

**TOWN OF SILVER CITY, NEW MEXICO  
RESOLUTION NO. 2012-06**

**RELATING TO THE TOWN OF SILVER CITY, NEW MEXICO GROSS RECEIPTS TAX IMPROVEMENT REVENUE BONDS, SERIES 2012; ESTABLISHING THE EXACT AGGREGATE PRINCIPAL AMOUNT OF THE BONDS OF \$800,000, MATURITY DATES, RATES OF INTEREST, REDEMPTION FEATURES AND PRICE WITH RESPECT TO SUCH BONDS IN ACCORDANCE WITH TOWN ORDINANCE NO. 1192 ADOPTED ON JANUARY 10, 2012; APPROVING DOCUMENTS RELATING TO THE BONDS; AND RATIFYING ACTION PREVIOUSLY TAKEN IN CONNECTION THEREWITH.**

WHEREAS, unless otherwise defined in this Resolution (hereinafter the “Sale Resolution”) or the context requires otherwise, capitalized terms in this Sale Resolution have the same meaning assigned to those terms in Section 1 of Town Ordinance No. 1192 (the “Bond Ordinance” and together with the Sale Resolution, the “Bond Legislation”) adopted by the Town Council (the “Council”) on January 10, 2012; and

WHEREAS, the Sale Resolution is adopted pursuant to the Bond Ordinance in order to approve the terms, sale price and other matters with respect to the Bonds; and

WHEREAS, the Council has adopted the Ordinance which authorizes the issuance of the Bonds and provides for the adoption of the Sale Resolution by the Council to approve specific terms and documents relating to the issuance, delivery, sale and administration of the Bonds, and the Sale Resolution is adopted by the Council for those purposes; and

WHEREAS, it is in the best interests of the Town to sell the Bonds to the Purchaser upon the terms as set forth in the Bond Legislation and the Bond Purchase Agreement; and

WHEREAS, Western Bank has agreed to purchase the Bonds at a purchase price of \$800,000 and has presented a final Bond Purchase Agreement to the Council setting out the terms with respect to the purchase and sale of the Bonds for approval by the Council in connection with adoption of this Sale Resolution; and

WHEREAS, the Bond Purchase Agreement is on deposit with the Town and are presented to the Council; and

WHEREAS, all required authorizations, consents and approvals of any governmental body, agency or authority in connection with (i) the use and pledge of the Pledged Revenues for the payment of the Bonds, and (ii) the authorization, execution and delivery of the Bonds, which are required to have been obtained by the date on which the Sale Resolution is adopted have been or will have been obtained;

**BE IT RESOLVED BY THE COUNCIL, THE GOVERNING BODY OF THE TOWN OF SILVER CITY, NEW MEXICO:**

Section 1. Ratification of Prior Actions and Awarding the Bonds. All action previously taken (not inconsistent with the provisions of this Sale Resolution or the Bond Ordinance) by the Council and the officers of the Town, directed toward the authorization, pledge, collection and distribution of the Pledged Revenues and the authorization, issuance and sale of the Bonds is ratified, approved and confirmed, and the Bonds are awarded to Western Bank, at the interest rates as described below:

SERIES 2012 MATURITY SCHEDULE

<u>MATURITY</u> <u>(JUNE 1)</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>
2012	\$135,000	2.32%
2013	125,000	2.32%
2014	130,000	2.32%
2015	135,000	2.32%
2016	135,000	2.32%
2017	140,000	2.32%

Section 2. Findings. The Council declares that it has considered all relevant information and data and makes the following findings:

A. The issuance of the Bonds under the Act to provide funds for the Project is necessary and in the interest of the public health, safety, morals and welfare of the residents of the Town.

B. The net effective interest rate of 2.32% on the Bonds is reasonable under existing and anticipated bond market conditions.

C. The Town will complete the Project with the proceeds of the Bonds together with other funds of the Town.

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

Section 3. Bond Details.

A. Principal Amount. The Bonds shall be issued in one series in the aggregate principal amount of \$800,000 to provide funds, together with other available funds of the Town, if any, to finance the Project and to pay Expenses relating to the issuance of the Bonds.

B. Series Date; Registration. The Bonds shall be dated as of the date of original issuance and delivery (the "Series Date"), and shall be issued in fully registered form

only, without coupons, and when issued will be registered in the name of Western Bank, as registered owner of the Bonds, all as provided in the Bond Legislation.

C. Interest Payment Date; Interest Rates; Maturities; Price. The Bonds shall bear interest, payable on June 1 and December 1 of each year beginning June 1, 2012 (the "Interest Payment Date"). The interest rates on the Bonds shall be the rates provided in Section 1 herein. The final maturity of Bonds shall be June 1, 2017.

D. Record Date. The Record Date shall be the 15th day of the calendar month preceding each scheduled Interest Payment Date.

E. Optional Redemption. The Bonds shall not be subject to optional redemption prior to maturity.

Section 4. Parameters of Resolution. The net effective interest rate on the Bonds is less than 12% per annum. The maturity dates of the Bonds do not exceed fifty years. All other terms and conditions relating to the Bonds and the sale of the Bonds to the Purchaser set forth in this Sale Resolution are within the parameters established by the Bond Ordinance.

Section 5. Accounts and Funds. The Town shall establish such Funds and Accounts as required by the Bond Ordinance and the net proceeds from the sale of the Bonds shall be deposited or used as follows:

- A. The accrued interest of \$-0- received on the date of delivery of the Bonds shall be deposited into the Bond Fund.
- B. \$800,000 shall be deposited in the Acquisition Fund for the Project and Expenses.

Section 6. Approval and Use of Documents. The form, terms and provisions of the Bond Purchase Agreement is on file with the Town Clerk and presented to the Council is ratified and approved. The Mayor is authorized and directed to execute and the Town Clerk is authorized and directed to affix the seal of the Town to and attest where applicable, the Bond Purchase Agreement in substantially the form presented at this meeting, or with such changes therein as are not inconsistent with the Bond Legislation and as shall be approved by the Mayor, his execution thereof to constitute conclusive evidence of his approval of any and all changes or revisions thereof from the form presented to the Council. The officers of the Town, including without limitation, the Mayor, Manager/Finance Director and Clerk be, and they hereby are, authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Sale Resolution, including, without limiting the generality of the foregoing, the distribution of material relating to the Bonds, the printing of the Bonds, and the execution of the Bond Purchase Agreement and such other certificates as may be required by the Purchaser or bond counsel.

Section 7. Sale of the Bonds. The Bonds are hereby sold to Western Bank, in accordance with the Bond Purchase Agreement at the total purchase price for the Bonds as set forth in the preambles of this Sale Resolution.

Section 8. Bond Ordinance. Except with respect to the terms set forth in this Sale Resolution, the Bonds are governed by the Bond Ordinance. In the event of any conflict in the terms of this Sale Resolution and Bond Ordinance, the terms of the Bond Ordinance shall prevail. The adoption of this Resolution, and all procedures undertaken incident thereto, are in full compliance and conformity with all applicable requirements, provisions and limitations prescribed by the Constitution and laws of the state of New Mexico.

Section 9. Repealer Clause. All bylaws, orders and resolutions, or parts thereof, inconsistent with this Sale Resolution are repealed to the extent of such inconsistency. This repealer shall not be construed to revive any bylaw, order or resolution, or part thereof, previously repealed.

Section 10. Effective Date and Publication. This Sale Resolution shall be in full force and effect immediately upon adoption and approval by the Council and its execution and approval by the Mayor. A title and general summary of the subject matter contained in this Sale Resolution shall be published in substantially the following form after adoption of this Sale Resolution.

[Form of Summary of Sale Resolution for Publication]

Town of Silver City, New Mexico

Notice of Adoption of Sale Resolution

Notice is hereby given of the title and of a general summary of the subject matter contained in Town Resolution No. 2012-06 duly adopted and approved by the Silver City Town Council on February 13, 2012, relating to the details of the Town's Gross Receipts Tax Improvement Revenue Bonds, Series 2012 as authorized pursuant to its Ordinance No. 1192 duly adopted by the Council on January 10, 2012. Complete copies of the Sale Resolution are available for public inspection during the normal and regular business hours of the Town Clerk, 101 West Broadway, Silver City, New Mexico.

The title of the Resolution is:

RELATING TO THE TOWN OF SILVER CITY, NEW MEXICO GROSS RECEIPTS TAX IMPROVEMENT REVENUE BONDS, SERIES 2012; ESTABLISHING THE EXACT AGGREGATE PRINCIPAL AMOUNT OF THE BONDS OF \$800,000, MATURITY DATES, RATES OF INTEREST, REDEMPTION FEATURES AND PRICE WITH RESPECT TO SUCH BONDS IN ACCORDANCE WITH TOWN ORDINANCE NO. 1192 ADOPTED ON JANUARY 10, 2012; APPROVING DOCUMENTS RELATING TO THE BONDS; AND RATIFYING ACTION PREVIOUSLY TAKEN IN CONNECTION THEREWITH.

The title sets forth a general summary of the subject matter contained in the Resolution.

[End of Form of Summary for Publication]



Councilor Bettison moved adoption of the foregoing resolution, duly seconded by Councilor Ray.

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

Those Voting Aye:	Councilor Bettison Councilor Thomson Councilor Ray Councilor Morones
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Those Voting Nay:	None
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Those Absent:	None
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Four (4) Councilors having voted in favor of said motion, the Mayor declared said motion carried and said ordinance adopted, whereupon the Mayor and Town Clerk signed the ordinance upon the records of the minutes of the Council.

After consideration of the matters not relating to the resolution, the meeting on motion duly made, seconded and unanimously carried, was adjourned.

TOWN OF SILVER CITY, NEW MEXICO

/s/

[SEAL]

By \_\_\_\_\_  
James R. Marshall, Mayor

ATTEST:

/s/

By \_\_\_\_\_  
Ann L. Mackie, Town Clerk

STATE OF NEW MEXICO            )  
COUNTY OF GRANT               ) ss.  
TOWN OF SILVER CITY            )

I, Ann L. Mackie, the duly qualified and acting Clerk of Silver City, New Mexico (the “Town”), do hereby certify:

1. The foregoing pages constitute a full and correct copy of the record of the proceedings taken by the Town Council (the “Council”) of the Town at a regular meeting thereof held on February 13, 2012 as related to a resolution, a copy of which is therein set forth (the “Resolution”). The Resolution has been duly authenticated by the signatures of the Mayor of the Town and myself as Town Clerk, sealed with the corporate seal of said Town, and recorded in my office on February 14, 2012.

2. Notice of such meeting of February 13, 2012, was given in compliance with the permitted methods of giving notice of meetings of the Council as required by the open meetings standards then in effect, *i.e.*, the Town's Open Meetings Resolution.

3. The Mayor and members of the Council were present at said meeting, and the members of the Council voted on the passage of such ordinance as set forth in such record of proceedings.

4. No other business concerning the Resolution was taken at said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand this 13<sup>th</sup> day of February, 2012.

/s/

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Ann L. Mackie, Town Clerk

[SEAL]