

RESOLUTION NO. 2016-1606

PERTAINING TO ISSUANCE OF THE CITY'S POLLUTION CONTROL REVENUE REFUNDING BONDS 2016 SERIES A (PUBLIC SERVICE COMPANY OF NEW MEXICO SAN JUAN AND FOUR CORNERS PROJECTS), 2016 SERIES B (PUBLIC SERVICE COMPANY OF NEW MEXICO SAN JUAN AND FOUR CORNERS PROJECTS), INCLUDING BUT NOT LIMITED TO ESTABLISHING THE RESPECTIVE PRINCIPAL AMOUNTS THEREOF AND SPECIFYING CERTAIN MATTERS WITH RESPECT THERETO, AUTHORIZING THEIR SALE; AUTHORIZING EXECUTION AND DELIVERY OF CERTAIN INSTRUMENTS IN CONNECTION THEREWITH; RELATING TO THE PRIOR BONDS BEING REFUNDED BY THE AFORESAID BONDS; AND RATIFYING CERTAIN ACTIONS TAKEN PREVIOUSLY

WHEREAS, the City Council has heretofore adopted resolutions determining to issue and, subject to certain conditions agreeing to issue under the Act revenue bonds to finance or refinance the cost to Public Service Company of New Mexico, a corporation organized and existing under the laws of the State of New Mexico (the "Company"), of certain facilities for the abatement control reduction, abatement or prevention of air and water pollution and pollution caused by the operation of, and solid waste disposal at the San Juan Generating Station and Four Corners Generating Station (the "Plants") located in San Juan County New Mexico; and

WHEREAS, pursuant to Ordinance No. 2003-1139, adopted on March 25, 2003, (the "2003A Ordinance"), the City has heretofore issued and sold \$46,000,000 aggregate principal amount of its Pollution Control Revenue Refunding Bonds, 2003 Series A, (Public Service Company of New Mexico San Juan and Four Corners Projects) (the "2003A Bonds"), to refund certain outstanding bonds that were issued to refund certain outstanding bonds that were issued to defray a portion of the cost to the Company of acquiring, constructing, reconstructing, improving, maintaining, equipping or furnishing certain air and water pollution control facilities at the Plants; and

WHEREAS, pursuant to Ordinance No. 2003-1140 adopted on March 25, 2003 (the "2003B Ordinance"), the City has heretofore issued and sold \$100,000,000 aggregate principal amount of its Pollution Control Revenue Refunding Bonds, 2003 Series B (Public Service Company of New Mexico San Juan and Four Corners Projects) (the "2003B Bonds", and collectively with the 2003A Bonds, the "Refunded Bonds"), to refund certain outstanding bonds that were issued to refund outstanding bonds that were issued to refund bonds that were issued to defray a portion of the cost to the Company of acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing certain solid waste pollution control facilities at the Plants; and

WHEREAS, on August 23, 2016, the City Council passed Ordinance No. 2016-1291 (the "2016A Ordinance") authorizing the issuance of a series of revenue bonds which were to be designated "Pollution Control Revenue Refunding Bonds, 2016 Series A (Public Service Company of New Mexico San Juan and Four Corners Projects)" to be issued in an aggregate principal amount of \$46,000,000 (the "2016 Series A Bonds") under the Act. The proceeds of the 2016 Series A Bonds (other than an accrued interest on such bonds) are to be used to refund the outstanding \$46,000,000 principal amount of the outstanding 2003A Bonds; and

WHEREAS, on August 23, 2016, the City Council passed Ordinance No. 2016-1292 (the "2016B Ordinance") authorizing the issuance by the City of its revenue bonds designated "Pollution Control Revenue Refunding Bonds, 2016 Series B (Public Service Company of New Mexico San Juan and Four Corners Projects)" to be issued in an aggregate principal amount of \$100,000,000 (the "2016 Series B Bonds" and, collectively with the 2016 Series A Bonds, the "2016 Bonds") under the Act. The proceeds of the Series B Bonds (other than any accrued interest on such bonds) are to be used to refund the outstanding \$100,000,000 principal amount of the outstanding 2003B Bonds; and

WHEREAS Morgan Stanley and Co., LLC, on behalf of itself and group of underwriters (collectively, the "2016A Bond Underwriters") has submitted to the City a proposal to purchase the 2016 A Bonds authorized to be issued under the 2016A Ordinance, in the form of a 2016A Bond Purchase Agreement between the Underwriters and the City, in reliance