

RESOLUTION NO. 2017-1648

DECLARING THE OFFICIAL INTENT OF THE CITY COUNCIL OF THE CITY OF FARMINGTON, NEW MEXICO, TO REIMBURSE ITSELF FOR CERTAIN COSTS RELATING TO THE IMPROVEMENTS EXPECTED TO BE INCURRED BY THE CITY FROM PROCEEDS OF A FUTURE TAX-EXEMPT BORROWING; SUPPLEMENTING AND RATIFYING A STATEMENT OF OFFICIAL REIMBURSEMENT INTENT OF THE CITY MADE IN RESOLUTION NO. 2017-1642.

WHEREAS, the City Council (the "Council") of the City of Farmington, New Mexico (the "City"), on September 28, 2017, adopted Resolution No. 2017-1642, pursuant to which the Council authorized the publication of a title and general summary of an ordinance authorizing 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 paying costs of issuance of the Bonds (collectively, the "Improvement and Refunding Project"); and

WHEREAS, Resolution No. 2017-1642 included the official statement of intent of the Council that the City be reimbursed from proceeds of the Bonds for certain anticipated capital expenditures in the amount of approximately \$1,500,000 in connection with certain of the improvements included in the Improvement Project and expected to be incurred prior to the issuance of the Bonds, including (i) acquisition rights of way for, purchase, construction, improvement, repair and equipping street improvement projects at a cost of approximately \$500,000, (ii) replacement of the roof of the Aquatic Center at a cost of approximately \$500,000, and (iii) purchase, acquisition and construction of a recreational water park facility at a cost of approximately \$500,000; and

WHEREAS, following the adoption of Resolution No. 2017-1642, the City has determined that, prior to the issuance of the Bonds, it will incur additional capital expenditures relating to the design, purchase, acquisition and construction of trail improvements (the "Trail Improvements") at a cost of approximately \$500,000; and

WHEREAS, the City desires to reimburse itself from proceeds of the Bonds for expenditures relating to the Trail Improvements, and to ratify and supplement its official statement of reimbursement intent as provided herein.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FARMINGTON, NEW MEXICO:

Section 1. The Official Statement of Reimbursement Intent contained in Resolution No. 2017-1642, as defined therein, is hereby ratified. Nothing contained herein is intended to be construed as modifying the date of the Official Statement of Reimbursement Intent contained in Resolution No. 2017-1642.

Section 2. The City hereby states its intent to reimburse itself from proceeds of the Bonds (its "Supplemental Official Statement of Reimbursement Intent") for expenditures made from legally available funds in connection with the Trail Improvements, at a cost of approximately \$500,000. The City intends that the date of its Supplemental Official Statement of Reimbursement Intent be the date on which this Resolution is adopted by the Council.

Section 3. All of the capital expenditures within the scope of this Supplemental Official Statement of Reimbursement Intent were made no earlier than 60 days prior to the date of this Resolution.

Section 4. The City presently intends and reasonably expects to issue the Bonds or otherwise participate in a tax-exempt borrowing in an amount not to exceed \$26,000,000 within 18 months of the date of the expenditure of moneys on the Improvement Project or the date upon which the Improvement Project is placed in service or abandoned, whichever is later (but in no event more than three years after the date of the original expenditure of such moneys), and to allocate an amount not to exceed \$2,000,000 (i.e. the estimated \$1,500,000 in costs to be reimbursed as provided in Resolution No. 2017-1642 and the estimated \$500,000 in costs to be reimbursed as provided herein) of the proceeds thereof to reimburse the City for its prior expenditures in connection with the Improvement Project.

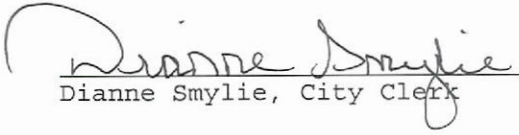
PASSED AND ADOPTED this 14th day of November, 2017.



Tommy Roberts, Mayor

[SEAL]

ATTEST:



Dianne Smylie, City Clerk