

## RESOLUTION NO. 2017-1642

DECLARING THE INTENT OF THE CITY COUNCIL OF THE CITY OF FARMINGTON, NEW MEXICO, TO CONSIDER FOR ADOPTION AN ORDINANCE AUTHORIZING THE ISSUANCE OF THE CITY OF FARMINGTON, NEW MEXICO STATE SHARED GROSS RECEIPTS TAX IMPROVEMENT AND REFUNDING REVENUE BONDS, SERIES 2017 IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$26,000,000 FOR PURPOSES OF DEFRAYING THE COSTS OF PURCHASING AND ACQUIRING FIRE PROTECTION VEHICLES AND EQUIPMENT, DESIGNING, PURCHASING, ACQUIRING AND CONSTRUCTING RECREATIONAL FACILITIES, DESIGNING, PURCHASING, ACQUIRING AND CONSTRUCTING TRAIL IMPROVEMENTS, DESIGNING AND CONSTRUCTING STREET IMPROVEMENTS, MAKING CAPITAL REPAIRS TO THE CITY'S AQUATIC CENTER, REMODELING, RENOVATING AND IMPROVING THE CIVIC CENTER; REFUNDING, PAYING, REDEEMING AND DISCHARGING THE OUTSTANDING PRINCIPAL OF, AND ACCRUED INTEREST ON THE CITY OF FARMINGTON, NEW MEXICO SALES TAX REVENUE BONDS, SERIES 2005, REFUNDING, DEFEASING, PAYING, REDEEMING AND DISCHARGING THE OUTSTANDING PRINCIPAL AMOUNTS AND ACCRUED INTEREST, AS THE SAME BECOME DUE, ON THE CITY OF FARMINGTON, NEW MEXICO SALES TAX IMPROVEMENT AND REFUNDING REVENUE BONDS, SERIES 2012, AND PAYING COSTS OF ISSUANCE OF THE BONDS (COLLECTIVELY, THE "IMPROVEMENT AND REFUNDING PROJECT"); STATING THE OFFICIAL INTENT OF THE CITY TO REIMBURSE ITSELF FOR CERTAIN COSTS RELATING TO THE IMPROVEMENTS EXPECTED TO BE INCURRED BY THE CITY PRIOR TO THE ISSUANCE OF THE BONDS; AUTHORIZING THE ENGAGEMENT OF A MUNICIPAL ADVISOR AND BOND COUNSEL IN CONNECTION THEREWITH; AND DIRECTING THE PUBLICATION OF A NOTICE OF MEETING, PUBLIC HEARING AND INTENT TO CONSIDER AN ORDINANCE AUTHORIZING THE BONDS IN A NEWSPAPER OF GENERAL CIRCULATION WITHIN THE CITY OF FARMINGTON.

WHEREAS, Sections 3-31-1 through 3-31-12 NMSA 1978 (the "Act"), authorize New Mexico municipalities to issue gross receipts tax revenue bonds secured by gross receipts tax revenues; and

WHEREAS, the City Council (the "Council") of the City of Farmington, New Mexico (the "City"), desires to consider for adoption an ordinance authorizing, in accordance with the Act, the issuance and sale of the City of Farmington, New Mexico State Shared Gross Receipts Tax Improvement and Refunding Revenue Bonds, Series 2017 (the "Bonds") in an aggregate principal amount not to exceed \$26,000,000 to provide funds for the purchase and acquisition of fire protection vehicles and equipment, design, purchase, acquisition and construction of a water park facility, the design, purchase, acquisition and construction of trail improvements, the design and construction of street improvements, capital repairs to the City's Aquatic Center, remodel, renovation and improvement of the Civic Center (collectively, the "Improvement Project"), and the refunding, paying, redeeming and discharging the City's outstanding Sales Tax Revenue Bonds, Series 2005, refunding, defeasing, paying, discharging and redeeming the City's Sales Tax Improvement and Refunding Revenue Bonds, Series 2012 (the "Refunding Project") and, and paying costs of issuance of the Bonds (collectively, the "Improvement and Refunding Project"); and

WHEREAS, the City anticipates that, prior to the issuance of the Bonds, it will incur capital expenditures in connection with certain of the improvements included in the Improvement Project, and intends to obtain reimburse of such expenditures from proceeds of the Bonds; 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 City at least two weeks prior to the meeting of the Council at which the ordinance is proposed for final passage; and

WHEREAS, a form of the Notice of Meeting, Public Hearing and Intent to Adopt an Ordinance authorizing the issuance and sale of the Bonds is attached hereto as Exhibit "A"; and

WHEREAS, the Council has engage RBC Capital Markets, LLC as its municipal advisor, and Modrall, Sperling, Roehl, Harris & Sisk, P.A. as