

A G E N D A

... for the Regular Meeting of the Farmington City Council to be held at 6:00 p.m., Tuesday, October 25, 2016 in the Council Chamber, City Hall, 800 Municipal Drive, Farmington, New Mexico. . .

1. Roll Call and Convening the Meeting:
2. Invocation: Pastor Nathan Wheeler of East Side Church of Christ.
3. Pledge of Allegiance:
4. Acceptance of Consent Agenda: Those items on the agenda that are marked with an asterisk (\*) have been placed on the Consent Agenda and will be voted on without discussion with one motion. If any item proposed does not meet with approval of all Councilors or if a citizen so requests, that item will be heard under Business from the Floor.
5. \*Approval of Minutes for:
  - (a) the Regular Meeting of the City Council held October 11, 2016; and --6
  - (b) the Regular Work Session of the City Council held October 18, 2016. -----7
6. \*Approval of Bid for purchase of a steerable pole trailer (Electric) being awarded to Moran Welding, Inc., doing business as Brooks Brothers Trailers, on its low bid meeting specifications (\$73,600) after application of the five percent in-state preference. Bids opened October 18, 2016 with two bidders participating. -----1
7. \*Approval of Purchase Agreement between the City and Animas Valley Land and Water Company, LLC, for purchase by the City of 0.22 acres of land located in the 4P Subdivision (Lot 1) for a new domestic water pump station (purchase price \$8,200).-----2
8. \*Approval of Recommendation from the Liquor Hearing Officer for approval of Application #1013424 for a new Restaurant License (beer and wine for on premise consumption only) from Shanmon Food Services, 612 Fern Drive, Farmington, New Mexico doing business as The Chile Pod, 121 West Main Street, Farmington, New Mexico. (Hearing held October 21, 2016)-----3
9. \*Approval of Warrants up to and including October 22, 2016.
10. Proclamations declaring:
  - (1) November 1, 2016 as "Extra Mile Day"; and
  - (2) November 13 thru 19, 2016 as "National Nurse Practitioners Week".

11. Lake Farmington end-of-season report (Cory Styron)
12. New Business:
  - (a) Mayor
    - (1) Reappointments to the Administrative Review Board and the Public Utility Commission.
  - (b) Councilors
  - (c) City Manager
    - (1) Ordinance No. 2016-1294 – Final Action  
 -authorizing the issuance, sale and delivery of the City of Farmington, New Mexico Gross Receipts Tax Civic Center Improvement Revenue Bonds, Series 2016 in an aggregate principal amount not to exceed \$12,500,000 for the purpose of defraying the cost of designing, constructing, installing, equipping and improving Civic Center facilities owned by the City; providing that the bonds will be payable from State shared gross receipts tax revenues distributed to the City pursuant to Section 7-1-6.4 NMSA 1978, hold harmless gross receipts tax revenues distributed to the City pursuant to Section 7-1-6.12 NMSA 1978, and Convention Center fee revenues collected by the City pursuant to Sections 5-13-1 through 5-13-15 NMSA 1978 and City Ordinance No. 2014-1272; providing that the maturity dates, principal amounts, interest rates, redemption provisions and other details of the bonds will be established in a supplemental resolution; providing for the execution of the bonds and other documents and agreements relating to the bonds by authorized officers of the City; ratifying action previously taken in connection therewith; and repealing all ordinances in conflict herewith (Published October 11, 2016) ----- 4
  - (d) City Attorney
  - (e) City Clerk
13. Business from the Floor:
  - (1) Items removed from Consent Agenda for discussion.
  - (2) Any other Business from the Floor.
14. Closed Meeting to discuss request for proposals for advanced metering infrastructure, pursuant to Section 10-15-1H(6) NMSA 1978.

15. Proposal: Recommendation from the Chief Procurement Officer to commence negotiations on the proposal for advanced metering infrastructure (Electric) with Eaton Corporation as the top evaluated firm after application of the Veterans preference. Proposals opened September 28, 2016 with six offerors participating. -----5
16. Adjournment.

**AGENDA ITEM SUPPORT MATERIALS ARE AVAILABLE FOR INSPECTION AND/OR PURCHASE AT THE OFFICE OF THE CITY CLERK, 800 MUNICIPAL DRIVE, FARMINGTON, NEW MEXICO.**

**ATTENTION PERSONS WITH DISABILITIES: The meeting room and facilities are fully accessible to persons with mobility disabilities. If you plan to attend the meeting and will need an auxiliary aid or service, please contact the City Clerk's Office at 599-1106 or 599-1101 prior to the meeting so that arrangements can be made.**

CITY OF FARMINGTON  
INTER-OFFICE MEMORANDUM

TO: Mayor Roberts and City Council  
FROM: Kristi Benson, CPPO, CPPB *KLB*  
Chief Procurement Officer  
DATE: October 19, 2016  
SUBJECT: Steerable Pole Trailer, Bid #17-117556  
USING DEPARTMENT: Electric Utility  
=====

A bid opening was held on October 18, 2016 for Steerable Pole Trailer, Bid #17-117556. Two (2) bidders responded.

The Central Purchasing Department concurs with the recommendation from the Electric Utility Department to award the bid to Moran Welding, Inc. DBA Brooks Brothers Trailers from Troy, MO, a responsible bidder submitting the lowest responsive bid meeting specifications for a total awarded amount of \$73,600. The in-state preference was given to qualified bidders.

Kristi Benson (Presenter)  
Consent Agenda/Council Meeting October 25, 2016

Copy to: H. Andrew Mason, Administrative Services Director  
Hank Adair, Electric Utility Director  
Luke Lugenbeel, Transmission and Distribution Manager  
Chuck Johnson, Transmission and Distribution Construction Superintendent

File - 17-117556

CITY OF FARMINGTON - ABSTRACT SCHEDULE  
 BID: Steerable Pole Trailer, Bid #17-117556 OPENING DATE: October 18, 2016 @ 2:00 PM  
 Electric

	Moran Welding Inc. dba Brooks Brothers Trailers Steve Ginnings 141 Francis Drive Troy, MO 63379 636-462-1407 steve@bbtsales.com	Border States Electric Robert Williams 865 S. Browning Parkway Farmington, NM 87402 505-566-5006 rwilliams@borderstates.com
	\$73,600.00	\$79,999.00
TOTAL BID:	N/A	\$75,999.05
TOTAL BID WITH IN-STATE PREFERENCE APPLIED:	N/A	L1749188656
IN-STATE PREFERENCE:	No	Yes
ESTIMATED APPLICABLE TAXES		\$6,099.93
PAYMENT TERMS:	Net 30	Net 30
DELIVERY:	60-90 Calendar Days	60-90 Calendar Days

INTER

OFFICE

---

# MEMO

**Date:** October 21, 2016

**TO:** Mayor and City Council

**From:** Ruben Salcido, O&M Manager

**CC:** David Sypher, Public Works Director  
Rob Mayes, City Manager

**RE:** Animas Valley Land and Water Purchase Agreement  
4P Pump Station

The Animas Valley Land and Water Purchase Agreement provides for the City to purchase a segment of land from Animas Valley Land and Water (.22 acres). The purpose is to relocate the existing 4P Water Pump Station, presently located near Mesa Vista Jr High School, to the location indicated on the purchase agreement with Animas Valley Land and Water Company. An independent appraisal service was hired to appraise the current value (\$8200). AV Water has accepted this value for purchase. The anticipated start-up for the project is late spring - early summer 2017.

We respectfully request this agreement placed on the October 25, 2016 Consent Agenda for City Council.

# PURCHASE AGREEMENT

This agreement is made and entered into this \_\_\_\_\_ day of October, 2016, by and between the **CITY OF FARMINGTON**, a municipal corporation of San Juan County, New Mexico, herein, for convenience, called "Purchaser" and **Animas Valley Land and Water Co., LLC**, a private corporation, located in San Juan County, New Mexico, herein for convenience called "Seller";

WITNESSETH:

WHEREAS, the Seller owns property located in the SE1/4 of the NE1/4 of Section 13, T29N, R13W, N.M.P.M. in Farmington, New Mexico; and

WHEREAS, the Purchaser wishes to purchase a portion of the property to construct and operate a new domestic water pump station, and

WHEREAS, the parties now wish to enter into a property purchase and sales agreement whereby the Seller will sell to Purchaser and Purchaser will purchase from Seller a 0.22 acre parcel of real property owned by the Seller, identified as Lot 1 in the 4P Subdivision, more fully described in Exhibit "A".

NOW, THEREFORE, in consideration of the mutual covenants between them, the parties agree as follows:

1. Seller, in consideration of the covenants and agreements on the part of the Purchaser, agrees to sell and convey by warranty deed, and Purchaser agrees to purchase on terms and conditions stated herein, the real property fully described in Exhibit "A" attached hereto.
2. Purchaser agrees to purchase said real property, containing 0.22 acre, more or less, for a total purchase price of Eight Thousand Two Hundred Dollars (U.S. \$8,200).
3. Seller shall convey the property to Purchaser by good and sufficient warranty deed in proper form for recording so as to convey to Purchaser good and merchantable title to the land affected by this Agreement free and clear of all liens and encumbrances, except for those of record or known to Purchaser.
4. Purchaser agrees to plat the subject property in accordance with the City Unified Development Code regulations within 60 days of the effective date of approving the transaction contemplated herein, and prior to the closing. All costs associated with plat process shall be borne by the Purchaser.

5. Seller agrees to furnish Purchaser a good and sufficient title insurance policy binder in the form of the American Land Title Association, Form B, without exception, except as herein set forth for the full purchase consideration hereof guaranteeing good and merchantable title to be vested in the Purchaser subject only to the conditions of this Agreement. Should defects appear upon title for any reason, Seller shall have a reasonable time within which to cure any defect which affects merchantability of title.

6. Any water and mineral rights associated with the referenced property will be transferred to the Purchaser from the Seller.

7. This agreement shall be closed at the offices of San Juan Title Co. on or before Dec. 31, 2016, unless the time is extended by mutual agreement of the parties. Such title company is hereby designated, constituted, and appointed as Escrow Agent to act between the parties. The Escrow Agent is authorized to prepare and have executed the deed to the property referenced above upon payment by Purchaser to Seller the sum referenced in Paragraph 2 above, and shall deliver said deed to Purchaser after completion of the terms of this agreement at closing and recording of the deed with the County Clerk. The Escrow Agent shall not assume responsibility for the performance of, or the enforcement of, any of the covenants of this agreement, and shall not be required to act in any manner not specifically directed herein, and the parties hereto jointly and severally agree to indemnify and hold harmless said Escrow Agent from and against all costs, damages, judgments, attorney's fees, expenses, and liabilities of every kind which in good faith and without negligence it may incur and suffer in connection with or arising from this escrow.

8. Time is of the essence in the performance of this contract.

9. Expenses related to this transaction shall be paid by the parties as follows:

	<u>Purchaser</u>	<u>Seller</u>
Title Insurance:	X	
Deed Recording:	X	
Abstracting:	X	
Appraisal Fee:	X	
Other Closing Costs:	X	
Subdivision Plat:	X	

10. Purchaser agrees to buy, and Seller agrees to sell, the premises herein described according to the terms and conditions set out above. If either party refuses or fails to consummate the purchase, the other party shall have the option of terminating this agreement or enforcing the same.



State of New Mexico)

) ss

County of San Juan )

The foregoing instrument was acknowledged before me this 13<sup>th</sup> day of October, 2016 by Fred Whistle, General Manager, Animas Valley Land and Water Co., LLC, San Juan County, New Mexico.

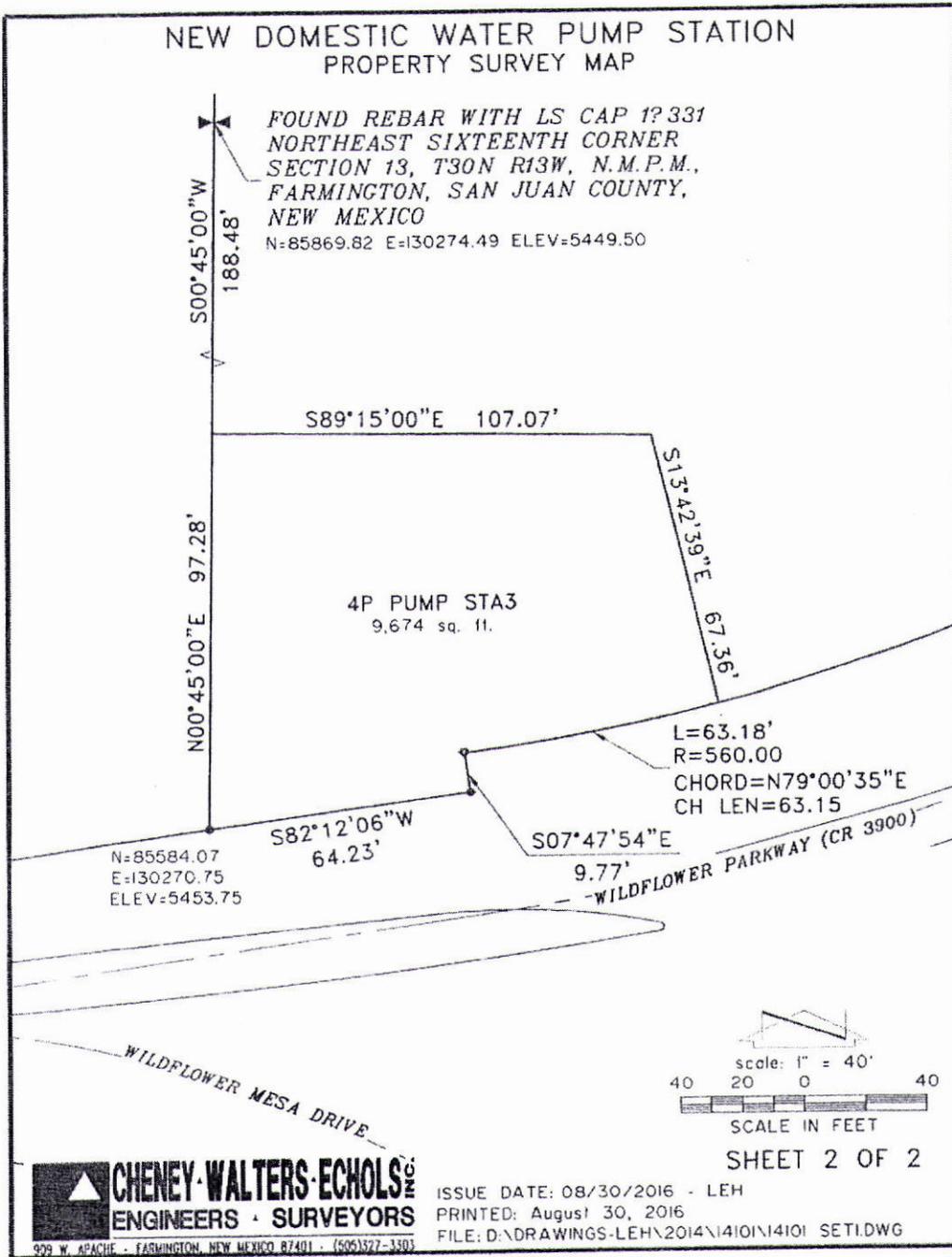


\_\_\_\_\_  
Notary Public

My Commission Expires:

4/26/2017





**F. CHESTER MILLER III, P.C.**

*Attorney At Law  
907 West Apache Street  
Farmington, New Mexico 87401  
chestermillieriii@yahoo.com*

Telephone (505) 327-0428

Facsimile(505) 327-0420

October 21, 2016

\*\*\*\* SENT VIA FACSIMILE TO 505-599-1113\*\*\*\*

Mayor Tommy Roberts  
and City Councilors of the City of Farmington  
800 Municipal Drive  
Farmington, New Mexico 87401

**RE: Application No.: 1013424**  
**Liquor License No.:**  
**Applicant Name: Shanmon Food Services**  
**Business Name: The Chile Pod**  
**Proposed Location: 121 West Main Street, Farmington, New Mexico 87401**  
**Application Type: New Restaurant Liquor License**

Dear Mayor and Council Members:

A public hearing was held, pursuant to proper notice, on October 21, 2016 at 9:00 a.m. in the Executive Conference Room at the Municipal Building concerning the above referenced license. The hearing was held more that thirty days (30) after the first publication of notice of public hearing.

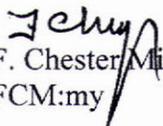
Present at the hearing was Monica Schultz representing the applicant. No one else from the public participated.

This application is for a New Beer and Wine Restaurant Liquor License for a restaurant with on premises consumption only. The service of beer and wine can only be made with meals. All servers must obtain appropriate training in proper procedure.

After reviewing the application; the reports from the City departments, police, zoning, fire and traffic; and hearing the comments from the applicant's representative concerning the effect on health, safety and welfare of the citizens of Farmington it would be my recommendation to the City Council that the application be approved.

If I can provide anything further, please let me know.

Respectfully Submitted,

  
F. Chester Miller III  
FCM:my



New Mexico Regulation and Licensing Department  
ALCOHOL AND GAMING DIVISION

P.O. Box 25101 ▪ Santa Fe, New Mexico 87504-5101  
(505) 476-4875 ▪ Fax (505) 476-4595 ▪ www.rld.state.nm.us/alcoholandgaming

September 1, 2016

Certified Mail No.: 9171 9690 0935 0079 1755 45

Susana Martinez  
Governor

Robert "Mike" Unthank  
Superintendent

David Jablonski  
Deputy Superintendent

Claudia Armijo  
Deputy General Counsel

Mary Kay Root  
Director

City of Farmington  
Attn: Dianne Smylie, Clerk  
800 Municipal Drive  
Farmington, NM 87401



SEP 06 2016

City of Farmington  
City Clerk

Re: Lic. No. /Appl. No.: **Application No. 1013424**  
Name of Applicant: Shanmon Food Services  
Doing Business As: The Chile Pod  
Proposed Location: 121 W. Main Street, Farmington, NM 87401

Greetings:

The Director of the Alcohol and Gaming Division has reviewed the referenced Application and granted **Preliminary Approval**. It is being forwarded to you for Local Option District approval or disapproval of the Liquor License Application.

While the law states that "within forty-five (45) days after receipt of a Notice from the Alcohol and Gaming Division, the governing body shall hold a Public Hearing in the question of whether the department should approve the proposed issuance or transfer", we recognize the potential for conflict between the requirement for publication of 30 day notice and the 45 day hearing requirement. Should the Local Governing Body be unable to meet one of these requirements, please send a Request for Waiver/Extension by email to the assigned AGD Hearing Officer listed on page 2.

**Notice of the Public Hearing** required by the Liquor Control Act **shall be given by the governing body by publishing a notice** of the date, time, and place of the hearing **twice during the 30 days prior to the hearing** in a newspaper of general circulation within the territorial limits of the governing body. **The first notice must be published at least thirty (30) days before the hearing. Both publications must occur before a hearing can be conducted.** The notice shall include:

- (A) Name and address of the Applicant/Licensee;
- (B) The action proposed to be taken by the Alcohol & Gaming Division;
- (C) The location of the licensed premises.

In addition, if the Local Option District has a website, **the Notice shall also be published on the website.**

The governing body is required to send notice by certified mail to the Applicant of the date, time, and place of the Public Hearing. The governing body may designate a Hearing Officer to conduct the hearing. **A record shall be made of the hearing.**

**THE APPLICANT IS SEEKING A RESTAURANT BEER & WINE LICENSE WITH ON PREMISES CONSUMPTION ONLY.**

- Alcohol and Gaming Division  
(505) 476-4875
- Boards and Commissions Division  
(505) 476-4600
- Construction Industries Division  
(505) 476-4700
- Financial Institutions Division  
(505) 476-4885
- Manufactured Housing Division  
(505) 476-4770
- Securities Division  
(505) 476-4580
- Administrative Services Division  
(505) 476-4800

**Within thirty (30) days** after the Public Hearing, the governing body shall notify the Alcohol and Gaming Division of their decision to approve or disapprove the issuance or transfer of the license by signing the enclosed original Page 1 of the Application. The original Page 1 of the Application must be returned together with the notices of publication. **If the Governing Body fails to either approve or disapprove the issuance or transfer of the license within thirty days after the Public Hearing, the Director may issue the license.**

If the Governing Body disapproves the issuance or transfer of the license, it shall notify the Alcohol and Gaming Division within thirty (30) days setting forth the reasons for the disapproval. A copy of the Minutes of the Public Hearing shall be submitted to the Alcohol and Gaming Division with the Notice of Disapproval (*Page 1 of the Application, noting disapproval*).

Respectfully,

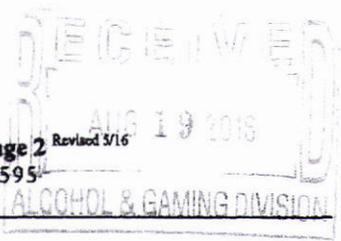


Beverly Kennedy, Hearing Officer  
NM Regulation & Licensing Dept. | Alcohol & Gaming Division  
Phone: (505) 476-4548 Fax: (505) 476-4595  
Email: [beverly.kennedy@state.nm.us](mailto:beverly.kennedy@state.nm.us)

Enclosures:

1. Original Page 1 of the Application (*must be signed and returned w/notices of publication*)
2. Copy of Page 2 of the Application
3. Copy of Zoning Statement

xc by email: Applicant



**PREMISES LOCATION, OWNERSHIP, AND DESCRIPTION**  
 NMSA §60-6B-10

1. The land and building which is proposed to be the licensed premises is: (check one)

- Owned by Applicant, copy of deed/document attached  Leased by Applicant, copy of lease/document attached  
 Other (provide details): \_\_\_\_\_

2. If the land and building are not owned by Applicant, indicate the following:

A. Owner(s): Anthony Emerson, Michele Emerson

B. Date and Term of Lease: Jan 12, 2016 - 5 years - Jan 13, 2021

3. Premises location is Zoned (example C-1, see Zoning Statement): CB - Central Business District

Zoning Statement attached, which must be obtained from the Local Government, listing the proposed location by address, Type of Zone, state whether alcoholic beverages are allowed at proposed location, and if applicable, whether packaged sales, patio service and/or manufacturing is allowable. If there is no zoning in the proposed location, attach Statement from the local government, indicating there is no zoning.

4. Distance\* from nearest Church: (Property line of church to closest point of licensed premises—shortest distance)

Name of Church: The Church of Jesus Christ Miles/feet: 1.6 mile

Address/location of Church: 400 W. Apache St. Farmington NM. 8740

5. Distance\* from nearest School: (Property line of school to closest point of licensed premises—shortest distance)

Name of School: ~~Do not~~ Sacred Heart Catholic Miles/feet: 1584 feet

Address/location of School: 404 N. Allen Ave Farmington NM 87401

6. Distance from military installation \*(Property line of military installation to closest point of licensed premises—shortest distance.)

Name of Military Installation, <sup>circle one:</sup> Kirtland Air Force Base (Albuquerque), White Sands Missile Range (Las Cruces),  
186.8 miles Holloman Air Force Base (Alamogordo), Cannon Air Force Base (Clovis)

7. Attach Detailed Floor Plan, must include the Total Square Footage of premises; List nearest cross street; Show which direction is North; Show each level (floor) where alcoholic beverages will be sold or consumed, exterior walls, doors, and interior walls; Patio Area with type of barrier used; Highlight Bonded Areas. The floor plan should be no larger than 8½ x 11 inches and **must be labeled** with designated areas highlighted, which will reflect the proposed Licensed Premises.

8. Type of Operation:  Hotel  Lounge  Package Grocery  Restaurant  Racetrack  
 Small Brewer  Craft Distiller  Winery  Wholesaler  
 Other (specify): \_\_\_\_\_

\*NOTE: If the distance is beyond 300 feet, but less than 400 feet, a Registered Engineer or Licensed Surveyor must complete a Survey Certificate showing the exact distance.

COPY

UTAH

COLO.

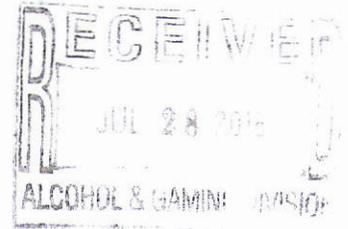
ARIZ.

N.M.



**CITY OF FARMINGTON**

800 MUNICIPAL DRIVE  
FARMINGTON, NEW MEXICO 87401-2663  
FAX: (505) 599-1299  
www.fmtn.org



May 27, 2016

New Mexico Regulation and Licensing Department  
Alcohol and Gaming Division  
P.O. Box 25101  
Santa Fe, NM 87504-5101

**Re: Zoning at 121 W Main Street, Farmington NM, 87401**

To WHOM IT MAY CONCERN:

The business known as The Chile Pod located at 121 W. Main Street, Farmington, NM 87401, is in the CB Central Business District. Pursuant to Section 2.3 of the City of Farmington's Unified Development Code, a restaurant serving liquor is a permitted use in the CB Central Business District, subject to the standards of Section 2.4.44. A copy of these standards is enclosed. The applicant for a beer and wine license is responsible for verifying compliance with these standards.

Pursuant to New Mexico State Statute 60-6B-10, no license shall be issued by the director for the sale of alcoholic beverages that is within three hundred (300) feet of any church or school without a waiver from the local governing body (Farmington City Council). There are no churches or schools within three hundred feet of this location.

If you have any questions feel free to contact me at (505) 599-1282.

Sincerely,

Steven Saavedra  
Associate Planner, MRP  
505-599-1282  
ssaavedra@fmtn.org

COPY

COMMUNITY DEVELOPMENT



**RECEIVED**  
 JUL 28 2016  
 ALCOHOL & GAMING DIVISION  
 7/28/16 ENTERED 200 186118

AGD USE ONLY: Payment| Application Fee \$ \_\_\_\_\_ Received on: \_\_\_\_\_ Receipt No. \_\_\_\_\_  
 License Fee \$ \_\_\_\_\_ Received on: \_\_\_\_\_ Receipt No. \_\_\_\_\_  
 Application # 1013424 Local Option District: City of Farmington

**RESTAURANT LIQUOR LICENSE APPLICATION**

\$200.00 Application Fee, non-refundable.

Check appropriate boxes:

Application is for:  New Restaurant Liquor License

Applicant is:  Individual  Limited Liability Company  Corporation  Partnership (General/Limited)

NAME OF APPLICANT (company or individual) ADDRESS (including city, state, zip) TELEPHONE NUMBER

Shannon Food Services

D/B/A Name to be used: The Chile Pod Business Phone #: 505-258-4585

Email Address (required): vm\_schu@yahoo.com

Physical location where license is to be used: (Include street number / highway number / state road, city and county, state, and zip code)

121 W. Main St. Farmington Nm 87401

Mailing Address: 1012 Feen Dr. Farmington Nm 87401

Agent/Contact Person: Monica Schultz Phone#: 505-793-3789 Email: vm\_schu@yahoo.com

Are alcoholic beverages currently being dispensed at the proposed location?  Yes  No If Yes, License # / Type: \_\_\_\_\_

I, (print name) Monica Schultz, as (title) Owner

being first duly sworn upon oath deposes and says: that he/she is the applicant or is authorized by the applicant to make this application; that he/she has read the same; knows the contents therein contained are true. Applicant(s) agree(s) that if any statements or representations herein are found to be false, the Director may refuse to issue or renew the license or may cause the license to be revoked at any time.

You must sign and date this form before a Notary Public.

Signature of Applicant: Monica Schultz Date: 6/16/16

NOTARY PUBLIC USE ONLY: (State of New Mexico, County of San Juan)

SUBSCRIBED AND SWORN TO before me this 16 day of June, 2016

By: Monica Schultz Notary Public: Denise Manning

My Commission Expires: 10-1-17

FOR LOCAL OPTION DISTRICT USE ONLY: Local Governing Body of: \_\_\_\_\_ City, County, Village

Public Hearing held on \_\_\_\_\_, 20\_\_\_\_. Check one:  Approved  Disapproved

Signature and Title of City/County Official: \_\_\_\_\_

FOR ALCOHOL AND GAMING DIVISION USE ONLY:  Approved  Disapproved

Signed by Director: \_\_\_\_\_ Date: \_\_\_\_\_

**AFFIDAVIT OF PUBLICATION**

**Ad No. 73027**

**STATE OF NEW MEXICO**

**County of San Juan:**

TIA AVILES, being duly sworn says: That he IS the ADVERTISING SUPERVISOR of THE DAILY TIMES, a daily newspaper of general circulation published in English at Farmington, said county and state, and that the hereto attached Legal Notice was published in a regular and entire issue of the said DAILY TIMES, a daily newspaper duly qualified for the purpose within the State of New Mexico for publication and appeared in the Internet at The Daily Times web site on the following day(s):

Tuesday, September 20, 2016

Tuesday, September 27, 2016

And the cost of the publication is \$103.82

*Tia Aviles*

ON 10-4-2016 TIA AVILES appeared before me, whom I know personally to be the person who signed the above document.



**COPY OF PUBLICATION**

**NOTICE OF PUBLIC HEARING  
BEFORE THE CITY LIQUOR HEARING OFFICER  
REGARDING LIQUOR LICENSE  
CITY OF FARMINGTON, NEW MEXICO**

Notice is hereby given that the City Liquor Hearing Officer will hold a public hearing in the Executive Conference Room at the Municipal Building, 800 Municipal Drive, Farmington, New Mexico at 9:00 a.m. on Friday, October 21, 2016 to consider the following request:

Application for new Restaurant License #1013424 (beer and wine for on-premise consumption only) from Shanmon Food Services, 612 Fern Drive, Farmington, New Mexico to do business as The Chile Pod, 121 West Main Street, Farmington, New Mexico.

The Director of the Alcohol and Gaming Division of the New Mexico Regulation and Licensing Department has given this application preliminary approval. Further details regarding this application may be examined at the aforementioned hearing or by contacting F. Chester Miller, III, Esq. (505-327-0428), 907 West Apache Street, Farmington, New Mexico.

Dianne Smylie, City Clerk

Legal No. 73027 published in The Daily Times on September 20 & 27, 2016.

# FARMINGTON POLICE



Steve Hebbe, *Chief of Police*

Internationally Accredited Since 1995

RECEIVED

OCT 11 2016

City of Farmington  
City Clerk

October 10, 2016

RE: Liquor License Application 1013424

Dianne Smylie  
City Clerk  
City of Farmington  
800 Municipal Drive  
Farmington, NM 87401

City Clerk Smylie,

Upon review of the application submitted on behalf of Shannon Food Services, doing business as The Chile Pod, at 121 West Main Street, a cursory background investigation, subject to the limitations allowed by law, was conducted as to the merits of the application and the associated applicants.

The principal corporate officer(s) listed on the application was found to have no known negative contacts with local police agencies and none were entered into NCIC as being wanted fugitives from other jurisdictions.

A review of data associated with calls for service in the downtown area, revealed a negligible concern for an increase in calls for service by the granting of this application.

In addition, a review of the attached traffic crash data reveals a negligible concern for an increase in alcohol related traffic crashes by the granting of this application.

It is the recommendation of the Farmington Police Department that the application be granted.

Lieutenant Taft Tracy



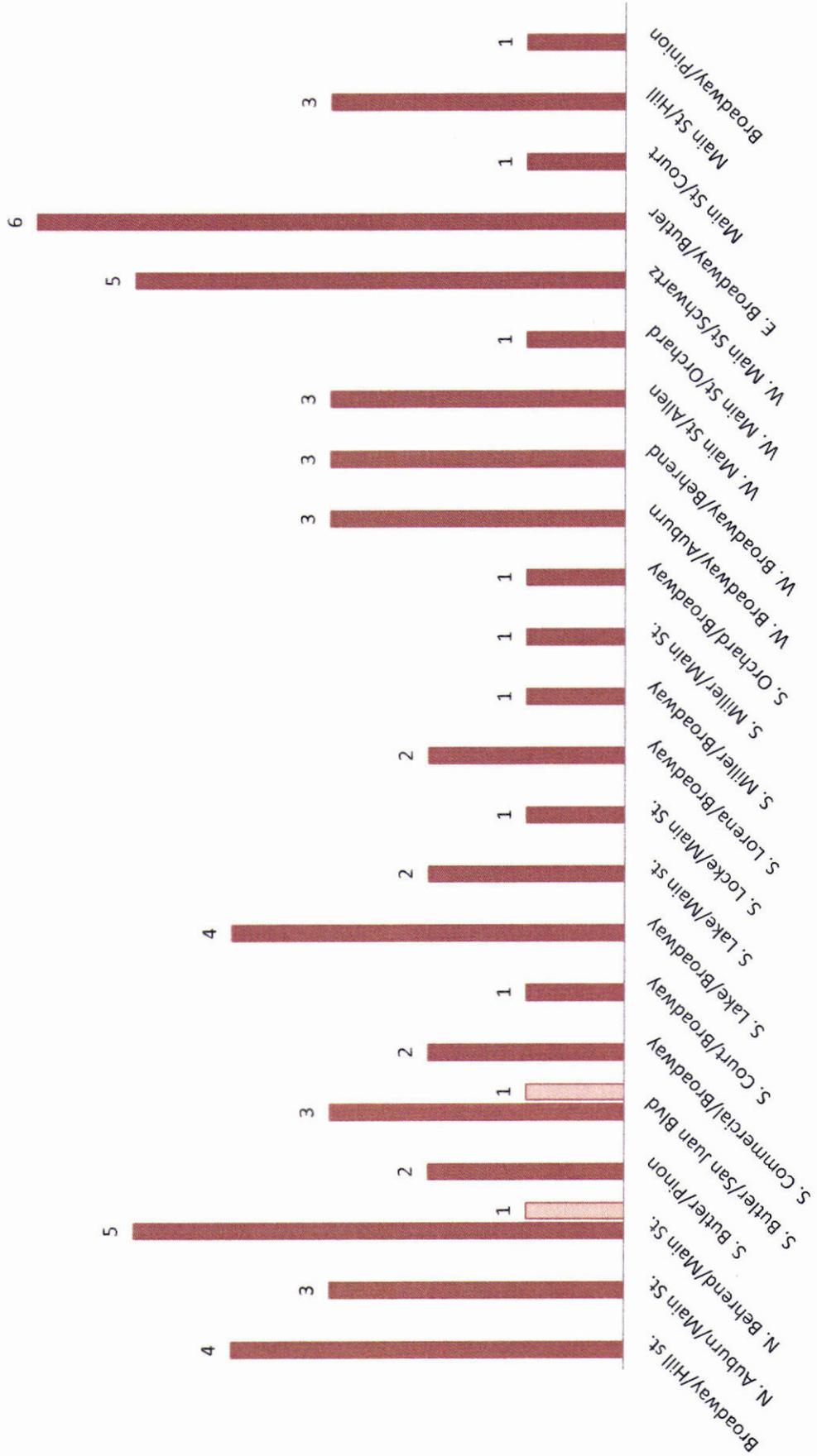
**From the Crime Analyst Desk**

## **2016 Traffic Accidents at Intersections in Downtown Corridor REPORT**

The Downtown corridor accident report for 2016 from January 1<sup>st</sup> to October 2<sup>nd</sup> shows the following data. There were a total of 58 accidents of which 41 had reports and 17 were no report taken. There were 50 with no injury, 8 were with injury, and 1 involved the injured party being intoxicated while riding a bicycle against traffic and being struck. There were 3 DWI crashes Main/Behrend, Main/Broadway and San Juan Blvd/Butler. The most accidents happened on a Wednesday or Friday. The highest time of incidents was between the hours of 0800 – 1200. The intersection of Broadway and Butler had the most accidents and the month of February had the most accidents. The charts below show the breakdowns.

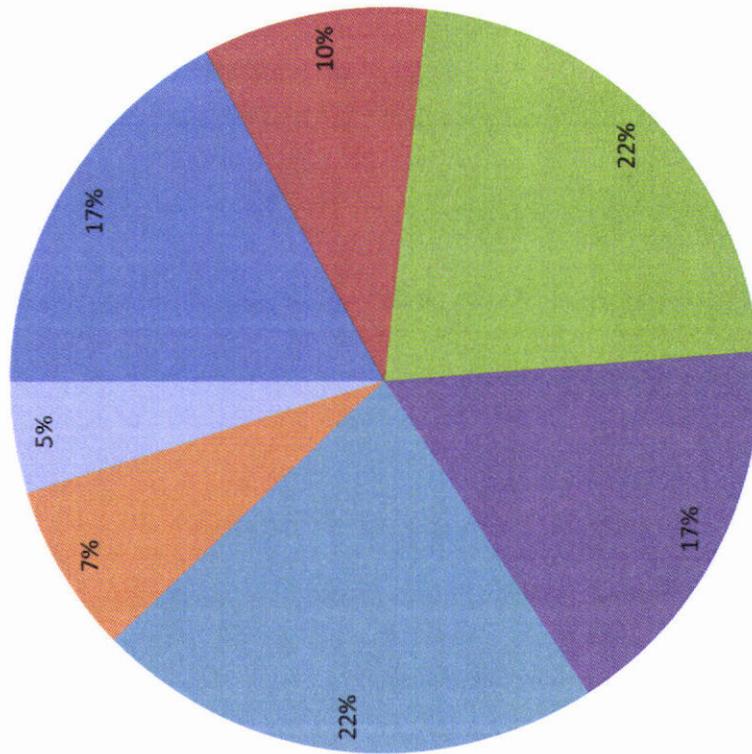
# Intersection crashes

■ amount of crashes ■ DWI Crashes

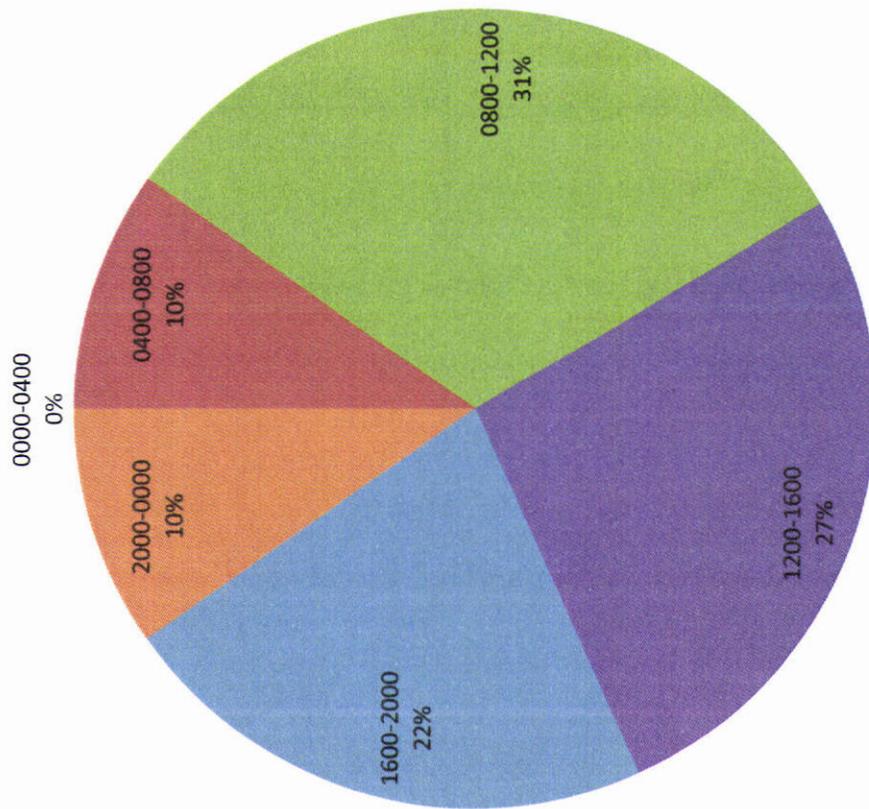


## Daily Percentage

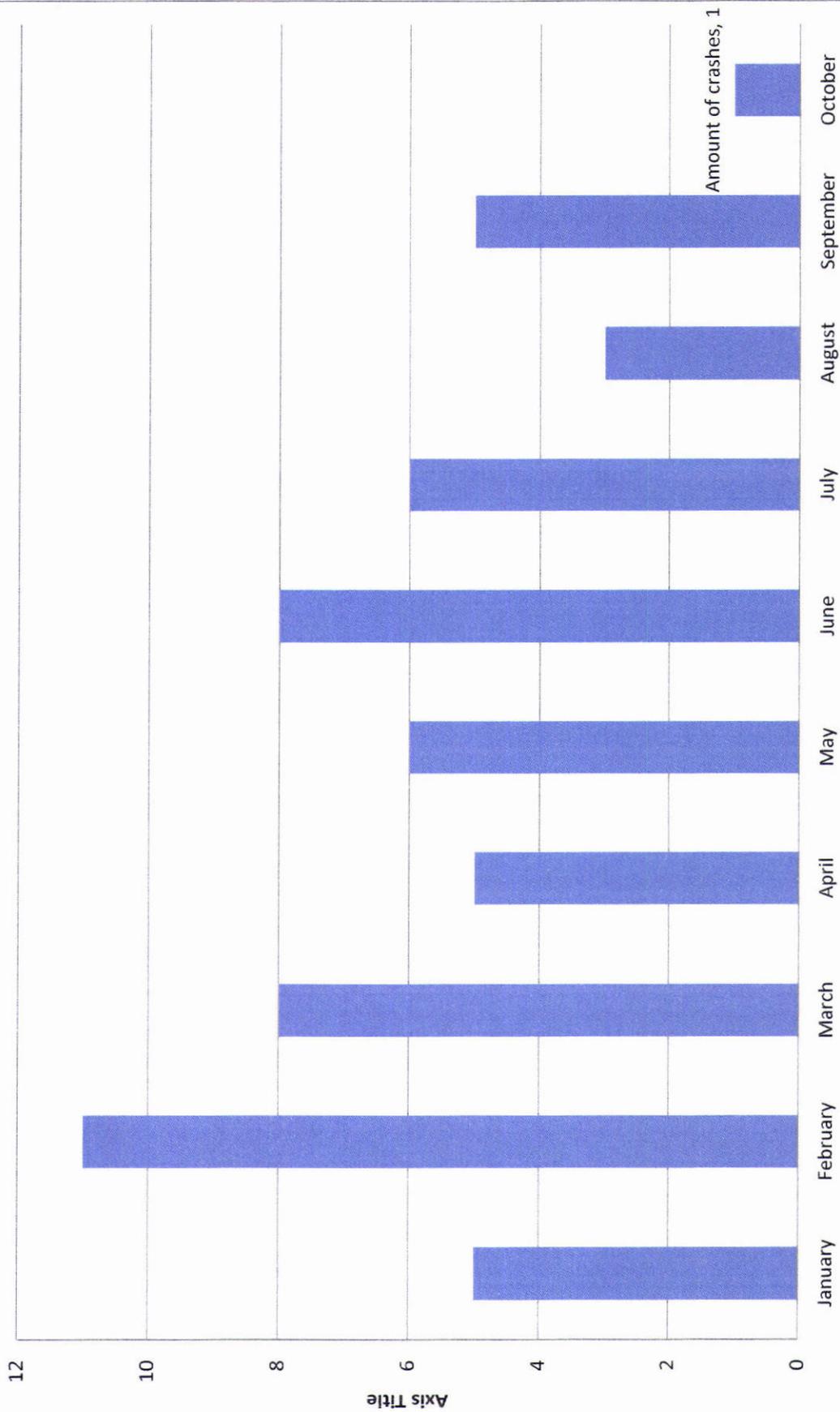
Monday Tuesday Wednesday Thursday Friday Saturday Sunday



### Time of crashes



# Amount of crashes



October only represents 2 days of the month



Farmington Fire Dept (NM)  
850 Municipal Dr.  
Farmington, NM 87401

Fire Dept Violation Notice

October 13, 2016

CHILI POD  
121 W MAIN ST  
Farmington, NM 87401

Congratulations, an inspection of your facility on Oct 13, 2016 revealed no violations.

A handwritten signature in blue ink, appearing to read "D. Doudy".

---

115 David Doudy  
Inspector

A handwritten signature in black ink, appearing to read "LeAnza Schultz".

---

LeAnza Schultz

# MEMORANDUM

**DATE:** September 27, 2016

**TO:** Dianne Smylie, City Clerk

**FROM:** Isaac Blue Eyes, Associate Traffic Engineer I

**SUBJECT:** Application #1013424 for new Restaurant License for Shanmon Food Services to do business as The Chile Pod at 121 West Main Street, Farmington, New Mexico.

The following information is being provide to the Liquor Hearing Officer at your request:

1) The most recent traffic count at the nearest major intersection(s).

a. The nearest intersections to the following address, 121 West Main Street are:

- Main Street @ Allen Avenue
- Broadway @ Allen Avenue
- Main Street @ Orchard Avenue
- Broadway @ Orchard Avenue

b. Please see Table 1, to view the traffic volume at these intersections.

**Table 1: Intersection Approach Traffic Volumes**

Intersections	Traffic Volumes	Date of Count
Main Street @ Allen Avenue	12,558	08/25/2016
Broadway @ Allen Avenue	N/A	N/A
Main Street @ Orchard Avenue	8,136	12/12/2015
Broadway @ Orchard Avenue	N/A	N/A

2) Any information regarding proposed changes at those intersections, such as signalization or other changes which may affect traffic flow.

a. The Traffic Control Signal at Main Street and Allen Avenue has been removed as of Wednesday September 14<sup>th</sup>, 2016. The intersection is no longer controlled by a traffic control signal. Main Street traffic at Allen Avenue is uncontrolled and free flowing. There is not stop signs or traffic control signals for westbound and eastbound. The northbound and southbound traffic on Allen Avenue at Main Street is controlled with stop signs.

ORDINANCE NO. 2016-1294

AN ORDINANCE AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF THE CITY OF FARMINGTON, NEW MEXICO GROSS RECEIPTS TAX CIVIC CENTER IMPROVEMENT REVENUE BONDS, SERIES 2016 IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$12,500,000 FOR THE PURPOSE OF DEFRAYING THE COST OF DESIGNING, CONSTRUCTING, INSTALLING, EQUIPPING AND IMPROVING CIVIC CENTER FACILITIES OWNED BY THE CITY; PROVIDING THAT THE BONDS WILL BE PAYABLE FROM STATE SHARED GROSS RECEIPTS TAX REVENUES DISTRIBUTED TO THE CITY PURSUANT TO SECTION 7-1-6.4 NMSA 1978, HOLD HARMLESS GROSS RECEIPTS TAX REVENUES DISTRIBUTED TO THE CITY PURSUANT TO SECTION 7-1-6.12 NMSA 1978, AND CONVENTION CENTER FEE REVENUES COLLECTED BY THE CITY PURSUANT TO SECTIONS 5-13-1 THROUGH 5-13-15 NMSA 1978 AND CITY ORDINANCE NO. 2014-1272; PROVIDING THAT THE MATURITY DATES, PRINCIPAL AMOUNTS, INTEREST RATES, REDEMPTION PROVISIONS AND OTHER DETAILS OF THE BONDS WILL BE ESTABLISHED IN A SUPPLEMENTAL RESOLUTION; PROVIDING FOR THE EXECUTION OF THE BONDS AND OTHER DOCUMENTS AND AGREEMENTS RELATING TO THE BONDS BY AUTHORIZED OFFICERS OF THE CITY; RATIFYING ACTION PREVIOUSLY TAKEN IN CONNECTION THEREWITH; AND REPEALING ALL ORDINANCES IN CONFLICT HEREWITH.

The City Council is informed that Capitalized terms used in the following preambles have the same meaning as defined in Section 1 of this Bond Ordinance unless the context requires otherwise.

WHEREAS, the City is a legally and regularly created, established, organized and existing municipal corporation under the general laws of the State of New Mexico; and

WHEREAS, pursuant to Section 7-1-6.4 NMSA 1978, the City receives monthly State-Shared Gross Receipts Tax Revenues from the New Mexico Department of Taxation and Revenue equal to one and two hundred and twenty-five thousandths percent (1.225%) of the gross receipts of persons engaging in business within the City, as determined and adjusted under the Gross Receipts and Compensating Tax Act, Chapter 7, Article 9 NMSA 1978; and

WHEREAS, the Pledged State-Shared Gross Receipts Tax Revenues are not pledged to the payment of any bonds or other obligations which are presently outstanding, other than the 2005 Bonds and the 2012 Bonds; and

WHEREAS, pursuant to Section 7-19D-18 NMSA 1978 and Ordinance No. 2015-1278, the City has enacted two one-eighth percent increments of the Hold Harmless Gross Receipts Tax equal to one quarter of one percent (0.25%) of the gross receipts of persons engaging in business within the City, as determined and adjusted under the Gross Receipts and Compensating Tax Act, Chapter 7, Article 9 NMSA 1978; and

WHEREAS, pursuant to Ordinance Number 2016-1282, the City has pledged the Pledged Hold Harmless Gross Receipts Tax as additional security for the 2005 Bonds and the 2012 Bonds; and

WHEREAS, the Pledged Hold Harmless Gross Receipts Tax Revenues are not pledged to the payment of any bonds or other obligations which are presently outstanding, other than the 2005 Bonds and the 2012 Bonds; and

WHEREAS, the pursuant to the Convention Center Financing Act, Sections 5-13-1 through 5-13-15 NMSA 1978 (the "Convention Center Financing Act") and Ordinance No. 2014-1272, the City imposes a Convention Center Fee for the use of a room within a lodging facility within the city limits in the amount of \$2.50 per room for each day the room is occupied by a vendee; and

WHEREAS, pursuant to Ordinance No. 2014-1272, the City has dedicated the revenue from the Convention Center Fee, in part, for (1) costs of acquisition of land for and the design, construction, equipping, furnishing, landscaping, operation and maintenance of a convention center located within the City limits, and (2) payments of principal, interest, or prior redemption premiums due in connection with, and any other charges pertaining to, revenue bonds authorized by the Convention Center Financing Act and ordinance; and

WHEREAS, Pledged Convention Center Fee Revenues are not pledged to the payment of any bonds or other obligations which are presently outstanding; and

WHEREAS, the City Council hereby determines that issuance of the Bonds for the purpose of paying costs of constructing improvements to and installing equipment in the Civic Center facilities owned by the City will provide for the public health, peace and safety of the City and its citizens; and

WHEREAS, the City Council has determined and hereby determines that it is in the best interests of the City and its residents that the Bonds be issued with a first lien, but not an exclusive first lien, on the Pledged State-Shared Gross Receipts Tax Revenues on a parity with the lien thereon of outstanding Parity Bonds; and

WHEREAS, Section 3-31-6(C) NMSA 1978 provides:

"C. Any law which authorizes the pledge of any or all of the pledged revenues to the payment of any revenue bonds issued pursuant to Sections 3-31-1 through 3-31-12 NMSA 1978, or which affects the pledged revenues, or any law supplemental thereto or otherwise appertaining thereto, shall not be repealed or amended or otherwise directly or indirectly modified in such a manner as to impair adversely any such outstanding revenue bonds, unless such outstanding revenue bonds have been discharged in full or provision has been fully made therefor;" and

WHEREAS, the proposed form of this Bond Ordinance has been filed with the City Clerk and presented to the City Council; and

WHEREAS, the City Council anticipates that the Bonds will be sold to the New Mexico Finance Authority pursuant to the Bond Purchase Agreement which, together with the exact principal amounts, interest rates, redemption features and other final terms of the Bonds, shall be approved by the Sale Resolution supplementing this Bond Ordinance; and

WHEREAS, the City Council has determined that it is in the best interests of the City to authorize the issuance of the Bonds pursuant to this Bond Ordinance.

NOW, THEREFORE, be it ordained by the governing body of the City of Farmington:

Section 1. Definitions. As used in this Bond Ordinance, the following terms shall, for all purposes, have the meanings herein specified, unless the context clearly requires otherwise (such meanings to be equally applicable to both the singular and the plural forms of the terms defined):

"Acquisition Fund" means the City of Farmington, New Mexico Gross Receipts Tax Civic Center Improvement Project Revenue Bonds, Series 2016, Acquisition Fund" established by Section 16 of this Bond Ordinance.

"Act" means the general laws of the State, including Sections 3-31-1 through 3-31-12 NMSA 1978, as amended, Sections 5-13-1 through 5-13-15 NMSA 1978, as amended, and enactments of the City Council relating to the Pledged Revenues and the issuance of the Bonds, including this Bond Ordinance.

"Authorized Officer" means the following officers of the City: Mayor, City Manager, Administrative Services Director, or other officer of the City when designated by a certificate signed by the Mayor of the City from time to time, a certified copy of which shall be delivered to the Paying Agent and the Registrar.

"Bond Account" has the meaning assigned to that term in Section 19 of this Bond Ordinance.

"Bondholder," "holder," "owner" or "Owner" means the registered owner of any Bond as shown on the registration books of the City for the Bonds, from time to time, maintained by the Registrar. Any reference to a majority or a particular percentage or proportion of the Bondholders shall mean the Holders at the particular time of a majority or of the specified percentage or proportion in aggregate principal amount of all Bonds then outstanding.

"Bond Purchase Agreement" means the bond purchase agreement between the City and the Purchaser.

"Bonds" means the "City of Farmington, New Mexico Gross Receipts Tax Civic Center Improvement Revenue Bonds, Series 2016" authorized by this Bond Ordinance.

"Bond Ordinance" means this City Ordinance No. 2016-1294.

"Business Day" means a day on which commercial banks in the city in which the principal office of the Paying Agent and Registrar is located are open for conduct of substantially all of their business operations.

"City" means the City of Farmington, in the County of San Juan and State of New Mexico.

"City Council" means the City Council of the City or any future successor governing body of the City.

"Code" means the Internal Revenue Code of 1986, as amended, including, when appropriate, the statutory predecessor of the Code, and all applicable regulations whether proposed, temporary or final, including regulations issued and proposed pursuant to the statutory predecessor of the Code, and, in addition, all official rulings and judicial determinations applicable to the Bonds, and under the statutory predecessor of the Code and any successor provisions to those sections or regulations.

"Continuing Disclosure Undertaking" means the continuing disclosure undertaking with respect to the Bonds to be executed on the day of issuance and delivery of the Bonds to the Purchaser.

"Costs of Issuance" means all costs relating to issuance of the Bonds, including, without limitation, costs of advertising and publication, costs of preparing the Bonds, fees and expenses of the financial advisor, bond counsel, the Paying Agent, the Registrar, the Escrow Bank, rating fees and other reasonable and necessary fees and costs, including applicable gross receipts taxes, related to the issuance of the Bonds.

"Convention Center Fee Ordinance" means City Ordinance No. 2014-1272, codified as Chapter 8, Article 16 of the Farmington Municipal Code.

"Convention Center Fee Income Fund" means the fund established in Section 16 of this Bond Ordinance.

"Convention Center Fee Obligations" means bonds or other debt obligations issued or entered into by the City to which Pledged Convention Center Fee Revenues are pledged, in whole or in part, to the repayment of such bonds or other debt obligations.

"Depository" means The Depository Trust Company, New York, New York, or such other securities depository as may be designated by an officer of the City.

"Event of Default" means any of the events stated in Section 25 of this Bond Ordinance.

"Expenses" means the reasonable and necessary fees, costs and expenses incurred by the City with respect to the issuance of the Bonds, including the fees, compensation, costs and expenses paid or to be paid to the Paying Agent and Registrar, and legal fees, financial advisor fees, expenses and applicable gross receipts taxes.

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

"Fitch" means Fitch Ratings Group, its successors and their assigns, and, if such corporation is dissolved or liquidated or no longer performs the functions of a securities rating agency, any other nationally recognized securities rating agency designated by the City.

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

"Hold Harmless Distribution" means the distribution to the City made pursuant to Section 7-1-6.46 NMSA 1978, as that distribution relates to the gross receipts tax revenues received pursuant to Section 7-1-6.4 NMSA 1978, which revenues are reduced pursuant to the deductions under Sections 7-9-92 and 7-9-93 NMSA 1978; provided that the percentage of such distribution decreases annually as provided in Section 7-1-6.46 NMSA 1978 each year beginning on July 1, 2015 until the distribution is eliminated after July 1, 2029.

"Hold Harmless Gross Receipts Tax Income Fund" means the fund established, maintained and continued in Section 16 of this Bond Ordinance.

"Improvement Project" means (1) constructing, purchasing, furnishing, equipping, rehabilitating, making additions to or making improvements to the City's Civic Center Facilities; and (2) paying Expenses related to the issuance of the Bonds.

"Income Funds" means, collectively, the State-Shared Gross Receipts Tax Income Fund, the Hold Harmless Gross Receipts Tax Income Fund and the Convention Center Fee Income Fund, each established or continued in Section 16 of this Bond Ordinance.

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

"Insured Bank" means any federally or state-chartered savings and loan association or federally or state-chartered commercial bank, the deposits of which are insured by the Federal Deposit Insurance Corporation and which has, or is the lead bank of a parent holding company which has (i) unsecured, uninsured and unguaranteed obligations which are rated AA or better by Fitch and S&P or (ii) combined capital, surplus and undivided profits of not less than \$10,000,000.

"Interest Payment Date" means each June 15 and December 15, commencing June 15, 2017.

"Moody's" means Moody's Investor Service, its successors and their assigns, and, if such corporation is dissolved or liquidated or no longer performs the functions of a securities rating agency, any other nationally recognized securities rating agency designated by the City.

"NMSA 1978" means the New Mexico Statutes Annotated, 1978 Compilation, as amended and supplemented.

"Outstanding" or "outstanding" when used in reference to bonds means, on any particular date, the aggregate of all Bonds delivered under this Bond Ordinance except:

A. those cancelled at or prior to such date or delivered or acquired by the City at or prior to such date for cancellation;

B. those otherwise deemed to be paid in accordance with Section 28 or Section 31 of this Bond Ordinance;

C. those in lieu of or in exchange or substitution for which other Bonds shall have been delivered, unless proof satisfactory to the City and the Paying Agent is presented that any Bond for which a new Bond was issued or exchanged is held by a bona fide holder or in due course.

"Parity Bonds" means, as the context may require, Parity Convention Center Fee Bonds and/or Parity Gross Receipts Tax Bonds.

"Parity Convention Center Fee Bonds" or "Parity Convention Center Fee Obligations" means the Bonds and any other bonds or other obligations, now outstanding or hereafter issued or incurred, payable from and constituting a lien upon the Pledged Convention Center Fee on parity with the lien thereon of the Bonds, as provided in Section 20 of this Bond Ordinance.

"Parity Gross Receipts Tax Bonds" means the Bonds, the 2005 Bonds and the 2012 Bonds to which the City originally pledged the State-Shared Gross Receipts Tax Revenues and, pursuant to City Ordinance No. 2016-1282, has pledged the Pledged Hold Harmless Gross Receipts Tax Revenues as additional security, and any other bonds or obligations which may in the future be issued with a lien on Pledged State-Shared Gross Receipts Tax Revenues and Hold Harmless Gross Receipts Tax Revenues on parity with the lien thereon of the Bonds, the 2005 Bonds and the 2012 Bonds.

"Paying Agent" means the City Treasurer, as agent for the City for the payment of the Bonds or any other entity at the time appointed Paying Agent by resolution of the City Council.

"Permitted Investments" means, but only to the extent permitted by applicable laws of the State, ordinances of the City or the Investment Policy of the City, as amended from time to time, including the following:

A. Certificates of deposit issued by banks and savings and loan associations located within the geographical

boundaries of the City, collateralized in accordance with this policy and with a maximum stated maturity of five (5) years.

B. Obligations of the United States Government, its agencies, or instrumentalities excluding mortgage backed securities which are either direct obligations of the United States or are backed by the full faith and credit of the United States Government with a maximum stated maturity of five (5) years.

C. Repurchase agreements collateralized by obligations of the U.S. Government, its agencies, or instrumentalities.

D. The New Mexico State Treasurer's Local Government Investment Pool established pursuant to Sec. 6-10-10.1 NMSA 1978, and operated by the New Mexico State Treasurer.

E. Interest bearing demand accounts in approved depositories.

"Pledged Convention Center Fee Revenues" means the revenues derived from Convention Center Fees imposed by the City pursuant to Sections 5-13-1 through 5-13-15 NMSA 1978, as amended, and the Convention Center Fee Ordinance, for the use of rooms in lodging facilities located within the limits of the City, in the amount of \$2.50 per day per vendee, subject to the exceptions set forth in the Convention Center Fee Ordinance.

"Pledged Gross Receipts Tax Revenues" means the Pledged Hold Harmless Gross Receipts Tax Revenues and the Pledged State-Shared Gross Receipts Tax Revenues.

"Pledged Hold Harmless Gross Receipts Tax Revenues" means the revenues from the municipal hold harmless gross receipts tax transferred to the City pursuant to Section 7-1-6.12 NMSA 1978, which municipal hold harmless gross receipts tax is imposed pursuant to Section 7-19D-8 NMSA 1978, and Ordinance No. 2015-1278 imposed on all persons engaging in business in the municipality, subject to certain exemptions referenced in Sections 7-19D-4(A) and 7-19D-5 NMSA 1978 and the deductions specified in 7-19D-7 at the rate of one quarter percent (0.25%) of the gross receipts of a person engaging in business; which amounts are collected, and after any deductions for administrative costs and disbursements for tax credits, refunds and payment of interest applicable to such gross receipts tax and subject to any increase or decrease pursuant to Section 7-1-6.15 NMSA 1978, and are distributed monthly (together with the City's other gross receipts tax revenues not pledged to the Bonds) by the Revenue Division of the Taxation and Revenue Department of the State of New Mexico to the City pursuant to Section 7-1-6.12 NMSA 1978. The City intends that Section 3-31-6(C) NMSA 1978 and Section 7-19D-18(D) NMSA 1978 apply expressly to the amount of revenues pledged pursuant to this Bond Ordinance. The term "Pledged Hold Harmless Gross Receipts Tax Revenues" does not include any other local option gross receipts tax income received by the City.

"Pledged Revenues" means, collectively, the Pledged Convention Center Fee Revenues, the Pledged Hold Harmless Gross Receipts Tax Revenues and the Pledged State-Shared Gross Receipts Tax Revenues.

"Pledged State-Shared Gross Receipts Tax Revenues" means the revenues from the State gross receipts tax derived pursuant to Section 7-9-4 NMSA 1978, imposed on persons engaging in business in the State, which revenues are remitted to the City monthly by the New Mexico Department of Taxation and Revenue pursuant to Section 7-1-6 and 7-1-6.4 NMSA 1978, and which remittances currently equal one and two hundred twenty-five thousandths percent (1.225%) of the taxable gross receipts reported for the City for the month for which such remittances is made; provided that if a greater amount of such gross receipts tax revenues are hereafter provided to be remitted to the City under applicable law, such additional amounts shall be included as revenues pledged pursuant to this Bond Ordinance; and provided further that the amount of revenues pledged pursuant to this Bond Ordinance shall never be less than the greater of: (i) 1.225% of the taxable gross receipts remitted to the City by the State as set forth above, or (ii) the maximum amount at any time provided hereafter to be remitted to the City under applicable law, and includes the Hold Harmless Distribution; and provided further, the City intends that Section 3-31-6(C) NMSA 1978 applies expressly to the amount of revenues pledged pursuant to this Bond Ordinance (the term "Pledged State-Shared Gross Receipts Tax Revenues" does not include any local option gross receipts tax income received by the City).

"Purchaser" means the New Mexico Finance Authority or such other purchaser as may be designated in the Bond Purchase Agreement.

"Rating Category" means a generic securities rating category, without regard, in the case of a long-term rating category, to any refinement or gradation of such long-term rating category by a numerical modifier or otherwise.

"Registrar" means the City Treasurer, as agent for the City for transfer and exchange of the Bonds or any other entity at the time appointed by resolution of the City Council.

"Sale Resolution" means a resolution, and all amendments thereto of the Governing Body setting and approving the principal amounts, maturity dates, interest rates, prices, and other specifications for the Bonds within the parameters set in this Bond Ordinance, and relating to the issuance, sale and administration thereof.

"S&P" means S&P Global, its successors and their assigns, and, if such entity is dissolved or liquidated or no longer performs the functions of a securities rating agency, any other nationally recognized securities rating agency designated by the City.

"State" means the State of New Mexico.

"State-Shared Gross Receipts Tax Income Fund" means the Pledged Revenue Fund maintained by the City and continued in Section 16 of this Bond Ordinance.

"2005 Bonds" means the "City of Farmington, New Mexico State-Shared Gross Receipts Tax Revenue Bonds, Series 2005" issued in the original aggregate principal amount of \$5,725,000 and authorized by City Ordinance No. 2005-1164 adopted by the City Council on March 8, 2005, as supplemented by Resolution No. 2005-1136 adopted by the City Council on March 22, 2005.

"2012 Bonds" means the "City of Farmington, New Mexico Sales Tax rate Improvement and Refunding Revenue Bonds, Series 2012" issued in the original aggregate principal amount of \$10,665,000 and authorized by City Ordinance No. 2012-1254 adopted by the City Council on February 28, 2012, as supplemented by Resolution No. 2012-1426 adopted by the City Council on March 27, 2012.

Section 2. Ratification. All action heretofore taken (not inconsistent with the provisions of this Bond Ordinance) by the City Council and the officers of the City, directed toward the Improvement Project, the issuance of the Bonds for the Improvement Project and the sale of the Bonds to the Purchaser be, and the same hereby is, ratified, approved and confirmed.

Section 3. Authorization of the Improvement Project. The Improvement Project and the method of financing the Improvement Project are hereby authorized and ordered at a total cost estimated not to exceed the amount of the Bond proceeds and any investment earnings thereon, excluding any such cost defrayed or to be defrayed by any source other than Bond proceeds.

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

A. The Improvement Project is needed to meet the needs of the City and its inhabitants.

B. Moneys available for the Improvement Project from all sources other than the issuance of Revenue Bonds are not sufficient to defray the cost of the Improvement Project.

C. The Pledged Revenues may lawfully be pledged to secure the payment and redemption of the Bonds.

D. It is economically feasible to defray, in part, the cost of the Improvement Project by the issuance of the Bonds.

E. The issuance of the Bonds pursuant to the Act, to provide funds to finance the costs of the Improvement Project, is necessary and in the interest of the public health, safety and welfare of the residents of the City.

F. The City is current in the accumulation of all amounts which are required to have been accumulated in the debt service funds and the reserve funds for the Parity Bonds.

Section 5. Bonds - Authorization and Detail.

A. Authorization. This Bond Ordinance has been adopted by the affirmative vote of at least three-fourths of all of the members of the City Council. For the purpose of protecting the public health, conserving the property, and protecting the general welfare and prosperity of the citizens of the City, it is hereby declared necessary that the City, pursuant to the Act, issue its negotiable, fully registered, revenue bonds to be designated the "City of Farmington, New Mexico Gross Receipts Tax Civic Center Improvement Revenue Bonds, Series 2016," in an aggregate principal amount not to exceed \$12,500,000 (excluding any premium paid for the Bonds by the Purchaser) and the issuance, sale and delivery of the Bonds is hereby authorized. The Bonds shall be payable and collectible, both as to principal and interest, solely from the Pledged Revenues. The Bonds shall be sold by a private sale to the Purchaser pursuant to the Bond Purchase Agreement at the price established in the Sale Resolution and the Bond Purchase Agreement.

B. Parameters Authorized; Details of Bonds. There is hereby authorized and created a series of bonds designated as the City of Farmington, New Mexico Gross Receipts Tax Civic Center Improvement Revenue Bonds, Series 2016.

(1) The Bonds shall be issued subject to the following parameters:

- (aa) The Bonds shall be issued in an aggregate principal amount not to exceed \$12,500,000 (excluding any premium paid for the Bonds by the Purchaser) for the Improvement Project.
- (bb) The net effective interest rate on the Bonds shall not exceed 12% per annum.
- (cc) The final maturity of the Bonds shall not be later than June 15, 2042.

(2) The forms, terms, and provisions of the Bonds in the form set forth in Section 13 are hereby approved with only such changes therein as are not inconsistent with this Bond Ordinance and as shall be approved in the Sale Resolution.

(3) The Bonds shall be negotiable instruments but shall be issued only as fully registered bonds, in such numbers and denominations as may be requested by the Purchaser, but exchangeable for other fully registered Bonds of any denominations which are multiples of \$5,000. The Bonds shall be numbered separately and consecutively, shall be dated the date of their delivery to the Purchaser, shall mature on June 1 of each year and shall bear interest from the most recent date to which interest has been paid or provided for or, if no interest has been paid or provided for, from their date, payable semi-annually on June 1 and December 1 in each year commencing on June 1, 2017 until

their respective maturities. The Bonds shall bear the rates of interest, maturities and provisions for redemption prior to maturity as shall be established in the Sale Resolution.

Section 6. Prior Redemption.

A. Optional Redemption. Provisions for optional redemption of the Bonds shall be as established in the Sale Resolution.

B. Notice. Notice of redemption shall be given by the Registrar by sending a copy of such notice in the manner required by the Depository or by first-class, postage prepaid mail at least thirty (30) days prior to the redemption date to the registered owner of each Bond, or portion thereof, to be redeemed at the address shown as of the close of business of the Registrar on the fifth day prior to the mailing of notice on the registration books kept by the Registrar. The City shall give notice of optional redemption of the Bonds to the Registrar at least forty-five (45) days prior to the redemption date (unless such deadline is waived by the Registrar). The Registrar's failure to give such notice to the registered owner of any Bond, or any defect therein, shall not affect the validity of the proceedings for the redemption of any Bonds for which proper notice was given. Notices of redemption shall specify the maturity dates and the number or numbers of the Bonds to be redeemed (if less than all are to be redeemed) and if less than the full amount of any Bond is to be redeemed, the amount of such Bond to be redeemed, the date fixed for redemption, and that on such redemption date there will become and be due and payable upon each Bond to be redeemed at the office of the Paying Agent the principal amount to be redeemed plus accrued interest to the redemption date and that from and after such date interest will cease to accrue on such amount. Notice having been given in the manner hereinbefore provided, the Bond or Bonds so called for redemption shall become due and payable on the redemption date so designated and if an amount of money sufficient to redeem all Bonds called for redemption shall on the redemption date be on deposit with the Paying Agent, the Bonds to be redeemed shall be deemed not outstanding and shall cease to bear interest from and after such redemption date. Upon presentation of the Bonds to be redeemed at the office of the Paying Agent, the Paying Agent will pay the Bond or Bonds so called for redemption with funds deposited with the Paying Agent by the City.

C. Conditional Redemption. If money or Defeasance Obligations (as defined in Section 31) sufficient to pay the optional redemption price of the Bonds to be called for optional redemption are not on deposit with the Paying Agent prior to the giving of notice of optional redemption pursuant to subsection B of this Section, such notice shall state such Bonds will be redeemed in whole or in part on the optional redemption date in a principal amount equal to that part of the optional redemption price received by the Paying Agent on the applicable optional redemption date. If the full amount of the optional redemption price is not received as set forth in the preceding sentence, the notice shall be effective only for those Bonds for which the optional redemption price is on deposit with the Paying Agent. If all Bonds called for optional redemption cannot be redeemed, the Bonds to be redeemed shall be selected in the manner deemed reasonable and fair by the City and the Registrar shall give notice, in the manner in which the original notice or optional redemption was given, that such money was not received and

the information required by subsection B of this Section. In that event, the Registrar shall promptly return to the Owners thereof the Bonds or certificates which it has received evidencing the part thereof which have not been optionally redeemed.

Section 7. Filing of Manual Signatures. Prior to the execution of any Bond pursuant to Sections 6-9-1 to 6-9-6 NMSA 1978, as amended, the Mayor or Mayor Pro-Tem and City Clerk shall each file with the New Mexico Secretary of State his or her manual signature certified by him or her under oath; provided that filing shall not be necessary for any officer where any previous filing may have legal application to the Bonds.

Section 8. Execution and Authentication of Bonds.

A. Execution. The Bonds shall be signed with the engraved, imprinted, stamped or otherwise reproduced facsimile of the signature, or the manual signature, of the Mayor or Mayor Pro Tem and shall be attested with the facsimile or manual signature of the City Clerk. There shall be affixed to each Bond the printed, engraved, stamped or otherwise placed facsimile of, or imprint of, the City's corporate seal. The Bonds shall be authenticated by the manual signature of an authorized officer of the Registrar. The Bonds when authenticated and bearing the manual or facsimile signatures of the officers in office at the time of signing thereof shall be valid and binding special obligations of the City, notwithstanding that before delivery thereof and payment therefor, any or all of the persons whose signatures appear thereon shall have ceased to fill their respective offices. The Mayor or Mayor Pro-Tem and City Clerk, at the time of the execution of the Bonds and the signature certificate, each may adopt as and for his or her own facsimile signature, the facsimile signature of his or her predecessor in office if such facsimile signature appears upon any of the Bonds or certificates pertaining to the Bonds.

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

Section 9. Negotiability. The Bonds shall be fully negotiable and shall have all the qualities of negotiable paper and the Bondholders shall possess all rights enjoyed by the holders of negotiable instruments under the provisions of the Uniform Commercial Code. Except as set forth herein, the Bonds outstanding shall in all respects be equally and ratably secured, without preference, priority or distinction on account of the date or dates or the actual time or times of the issuance or maturity of the Bonds.

Section 10. Payment and Presentation of Bonds for Payment. Principal and interest on the Bonds shall be payable in lawful money of the United States of America, without deduction for exchange or collection charges. Principal shall be payable in immediately available funds at maturity or redemption thereof upon presentation and surrender of such Bond at the principal office of the Paying Agent or at the

designated office of any successor Paying Agent. Upon any partial prior redemption of any Bond, the registered owner, in its discretion, may request the Registrar to authenticate a new Bond or to make a notation on the Bond indicating the date and amount of prepayment, except in the case of final maturity, in which case the Bond must be presented to the Paying Agent prior to payment. Interest on the Bonds shall be payable by check or draft mailed to the registered owner thereof (or in such other manner as may be agreed upon by the Paying Agent and the registered owner), as shown on the registration books maintained by the Registrar at the address appearing therein on the 15th day of the calendar month next preceding the Interest Payment Date (the "Record Date"). Any interest which is not timely paid or provided for shall cease to be payable to the owner thereof (or of one or more predecessor Bonds) as of the Record Date, but shall be payable to the owner thereof (or of one or more predecessor Bonds) at the close of business on a special record date for the payment of that overdue interest. The special record date shall be fixed by the Paying Agent whenever moneys become available for payment of the overdue interest, and notice of the special record date shall be given to Bond owners not less than ten (10) days prior thereto. If any Bond presented for payment remains unpaid at maturity or redemption, it shall continue to bear interest at the rate or rates designated in, and applicable to, such Bond from time to time. If any Bond is not presented for payment at maturity or redemption when funds available therefor have been deposited with the Paying Agent, it shall cease bearing interest on and from the date of maturity or redemption.

Section 11. Registration, Transfer, Exchange and Ownership of Bonds.

A. Registration, Transfer and Exchange. The City shall cause books for registration, transfer, and exchange of the Bonds as provided herein to be kept at the principal office of the Registrar. Upon surrender for transfer or exchange of any fully registered Bond at the principal office of the Registrar duly endorsed by the registered owner or his attorney duly authorized in writing, or accompanied by a written instrument or instruments of transfer or exchange in form satisfactory to the Registrar and duly executed, the Registrar shall authenticate and deliver, not more than three (3) business days after receipt of the Bond or Bonds to be transferred, in the name of the transferee or registered owner, as appropriate, a new Bond or Bonds in authorized denominations, in fully registered form of the same aggregate principal amount, maturity and interest rate.

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

C. Owner of the Bonds. The person in whose name any Bond is registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of either the principal or interest on any such Bond shall be made only to or upon the order of the registered

owner thereof or his legal representative as stated herein, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

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

E. Additional Bonds. Executed but unauthenticated Bonds are hereby authorized to be delivered to the Registrar in such quantities as may be convenient to be held in custody by the Registrar pending delivery as herein provided.

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

G. Successor Registrar or Paying Agent. If the Registrar or Paying Agent initially appointed hereunder shall resign or is prohibited by law from continuing as Registrar or Paying Agent, or if the City shall reasonably determine that the Registrar or Paying Agent has become incapable of fulfilling its duties hereunder, the City may, upon notice mailed to each registered owner of Bonds at the address last shown on the registration books, appoint a successor Registrar or Paying Agent, or both. Every such successor Registrar or Paying Agent shall be a bank or trust company located in and in good standing in the United States and having a shareholders' equity (e.g., capital stock, surplus and undivided profits), however denominated, not less than \$50,000,000. It shall not be required that the same institution serves as both Registrar and Paying Agent hereunder, but the City shall have the right to have the same institution serve as both Registrar and Paying Agent hereunder.

H. Book-Entry. The Bonds may be issued or registered, in whole or in part, in book-entry form from time to time with no physical distribution of bond certificates made to the public, with a Depository acting as securities depository for the Bonds. A single certificate for each maturity date of the Bonds issued in book-entry form will be delivered to the Depository and immobilized in its custody. The book-entry system will evidence ownership of the Bonds in authorized denominations, with transfer of ownership effected on the books of the Depository and its participants ("Participants"). As a condition to delivery of the Bonds in book-entry form, the Underwriters will, immediately after acceptance of delivery thereof, deposit, or cause to be deposited, the Bond certificates with the Depository, registered in the name of the Depository or its nominee. Principal, premium, if any, and interest will be paid to the Depository or its nominee as the registered

owner of the Bonds. The transfer of principal, premium, if any, and interest payments to Participants will be the responsibility of the Depository; the transfer of principal, premium, if any, and interest payments to the beneficial owners of the Bonds (the "Beneficial Owners") will be the responsibility of Participants and other nominees of Beneficial Owners maintaining a relationship with Participants (the "Indirect Participants"). The City will not be responsible or liable for maintaining, supervising or reviewing the records maintained by the Depository, Participants or Indirect Participants.

If (i) the Bonds are not eligible for the services of the Depository, (ii) the Depository determines to discontinue providing its services with respect to the Bonds or (iii) the City determines that a continuation of the system of book-entry transfers through the Depository ceases to be beneficial to the City or the Beneficial Owners, the City will either identify another Depository or certificates for the Bonds will be delivered to the Beneficial Owners or their nominees, and the Beneficial Owners or their nominees, upon authentication of Bonds and registration of those Bonds in the Beneficial Owners' or nominees' names, will become the owners of the Bonds for all purposes. In that event, the City shall mail an appropriate notice to the Depository for notification to Participants, Indirect Participants and Beneficial Owners of the substitute Depository or the issuance of bond certificates to Beneficial Owners or their nominees, as applicable.

Officers of the City are authorized to sign agreements with the Depository relating to the matters set forth in this Section.

Notwithstanding any other provision of this Bond Ordinance, so long as all of the Bonds are registered in the name of the Depository or its nominee, all payments of principal, premium, if any, and interest on the Bonds, and all notices with respect to the Bonds, shall be made and given by the Paying Agent, Registrar or the City to the Depository as provided in this Bond Ordinance and by the Depository to its Participants or Indirect Participants and notices to the Beneficial Owners of the Bonds in the manner provided in an agreement or letter of the City to the Depository.

Section 12. Special Limited Obligations. All of the Bonds and all payments of principal, premium, if any, and interest thereon whether at maturity or on a redemption date, together with any interest accruing thereon, shall be special limited obligations of the City and shall be payable and collectible solely from the Pledged Revenues, which revenues are so pledged and are payable as set forth in Section 17 of this Bond Ordinance. The owner or owners of the Bonds may not look to any general or other fund for the payment of the principal of or interest on such obligations, except the designated special funds pledged therefor. The Bonds shall not constitute an indebtedness or a debt of the City within the meaning of any constitutional, charter or statutory provision or limitation, nor shall they be considered or held to be general obligations of the City, and each of the Bonds shall recite that it is payable and collectible solely out of the Pledged Revenues, pledged as set forth in this Bond Ordinance, and that the holders thereof may not look to any general or other municipal fund for the payment of the principal of and interest on the Bonds. Nothing herein shall prevent the

City from applying other funds of the City legally available therefor to the payment of the Bonds, in its sole discretion.

Section 13. Form of Bonds. The forms, terms and provisions of the Bonds shall be substantially in the form set forth below, with such changes therein as are not inconsistent with this Bond Ordinance.

(Form of Bond)

UNITED STATES OF AMERICA

STATE OF NEW MEXICO

COUNTY OF SAN JUAN

CITY OF FARMINGTON, NEW MEXICO

GROSS RECEIPTS TAX CIVIC CENTER IMPROVEMENT REVENUE BONDS,  
SERIES 2016

Bond No. \_\_\_\_\_  
\$ \_\_\_\_\_

INTEREST RATE	MATURITY DATE	DATE OF BOND
CUSIP		
% per annum	June 15, _____	_____, 2016
_____		

REGISTERED OWNER: \_\_\_\_\_

PRINCIPAL AMOUNT: \_\_\_\_\_

The City of Farmington (the "City"), in the County of San Juan and State of New Mexico, a municipal corporation duly organized and existing under the Constitution and laws of the State of New Mexico, for value received, hereby promises to pay, solely from the special funds available for the purpose as hereinafter set forth, to the registered owner named above or registered assigns, on the Maturity Date specified above, upon presentation and surrender hereof at the principal office of the City Treasurer, Farmington, New Mexico, as paying agent, or any successor paying agent (the "Paying Agent"), the Principal Amount stated above, in lawful money of the United States of America, and to pay from such sources interest on the unpaid principal amount at the Interest Rate on June 1, 2017 and each June 1 and December 1 of each year (each an "Interest Payment Date") thereafter to its maturity, or until redeemed if called for redemption prior to maturity. This bond will bear interest from the most recent date to which interest has been paid or provided for or, if no interest has been paid or provided for, from its date. Interest on this bond is payable by check mailed to the registered owner hereof (or by such other arrangement as may be mutually agreed to by the Paying Agent and the registered owner) as shown on the registration books for this issue maintained by the City Treasurer, Farmington, New Mexico, as registrar, or any successor registrar (the "Registrar") at the address appearing therein at the close of business on the fifteenth day of the calendar month next preceding the Interest Payment Date (the "Record Date"). Any interest which is not timely paid or duly provided for shall cease to be payable to the owner hereof as of the Record Date but shall be payable to the owner hereof at the close of business on a special record date to be fixed by the Paying Agent for the payment of interest. The special record date shall be fixed by the Paying Agent whenever moneys become available for payment of the overdue interest, and notice of the special record date shall be given to owners of Bonds (defined below) as then shown on the Registrar's registration books not less than ten (10) days prior to the special record date. If, upon presentation at maturity or redemption, payment of this bond is not made as herein provided, interest hereon shall continue at the Interest Rate until the

principal hereof is paid in full. The principal, premium, if any, and interest on this bond are payable in lawful money of the United States of America, without deduction for the services of the Paying Agent or the Registrar.

This bond is one of a duly authorized series of fully registered bonds of the City in the aggregate principal amount of \$ \_\_\_\_\_ issued in denominations of \$5,000 or integral multiples thereof, designated as the City of Farmington Gross Receipts Tax Civic Center Improvement Revenue Bonds, Series 2016 (the "Bonds") issued under and pursuant to City Ordinance No. \_\_\_\_\_, as supplemented by Resolution No. \_\_\_\_\_ (together, the "Bond Ordinance").

The Bonds maturing on and after June 15, 20\_\_, are subject to prior redemption at the City's option in one or more units of principal of \$5,000 on and after June 15, 20\_\_ in whole or in part at any time, in such order of maturities as the City may determine (and by lot if less than all of the bonds of such maturity is called, such selection by lot to be made by the Registrar in such manner considered appropriate and fair), for the principal amount of each \$5,000 unit of principal so redeemed plus accrued interest to the redemption date.

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

Notice of redemption of this bond will be given by providing at least thirty (30) days prior written notice in the manner required by the depository for the Bonds or by first-class postage prepaid mail to the owner hereof at the address shown on the registration books as of the fifth day prior to the mailing of notice as provided in the Bond Ordinance. Notices of redemption will specify the number or numbers and maturity date of the Bonds to be redeemed (if less than all are to be redeemed), the date fixed for redemption, the amount of such Bond to be redeemed (if less than the full amount of any Bond is to be redeemed), and shall further state that on such redemption date there will become due and payable upon each Bond to be redeemed at the office of the Paying Agent the principal amount thereof plus accrued interest to the redemption date and that from and after such date, the redemption amount having been deposited and notice having been given, interest will cease to accrue. Upon any partial prior redemption of this bond, the registered owner, in its discretion, may request the Registrar to authenticate a new bond or to make an appropriate notation on this bond indicating the date and amount of prepayment, except in the case of final maturity, in which case this bond must be presented to the Paying Agent prior to payment.

Books for the registration and transfer of the Bonds shall be kept by the Registrar. Upon the surrender for transfer or exchange of a Bond at the principal office of the Registrar, duly endorsed or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing, the Registrar shall authenticate and deliver, not more than three (3) business days after receipt of the Bond or Bonds to be transferred, in the name of the transferee or owner a new Bond or

Bonds in fully registered form of the same aggregate principal amount, maturity and interest rate, bearing a number or numbers not contemporaneously outstanding. Exchanges and transfers of Bonds shall be without charge to the owner or any transferee, but the Registrar may require the payment by the owner of any Bond of any tax or other similar governmental charge required to be paid with respect to such exchange or transfer. The Registrar shall not be required (i) to transfer or exchange any Bond during the period of fifteen (15) days next preceding the mailing of notice calling any Bonds for redemption, or (ii) to transfer or exchange any Bond or part thereof called for redemption. The Registrar will close books for change of registered owners' addresses on each Record Date; transfers will be permitted within the period from each Record Date to each Interest Payment Date, but such transfers shall not include a transfer of accrued interest payable.

The person in whose name any Bond is registered on the registration books kept by the Registrar shall be deemed and regarded as the absolute owner thereof for the purpose of making payment thereof and for all other purposes except as may otherwise be provided with respect to payment of interest in the Bond Ordinance; and payment of or on account of either principal or interest on any Bond shall be made only to or upon the written order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to discharge the liability upon such Bond to the extent of the sum or sums so paid.

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

This Bond does not constitute an indebtedness of the City within the meaning of any constitutional or statutory provision or limitation, shall not be considered or held to be a general obligation of the City, and is payable and collectible solely out of the revenues derived from the revenues from the Pledged Revenues (as such term is defined in the Bond Ordinance) and the bondholders may not look to any other general or other municipal fund for the payment of the interest and principal of this bond. The lien of the Bonds on the Pledged Revenues is an irrevocable and first lien, but not necessarily an exclusive first lien, on the Pledged Revenues. Upon satisfaction of the conditions set forth in the Bond Ordinance, additional bonds may be issued and made payable from the Pledged Revenues having a lien thereon either on a parity with, or subordinate and junior to, the lien on the Pledged Revenues of the Bonds, but additional bonds may not be issued with a lien thereon superior to the lien thereon of the Bonds. Amounts and securities held in the Debt Service Fund and the Reserve Fund, as such terms are defined in the Bond Ordinance, have been exclusively pledged for payment of the principal of, premium, if any, and interest on the Bonds.

The Bonds are issued to provide funds to defray in part the costs of (1) constructing, purchasing, furnishing, equipping, rehabilitating, making additions to or making improvements to the City's Civic Center Facilities; and (2) paying Expenses related to the issuance of the Bonds.

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

This Bond is subject to the condition, and every owner hereof by accepting the same agrees with the obligor and every subsequent owner hereof, that the principal of and interest on this bond shall be paid, and this bond is transferable, free from and without regard to any equities, set-offs or crossclaims between the obligor and the original or any other owner hereof.

It is hereby certified that all acts and conditions necessary to be done or performed by the City or to have happened precedent to and in the issuance of the Bonds to make them legal, valid and binding special obligations of the City have been performed and have happened as required by law, and that the Bonds do not exceed or violate any constitutional or statutory limitation of or pertaining to the City.

This bond shall not be valid or obligatory for any purpose until the Registrar shall have manually signed the Certificate of Authentication.

IN WITNESS WHEREOF, the City of Farmington, New Mexico has caused this bond to be signed and executed on the City's behalf with the facsimile or manual signature of the Mayor or Mayor Pro-Tem and the facsimile or manual signature of the City Clerk and has caused the corporate seal of the City or a facsimile thereof to be affixed hereon, all as of the Date of Bond.

CITY OF FARMINGTON, NEW MEXICO

By \_\_\_\_\_  
Mayor or Mayor Pro-Tem

By \_\_\_\_\_  
City Clerk

(FACSIMILE SEAL)

(Form of Registrar's Certificate of Authentication)

Certificate of Authentication

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

Date of Authentication:

City Treasurer of the City of  
Farmington,  
New Mexico, as Registrar

By \_\_\_\_\_

\_\_\_\_\_  
Authorized Officer

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

(Form of Assignment)

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

\_\_\_\_\_

Social Security or Tax Identification No. of  
Assignee \_\_\_\_\_

Dated: \_\_\_\_\_

Signature Guarantee:

\_\_\_\_\_

NOTE: The assignor's signature to this Assignment must correspond with the name as written on the face of the within bond in every particular, without alteration or enlargement or any change whatsoever.

(End of Form of Assignment)

(End of Form of Bond)

Section 14. Period of Improvement Project Usefulness. It is hereby determined and recited that the period of usefulness of the projects financed with the proceeds of the Bonds is not less than the final maturity date of the Bonds.

Section 15. Use of Bond Proceeds and Other Funds; Completion of Project. Except as herein otherwise specifically provided, the proceeds derived from the sale of the Bonds, shall be used and paid solely for the valid costs of the Improvement Project.

A. Expenses. An amount necessary, together with other legally available funds of the City, shall be used to pay Expenses.

B. Acquisition Fund. All remaining proceeds derived from the sale of the Bonds shall be deposited promptly upon the receipt thereof in the Acquisition Fund. Until the completion of the Improvement Project, the money in the Acquisition Fund shall be used and paid out solely for the purpose of the Improvement Project in compliance with applicable law.

C. Improvement Project Completion. As soon as practicable after completion of the Improvement Project, and in any event not more than 60 days after completion of the Improvement Project, any proceeds remaining unspent (other than any amount retained by the City for any Improvement Project costs not then due and payable) shall be transferred and deposited in the Debt Service Fund and used by the City to pay principal and interest on the Bonds as same become due.

D. Purchaser Not Responsible. The Purchaser of the Bonds shall in no manner be responsible for the application or disposal by the City or by its officers of the funds derived from the sale thereof or of any other funds herein designated.

Section 16. Funds and Accounts. The City hereby creates and continues the following special and separate funds and accounts:

A. Acquisition Fund. The "City of Farmington, New Mexico Gross Receipts Tax Civic Center Improvement Revenue Bonds, Series 2016 Acquisition Fund" to be maintained by the City.

B. State-Shared Gross Receipts Tax Income Fund. So long as any of the Bonds or Parity Gross Receipts Tax Obligations shall be outstanding, either as to principal or interest, or both, the State-Shared Gross Receipts Tax Revenues shall be set aside and deposited monthly into a separate fund (which shall be a segregated account) known as the "City of Farmington State-Shared Gross Receipts Tax Income Fund" which Income Fund was created in City Ordinance No. 2001-1126 and is continued herein.

C. Hold Harmless Gross Receipts Tax Income Fund. So long as any of the Bonds or Parity Gross Receipts Tax Obligations shall be outstanding, either as to principal or interest, or both, the Hold Harmless Gross Receipts Tax Revenues shall be set aside and deposited monthly into a separate fund (which shall be a segregated account) known as the "City of Farmington Hold Harmless Gross Receipts Tax Income Fund" which Income Fund is hereby established.

D. Convention Center Fee Income Fund. So long as any of the Bonds or Convention Center Fee Obligations shall be outstanding, either as to principal or interest, or both, the Pledged Convention Center Fee Revenues shall be set aside and deposited monthly into a separate fund (which shall be a segregated account) known as the "City of Farmington Convention Center Fee Income Fund" which Income Fund is hereby established.

Section 17. Purchaser Not Responsible. The Purchaser of the Bonds shall in no manner be responsible for the application or disposal by the City or by its officers of the funds derived from the sale thereof or any other funds herein designated.

Section 18. Reserved.

Section 19. Administration of Income Funds. So long as any of the Bonds shall remain outstanding, either as to principal or interest or both, the following payments shall be made monthly from the Pledged Revenues:

A. Bond Account Payments. The following amounts shall be withdrawn, in the order provided in subparagraph (3) of this subsection A, from each of the Income Funds (and on parity with other outstanding Parity Gross Receipts Tax Bonds and Parity Convention Center Fee Bonds), and shall be concurrently credited to the Bond Account:

(1) Monthly, commencing on the first day of the month immediately succeeding the delivery of the Bonds, an amount in equal monthly installments necessary, together with any other moneys therein and available therefor, to pay the next maturing installment of interest on the Bonds, and monthly thereafter, commencing on each Interest Payment Date, one-sixth (1/6) of the amount necessary to pay the next maturing installment of interest on the Bonds then outstanding.

(2) Monthly, commencing on the first day of the month immediately succeeding the delivery of the Bonds, an amount in equal monthly installments necessary, together with any other moneys therein and available therefor, to pay the next maturing installment of principal of the outstanding Bonds and monthly thereafter, commencing on each principal payment date, one-twelfth (1/12) of the amount necessary to pay the next maturing installment of principal on the Bonds then outstanding.

(3) Unless the City determines that such amounts shall be withdrawn from such funds in some other order, for the purpose of making the transfers set forth in subparagraphs (1) and (2) of this subsection A, moneys shall be withdrawn in the following order:

FIRST: from the State-Shared Gross Receipts Tax Income Fund for credit to the Bond Account; to the extent that amounts available for such withdrawal from the State-Shared Gross Receipts Income Fund are not sufficient to pay the amounts required in subparagraphs (1) and (2) of this subsection A,

SECOND: from the Hold Harmless Gross Receipts Tax Income Fund for credit to the Bond Account; to the extent that amounts available for such withdrawal from the State-Shared Gross Receipts Tax Income Fund are not sufficient to pay the amounts required in subparagraphs (1) and (2) of this subsection A,

THIRD: from the Convention Center Fee Income Fund for credit to the Bond Account, to the extent that amounts available for such withdrawal from the State-Shared Gross Receipts Tax Income Fund and the Hold Harmless Gross Receipts Tax Income Fund are not sufficient to pay the amounts required in subparagraphs (1) and (2) of this subsection A.

Notwithstanding the foregoing, nothing contained herein shall be construed as prohibiting the City from making the payments required hereby from any other legally available funds.

B. Credit. In making the deposits required to be made into the Bond Account, if there are any amounts then on deposit in the Bond Account available for the purpose for which such deposit is to be made, the amount of the deposit to be made pursuant to subsection A above shall be reduced by the amount available in such fund for such purpose.

C. Transfer of Money out of Bond Account. Each payment of principal and interest becoming due on the Bonds shall be transferred from the Bond Account to the Paying Agent on or before two Business Days prior to the due date of such payment.

D. Defraying Delinquencies in the Bond Account. If, in any month, the City shall, for any reason, fail to pay into the Bond Account the full amount required, the difference between the amount paid and the amount so stipulated shall be paid therein from the first Pledged Revenues thereafter received and not required to be otherwise applied.

E. Payment of Parity Obligations. Concurrently with the payment of the Pledged Revenues required by subsections A and D of this Section, any amounts on deposit in the State-Shared Gross Receipts Tax Income Fund and the Hold Harmless Gross Receipts Tax Income Fund shall be used by the City for the payment of principal of, interest on and debt service reserve fund deposits relating to outstanding Parity Gross Receipts Tax Bonds payable from such Pledged Gross Receipts Tax Revenues, as the same become due, and any amounts on deposit in the Convention Center Fee Income Fund shall be used by the City for the payment of the principal of, interest on and debt service reserve deposits relating to outstanding Parity Convention Center Fee Bonds. If funds on deposit in the respective Income Funds are not sufficient to pay when due the required payments of principal of, interest on and debt service reserve fund deposits relating to the Bonds and any other outstanding Parity Bonds, then the available funds in the Income Funds will be used, first, on a pro-rata basis, based on the amount of principal and interest then due with respect to each series of outstanding Parity Bonds, for the payment of principal of and interest on all series of outstanding Parity Bonds and, second, to the extent of remaining available funds in the Income Funds on a pro rata basis, based on the amount of debt service reserve fund deposits then required with respect to each series of outstanding Parity Bonds, for the required debt service reserve fund deposits for all series of outstanding Parity Bonds; provided, that in no event shall the City be required to (i) use Pledged Gross Receipts Tax

Revenues to pay the principal of or interest on Parity Convention Center Fee Bonds which do not also constitute a lien on the Pledged Gross Receipts Tax Revenues, or (ii) use Pledged Convention Center Fee Revenues to pay the principal of or interest on Parity Gross Receipts Tax Bonds which do not also constitute a lien on the Pledged Convention Center Fee Revenues.

F. Termination upon Deposits to Maturity. No payment shall be made into the Bond Account if the amounts in such funds total a sum at least equal to the entire aggregate amount due as to principal, premium, if any, and interest, on the Bonds to their respective maturities or applicable redemption dates, in which case moneys in the Bond Account in an amount at least equal to such principal and interest requirements shall be used solely to pay such obligations as the same become due, and any moneys in excess thereof in the Bond Account may be used as provided below.

G. Payment of Subordinate Lien Obligations. Subsequent to the payments required by subsections A, D and E of this Section, any balance remaining in the Income Funds, after making the payments hereinabove provided shall be used by the City for the payment of interest on and the principal of additional bonds or other obligations, if any, having a lien on any of the Pledged Revenues subordinate to the lien thereon of the Bonds hereafter authorized, issued and payable from the Pledged Revenues, as the same become due. Payments with respect to principal, interest and reserve funds for any such subordinate lien obligations may be made at any intervals as may be provided in the ordinance or resolution authorizing such additional obligations.

H. Surplus Revenues. After making all the payments hereinabove required to be made by this Section, the remaining Pledged Revenues, if any, may be applied to any other lawful purpose, as the City may from time to time determine.

Section 20. General Administration of Funds. The funds and accounts designated in this Bond Ordinance shall be administered as follows:

A. Investment of Money. Any moneys in any fund or account designated in Sections 16 through 19 hereof may be invested in any Permitted Investment then permitted by New Mexico law, except as is provided in Section 26 hereof with respect to defeasance. The obligations so purchased as an investment of moneys in any such fund or account shall be deemed at all times to be part of said fund or account, and the interest accruing thereon and any profit realized therefrom shall be credited to the fund or account, and any loss resulting from each investment shall be charged to the fund or account. The City Treasurer shall present for redemption or sale on the prevailing market any obligations so purchased as an investment of moneys in the fund or account whenever it shall be necessary to do so in order to provide moneys to meet any payment or transfer from such fund or account.

B. Deposits of Funds and Accounts. The moneys and investments comprising each of the funds and accounts hereinabove designated in Sections 16 through 19 of this Bond Ordinance shall be maintained and kept separate from all other funds and accounts in an Insured Bank or Insured Banks. The amounts prescribed shall be paid to

the appropriate funds or accounts as specified in Sections 16 through 19. Each payment shall be made into the proper bank account and credited to the proper fund or account not later than the last day designated; provided that when the designated date is a Saturday, Sunday or a legal holiday, then such payment shall be made on the next preceding business day. Nothing herein shall prevent the establishment of one such bank account or more (or consolidation with any existing bank account), for all of the funds and accounts in Sections 16 through 19 of this Bond Ordinance.

Section 21. First Lien on Pledged Revenues. The Bonds constitute an irrevocable and first lien (but not necessarily an exclusively first lien) on the Pledged Revenues.

Section 22. Lien on Pledged Revenues. The Pledged Revenues and the amounts and securities on deposit in the Bond Account, and the proceeds thereof, are hereby authorized to be pledged to, and are hereby pledged, and the City grants a security interest therein for, the payment of the principal of, premium, if any, and interest on the Bonds, subject to the uses thereof permitted by, and the priorities set forth in, this Bond Ordinance. The Bonds constitute an irrevocable and first lien, but not an exclusive first lien on the Pledged Revenues on parity with the lien thereon of the 2005 Bonds, the 2012 Bonds, as related to the Pledged Gross Receipts Tax Revenues, and additional Parity Bonds, if any, hereafter authorized to be issued and payable from the Pledged Revenues.

Section 23. Additional Bonds and Other Obligations.

A. Limitations upon Issuance of Other Parity Gross Receipts Tax Obligations. Nothing in this Bond Ordinance contained shall be construed in such a manner as to prevent the issuance by the City of additional bonds or other obligations payable from the Pledged Gross Receipts Tax Revenues and constituting a lien upon said revenues on a parity with, but not prior nor superior to, the lien of the Bonds herein authorized, nor to prevent the issuance of bonds or other obligations refunding all or a part of the Bonds herein authorized, provided, however, that before any such additional Parity Gross Receipts Tax Obligations are authorized or actually issued, including those refunding obligations which refund subordinate bonds or other subordinate obligations, as permitted in subsection C of this Section 23 (but excluding any Parity Gross Receipts Tax Obligations which refund outstanding Parity Gross Receipts Tax Bonds and other parity lien obligations as permitted by Sections 23C(1) and 23E(1) hereof):

(1) The City is then current in all of the accumulations required to be made into the Bond Account pursuant to Section 19 of this Bond Ordinance; and

(2) The Pledged Gross Receipts Tax Revenues received by the City for the Fiscal Year immediately preceding the date of the issuance of such additional Parity Obligations shall have been sufficient to pay an amount representing at least 200% of the combined maximum annual principal and interest coming due in any subsequent Fiscal Year on the then outstanding Bonds, all other than outstanding Parity Gross Receipts Tax Obligations and the Parity Gross Receipts Tax Obligations proposed to be issued (excluding any accumulation for reserves therefor).

For purposes of the tests set forth in clauses (1) and (2) above, if on the date of issuance of any such Parity Gross Receipts Tax Obligations the full amount of a reserve fund requirement for the Parity Gross Receipts Tax Obligations is immediately funded or capitalized from the proceeds of such Parity Gross Receipts Tax Obligations, the amount of such reserve fund requirement so funded shall be deducted from the principal and interest coming due in the final Fiscal Year for the proposed additional Parity Gross Receipts Tax Obligations.

B. Limitations upon Issuance of Other Parity Convention Center Fee Obligations. Nothing in this Bond Ordinance contained shall be construed in such a manner as to prevent the issuance by the City of additional bonds or other obligations payable from the Pledged Convention Center Fee Revenues and constituting a lien upon said revenues on a parity with, but not prior nor superior to, the lien of the Bonds herein authorized, nor to prevent the issuance of bonds or other obligations refunding all or a part of the Bonds herein authorized, provided, however, that before any such additional Parity Convention Center Fee Obligations are authorized or actually issued, including those refunding obligations which refund subordinate bonds or other subordinate obligations, as permitted in subsection C of this Section 23 (but excluding any Parity Convention Center Fee Obligations which refund outstanding Parity Convention Center Fee Bonds and other parity lien obligations as permitted by Sections 23C(1) and 23E(1) hereof):

(1) The City is then current in all of the accumulations required to be made into the Bond Account pursuant to Section 19 of this Bond Ordinance; and

(2) The Pledged Convention Center Fee Revenues received by the City for the Fiscal Year immediately preceding the date of the issuance of such additional Parity Convention Center Fee Obligations shall have been sufficient to pay an amount representing at least 110% of the combined maximum annual principal and interest coming due in any subsequent Fiscal Year on the then outstanding Bonds, all other than outstanding Parity Convention Center Fee Obligations and the Parity Gross Convention Center Fee Obligations proposed to be issued (excluding any accumulation for reserves therefor).

For purposes of the tests set forth in clauses (1) and (2) above, if on the date of issuance of any such Parity Convention Center Fee Obligations the full amount of a reserve fund requirement for the Parity Convention Center Fee Obligations is immediately funded or capitalized from the proceeds of such Parity Convention Center Fee Obligations, the amount of such reserve fund requirement so funded shall be deducted from the principal and interest coming due in the final Fiscal Year for the proposed additional Parity Convention Center Fee Obligations.

C. Certificate or Opinion of Earnings. A written certification or opinion by an Independent Accountant or the City's Administrative Services Director that said annual Gross Receipts Tax Pledged Revenues or Convention Center Fee Revenues, as applicable, for such preceding Fiscal Year are sufficient to pay the amounts set forth in Subsection A(2) or B(2) of this Section, as applicable, shall be conclusively presumed to be accurate in determining the right of the City

to authorize, issue, sell and deliver said additional bonds or other obligations on parity with the Bonds herein authorized.

D. Subordinate Obligations Permitted. Nothing in this Bond Ordinance contained shall be construed in such a manner as to prevent the issuance by the City of additional bonds or other obligations payable from the Pledged Gross Receipts Tax Revenues or Pledged Convention Center Fee Revenues, as applicable, and constituting a lien upon said Pledged Gross Receipts Tax Revenues or Pledged Convention Center Fee Revenues, as applicable, subordinate or junior in all respects to the lien of the Bonds herein authorized.

E. Superior Obligations Prohibited. Nothing herein contained shall be construed so as to permit the City to issue bonds or other obligations payable from the Pledged Gross Receipts Tax Revenues or Convention Center Fee Revenues having a lien thereon prior and superior to the Bonds.

Section 24. Refunding Bonds. The provisions of Section 23 hereof are subject to the following exceptions:

A. Privilege of Issuing Refunding Obligations. If at any time after the Bonds, or any part thereof, shall have been issued and remain outstanding, the City shall find it desirable to refund any outstanding bonds or other outstanding obligations payable from Pledged Gross Receipts Tax Revenues or Pledged Convention Center Fee Revenues, such bonds or other obligations, or any part thereof, may be refunded (but only with the consent of the registered owner or owners thereof, unless the bonds or other obligations, at the time of their required surrender for payment shall then mature, or shall then be callable for prior redemption at the City's option), regardless of whether the priority of the lien for the payment of the refunding obligations on the Pledged Gross Receipts Tax Revenues or Pledged Convention Center Fee Revenues, as applicable, is changed (except as provided in subsection E of Section 23 and in subsections B and C of this Section).

B. Limitations Upon Issuance of Parity Refunding Obligations. No refunding bonds or other refunding obligations payable from the Pledged Gross Receipts Tax Revenues or Pledged Convention Center Fee Revenues, as applicable, shall be issued on parity with the Bonds herein authorized, unless:

(1) The lien on the Pledged Gross Receipts Tax Revenues or Pledged Convention Center Fee Revenues, as applicable, of the outstanding obligations so refunded is on a parity with the lien thereon of the Bonds herein authorized; or

(2) The refunding bonds or other refunding obligations are issued in compliance with Subsection A of Section 23 hereof.

C. Refunding Part of an Issue. The refunding bonds or other obligations so issued shall enjoy complete equality of lien with the portion of any bonds or other obligations of the same issue which is not refunded, if any there be; and the registered owner or owners of such refunding bonds or such other refunding obligations shall be subrogated

to all of the rights and privileges enjoyed by the registered owner or owners of the bonds or other obligations of the same issue refunded thereby.

D. Limitations Upon Issuance of any Refunding Obligations.

Any refunding bonds or other refunding obligations payable from the Pledged Gross Receipts Tax Revenues or Pledged Convention Center Fee Revenues, as applicable, shall be issued with such details as the City may by ordinance or resolution provide, subject to the inclusion of any such rights and privileges designated in Subsection C of this Section, but without any impairment of any contractual obligations imposed upon the City by any proceedings authorizing the issuance of any unrefunded portion of such outstanding obligations of any one or more issues (including but not necessarily limited to the issue herein authorized). If only a part of the outstanding bonds and any other outstanding obligations of any issue or issues payable from the Pledged Gross Receipts Tax Revenues or Pledged Convention Center Fee Revenues, as applicable, is refunded, then such obligations may not be refunded without the consent of the registered owner or owners of the unrefunded portion of such obligations, unless:

(1) The refunding bonds or other refunding obligations do not increase any aggregate annual principal and interest requirements evidenced by such refunding obligations and by the outstanding obligations not refunded on and prior to the last maturity date of such unrefunded obligations, or

(2) The refunding bonds or other refunding obligations are issued in compliance with Subsection A of Section 23 hereof, or

(3) The lien on the Pledged Gross Receipts Tax Revenues or Pledged Convention Center Fee Revenues, as applicable, for the payment of the refunding obligations is subordinate to each such lien for the payment of any obligations not refunded.

Section 25. Equality of Parity Gross Receipts Tax Bonds and Parity Convention Center Fee Bonds. The Parity Bonds from time to time outstanding shall not be entitled to any priority one over the other in the application of the Pledged Gross Receipts Tax Revenues or Pledged Convention Center Fee Revenues, as applicable, regardless of the time or times of their issuance or the date incurred, it being the intention of the City Council that, except as set forth herein, there shall be no priority among Parity Gross Receipts Tax Bonds or Parity Convention Center Fee Bonds, as applicable, regardless of whether they are actually issued and delivered or incurred at different times.

Section 26. Protective Covenants. The City hereby covenants and agrees with each and every holder of the Bonds issued hereunder:

A. Use of Bond Proceeds. The City will proceed without delay to apply the proceeds of the Bonds as set forth in Section 15 of this Bond Ordinance.

B. Payment of Bonds Herein Authorized. The City will promptly pay the principal of and the interest on every Bond at the

place, on the date and in the manner specified herein and in the Bonds according to the true intent and meaning hereof.

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

D. Extension of Interest Payments. In order to prevent any accumulation of claims for interest after maturity, the City will not directly or indirectly extend or assent to the extension of time for the payment of any claim for interest on any of the Bonds, and the City will not directly or indirectly be a party to or approve any arrangements for any such extension.

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

F. Audits and Budgets. The City will, within two hundred and seventy (270) days following the close of each Fiscal Year, cause an audit of its books and accounts relating to the Pledged Revenues to be commenced by an Independent Accountant showing the receipts and disbursements in connection with such revenues.

G. Other Liens. Other than as described and identified by this Bond Ordinance, there are no liens or encumbrances of any nature whatsoever on or against the Pledged Revenues.

H. Impairment of Contract. The City agrees that any law, ordinance or resolution of the City that in any manner affects the Pledged Revenues or the Bonds shall not be repealed or otherwise directly or indirectly modified, in such a manner as to impair adversely any Bonds outstanding, unless such Bonds have been discharged in full or provision has been fully made therefor or unless the required consents of the holders of the then outstanding Bonds are obtained pursuant to Section 30 of this Bond Ordinance.

I. Bond Account. The Bond Account shall be used solely and only, and those funds are hereby pledged, for the purposes set forth in this Bond Ordinance.

J. Surety Bonds. Each municipal official and employee being responsible for receiving Pledged Revenues shall be bonded at all times, which bond shall be conditioned upon the proper application of such funds.

K. Performing Duties. The City will faithfully and punctually perform all duties with respect to the Bonds required by the Constitution and laws of the State of New Mexico and the ordinances and resolutions of the City relating to the Bonds.

L. Tax Covenants. The City covenants that it will restrict the use of the proceeds of the Bonds in such manner and to such

extent, if any, as may be necessary so that the Bonds will not constitute arbitrage bonds under Section 148 of the Code. The Mayor, Mayor Pro-Tem and other officers of the City having responsibility for the issuance of the Bonds shall give an appropriate certificate of the City, for inclusion in the transcript of proceedings for the Bonds, setting forth the reasonable expectations of the City regarding the amount and use of all the proceeds of the Bonds, the facts, circumstances and estimates on which they are based, and other facts and circumstances relevant to the tax treatment of interest on the Bonds.

The City covenants that it (a) will take or cause to be taken such actions which may be required of it for the interest on the Bonds to be and remain excluded from gross income for federal income tax purposes, and (b) will not take or permit to be taken any actions which would adversely affect that exclusion, and that it or persons acting for it, will, among other acts of compliance, (i) apply the proceeds of the Bonds to the governmental purpose of the borrowing, (ii) restrict the yield on investment property, (iii) make timely and adequate rebate payments, yield reduction payments or payments of alternative amounts in lieu of rebate to the federal government, if required, (iv) maintain books and records and make calculations and reports, and (v) refrain from certain uses of proceeds, all in such manner and to the extent necessary to assure such exclusion of that interest under the Code. The Mayor, Mayor Pro Tem and other appropriate officers are hereby authorized and directed to take any and all actions, make calculations and rebate payments, and make or give reports and certifications, if any, as may be required or appropriate to assure such exclusion of that interest.

In furtherance of the covenants set forth above, the City hereby establishes a fund separate from any other funds established and maintained hereunder designated as the Rebate Fund (the "Rebate Fund"). Money and investments in the Rebate Fund shall not be used for the payment of the Bonds and amounts credited to the Rebate fund shall be fee and clear under any pledge under this Bond Ordinance. Money in the Rebate Fund shall be invested in a manner provided in Section 18 for investment of money, and all amounts on deposit in the Rebate Fund shall be held by the City, or a designated trustee, in trust, to the extent required to pay rebatable arbitrage to the United States of America. The City shall unconditionally be entitled to accept and rely upon the recommendation, advice, calculation and opinion of an accounting firm or other person or firm with knowledge of or experience in advising with respect to the provisions of the Code relating to rebatable arbitrage. The City shall remit all rebate installments and the final rebate payment to the United States of America as required by the provisions of the Code. Any moneys remaining in the Rebate Fund after redemption and payment of all the Bonds and payment and satisfaction of any rebatable arbitrage shall be withdrawn and remitted to the City.

Section 27. Continuing Disclosure Undertaking. The officers of the City are authorized to sign such documents and to take such actions in the future with respect to the City's continuing disclosure obligations as are necessary or desirable to comply with the Continuing Disclosure Undertaking and the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended. Notwithstanding any other provisions of this Bond Ordinance, failure of the City to comply with the Continuing Disclosure Undertaking shall not be considered an "event of default" under

Section 28 hereof, and holders and beneficial owners of Bonds shall be entitled to exercise only such rights with respect thereto as are provided in the Continuing Disclosure Undertaking.

Section 28. Events of Default. Each of the following events is hereby declared an "event of default":

A. Nonpayment of Principal. Failure to pay the principal of any of the Bonds when the same becomes due and payable, either at maturity, or by proceedings for redemption, or otherwise.

B. Nonpayment of Interest. Failure to pay any installment of interest when the same becomes due and payable.

C. Incapable of Performing. If the City shall for any reason be rendered incapable of fulfilling its obligations hereunder.

D. Default of any Provision. Default by the City in the due and punctual performance of its covenants or conditions, agreements and provisions contained in the Bonds or in this Bond Ordinance on its part to be performed (other than a default set forth in subsections A and B of this Section), and the continuance of such default for thirty (30) days after written notice specifying such default and requiring the same to be remedied has been given to the City by the holders of twenty-five percent (25%) in aggregate principal amount of the Bonds then outstanding.

E. Bankruptcy. The City (i) files a petition or application seeking reorganization or arrangement of debt under Federal Bankruptcy law, or other debtor relief under the laws of any jurisdiction, or (ii) is the subject of such petition or application which the City does not contest or is not dismissed or discharged within sixty (60) days.

Section 29. Remedies upon Default. Upon the happening and continuance of any of the events of default as provided in Section 28 of this Bond Ordinance, then and in every case, the holder or holders of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds then outstanding, including, but not limited to, a trustee or trustees therefor, may proceed against the City, the City Council and its agents, officers and employees, but only in their official capacities, to protect and enforce the rights of any holder of Bonds under this Bond Ordinance by mandamus or other suit, action or special proceedings in equity or at law, in any court of competent jurisdiction, either for the appointment of a receiver or for the specific performance of any covenant or agreement contained herein or in an award relating to the execution of any power herein granted for the enforcement of any legal or equitable remedy as such holder or holders may deem most effectual to protect and enforce the rights provided above, or to enjoin any act or thing which may be unlawful or in violation of any right of any Bondholder, or to require the City Council to act as if it were the trustee of an express trust, or any combination of such remedies. All such proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all holders of the Bonds then outstanding. The failure of any Bondholder so to proceed shall not relieve the City or any of its officers, agents or employees of any responsibility for failure to

perform, in their official capacities, any duty. Each right or privilege of such holder (or trustee thereof) is in addition and cumulative to any other right or privilege, and the exercise of any right or privilege by or on behalf of any holder shall not be deemed a waiver of any other right or privilege.

Section 30. Duties upon Default. Upon the happening of any of the events of default provided in Section 28 of this Bond Ordinance, the City, in addition, will do and perform all proper acts on behalf of and for the owners of the Bonds to protect and preserve the security created for the payment of the Bonds and to insure the payment of the principal of and interest on the Bonds promptly as the same become due. All proceeds derived therefrom, so long as any of the Bonds, either as to principal or interest, are outstanding and unpaid, shall be applied as set forth in Section 17 of this Bond Ordinance. In the event the City fails or refuses to proceed as provided in this Section, the holder or holders of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds then outstanding, after demand in writing, may proceed to protect and enforce the rights of the owners of the Bonds as hereinabove provided.

Section 31. Bonds Not Presented When Due. If any Bonds shall not be duly presented for payment when due at maturity or on the redemption date thereof, and if moneys sufficient to pay such Bonds are on deposit with the Paying Agent for the benefit of the owners of such Bonds, all liability of the City to such owners for the payments of such Bonds shall be completely discharged, such Bonds shall not be deemed to be outstanding and it shall be the duty of the Paying Agent to segregate and to hold such moneys in trust, without liability for interest thereon, for the benefit of the owners of such Bonds as may be provided in any agreement hereafter entered into between the Paying Agent and an officer of the City.

Section 32. Delegated Powers. The officers of the City be, and they hereby are, authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Bond Ordinance, including, without limiting the generality of the foregoing, the publication of the title and general summary of this Bond Ordinance set out in Section 39 (with such changes, additions and deletions as they may determine), the printing of the Bonds, the execution of the Continuing Disclosure Undertaking and of such documents or certificates as may be required by the Purchaser or bond counsel.

Section 33. Amendment of Bond Ordinance. This Bond Ordinance may be amended without the consent of the holder of any Bond to cure any ambiguity or to cure, correct or supplement any defect or inconsistent provision contained herein. Prior to the date of the initial delivery of the Bonds to the Purchaser, the provisions of this Bond Ordinance may be amended with the written consent of the Purchaser, with respect to any changes which are not inconsistent with the substantive provisions of this Bond Ordinance. In addition, this Bond Ordinance may be amended without receipt by the City of any additional consideration, but with the written consent of the holders of seventy-five percent (75%) of the Bonds then outstanding (not including Bonds which may be held for the account of the City); but no ordinance adopted without the written consent of the holders of all outstanding Bonds shall have the effect of permitting:

- A. An extension of the maturity of any Bond; or
- B. A reduction of the principal amount or interest rate of any Bond; or
- C. The creation of a lien upon the Pledged Revenues ranking prior to the lien or pledge created by this Bond Ordinance; or
- D. A reduction of the principal amount of Bonds required for consent to such amendatory ordinance; or
- E. The establishment of priorities as between Bonds issued and outstanding under the provisions of this Bond Ordinance; or
- F. The modification of or otherwise affecting the rights of the holders of less than all the outstanding Bonds.

Section 34. Defeasance. When all principal and interest in connection with the Bonds hereby authorized have been duly paid, the pledge and lien on the Pledged Revenues for the payment of the Bonds shall thereby be discharged and the Bonds shall no longer be deemed to be outstanding within the meaning of this Bond Ordinance. Payment shall be deemed made with respect to any Bond or Bonds when the City has placed in escrow with a commercial bank exercising trust powers, an amount sufficient (including the known minimum yield from Defeasance Obligations, as defined below) to meet all requirements of principal and interest as the same become due to their final maturities or upon designated redemption dates. Any Defeasance Obligations shall become due when needed in accordance with a schedule agreed upon between the City and such bank at the time of the creation of the escrow. Defeasance Obligations within the meaning of this Section shall include only (1) cash, (2) U.S. Treasury Certificates, Notes and Bonds (including State and Local Government Series - "SLGs"), and (3) obligations the principal of and interest on which are unconditionally guaranteed by the United States of America.

Section 35. Bond Ordinance Irrepealable. After any of the Bonds are issued, this Bond Ordinance shall be and remain irrepealable until the Bonds and the interest thereon shall be fully paid, canceled and discharged, as herein provided, or there has been defeasance of the Bonds as herein provided.

Section 36. Severability Clause. If any Section, paragraph, clause or provision of this Bond Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such Section, paragraph, clause or provision shall not affect any of the remaining provisions of this Bond Ordinance.

Section 37. Repealer Clause. All bylaws, orders, resolutions and ordinances, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any bylaw, order, resolution or ordinance, or part thereof, heretofore repealed.

Section 38. Effective Date. Upon due adoption of this Bond Ordinance, it shall be recorded in the book of ordinances of the City

kept for that purpose, authenticated by the signatures of the Mayor or Mayor Pro-Tem and City Clerk, and the title and general summary of the subject matter contained in this Bond Ordinance (set out in Section 36 below) shall be published in a newspaper which maintains an office and is of general circulation in the City and this Bond Ordinance shall be in full force and effect in accordance with law.

Section 39. 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 Bond Ordinance shall be published in substantially the following form:

(Form of Summary of Bond Ordinance for Publication)

City of Farmington, New Mexico

Notice of Adoption of Ordinance

Notice is hereby given of the title and of a general summary of the subject matter contained in an ordinance duly adopted and approved by the City Council of the City of Farmington, on October 25, 2016, relating to the authorization and issuance of the City's Gross Receipts Tax Civic Center Improvement Revenue Bonds, Series 2016. Complete copies of the Ordinance are available for public inspection during the normal and regular business hours of the City Clerk, Farmington City Hall, 800 Municipal Drive, Farmington, New Mexico.

The title of the Ordinance is:

AN ORDINANCE AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF THE CITY OF FARMINGTON, NEW MEXICO GROSS RECEIPTS TAX CIVIC CENTER IMPROVEMENT REVENUE BONDS, SERIES 2016 IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$12,500,000 FOR THE PURPOSE OF DEFRAYING THE COST OF DESIGNING, CONSTRUCTING, INSTALLING, EQUIPPING AND IMPROVING CIVIC CENTER FACILITIES OWNED BY THE CITY; PROVIDING THAT THE BONDS WILL BE PAYABLE FROM STATE SHARED GROSS RECEIPTS TAX REVENUES DISTRIBUTED TO THE CITY PURSUANT TO SECTION 7-1-6.4 NMSA 1978, HOLD HARMLESS GROSS RECEIPTS TAX REVENUES DISTRIBUTED TO THE CITY PURSUANT TO SECTION 7-1-6.12 NMSA 1978, AND CONVENTION CENTER FEE REVENUES COLLECTED BY THE CITY PURSUANT TO SECTIONS 5-13-1 THROUGH 5-13-15 NMSA 1978 AND CITY ORDINANCE NO. 2014-1272; PROVIDING THAT THE MATURITY DATES, PRINCIPAL AMOUNTS, INTEREST RATES, REDEMPTION PROVISIONS AND OTHER DETAILS OF THE BONDS WILL BE ESTABLISHED IN A SUPPLEMENTAL RESOLUTION; PROVIDING FOR THE EXECUTION OF THE BONDS AND OTHER DOCUMENTS AND AGREEMENTS RELATING TO THE BONDS BY AUTHORIZED OFFICERS OF THE CITY; RATIFYING ACTION PREVIOUSLY TAKEN IN CONNECTION THEREWITH; AND REPEALING ALL ORDINANCES IN CONFLICT HERewith.

A general summary of the Ordinance is contained in its title. This notice constitutes compliance with § 6-14-6 N.M.S.A. 1978.

(End of Form of Summary for Publication)

DONE AND APPROVED this 25<sup>th</sup> day of October, 2016.

\_\_\_\_\_  
Tommy Roberts, Mayor

SEAL

ATTEST:

\_\_\_\_\_  
Dianne Smylie, City Clerk

CITY OF FARMINGTON  
INTER-OFFICE MEMORANDUM

TO: Mayor Roberts and City Council  
FROM: Kristi Benson, CPPO, CPPB *KB*  
Chief Procurement Officer  
DATE: October 19, 2016  
SUBJECT: Advanced Metering Infrastructure, RFP #17-116168  
USING DEPARTMENT: Electric Utility  
=====

A proposal opening was held on September 28, 2016 for Advanced Metering Infrastructure. Six (6) offers were submitted.

The Central Purchasing Department concurs with the recommendation from the evaluation committee to begin negotiations with Eaton Corporation, the top evaluated firm. The in-state or Veterans preference was given to qualified Offerors. The final rankings are listed below:

Eaton Corporation – Minneapolis, MN  
Landis + Gyr Technology – Alpharetta, GA  
McKinley Sales Company – Albuquerque, NM  
Elster Solutions – Raleigh, NC  
Tantalus Systems, Inc. – Raleigh, NC  
Anixter, Inc. – Corinth, TX

Kristi Benson (Presenter)  
Council Meeting 10/25/16 Close/Reopen

xc: H. Andrew Mason, Administrative Services Director  
Hank Adair – Electric Utility Director  
Luke Lugenbeel – Transmission and Distribution Manager

File 17-116168/EM

Evaluation Committee:  
Luke Lugenbeel – Electric Utility  
Dan Anglin – Electric Utility  
Luwil Aligarbes – Electric Utility  
Chip Howell – Electric Utility  
Jerry Parson – Vehicle Maintenance

Regular Meeting of the City Council, City of Farmington, New Mexico, held in the Council Chamber at City Hall at 6:00 p.m. on Tuesday, October 11, 2016. The open regular session was held in full conformity with the laws and ordinances and rules of the Municipality.

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

MAYOR	Tommy Roberts
COUNCILORS	Linda G. Rodgers Sean E. Sharer Gayla A. McCulloch Nate Duckett

constituting all members of said Governing Body.

Also present were:

CITY MANAGER	Rob Mayes
ASSISTANT CITY MANAGER	Julie Baird
ASSISTANT CITY ATTORNEY	Russel Frost
CITY CLERK	Dianne Smylie

The meeting was convened by the Mayor. Thereupon the following proceedings were duly had and taken:

INVOCATION: The invocation was offered by Pastor Ken Weisheit of Aztec Church of the Nazarene.

Councilor Sharer led the Pledge of Allegiance.

RECOGNITION OF BOY SCOUT TROOP 321

Mayor Roberts recognized the scout leaders and troop members of Boy Scout Troop 321 who were present in the audience.

CONSENT AGENDA: The Mayor announced that those items on the agenda marked with an asterisk (\*) have been placed on the Consent Agenda and will be voted on without discussion by one motion. He stated that if any item did not meet with approval of all Councilors or if a citizen so requested, that item would be removed from the Consent Agenda and heard under Business from the Floor.

\*MINUTES: The minutes of the Regular Meeting of the City Council held September 27, 2016; the minutes of the Special Meeting of the City Council held September 22, 2016; and the minutes of the Regular Work Session of the City Council held September 20, 2016.

\*GRANT AGREEMENT between the City and the New Mexico Department of Transportation for funding for the following projects: 1) End Driving While Impaired (No. 17-AL-64-035) in the amount of \$79,000; 2) Buckle Up/Click It or Ticket (No. 17-OP-RF-035) in the amount of \$12,400; and 3) Selective Traffic Enforcement Program/100 Days and Nights of Summer (No. 17-ST-02-035) in the amount of \$31,000. Project terms expire September 30, 2017.

\*ADOPTION OF RESOLUTION NO. 2016-1607 for sponsorship for a Transportation Alternatives Program application and maintenance commitment declaring the eligibility and intent of the City to submit an application to the New Mexico Department of Transportation for funding from the Federal Fiscal Year 2016/2017 Transportation Alternatives Program (TAP) for the Downtown Farmington Revitalization - Complete Streets project.

\*ADOPTION OF RESOLUTION NO. 2016-1608 for sponsorship for a Transportation Alternatives Program application and maintenance commitment declaring the eligibility and intent of the City to submit an application to the New Mexico

Department of Transportation for funding from the Federal Fiscal Year 2017/2018 Transportation Alternatives Program (TAP) for the Anesi Park - Trail Development and Connections project.

\*ADOPTION OF RESOLUTION NO. 2016-1609 for sponsorship for a Transportation Alternatives Program application and maintenance commitment declaring the eligibility and intent of the City to submit an application to the New Mexico Department of Transportation for funding from the Federal Fiscal Year 2018/2019 Transportation Alternatives Program (TAP) for the 20<sup>th</sup> Street Pedestrian Enhancement Project, Phase III (north side of Sullivan Avenue to Dustin Avenue).

\*ADOPTION OF RESOLUTION NO. 2016-1610 for sponsorship for a Transportation Alternatives Program application and maintenance commitment declaring the eligibility and intent of the City to submit an application to the New Mexico Department of Transportation for funding from the Federal Fiscal Year 2018/2019 Transportation Alternatives Program (TAP) for the Foothills Drive Enhancement Project, Phase II (Rinconada Street to Mesa Del Oso).

\*WARRANTS PAYABLE for the time period of September 25, 2016 through October 8, 2016, for current and prior years, in the amount of \$6,729,259.93.

There being no requests to remove any items, a motion was made by Councilor Duckett, seconded by Councilor Sharer to approve the Consent Agenda, as presented, and upon voice vote the motion carried unanimously.

#### DESK AND DERRICK DAY PROCLAMTION

Mayor Roberts presented Desk and Derrick Club President Philana Thompson with a Proclamation declaring October 13, 2016 as "Desk and Derrick Day."

#### COUNCIL BUSINESS

##### Warrants Payable Approval Process

At the suggestion of Councilor McCulloch, it was the consensus of the Council to direct the City Attorney to research the reasons why the Council is asked to approve the warrants and sign the book since the expenditures have already occurred.

##### Donation of Property by Greg Anesi for Riverine Trail Purposes

In response to an article that was published in today's edition of the *Daily Times*, Councilor McCulloch pointed out that Greg Anesi donated a portion of the land that is being used to extend the riverine trail system. City Manager Rob Mayes confirmed that the City did, in fact, purchase a portion of the property (approximately 2/3) and that Mr. Anesi donated the remainder (approximately 1/3). Councilor McCulloch extended her sincere appreciation to Mr. Anesi for his generosity.

#### CITY MANAGER BUSINESS

City Manager Rob Mayes presented for discussion a proposed ordinance authorizing the 2016 Convention Center Improvement Revenue Bonds. The title of such proposed ordinance being:

AN ORDINANCE AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF THE CITY OF FARMINGTON, NEW MEXICO GROSS RECEIPTS TAX CONVENTION CENTER IMPROVEMENT REVENUE BONDS, SERIES 2016 IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$17,500,000 FOR THE PURPOSE OF DEFRAYING THE COST OF DESIGNING, CONSTRUCTING, INSTALLING, EQUIPPING AND IMPROVING CONVENTION CENTER FACILITIES OWNED BY THE CITY; PROVIDING THAT THE BONDS WILL BE PAYABLE FROM STATE SHARED GROSS RECEIPTS TAX REVENUES DISTRIBUTED TO THE CITY PURSUANT TO SECTION 7-1-6.4 NMSA 1978, HOLD HARMLESS GROSS RECEIPTS TAX REVENUES DISTRIBUTED TO THE CITY PURSUANT TO SECTION 7-1-6.12 NMSA 1978, AND CONVENTION CENTER FEE REVENUES COLLECTED BY THE CITY PURSUANT TO SECTIONS 5-13-1 THROUGH 5-13-15 NMSA 1978 AND CITY ORDINANCE NO. 2014-1272; PROVIDING THAT THE MATURITY DATES, PRINCIPAL AMOUNTS, INTEREST RATES, REDEMPTION PROVISIONS AND OTHER

DETAILS OF THE BONDS WILL BE ESTABLISHED IN A SUPPLEMENTAL RESOLUTION; PROVIDING FOR THE EXECUTION OF THE BONDS AND OTHER DOCUMENTS AND AGREEMENTS RELATING TO THE BONDS BY AUTHORIZED OFFICERS OF THE CITY; RATIFYING ACTION PREVIOUSLY TAKEN IN CONNECTION THEREWITH; AND REPEALING ALL ORDINANCES IN CONFLICT HEREWITH.

Mr. Mayes reminded the Council that authorization to publish the proposed ordinance was granted on August 23, 2016 when the Council approved Resolution No. 2016-1604 granting approval of the loan agreements for renovation of the Civic Center and the energy efficiency improvements to various City buildings. He noted that on September 22, 2016, Assistant City Manager Julie Baird presented the projects before the New Mexico Finance Authority Board and happily noted that the projects have both received preliminary approval. Mr. Mayes pointed out that on October 18, Ms. Baird will address the New Mexico Board of Finance regarding the Qualified Energy Conservation Bonds ("QECCB") which will allow the City to receive an annual rebate through a federal program that is administered through the State of New Mexico. He noted that tonight's ordinance combines both the Civic Center improvements (\$12 million) and the QECCB (\$5.5 million) projects in the off-chance that the QECCB projects are not approved by the New Mexico Board of Finance next week. Continuing with his presentation, Mr. Mayes announced that Peter Franklin, the City's outside bond counsel, confirmed this morning that when he drafted the proposed ordinance he neglected to include verbiage explaining that it covered both projects, but suggested that the minutes simply reflect the oversight and that the ordinance be amended prior to final action to reflect the decision of the New Mexico Board of Finance.

There being no discussion, Mr. Mayes announced that the proposed ordinance will be presented for final action at the October 25, 2016 regular City Council meeting.

CLOSED MEETING

A motion was made by Councilor Duckett, seconded by Councilor Rodgers to close the meeting to discuss request for proposals for a high definition laser scanning survey bundle, pursuant to Section 10-15-1H(6). The roll was called with the following result:

Those voting aye:	Linda Rodgers Mary M. Fischer Gayla A. McCulloch Nate Duckett
-------------------	--

Those voting nay:	None
-------------------	------

The presiding officer thereupon declared that four Councilors having voted in favor thereof, the said motion carried.

The Mayor convened the closed meeting at 6:14 p.m. with all members of the Council being present.

Following the closed meeting, during which meeting the matter discussed was limited only to that specified in the motion for closure, a motion was made by Councilor McCulloch, seconded by Councilor Rodgers to open the meeting for further business, and upon voice vote the motion carried unanimously.

The open meeting was reconvened by the Mayor at 6:16 p.m. with all members of the Council being present.

REQUEST FOR PROPOSALS/HIGH DEFINITION LASER SCANNING SURVEY BUNDLE

Chief Procurement Officer Kristi Benson reported that proposals for a high definition laser scanning survey bundle (Electric) opened on September 7, 2016. She recommended that negotiations be commenced with Vectors, Inc. as the sole proposal is deemed to be advantageous and in the best interest of the City.

Thereupon, a motion was made by Councilor Rodgers, seconded by Councilor Duckett to direct staff to commence negotiations on the proposal for a high definition laser scanning survey bundle with Vectors, Inc., as recommended by the Chief Procurement Officer, and upon voice vote the motion carried unanimously.

There being no further business to come before the Council, the meeting was adjourned at 6:17 p.m.

The City Clerk certified that notice of the foregoing meeting was given by posting pursuant to Resolution No. 2013-1466, et seq.

Approved this 25<sup>th</sup> day of October, 2016.

Entered in the permanent record book this day of , 2016.

\_\_\_\_\_  
Tommy Roberts, Mayor

SEAL

ATTEST:

\_\_\_\_\_  
Dianne Smylie, City Clerk

Work Session of the City Council, City of Farmington, New Mexico, held Tuesday, October 18, 2016 at 9:00 a.m. in the Executive Conference Room at City Hall, 800 Municipal Drive, Farmington, New Mexico, in full conformity with the rules, regulations and ordinances of the municipality.

At such meeting the following were present, constituting a quorum:

MAYOR	Tommy Roberts
COUNCILORS	Linda G. Rodgers Sean E. Sharer Gayla A. McCulloch Nate Duckett

constituting all the members of the Governing Body.

Also present were:

CITY MANAGER	Rob Mayes
DEPUTY CITY ATTORNEY	Russel Frost
CITY CLERK	Dianne Smylie

#### COMMUNITY PLANNING MONTH PROCLAMATION

Mayor Roberts presented Planning and Zoning Commissioner Joyce Cardon, Administrative Review Board Member Ireke Cooper and Metropolitan Redevelopment Agency Commissioner Derald Polston with a Proclamation declaring October, 2016 as "Community Planning Month." Also recognized for their efforts in supporting the planning process were Public Works Director David Sypher and Councilors Rodgers and Duckett for their respective work with the Metropolitan Planning Organization Technical and Policy Committees.

#### GOVERNMENT FINANCE OFFICERS ASSOCIATION CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING, DISTINGUISHED BUDGET PRESENTATION AND OUTSTANDING ACHIEVEMENT IN POPULAR ANNUAL FINANCIAL REPORTING

Mayor Roberts proudly announced that the Administrative Services Department has received the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting for 22 consecutive years, the Distinguished Budget Presentation Award for 19 consecutive years and the Popular Annual Financial Reporting Award for 6 consecutive years. He noted that Farmington is one of nine municipalities in the state to receive both the budget and the financial reporting awards; one of only two municipalities in the state to receive the popular annual financial reporting award; and the only municipality in the state to receive all three budget and financial reporting awards within the same year.

Administrative Services Director Andy Mason proudly introduced Controller Brooke Quintana, Budget Officer Teresa Emrich, Staff Accountants Sarah Talley, Michelle Bedonie and Ross DeVargas and Enterprise Accountant Sheree Wilson. Mr. Mason also reported that former Controller Eric Schlotthauer was instrumental in preparing the financial reports for all 22 years that the award has been received.

The Mayor and Council commended staff for their professionalism and expertise and the presentation was concluded with a hearty round of applause and a group photograph.

#### BID/115 KV TRANSFORMER FOR THE SAN JUAN SUBSTATION

Chief Procurement Officer Kristi Benson reported that bids for purchase of a 115 kv transformer for San Juan Substation (Electric) opened on September 21, 2016 with eight bidders participating. She recommended that the bid be awarded to McKinley Sales on its low bid meeting specifications after application of five percent in-state preference of \$457,798 and that the bids received from OTC Services and Pacific Coast be rejected for not meeting specifications.

Thereupon, a motion was made by Councilor Duckett, seconded by Councilor Rodgers to award the bid for purchase of a 115 kV transformer for San Juan Substation to McKinley Sales as the lowest responsible bidder and that the bids received from OTC Services and Pacific Coast be rejected for not meeting specifications, and upon voice vote the motion carried unanimously.

CITY MANAGER BUSINESS

Special City Council Meeting - November 17, 2016

City Manager Rob Mayes announced that Paul Cassidy, the City's financial advisor, has indicated that a special City Council meeting is needed on Thursday, November 17, 2016 for the purpose of adopting the final terms related to the 2016 Convention Center Improvement Revenue Bonds. He asked the Council if they would be available for a meeting at 12:00 noon on that day and they indicated that they would be.

There being no further business to come before the Council, the meeting was adjourned at 9:19 a.m.

APPROVED this 25<sup>th</sup> day of October, 2016.

\_\_\_\_\_  
Tommy Roberts, Mayor

SEAL

ATTEST:

\_\_\_\_\_  
Dianne Smylie, City Clerk