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NEW MEXICO FINANCE AUTHORITY

FINANCING SCHEDULE & DISTRIBUTION LIST

COLONIAS INFRASTRUCTURE PROJECT FUND LOAN/GRANTS GRANT COUNTY, NEW MEXICO

Project No. 6124-CIF (\$4,943,203 (\$4,448,883 Grant/ \$494,320 Loan) – North Hurley Ph. III

Project No. 6125-CIF (\$350,000 (\$315,000 Grant/ \$35,000 Loan) – Crum Road

Project No. 6126-CIF (\$135,000 (\$121,500 Grant/ \$13,500 Loan) – Franks Road

Prepared: September 27, 2023

Finalized: October 20, 2023

| DATE | ACTION | PARTIES |
|-------------------------------|---|---|
| Thursday, February 9, 2023 | Applications received by Finance Authority | Borrower/Grantee |
| Wednesday, May 24, 2023 | Colonias Infrastructure Board Approvals | CIB |
| Thursday, June 22, 2023 | NMFA Board Approvals | NMFA |
| Thursday, October 5, 2023 | Distribute draft Financing Schedule for review and comment by NMFA, Borrower/Grantee and Borrower/Grantee's counsel | V&N |
| Thursday, October 12, 2023 | Comments due on draft Financing Schedule | NMFA, Borrower/Grantee, Borrower/Grantee's counsel |
| Friday, October 20, 2023 | Distribute Financing Schedule, draft Loan/Grant Agreement, Resolution and draft closing documents (for all 3 loan/grants) for review and comment by NMFA, Borrower/Grantee and Borrower/Grantee's counsel | V&N |
| Friday, October 27, 2023 | Comments due on drafts of Loan/Grant Agreement, Resolution and draft closing documents from NMFA Borrower/Grantee and Borrower/Grantee's counsel (for all 3 loan/grants) | NMFA, Borrower/Grantee, Borrower/Grantee's counsel |

| DATE | ACTION | PARTIES |
|--|---|---------------------------------------|
| Friday, October 27, 2023 | Final Debt Service Schedule Due to V&N (for all 3 loan/grants) with confirmation that no additional outstanding debt has been incurred other than shown in Staff Report | NMFA |
| Thursday, November 2, 2023 | All documents in final form (for all 3 loan/grants) distributed to Borrower/Grantee for signature with a copy to the Finance Authority | V&N |
| Thursday, November 16, 2023 | Governing Body adopts Resolutions | Borrower/Grantee |
| Friday, November 17, 2023 | Submit notices of adoption to the <i>Silver City Daily Press</i> (separately for all 3 loan/grants) | V&N |
| Tuesday, November 21, 2023 | Publication of notice of adoption in the <i>Silver City Daily Press</i> (separately for all 3 loan/grants) | Legal newspaper for Borrower/Grantee, |
| Thursday, November 30, 2023 | Closing documents (for all 3 loan/grants) signed by Borrower/Grantee and delivered to closing counsel | Borrower/Grantee |
| Thursday, December 14, 2023 | Delivery of closing documents (for all 3 loan/grants) forwarded to NMFA in electronic form for signature before 5:00 p.m. | V&N |
| Wednesday, December 20, 2023 | NMFA signs Loan/Grant Agreements | NMFA |
| Thursday, December 21, 2023 | Thirty-day limitations period ends (for all 3 loan/grants) | |
| Friday, December 22, 2023 | Closing by email (for all 3 loan/grants) | All |
| Friday, December 22, 2023 | Send closing email to working group (for all 3 loan/grants) | V&N |
| Two weeks after receipt of all documents | Transcripts distributed (for all 3 loan/grants) | V&N |

DISTRIBUTION LIST

BORROWER/GRANTEE

Grant County, New Mexico
Address: P.O. Box 898 (Zip: 88062)
1400 Highway 180 East (Zip: 88061)
Silver City, New Mexico
Phone: (575) 574-0000

Contact(s): Linda Vasquez, Finance Officer
Email: lvasquez@grantcountynm.gov
Phone: (575) 574-0019

Charlene Webb, County Manager
Email: cwebb@grantcountynm.gov

NEW MEXICO FINANCE AUTHORITY

New Mexico Finance Authority (NMFA)
207 Shelby Street
Santa Fe, New Mexico 87501
Phone: (505) 984-1454

Angela Quintana, Senior Program Administrator
Colonias Infrastructure Fund
Email: Colonias@nmfa.net
Phone: (505) 992-9648

Bryan Otero, Legal and Compliance Counsel
Email: botero@nmfa.net

Randy Hernandez, Planning
and Community Director
Phone: (575) 574-0007 or (575) 654-0809
Email: rhernandez@grantcountynm.gov

Joe Grijalva, Road Department Director
Email: jgrijalva@grantcountynm.gov
Phone: (575) 538-3316

Marisa Castrillo, County Clerk
Email: mcastrillo@grantcountynm.gov

Priscilla Lucero, Executive Director
Southwest NM Council of Governments
Address: P.O. Box 2157
Silver City, New Mexico 88062
Email: priscillalucero@swnmcog.org
Phone: (575) 956.1293

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Albuquerque, New Mexico 87190
Email: bthomas@bhinc.com
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BORROWER/GRANTEE'S COUNSEL:

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Las Cruces, New Mexico 88005
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NEWSPAPER

Silver City Daily Press and Independent
300 W. Market St., Silver City, NM 88061
Mailing: P.O. Box 1371, Silver City, NM 88062
Phone: (575) 597-2003
Contact: Tauna Gallagher, Legal/Obituaries
Email: tauna@scdailynews.com

Deadline Information: Published Tuesday,
Wednesday and Friday only. Deadline is 12:00 p.m.
one day prior to publication. Please submit notices
in Word format.

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

Present:

Commissioners:

Eloy Medina

Alicia Edwards

Harry Browne

Also Present:

[Remainder of page intentionally left blank.]

GRANT COUNTY, NEW MEXICO
RESOLUTION NO. R-23-73

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A COLONIAS INFRASTRUCTURE PROJECT FUND LOAN/GRANT AGREEMENT (“AGREEMENT” OR “LOAN/GRANT AGREEMENT”) BY AND BETWEEN THE NEW MEXICO FINANCE AUTHORITY (“NMFA,” OR THE “LENDER/GRANTOR”) AND GRANT COUNTY, NEW MEXICO (THE “BORROWER/GRANTEE”), FOR THE BENEFIT OF THE DESIGNATED COLONIA OF ARENAS VALLEY, IN THE TOTAL AMOUNT OF ONE HUNDRED THIRTY-FIVE THOUSAND DOLLARS (\$135,000), EVIDENCING AN OBLIGATION OF THE BORROWER/GRANTEE TO UTILIZE THE LOAN/GRANT AMOUNT SOLELY FOR THE PURPOSE OF FINANCING THE COSTS OF THE DESIGN, SURVEY, MAPPING, DRAINAGE, ENVIRONMENTAL DOCUMENTS, AND SOLELY IN THE MANNER DESCRIBED IN THE LOAN/GRANT AGREEMENT; PROVIDING FOR THE PLEDGE AND PAYMENT OF THE LOAN AMOUNT OF THIRTEEN THOUSAND FIVE HUNDRED DOLLARS (\$13,500) SOLELY FROM A ONE-EIGHTH OF ONE PERCENT (0.125%) INCREMENT OF COUNTY LOCAL OPTION GROSS RECEIPTS TAX AND ACCEPTANCE OF A GRANT AMOUNT OF ONE HUNDRED TWENTY-ONE THOUSAND FIVE HUNDRED DOLLARS (\$121,500); CERTIFYING THAT THE LOAN/GRANT AMOUNT, TOGETHER WITH OTHER FUNDS AVAILABLE TO THE BORROWER/GRANTEE, IS SUFFICIENT TO COMPLETE THE PROJECT; APPROVING THE FORM OF AND OTHER DETAILS CONCERNING THE LOAN/GRANT AGREEMENT; RATIFYING ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT WITH THIS RESOLUTION; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN/GRANT AGREEMENT.

Capitalized terms used in the following preambles have the same meaning as defined in this Resolution unless the context requires otherwise.

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

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

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

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

WHEREAS, the Borrower/Grantee will be receiving the Loan/Grant for the benefit of Arenas Valley and the public they serve; and

WHEREAS, the Borrower/Grantee submitted an application dated February 9, 2023 for the Project; and

WHEREAS, the CIB has determined that the Project is a Qualified Project and that the Borrower/Grantee is a Qualified Entity under the Board Rules; and

WHEREAS, the CIB on May 24, 2023 recommended to the NMFA that the Borrower/Grantee receive financial assistance from the Fund in the form of the Loan/Grant, for the benefit of the Colonia and the CIB has recommended that the NMFA enter into and administer the Loan/Grant Agreement; and

WHEREAS, the NMFA approved the Loan/Grant Amount from the Fund to the Borrower/Grantee on June 22, 2023; and

WHEREAS, the Borrower/Grantee has determined that it is in the best interests of the Borrower/Grantee and the Colonia that the Borrower/Grantee enter into an Agreement with the Lender/Grantor to borrow thirteen thousand five hundred dollars (\$13,500) from the Lender/Grantor and to accept a grant in the amount of one hundred twenty-one thousand five hundred dollars (\$121,500) from the Lender/Grantor to finance the costs of the design, survey, mapping, drainage, environmental documents, this project being more particularly described in the Term Sheet; and

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

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

WHEREAS, the Loan/Grant Agreement shall not constitute a general obligation of the Borrower/Grantee, the CIB or the NMFA or a debt or pledge of the full faith and credit of the Borrower/Grantee, the CIB, the NMFA or the State; and

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

WHEREAS, the Governing Body hereby determines that the Local Match is now available to the Borrower/Grantee to complete the Project; and

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

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

Section 1. Definitions. Capitalized terms defined in the foregoing recitals shall have the same meaning when used in this Resolution unless the context clearly requires otherwise. Capitalized terms not defined in the recitals and defined in this Article I shall have the same meaning when used in this Resolution including the foregoing recitals, unless the context clearly requires otherwise. Capitalized terms not defined herein shall have the meaning given them by the Loan/Grant Agreement.

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

“Authorized Officers” means, any one or more of the Chairperson, Vice-Chairperson, County Manager, and County Clerk of the Borrower/Grantee.

“Borrower/Grantee” means Grant County, New Mexico.

“CIB” means the Colonias Infrastructure Board created by the Act.

“Closing Date” means the date of execution of the Loan/Grant Agreement by the Borrower/Grantee and the NMFA.

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

“Colonias Infrastructure Project Fund” or “Fund” means the fund of the same name created pursuant to the Act and held and administered by the NMFA.

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

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

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

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

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

“Eligible Items” means eligible Project costs for which loans/grants may be made pursuant to Title 2, Chapter 91, Part 2 NMAC, the Board Rules and applicable Policies, and includes costs of acquiring and constructing the Project, and, without limitation, Eligible Legal Costs and Eligible Fiscal Agent Fees.

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

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

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

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

“Grant” or “Grant Amount” means the amount provided to the Borrower/Grantee as a grant pursuant to the Loan/Grant Agreement for the purpose of funding the Project, and shall equal 90% of the Amount disbursed not to exceed one hundred twenty-one thousand five hundred dollars (\$121,500).

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

“Loan” or “Loan Amount” means 10% of the amount disbursed to the Borrower/Grantee as a loan pursuant to the Loan/Grant Agreement for the purpose of funding the Project, and shall not equal more than thirteen thousand five hundred dollars (\$13,500).

“Loan/Grant” or “Loan/Grant Amount” means the amount provided to the Borrower/Grantee as the Grant Amount and borrowed by the Borrower/Grantee as the Loan Amount pursuant to the Loan/Grant Agreement for the purpose of funding the Project. The value of the Loan/Grant shall not equal more than one hundred thirty-five thousand dollars (\$135,000).

“Loan Payments” means, collectively, the Principal Component (defined in the Loan/Grant Agreement) and interest, if any, to be paid by the Borrower/Grantee as payment of the Loan/Grant Agreement as shown on Exhibit “C” to the Loan/Grant Agreement.

“Local Match” means the amount determined pursuant to the Policies to be provided by the Borrower/Grantee which includes the total value of the soft or hard match (each as defined in the Policies) which, in combination with the Loan/Grant Amount and other monies available to the Borrower/Grantee, is sufficient to complete the Project. The Local Match is thirteen thousand five hundred dollars (\$13,500).

“NMAC” means the New Mexico Administrative Code.

“NMFA” or “Lender/Grantor” means the New Mexico Finance Authority.

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

“Pledged Revenues” means the revenues derived from what was previously identified as the first one-eighth of one percent (0.125%) increment of the County Local Option Gross Receipts Tax enacted pursuant to the Tax Ordinance, distributed to the Borrower/Grantee received pursuant to the Tax Ordinance and pledged to the payment of the Loan Payments pursuant to this Resolution and the Loan/Grant Agreement and described in the Term Sheet, which tax is enforceable under NMSA 1978, § 7-20E-9, as amended.

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

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

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

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

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

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

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

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

“State” means the State of New Mexico.

“Tax Ordinance” means Borrower/Grantee’s Ordinance No. 204 passed and approved by the Borrower/Grantee pursuant to NMSA 1978, § 7-20E-9, as amended, on June 23, 1987, which imposes a one-eighth of one percent (0.125%) increment of the County Local Option Gross Receipts Tax on the gross receipts of persons engaging in business within the Borrower/Grantee, effective January 1, 1988. Pursuant to Laws 2019, Chapter 274, § 16, the County Local Option Gross Receipts Tax imposed by Ordinance No. 204 is no longer identifiable as the first increment of the County Local Option Gross Receipts Tax, and instead comprises one-eighth of one percent (0.125%) of the maximum rate of county gross receipts tax that may be imposed under NMSA 1978, § 7-20E-9, as amended, which maximum rate is one and three-quarters percent (1.75%).

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

“Useful Life” means the period during which the Project is expected to be usable for the purpose for which it was acquired, which is twenty (20) years.

Section 2. Ratification. All action heretofore taken (not inconsistent with the provisions of this Resolution) by the Borrower/Grantee and officers of the Borrower/Grantee directed toward the acquisition and completion of the Project, the pledge of the Pledged Revenues to payment of amounts due under the Loan/Grant Agreement, and the execution and delivery of the Loan/Grant Agreement shall be, and the same hereby is, ratified, approved and confirmed.

Section 3. Authorization of the Project and the Loan/Grant Agreement. The acquisition and completion of the Project and the method of funding the Project through

execution and delivery of the Loan/Grant Agreement and the other documents related to the transaction are hereby authorized and ordered. The Project is for the benefit and use of the Borrower/Grantee, the Colonia and the public they serve.

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

A. The Project is needed to meet the needs of the Borrower/Grantee, the Colonia and the public they serve.

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

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

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

E. Together with the Loan/Grant Amount, and other amounts available to the Borrower/Grantee, the Local Match is now available to the Borrower/Grantee, and in combination with the Loan/Grant Amount, will be sufficient to complete the Project.

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

G. The Borrower/Grantee has title to or easements or rights of way on the real property upon which the Project is being constructed or located.

Section 5. Loan/Grant Agreement—Authorization and Detail.

A. Authorization. This Resolution has been adopted by the affirmative vote of at least a majority of all of the members of the Governing Body. For the purpose of protecting the public health, conserving the property, and protecting the general welfare and prosperity of the public served by the Borrower/Grantee and acquiring and completing the Project, it is hereby declared necessary that the Borrower/Grantee execute and deliver the Loan/Grant Agreement evidencing the Borrower/Grantee's acceptance of the Grant Amount of one hundred twenty-one thousand five hundred dollars (\$121,500) and borrowing the Loan Amount of thirteen thousand five hundred dollars (\$13,500) to be utilized solely for Eligible Items necessary to complete the Project, and solely in the manner and according to the restrictions set forth in the Loan/Grant

Agreement, the execution and delivery of which is hereby authorized. The Borrower/Grantee shall use the Loan/Grant Amount to finance the acquisition and completion of the Project.

B. Detail. The Loan/Grant Agreement shall be in substantially the form of the Loan/Grant Agreement presented at the meeting of the Governing Body at which this Resolution was adopted. The Grant shall be in the amount of one hundred twenty-one thousand five hundred dollars (\$121,500) and the Loan shall be in the amount of thirteen thousand five hundred dollars (\$13,500). Interest on the Loan Amount shall be zero percent (0%) per annum of the unpaid principal balance of the Loan Amount.

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

Section 7. Security. The Loan Amount shall be solely secured by the pledge of the Pledged Revenues herein made and as set forth in the Loan/Grant Agreement.

Section 8. Disposition of Proceeds: Completion of the Project.

A. Project Account. The Borrower/Grantee hereby consents to creation of the Project Account by the NMFA and further approves of the deposit or crediting of a portion of the Loan/Grant Amount to pay expenses. Until the Completion Date, the amount of the Loan/Grant credited to the Project Account shall be used and paid out solely for Eligible Items necessary to acquire and complete the Project in compliance with applicable law and the provisions of the Loan/Grant Agreement.

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

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

Borrower/Grantee, or to honor any request for such transfer or disbursement of the Loan/Grant Amount

Section 9. Payment of Loan Amount. Pursuant to the Loan/Grant Agreement, the Borrower/Grantee shall pay the Loan Amount directly from the Pledged Revenues to the NMFA as provided in the Loan/Grant Agreement in an amount sufficient to pay principal and other amounts due under the Loan/Grant Agreement and to cure any deficiencies in the payment of the Loan Amount or other amounts due under the Loan/Grant Agreement.

Section 10. Lien on Pledged Revenues. Pursuant to the Loan/Grant Agreement, the Loan/Grant Agreement constitutes an irrevocable lien (but not an exclusive lien) upon the Pledged Revenues to the extent of the Loan Amount, the priority of which is consistent with that shown on the Term Sheet.

Section 11. Authorized Officers. Authorized Officers are hereby individually authorized and directed to execute and deliver any and all papers, instruments, opinions, affidavits and other documents and to do and cause to be done any and all acts and things necessary or proper for carrying out this Resolution, the Loan/Grant Agreement and all other transactions contemplated hereby and thereby. Authorized Officers are hereby individually authorized to do all acts and things required of them by this Resolution and the Loan/Grant Agreement for the full, punctual and complete performance of all the terms, covenants and agreements contained in this Resolution and the Loan/Grant Agreement including but not limited to, the execution and delivery of closing documents in connection with the execution and delivery of the Loan/Grant Agreement.

Section 12. Amendment of Resolution. This Resolution after its adoption may be amended without receipt by the Borrower/Grantee of any additional consideration, but only with the prior written consent of the NMFA.

Section 13. Resolution Irrepealable. After the Loan/Grant Agreement has been executed and delivered, this Resolution shall be and remain irrepealable until all obligations due under the Loan/Grant Agreement shall be fully discharged, as herein provided.

Section 14. Severability Clause. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 15. Repealer Clause. All bylaws, orders, ordinances, resolutions, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any bylaw, order, resolution or ordinance, or part thereof, heretofore repealed.

Section 16. Effective Date. Upon due adoption of this Resolution, it shall be recorded in the book of the Borrower/Grantee kept for that purpose, authenticated by the signatures of the Chairperson and County Clerk of the Borrower/Grantee, and this Resolution shall be in full force and effect thereafter, in accordance with law; provided, however, that if recording is not required

for the effectiveness of this Resolution, this Resolution shall be effective upon adoption of this Resolution by the Governing Body.

Section 17. General Summary for Publication. Pursuant to the general laws of the State, the title and a general summary of the subject matter contained in this Resolution shall be published in substantially the following form:

[Form of Notice of Adoption of Resolution for Publication]

Grant County, New Mexico
Notice of Adoption of Resolution

Notice is hereby given of the title and of a general summary of the subject matter contained in Resolution No. R-23-73, duly adopted and approved by the Board of County Commissioners of Grant County, New Mexico on November 16, 2023. A complete copy of the Resolution is available for public inspection during normal and regular business hours in the office of the County Clerk, at 1400 Highway 180 East, Silver City, New Mexico 88061.

The title of the Resolution is:

GRANT COUNTY, NEW MEXICO
RESOLUTION NO. R-23-73

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A COLONIAS INFRASTRUCTURE PROJECT FUND LOAN/GRANT AGREEMENT ("AGREEMENT" OR "LOAN/GRANT AGREEMENT") BY AND BETWEEN THE NEW MEXICO FINANCE AUTHORITY ("NMFA," OR THE "LENDER/GRANTOR") AND GRANT COUNTY, NEW MEXICO (THE "BORROWER/GRANTEE"), FOR THE BENEFIT OF THE DESIGNATED COLONIA OF ARENAS VALLEY, IN THE TOTAL AMOUNT OF ONE HUNDRED THIRTY-FIVE THOUSAND DOLLARS (\$135,000), EVIDENCING AN OBLIGATION OF THE BORROWER/GRANTEE TO UTILIZE THE LOAN/GRANT AMOUNT SOLELY FOR THE PURPOSE OF FINANCING THE COSTS OF THE DESIGN, SURVEY, MAPPING, DRAINAGE, ENVIRONMENTAL DOCUMENTS, AND SOLELY IN THE MANNER DESCRIBED IN THE LOAN/GRANT AGREEMENT; PROVIDING FOR THE PLEDGE AND PAYMENT OF THE LOAN AMOUNT OF THIRTEEN THOUSAND FIVE HUNDRED DOLLARS (\$13,500) SOLELY FROM A ONE-EIGHTH OF ONE PERCENT (0.125%) INCREMENT OF COUNTY LOCAL OPTION GROSS RECEIPTS TAX AND ACCEPTANCE OF A GRANT AMOUNT OF ONE HUNDRED TWENTY-ONE THOUSAND FIVE HUNDRED DOLLARS (\$121,500); CERTIFYING THAT THE LOAN/GRANT AMOUNT, TOGETHER WITH OTHER FUNDS AVAILABLE TO THE BORROWER/GRANTEE, IS SUFFICIENT TO COMPLETE THE PROJECT; APPROVING THE FORM OF AND OTHER DETAILS CONCERNING THE LOAN/GRANT AGREEMENT; RATIFYING ACTIONS HERETOFORE

INCONSISTENT WITH THIS RESOLUTION; AND AUTHORIZING THE
TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION
AND DELIVERY OF THE LOAN/GRANT AGREEMENT.

A general summary of the subject matter of the Resolution is contained in its title. This notice constitutes compliance with NMSA 1978, § 6-14-6, as amended.

[End of Form of Notice of Adoption for Publication]

[Remainder of page intentionally left blank.]

PASSED, APPROVED AND ADOPTED THIS 16TH DAY OF NOVEMBER, 2023.

GRANT COUNTY, NEW MEXICO

By 
Chris Ponce, Chairperson

ATTEST:

By 
Marisa Castillo, County Clerk



[Remainder of page intentionally left blank.]

Governing Body Member Chris Ponce then moved adoption of the foregoing Resolution, duly seconded by Governing Body Member Eloy Medina

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

Those Voting Aye: Chris Ponce
Eloy Medina
Alicia Edwards
Harry Browne

Those Voting Nay:

Those Absent:

Gerald W. "Billy" Billings, Jr.

Four (4) Members of the Governing Body having voted in favor of the motion, the Chairperson declared the motion carried and the Resolution adopted, whereupon the Chairperson and County Clerk signed the Resolution upon the records of the minutes of the Governing Body.

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

GRANT COUNTY, NEW MEXICO

By



Chris Ponce, Chairperson

ATTEST:

By



Marisa Castrillo, County Clerk

)

I, Marisa Castrillo, the duly qualified and acting County Clerk of Grant County, New Mexico (the "Borrower/Grantee"), do hereby certify:

1. The foregoing pages are a true, perfect, and complete copy of the record of the proceedings of the Board of County Commissioners of the Borrower/Grantee (the "Governing Body"), had and taken at a duly called regular meeting held at the Grant County Administration Center, located at 1400 Highway 180 East, Silver City, New Mexico 88061, on November 16, 2023 at the hour of 9:00 a.m., insofar as the same relate to the adoption of Resolution No. R-23-73 and the execution and delivery of the proposed Loan/Grant Agreement, a copy of which is set forth in the official records of the proceedings of the Governing Body kept in my office. None of the action taken has been rescinded, repealed, or modified.

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

3. Notice of the meeting was given in compliance with the permitted methods of giving notice of meetings of the Governing Body as required by the State Open Meetings Act, NMSA 1978, § 10-15-1, as amended, including the Borrower/Grantee's open meetings Resolution No. R-23-01, adopted and approved on January 12, 2023 in effect on the date of the meeting.

IN WITNESS WHEREOF, I have hereunto set my hand this 22nd day of December, 2023.

GRANT COUNTY, NEW MEXICO

By Marisa Castrillo
Marisa Castrillo, County Clerk



EXHIBIT "A"

Notice of Meeting, Meeting Agenda, Minutes and
Affidavit of Publication of Notice of Adoption of Resolution

GRANT COUNTY

CHRIS M. PONCE
Commissioner, District 1

ELOY MEDINA
Commissioner, District 2

ALICIA EDWARDS
Commissioner, District 3



GERALD W. BILLINGS JR.
Commissioner, District 4

HARRY BROWNE
Commissioner, District 5

CHARLENE WEBB
County Manager

November 16, 2023

In Reference to providing the requested documentation of the following:

- **Affidavit of Publication of Notice of Adoption of Resolution**
- **Minutes of Approval**

We will provide the approved minutes for this meeting November 16, 2023 after December 14, 2023 Meeting. In that we approve/disapprove the minutes of the current meeting at the proceeding meeting.

We will also, provide the publication affidavit notice at that time. As we receive those at the end of each month close out from the Silver City Daily Press. We anticipate receiving that in the first week or so of December.

We have provided you the Legal Transmittal Notice that was sent to and published by the Silver City Daily press, and physically posted on our Legal Notice board in our lobby.

Thank you, if you have questions or concerns, feel free to follow with a phone call directly, 575-574-0009.

Kristi Franco,

Executive Assistant

kfranco@grantcountynm.gov

Office Of The Grant County Commissioners

1400 Highway 180 East, Silver City, NM 88061-7837 • P. O. Box 898, Silver City, NM 88062-0898
Telephone: (575) 574-0008 Fax (575) 574-0073

OFFICE OF THE GRANT COUNTY COMMISSIONERS

1400 Highway 180 East – Silver City, NM 88061

Phone: 575-574-0008 Fax: 575-574-0073

www.grantcountynm.gov

NOTICE TRANSMITTAL SHEET

Date: November 7, 2023

| To Be Published | To Be Posted | To Be Notified |
|------------------------------------|--|---------------------------------------|
| Silver City Daily Press | Grant County Administration Center | Board of County Commissioners |
| Attention: Legal | 1400 Highway 180 E. Silver City, NM 88061 | Elected Officials & Department Heads |
| Publication Date: | www.grantcountynm.gov | Silver City Daily Press |
| Wednesday, November 8, 2023 | | Grant County Beat |
| | PO#28731 | Community Access Television of Silver |

LEGAL NOTICE

REGULAR MEETING – November 16, 2023

The Grant County Board of Commissioners will convene in a Regular Meeting on Thursday, November 16, 2023, at 9:00 a.m. The meeting will take place in the Commission Meeting Room at the Grant County Administration Center located at 1400 Highway 180 East, Silver City, NM 88061. The agenda for the Regular Meeting may be altered up to seventy-two (72) hours prior to the meeting; copies can be obtained from the County Manager's Office or viewed online at www.grantcountynm.gov. If you are an individual with a disability in need of a reader, amplifier, qualified sign language interpreter or any other form of auxiliary aide or service to attend or participate in the hearing or meeting, please contact the Grant County Manager at 1400 Highway 180 East, Silver City, New Mexico at least one (1) week prior to the meeting or as soon as possible. The meeting will be livestreamed on the County Facebook Page:

<https://www.facebook.com/GrantCountyNM/> and available later as a recording on the County's website at www.grantcountynm.gov.

The tentative agenda is as follows:

AGENDA

I. Call to Order

II. Pledge of Allegiance & Salute to State Flag

III. Approval of Regular Meeting Agenda IV. Public Input

- During this portion of our meeting, we welcome your suggestions and want to hear your concerns. This is not a question and answer period; speakers will be limited to five (5) minutes. Any individual who would like to discuss an item in more depth may request to be placed on a future agenda. Request forms are available in the County Manager's Office.

V. Proclamations

- a. "Tamal Fiesta Y Mas" – 2023 Proclamation - Raul Turrieta, Deputy Assessor

VI. Presentation

- b. Recognition of Grant County Employee, Steve Duffy, Corre Caminos, Driver - 10 Years of Dedicated Service Award – Presented by Kim Dominguez, Director Corre Caminos
- c. Recognition of Grant County Employee, Cody Thayer, Detention Corporal – 10 Years of Dedicated Service Award -Presented by Joseph Andazola, Detention Center Administrator
- d. Presentation by Deputy Ordonez for FTO Program

VI. Gila Regional Medical Center Reports – Robert Whitaker, CEO VII.

Elected Official's Reports

VIII. Approval of Minutes

- e. October 10, 2023 Work Session Meeting Minutes
- f. October 12, 2023 Regular Meeting Minutes
- g. October 24, 2023 Special Meeting Minutes

IX. Financial Reports

- h. Consideration of Expenditure Report, October 2, 2023
- i. FY 23-24 Quarterly Financial Report Ending September 30, 2023 – Linda Vasquez
- j. 2024 Lodger's Tax Quarterly Report Ending September 30, 2023 Q1 – Linda Vasquez

X. New Business

- k. Consideration of ARPA Allocation Request from the Center for Health Innovation for Behavioral Health Systems Analysis in the amount of \$50,000.00 – Randy Hernandez, Planning and Development Coordinator
- l. Consideration of ARPA Allocation Request from the Grant County Veteran's Memorial Business and Conference Center Floor Improvements in the amount of \$345,343.00 – Randy Hernandez
- m. Consideration of ARPA Allocation Request from the Upper Gila Water Shed Alliance for the New Earth Project in the amount of \$35,000.00 – Randy Hernandez
- n. Consideration of ARPA dollars already Approved, Second Amended MOU between the Sixth Judicial District Attorney's Office

XI. Agreements

- o. Consideration of Agreement A-23-54, Mimbres Senior Center, Appropriation Agreement from the Aging and Long Term Services Department to purchase/equip a vehicle in the amount of \$38,200.00 – Randy Hernandez
- p. Consideration of Agreement A-23-55, Gila Senior Center, Appropriation Agreement from the Aging and Long Term Services Department to purchase/equip a vehicle in the amount of \$38,200.00 – Randy Hernandez
- q. Consideration of Agreement A-23-56, Easement Agreement with the Village of Santa Clara for a 50 foot Easement for ingress and egress to Bataan Park – Randy Hernandez
- r. Consideration of Agreement A-23-57, FY2023 Operation Stonegarden, Grant No.

EMW-202-SS-0015, Department of Homeland Security – Raul Villanueva, Sheriff

- s. Consideration of Agreement A-23-58, Maintenance Agreement, Roadway Lighting and Flashing Beacon with NMDOT, US 180 milepost 123.36 to milepost 123.44, Authorizing County Manager to Execute Final Agreement

XII. Resolutions

- t. Amending Resolution R-23-62, Authorizing an Election for Adoption of Municipal Fire Member Coverage Plan 4
- u. Consideration of Resolution No. R-23-69, Supporting the New Mexico Counties 2024 Legislative Priorities
- v. Consideration of Resolution No. R-23-70, Collaboration with the Grant Soil & Water Conservation Districts for the Control of Noxious Weeds
- w. Consideration of Resolution R-23-71, Colonias Loan/Grant Agreement Authorization for CIF-6124 - North Hurley Road Phase III Improvements (Design)
- x. Consideration of Resolution R-23-72, Colonias Loan/Grant Agreement Authorization for CIF- 6125 -Crum Road Improvements (Design)
- y. Consideration of Resolution R-23-73, Colonias Loan/Grant Agreement Authorization for CIF-6126 - Franks Road Improvement (Design)
- z. Consideration of Resolution R-23-74, Budget Adjustment Request Amending FY2023 Approved Budget

XIII. Bids and Requests for Proposal (RFP)

- aa. Consideration of RFP No. 24-02; Banking Services - Veronica Rodriguez, Procurement Officer
- bb. Consideration of RFP No. 24-03; Airport Fuel Services - Veronica Rodriguez

XIV. Recess as the Grant County Board of Commissioners and Convene as the Grant County Health Care Claims Board cc. Consideration of Indigent Burial Claims – September 2023, Veronica Rodriguez

XV. Adjourn as the Grant County Health Care Claims Board and Reconvene as the Grant County Board of Commissioners

XVI. Commissioner's Reports

XVII. Adjournment

Chris M. Ponce, Commission Chairman

By: (s) **Kristi Franco**, Executive Assistant

3

\$135,000

**COLONIAS INFRASTRUCTURE PROJECT FUND
LOAN/GRANT AGREEMENT**

Dated

December 22, 2023

By and Between the

NEW MEXICO FINANCE AUTHORITY,

and the

**GRANT COUNTY, NEW MEXICO,
as Borrower/Grantee.**

**COLONIAS INFRASTRUCTURE PROJECT FUND
LOAN/GRANT AGREEMENT**

THIS LOAN/GRANT AGREEMENT (the “Agreement” or “Loan/Grant Agreement”) dated December 22, 2023, is entered into by and between the **NEW MEXICO FINANCE AUTHORITY** (the “NMFA” or “Lender/Grantor”), and **GRANT COUNTY**, New Mexico, (the “Borrower/Grantee”) for the benefit of the Colonia of Arenas Valley (the “Colonia”).

W I T N E S S E T H:

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

WHEREAS, the Colonias Infrastructure Act, NMSA 1978, §§ 6-30-1 through 6-30-8, as amended (the “Colonias Infrastructure Act” or the “Act”) creates the Colonias Infrastructure Project Fund (the “Fund”) in the NMFA, to be administered by the NMFA to originate grants or loans to Qualified Entities for Qualified Projects recommended by the Colonias Infrastructure Board (the “CIB”); and

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

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

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

WHEREAS, the Borrower/Grantee is authorized to impose by ordinance a County Gross Receipts Tax pursuant to NMSA 1978, § 7-20E-9, as amended; and

WHEREAS, the Borrower/Grantee has by the Tax Ordinance imposed what was known as the first one-eighth of one percent (0.125%) increment of County Local Option Gross Receipts Tax on the gross receipts of all persons engaging in business within the Borrower/Grantee which provides for the Pledged Revenues; and

WHEREAS, the County Local Option Gross Receipts Tax imposed by the Tax Ordinance is no longer identifiable as the first increment of County Local Option Gross Receipts Tax, and instead comprises one-eighth of one percent (0.125%) of the maximum rate of County Local Option Gross Receipts Tax that may be imposed under NMSA 1978, § 7-120E-9, as amended, of one and three-quarters percent (1.75%), which is pledged to the Loan; and

WHEREAS, pursuant to the Act, Board Rules and the Policies, the CIB authorizes the NMFA to make loans/grants to Qualified Entities from the Fund for recommended Qualified Projects; and

WHEREAS, the Borrower/Grantee submitted an application dated February 9, 2023 for the Project; and

WHEREAS, the CIB has determined that the Project is a Qualified Project and that the Borrower/Grantee is a Qualified Entity under the Board Rules; and

WHEREAS, the CIB on May 24, 2023 recommended to the NMFA that the Borrower/Grantee receive financial assistance from the Fund in the form of the Loan/Grant, for the benefit of the Colonia and the CIB has recommended that the NMFA enter into and administer this Agreement; and

WHEREAS, the NMFA approved the Loan/Grant Amount from the Fund to the Borrower/Grantee on June 22, 2023; and

WHEREAS, pursuant to the Board Rules and the Policies, the Borrower/Grantee will receive ten percent (10%) of its funding as a loan, in order to ensure the long-term solvency of the Fund by providing annual streams of revenue available to fund additional Qualified Projects; and

WHEREAS, the Borrower/Grantee is willing to pledge the Pledged Revenues to the payment of the Loan and grant a lien to the NMFA on the Pledged Revenues subordinate to all other liens thereon present and future, except that any present and future loans from the NMFA to the Borrower/Grantee pursuant to the Act or the Water Project Finance Act, NMSA 1978, §§ 72-4A-1 through 72-4A-11, as amended, shall be on a parity with this Loan/Grant; and

WHEREAS, the obligation of the Borrower/Grantee under this Agreement shall constitute a special, limited obligation of the Borrower/Grantee, limited to the Pledged Revenues, and shall not constitute a general obligation or other indebtedness of the Borrower/Grantee or a charge upon the general credit or ad valorem taxing power of the Borrower/Grantee, or the State; and

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

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

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

ARTICLE I DEFINITIONS

Capitalized terms defined in the foregoing recitals shall have the same meaning when used in this Agreement unless the context clearly requires otherwise. Capitalized terms not defined in

the recitals and defined in this Article I shall have the same meaning when used in this Agreement including the foregoing recitals, unless the context clearly requires otherwise.

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

“Application” means the Colonias Infrastructure Project Fund Application for Funding dated February 9, 2023 of the Borrower/Grantee and pursuant to which the Borrower/Grantee requested funding for the Project.

“Authorized Officers” means, with respect to the Borrower/Grantee, any one or more of the Chairperson, Vice-Chairperson, County Manager and County Clerk thereof; with respect to the NMFA, the Chair, Vice-Chair and Secretary of the Board of Directors and the Chief Executive Officer or any other officer or employee of the NMFA designated in writing by an Authorized Officer.

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

“Borrower/Grantee” means Grant County, New Mexico.

“CIB” means the Colonias Infrastructure Board created by the Act.

“Closing Date” means the date of execution of this Agreement by the Borrower/Grantee and the NMFA.

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

“Conditions” means (1) all readiness to proceed requirements established for the Loan/Grant by the NMFA and the CIB; (2) all requirements set forth in the Term Sheet; (3) all requirements outlined in Section 2.1(p) and Section 5.1; and (4) a determination that the disbursement applied for does not exceed any limitation upon the amount payable for any Eligible Item pursuant to the Act, the Board Rules, and the Policies.

“Department of Finance and Administration” or “DFA” means the department of finance and administration of the State.

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

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

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

“Eligible Items” means eligible Project costs for which loans/grants may be made pursuant to Title 2, Chapter 91, Part 2 NMAC, the Board Rules and applicable Policies, and includes costs of acquiring and constructing the Project, and, without limitation, Eligible Legal Costs, Eligible Fiscal Agent Fees, Eligible Architectural, Engineering and Construction Management Fees, and Eligible Fees for Other Professional Services.

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

“Event of Default” means one or more events of default as defined in Section 9.1 of this Agreement.

“Final Debt Service Schedule” means the schedule of Loan Payments due on this Agreement following the Final Requisition, as determined on the basis of the Loan Amount.

“Final Requisition” means the final requisition of moneys to be submitted by the Borrower/Grantee, which shall be submitted by the Borrower/Grantee on or before the expiration of the Interim Period as provided in Section 4.4 of this Agreement.

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

“Force Majeure” means acts of God and natural disasters; strikes or labor disputes; war, civil strife or other violence; an order of any kind of the Government of the United States or of the State or civil or military authority or any court of competent jurisdiction; or any other act or condition that was beyond the reasonable control of, without fault or negligence of, or not reasonably foreseeable by the party claiming the Force Majeure event; except for (i) general economic conditions; or (ii) an inability of a party claiming the Force Majeure event to pay any debts when due.

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

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

“Grant” or “Grant Amount” means the amount provided to the Borrower/Grantee as a grant pursuant to this Agreement for the purpose of funding the Project and shall equal 90% of the amount disbursed during the Interim Period not to exceed one hundred twenty-one thousand five hundred dollars (\$121,500).

“Hardship Waiver” means a determination by the NMFA pursuant to Section 4.1(a)(ii) herein that the annual principal payment by the Borrower/Grantee should be forgiven because such payment would cause undue hardship for the Borrower/Grantee or the public it serves.

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

“Interest Component” means the portion of each Loan Payment paid as interest on this Agreement, if any, as shown on Exhibit “C” hereto.

“Interim Debt Service Schedule” means the anticipated schedule of Loan Payments due on this Agreement following the Final Requisition, assuming disbursement of the entire Loan Amount within twenty-four (24) months of the Closing Date. The Interim Debt Service Schedule is attached hereto as Exhibit “C”.

“Interim Period” means the period no greater than twenty-four (24) months, unless a longer period is approved by the NMFA as provided in Section 4.4 of this Agreement, beginning on the Closing Date, during which the NMFA will disburse moneys to the Borrower/Grantee to pay costs of the Project.

“Loan” or “Loan Amount” means 10% of the amount disbursed to the Borrower/Grantee as during the Interim Period for the purpose of funding the Project and shall not equal more than thirteen thousand five hundred dollars (\$13,500).

“Loan/Grant” or “Loan/Grant Amount” means the combined amount distributed to the Borrower/Grantee during the Interim Period partially as the Grant Amount and partially borrowed by the Borrower/Grantee as the Loan Amount pursuant to this Agreement for the purpose of funding the Project and shall not equal more than one hundred thirty-five thousand dollars (\$135,000).

“Loan Payments” means, collectively, the Principal Component and interest, if any, to be paid by the Borrower/Grantee as payment of this Agreement as shown on Exhibit “C” hereto.

“Local Match” means the amount determined pursuant to the Policies to be provided by the Borrower/Grantee which includes the total value of the soft or hard match (each as defined in the Policies) which, in combination with the Loan/Grant Amount and other monies available to the Borrower/Grantee, is sufficient to complete the Project. The Local Match is thirteen thousand five hundred dollars (\$13,500).

“NMAC” means the New Mexico Administrative Code.

“NMFA” or “Lender/Grantor” means the New Mexico Finance Authority.

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

“Parity Obligations” means this Agreement, and any other obligations, now outstanding or hereafter issued or incurred, payable from or secured by a lien or pledge of the Pledged Revenues and issued with a lien on the Pledged Revenues on parity with this Agreement, as shown on the Term Sheet.

“Pledged Revenues” means the revenues derived from what was previously identified as the first one-eighth of one percent (0.125%) increment of the County Local Option Gross Receipts Tax enacted pursuant to the Tax Ordinance, distributed to the Borrower/Grantee pursuant to the Tax Ordinance and pledged to the payment of the Loan Payments pursuant to the Resolution and this Loan/Grant Agreement and described in the Term Sheet, which tax is enforceable under NMSA 1978, § 7-20E-9, as amended.

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

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

“Principal Component” means the portion of each Loan Payment paid as principal on this Agreement as shown on Exhibit “C” attached hereto.

“Project” means the project(s) described on the Term Sheet.

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

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

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

“Resolution” means the Borrower/Grantee Resolution No. R-23-73 adopted by the Governing Body on November 16, 2023 authorizing the acceptance of the Loan/Grant, approving this Agreement and pledging the Pledged Revenues to the payment of the Loan Payments as shown on the Term Sheet.

“Senior Obligations” means the Senior Obligations identified on the Term Sheet, if any, and any other obligations hereafter issued with a superior lien on the Pledged Revenues as defined in the Term Sheet, and meeting the requirements of the Agreement applicable to the issuance of Senior Obligations.

“State” means the State of New Mexico.

“Tax Ordinance” means Borrower/Grantee’s Ordinance No. 204 passed and approved by the Borrower/Grantee pursuant to NMSA 1978, § 7-20E-9, as amended, on June 23, 1987, which imposes a one-eighth of one percent (0.125%) increment of the County Local Option Gross Receipts Tax on the gross receipts of persons engaging in business within the Borrower/Grantee, effective January 1, 1988. Pursuant to Laws 2019, Chapter 274, § 16, the County Local Option Gross Receipts Tax imposed by Ordinance No. 204 is no longer identifiable as the first increment of the County Local Option Gross Receipts Tax, and instead comprises one-eighth of one percent (0.125%) of the maximum rate of county gross receipts tax that may be imposed under NMSA 1978, § 7-20E-9, as amended, which maximum rate is one and three-quarters percent (1.75%).

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

“Useful Life” means the period during which the Project is expected to be usable for the purpose for which it was acquired, which is twenty (20) years.

ARTICLE II REPRESENTATIONS, COVENANTS AND WARRANTIES OF THE BORROWER/GRANTEE

Section 2.1 Representations, Covenants and Warranties of the Borrower/Grantee: The Borrower/Grantee represents, covenants and warrants for the benefit of the NMFA as follows:

(a) Binding Nature of Covenants; Enforceability. All representations, covenants, stipulations, obligations and agreements of the Borrower/Grantee contained in this Agreement shall be deemed to be the representations, covenants, stipulations, obligations and agreements of the Borrower/Grantee to the full extent authorized or permitted by law, and such representations, covenants, stipulations, obligations and agreements shall be binding upon the Borrower/Grantee and its successors and enforceable in accordance with their terms, and upon any board or body to which any powers or duties affecting such representations, covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law.

(b) Authorization of Agreement. The Borrower/Grantee is a Qualified Entity as defined in the Act and the Board Rules. Pursuant to the laws of the State and in particular, the laws governing its creation and existence, as amended and supplemented from time to time, the Borrower/Grantee is authorized to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder. The Borrower/Grantee has duly authorized and approved its acceptance of the Loan/Grant and the execution and delivery of this Agreement and the other documents related to the transaction described in this Agreement, and this Agreement and the other documents related to the transaction to which the Borrower/Grantee is a party constitute legal, valid and binding special obligations of the Borrower/Grantee enforceable against the Borrower/Grantee in accordance with their respective terms.

(c) Necessity of Project. The completion and operation of the Project under the terms and Conditions provided in this Agreement are necessary, convenient, and in furtherance of the governmental purposes of the Borrower/Grantee and are in the best interest of the Borrower/Grantee, the Colonia and the constituent public the Borrower/Grantee serves.

(d) Useful Life. The Agreement Term is not greater than the Useful Life of the Project, and in any event shall not exceed twenty (20) years.

(e) Nature and Use of Agreement Proceeds. The Borrower/Grantee acknowledges that the proceeds of the Loan/Grant Amount shall be distributed pro rata as the Loan Amount and Grant Amount. The Borrower/Grantee shall apply the proceeds of the Loan/Grant solely to Eligible Items that will facilitate the completion of the Project, and shall not use the Loan/Grant proceeds for any other purpose. The Loan/Grant Amount, together with the Local Match and other moneys reasonably expected to be available to the Borrower/Grantee, is sufficient to complete the Project in its entirety.

(f) Lien. The Loan Payments constitute an irrevocable lien on the distribution on the Pledged Revenues, the priority of which is consistent with that shown on the Term Sheet.

(g) Payment of Loan Amount. The Borrower/Grantee shall promptly pay the Loan Payments as provided in this Agreement, except when a Hardship Waiver is obtained pursuant to Section 4.1(a)(ii) of this Agreement. The Loan Payments shall be payable solely from Pledged Revenues and nothing in this Agreement shall be construed as obligating the Borrower/Grantee to make the Loan Payments from any general or other fund of the Borrower/Grantee other than the Pledged Revenues; however, nothing in this Agreement shall be construed as prohibiting the Borrower/Grantee in its sole and absolute discretion, from making such payments from any moneys which may be lawfully used, and which are legally available, for that purpose.

(h) No Breach or Default Caused by Agreement. Neither the execution and delivery of this Agreement and the other documents related to the transaction, nor the fulfillment of or compliance with the terms and Conditions in this Agreement and the other documents related to the transaction, nor the consummation of the transactions contemplated herein and therein, conflicts with or results in a breach of terms, conditions or provisions of any restriction or any agreement or instrument to which the Borrower/Grantee is a party or by which the Borrower/Grantee is bound, or any laws, ordinances, governmental rules or regulations or court or other governmental orders to which the Borrower/Grantee or its properties are subject, or constitutes a default under any of the foregoing.

(i) Irrevocable Enactments. While this Agreement remains outstanding and unpaid, any ordinance, resolution or other enactment of the Governing Body applying the Pledged Revenues for payment of this Agreement, including the Resolution, shall be irrevocable until the Project has been fully acquired and completed, and the Loan Amount, including all principal and interest that has been repaid, or provision made for payment thereof, shall not be subject to amendment or modification in any manner which would result in any use of the proceeds of this Agreement in a manner not permitted or contemplated by the terms hereof. The Borrower/Grantee

shall not impair the rights of the NMFA or of any holders of bonds or other obligations payable from the Pledged Revenues while this Agreement is outstanding.

(j) No Litigation. To the knowledge of the Borrower/Grantee, no litigation or proceeding is pending or threatened against the Borrower/Grantee or any other person affecting the right of the Borrower/Grantee to execute or deliver this Agreement and the other documents related to the transaction or to comply with its obligations under this Agreement and the other documents related to the transaction.

(k) Agency Approval. Neither the execution and delivery of this Agreement and the other documents related to the transaction by the Borrower/Grantee nor compliance by the Borrower/Grantee with the obligations under this Agreement and the other documents related to the transaction, requires the approval of any regulatory body, or any other entity, which approval has not been obtained or which is not reasonably expected to be obtained.

(l) No Event of Default. No event has occurred and no condition exists which, with the giving of notice or the passage of time or upon the execution and delivery of this Agreement or the other documents related to the transaction, would constitute an Event of Default on the part of the Borrower/Grantee under this Agreement and the other documents related to the transaction.

(m) Pledged Revenues Not Budgeted. The portion of the Pledged Revenues necessary to pay the Loan Payments, as and when due, is not needed or budgeted to pay current or future Project-related expenses of the Borrower/Grantee.

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

(o) Use of Project; Continuing Covenant. During the Agreement Term, the Borrower/Grantee will at all times use the Project for the benefit of the Borrower/Grantee and the public it serves. The engineering design or engineering feasibility reports shall not involve or anticipate a sale, lease, mortgage, pledge, or the relocation or disposal of any part of the product or system designed during its Useful Life; provided, however, that if the Project is a joint project of the Borrower/Grantee and other Qualified Entities (as defined by the Act), the Borrower/Grantee and the other Qualified Entities may, with the express written approval of the NMFA and not otherwise, enter into an agreement allocating ownership and operational and maintenance responsibilities for the Project during the term of the Agreement. Any such agreement shall provide that the NMFA shall have the power to enforce the terms of this Agreement, without qualification, as to each and every Qualified Entity (as defined by the Act) other than the Borrower/Grantee, owning or operating any portion of the Project during the term of the Agreement. The Borrower/Grantee will operate and maintain the Project, so that it will function properly over its Useful Life.

(p) Expected Coverage Ratio. The Pledged Revenues are reasonably expected to equal or exceed—from the Fiscal Year in which the Closing Date occurs and, on an ongoing basis during each Fiscal Year of the Agreement Term—one hundred percent (100%) of the maximum annual principal and interest due on all outstanding obligations of the Borrower/Grantee payable from the Pledged Revenues.

(q) Right to Inspect. The NMFA shall have the right to inspect at all reasonable times all records, accounts and data relating to the Project and to inspect the Project and all properties comprising the Project, and the Borrower/Grantee shall supply such records, accounts, and data as are requested by the NMFA, within thirty (30) days of receipt of such request, written or oral.

(r) Pledged Tax Revenues Covenants. The Governing Body has duly adopted the Tax Ordinance imposing the one-eighth of one percent (0.125%) increment of the County Local Option Gross Receipts Tax, which constitutes the Pledged Revenues. The Tax Ordinance has not been repealed or superseded and is in full force and effect.

(s) Records and Reporting. The Borrower/Grantee shall maintain financial records in accordance with Generally Accepted Accounting Principles throughout the Agreement Term, and in the event that the State Audit Act, NMSA 1978, §§ 12-6-1 through 12-6-14 does not apply, conduct an audit of the Project's financial records if requested by the CIB or the NMFA and provide any and all other information and access to the Project as requested by the CIB or the NMFA.

(t) Acquisition and Completion. The Borrower/Grantee shall proceed expeditiously to complete the Project and shall commence the Project in a commercially reasonable timeframe following the Closing Date. Further, the Borrower/Grantee hereby agrees that in order to effectuate the purposes of this Agreement and to acquire and complete the Project it shall take such steps as are necessary and appropriate to acquire and complete the Project lawfully and efficiently in accord with all applicable laws, ordinances, resolutions and regulations relating to the acquisition and completion of the Project and use of the Loan/Grant proceeds. The Project complies with the Tax Ordinance and NMSA 1978, § 7-20E-9. The plans and specifications for the Project shall fully incorporate the available technologies and operational design for water use efficiency described in the approved plans and specifications. No Loan/Grant funds shall be used for items not constituting Eligible Items. The Borrower/Grantee shall exercise its power of eminent domain, if needed to comply with this paragraph 2.1(t).

(u) Use of Loan/Grant Proceeds for Construction; Other Qualified Entities. If any of the proceeds of the Loan/Grant are used for construction, the Borrower/Grantee shall operate and maintain the Project in good operating condition and repair at all times during the Useful Life of the Project, so that the Project will function properly over the Useful Life of the Project; provided, that if any portion of the Project will be constructed, installed, located, completed or extended on real property owned by a Qualified Entity (as defined by the Act) other than the Borrower/Grantee, the Borrower/Grantee may, prior to any use of the Loan/Grant funds for the Project on such real property, obtain the written agreement of such other Qualified Entity to perform these obligations with respect to such real property (and the portion of the Project to be constructed, installed, located, completed or extended on such real property), which written

agreement shall be subject to approval by the NMFA and shall include an express statement by such other Qualified Entity that the NMFA is a third party beneficiary of such written agreement.

(v) Local Match. The Local Match is legally available for the Project, has been applied or set aside by the Borrower/Grantee solely for the purposes of the Project and sufficient evidence of the Local Match has been provided and will be continued to be provided as part of the Borrower/Grantee's quarterly reporting as outlined in Section 7.1 and as otherwise requested by the NMFA.

(w) Audit Requirement. During the Agreement Term the Borrower/Grantee shall comply with the requirements of the State Audit Act, NMSA 1978, §§ 12-6-1 through 12-6-14, as amended, and upon request, provide the NMFA with a copy of any review or audit, report of agreed upon procedures, or any other document prepared pursuant to or required by the State Audit Act.

(x) Executive Order 2013-006 Requirements. The Borrower/Grantee has and will meet the requirements of Executive Order 2013-006 prior to the first disbursement of any portion of the Loan/Grant Amount, the Conditions and the readiness to proceed requirements established for the Loan/Grant by the NMFA and the CIB.

(y) Other Liens. Other than as provided in the Term Sheet, there are no liens or encumbrances of any nature, whatsoever, on or against the Pledged Revenues.

(z) Additional Debt. Prior to entering into additional indebtedness secured by a lien on the Pledged Revenues that is senior to or on parity with this Agreement, the Borrower/Grantee will seek the written consent of the NMFA, which consent will not be unreasonably withheld. Prior to entering into additional indebtedness secured by a lien on the Pledged Revenue subordinate to this Agreement or a lien on any revenues of the Borrower/Grantee other than the Pledged Revenues, the Borrower/Grantee will notify the NMFA in writing of such indebtedness.

ARTICLE III AGREEMENT TERM

The Agreement Term shall commence on the Closing Date and shall terminate upon the earliest of the following events: (a) submission and acceptance of a completed Form of Certificate of Completion, Exhibit "D", and repayment of the Loan Amount and interest or (b) the exercise by the NMFA to terminate the Agreement pursuant to an Event of Default as outlined in Section IX of this Agreement.

ARTICLE IV LOAN/GRANT TO THE BORROWER/GRANTEE; INVESTMENT OF MONEYS

Section 4.1 Loan/Grant to the Borrower/Grantee

(a) Loan to the Borrower/Grantee. The NMFA hereby lends to the Borrower/Grantee and the Borrower/Grantee hereby borrows from and agrees to pay to the order of the NMFA, an amount equal to the Loan Amount, with the principal amount of the Loan

Amount being payable as provided by Article VI and Exhibit "C" of this Agreement. The Loan Amount shall be pre-payable by the Borrower/Grantee at the conclusion of the Interim Period without penalty.

(i) Subordinate Nature of Loan Amount Obligation. The obligation of the Borrower/Grantee to make the Loan Payments shall be subordinate to all other indebtedness secured by the Pledged Revenues existing on the Closing Date and, further, that may in the future be secured by the Pledged Revenues; except, however, that the obligation of the Borrower/Grantee to make the Loan Payments shall be on parity with any other obligation, present or future, of the Borrower/Grantee to repay a loan provided by the NMFA pursuant to the Act or the Water Project Finance Act, NMSA 1978, §§ 72-4A-1 through 72-4A-11, as amended.

(ii) Hardship Waivers of Payment. Each year while any portion of the Loan Amount remains outstanding, if a Borrower/Grantee has encountered an unforeseeable hardship, the Borrower/Grantee may apply in writing on or before April 1st to the NMFA for forgiveness of the annual Loan Payment coming due on June 1 of the same year. The Borrower/Grantee shall submit its application to the NMFA for a determination by the NMFA, in cooperation with DFA, and shall submit sufficient documentation of the existence of the unforeseeable hardship as is reasonably required by the NMFA, in cooperation with DFA, to make a determination. The Borrower/Grantee shall promptly respond to additional requests for information from the NMFA or DFA. Such application for a Hardship Waiver shall be executed by the Authorized Officers of the Borrower/Grantee. The NMFA shall communicate the decision to the Borrower/Grantee in writing. In the event of a determination of unforeseeable hardship, the Loan Payment otherwise due on June 1 of that year shall be forgiven. If no unforeseeable hardship is found to exist, the Loan Payment shall remain outstanding and due and payable in accordance with the terms of this Agreement.

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

(b) Grant to the Borrower/Grantee. The CIB has granted to the Borrower/Grantee and the Borrower/Grantee hereby accepts from the NMFA and the CIB an amount equal to the Grant Amount subject to the terms of this Agreement.

(c) Project Account. The NMFA may establish and maintain the Project Account as a book account only, on behalf of the Borrower/Grantee, which account shall be kept separate and apart from all other accounts of the NMFA.

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

Section 4.3 Loan/Grant Amount Does Not Exceed Total Cost. The sum of the Grant Amount, the Loan Amount, and the Local Match (and as set forth on the Term Sheet) does not

exceed the cost of the Project, which, along with other moneys reasonably expected to be available to the Borrower/Grantee, is sufficient to complete the Project.

Section 4.4 Final Requisition. The Final Requisition shall be submitted by the Borrower/Grantee within the Interim Period. The Interim Period may be extended only as approved in writing by an Authorized Officer of the NMFA, based on the Borrower/Grantee's demonstration, to the reasonable satisfaction of the Authorized Officer of the NMFA, that unanticipated circumstances resulted in delaying the acquisition and completion of the Project, and submission of the Borrower/Grantee's Final Requisition.

ARTICLE V LOAN/GRANT AMOUNT DISBURSEMENT CONDITIONS

Section 5.1 Conditions Precedent to Disbursement of Loan/Grant Amount. Prior to the payment of any requisition of the Loan/Grant Amount or any portion thereof by the NMFA from the Fund, the following conditions shall be satisfied:

- (a) The NMFA shall have determined that the Borrower/Grantee has met the Conditions established for the Loan/Grant; and
- (b) Prior to disbursement of any portion of the Loan/Grant Amount for planning and design, the Borrower/Grantee shall have provided written assurance addressed to the NMFA and signed by an attorney (or shall have provided a title insurance policy) that the Borrower/Grantee has proper title to or easements, rights of way, or permits on the real property upon or through which the planning and design phase is to be conducted, or if acquisition and completion of the Project does not require physical or visual access to existing lands or facilities, the Borrower/Grantee shall have provided written assurance addressed to the NMFA and signed by an attorney certifying that no title to, easements, rights of way, or permits are necessary to acquire and complete the Project; and
- (c) The Borrower/Grantee shall be in compliance with the provisions of this Agreement; and
- (d) No Event of Default has occurred; and
- (e) The Borrower/Grantee shall have provided any other information requested by the NMFA in its absolute discretion including documentation sufficient to make a determination whether any requested disbursement is for payment of Eligible Items and is fully consistent with the Act, the Board Rules, and the Policies, as applicable.

Section 5.2 Accounting for Amounts Credited to the Project Account. So long as Section 5.1 has been complied with and all Conditions to the disbursement of the Loan/Grant Amount have been satisfied (including approval of all plans and specifications), upon receipt by the NMFA of a requisition substantially in the form of Exhibit "B" attached hereto signed by an Authorized Officer of the Borrower/Grantee, supported by certification by the Borrower/Grantee's project architect, engineer, or such other authorized representative of the Borrower/Grantee that the amount of the disbursement request represents the progress of design, installation, construction, acquisition or other Project-related activities accomplished as of the date of the disbursement

request, the NMFA shall seek funds sufficient to satisfy the request and, upon receipt of those funds disburse from the Fund, amounts which together are sufficient to pay the requisition in full or that portion approved by the NMFA in its sole discretion. The certification provided pursuant to this Section 5.2 in support of the requisition must be acceptable in form and substance to the NMFA. The Borrower/Grantee shall provide such records or access to the Project as the NMFA, and, at its request, the CIB, in the discretion of each, may request in connection with the approval of the Borrower/Grantee's requisition requests made hereunder.

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

Section 5.4 No Disbursement for Prior Expenditures Except upon Approval. No disbursement shall be made from the Fund, of the Loan/Grant Amount, or any portion thereof, without the approval of the NMFA to reimburse any expenditure made prior to the approval date of the award by the NMFA Board.

Section 5.5 Completion of Disbursement of Loan/Grant Funds. Upon completion of the Project an Authorized Officer of the Borrower/Grantee shall deliver a certificate to the NMFA, substantially in the form of Exhibit "E" attached hereto, stating that, to his or her knowledge, that the Project has been completed. No portion of the Loan/Grant Amount shall be disbursed after the expiration of the Interim Period.

Section 5.6 Application of Project Account Subsequent to Disbursement of Loan/Grant Amount; Termination of Pledge. Upon the first to occur of either (a) completion of the disbursement of the Loan/Grant Amount as signified by delivery of the completion certificate contemplated in Section 5.5 hereof; or (b) the earlier expiration of the time allowed for disbursements of Loan/Grant funds as provided in Section 5.5 hereof, the NMFA shall transfer the amounts remaining on deposit in the Project Account, if any, to such other fund permitted by law. Upon such entry, the pledge of the Project Account, if any, established in this Agreement shall terminate.

ARTICLE VI

LOAN PAYMENTS BY THE BORROWER/GRANTEE

Section 6.1 Loan to the Borrower/Grantee; Payment Obligations Limited to Pledged Revenues; Pledge of Pledged Revenues. The NMFA hereby lends to the Borrower/Grantee and the Borrower/Grantee hereby borrows from the NMFA an amount not to exceed the Loan Amount. The Borrower/Grantee promises to pay, but solely from the sources pledged herein, the Loan Payments and other amounts owed by the Borrower/Grantee as herein provided. Subject to any outstanding Parity Obligations and Senior Obligations, the Borrower/Grantee does hereby grant a

lien on and a security interest in and does hereby convey, assign and pledge unto the NMFA and unto its successors in trust forever all right, title and interest of the Borrower/Grantee in and to (i) the Pledged Revenues to the extent required to pay the Loan Payments, and other amounts owed by the Borrower/Grantee as herein provided, subject to and subordinate to all other pledges of the Pledged Revenues existing on the Closing Date and, further, that may exist in the future (except only that the pledge of the Pledged Revenues herein shall be on a parity with any other pledge of the Pledged Revenues by the Borrower/Grantee to repay any obligations issued by the NMFA pursuant to the Act or the Water Project Finance Act); (ii) the Loan/Grant Amount including the Project Account; and (iii) all other rights hereinafter granted, for the securing of the Borrower/Grantee's obligations under this Agreement, including payment of the Loan Payments and other amounts owed by the Borrower/Grantee as herein provided, however, that if the Borrower/Grantee, its successors or assigns, shall pay, or cause to be paid, all Loan Payments at the time and in the manner contemplated by this Agreement, and shall pay all other amounts due or to become due under this Agreement in accordance with its terms and provisions then, upon such final payment, this Agreement and the rights created thereby shall terminate; otherwise, this Agreement shall remain in full force and effect.

The schedule of Loan Payments, assuming the disbursement of the entire Loan/Grant Amount within twenty-four (24) months after the Closing Date, identified as the Interim Debt Service Schedule, is attached to this Agreement as Exhibit "C". Within thirty (30) days after the Final Requisition is made, the NMFA shall provide a Final Debt Service Schedule, reflecting the amount of the Loan/Grant Amount actually disbursed to the Borrower/Grantee pursuant to this Agreement. Such Final Debt Service Schedule shall supersede the schedule attached hereto as Exhibit "C".

The pledge of the Pledged Revenues and the lien thereon shall be effective upon the Closing Date. The Borrower/Grantee and the NMFA acknowledge and agree that the obligations of the Borrower/Grantee hereunder are limited to the Pledged Revenues; and that this Agreement with respect to the Loan Amount and other amounts owed by the Borrower/Grantee as herein provided, and that the Agreement shall constitute a special, limited obligation of the Borrower/Grantee. No provision of this Agreement shall be construed or interpreted as creating a general obligation or other indebtedness of the Borrower/Grantee or the State within the meaning of any constitutional or statutory debt limitation. No provision of this Agreement shall be construed to pledge or to create a lien on any class or source of Borrower/Grantee moneys other than the Pledged Revenues, nor shall any provision of this Agreement restrict the future issuance of any bonds or obligations payable from any class or source of Borrower/Grantee moneys other than the Pledged Revenues. In addition, to the extent not required for the payment of obligations of the Borrower/Grantee hereunder, the Pledged Revenues may be utilized by the Borrower/Grantee for any other purposes permitted by law.

Section 6.2 Deposit of Payments of Loan Amount to Colonias Infrastructure Project Fund. All Loan Payments made by the Borrower/Grantee to the NMFA to repay the Loan Amount and interest thereon, if any, shall be deposited into the Colonias Infrastructure Project Fund.

Section 6.3 Manner of Payment. The Loan Amount shall be payable by the Borrower/Grantee to the NMFA in annual installments of principal payable on June 1 after expiration of the Interim Period and continuing through the expiration of the last Loan Payment due as outlined in the Final Debt Service Schedule. All payments of the Borrower/Grantee

hereunder shall be paid in lawful money of the United States of America to the NMFA at the address designated in Section 10.1 of this Agreement. The obligation of the Borrower/Grantee to make payments hereunder, from and to the extent of the available Pledged Revenues, shall be absolute and unconditional in all events, except as expressly provided hereunder. Notwithstanding any dispute between the Borrower/Grantee and the NMFA, any vendor or any other person, the Borrower/Grantee shall make all deposits hereunder, from and to the extent of the available Pledged Revenues, when due and shall not withhold any deposit hereunder pending final resolution of such dispute, nor shall the Borrower/Grantee assert any right of set-off or counterclaim against its obligation to make such deposits required hereunder.

Section 6.4 Borrower/Grantee May Budget for Payments. The Borrower/Grantee may, in its sole discretion, but without obligation and subject to the Constitution of the State, governing laws, and its budgetary requirements, make available properly budgeted and legally available funds to make the Loan Payments and other amounts owed by the Borrower/Grantee hereunder; provided, however, the Borrower/Grantee has not covenanted and cannot covenant to make such funds available and has not pledged any of such funds for such purpose.

Section 6.5 NMFA's Release of Lien and Further Assurances. Upon payment in full of the Loan Amount and other amounts owed by the Borrower/Grantee as herein provided in this Agreement and upon written request from the Borrower/Grantee, the NMFA agrees to execute a release of lien and to give such further assurances as are reasonably necessary to ensure that the NMFA no longer holds or maintains any lien or claim against the Pledged Revenues.

ARTICLE VII ADMINISTRATION

Section 7.1 Borrower/Grantee Reporting to the NMFA. The Borrower/Grantee shall provide the NMFA with a quarterly written report substantially in the form of Exhibit "D" attached hereto, or other report format as designated by the NMFA, and signed by an Authorized Officer of the Borrower/Grantee. The first quarterly report shall be due on March 31, 2024, and subsequent reports shall be due on each March 31, June 30, September 30 and December 31 thereafter until the report date next following final distribution of the Loan/Grant funds. The description of the status of the Project in each quarterly report shall include, among other information, (a) a comparison of actual and anticipated requests for distributions of Loan/Grant funds as of the report date with those anticipated as of the Closing Date, (b) a description of actual and anticipated changes in the cost estimates for the Project as of the report date compared with those anticipated as of the Closing Date, and (c) a description of the percentage of completion of the Project.

Section 7.2 Application of Project Account Subsequent to Disbursement of Loan/Grant Funds. Upon the completion of the Project as signified by delivery of the completion certificate required by Section 5.5 hereof, the NMFA shall determine, by reference to the Project Account, if any, whether any portion of the authorized Loan/Grant Amount remains unexpended. If any of the Loan/Grant Amount remains unexpended, the funds shall be transferred by the NMFA to the appropriate account or fund in accordance with applicable law and the Borrower/Grantee shall have no right to access the funds.

Section 7.3 Further Assurances and Corrective Instruments. The NMFA and the Borrower/Grantee agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Project or of the Pledged Revenues and carrying out the intention hereof.

Section 7.4 Representatives of the NMFA or of Borrower/Grantee. Whenever under the provisions hereof the approval of the NMFA or the Borrower/Grantee is required, or the Borrower/Grantee, or the NMFA is required to take some action at the request of any of them, such approval or such request shall be given for the NMFA or for the Borrower/Grantee, by an Authorized Officer of the NMFA or the Borrower/Grantee, as the case may be, and any party hereto shall be authorized to act on any such approval or request.

Section 7.5 Selection of Contractors. All contractors providing services or materials in connection with the Project shall be selected in accordance with applicable provisions of the New Mexico Procurement Code, NMSA 1978, §§ 13-1-28 through 13-1-199, as amended, or, if the Borrower/Grantee is not subject to the New Mexico Procurement Code, shall be selected in accordance with a documented procurement process duly authorized and established pursuant to laws and regulations applicable to the Borrower/Grantee.

Section 7.6 Required Contract Provisions. The Borrower/Grantee shall require the following provisions in any contract or subcontract executed in connection with the Project to which the Borrower/Grantee is a party:

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

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

(c) Any contractor or subcontractor providing construction services in connection with the Project shall comply with the prevailing wage laws in accordance with the requirements of NMSA 1978, § 13-4-11, as amended.

Section 7.7 Little Miller Act. To the extent NMSA 1978, § 13-4-1 et seq., (the “Little Miller Act”) is applicable to the Project, the Borrower/Grantee shall comply with the requirements of the “Little Miller Act”. If bonding requirements of the Little Miller Act are not applicable to the Project, the Borrower/Grantee will require that the contractor to whom is given any contract for construction appertaining to the Project supply a performance bond or bonds satisfactory to the Borrower/Grantee. Any sum or sums derived from said performance bond or bonds shall be used within six (6) months after such receipt for the completion of said construction, and if not so used within such period, shall be used as authorized by law.

ARTICLE VIII

INSURANCE; NON-LIABILITY OF THE NMFA AND CIB

Section 8.1 Insurance. The Borrower/Grantee shall carry general liability insurance or participate in the State's risk-management program and, to the extent allowed by the New Mexico Tort Claims Act, NMSA 1978, §§ 41-4-1 through 41-4-30, as amended, shall and hereby agrees to name the NMFA as additional insureds with respect to all claims, by or on behalf of any person, firm, corporation or other legal entity arising from the acquisition, completion or implementation of the Project or otherwise during the Agreement Term; provided, that if any portion of the Project will be constructed, located, completed or extended on real property owned by a Qualified Entity (as defined by the Act) other than the Borrower/Grantee, the Borrower/Grantee may obtain the written agreement of such other Qualified Entity to perform these insurance/risk-management program requirements for Borrower/Grantee with respect to such real property (and the portion of the Project to be constructed, located, completed or extended on such real property), which written agreement shall include an express statement by such other Qualified Entity that the NMFA is a third party beneficiary of such written agreement.

Section 8.2 Non-Liability of the NMFA and the CIB.

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

(b) The NMFA and the CIB shall not be liable for the refusal or failure of any other agency of the State to transfer any portion of the Loan/Grant Amount in its possession, custody and control to the NMFA for disbursement to the Borrower/Grantee, or to honor any request for such transfer or disbursement of the Loan/Grant Amount.

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

ARTICLE IX

EVENTS OF DEFAULT AND REMEDIES

Section 9.1 Events of Default Defined. Any one of the following shall be an "Event of Default" under this Agreement:

(a) Failure by the Borrower/Grantee to pay any amount required to be paid under this Agreement on the date on which it is due and payable; or

(b) Failure by the Borrower/Grantee to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Agreement for a period of thirty (30) days after written notice, specifying such failure and requesting that it be remedied, is given to the Borrower/Grantee by the NMFA, unless the NMFA shall agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice can be wholly cured within a period of time not materially detrimental to the rights of the NMFA but cannot be cured within the applicable thirty (30) day period, the NMFA will not unreasonably withhold their consent to an extension of such time if corrective action is instituted by the Borrower/Grantee within the applicable period and diligently pursued until the failure is corrected; and provided, further, that if by reason of Force Majeure the Borrower/Grantee is unable to carry out the agreements on its part herein contained, the Borrower/Grantee shall not be deemed in default under this paragraph 9.1(b) during the continuance of such inability (but Force Majeure shall not excuse any other Event of Default); or

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

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

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

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

(g) Default by the Borrower/Grantee in performance or observance of any covenant contained in any other loan agreement, document or instrument of any type whatsoever evidencing or securing obligations of the Borrower/Grantee to the NMFA.

Section 9.2 Limitations on Remedies. A judgment requiring payment of money entered against the Borrower/Grantee shall be paid only from available Pledged Revenues unless the Borrower/Grantee in its sole discretion pays the judgment from other available funds.

Section 9.3 Remedies on Default. Whenever any Event of Default has occurred and is continuing, and subject to Section 9.4 hereof, the NMFA may take whatever of the following actions may appear necessary or desirable to enforce performance of any agreement of the Borrower/Grantee in this Agreement:

- (a) File a mandamus proceeding or other action or proceeding or suit at law or in equity to compel the Borrower/Grantee to perform or carry out its duties under the law and the agreements and covenants required to be performed by it contained herein;
- (b) Terminate this Agreement;
- (c) Cease disbursing any further amounts from the Project Account;
- (d) Demand that the Borrower/Grantee immediately repay the Loan/Grant Amount or any portion thereof if such funds were not utilized in accordance with this Agreement;
- (e) File a suit in equity to enjoin any acts or things which are unlawful or violate the rights of the NMFA;
- (f) Intervene in judicial proceedings that affect this Agreement or the Pledged Revenues;
- (g) Cause the Borrower/Grantee to account as if it were the trustee of an express trust for all of the Pledged Revenues; or
- (h) Take whatever other action at law or in equity may appear necessary or desirable to collect amounts then due and thereafter to become due under this Agreement or to enforce any other of their rights hereunder.

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

Section 9.4 No Remedy Exclusive. No remedy herein conferred upon or reserved to the NMFA is intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Borrower/Grantee or the NMFA to exercise any remedy reserved in this Article IX, it shall not be necessary to give any notice, other than such notice as may be required in this Article IX.

Section 9.5 Waivers of Events of Default. The NMFA may, in its discretion, waive any Event of Default hereunder and the consequences of any such Event of Default; provided, however, all expenses of the NMFA in connection with such Event of Default shall have been paid or

provided for. Such waiver shall be effective only if made by a written statement of waiver issued by the NMFA. In case of any such waiver or rescission, or in case any proceeding taken by the NMFA on account of any such Event of Default shall have been discontinued or abandoned or determined adversely, then and in every such case, the NMFA shall be restored to its former position and rights hereunder, but no such waiver or rescission shall extend to any subsequent or other Event of Default, or impair any right consequent thereon.

Section 9.6 No Additional Waiver Implied by One Waiver. In the event that any agreement contained herein should be breached by either party and thereafter waived by the other party, such waiver shall be in writing and limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section 9.7 Agreement to Pay Attorneys' Fees and Expenses. In the event that the Borrower/Grantee shall default under any of the provisions hereof, and the NMFA shall employ attorneys or incur other expenses for the collection of payments hereunder, or the enforcement of performance or observance of any obligation or agreement on the part of the Borrower/Grantee herein contained, the Borrower/Grantee agrees that it shall, on demand therefor, pay to the NMFA the fees of such attorneys and such other expenses so incurred, to the extent such attorneys' fees and expenses may be determined to be reasonable by a court of competent jurisdiction; provided, however, that the obligation of the Borrower/Grantee under this Section shall be limited to expenditures from and to the extent of the available Pledged Revenues.

ARTICLE X MISCELLANEOUS

Section 10.1 Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered as follows:

If to the Borrower/Grantee, to:

Grant County
Attn.: County Manager
1400 Highway 180 East
Silver City, New Mexico 88062

If to the NMFA, to:

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

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

Section 10.2 Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon the NMFA and the Borrower/Grantee and their respective successors and assigns, if any.

Section 10.3 Integration. This Agreement and any other agreements, certifications and commitments entered into between the NMFA and the Borrower/Grantee on the Effective Date constitute the entire agreement of the parties regarding the Loan/Grant and the funding of the Project through the Loan/Grant as of the Effective Date, and the terms of this Agreement supersede any prior applications, discussions, understandings or agreements between or among the parties in connection with the Loan/Grant, to the extent such prior applications, discussions, understandings or agreements are inconsistent with this Agreement.

Section 10.4 Amendments. This Agreement may be amended only with the written consent of all of the parties to this Agreement. The consent of the NMFA for amendments not affecting the terms of payment of the loan component of this Agreement may be given by an Authorized Officer of the NMFA. The execution of any such consent by an Authorized Officer of the NMFA shall constitute his or her determination that such amendment does not affect the terms of payment of the loan component of this Agreement.

Section 10.5 No Liability of Individual Officers, Directors or Trustees. No recourse under or upon any obligation, covenant or agreement contained in this Agreement shall be had against any member, employee, director or officer, as such, past, present or future, of the NMFA or the CIB, or against any officer, employee, director or member of the Borrower/Grantee, past, present or future, as an individual so long as such individual was acting in good faith. Any and all personal liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any such officer, employee, director or member of the Borrower/Grantee, the CIB or of the NMFA is hereby expressly waived and released by the Borrower/Grantee, the CIB and the NMFA as a condition of and in consideration for the execution of this Agreement.

Section 10.6 Severability. In the event that any provision of this Agreement, other than the obligation of the Borrower/Grantee to make the Loan Payments, shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 10.7 Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 10.8 Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New Mexico. Pursuant to NMSA 1978, § 6-21-26, as amended, the venue for any proceedings or any other action or procedure against the NMFA shall be in Santa Fe County.

Section 10.9 Captions. The captions or headings herein are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

Section 10.10 Application of Act and Board Rules. The NMFA and the Borrower/Grantee expressly acknowledge that this Agreement is governed by provisions and requirements of the Act and the Board Rules, as amended and supplemented, and all applicable provisions and requirements of the Act and the Board Rules are incorporated into this Agreement by reference.

Section 10.11 CONSENT TO JURISDICTION. THE BORROWER/GRANTEE IRREVOCABLY AGREES THAT ALL ACTIONS OR PROCEEDINGS IN ANY WAY ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE DOCUMENTS SIGNED IN CONNECTION WITH THIS TRANSACTION WILL BE LITIGATED IN THE FIRST JUDICIAL DISTRICT COURT, SANTA FE COUNTY, NEW MEXICO, PURSUANT TO NMSA 1978, § 6-21-26.

[Signature pages follow.]

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the NMFA, has executed this Agreement, which was approved by the CIB on May 24, 2023 and by the NMFA's Board of Directors on June 22, 2023, in its corporate name by its duly Authorized Officer; and the Borrower/Grantee has caused this Agreement to be executed and attested by duly Authorized Officers thereof. All of the above are effective as of the date first above written.

NMFA:

NEW MEXICO FINANCE AUTHORITY

By _____
Marquita D. Russel, Chief Executive Officer

Prepared for Execution by Officers of the
New Mexico Finance Authority:

VIRTUE & NAJJAR, PC

By _____
Carla R. Najjar

Approved for Execution by Officers of the
New Mexico Finance Authority:

By _____
Daniel C. Opperman, Chief Legal Officer

BORROWER/GRANTEE:

GRANT COUNTY, NEW MEXICO

By 
Chris Ponce, Chairperson

ATTEST:

By 
Marisa Castrillo, County Clerk



EXHIBIT “A”

TERM SHEET

**\$135,000 COLONIAS INFRASTRUCTURE PROJECT LOAN/GRANT TO
GRANT COUNTY, NEW MEXICO**

| | |
|--|--|
| Project Description: | The Project is infrastructure development in accordance with the Act consisting of improvements to roadways and flood and drainage control, but does not include general operation and maintenance, equipment, housing allowance payments or mortgage subsidies and is more specifically described as financing the costs of the design, survey, mapping, drainage, environmental documents and shall include such other related work and revisions necessary to complete the Project. |
| Grant Amount: | \$121,500 |
| Loan Amount: | \$13,500 |
| Interest Component: | 0% |
| Pledged Revenues: | The revenues of a one-eighth of one percent (0.125%) increment of County Local Option Gross Receipts Tax imposed on gross receipts of all persons engaging in business within the Borrower/Grantee pursuant to the Tax Ordinance and pledged to the payment of the Loan Payments pursuant to the Resolution and this Loan/Grant Agreement, which tax is enforceable under NMSA 1978, § 7-20E-9, as amended. |
| Outstanding Senior Obligations for Pledged Revenues: | PPRF-3209 maturing in 2024; and PPRF-3340 maturing in 2026. |
| Outstanding Parity Obligations for Pledged Revenues: | WPF-0193 maturing in 2031; CIF-3351 maturing in 2035; CIF-3352 maturing in 2035; CIF-4912 maturing in 2041; CIF-5172 maturing in 2043; CIF-5173 maturing in 2043; CIF-5175 maturing in 2043; CIF-5527 maturing in 2043; CIF-5528 maturing in 2043; CIF-5568 maturing in 2044; CIF-6124 maturing in 2045; and CIF-6125 maturing in 2045. |

Authorizing Legislation: Borrower/Grantee Resolution No. R-23-73, adopted
November 16, 2023

Local Match: \$13,500

Closing Date: December 22, 2023

Project Account Deposit: \$135,000

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

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

Other Conditions applicable to the Loan/Grant: All Conditions defined in the Agreement.

EXHIBIT "B"

**FORM OF REQUISITION
(Colonias Infrastructure Project Fund)**

RE: \$135,000 Loan/Grant Agreement by and between the New Mexico Finance Authority and Grant County, New Mexico, as Borrower/Grantee (the "Agreement" or "Loan/Grant Agreement").

Loan/Grant No. CIF-6126 Closing Date: December 22, 2023

TO: NEW MEXICO FINANCE AUTHORITY, colonias@nmfa.net

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

I. PAYMENT INFORMATION

REQUISITION NO. _____ PAYMENT AMOUNT: \$ _____

PAYEE'S NAME: _____

PAYEE'S ADDRESS: _____

II. REQUISITION INFORMATION (complete for all payments)

- *Attach proof of expenditures (cancelled check, wire transfer receipt, bank ledger, etc.).*
- *List all Vendors, Payment Purposes, or Eligible Item Categories below or attach separate page or spreadsheet if needed.*

Vendor Name _____

Total Amount \$ _____ Invoice No.(s) _____

Purpose of Payment _____

Eligible Item Category _____

Vendor Name _____

Total Amount \$ _____ Invoice No.(s) _____

Purpose of Payment _____

Eligible Item Category _____

Vendor Name _____

Total Amount \$ _____ Invoice No.(s) _____

Purpose of Payment _____

Eligible Item Category _____

III. WIRING INFORMATION:

| | |
|---------------------|--|
| BANK NAME: | |
| ABA ROUTING NUMBER: | |
| ACCOUNT NUMBER: | |

IV. MATCH INFORMATION

AMOUNT OF LOCAL MATCH EXPENDED SINCE LAST REQUISITION: \$ _____
Attach proof of expenditures for hard match (detailed invoices, cancelled checks, wire transfer receipt, bank statement, etc.) and written certification of type and value of any soft match.

AMOUNT OF LOCAL MATCH EXPENDED TO DATE: \$ _____

TOTAL REQUIRED MATCH: \$13,500

V. VERIFICATION AND AUTHORIZATION

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

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

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

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

DATE: _____

AUTHORIZED OFFICER

(As Provided in the Loan/Grant Agreement)

Print Name: _____

Print Title: _____

EXHIBIT "C"

PAYMENT PROVISIONS OF THE LOAN

The Loan Amount shall be payable by the Borrower/Grantee to the NMFA in twenty (20) annual installments of principal pursuant to the attached debt service schedule, beginning June 1, 2026 and ending June 1, 2045. The Loan Amount shall be pre-payable upon expiration of the Interim Period without penalty.

SOURCES AND USES OF FUNDS

Grant County CIF 2023

| <i>Sources:</i> | <i>North Hurley Road, CIF-6124</i> | <i>Crum Road Improvement, CIF-6125</i> | <i>Franks Road Improvement, CIF-6126</i> | <i>Total</i> |
|-------------------------|--|--|--|--------------|
| Bond Proceeds: | | | | |
| Par Amount | 494,320.00 | 35,000.00 | 13,500.00 | 542,820.00 |
| Other Sources of Funds: | | | | |
| CIF Grant Funds | 4,448,883.00 | 315,000.00 | 121,500.00 | 4,885,383.00 |
| | 4,943,203.00 | 350,000.00 | 135,000.00 | 5,428,203.00 |
| <i>Uses:</i> | <i>North Hurley Road, CIF-6124</i> | <i>Crum Road Improvement, CIF-6125</i> | <i>Franks Road Improvement, CIF-6126</i> | <i>Total</i> |
| Project Fund Deposits: | | | | |
| Project Fund | 4,943,203.00 | 350,000.00 | 135,000.00 | 5,428,203.00 |
| | 4,943,203.00 | 350,000.00 | 135,000.00 | 5,428,203.00 |

BOND SUMMARY STATISTICS

Grant County
CIF 2023

| | North Hurley Road, CIF-6124 | Crum Road Improvement, CIF-6125 | Franks Road Improvement, CIF-6126 | Aggregate |
|---------------------------------|--------------------------------|---------------------------------------|---|------------|
| Dated Date | 12/22/2023 | 12/22/2023 | 12/22/2023 | 12/22/2023 |
| Delivery Date | 12/22/2023 | 12/22/2023 | 12/22/2023 | 12/22/2023 |
| Last Maturity | 06/01/2045 | 06/01/2045 | 06/01/2045 | 06/01/2045 |
| Arbitrage Yield | 0.249875% | 0.249875% | 0.249875% | 0.249875% |
| True Interest Cost (TIC) | 0.249875% | 0.249878% | 0.249873% | 0.249875% |
| Net Interest Cost (NIC) | 0.250000% | 0.250003% | 0.249998% | 0.250000% |
| All-In TIC | 0.249875% | 0.249878% | 0.249873% | 0.249875% |
| Average Coupon | 0.250000% | 0.250003% | 0.249998% | 0.250000% |
| Average Life (years) | 12.059 | 12.059 | 12.059 | 12.059 |
| Duration of Issue (years) | 11.853 | 11.853 | 11.853 | 11.853 |
| Par Amount | 494,320.00 | 35,000.00 | 13,500.00 | 542,820.00 |
| Bond Proceeds | 494,320.00 | 35,000.00 | 13,500.00 | 542,820.00 |
| Total Interest | 14,902.67 | 1,055.19 | 406.99 | 16,364.85 |
| Net Interest | 14,902.67 | 1,055.19 | 406.99 | 16,364.85 |
| Total Debt Service | 509,222.67 | 36,055.19 | 13,906.99 | 559,184.85 |
| Maximum Annual Debt Service | 25,461.18 | 1,802.82 | 695.41 | 27,959.30 |
| Average Annual Debt Service | 23,749.21 | 1,681.55 | 648.60 | 26,079.36 |
| Underwriter's Fees (per \$1000) | | | | |
| Average Takedown | | | | |
| Other Fee | | | | |
| Total Underwriter's Discount | | | | |
| Bid Price | 100.000000 | 100.000000 | 100.000000 | 100.000000 |

| Bond Component | Par Value | Price | Average Coupon | Average Life |
|----------------|--------------|---------|-------------------|-----------------|
| Loan Component | 542,820.00 | 100.000 | 0.250% | 12.059 |
| | 542,820.00 | | | 12.059 |

BOND SUMMARY STATISTICS

| | Grant County CIF 2023 | | |
|----------------------------|--------------------------|---------------|--------------------|
| | TIC | All-In TIC | Arbitrage Yield |
| Par Value | 542,820.00 | 542,820.00 | 542,820.00 |
| + Accrued Interest | | | |
| + Premium (Discount) | | | |
| - Underwriter's Discount | | | |
| - Cost of Issuance Expense | | | |
| - Other Amounts | | | |
| Target Value | 542,820.00 | 542,820.00 | 542,820.00 |
| Target Date | 12/22/2023 | 12/22/2023 | 12/22/2023 |
| Yield | 0.249875% | 0.249875% | 0.249875% |

BOND DEBT SERVICE**Grant County
CIF 2023**

| <i>Period Ending</i> | <i>Principal</i> | <i>Coupon</i> | <i>Interest</i> | <i>Debt Service</i> |
|--------------------------|------------------|---------------|-----------------|---------------------|
| 06/01/2026 | 24,645.80 | 0.250% | 3,313.47 | 27,959.27 |
| 06/01/2027 | 26,663.70 | 0.250% | 1,295.44 | 27,959.14 |
| 06/01/2028 | 26,730.50 | 0.250% | 1,228.76 | 27,959.26 |
| 06/01/2029 | 26,797.30 | 0.250% | 1,161.96 | 27,959.26 |
| 06/01/2030 | 26,864.30 | 0.250% | 1,094.96 | 27,959.26 |
| 06/01/2031 | 26,931.50 | 0.250% | 1,027.80 | 27,959.30 |
| 06/01/2032 | 26,998.80 | 0.250% | 960.46 | 27,959.26 |
| 06/01/2033 | 27,066.30 | 0.250% | 892.96 | 27,959.26 |
| 06/01/2034 | 27,134.00 | 0.250% | 825.30 | 27,959.30 |
| 06/01/2035 | 27,201.70 | 0.250% | 757.48 | 27,959.18 |
| 06/01/2036 | 27,269.80 | 0.250% | 689.46 | 27,959.26 |
| 06/01/2037 | 27,338.00 | 0.250% | 621.30 | 27,959.30 |
| 06/01/2038 | 27,406.30 | 0.250% | 552.96 | 27,959.26 |
| 06/01/2039 | 27,474.80 | 0.250% | 484.42 | 27,959.22 |
| 06/01/2040 | 27,543.50 | 0.250% | 415.74 | 27,959.24 |
| 06/01/2041 | 27,612.30 | 0.250% | 346.88 | 27,959.18 |
| 06/01/2042 | 27,681.30 | 0.250% | 277.86 | 27,959.16 |
| 06/01/2043 | 27,750.60 | 0.250% | 208.64 | 27,959.24 |
| 06/01/2044 | 27,820.00 | 0.250% | 139.26 | 27,959.26 |
| 06/01/2045 | 27,889.50 | 0.250% | 69.74 | 27,959.24 |
| | 542,820.00 | | 16,364.85 | 559,184.85 |

BOND DEBT SERVICE

Grant County
North Hurley Road, CIF-6124

| <i>Period Ending</i> | <i>Principal</i> | <i>Coupon</i> | <i>Interest</i> | <i>Debt Service</i> | <i>Annual Debt Service</i> |
|--------------------------|------------------|---------------|-----------------|---------------------|--------------------------------|
| 06/01/2026 | 22,443.70 | 0.250% | 3,017.41 | 25,461.11 | 25,461.11 |
| 12/01/2026 | | | 589.85 | 589.85 | |
| 06/01/2027 | 24,281.40 | 0.250% | 589.85 | 24,871.25 | 25,461.10 |
| 12/01/2027 | | | 559.49 | 559.49 | |
| 06/01/2028 | 24,342.20 | 0.250% | 559.49 | 24,901.69 | 25,461.18 |
| 12/01/2028 | | | 529.07 | 529.07 | |
| 06/01/2029 | 24,403.00 | 0.250% | 529.07 | 24,932.07 | 25,461.14 |
| 12/01/2029 | | | 498.56 | 498.56 | |
| 06/01/2030 | 24,464.00 | 0.250% | 498.56 | 24,962.56 | 25,461.12 |
| 12/01/2030 | | | 467.98 | 467.98 | |
| 06/01/2031 | 24,525.20 | 0.250% | 467.98 | 24,993.18 | 25,461.16 |
| 12/01/2031 | | | 437.33 | 437.33 | |
| 06/01/2032 | 24,586.50 | 0.250% | 437.33 | 25,023.83 | 25,461.16 |
| 12/01/2032 | | | 406.59 | 406.59 | |
| 06/01/2033 | 24,648.00 | 0.250% | 406.59 | 25,054.59 | 25,461.18 |
| 12/01/2033 | | | 375.78 | 375.78 | |
| 06/01/2034 | 24,709.60 | 0.250% | 375.78 | 25,085.38 | 25,461.16 |
| 12/01/2034 | | | 344.90 | 344.90 | |
| 06/01/2035 | 24,771.30 | 0.250% | 344.90 | 25,116.20 | 25,461.10 |
| 12/01/2035 | | | 313.93 | 313.93 | |
| 06/01/2036 | 24,833.30 | 0.250% | 313.93 | 25,147.23 | 25,461.16 |
| 12/01/2036 | | | 282.89 | 282.89 | |
| 06/01/2037 | 24,895.40 | 0.250% | 282.89 | 25,178.29 | 25,461.18 |
| 12/01/2037 | | | 251.77 | 251.77 | |
| 06/01/2038 | 24,957.60 | 0.250% | 251.77 | 25,209.37 | 25,461.14 |
| 12/01/2038 | | | 220.57 | 220.57 | |
| 06/01/2039 | 25,020.00 | 0.250% | 220.57 | 25,240.57 | 25,461.14 |
| 12/01/2039 | | | 189.30 | 189.30 | |
| 06/01/2040 | 25,082.50 | 0.250% | 189.30 | 25,271.80 | 25,461.10 |
| 12/01/2040 | | | 157.95 | 157.95 | |
| 06/01/2041 | 25,145.20 | 0.250% | 157.95 | 25,303.15 | 25,461.10 |
| 12/01/2041 | | | 126.51 | 126.51 | |
| 06/01/2042 | 25,208.10 | 0.250% | 126.51 | 25,334.61 | 25,461.12 |
| 12/01/2042 | | | 95.00 | 95.00 | |
| 06/01/2043 | 25,271.10 | 0.250% | 95.00 | 25,366.10 | 25,461.10 |
| 12/01/2043 | | | 63.41 | 63.41 | |
| 06/01/2044 | 25,334.30 | 0.250% | 63.41 | 25,397.71 | 25,461.12 |
| 12/01/2044 | | | 31.75 | 31.75 | |
| 06/01/2045 | 25,397.60 | 0.250% | 31.75 | 25,429.35 | 25,461.10 |
| | 494,320.00 | | 14,902.67 | 509,222.67 | 509,222.67 |

BOND DEBT SERVICE**Grant County
Crum Road Improvement, CIF-6125**

| <i>Period Ending</i> | <i>Principal</i> | <i>Coupon</i> | <i>Interest</i> | <i>Debt Service</i> | <i>Annual Debt Service</i> |
|--------------------------|------------------|---------------|-----------------|---------------------|--------------------------------|
| 06/01/2026 | 1,589.10 | 0.250% | 213.65 | 1,802.75 | 1,802.75 |
| 12/01/2026 | | | 41.76 | 41.76 | |
| 06/01/2027 | 1,719.20 | 0.250% | 41.76 | 1,760.96 | 1,802.72 |
| 12/01/2027 | | | 39.61 | 39.61 | |
| 06/01/2028 | 1,723.50 | 0.250% | 39.61 | 1,763.11 | 1,802.72 |
| 12/01/2028 | | | 37.46 | 37.46 | |
| 06/01/2029 | 1,727.80 | 0.250% | 37.46 | 1,765.26 | 1,802.72 |
| 12/01/2029 | | | 35.30 | 35.30 | |
| 06/01/2030 | 1,732.20 | 0.250% | 35.30 | 1,767.50 | 1,802.80 |
| 12/01/2030 | | | 33.14 | 33.14 | |
| 06/01/2031 | 1,736.50 | 0.250% | 33.14 | 1,769.64 | 1,802.78 |
| 12/01/2031 | | | 30.96 | 30.96 | |
| 06/01/2032 | 1,740.80 | 0.250% | 30.96 | 1,771.76 | 1,802.72 |
| 12/01/2032 | | | 28.79 | 28.79 | |
| 06/01/2033 | 1,745.20 | 0.250% | 28.79 | 1,773.99 | 1,802.78 |
| 12/01/2033 | | | 26.61 | 26.61 | |
| 06/01/2034 | 1,749.60 | 0.250% | 26.61 | 1,776.21 | 1,802.82 |
| 12/01/2034 | | | 24.42 | 24.42 | |
| 06/01/2035 | 1,753.90 | 0.250% | 24.42 | 1,778.32 | 1,802.74 |
| 12/01/2035 | | | 22.23 | 22.23 | |
| 06/01/2036 | 1,758.30 | 0.250% | 22.23 | 1,780.53 | 1,802.76 |
| 12/01/2036 | | | 20.03 | 20.03 | |
| 06/01/2037 | 1,762.70 | 0.250% | 20.03 | 1,782.73 | 1,802.76 |
| 12/01/2037 | | | 17.83 | 17.83 | |
| 06/01/2038 | 1,767.10 | 0.250% | 17.83 | 1,784.93 | 1,802.76 |
| 12/01/2038 | | | 15.62 | 15.62 | |
| 06/01/2039 | 1,771.50 | 0.250% | 15.62 | 1,787.12 | 1,802.74 |
| 12/01/2039 | | | 13.40 | 13.40 | |
| 06/01/2040 | 1,776.00 | 0.250% | 13.40 | 1,789.40 | 1,802.80 |
| 12/01/2040 | | | 11.18 | 11.18 | |
| 06/01/2041 | 1,780.40 | 0.250% | 11.18 | 1,791.58 | 1,802.76 |
| 12/01/2041 | | | 8.96 | 8.96 | |
| 06/01/2042 | 1,784.80 | 0.250% | 8.96 | 1,793.76 | 1,802.72 |
| 12/01/2042 | | | 6.73 | 6.73 | |
| 06/01/2043 | 1,789.30 | 0.250% | 6.73 | 1,796.03 | 1,802.76 |
| 12/01/2043 | | | 4.49 | 4.49 | |
| 06/01/2044 | 1,793.80 | 0.250% | 4.49 | 1,798.29 | 1,802.78 |
| 12/01/2044 | | | 2.25 | 2.25 | |
| 06/01/2045 | 1,798.30 | 0.250% | 2.25 | 1,800.55 | 1,802.80 |
| | 35,000.00 | | 1,055.19 | 36,055.19 | 36,055.19 |

BOND DEBT SERVICE**Grant County
Franks Road Improvement, CIF-6126**

| <i>Period Ending</i> | <i>Principal</i> | <i>Coupon</i> | <i>Interest</i> | <i>Debt Service</i> | <i>Annual Debt Service</i> |
|--------------------------|------------------|---------------|-----------------|---------------------|--------------------------------|
| 06/01/2026 | 613.00 | 0.250% | 82.41 | 695.41 | 695.41 |
| 12/01/2026 | | | 16.11 | 16.11 | |
| 06/01/2027 | 663.10 | 0.250% | 16.11 | 679.21 | 695.32 |
| 12/01/2027 | | | 15.28 | 15.28 | |
| 06/01/2028 | 664.80 | 0.250% | 15.28 | 680.08 | 695.36 |
| 12/01/2028 | | | 14.45 | 14.45 | |
| 06/01/2029 | 666.50 | 0.250% | 14.45 | 680.95 | 695.40 |
| 12/01/2029 | | | 13.62 | 13.62 | |
| 06/01/2030 | 668.10 | 0.250% | 13.62 | 681.72 | 695.34 |
| 12/01/2030 | | | 12.78 | 12.78 | |
| 06/01/2031 | 669.80 | 0.250% | 12.78 | 682.58 | 695.36 |
| 12/01/2031 | | | 11.94 | 11.94 | |
| 06/01/2032 | 671.50 | 0.250% | 11.94 | 683.44 | 695.38 |
| 12/01/2032 | | | 11.10 | 11.10 | |
| 06/01/2033 | 673.10 | 0.250% | 11.10 | 684.20 | 695.30 |
| 12/01/2033 | | | 10.26 | 10.26 | |
| 06/01/2034 | 674.80 | 0.250% | 10.26 | 685.06 | 695.32 |
| 12/01/2034 | | | 9.42 | 9.42 | |
| 06/01/2035 | 676.50 | 0.250% | 9.42 | 685.92 | 695.34 |
| 12/01/2035 | | | 8.57 | 8.57 | |
| 06/01/2036 | 678.20 | 0.250% | 8.57 | 686.77 | 695.34 |
| 12/01/2036 | | | 7.73 | 7.73 | |
| 06/01/2037 | 679.90 | 0.250% | 7.73 | 687.63 | 695.36 |
| 12/01/2037 | | | 6.88 | 6.88 | |
| 06/01/2038 | 681.60 | 0.250% | 6.88 | 688.48 | 695.36 |
| 12/01/2038 | | | 6.02 | 6.02 | |
| 06/01/2039 | 683.30 | 0.250% | 6.02 | 689.32 | 695.34 |
| 12/01/2039 | | | 5.17 | 5.17 | |
| 06/01/2040 | 685.00 | 0.250% | 5.17 | 690.17 | 695.34 |
| 12/01/2040 | | | 4.31 | 4.31 | |
| 06/01/2041 | 686.70 | 0.250% | 4.31 | 691.01 | 695.32 |
| 12/01/2041 | | | 3.46 | 3.46 | |
| 06/01/2042 | 688.40 | 0.250% | 3.46 | 691.86 | 695.32 |
| 12/01/2042 | | | 2.59 | 2.59 | |
| 06/01/2043 | 690.20 | 0.250% | 2.59 | 692.79 | 695.38 |
| 12/01/2043 | | | 1.73 | 1.73 | |
| 06/01/2044 | 691.90 | 0.250% | 1.73 | 693.63 | 695.36 |
| 12/01/2044 | | | 0.87 | 0.87 | |
| 06/01/2045 | 693.60 | 0.250% | 0.87 | 694.47 | 695.34 |
| | 13,500.00 | | 406.99 | 13,906.99 | 13,906.99 |

UNIVERSAL BOND SOLUTION

Grant County
CIF 2023

Universal Bond Solution Component

| <i>Period Ending</i> | <i>Proposed Principal</i> | <i>Proposed Debt Service</i> | <i>Existing Debt Service</i> | <i>Total Adj Debt Service</i> | <i>Revenue Constraints</i> | <i>Unused Revenues</i> | <i>Debt Service Coverage</i> |
|--------------------------|-------------------------------|----------------------------------|----------------------------------|-----------------------------------|--------------------------------|----------------------------|----------------------------------|
| 06/01/2024 | | | | | | | |
| 06/01/2025 | | | | | | | |
| 06/01/2026 | 24,646 | 27,959 | 37,823 | 65,782 | 707,007 | 641,225 | 1,074.77% |
| 06/01/2027 | 26,664 | 27,959 | 25,259 | 53,218 | 707,007 | 653,789 | 1,328.50% |
| 06/01/2028 | 26,731 | 27,959 | 25,259 | 53,218 | 707,007 | 653,789 | 1,328.51% |
| 06/01/2029 | 26,797 | 27,959 | 25,260 | 53,219 | 707,007 | 653,788 | 1,328.49% |
| 06/01/2030 | 26,864 | 27,959 | 25,259 | 53,219 | 707,007 | 653,788 | 1,328.49% |
| 06/01/2031 | 26,932 | 27,959 | 25,259 | 53,218 | 707,007 | 653,788 | 1,328.50% |
| 06/01/2032 | 26,999 | 27,959 | 24,356 | 52,315 | 707,007 | 654,692 | 1,351.44% |
| 06/01/2033 | 27,066 | 27,959 | 24,356 | 52,315 | 707,007 | 654,692 | 1,351.44% |
| 06/01/2034 | 27,134 | 27,959 | 24,356 | 52,315 | 707,007 | 654,691 | 1,351.43% |
| 06/01/2035 | 27,202 | 27,959 | 24,358 | 52,317 | 707,007 | 654,690 | 1,351.39% |
| 06/01/2036 | 27,270 | 27,959 | 20,582 | 48,541 | 707,007 | 658,466 | 1,456.51% |
| 06/01/2037 | 27,338 | 27,959 | 20,582 | 48,541 | 707,007 | 658,465 | 1,456.51% |
| 06/01/2038 | 27,406 | 27,959 | 20,582 | 48,541 | 707,007 | 658,466 | 1,456.51% |
| 06/01/2039 | 27,475 | 27,959 | 20,582 | 48,541 | 707,007 | 658,466 | 1,456.51% |
| 06/01/2040 | 27,544 | 27,959 | 20,582 | 48,541 | 707,007 | 658,466 | 1,456.51% |
| 06/01/2041 | 27,612 | 27,959 | 20,582 | 48,541 | 707,007 | 658,466 | 1,456.51% |
| 06/01/2042 | 27,681 | 27,959 | 15,983 | 43,942 | 707,007 | 663,065 | 1,608.95% |
| 06/01/2043 | 27,751 | 27,959 | 15,983 | 43,942 | 707,007 | 663,065 | 1,608.95% |
| 06/01/2044 | 27,820 | 27,959 | 10,000 | 37,959 | 707,007 | 669,048 | 1,862.54% |
| 06/01/2045 | 27,890 | 27,959 | | 27,959 | 707,007 | 679,048 | 2,528.71% |
| | 542,820 | 559,185 | 427,003 | 986,188 | 14,140,136 | 13,153,948 | |

EXHIBIT "D"

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

| | |
|--|---|
| Fund Recipient: Grant County Contact Name: _____ Title: _____ Email Address: _____ | Project Number: CIF-6126 Project Name: Franks Road Improvement Design Project Type: Design - Roads, Drainage and Flood Control |
| Reporting Period: From _____ To _____ <input type="checkbox"/> Quarterly Project Report: <input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd <input type="checkbox"/> 4 th <input type="checkbox"/> Final Project Report <input type="checkbox"/> Other _____ | |
| CIF Funding Expiration: _____ Total CIF Award: \$135,000 Current Balance: \$ _____ Loan 10% Grant 90% Match \$13,500 Expected CIF Award Expenditure Next Quarter: \$ _____ Local Match Expenditure: To Date \$ _____ Next Quarter \$ _____ | |
| Project Phase: <input type="checkbox"/> Planning <input type="checkbox"/> Design <input type="checkbox"/> Construction | |
| PROJECT COMPLETION: Original Date _____ Current Date _____ _____% Complete Days Remaining to Complete _____ On Schedule? <input type="checkbox"/> Yes <input type="checkbox"/> No | |
| Briefly Describe Project Progress During This Reporting Period: | |
| Issues Addressed During This Reporting Period, including any current or anticipated issues that remain unresolved: | |
| Goals/Milestones, With Timeline or Dates, For The Next Reporting Period: | |
| Authorized Officer PRINT NAME: _____ PRINT TITLE: _____ | |
| SIGNATURE: _____ | Date: _____ |

**All fields must be completed*

EXHIBIT "E"

FORM OF CERTIFICATE OF COMPLETION

RE: \$135,000 Agreement by and between the NMFA and Grant County, New Mexico, as Borrower/Grantee (the "Agreement" or "Loan/Grant Agreement")

Loan/Grant No. CIF-6126

Closing Date: December 22, 2023

TO: NEW MEXICO FINANCE AUTHORITY, colonias@nmfa.net

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

Borrower/Grantee, hereby certify as follows:

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

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

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

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

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

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

GRANT COUNTY, NEW MEXICO

By: _____

Its: _____

EXHIBIT “F”

DOCUMENTS

1. Open Meetings Act Resolution No. R-23-01 adopted by the Borrower/Grantee on January 12, 2023
2. Resolution No. R-23-73 adopted on November 16, 2023, Notice of Meeting, Meeting Agenda, and Affidavit of Publication of Notice of Adoption of Resolution in the *Silver City Daily Press*
3. Loan/Grant Agreement
4. General and No Litigation Certificate of the Borrower/Grantee
5. Delivery, Deposit and Cross-Receipt Certificate
6. Right of Way Certificate of Borrower/Grantee
7. Final Opinion of Counsel for the Borrower/Grantee
8. Approving Opinion of Virtue & Najjar, PC, Loan/Grant Counsel to the NMFA
9. NMFA Application and Project Approval (informational only)

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\$135,000
GRANT COUNTY, NEW MEXICO
COLONIAS INFRASTRUCTURE PROJECT FUND LOAN/GRANT
NO. CIF-6126

| | | |
|---------------------|-------|---------------------------|
| STATE OF NEW MEXICO |) | |
| |) ss. | GENERAL AND NO LITIGATION |
| COUNTY OF GRANT |) | CERTIFICATE |

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

Capitalized terms used in this Certificate have the same meaning as defined in Resolution No. R-23-73 adopted by the Governing Body of the Borrower/Grantee on November 16, 2023 (the "Resolution") unless otherwise defined in this Certificate or the context requires otherwise.

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

2. There exists within the boundaries of the Borrower/Grantee, Arenas Valley, a community that has been designated by the Borrower/Grantee as a Colonia within the meaning of the Colonias Infrastructure Act, and the Borrower/Grantee will be receiving the Loan/Grant for the benefit of Arenas Valley and its residents.

3. From at least June 22, 2023 to and including the date of this Certificate, the following were and now are the duly chosen qualified and acting officers of the Borrower/Grantee:

| | |
|-------------------|--|
| Chairperson: | Chris Ponce (District 1) |
| Commissioners: | Eloy H. Medina (District 2) Alicia Edwards (District 3) Gerald W. "Billy" Billings, Jr (District 4) Harry Browne (District 5) |
| County Treasurer: | Patrick M. Cohn, Jr. |
| County Manager: | Charlene Webb |
| County Clerk: | Marisa Castrillo |

4. The population of Grant County, New Mexico is less than 75% English speaking and less than 75% Spanish speaking.

5. Notice of adoption of the Resolution was published in English in the *Silver City Daily Press*, a newspaper qualified to publish legal notices that is of general circulation in Grant County, New Mexico.

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

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

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

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

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

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

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

13. Regular meetings of the Borrower/Grantee's Governing Body and the meeting at which the Resolution was adopted have been held at the Grant County Administration Center, located at 1400 Highway 180 East, Silver City, New Mexico, the principal meeting place of the Borrower/Grantee.

14. The Borrower/Grantee's Governing Body has no rules of procedure which would invalidate or make ineffective the Resolution or other action taken by the Borrower/Grantee's Governing Body in connection with the Loan/Grant Agreement. The Open Meetings Act Resolution adopted and approved by the Governing Body on January 12, 2023 establishes notice standards for meetings of the Governing Body. The Open Meetings Act Resolution has not been amended or repealed. All action of the Governing Body with respect to the Resolution and the Loan/Grant Agreement was taken at meetings held in compliance with the Open Meetings Act Resolution No. R-23-01 which resolution was effective on November 16, 2023 and has not been amended, repealed or rescinded.

15. The Borrower/Grantee is in compliance with the requirements of the State Audit Act, NMSA 1978, §§ 12-6-1 through 12-6-14, as amended.

16. Ordinance No. 204, passed and approved by the Borrower/Grantee on June 23, 1987, with an effective date of January 1, 1988, has been duly signed and adopted in accordance with all applicable laws and has not been repealed, rescinded, revoked, modified, amended or supplemented in any manner.

17. The Chairperson and the County Clerk, on the date of the signing of the Loan/Grant Agreement and on the date of this Certificate, are the duly chosen, qualified and acting officers of the Borrower/Grantee authorized to execute the Loan/Grant Agreement.

18. This Certificate is for the benefit of the NMFA and the Colonias Infrastructure Board.

19. This Certificate may be executed in counterparts.

[Signature page follows.]

WITNESS our signatures and the seal of the Borrower/Grantee this 22nd day of December, 2023.

GRANT COUNTY, NEW MEXICO



By 
Chris Ponce, Chairperson

By 
Marisa Castrillo, County Clerk

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\$135,000
GRANT COUNTY, NEW MEXICO
COLONIAS INFRASTRUCTURE PROJECT FUND LOAN/GRANT
NO. CIF-6126

STATE OF NEW MEXICO)
COUNTY OF GRANT) ss. DELIVERY, DEPOSIT AND
) CROSS-RECEIPT CERTIFICATE

IT IS HEREBY CERTIFIED by the undersigned, the duly chosen, qualified and acting Chairperson and County Clerk of Grant County, New Mexico (the "Borrower/Grantee"):

1. On the date of this Certificate, the Borrower/Grantee executed and delivered, or caused to be executed and delivered, a Loan/Grant Agreement between the Borrower/Grantee and the New Mexico Finance Authority (the "NMFA"), in the aggregate principal amount of one hundred thirty-five thousand dollars (\$135,000) (the "Loan/Grant Agreement"), as authorized by Borrower/Grantee Resolution No. R-23-73 (the "Resolution") adopted on November 16, 2023 relating to the execution and delivery of the Loan/Grant Agreement. The Grant Amount equals one hundred twenty-one thousand five hundred dollars (\$121,500) and the Loan Amount equals thirteen thousand five hundred dollars (\$13,500), as such terms are defined in the Loan/Grant Agreement.

2. The undersigned acknowledge that the Loan/Grant Amount, as defined in the Loan/Grant Agreement, is available for disbursement to the Borrower/Grantee pursuant to the terms of Section 5.2 of the Loan/Grant Agreement upon transmission of payment requisitions to the NMFA in substantially the form attached as Exhibit "B" to the Loan/Grant Agreement, with supporting documentation as provided in the Loan/Grant Agreement, and will be used as set forth in the Resolution and the Loan/Grant Agreement.

WITNESS our hands this 22nd day of December, 2023.


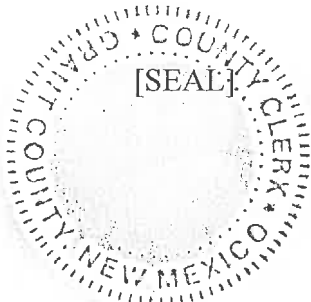
GRANT COUNTY, NEW MEXICO

By



Chris Ponce, Chairperson

By


Marisa Castrillo, County Clerk

STATE OF NEW MEXICO)
) ss
COUNTY OF SANTA FE)

It is hereby certified by the undersigned, a duly qualified and acting official of the New Mexico Finance Authority, that, the undersigned has on the date of this Certificate, received the Loan/Grant Agreement for Project No. CIF-6126 from Grant County, New Mexico.

NEW MEXICO FINANCE AUTHORITY

By _____
Marquita D. Russel, Chief Executive Officer

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\$135,000
GRANT COUNTY, NEW MEXICO
COLONIAS INFRASTRUCTURE PROJECT FUND LOAN/GRANT
NO. CIF-6126

RIGHT-OF-WAY CERTIFICATE

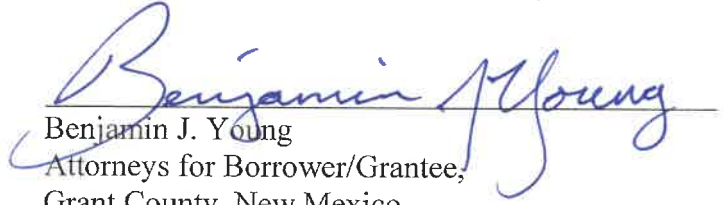
The undersigned on behalf of Grant County (the “Borrower/Grantee”), a county in the State of New Mexico, hereby certifies:

1. That the Borrower/Grantee is the owner in fee simple of the lands needed for the design of the facilities to be designed with the proceeds of the above-referenced Loan/Grant made by the New Mexico Finance Authority and the New Mexico Colonias Infrastructure Board (the “Project”), or that the Borrower/Grantee has acquired and presently holds continuous and adequate rights-of-way on lands owned by others that are needed for the Project, whether public or private, and such omissions, defects, or restrictions as may exist will in no substantial way or manner endanger the value or the operation of the Project, or that the Borrower/Grantee is not required to obtain titles, easements, rights of way, or permits to complete the Project.
2. That the attached map or plat, shows the location of all lands and rights-of-way needed for the Project, which lands and rights-of-way the Borrower/Grantee has acquired and now holds by purchase or dedication, by right of use or adverse possession, or by legal conveyances such as right-of-way or easement deeds, permits, or other instruments.

[Signature page follows.]

IN WITNESS WHEREOF, the undersigned has executed this Certificate on behalf of Grant County, New Mexico as of this 22nd day of December, 2023.

MYNATT, MARTINEZ, SPRINGER, P.C.

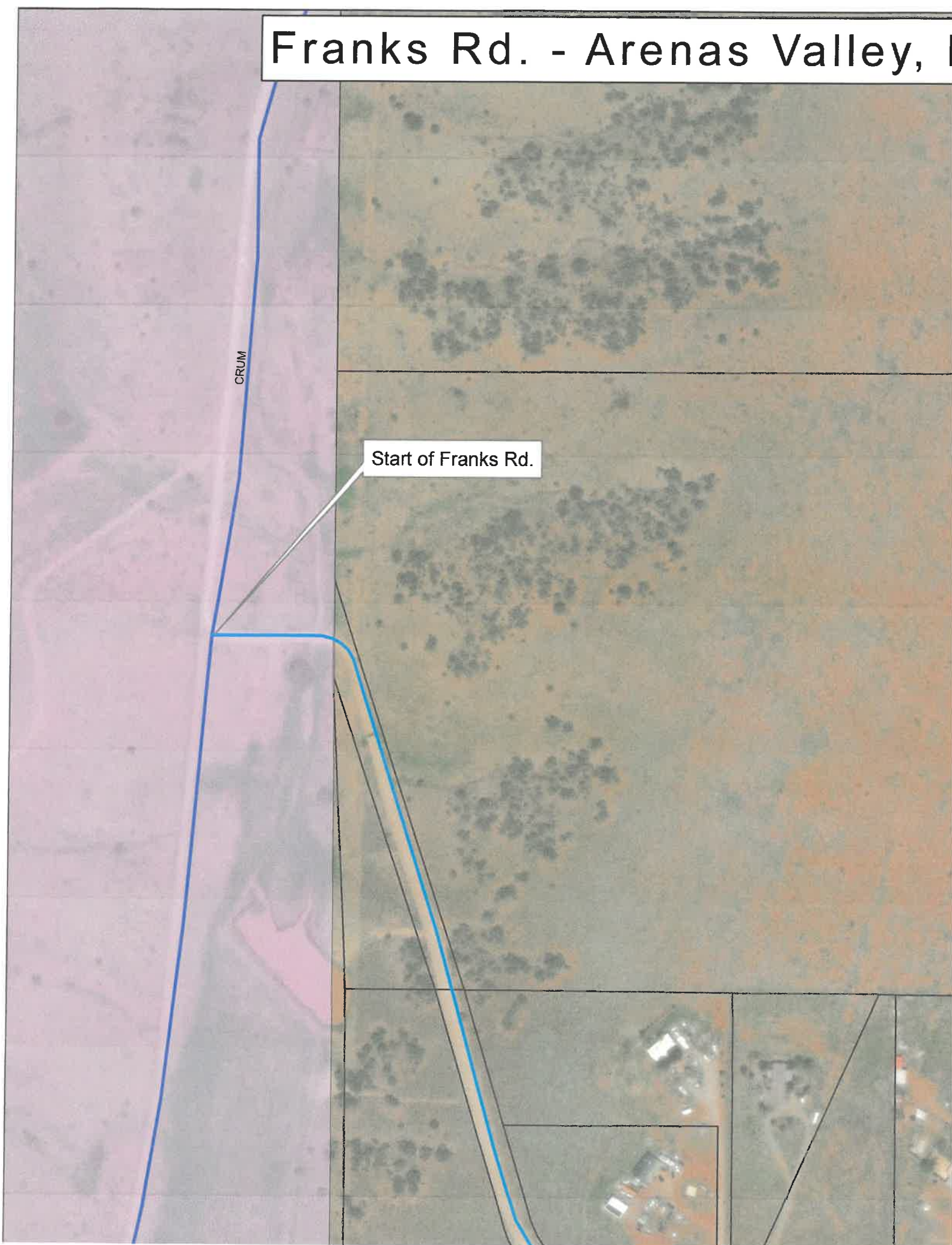


Benjamin J. Young
Attorneys for Borrower/Grantee,
Grant County, New Mexico
1660 Hickory Loop
Las Cruces, New Mexico 88005

Franks Rd. - Arenas Valley, I

CRUM

Start of Franks Rd.



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FINAL OPINION OF COUNSEL

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

Re: Grant County, New Mexico
\$135,000 Loan/Grant No. CIF-6126

Ladies and Gentlemen:

We are the attorneys representing Grant County, New Mexico (the “Borrower/Grantee”) in connection with the above-referenced Loan/Grant. We are licensed to practice law and in good standing in the State of New Mexico. We provide this opinion in our role as counsel to the Borrower/Grantee, understanding that the New Mexico Finance Authority (“NMFA” or “Lender/Grantor”) and the New Mexico Colonias Infrastructure Board (“CIB”) are relying on this opinion letter and but for this opinion letter, the Loan/Grant would not be approved.

Capitalized terms used in this Opinion have the same meaning as defined in Resolution No. R-23-73 adopted by the Governing Body of the Borrower/Grantee on November 16, 2023 (the “Resolution”) unless otherwise defined in this Opinion or the context requires otherwise.

We hereby certify that we have examined:

- (1) The Grant County Colonias Infrastructure Project Fund Application dated February 9, 2023 and the New Mexico Colonias Infrastructure Board Approval dated May 24, 2023 and the NMFA Board Approval dated June 22, 2023 for Loan/Grant No. CIF-6126 (the “Application” and the “Approval,” respectively), relating to the Project.
- (2) The statutes creating or authorizing the creation of the Borrower/Grantee.
- (3) The Annual Open Meetings Act Resolution or resolutions of the Borrower/Grantee in effect on November 16, 2023 and on December 22, 2023.
- (4) The proceedings of the Governing Body (including all agendas, minutes, resolutions, ordinances and publications) which authorize the Loan/Grant application, the Project development, the budget for the Project, and the

contracts with the various Project professionals including but not limited to architects, engineers, planners and contractors.

- (5) Proceedings of the Borrower/Grantee from the date of the Application to the date of this Opinion, including, without limiting the generality of the foregoing, the legal action of the Borrower/Grantee relating to (a) the selection of its Chairperson, Board of County Commissioners, and County Clerk; (b) the adoption of the Borrower/Grantee's Annual Open Meetings Act Resolution or resolutions; (c) the adoption of ordinances or resolutions governing the operation of the Project; (d) cost estimates for the Project; (e) the adoption of ordinances, resolutions and regulations for the furnishing of service to customers; (f) the proposed operating budget for services to be provided, in whole or in part, by means of the Project; (g) the proposal to finance the Project, in whole or in part, with a Loan/Grant made by the CIB, acting through the NMFA; (h) the Resolution authorizing the Chairperson, Vice-Chairperson, County Manager and County Clerk to execute necessary documents to obtain the Loan/Grant for the Project; (i) all necessary approvals for the Project from federal, State or local authorities; and (j) the execution and delivery of the Loan/Grant Agreement evidencing such Loan/Grant.
- (6) The Resolution and the Loan/Grant Agreement providing that the Lender/Grantor on behalf of the Borrower/Grantee shall maintain a book Project Account on behalf of the Borrower/Grantee and shall cause the disbursement of the Loan/Grant Amount as provided in Article IV of the Loan/Grant Agreement.
- (7) Ordinance No. 204, adopted by the Borrower/Grantee on June 23, 1987, with an effective date of January 1, 1988, imposing a one-eighth of one percent (0.125%) increment of County Local Option Gross Receipts Tax, the receipts of which are pledged to secure the Loan/Grant.

Based upon our examination of the foregoing, it is our opinion that:

- A. The Borrower/Grantee is a duly organized and existing county under the laws of the State of New Mexico.
- B. There exists within the boundaries or service area of the Borrower/Grantee, Arenas Valley, a community that has been designated by the Borrower/Grantee as a Colonia within the meaning of the Colonias Infrastructure Act and the Borrower/Grantee will be receiving the Loan/Grant for the benefit of Arenas Valley and its residents.
- C. The ordinances, resolutions, rules and regulations governing the operation of the Project have been duly adopted and are now in full force and effect.

- D. The Authorized Officers of the Borrower/Grantee were duly and validly elected or appointed and are empowered to act for the Borrower/Grantee.
- E. The Borrower/Grantee has corporate power:
- (1) to conduct and complete the Project and to construct the project to be designed as the primary component of the Project;
 - (2) to execute and deliver Loan/Grant documents including those identified above;
 - (3) to perform all acts required by such Loan/Grant documents to be done by it; and
 - (4) to own, operate and maintain the Project during its Useful Life.
- F. All proceedings of the Borrower/Grantee, its elected and appointed officers, and employees, required or necessary to be taken in connection with the authorization of the actions specified above have been duly taken and all such authorizations are presently in full force and effect.
- G. The Resolution has been duly signed and adopted in accordance with all applicable laws and has not been repealed, rescinded, revoked, modified, amended or supplemented in any manner except as set forth in the Resolution. The Resolution constitutes valid and sufficient legal authority for the Borrower/Grantee to carry out and enforce the provisions of the Loan/Grant Agreement.
- H. The Resolution is a valid and binding special limited obligation of the Borrower/Grantee enforceable in accordance with its terms and creates a lien on and pledges the revenues of the Tax Ordinance of the Borrower/Grantee, as described in the Loan/Grant Agreement (the "Pledged Revenues") which it purports to create.
- I. The Loan/Grant Agreement is a valid and binding special, limited obligation of the Borrower/Grantee, enforceable in accordance with its terms and provisions and the terms and provisions of the Resolution.
- J. No event will result from the execution and delivery of the Loan/Grant Agreement that constitutes a default or an event of default under either the Loan/Grant Agreement or the Resolution, and no event of default and no default under the Loan/Grant Agreement or the Resolution has occurred and is continuing on the date of this Opinion.
- K. The Borrower/Grantee has duly authorized and approved the consummation by it of all transactions, and has complied with all requirements and satisfied all

Conditions, which are required by the Loan/Grant Agreement to have been authorized, approved, performed or consummated by the Borrower/Grantee at or prior to the date of this Opinion. The Borrower/Grantee has full legal right, power and authority to carry out and consummate the transactions contemplated by the Resolution and the Loan/Grant Agreement.

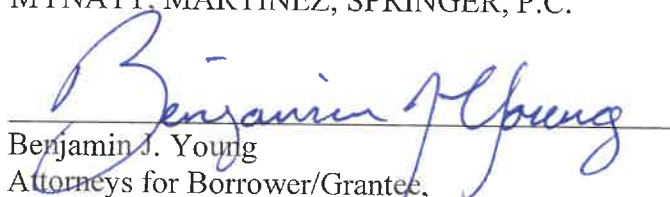
- L. All approvals, consents and orders of any governmental authority having jurisdiction in the matter which would constitute a condition precedent to the enforceability of the Loan/Grant Agreement or any of the actions required to be taken by the Resolution or the Loan/Grant Agreement to the date of this Opinion have been obtained and are in full force and effect.
- M. Neither the Borrower/Grantee's adoption of the Resolution nor any action contemplated by or pursuant to the Resolution or the Loan/Grant Agreement does or will conflict with, or constitutes a breach by the Borrower/Grantee of, or default by the Borrower/Grantee under any law, court decree or order, governmental regulation, rule or order, ordinance, resolution, agreement, indenture, mortgage or other instrument to which the Borrower/Grantee is subject or by which it is bound.
- N. There is no actual or threatened action, suit, proceeding, inquiry or investigation against the Borrower/Grantee, at law or in equity, by or before any court, public board or body, nor to our knowledge, is there any basis therefore, affecting the existence of the Borrower/Grantee or the titles of its officials to their respective offices, or in any way materially adversely affecting or questioning (a) the territorial jurisdiction of the Borrower/Grantee, (b) the use of the proceeds of the Loan/Grant Agreement for the Project and to pay certain costs of the NMFA and the CIB associated with the administration of the Colonias Infrastructure Project Fund, (c) the validity or enforceability of the Loan/Grant Agreement or any proceedings of the Borrower/Grantee with respect to the Resolution or the Loan/Grant Agreement, (d) the execution and delivery of the Loan/Grant Agreement, (e) the authority of the Borrower/Grantee to repay the Loan Amount, or (f) the power of the Borrower/Grantee to carry out the transactions contemplated by the Resolution and the Loan/Grant Agreement.
- O. No legal proceedings have been instituted or are pending, and to our knowledge none are threatened, whether or not the Borrower/Grantee is named as a party in such proceedings, which would affect the Borrower/Grantee's interest in the real property upon which the Project to be designed with the proceeds of the Loan/Grant will be located, and there are no judgments against the Borrower/Grantee or liens against any property of the Borrower/Grantee that would impair the Borrower/Grantee's ability to complete the Project.
- P. The Borrower/Grantee has acquired as legally bound to acquire pursuant to the Loan/Grant Agreement all of the necessary land rights, easements and rights-of-way for the Project and the Borrower/Grantee now has sufficient, adequate and

continuous rights-of-way to permit the completion of the Project. The Borrower/Grantee has the power of eminent domain and is legally required pursuant to Section 2.1(t) of the Loan/Grant Agreement to exercise such power for the purpose of acquiring proper title to, easements, rights of way or permits on the real property on which the Project will be located, if necessary to complete the Project.

- Q. The Borrower/Grantee has complied with all of the requirements of the New Mexico Procurement Code, NMSA 1978, §§ 13-1-28 through 13-1-199, as amended, applicable to the Project on or prior to the date of this opinion letter.
- R. Ordinance No. 204, passed and approved by the Borrower/Grantee on June 23, 1987 has been duly signed and adopted in accordance with all applicable laws and has not been repealed, rescinded, revoked, modified, amended or supplemented in any manner.

Dated this 22nd day of December, 2023.

MYNATT, MARTINEZ, SPRINGER, P.C.


Benjamin J. Young
Attorneys for Borrower/Grantee,
Grant County, New Mexico
1660 Hickory Loop
Las Cruces, New Mexico 88005