

TOWN OF SILVER CITY, NEW MEXICO
RESOLUTION NO. 2006-45

DECLARING THE INTENT OF THE TOWN COUNCIL OF THE TOWN OF SILVER CITY, NEW MEXICO (THE "TOWN") TO CONSIDER FOR ADOPTION AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT AND INTERCEPT AGREEMENT BY AND BETWEEN THE TOWN AND THE NEW MEXICO FINANCE AUTHORITY, EVIDENCING A SPECIAL LIMITED OBLIGATION OF THE TOWN TO PAY A PRINCIPAL AMOUNT OF \$1,250,000, TOGETHER WITH INTEREST AND ADMINISTRATIVE FEES THEREON, FOR THE PURPOSE OF DEFRAYING THE COST OF ACQUIRING VARIOUS EQUIPMENT FOR AN AUTOMATED SANITATION SYSTEM AND TO FUND A LOAN AGREEMENT RESERVE ACCOUNT; AND AUTHORIZING AND DIRECTING THE PUBLICATION OF A NOTICE OF INTENT TO CONSIDER AN ORDINANCE AUTHORIZING THE LOAN AGREEMENT AND INTERCEPT AGREEMENT IN A NEWSPAPER OF GENERAL CIRCULATION WITHIN THE MUNICIPALITY.

WHEREAS, Sections 3-31-1 through 3-31-12, NMSA 1978 (the "Act"), authorize New Mexico municipalities to issue gross receipts tax revenue bonds and project revenue bonds which, pursuant to the Act, may include loan agreements; and

WHEREAS, pursuant to the Act, the Town may secure its gross receipts tax revenue bonds with the revenues of the Town's State-Shared Gross Receipts Tax; and

WHEREAS, the Town desires to consider for adoption an ordinance authorizing, in accordance with the Act, the execution and delivery of a loan agreement in the principal amount of \$1,250,000 and an intercept agreement by and between the New Mexico Finance Authority (the "NMFA") and the Town (the "Loan Agreement" and "Intercept Agreement") to provide funds for certain Town infrastructure projects, which Loan Agreement shall be secured by a pledge of the revenues of the Town's State-Shared Gross Receipts Tax; and

WHEREAS, Section 3-17-3, NMSA 1978 requires that publication of the title and general summary of the subject matter of any proposed ordinance be made in a newspaper of general circulation within the Town at least two weeks prior to the meeting of the Town Council at which the ordinance is proposed for final passage.

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

Section 1. That all action (not inconsistent with the provisions hereof) heretofore taken by the Town Council of the Town of Silver City, New Mexico and the officers thereof directed toward the authorization, execution and delivery of the Loan

Agreement and Intercept Agreement for such purposes, be and the same is hereby ratified, approved and confirmed, including, without limitation, the publication, in accordance with Section 3-17-3, NMSA 1978, as amended, to publish in the *Silver City Daily Press*, a newspaper of general circulation within the Town, a title and general summary of the ordinance relating to and authorizing execution and delivery of the Loan Agreement and Intercept Agreement at least two weeks prior to the meeting at which the Town Council will consider such ordinance.

Section 2. That the Loan Agreement provide a principal loan amount of \$1,250,000 and shall evidence a special, limited obligation to pay its principal amount, together with interest and administrative fees due under the Loan Agreement and Intercept Agreement.

PASSED AND ADOPTED this 12th day of December, 2006.

TOWN OF SILVER CITY, NEW MEXICO

By: _____
James R. Marshall, Mayor

ATTEST:

By: _____
Simon Wheaton-Smith, Town Clerk