

RESOLUTION NO. 95-32

AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT AND INTERCEPT AGREEMENT BY AND BETWEEN THE COUNTY OF TORRANCE, NEW MEXICO AND THE NEW MEXICO FINANCE AUTHORITY, EVIDENCING A SPECIAL LIMITED OBLIGATION OF THE COUNTY OF TORRANCE TO PAY A PRINCIPAL AMOUNT NOT TO EXCEED \$120,000, TOGETHER WITH PREMIUM, IF ANY, AND INTEREST THEREON, FOR THE PURPOSE OF DEFRAYING THE COST OF ACQUIRING EQUIPMENT FOR FIRE PROTECTION IN MCINTOSH FIRE DISTRICT; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL, PREMIUM, IF ANY, AND INTEREST ON AMOUNTS DUE UNDER THE LOAN AGREEMENT SOLELY FROM THE DISTRIBUTIONS OF FIRE PROTECTION FUND REVENUES RECEIVED BY THE COUNTY OF TORRANCE FROM THE STATE TREASURER; PROVIDING FOR THE DISTRIBUTIONS OF FIRE PROTECTION FUND REVENUES FROM THE STATE TREASURER TO BE REDIRECTED TO THE NEW MEXICO FINANCE AUTHORITY OR ITS ASSIGNS PURSUANT TO THE INTERCEPT AGREEMENT FOR THE PAYMENT OF THE PRINCIPAL, PREMIUM, IF ANY, AND INTEREST ON THE LOAN AGREEMENT; APPROVING THE FORM AND TERMS OF THE AGREEMENTS AND OTHER DETAILS CONCERNING THE AGREEMENTS; PROVIDING FOR THE ADOPTION OF A SUBSEQUENT RESOLUTION DETERMINING THE EXACT TERMS OF THE LOAN AGREEMENT; RATIFYING ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT WITH THIS RESOLUTION; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE AGREEMENTS.

Capitalized terms used in the following preambles have the same meaning as defined in Section 1 of the Resolution unless the context requires otherwise.

WHEREAS, the Governmental Unit is a legally and regularly created, established, organized and existing county under the general laws of the State of New Mexico; and

WHEREAS, the Governing Body has determined and hereby determines that the Equipment may be financed with amounts borrowed under the Loan Agreement and that it is in the best interest of the Governmental Unit and its residents that the Loan Agreement and the Intercept Agreement be executed and delivered; and

WHEREAS, the Governing Body has determined that it may lawfully pledge the Pledged Revenues for the payment of amounts falling due under the Loan Agreement; and

WHEREAS, the Loan Agreement shall be a special limited obligation of the Governmental Unit, payable solely from the Pledged Revenues and shall not constitute a general obligation of the Governmental Unit, or a debt or pledge of the faith and credit of the Governmental Unit or the State; and

WHEREAS, there have been presented to the Governing Body and there presently are on file with the Clerk (a) this Resolution, (b) the Loan Agreement, and (c) the Intercept Agreement, all of which are incorporated by reference and considered to be a part hereof; and

WHEREAS, the Governing Body hereby determines that the Equipment to be financed by the Loan is to be used for governmental purposes of the Governmental Unit and will not be used for purposes which would cause the Loan Agreement to be deemed a "private activity bond" as defined by the Internal Revenue Code of 1986, as amended; and

WHEREAS, all required authorizations, consents and approvals in connection with (i) the use, pledge and redirection of the Pledged Revenues to the New Mexico Finance Authority (or its assigns) for the payment of amounts due under the Loan Agreement, (ii) the use of the proceeds of the Loan Agreement to finance the Equipment, and (iii) the authorization, execution and delivery of the Loan Agreement and the Intercept Agreement, which are required to have been obtained by the date of the Resolution, have been obtained.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE COUNTY OF TORRANCE:

Section 1. Definitions. As used in the Resolution, the following terms shall, for all purposes, have the meanings herein specified, unless the context clearly requires otherwise (such meanings to be equally applicable to both the singular and the plural forms of the terms defined):

"Act" means the general laws of the State, including Sections 4-62-1 through 4-62-10 and Sections 59-A-53-7, NMSA 1978, as amended, and enactments of the Governing Body relating to the Loan, including the Resolution.

"Aggregate Annual Debt Service Requirement" means the total principal, interest and premium payments due and payable pursuant to the Loan Agreement and on all Parity Obligations secured by a pledge of the Pledged Revenues for any one Fiscal Year.

"Agreements" means the Loan Agreement and the Intercept Agreement.

"Authorized Officers" means the Chairperson of the County Commission, the County Manager, and the County Clerk.

"Certificates" means certificates of participation issued by the Trustee pursuant to the Loan Agreement and the Indenture.

"Code" means the Internal Revenue Code of 1986, as amended, and the applicable regulations thereunder.

"Completion Date" means the date of final payment of the purchase price of the Equipment to the supplier of the Equipment.

"Debt Service Account" means the account in the name of the Governmental Unit within the Debt Service Fund held by Trustee to pay principal and interest on the Loan Agreement as the same become due.

"Equipment" means the equipment described in Exhibit A to the Loan Agreement.

"Expense Fund" means the Expense Fund held by the Trustee to pay the Governmental Unit's pro-rata portion of the costs of issuance of the Certificates.

"Fiscal Year" means the period commencing on July 1 in each calendar year and ending on the last day of June of the next succeeding calendar year, or any other twelve-month period which any appropriate authority may hereafter establish for the Governmental Unit as its fiscal year.

"Governing Body" means the County Commission of County of Torrance, New Mexico or any future successor governing body of the Governmental Unit.

"Governmental Unit" means County of Torrance, New Mexico.

"State" means the State of New Mexico.

"Trustee" means First Security Bank of Utah, N.A., and its successors and any corporation resulting from or surviving any consolidation or merger to which it or its successors may be a party and any successor trustee at the time serving as successor trustee hereunder.

Section 2. Ratification. All action heretofore taken (not inconsistent with the provisions of the Resolution) by the Governing Body and officers of the Governmental Unit directed toward the acquisition of the Equipment, the execution and delivery of the Loan Agreement and the Intercept Agreement, the issuance of the Certificates and the sale of the Certificates be, and the same hereby is, ratified, approved and confirmed.

Section 3. Authorization of Equipment and Agreements. The acquisition of the Equipment and the method of financing the Equipment through execution and delivery of the Agreements are hereby authorized and ordered. The Equipment is to be used solely within the Governmental Unit.

Section 4. Findings. The Governmental Unit hereby declares that it has considered all relevant information and data and hereby makes the following findings:

- A. The Equipment is needed to meet the needs of the Governmental Unit and its inhabitants.
- B. Moneys available for the Equipment from all sources other than the execution and delivery of the Loan Agreement are not sufficient to defray the cost of acquiring the Equipment.
- C. The Pledged Revenues may lawfully be pledged to secure the payment of the Loan Agreement.
- D. It is economically feasible to defray, in whole or in part, the costs of the Equipment by the execution and delivery of the Loan Agreement.
- E. The Equipment and the execution and delivery of the Loan Agreement and the Intercept Agreement pursuant to the Act to provide funds for the financing of the Equipment are necessary and in the interest of the public health, safety, morals and welfare of the residents of the Governmental Unit.
- F. The Governmental Unit will acquire the Equipment, in whole or in part, with a portion of the net proceeds of the Loan Agreement.
- G. The Loan Agreement will not be executed and delivered until the State Fire Marshal has approved the use of the Pledged Revenues by the Governmental Unit in connection with acquiring the Equipment.
- H. The Governmental Unit does not have any outstanding obligations payable from Pledged Revenues which it has incurred or will incur prior to the initial execution and delivery of the Agreements.
- I. The net effective interest rate on the Loan Agreement shall not exceed 8.0% per annum, which is less than the maximum rate permitted by State law.

Section 5. Agreements - Authorization and Detail.

"Herein", "hereby", "hereunder", "hereof", "hereinabove" and "hereafter" refer to the entire Resolution and not solely to the particular section or paragraph of the Resolution in which such word is used.

"Indenture" means the Indenture of Trust and Pledge dated August 1, 1995, between NMFA and the Trustee providing for the form, terms, execution and other details concerning the Certificates.

"Independent Accountant" means (i) an accountant employed by the State and under the supervision of the State Auditor of the State, or (ii) any certified public accountant, registered accountant, or firm of such accountants duly licensed to practice and practicing as such under the laws of the State, appointed and paid by the Governmental Unit who (a) is, in fact, independent and not under the domination of the Governmental Unit, (b) does not have any substantial interest, direct or indirect, with the Governmental Unit, and (c) is not connected with the Governmental Unit as an officer or employee of the Governmental Unit, but who may be regularly retained to make annual or similar audits of the books or records of the Governmental Unit.

"Intercept Agreement" means the Intercept Agreement dated July 12, 1995, between the Governmental Unit and NMFA providing for the direct payment of Pledged Revenues to the Trustee in amounts sufficient to pay principal and interest on the Loan Agreement.

"Loan" means the funds to be loaned to the Governmental Unit by the NMFA pursuant to the Loan Agreement.

"Loan Agreement" means a loan or other similar financing agreement and any amendment thereto, which is entered into by and between NMFA and the Governmental Unit and which provides for the financing of Equipment with a portion of the proceeds of the Certificates and requires payments by the Governmental Unit to the Trustee to be used to make payments on a portion of the Certificates.

"Loan Agreement Terms Resolution" means the resolution of the Governing Body setting and approving specific terms for the Loan Agreement within the parameters set in the Resolution.

"NMFA" means the New Mexico Finance Authority.

"NMSA" means the New Mexico Statutes Annotated, 1978 Compilation, as amended and supplemented.

"Parity Obligations" mean the Loan Agreement, and any other obligations, now or hereafter issued or incurred, payable from or secured by a lien or pledge of the Pledged Revenues and issued with a lien on the Pledged Revenues on a parity with the Loan Agreement.

"Pledged Revenues" means the distribution to each fire district utilizing the Equipment and benefitting from the Loan Agreement which distribution is made annually by the State Treasurer pursuant to Section 59-A-53-7, NMSA 1978, in the amount certified by the State Fire Marshal, or the State Fire Board.

"Program Account" means the account in the name of the Governmental Unit within the Program Fund held by the Trustee for deposit of the net proceeds of the Loan Agreement for disbursement to the Governmental Unit for payment of the acquisition costs of the Equipment.

"Resolution" means this Resolution No 95-32 as supplemented from time to time.

The proceeds derived from the execution and delivery of the Loan Agreement shall be deposited promptly upon the receipt thereof in the Debt Service Account, the Program Account and the Expense Fund, as provided in the Loan Agreement and the Indenture.

Until the Completion Date, the money in the Program Account shall be used and paid out solely for the purpose of acquiring Equipment in compliance with applicable law and the provisions of the Loan Agreement and the Indenture.

B. Completion of Acquisition of Equipment. The Completion Date shall be evidenced by a certificate signed by an official of the Governmental Unit stating that acquisition of and payment for the Equipment has been completed. As soon as practicable, and in any event not more than 60 days from the Completion Date, any balance remaining in the Program Account shall be transferred and deposited into the Debt Service Account, as provided in the Loan Agreement and the Indenture.

C. Holder Not Responsible. The holders of the Certificates issued under the Indenture shall in no manner be responsible for the application or disposal by the Governmental Unit or by its officers of the funds derived from the sale thereof or of any other funds herein designated.

Section 9. Deposit of Pledged Revenues, Distributions of the Pledged Revenues and Flow of Funds.

A. Deposit of Pledged Revenues. Pursuant to the Intercept Agreement, Pledged Revenues in an amount sufficient to pay principal, premium, if any, and interest on the Loan Agreement, including an amount sufficient to cure any deficiencies in the Debt Service Account, shall be redirected to the NMFA or the Trustee, as its assignee, and deposited in the Debt Service Account held by the Trustee.

B. Termination upon Deposits to Maturity. No payment shall be made into the Debt Service Account if the amount in the Debt Service Account totals a sum at least equal to the entire aggregate amount to become due as to principal, premium, if any, and interest, on, and any other amounts due under, the Loan Agreement in which case moneys in such account in an amount at least equal to such principal and interest requirements shall be used solely to pay such obligations as the same become due, and any moneys in excess thereof in such account shall be transferred to the Governmental Unit and used as provided below.

C. Use of Surplus Revenues. After making all the payments hereinabove required to be made by this Section, any moneys remaining in the Debt Service Account shall be transferred to the Governmental Unit and applied to any other lawful purpose, including, but not limited to the payment of any Parity Obligations or bonds or obligations subordinate and junior to the Loan Agreement, or purposes authorized by the Governmental Unit, the Constitution and laws of the State, as the Governmental Unit may from time to time determine.

Section 10. Lien on Pledged Revenues. Pursuant to the Agreements, the Pledged Revenues are hereby authorized to be pledged to, and are hereby pledged, and the Governmental Unit grants a security interest therein for, the payment of the principal of, premium, if any, and interest on, and any other amounts due under, the Loan Agreement, subject to the uses thereof permitted by, and the priorities set forth in, this Resolution. The Loan Agreement constitutes an irrevocable and first lien, but not necessarily an exclusive first lien, on the Pledged Revenues as set forth herein and therein.

Section 11. Authorized Officers. Authorized Officers are hereby authorized and directed to execute and deliver any and all papers, instruments, opinions, certificates, affidavits and other documents and to do and cause to be done any and all acts and things necessary or proper for

A. Authorization. This Resolution has been adopted by the affirmative vote of at least a majority of all of the members of the Governing Body. For the purpose of protecting the public health, conserving the property, protecting the general welfare and prosperity of the citizens of the Governmental Unit and acquiring the Equipment, it is hereby declared necessary that the Governmental Unit, pursuant to the Act, execute and deliver the Agreements evidencing a special limited obligation of the Governmental Unit to pay a principal amount not to exceed \$120,000 and the execution and delivery of the Agreements is hereby authorized. The proceeds of the Loan Agreement will be used by the Governmental Unit (i) to finance the acquisition of the Equipment, (ii) to fund capitalized interest on the Loan, and (iii) to pay a pro-rata portion of the costs of issuance of the Certificates. The Equipment will be owned by the Governmental Unit and the Governmental Unit will use the Equipment for its governmental purposes.

B. Detail. The Agreements shall be in substantially the form of the Agreements presented at the meeting of the Governing Body at which this Resolution was adopted, with details relating to principal amount, interest rates and debt service provided in the Loan Agreement Terms Resolution. The principal amount of the obligation under the Loan Agreement shall not exceed \$120,000 and the net effective rate of interest to be paid by the Governmental Unit pursuant to the Loan Agreement shall not exceed 8.0%.

Section 6. Approval of Agreements. The forms of the Agreements as presented at the meeting of the Governing Body at which this Resolution was adopted are hereby approved. Authorized Officers are hereby authorized to execute, acknowledge and deliver the Agreements with such changes, insertions and omissions as may be approved by such Authorized Officers and the Clerk is hereby authorized to affix the seal of the Governmental Unit on the Agreements and attest the same. The execution of the Agreements by Authorized Officers shall be conclusive evidence of such approval.

Section 7. Special Limited Obligation. The Loan Agreement shall be secured by the pledge of the Pledged Revenues as set forth in the Loan Agreement and shall be payable solely from the Pledged Revenues. The Loan Agreement, together with premium, if any, and interest thereon and other obligations of the Governmental Unit thereunder, shall be special limited obligations of the Governmental Unit, payable solely from the Pledged Revenues as provided in this Resolution and the Agreements and shall not constitute a general obligation of the Governmental Unit or the State and the holders of the Loan Agreement and Certificates issued under the Indenture may not look to any general or other fund of the Governmental Unit for payment of the obligations thereunder. Nothing contained in this Resolution nor in the Agreements, nor any other instruments, shall be construed as obligating the Governmental Unit (except with respect to the application of the Pledged Revenues), as incurring a pecuniary liability or a charge upon the general credit of the Governmental Unit or against its taxing power, nor shall a breach of any agreement contained in this Resolution, the Agreements, or any other instrument impose any pecuniary liability upon the Governmental Unit or any charge upon its general credit or against its taxing power. The Loan Agreement shall never constitute an indebtedness of the Governmental Unit within the meaning of any State constitutional provision or statutory limitation and shall never constitute or give rise to a pecuniary liability of the Governmental Unit or a charge against its general credit or taxing power. Nothing herein shall prevent the Governmental Unit from applying other funds of the Governmental Unit legally available therefor to payments required by the Loan Agreement, in its sole and absolute discretion.

Section 8. Disposition of Proceeds; Completion of Acquisition of Equipment.

A. Program Account. The Governmental Unit hereby consents to creation of the Program Account by the Trustee pursuant to the Indenture.

carrying out this Resolution and the Agreements. Authorized Officers are hereby authorized to do all acts and things required of them by this Resolution and the Agreements for the full, punctual and complete performance of all the terms, covenants and agreements contained in this Resolution and the Agreements including but not limited to, the execution and delivery of closing documents, and reports to the Internal Revenue Service in connection with the execution and delivery of the Agreements, the approval of any disclosure documents relating to the Certificates, and the publication of the summary of publication set out in Section 17 of this Resolution (with such changes, additions and deletions as they may determine).

Section 12. Amendment of Resolution. Prior to the date of the initial delivery of the Loan Agreement to NMFA, the provisions of this Resolution may be supplemented or amended (i) by the Loan Agreement Terms Resolution and (ii) by any other manner with the written consent of NMFA, by resolution of the Governing Body with respect to any changes which are not inconsistent with the substantive provisions of this Resolution. Except as provided above, this Resolution may be amended without receipt by the Governmental Unit of any additional consideration, but only with the prior written consent of NMFA.

Section 13. Resolution Irrepealable. After the Agreements have been executed and delivered, this Resolution shall be and remain irrepealable until the Loan Agreement shall be fully paid, canceled and discharged, as herein provided.

Section 14. Severability Clause. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 15. Repealer Clause. All bylaws, orders, resolutions and ordinances, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any bylaw, order, resolution or ordinance, or part thereof, heretofore repealed.

Section 16. Effective Date. Upon due adoption of this Resolution, the title and general summary of the subject matter contained in this Resolution (set out in Section 17 below) shall be published in a newspaper which maintains an office and is of general circulation in the Governmental Unit, or posted in accordance with law, and said Resolution shall be in full force and effect thereafter, in accordance with law.

Section 17. General Summary for Publication. Pursuant to the general laws of the State, the title and a general summary of the subject matter contained in this Resolution shall be published in substantially the following form:

95-32-G

(Form of Summary of Resolution for Publication)

County of Torrance, New Mexico

Notice of Adoption of Resolution

Notice is hereby given of the title and of a general summary of the subject matter contained in Resolution No. 95-32, duly adopted and approved by the Governing Body of the County of Torrance, New Mexico, on July 12, 1995. Complete copies of the Resolution are available for public inspection during the normal and regular business hours of the County Clerk, P.O. Box 48, Estancia, New Mexico 87016.

The title of the Resolution is:

AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT AND INTERCEPT AGREEMENT BY AND BETWEEN THE COUNTY OF TORRANCE, NEW MEXICO AND THE NEW MEXICO FINANCE AUTHORITY, EVIDENCING A SPECIAL LIMITED OBLIGATION OF THE COUNTY OF TORRANCE TO PAY A PRINCIPAL AMOUNT NOT TO EXCEED \$120,000, TOGETHER WITH PREMIUM, IF ANY, AND INTEREST THEREON, FOR THE PURPOSE OF DEFRAYING THE COST OF ACQUIRING EQUIPMENT FOR FIRE PROTECTION IN MCINTOSH FIRE DISTRICT; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL, PREMIUM, IF ANY, AND INTEREST ON AMOUNTS DUE UNDER THE LOAN AGREEMENT SOLELY FROM THE DISTRIBUTIONS OF FIRE PROTECTION FUND REVENUES RECEIVED BY THE COUNTY OF TORRANCE FROM THE STATE TREASURER; PROVIDING FOR THE DISTRIBUTIONS OF FIRE PROTECTION FUND REVENUES FROM THE STATE TREASURER TO BE REDIRECTED TO THE INTERCEPT FINANCE AUTHORITY OR ITS ASSIGNS PURSUANT TO THE INTERCEPT AGREEMENT FOR THE PAYMENT OF THE PRINCIPAL, PREMIUM, IF ANY, AND INTEREST ON THE LOAN AGREEMENT; APPROVING THE FORM AND TERMS OF THE AGREEMENTS AND OTHER DETAILS CONCERNING THE AGREEMENTS; PROVIDING FOR THE ADOPTION OF A SUBSEQUENT RESOLUTION DETERMINING THE EXACT TERMS OF THE LOAN AGREEMENT; RATIFYING ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT WITH THIS RESOLUTION; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE AGREEMENTS.

The following is a general summary of the subject matter contained in the Resolution:

Preambles recite or include such matters as: the authority of the Governing Body to pledge distributions of Fire Protection Fund Revenues received by the County of Torrance from the Fire Protection Fund Revenues (the "Pledged Revenues") to the repayment of the obligation (the "Loan Agreement"); it is in the best interests of the County of Torrance and its residents to finance the acquisition of fire equipment, a steel building and a water storage system (the "Equipment") by executing and delivering the Loan Agreement and an Intercept Agreement (collectively, the "Agreements"); and recite that the Loan Agreement shall be a special limited obligation and not a general obligation of the County of Torrance and that certain documents have been placed on file with the Clerk and presented to the Governing Body.

Sections 1 through 4 define the terms used in the Resolution; ratify and confirm all previous actions taken by the Governing Body directed toward the execution and delivery of the Agreements; authorize the execution and delivery of the Agreements for the purpose of acquiring



Equipment; and set forth certain findings of the Governing Body which include: the need for the Equipment; monies available for the Equipment from all sources other than the execution and delivery of the Loan Agreement are not sufficient to defray the cost of the Equipment; and Pledged Revenues may lawfully be pledged to secure the payment of the Loan Agreement.

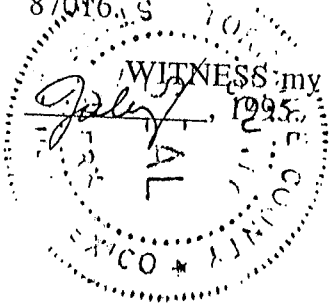
Sections 5 through 8 approve the form of the Agreements to be delivered by the Governing Body; state that the Agreements are a special limited obligation of the Governing Body and shall never constitute an indebtedness of the Governing Body within the meaning of any state Constitutional provision or statutory limitation; provide for the use of the proceeds derived from the execution of the Loan Agreement; and approve the deposit of proceeds of the Loan Agreement.

Sections 9 and 10 relate to deposits of the Pledged Revenues and flow of funds; and provide for a lien on the Pledged Revenues.

Sections 11 through 17 authorize execution of other documents related to the obligation of the Governing Body in the taking of other acts related to the Resolution; delegate powers to the officers of the Governing Body to effectuate the provisions of the Resolution; provide for amendments to the Resolution; state that the Resolution is irrevocable; provide for severability and repealer clauses; provide an effective date for the Resolution; and provide a form for publication.

This notice constitutes compliance with § 6-14-6, N.M.S.A. 1978.

Complete copies of the Resolution are available for public inspection during the normal and regular business hours of the Office of the County Clerk, P.O. Box 48, Estancia, New Mexico 87016.



*Paula Rodriguez*  
Clerk

(End of Form of Summary for Publication)

PASSED, APPROVED AND ADOPTED THIS 12 DAY OF July, 1995.

*Bill Witt*  
Chairperson, County of Torrance

[SEAL  
ATTEST:

*Paula Rodriguez*  
CLERK

95-32-I

Commissioner Rayner then moved adoption of the foregoing resolution, duly seconded by Commissioner Spencer.

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

Those Voting Aye: Roy Spencer

Roger Rayner

Bill Williams

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Those Voting Nay: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Those Absent: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

A majority of Commissioners having voted in favor of said motion, the Chairperson declared said motion carried and said resolution adopted, whereupon the Chairperson and the Clerk signed the resolution upon the records of the minutes of the Governing Body.

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

Bill R. Miller  
Chairperson, County of Torrance

[SEAL] COUNTY OF TORRANCE  
CLERK  
Paul Rodriguez

STATE OF NEW MEXICO  
COUNTY OF TORRANCE

I, Paula Rodriguez the duly [elected][appointed], qualified, and acting Clerk of the Torrance CNTY, New Mexico, do hereby certify:

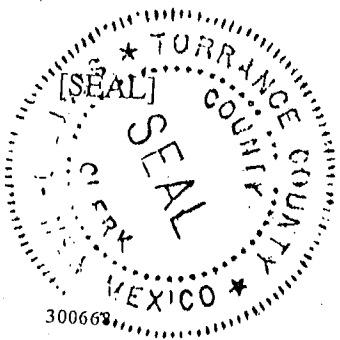
1. The foregoing pages are a true, perfect, and complete copy of the record of the proceedings of the Governing Body of the County Commission of the County of Torrance, New Mexico (the "Governing Body"), constituting the governing body of the County of Torrance, had and taken at a duly called regular open meeting held in the Courthouse in Estancia, New Mexico, on July 12, 1995, at the hour of 9:00A.m., insofar as the same relate to the execution and delivery of the proposed Loan Agreement and Intercept Agreement, copies of which are set forth in the official records of the proceedings of the Governing Body kept in my office. None of the action taken has been rescinded, repealed, or modified.

2. Said proceedings were duly had and taken as therein shown, the meeting therein was duly held, and the persons therein named were present at said meeting, as therein shown.

3. Notice of said meeting was given by publication of a notice of such meeting in Citizen, a newspaper of general circulation in the County and by posting notice of such meeting at the office of the Clerk at least 2 days[hours][days] in advance of such meeting, as evidenced by the Affidavit of Posting of Notice of Meeting attached hereto as Exhibit "A". Such notice constitutes compliance with one of the permitted methods of giving notice of meetings of the Governing Body as required by the open meetings standards presently in effect, i.e., Resolution No. 95-4, adopted on January 27, 1995.

IN WITNESS WHEREOF, I have hereunto set my hand this 12 day of July, 1995.

Paula Rodriguez  
Clerk



95-32-K

EXHIBIT "A"

AFFIDAVIT OF POSTING OF NOTICE OF MEETING

STATE OF NEW MEXICO )

COUNTY OF TORRANCE)

: ss

The County Commission (the "Governing Body") of the County of Torrance, New Mexico, met in [regular] [special] session in full conformity with law and the rules and regulations of the Governing Body at the Courthouse, Estancia, New Mexico, being the regular meeting place of the Governing Body, on the 12 day of July, 1995, at the hour of 9:00am. Upon roll call, the following members were found to be present:

Bill Witt

Rodger Rayner

Roy Spencer

Paula Rodriguez Clerk

John Viebranz Attorney

Ted Reddinger Manager

Absent: \_\_\_\_\_

Also present: \_\_\_\_\_

\_\_\_\_\_

Thereupon, there was officially filed with the Clerk a copy of a proposed resolution in final form.