for such consent or other action and give the Securities Depository notice of such record date for such consent or other action and give the Securities Depository notice of such record date not less than fifteen (15) calendar days in advance of such record date to the extent possible. Such notice to the Securities Depository shall be given only when the Securities Depository is the sole bondholder.

vi. In the event that any transfer or exchange of bonds is permitted under subsection (ii) and (iii) hereof, such transfer or exchange shall be accomplished upon receipt by the Registrar/Paying Agent from the registered owner thereof of the Bonds to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee, all in accordance with the applicable provisions of this Bond Ordinance. In the event bond certificates are issued to owners other than the nominee of the Securities Depository, or another securities depository as holder of all the Bonds, the provisions of this Bond Ordinance shall also apply to, among other things, the printing of such certificates and the methods of payment of principal or redemption price of and interest on such certificates.

vii. Notwithstanding any provision of this Bond Ordinance to the contrary, in connection with any redemption of bonds while the DTC is the sole bondholder, the County shall give notice of such redemption to the Registrar/Paying Agent at least forty-five (45) days prior to the date fixed for redemption and the Registrar/Paying Agent shall give notice of redemption to DTC as holder of such bonds at least thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption.

Section 8. REGISTRAR/PAYING AGENT. As previously stated, the County Treasurer shall serve as the initial registrar/paying agent. The County may, upon notice mailed to each registered owner of bonds at the address last shown on the registration books, appoint a successor registrar/paying agent. Every such successor registrar/paying agent shall be a bank or trust company located in and in good standing in the United States and having a shareholders

equity (e.g., capital stock, surplus and undivided profits), however denominated, of not less than \$10,000,000.

Section 9. NEGOTIABILITY. Subject to the registration provisions hereof, the Bonds hereby authorized shall be fully negotiable and shall have all the qualities of negotiable paper, and the registered owner or owners thereof shall possess all rights enjoyed by the holders of negotiable instruments under the provisions of the Uniform Commercial Code.

Section 10. FORM OF BONDS. The form, terms and provisions of the Bonds shall be substantially as set forth below, with such changes therein as are consistent with this Bond Ordinance and the Final Terms Certificate (defined in Section 13 below).

[FORM OF BOND]

UNITED STATES OF AMERICA

STATE OF NEW MEXICO

AS PROVIDED IN THE BOND ORDINANCE REFERRED TO HEREIN, UNTIL THE TERMINATION OF REGISTERED OWNERSHIP OF ALL OF THE BONDS THROUGH THE DEPOSITORY TRUST COMPANY (TOGETHER WITH ANY SUCCESSOR SECURITIES DEPOSITORY, "DTC"), AND NOTWITHSTANDING ANY OTHER PROVISION OF THE BOND ORDINANCE TO THE CONTRARY, THE PRINCIPAL AMOUNT OUTSTANDING UNDER THIS BOND MAY BE PAID OR REDEEMED WITHOUT SURRENDER HEREOF TO THE REGISTRAR/PAYING AGENT. DTC OR A TRANSFEREE OR ASSIGNEE OF DTC OF THIS BOND MAY NOT RELY UPON THE PRINCIPAL AMOUNT INDICATED HEREON AS THE PRINCIPAL AMOUNT HEREOF OUTSTANDING AND TO BE PAID. THE PRINCIPAL AMOUNT OUTSTANDING AND TO BE PAID ON THIS BOND SHALL FOR ALL PURPOSES BE THE AMOUNT INDICATED ON THE BOOKS OF THE REGISTRAR/PAYING AGENT.

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF DTC TO THE REGISTRAR/PAYING AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY BOND ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC AND ANY PAYMENT IS MADE TO CEDE & CO., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSONS IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

REGISTERED NO. R-_____

\$_____

**GRANT COUNTY, NEW MEXICO
GENERAL OBLIGATION BOND
SERIES 2019**

Interest Rate: _____ **Maturity Date:** _____ **Series Date:** _____ **CUSIP:** _____

_____ % per annum _____, 2019 _____

Registered Owner: Cede & Co.

Principal Amount: _____ DOLLARS (\$ _____)

The Board of County Commissioners of Grant County, New Mexico (the "Board"), on the faith, credit and behalf of Grant County, New Mexico (the "County"), for value received, hereby promises to pay to the registered owner named above, or registered assignees, the principal amount stated above on the Maturity Date stated above and to pay interest on the principal amount at the Interest Rate on September 1, 2019 and thereafter on March 1 and September 1 of each year (the "Interest Payment Date") from the Series Date stated above to its maturity. The principal of the bonds of the series of which this is one (the "Bonds") and interest due at maturity shall be payable to the registered owner thereof as shown on the registration books kept by the County Treasurer, as "registrar/paying agent" (and any successor thereto, the "Registrar/Paying Agent") for the Bonds, upon maturity and upon presentation and surrender thereof at the principal office of the Registrar/Paying Agent. If any bond shall not be paid upon such presentation and surrender at or after maturity, it shall continue to draw interest at the rate borne by said bond until the principal thereof is paid in full. Payment of interest on the Bonds (other than at maturity) shall be made by check or draft mailed (or in such other manner as may be agreed upon by the Registrar/Paying Agent and the registered owner) by the Registrar/Paying Agent, on or before each Interest Payment Date to the registered owner thereof as of the close of business on the Record Date (defined below) at its address as it appears on the registration books kept by the Registrar/Paying Agent. All such payments shall be made in lawful money of the United States of America. The term "Record Date" as used herein with respect to any Interest Payment Date shall mean the fifteenth (15th) day of the month next preceding the Interest Payment Date. The person in whose name any bond is registered at the close of business on any Record Date with respect to any Interest Payment Date shall be entitled to receive the interest payable thereon on such Interest Payment Date notwithstanding any transfer or exchange thereof subsequent to such Record Date and prior to such Interest Payment Date; but interest on any bond which is not timely paid or duly provided for shall cease to be payable as provided above and shall be payable to the person in whose name such bond is registered at the close of business on a special record date (the "Special Record Date") fixed by the Registrar/Paying Agent for the payment of any such overdue interest. The Special Record Date shall be fixed by the Registrar/Paying Agent whenever moneys become available for payment of overdue interest, and notice of any such Special Record Date shall be given not less than ten (10) days prior thereto, by first-class mail, to the registered owners of the Bonds as of the fifth (5th) day preceding the mailing of such notice by the Registrar/Paying Agent, stating the Special Record Date and the date fixed for the payment of overdue interest.

The Bonds are fully registered and are issuable in denominations of \$5,000 and any integral multiple thereof (provided that no individual bond may be issued for more than one maturity).

The Bonds, of which this bond is one, are limited to the total principal amount of \$[AGGREGATE PRINCIPAL AMOUNT OF BONDS] are of like tenor, except as to number, denomination, maturity date, and interest rate, and are issued by the County of Grant, New Mexico, to provide for (i) remodeling and making additions to necessary public buildings within the County, including, but not limited to, courthouses, jails, bridges, hospitals, public libraries, facilities for the holding of county fairs, cultural facilities, juvenile detention homes, athletic facilities, parking structures, administrative facilities, facilities for housing equipment, repairing equipment and servicing equipment and sewage facilities, and for water, sewer or sanitary landfill systems and, (ii) constructing or repairing public roads and for construction and acquisition of water, sewer or sanitary landfill systems and to reimburse the County for expenditures, if any, made by the County for the foregoing purposes. The Bonds are issued under the authority of and in full conformity with the Constitution and laws of the State of New Mexico (particularly, the Public Securities Act, NMSA 1978, Sections 6-14-1 to -3 (1970, as amended through 1999), the Public Securities Limitation of Action Act, NMSA 1978, Sections 6-14-4 to -7 (1975), the Supplemental Public Securities Act, NMSA 1978, Sections 6-14-8 to -11 (1983, as amended through 2017), NMSA 1978, Sections 6-15-1 to -22 (1925, as amended through 2013) and the Bond Election Act, NMSA 1978, Sections 6-15-23 to -28 (1970, as amended through 2018), and acts amendatory and supplemental thereto), and pursuant to Ordinance No. O-19-02, duly adopted by the Board on March 21, 2019, and made a law of the County prior to the issuance of this bond (the "Bond Ordinance").

The Registrar/Paying Agent will maintain the books of the County for the registration of ownership of the Bonds. Upon the surrender for transfer of any bond at the principal office of the Registrar/Paying Agent, duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or his/her attorney duly authorized in writing, the Registrar/Paying Agent shall authenticate and deliver not more than three (3) business days after receipt of the bond to be transferred in the name of the transferee or transferees a new bond or bonds in fully registered form of the same aggregate principal amount of authorized denominations, and of the same maturity, interest rate and series, bearing a number or numbers not contemporaneously outstanding. Bonds may be exchanged at the principal office of the Registrar/Paying Agent for an equal aggregate principal amount of Bonds of other authorized denominations, and of the same maturity, series and interest rate. The Registrar/Paying Agent shall authenticate and deliver, not more than three (3) business days after receipt of the bond to be exchanged, a bond or bonds which the registered owner making the exchange is entitled to receive, bearing a number or numbers not contemporaneously outstanding. Exchanges and transfers of bonds as herein provided shall be without charge to the owner or any transferee, but the Registrar/Paying Agent may require the payment by the owner of any bond requesting exchange or transfer of any tax or other governmental charge required to be paid with respect to such exchange or transfer. The Registrar/Paying Agent shall not be required (i) to transfer or exchange any bond during the period of fifteen (15) days next preceding the mailing of notice calling any bond for redemption, or (ii) to transfer or exchange any bond or parts thereof called

for redemption. The Registrar/Paying Agent will close books for change of registered owners' addresses on each Record Date; transfers will be permitted within the period from each Record Date to each Interest Payment Date, but such transfers shall not include a transfer of accrued interest payable.

The person in whose name any bond shall be registered on the registration books kept by the Registrar/Paying Agent, shall be deemed and regarded as the absolute owner thereof for the purpose of making payment thereof and for all other purposes; and payment of or on account of either principal or interest on any bond shall be made only to or upon the written order of the registered owner thereof, or his/her legal representative, in the manner and subject to the conditions and limitations provided herein. All such payments shall be valid and effectual to discharge the liability upon such bond to the extent of the sum or sums so paid.

If any bond shall be lost, stolen, destroyed or mutilated, the Registrar/Paying Agent shall, upon receipt of the mutilated bond and such evidence, information or indemnity relating thereto as it may reasonably require and as may be required by law, authenticate and deliver a replacement bond or bonds of a like aggregate principal amount of authorized denominations, and of the same maturity, interest rate and series, bearing a number or numbers not contemporaneously outstanding. If such lost, stolen, destroyed or mutilated bond shall have matured, the Registrar/Paying Agent may pay such bond in lieu of replacement.

[INSERT REDEMPTION PROVISIONS, IF ANY, HERE AS DETERMINED
PURSUANT TO THE FINAL TERMS CERTIFICATE]

For the punctual payment of the principal of and interest on this bond as aforesaid and for the levy and collection of taxes in accordance with the statutes authorizing the issuance of this bond, the full faith and credit of the County is hereby irrevocably pledged. The Board has, by the Bond Ordinance, ordered the creation of an Interest and Sinking Fund for the payment of the Bonds. Such fund is to be held in trust for the benefit of the owner or owners of the Bonds.

It is hereby certified, recited and warranted that all the requirements of law have been complied with by the proper officials of the County in the issuance of this bond; that the total indebtedness of the County, including that of this bond, does not exceed any limit of indebtedness prescribed by the Constitution or laws of the State of New Mexico; that the issuance of this bond represents the bonds authorized at a special bond election held coincident with the general election duly called and held in Grant County, State of New Mexico (the "County") on the 6th day of November, 2018; that provision has been made for the levy and collection of annual taxes sufficient to pay the principal of and interest on this bond when the same become due.

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

IN TESTIMONY WHEREOF, the Board of County Commissioners of Grant County, New Mexico, constituting the governing board of the County, has caused the manual or facsimile of the seal of the County to be hereto affixed and this bond to be signed and executed with the

manual or facsimile signature of the Chair or Vice-Chair of the Board and subscribed and attested with the manual or facsimile signature of the Clerk or Deputy Clerk of the County all as of the Series Date.

**GRANT COUNTY, NEW MEXICO
BOARD OF COUNTY COMMISSIONERS**

/s/
[Chair/Vice-Chair]

[SEAL]

Attest:

/s/
[County Clerk/Deputy County Clerk]

[FORM OF CERTIFICATE OF AUTHENTICATION]

This bond is one of the Bonds described in the Bond Ordinance and has been duly registered on the registration books kept by the undersigned as Registrar/Paying Agent for the Bonds.

Date of Authentication and
Registration: _____, 2019

COUNTY TREASURER
as Registrar/Paying Agent

By: _____
Authorized Officer

[END OF FORM OF CERTIFICATE OF AUTHENTICATION]

[FORM OF ASSIGNMENT]

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

(Please print or typewrite Name and Address,
Including Zip Code, of Assignee)

(Social Security or Federal Taxpayer Identification Number)

the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints the Registrar/Paying Agent under the Bond Ordinance as attorney to register the transfer of the within bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

NOTICE: The signature of the registered owner to this assignment must correspond with the name as it appears on the face of the within bond in every particular, without alteration or enlargement or any change whatsoever.

Signature guaranteed by:

NOTICE: Signature guarantee should be made by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the [Trustee].

[END OF FORM OF ASSIGNMENT]

[END OF FORM OF BOND]

Section 11. DELIVERY OF THE BONDS. When the Bonds have been duly executed and authenticated, such Bonds shall be delivered to the lawful purchaser thereof named in the Final Terms Certificate (defined in Section 13 below). The funds realized from the sale of the Bonds shall be applied solely to the specified purposes (provided that any accrued interest shall be used to pay interest on the Bonds if any accrued interest was received). Any interest earned on investment of bond proceeds shall be allocated as directed by the County Manager. The purchaser of any bonds shall in no manner be responsible for the application of or disposal by the County, or any of its officers, employees or agents, of any of the funds derived from the sale thereof. The County may establish construction trust accounts in financial institutions for administration of bond proceeds.

Section 12. TAX LEVY, INTEREST AND SINKING FUND. There shall be levied on all taxable property in the County at the time and in the manner provided by law, in addition to all other taxes, direct annual *ad valorem* taxes sufficient to pay the principal of an interest accruing on the Bonds promptly as the same shall become due. This Bond Ordinance is hereby declared to be the certificate of the Board as to the amount of taxes necessary to be levied for the purposes herein stated and said taxes shall be certified, levied and extended upon the tax rolls and collected in the same manner, at the same time and subject to the same penalties as general state and county taxes are certified, levied and collected. Said taxes, when collected, shall be kept by the County Treasurer in a separate special fund for the Bonds to be known as the "Grant County, New Mexico General Obligation Bonds, Series 2019 Interest and Sinking Fund" (the "Interest and Sinking Fund") which fund shall be used solely for the purpose of paying the

principal of and interest on the Bonds as the same become due or mature and, if so required, to satisfy the covenants of the County set forth in Section 16 hereof; provided that nothing herein contained shall be so construed as to prevent the application of any other funds belonging to the County and available for that purpose, to the payment of the Bonds or the interest thereon, as the same become due and upon such payment the levy or levies of tax provided for in this Section 12 may thereupon to that extent be diminished. If the taxes herein provided for shall not be levied or collected in time to pay the interest on or principal of the Bonds as the same become due or mature, then such interest or principal shall be paid from any funds belonging to the County, which funds may be reimbursed from the taxes herein provided for when the same are collected.

Section 13. DELEGATED POWERS; BOND PARAMETERS; APPROVAL OF DOCUMENTS; RIGHTS OF BONDHOLDERS.

A. The officers of the County be, and they hereby are, authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Bond Ordinance and the Final Terms Certificate (defined below), including without limiting the generality of the foregoing, the publication of the summary of publication set out in Section 27 of this Bond Ordinance (with such changes, additions and deletions as they may determine), the preparation and distribution of the Preliminary Official Statement, the official statement (the "Official Statement"), material relating to the Bonds, the entering into of a Registrar/Paying Agent agreement, the entering of necessary agreements with DTC, the printing of the Bonds, obtaining one or more ratings for the Bonds, the printing, execution and distribution of bond offering documents and the continuing disclosure undertaking, if needed, and of such other documents and certificates as may be required by the Purchaser or bond counsel relating to the signing of the Bonds, the tenure and identity of County officials, the receipt of the purchase price of the Bonds from the Purchaser and the absence of litigation, pending or threatened, if in accordance with the facts, affecting the validity thereof and the absence and existence of factors affecting the exclusion of interest on the Bonds from gross income for federal income tax purposes.

B. Pursuant to the Supplemental Public Securities Act, NMSA 1978, Sections 6-14-8 to -11 (1983, as amended through 2017), the County Manager is hereby delegated authority to accept one or more binding bids and select the Purchaser, to execute the Final Terms Certificate (defined below) and to determine any or all of the final terms of the Bonds, subject to the Parameters and conditions contained in this Bond Ordinance. The County Manager shall present the Final Terms Certificate (defined below) to the Board in a timely manner, before or after delivery of the Bonds, at a regularly scheduled public meeting of the Board. "Final Terms Certificate" means one or more certificates executed by the County Manager dated on or before the date of delivery of the Bonds, setting forth the following final terms of the Bonds: (i) the interest and principal payment dates; (ii) the principal amounts, denominations and maturity amortization; (iii) the sale prices; (iv) the interest rate or rates; (v) the interest payment periods; (vi) the redemption and tender provisions; (vii) the creation of any capitalized interest fund, including the size and funding of such fund(s); (viii) the amount of underwriting discount, if any; and (ix) the final terms of agreements, if any, with agents or service providers required for the purchase, sale, issuance and delivery of the Bonds, all subject to the Parameters and conditions contained in this Bond Ordinance.

C. The following Parameters with respect to the Bonds are hereby established:

(1) The maximum aggregate principal amount of the Bonds shall not exceed \$8,000,000;

(2) The Bonds may mature in serial or term maturities with the last such maturity no later than September 1, 2033;

(3) The true interest cost on the Bonds shall not exceed five percent (5.000%) per annum and the maximum coupon shall not exceed a fixed interest rate of five percent (5.000%) per annum;

(4) The Bonds will be secured by general *ad valorem* taxes levied on all taxable property within the County, levied without limit as to rate or amount;

(5) The Bonds will be sold in a public, competitive sale to the successful bidder or bidders presenting the best bid for the Bonds within the Parameters established in this Bond Ordinance and pursuant to the Official Notice, a form of which is attached hereto as Exhibit C;

(6) the net original discount, if any, shall not exceed zero percent (0.000%) of the aggregate principal amount of the Bonds (on an aggregate basis);

(7) The underwriting discount shall not exceed one percent (1.000%) of the aggregate principal amount of the Bonds (on an aggregate basis);

(8) The form of the Bonds shall be in substantially the form given in Section 10 of this Bond Ordinance;

(9) The County Treasurer is appointed Registrar/Paying Agent for the Bonds;

(10) The Bonds shall be dated as determined by the County Manager as evidenced by the Final Terms Certificate (the “Series Date”);

(11) The Bonds shall be issued only as fully registered bonds in Authorized Denominations, subject to the Book-Entry System;

(12) The Bonds will be issued in one series and shall consist of bonds numbered consecutively from R-1 upward (provided that no individual bond will be issued for more than one maturity) or as otherwise requested by the Purchaser;

(13) The Bonds may be subject to optional prior redemption and/or mandatory sinking fund redemption prior to their stated maturities upon the terms and conditions determined by the County Manager and set forth in the Final Terms Certificate.

Section 14. DISPOSITION OF BOND PROCEEDS. Except as herein otherwise specifically provided, the proceeds from the sale of the Bonds shall be used as follows:

A. Accrued Interest and Premium. Upon the sale of the Bonds, all monies received as accrued interest and any premium therefor (except for such amounts of premium necessary to pay any or all of the expenses described in Section 14(C) below), shall be deposited into the Interest and Sinking Fund to be applied to the payment of interest next due on the Bonds.

B. Project Fund Created. There is created a separate fund of the County designated as the "Grant County, New Mexico General Obligation Bonds, Series 2019 Project Fund" (the "Project Fund") and the County shall maintain a separate account in the Project Fund for each Project (each such account is referred to in this Bond Ordinance as a "Project Account"). A sufficient amount of the proceeds derived from the sale of the Bonds to finance the Projects shall be deposited by the County upon receipt in the Project Fund.

C. Expenses. From proceeds derived from the sale of the Bonds, the County shall pay, or cause to be paid the reasonable and necessary fees, commissions, costs and expenses incurred by the County with respect to the issuance of the Bonds, including but not limited to the fees, commissions, costs and expenses to or to be paid by the County directly or to the Registrar/Paying Agent (or any successor registrar/paying agent), financial advisor, underwriter, rating agencies, financial printers, bond counsel and other attorneys' fees.

Section 15. GENERAL ADMINISTRATION OF FUNDS. The funds and accounts designated in Sections 12, 14 and 16 of this Bond Ordinance shall be administered and invested as follows:

A. Places and Times of Deposits. The funds shall be separately maintained as a trust fund or funds for the purposes established and shall be deposited in one or more bank accounts in one or more banks or savings and loan associations insured by an agency of the United State of America (an "Insured Bank"). Each account shall be continuously secured to the extent required by law and shall be irrevocable and not withdrawable by anyone for any purpose other than the designated purpose. Payments shall be made into the proper fund or account on the first day of the month except when the first day shall not be a day on which commercial banks in the city in which the principal office of the Registrar/Paying Agent is located are open for the conduct of substantially all of its business operations (a "Business Day"), then payment shall be made on the next succeeding Business Day. No later than two Business Days prior to each interest and principal payment date, moneys sufficient to pay interest and principal then due on the Bonds shall be transferred to the Registrar/Paying Agent. Nothing in this Bond Ordinance shall prevent the County from establishing one or more bank accounts in an Insured Bank or Insured Banks for all of the funds required by this Bond Ordinance or shall prevent the combination of such funds and accounts with any other bank account or accounts or other funds and accounts of the County.

B. Investment of Moneys. Moneys in any fund or account not immediately needed may be invested in any investment permitted by law. The obligations so purchased as an investment of moneys in any fund or account shall be deemed to be part of such fund or account, and the interest accruing thereon and any profit realized therefrom shall be credited to such fund or

account, and any loss resulting from such investment shall be charged to such fund or account. The County shall present for redemption or sale on the prevailing market any obligations so purchased as an investment of moneys in the fund or account whenever it shall be necessary to do so in order to provide moneys to meet any payment or transfer from such fund.

Section 16. TAX AND ARBITRAGE COVENANTS; REBATE. The County covenants for the benefit of the registered owners of the Bonds that it will not take any action or omit to take any action with respect to the Bonds, the proceeds thereof, any other funds of the County or any facilities financed with the proceeds of the Bonds if such action or omission (i) would cause the interest on the Bonds to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Tax Code"), (ii) would cause interest on the Bonds to lose its exclusion from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code, except to the extent that such interest is required to be included in calculating the adjusted current earnings adjustment applicable to corporations for purposes of computing corporate alternative minimum taxable income for taxable years of corporations beginning before January 1, 2018. The foregoing covenants shall remain in full force and effect notwithstanding the payment in full or defeasance of the Bonds until the date on which all obligations of the County in fulfilling the above covenant under the Tax Code have been met.

With the intent not to limit the generality of the foregoing, the County covenants that it will restrict the use of the proceeds of the Bonds in such manner and to such extent, if any, as may be necessary so that the Bonds will not constitute arbitrage bonds under Section 148 of the Tax Code. The Board Chair, County Clerk, County Manager, County Treasurer or any other officer of the County having responsibility for the issuance of the Bonds shall give an appropriate certificate of the County, for inclusion in the transcript of proceedings for the Bonds, setting forth the reasonable expectations of the County regarding the amount and use of all the proceeds of the Bonds, the facts, circumstances and estimates on which they are based, and other facts and circumstances relevant to the tax treatment of interest on the Bonds (the "Tax Compliance Certificate"). The County hereby designates the Bonds as "qualified tax exempt obligations" for purposes of Section 265(b)(3) of the Tax Code.

The County further covenants that it (a) will take or cause to be taken such actions which may be required of it for the interest on the Bonds to be and remain excluded from gross income for federal income tax purposes, and (b) will not take or permit to be taken any actions which would adversely affect that exclusion, and that it, or persons acting for it, will, among other acts of compliance, (i) apply the proceeds of the Bonds to the governmental purpose of the borrowing, (ii) restrict the yield on investment property acquired with those proceeds, (iii) make timely rebate payments to the federal government, (iv) maintain books and records and make calculations and reports, (v) refrain from certain uses of proceeds, all in such manner and to the extent necessary to assure such exclusion of that interest under the Tax Code; (vi) reasonably expects that the amount of tax-exempt obligations which will be issued by the County during calendar year 2019 will not exceed \$10,000,000; and (vii) the County will not designate more than \$10,000,000 of "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Tax Code during calendar year 2019. The Board Chair, County Clerk, County Manager, County Treasurer and other appropriate officers are hereby authorized and directed to take any and all

actions, make calculations and rebate payments, and make or give reports and certifications, as may be appropriate to assure such exclusion of that interest.

For purposes of complying with the covenants of the County set forth in the preceding paragraph, there is hereby created a fund of the County to be known as the “Grant County, New Mexico General Obligation Bonds, Series 2019 Rebate Fund” (the “Rebate Fund”) for the deposit of any amounts that may be due to the U.S. Treasury under the Tax Code. The County shall deposit into the Rebate Fund any amounts available, from the proceeds of the Bonds or investment earnings thereon, as specified in the Tax Compliance Certificate of the County, in the Rebate Fund as will be sufficient to pay any rebate due to the United States Department of the Treasury for the applicable rebate period. Moneys in the Rebate Fund shall be invested in accordance with the Tax Compliance Certificate. Excess moneys shall be released from the Rebate Fund at the end of the applicable rebate period and may be used by the County as permitted by law. Any provision hereof to the contrary notwithstanding, amounts credited to the Rebate Fund shall be free and clear of any lien hereunder or in any other ordinance or resolution authorizing the issuance of bonds of the County.

The County shall keep such records pursuant to this Section 16 as are required under the Tax Code.

The requirements of any part of this Section 16 may be modified, if and to the extent, at any time, the County receives an opinion of nationally recognized bond counsel that such action will not adversely affect the exclusion from gross income of interest on the Bonds for federal income tax purposes under Section 103(a) of the Tax Code.

Section 17. PROTECTIVE COVENANTS. The County hereby covenants and agrees with each and every holder of the Bonds issued hereunder:

A. Use of Bond Proceeds. The County will proceed without delay to apply the proceeds of the Bonds required for funding the Projects.

B. Payment of the Bonds Herein Authorized. The County will promptly pay the principal or interest on and premium, if any, on the Bonds at the place, on the date and in the manner specified herein and in the Bonds according to the true intent and meaning hereof.

C. County’s Existence. The County will maintain its corporate identity and existence so long as the Bonds remain outstanding, unless another political subdivision by operation of law succeeds to the liabilities and rights of the County, without adversely affecting, to any substantial degree, the privileges and rights of any owner of the Bonds.

D. Prohibition of any Extension of Interest Payments. In order to prevent any accumulation of claims for interest after maturity, the County will not directly or indirectly extend or assent to the extension of time for the payment of any claim for interest on the Bonds, and the County will not directly or indirectly be a party to or approve any arrangements for any such extension. If the time for payment of any such interest shall be extended, such installment or installments of interest, after such extension or arrangement, shall not be entitled in case of

default hereunder to the benefit or security hereof, except subject to the prior payment in full of the principal of the Bonds hereunder and then outstanding and of the matured interest on such Bonds, the payment of which has not been extended.

E. Audits. The County will, at the time of the annual audit required by law, cause an audit of its books and accounts relating to the revenues derived from property taxes imposed on all taxable real property within the County subject to property tax without limitation as to rate or amount (the "Property Tax Revenues") to be performed by an Independent Accountant (defined below) showing the receipts and disbursements in connection with such revenues. The County agrees to furnish forthwith a copy of each such audits and reports to the owners of the Bonds upon written request. For purposes of this Section 17(E), "Independent Accountant" means any certified public accountant, or firm of such accountants, duly licensed to practice and practicing as such under the laws of the State, appointed and paid by the County who (a) is, in fact, independent and not under the domination of the County, (b) does not have any substantial interest, direct or indirect, with the County, and (c) is not connected with the County as an officer or employee of the County, but who may be regularly retained to make annual or similar audits of the books or records of the County.

F. Impairment of Contract. The County agrees that any law, ordinance or resolution of the County that in any manner affects the Property Tax Revenues or the Bonds shall not be repealed or otherwise directly or indirectly modified, in such a manner as to impair adversely any outstanding Bonds, unless such Bonds have been discharged in full or provision has been fully made therefor or unless the required consents of the holders of the then outstanding Bonds are obtained pursuant to Section 22 of this Bond Ordinance.

Section 18. EVENTS OF DEFAULT. Each of the following events is hereby declared an "Event of Default:"

A. Nonpayment of Principal. Failure to pay the principal of or interest on the Bonds when the same becomes due and payable.

B. Inability to Perform. The County shall for any reason be rendered incapable of fulfilling its obligations hereunder.

C. Default of Any Provision. Default by the County in the due and punctual performance of its covenants or conditions, agreements and provisions contained in the Bonds, in this Bond Ordinance on its part to be performed, and the continuance of such default (other than a default set forth in Section 18(A) above) for sixty (60) days after written notice specifying such default and requiring the same to be remedied has been given to the County by the registered owner of twenty-five percent (25%) in principal amount of the Bonds then outstanding.

Section 19. REMEDIES UPON DEFAULT. Upon the happening and continuance of any of the events of default as provided in Section 18 of this Bond Ordinance, then in every case the registered owner of any Bonds then outstanding, including, but not limited to, a trustee or trustees therefor, may proceed against the County, the Board and its agents, officers and employees to protect and enforce the rights of any holder of the Bonds under this Bond

Ordinance by mandamus or other suit, action or special proceedings in equity or at law, in any court of competent jurisdiction, either for the appointment of a receiver or for the specific performance of any covenant or agreement contained herein or in an award relating to the execution of any power herein granted for the enforcement of any legal or equitable remedy as such holder or holders may deem most effectual to protect and enforce the rights provided above, or to enjoin any act or thing which may be unlawful or in violation of any right of any bondholder, or to require the Board to act as if it were the trustee of an express trust, or any combination of such remedies. All such proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of the holders of the Bonds then outstanding. The failure of any bondholder so to proceed shall not relieve the County or any of its officers, agents or employees of any liability for failure to perform any duty. Each right or privilege of such holder (or trustee thereof) is in addition and cumulative to any other right or privilege, and the exercise of any right or privilege by or on behalf of any holder shall not be deemed a waiver of any other right or privilege.

Section 20. DUTIES UPON DEFAULT. Upon the happening of any of the events of default provided in Section 18 of this Bond Ordinance, the County, in addition, will do and perform all proper acts on behalf of and for the owners of the Bonds to protect and preserve the security created for the payment of the Bonds and to insure the payment of the principal of and interest on the Bonds promptly as the same become due. All proceeds derived therefrom, so long as the Bonds, either as to principal or interest, are outstanding and unpaid, shall be applied as set forth in Section 15 of this Bond Ordinance. In the event the County fails or refuses to proceed as provided in this Section 20, the owners of the Bonds then outstanding, after demand in writing, may proceed, protect and enforce the rights of the owners of the Bonds as hereinabove provided.

Section 21. BONDS NOT PRESENTED WHEN DUE. If any of the Bonds shall not be duly presented for payment when due at maturity or on the redemption date thereof, and if moneys sufficient to pay such Bonds are on deposit with the Registrar/Paying Agent for the benefit of the owners of such Bonds, all liability of the County to such owners for the payment of such Bonds shall be completely discharged, such Bonds shall not be deemed to be outstanding and it shall be the duty of the Registrar/Paying Agent to segregate and to hold such moneys in trust, without liability for interest thereon, for the benefit of the owners of such Bonds as may be provided by law.

Section 22. AMENDMENT OF BOND ORDINANCE. This Bond Ordinance may be amended without the consent of the holder of any Bonds to cure any ambiguity or to cure, correct or supplement any defect or inconsistent provision contained herein. Prior to the date of the initial delivery of the Bonds to the Purchaser, the provisions of this Bond Ordinance may be amended without the written consent of the Purchaser by resolution of the Board with respect to any changes which are not inconsistent with the substantive provisions of this Bond Ordinance. Except as provided above, this Bond Ordinance may be amended without receipt by the County of any additional consideration, but with the written consent of two-thirds of all holders of the Bonds then outstanding; but no resolution adopted without the written consent of the holders of all outstanding Bonds shall have the effect of permitting:

- A. An extension of the maturity or scheduled payment of any of the Bonds; or

B. A reduction of the principal amount or interest rate or prior redemption premium of any of the Bonds; or

C. A reduction of the principal amount of the Bonds required for consent to such amendatory resolution. Any amendment to this Bond Ordinance which is not inconsistent with the terms hereof, may be made by resolution of the Board; any other amendment to this Bond Ordinance shall be made by subsequent resolution of the Board.

Section 23. **DEFEASANCE.** When the principal and interest due in connection with any of the Bonds have been duly paid, all obligations hereunder with respect to such bonds shall be discharged, and such bonds shall no longer be deemed to be outstanding for any purpose of this Bond Ordinance. Payment of such bonds or any portion thereof shall be deemed made when the County has placed in escrow with a commercial bank exercising trust powers, an amount sufficient (including the known minimum yield from Federal Securities (defined below) in which such amount may be wholly or in part initially invested) to meet all requirements of principal, premium, if any, and interest on such bonds as the same become due to maturity or to any redemption date as of which the County shall have exercised or obligated itself to exercise its prior redemption option and have given irrevocable instructions to the Registrar/Paying Agent to give notice of redemption to the holder of any such bonds. The Federal Securities shall become due or be callable at the option of the holder at or prior to the respective times on which the proceeds thereof shall be needed, in accordance with a schedule agreed upon between the County and such bank at the time of creation of the escrow.

For the purposes of this Section 23, "Federal Securities" means only direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America (or ownership interests in any of the foregoing) and which are not callable prior to their scheduled maturities by the issuer thereof (or an ownership interest in any of the foregoing). When such defeasance is accomplished, the Registrar/Paying Agent shall mail written notice of the defeasance to the registered owners of the bond at the address last shown on the registration records for the bond maintained by the Registrar/Paying Agent.

In the event that there is a defeasance of only part of the Bonds, the Registrar/Paying Agent shall, if requested by the County, institute a system to preserve the identity of the individual bonds or portions thereof so defeased, regardless of changes in bond numbers attributable to transfers and exchanges of Bonds.

Notwithstanding any other provision of this Bond Ordinance, the covenants set forth in Section 16 shall survive payment of the Bonds.

Section 24. **CONTINUING DISCLOSURE UNDERTAKING.** The County will make a written undertaking by the Board on behalf of the County for the benefit of the holders of the Bonds required by Section (b)(5)(i) of Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (17 C.F.R. Part 240, § 240.15c2-12) (the "Rule") in the form submitted to the Board (the "Continuing Disclosure Undertaking"). The Continuing Disclosure Undertaking is hereby authorized to be executed and delivered on behalf

of the Board in connection with the public, competitive sale of the Bonds. The Continuing Disclosure Undertaking shall be in substantially the form and with substantially the content as the form presented at this meeting as Appendix B to the form of Preliminary Official Statement (which is Exhibit A to this Bond Ordinance), with final terms as may be established by the County Manager within the Parameters set forth herein and with such alterations, changes, or additions as may be necessary or as may be authorized by Section 28 hereof. In order to assist the Purchaser in complying with the Rule, at the time of delivery of the Bonds, the Board will undertake, pursuant to the Continuing Disclosure Undertaking, to provide annual financial information and notices of material events.

Section 25. **ORDINANCE IRREPEALABLE.** After any of the Bonds have been issued, this Bond Ordinance shall constitute a contract between the County and the holder or holders of the Bonds and shall be and remain irrepealable and unalterable (except as provided in Section 22 of this Bond Ordinance) until the Bonds and the interest thereon shall have been fully paid, satisfied and discharged or until such payment has been duly provided for.

Section 26. **SAVINGS CLAUSE.** If any section, paragraph, clause or provisions of this Bond Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Bond Ordinance.

Section 27. **GENERAL SUMMARY FOR PUBLICATION.** The following notice shall be published one time in the *Silver City Daily Press and Independent*, a newspaper having general circulation in the County, as soon as is practicable following the adoption hereof:

[FORM OF NOTICE]

GRANT COUNTY, NEW MEXICO

NOTICE OF ADOPTION OF COUNTY ORDINANCE O-19-02

Notice is hereby given of the title and of a general summary of the subject matter contained in an ordinance (the “Ordinance”) duly adopted and approved by the Board of County Commissioners of Grant County, New Mexico, on March 21, 2019, relating to the authorization and issuance of the County’s General Obligation Bonds, Series 2019. Complete copies of the Ordinance are available for public inspection during the normal and regular business hours of the County Clerk, whose office is located at 1400 Highway 180 East, Silver City, New Mexico 88061.

The Title of the Ordinance is:

**GRANT COUNTY, NEW MEXICO
BOARD OF COUNTY COMMISSIONERS**

ORDINANCE NO. O-19-02

AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF GRANT COUNTY, NEW MEXICO GENERAL OBLIGATION BONDS, SERIES 2019, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$8,000,000 (THE “BONDS”) PAYABLE FROM AD VALOREM TAXES LEVIED ON ALL TAXABLE PROPERTY WITHIN THE COUNTY, LEVIED WITHOUT LIMIT AS TO RATE OR AMOUNT; APPROVING THE DELEGATION OF AUTHORITY TO MAKE CERTAIN DETERMINATIONS REGARDING THE SALE OF THE BONDS PURSUANT TO THE SUPPLEMENTAL PUBLIC SECURITIES ACT; PROVIDING FOR THE FORM, TERMS AND CONDITIONS OF THE BONDS, THE MANNER OF THEIR EXECUTION, AND THE METHOD OF, AND SECURITY FOR, PAYMENT; APPROVING NOTICE OF SALE, DISCLOSURE AND OTHER DOCUMENTS RELATING TO THE BONDS; RATIFYING ACTION PREVIOUSLY TAKEN IN CONNECTION THEREWITH; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH; AND PROVIDING FOR OTHER DETAILS CONCERNING THE BONDS.

The Ordinance directs and authorizes the issuance and sale of one series of Grant County, New Mexico General Obligation Bonds, Series 2019 in the total aggregate principal amount not to exceed \$8,000,000 (the “Bonds”); approves the forms of notice of bond sale and authorizes the publication of the notice of bond sale; provides for the public, competitive sale of the Bonds to the purchaser or purchasers at a price or prices to be approved in one or more certificates executed by the County Manager on or before the delivery of the Bonds, setting forth the final terms of the Bonds subject to the parameters and conditions contained in the Ordinance (the “Final Terms Certificate”); provides that the maturity schedule and interest for the Bonds will be established in the Final Terms Certificate, and that the Bonds shall be issued as fully registered bonds; provides for the delivery thereof; provides for the levy of taxes to pay the principal of and interest on the Bonds; makes certain covenants with the bond purchaser; delegates powers to the officers of the County to effectuate the provisions of the Ordinance; and provides other details concerning the Bonds.

This notice constitutes compliance with NMSA 1978, Section 6-14-6 (1975).

DATED this _____ day of _____, 2019.

/s/ Marisa Castrillo
Marisa Castrillo
County Clerk

[END OF FORM OF NOTICE]

Section 28. CHANGES, ALTERATIONS AND ADDITIONS TO DOCUMENTS. The Board Chair, Vice-Chair, County Clerk or a Deputy County Clerk, the County Manager and other officers of the County be and they hereby are authorized and directed to make any changes,

alterations or additions to this Bond Ordinance (including the form of the Bonds), the Final Terms Certificate, or the Continuing Disclosure Undertaking, which may be necessary to correct errors or omissions therein, to remove ambiguities therefrom, to conform the same to provisions of said instruments, or to the provisions of this Bond Ordinance or any other ordinance or resolution adopted by the Board, or the provisions of the laws of the State or of the United States of America.

Section 29. FORMS OF PRELIMINARY OFFICIAL STATEMENT; OFFICIAL STATEMENT.

A. The Preliminary Official Statement, in substantially the form attached as Exhibit A to this Bond Ordinance, shall be published in connection with the offering of the Bonds. The Preliminary Official Statement, with the terms and provisions as submitted to the Board for review, and subject to such further revisions deemed necessary by the County and its professional advisors is approved, authorized and confirmed. The use and distribution of the Preliminary Official Statement in connection with the sale and issuance of the Bonds are approved. The County Manager shall provide final approval as to the form and provisions of the Preliminary Official Statement prior to publication.

B. The Board hereby authorizes the distribution and use of the Official Statement, in substantially the form attached as Exhibit A to this Bond Ordinance in connection with the offering and public, competitive sale of the Bonds. The Board authorizes the use of the Official Statement by the Purchaser in connection with the offering and public, competitive sale of the Bonds.

Section 30. LIMITATION ON ISSUANCE OF BONDS. The County may not issue the Bonds pursuant to this Bond Ordinance after the expiration of one hundred twenty (120) days from the date hereof, in accordance with NMSA 1978, Section 6-14-10.2(A) (2017).

Section 31. REQUIREMENT FOR CERTIFICATION AND FORM OF FINAL TERMS CERTIFICATE; PRESENTATION OF FINAL TERMS CERTIFICATE. In accordance with NMSA 1978, Section 6-14-10.2(E) (2017), the County Manager shall certify in writing, prior to the delivery of the Bonds, that the final terms of the Bonds comply with the Parameters established in this Bond Ordinance. Such certification shall be substantially in the form of the Final Terms Certificate attached as Exhibit D to this Bond Ordinance. The County Manager shall present the Final Terms Certificate to the Board in a timely manner before or after the delivery of the Bonds at a regularly scheduled meeting of the Board.

Section 32. CONDITIONS FOR ISSUANCE OF BONDS. Delivery of the Bonds shall be conditioned on the County's delivery of the Tax Compliance Certificate and such other certificates, instruments, and documents as the Purchaser or bond counsel determine are necessary or appropriate to effectuate the transactions contemplated in this Bond Ordinance and the Final Terms Certificate.

Section 33. CONFLICTS OF INTEREST. No member of the Board or employee of the County has any interest, direct or indirect, in the transactions contemplated in this Bond

Ordinance, the Final Terms Certificate or otherwise in connection with the Bonds or the documents concerning the Bonds.

Section 34. REIMBURSEMENT OF PRIOR EXPENDITURES. To the extent that the approval of the issuance of the Bonds by the electors of the County at the November 6, 2018, special bond election held coincident with the general elections duly called and held in the County on that date, does not satisfy the requirements of 26 C.F.R. § 1.150-2, the Board wishes to make clear and explicitly state its declaration of official intent pursuant to that rule through the adoption of this Bond Ordinance. The County intends and reasonably expects to finance a portion of the costs of the Project with moneys currently held by the County. All of the capital expenditures within the scope of this Bond Ordinance were made no earlier than 60 days prior to the date of this Bond Ordinance or such earlier date as may conform to 26 C.F.R. §1.150-2. The County presently intends and reasonably expects to participate in the sale of the Bonds, a tax-exempt borrowing, within 18 months of the date of expenditure of moneys on the Projects or the date upon which the Projects are placed in service or abandoned, whichever is later (but in no event more than three years after the date of the original expenditure of such moneys), and to allocate an amount not to exceed \$100,000 of the proceeds thereof to reimburse the County for its prior expenditures in connection with the Project.

Section 35. REPEALER CLAUSE. All bylaws, orders, resolutions and ordinances, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any bylaw, order, resolution or ordinance, or part thereof, heretofore repealed.

Section 36. EFFECTIVE DATE. Upon due adoption of this Bond Ordinance, it shall be recorded in the book of ordinances of the County kept for that purpose, authenticated by the signatures of the Chair of the Board and the County Clerk, and this Bond Ordinance shall be in full force and effect 30 days thereafter in accordance with law.

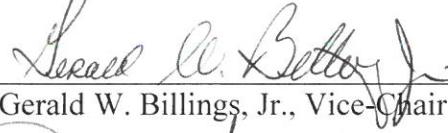
[Signature page follows]

ADOPTED AND APPROVED this 21st day of March, 2019 in Silver City, Grant County, New Mexico.

BOARD OF COUNTY COMMISSIONERS,
GRANT COUNTY, NEW MEXICO



Chris M. Ponce, Chair



Gerald W. Billings, Jr., Vice-Chair



Javier Salas, Commissioner



Alicja Edwards, Commissioner



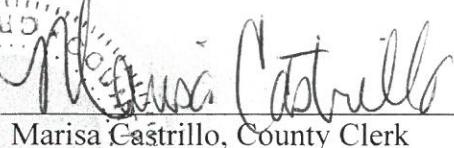
Harry Browne, Commissioner

(SEAL)

ATTEST:



By:


Marisa Castrillo, County Clerk

APPROVED AS TO FORM:

Rodey, Dickason, Sloan, Akin & Robb, P.A.
Bond Counsel

[Grant County Ordinance No. O-19-02 Signature Page]

Commissioner Gerald W. Billings, Jr. then moved that the ordinance as filed with the County Clerk be passed and adopted. Commissioner Javier "Harvey" Salas seconded the motion.

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

Those Voting Yea:

Chris M. Ponce, Chairman
Javier "Harvey" Salas
Alicia Edwards
Gerald W. Billings, Jr.
Harry Browne

Those Voting Nay:

None

Those Absent:

None

The Chair thereupon declared that at least a majority of all the members of that Board having voted in favor thereof, the motion was carried and the ordinance duly passed and was adopted. After consideration of matters not relating to the ordinance, the meeting on motion duly made, seconded and unanimously carried, was adjourned.

BOARD OF COUNTY COMMISSIONERS
GRANT COUNTY, NEW MEXICO

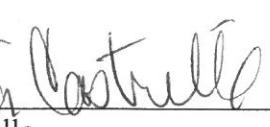
By 

Chris M. Ponce,
Chair

(SEAL)

Attest:

By


Marisa Castrillo,
County Clerk

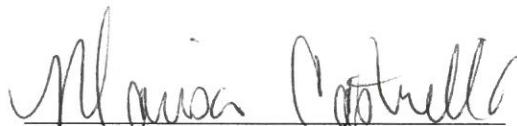
STATE OF NEW MEXICO)
) ss.
COUNTY OF GRANT)

I, Marisa Castrillo, County Clerk of Grant County, New Mexico (the "County"), do hereby certify:

1. The foregoing pages are a true, correct and complete copy of the record of the proceedings of the Board of County Commissioners (the "Board") of the County, constituting the governing body of the County, taken at a duly called regular, open meeting of the Board held in the Commission Meeting Room at the Grant County Administration Center located at 1400 Highway 180 East, Silver City, New Mexico, being the regular meeting place of the Board, on Thursday, March 21, 2019, beginning at 9:00 a.m., insofar as the same relate to the proposed ordinance, a copy of which is set forth in the official records of the proceedings of the County kept in my office. None of the action taken has been rescinded, repealed, or modified.

2. Notice of such meeting was given in compliance with the permitted methods of giving notice of meetings of the Board as required by the open meetings standards then in effect, i.e., the County's Open Meetings Resolution.

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of Grant County, New Mexico, this 21st day of March, 2019.



Marisa Castrillo
Marisa Castrillo, County Clerk