

QUAY COUNTY GOVERNMENT
300 South Third Street
P.O. Box 1246
Tucumcari, NM 88401
Phone: (575) 461-2112
Fax: (575) 461-6208

AGENDA
REGULAR SESSION
QUAY COUNTY BOARD OF COMMISSIONERS
DECEMBER 9, 2019

9:00 A.M. Call Meeting to Order

Pledge of Allegiance

Approval of Minutes-Regular Session November 25, 2019

Approval/Amendment of Agenda

Public Comment

I. Request for Closed Executive Session

- Pursuant to Section 10-15-1(H) 8. Discussion of the Purchase, Acquisition or Disposal of Real Property or Water Rights

II. Franklin McCasland, Quay County Commission Chairman

- Proposed action, if any, from Executive Session

Ongoing Business

New Business

III. Christopher Birch, Quay County Detention Center Administrator

- Request Approval of Mental Health Resources Agreement

IV. Larry Moore, Quay County Road Superintendent

- Road Update

V. Richard Primrose, Quay County Manager

- Request Approval of FY2019-2020 Resolution No. 25 – NMFA Loan Agreement for Conservancy Fire District #2 Fire Apparatus and Related Equipment
- Request Approval of FY2019-2020 Resolution No. 26 - Commission Meeting Dates and Requirements in Compliance with the NM Open Meetings Act
- Request Approval of 2020 Quay County Holiday Schedule
- Request Approval of 2020 Board Appointments
- Request Approval of Stantec Agreement
- Correspondence

VI. Request Approval of Accounts Payable

VII. Other Quay County Business That May Arise During the Commission Meeting and/or Comments from the Commissioners

Adjourn

Lunch-Time and Location to be Announced

SEAL OF QUAY COUNTY
ELLEN WHITE
COUNTY CLERK

DOC #CN-00479
01/15/2020 09:40 AM Doc Type: COCOM
Fee: (No Fieldtag, Finance, Total Fees found)
Quay County, NM Ellen White - County Clerk, County Cl

Pages: 115

REGULAR SESSION-BOARD OF QUAY COUNTY COMMISSIONERS

December 9, 2019

9:00 A.M.

BE IT REMEMBERED THE HONORABLE BOARD OF QUAY COUNTY COMMISSIONERS met in regular session the 9th day of December, 2019 at 9:00 a.m. in the Quay County Commission Chambers, Tucumcari, New Mexico, for the purpose of taking care of any business that may come before them.

PRESENT & PRESIDING:

Franklin McCasland, Chairman
Mike Cherry, Member
Sue Dowell, Member
Ellen L. White, County Clerk
Richard Primrose, County Manager

OTHERS PRESENT:

Lucas Bugg, Quay County Fire Marshal
Janie Hoffman, Quay County Assessor
Larry Moore, Quay County Road Superintendent
Christopher Birch, Quay County Detention Center Administrator
Craig Cosner, Trigg Memorial Hospital Board Member
Troy Clark, Presbyterian Healthcare Administrator
Daniel Zamora, Quay County Emergency Manager
Clinton Harden, Quay County Lobbyist
Patsy Gresham, Quay County Treasurer
Ron Warnick, Quay County Sun

Chairman McCasland called the meeting to order. Lucas Bugg led the Pledge of Allegiance.

A MOTION was made by Sue Dowell, SECONDED by Mike Cherry to approve the minutes from the November 25, 2019 regular session as presented. MOTION carried with Cherry voting "aye", Dowell voting "aye" and McCasland voting "aye"

A MOTION was made by Mike Cherry, SECONDED by Sue Dowell to approve the Agenda. MOTION carried with Cherry voting "aye", Dowell voting "aye" and McCasland voting "aye".

NEW BUSINESS:

A MOTION was made by Mike Cherry, Seconded by Sue Dowell to go into Executive Session pursuant to Section 10-15-1(H) 8 for discussion of the purchase, acquisition or disposal of real

property or water rights. MOTION carried with Cherry voting “aye”, Dowell voting “aye” and McCasland voting “aye”. Time noted 9:04 a.m.

---Executive Session---

Return to regular session. Time noted 10:25 a.m.

A MOTION was made by Mike Cherry, SECONDED by Sue Dowell that the above described items were discussed in Executive Session. MOTION carried with Dowell voting “aye”, Cherry voting “aye” and McCasland voting “aye”.

Action following Executive Session:

Chairman McCasland stated that Shannon Freedle of TeamBuilders has contacted Quay County in reference to lots 4-9 (inclusive) in Block 11 of the Aber Addition. TeamBuilders owns these four lots located directly north of the building owned by Quay County and occupied by the District Attorney’s Office. Freedle would like to donate the lots to Quay County Government. A MOTION was made by Sue Dowell, SECONDED by Mike Cherry to approve the donation of the four lots. MOTION carried with Dowell voting “aye”, Cherry voting “aye” and McCasland voting “aye”.

Chris Birch, Quay County Detention Center Administrator requested approval of the Mental Health Resources Agreement for services at the Detention Center. A MOTION was made by Mike Cherry, SECONDED by Sue Dowell to approve the Agreement. MOTION carried with Dowell voting “aye”, Cherry voting “aye” and McCasland voting “aye”. A copy is attached to these minutes.

Larry Moore, Quay County Road Superintendent provided the following report:

1. Received notification from NMDOT regarding the award of \$162,182.37 for the Match Waiver request for the Route 66 Bridge Project. District four (4) received 7 of the 12 awards with Quay County receiving 28% of what was allocated.
2. Received approval for the donation of millings for the 2018-2019 Coop Projects. The millings will be used for 7.8 miles.
3. The Reclaimer is down again following repairs made in the shop and has been hauled to Albuquerque for repairs.
4. The 2018-2019 Extension Agreements have been approved for the CAP and Coop Projects.
5. Blade Reports were distributed.

Commissioner Dowell asked for continued communication with Ms. Stull at Nara Visa until her concerns have been met. Chairman McCasland stated she has already been informed when the crews are in that area again, they will meet with her if she has concerns. Until then, the crews will remain on the projects that have deadlines.

Richard Primrose, Quay County Manager requested approval of the following items:

1. Approval of FY2019-2020 Resolution No. 25 along with all supporting loan documents; NMFA Loan Agreement for Conservancy Fire District #2 in the amount of \$150,000.00. A MOTION was made by Mike Cherry, SECONDED by Sue Dowell to approve the Resolution and documents associated with the loan. MOTION carried with Dowell voting "aye", Cherry voting "aye" and McCasland voting "aye". A copy is attached to these minutes.
2. Approval of FY2019-2020 Resolution No. 26; Commission Meeting Dates and Requirements in Compliance with the NM Open Meetings Act. Two different sets of meeting dates were presented for discussion. One set kept meetings at twice monthly and one for single monthly meetings. A MOTION was made by Sue Dowell, SECONDED by Chairman McCasland to approve Resolution No 26 and setting the meetings for twice monthly. MOTION carried with Dowell voting "aye", Cherry voting "aye" and McCasland voting "aye". A copy is attached to these minutes.
3. The 2020 Holiday Schedule was presented for approval. A MOTION was made by Mike Cherry, SECONDED by Sue Dowell to approve the 2020 Holiday Schedule. MOTION carried with Dowell voting "aye", Cherry voting "aye" and McCasland voting "aye". A copy is attached.
4. The 2020 Board/Sub Committee Appointments were presented for approval. A MOTION was made by Sue Dowell, SECONDED by Mike Cherry to approve the Appointments. MOTION carried with Cherry voting "aye", Dowell voting "aye" and McCasland voting "aye". A copy is attached.
5. The Proposal between Stantec and Quay County was presented for approval. This Proposal is for engineering services being provided on the Route 66 bridge/low water crossing. Primrose requested approval of this Proposal and for the Commission to authorize him to sign the documents that will be forthcoming later this month to move the project forward. A MOTION was made by Sue Dowell, SECONDED by Mike Cherry to approve the Proposal and authorize Primrose to proceed with future Agreement regarding this project. MOTION carried with Dowell voting "aye", Cherry voting "aye" and McCasland voting "aye". A copy is attached.

Primrose provided the following correspondence:

1. Monthly Gross Receipts Tax Report was presented.
2. Employee Appreciation Dinner is set for Friday, December 13th at 6:00 p.m. at the Fairgrounds.
3. County offices will be closed December 24, 25 and January 1.
4. A retirement party will be held in the Courtroom for Suzie Chavarria. (10th Judicial District Court Employee)
5. Primrose recognized Quay County Lobbyist Clint Harden, who was in attendance. Harden encouraged elected officials to stay in contact with him during the session regarding legislation. Harden informed the Commissioners of Senator Pat Woods intention to address raising per diem for travel this session. All Quay County Commissioners expressed their gratitude and will support those efforts.

A MOTION was made by Sue Dowell SECONDED by Mike Cherry to approve the expenditures included in the Accounts Payable Report ending December 5, 2019. MOTION carried with Dowell voting "aye" and Cherry voting "aye".

Other Quay County Business That May Arise during the Commission Meeting and/or comments from the Commissioners:

Commissioner Dowell stated she has recently become aware of three different Counties who do not have Juvenile Detention Centers. Dowell said Supreme Court Justice Vigil has made several references to the need of Juvenile Detention Centers. Counties seem to be struggling to find locations to house juveniles and Dowell would like for Quay County to stay open minded to the possibility of reopening one in Quay County. Dowell stated she has heard of stir of the possibility of regional juvenile facilities being built.

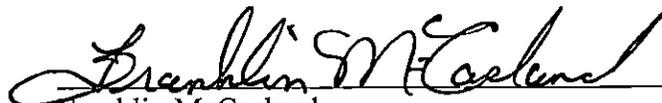
Commissioners Cherry and McCasland both stated financial concerns and procedural restraints regarding compliance for housing juveniles. McCasland stated Quay County closed their facility because of the financial strain it caused Quay County.

Dowell asked Clint Harden to keep an ear out for such legislation and the possibility of regional centers.

There being no further business, a MOTION was made by Mike Cherry SECONDED by Sue Dowell to adjourn. MOTION carried with Cherry voting "aye", Dowell voting "aye" and McCasland voting "aye". Time noted 11:25 a.m.

Respectfully submitted by Ellen White, County Clerk.

BOARD OF QUAY COUNTY COMMISSIONERS


Franklin McCasland


Sue Dowell


Mike Cherry

ATTEST:


Ellen L. White, County Clerk





Fiscal Year 2019-2020

Resolution No. 27

A RESOLUTION ADOPTING PROCEDURES FOR COMPLIANCE IN ACCORDANCE WITH NMSA 10-17; MISCELLANEOUS PROVISIONS

WHEREAS, the County Commission is required to have summary minutes prepared and available for public inspection immediately following the end of a commission meeting approving said minutes; and

WHEREAS, the County Clerk, may use recorders to record all or a portion of a County Commission Meeting; and

WHEREAS, tapes may be used by the Clerk as a tool for transcribing the minutes, any tape recording of a commission meeting will be held as public record and subject to inspection at the office of the County Clerk for two weeks following the records and will be erased thereafter; and

WHEREAS, annual audits, the monthly budget and financial reports including the monthly list of checks shall be made available to the public, establishing the method of compliance with revenue and expenditure requirements.

NOW THEREFORE, BE IT RESOLVED AND ORDERED:

1. The County has adopted this Resolution establishing compliance with NMSA 10-17; and
2. All reports shall be made available for public inspection and review in accordance with the Inspection of Public Records Act, NMSA 14-2.

PASSED, APPROVED AND ADOPTED by the governing body at its meeting on January 13, 2020.

QUAY COUNTY COMMISSIONERS

Franklin McCasland, Chairman

Mike Cherry, Member

Attest:

Ellen L. White, County Clerk

Sue Dowell, Member



PROFESSIONAL SERVICES AGREEMENT
BETWEEN
MENTAL HEALTH RESOURCES, INC.
AND
QUAY COUNTY ADULT DETENTION CENTER

This Professional Services Agreement ("Agreement") is made and entered into on this 12th day of November, 2019 and is by and between Mental Health Resources, Inc. (MHR), a non-profit New Mexico corporation, hereinafter referred to as ("Provider") and County of Quay, a New Mexico Governmental entity, hereinafter referred to as ("County").

WHEREAS, County is responsible for the operation of an Adult Detention Center (hereinafter collectively referred to as the "Detention Center"); and,

WHEREAS, County is in need of Mental Health Services to be provided to the inmates of the Detention Center; and,

WHEREAS, Provider has been working with Quay County, is aware of Quay County needs, has in the past been providing said services to County and has expressed an interest and willingness to assist county in addressing inmate mental health needs.

NOW THEREFORE, in consideration of the foregoing and of the mutual covenants and conditions set forth in this agreement, County and Provider hereby agree as follows:

The parties agree as follows:

I. DEFINITIONS

- A. Quay County Adult Detention Center, located 323 West High Street, Tucumcari, New Mexico. Detention Center houses both adult female and male inmates.
- B. Mental Health Resources, Inc., located at 1005 South Monroe Street, Tucumcari, New Mexico. MHR employs a prescriber in Tucumcari, New Mexico who is eligible to provide psychiatric services and is duly licensed by the New Mexico Board of Medical Examiners. MHR employs Masters Level therapists who are licensed in the state of New Mexico.

II. RESPONSIBILITIES OF PROVIDER

- A. Therapy services will be provided during the working hours Monday through Friday from 8:00 am through 5:00 pm
- B. Licensed Masters level therapist will complete an Initial Evaluation for new inmates that have been determined by Detention Administrator to be in need of mental health services. Therapist will also develop a comprehensive

treatment plan identifying services that will be accessed during their incarceration.

- C. Licensed Master level therapist will provide individual counseling based on needs and identified treatment issues for inmates.
- D. Psychiatric Service will be provided during the working hours on Tuesdays from 8:30 am through 2:00 pm.
- E. Psychiatric services will be provided to adults in need of psychiatric evaluation services and psychotropic medications and determining that such services would be beneficial to the inmate.
- F. MHR will obtain a written consent and release of information from the patient, parent, or legal guardian prior to the referral to facilitate the scheduling and coordination of services.
- G. Provider will be responsible for the billing of all services provided to inmates under this agreement. Provider will follow the billing procedures outlined in Exhibit A.

III. RESPONSIBILITIES OF COUNTY

- A. County will be responsible to determine if an inmate in need of mental health services. County will refer to provider by phone or letter.
- B. County will contact Provider and set appointment dates and time based on provider availability.
- C. County will arrange all transportation to and from Provider.
- D. While at Provider site, County will take all necessary precautions to ensure the safety of the Provider staff, inmate and County personnel.
- E. County will make available all pertinent patient information which can include but is not limited to: reason for referral, counseling treatment issues, treatment plans, assessments, diagnosis, and releases of information.

Exhibit A

MHR Service codes	CPT Code	Description	License Level	Duration	Rate
10	90791	Initial Evaluation Therapist	Master Level	1 hour	98.54
30/60	90832	Therapy	Master Level	30 min	50.25
30/60	90834	Therapy	Master Level	45 min	76.31
30/60	90837	Therapy	Master Level	1 hour	80.09
11	90791	Initial Evaluation Prescriber	DNP - Prescriber	1 hour	110.59
20/21	90863	Pharmacology / Psychotherapy	DNP - Prescriber	30 min	78.62

I. Compensation.

Quay County agrees to pay MHR (Provider) based on description, duration and rate of service provided inset fee schedule. Provider shall bill County on the last day of each month.

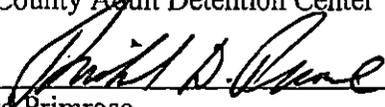
II. Billing Procedure.

Provider will submit an invoice for covered services performed the previous month. County will pay provider within 30 days of receipt of invoice.



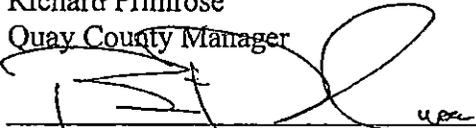
Chris Birch, Detention Center Administrator
Quay County Adult Detention Center

Effective date:



Richard Primrose
Quay County Manager

Effective date:



Brad Rikel, LPCC
Mental Health Resources, Inc.
Executive Director

11/19/2019
Effective date:

DATE/19	NAME	ROAD BLADED	BLOCKS	MILES	ADDITIONAL WORK TO ROAD/COMMENTS
11/04/19	LARRY	QUAY ROAD 46	1900-2200	3.00	
	DONALD	QUAY ROAD 48	4200-4300	0.80	
	DONALD	QUAY ROAD AR	4800-4900	1.00	
	DONALD	QUAY ROAD 49	4300-4500	2.00	
	DONALD	QUAY ROAD 43	4200-4300	1.00	
11/05/19	DONALD	QUAY ROAD 60	3400-3600	2.00	
	DONALD	QUAY ROAD 61	3550-3600	0.50	
	DONALD	QUAY ROAD 62	3400-3600	2.00	
	DONALD	QUAY ROAD AJ	6150-6300	1.50	
	LARRY	QUAY ROAD 47	1900-2000	1.00	ROAD AND DITCH WORK
	LARRY	QUAY ROAD T	4800-4800	1.00	ROAD AND DITCH WORK
	LARRY	QUAY ROAD 47	1700-1875		DITCH WORK
	LARRY	QUAY ROAD R	4650-4700		DITCH WORK
	LARRY	QUAY ROAD Q	4650-4700		DITCH WORK
11/06/19	LARRY	QUAY ROAD 43	1900-2100	2.00	
	LARRY	QUAY ROAD U	4200-4400	2.00	
11/07/19	LOUIS	QUAY ROAD 70	1800-2000	2.00	
	LOUIS	QUAY ROAD T	7000-7400	4.00	
	LOUIS	QUAY ROAD 71	1800-2000	2.00	
11/14/19	LOUIS	QUAY ROAD 67	1900-2000	2.00	
	LOUIS	QUAY ROAD 66.5	2000-2200	2.00	
	LOUIS	QUAY ROAD T	6400-6600	2.00	
11/19/2019	LOUIS	QUAY ROAD 65	2000-2100	1.00	
	LOUIS	QUAY ROAD U	6400-6650	2.50	
	LOUIS	QUAY ROAD S	6400-6600	2.00	
11/20/2019	LOUIS	QUAY ROAD P	6480-6850	3.63	
11/21/2019	LOUIS	QUAY ROAD U	5970-6400	4.30	
11/25/19	LARRY	QUAY ROAD AB	3000-3400	4.00	
	DONALD	QUAY ROAD 72	2565-2475	0.90	FIXED WASHBOARD ROAD
	DONALD	QUAY ROAD AC	6900-7000	1.00	ROAD AND PULL DTICHES
	DONALD	QUAY ROAD 69	2700-2800	1.00	ROAD AND PULL DTICHES
	DONALD	QUAY ROAD AC	6300-6400	1.00	ROAD AND PULL DTICHES
	DONALD	QUAY ROAD AG	6200-6400	2.00	PULLED DITCHES, FIX HOLE, AND RUTS
11/26/19	LARRY	QUAY ROAD AC	3300-3400	1.00	
	LARRY	QUAY ROAD 34	2725-2875	0.50	
			TOTAL	58.63	

STATE OF NEW MEXICO

QUAY COUNTY

The Board of County Commissioners (the "Governing Body") of Quay County, New Mexico, met in regular session in full conformity with law and the rules and regulations of the Governing Body at 301 S. 3rd Street, Tucumcari, New Mexico 88401, being the meeting place of the Governing Body for the regular meeting held on December 9, 2019, at the hour of 9:00 a.m. Upon roll call, the following members were found to be present:

Present: Franklin McCasland, Chair
Mike Cherry, Member
Steve Dowell, Member

Absent: _____

Also Present: Richard Pomrose, Manager
Ellen White, Clerk

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

QUAY COUNTY, NEW MEXICO
2019-2020 RESOLUTION NO. 25

AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT AND INTERCEPT AGREEMENT BY AND BETWEEN QUAY COUNTY, NEW MEXICO (THE "GOVERNMENTAL UNIT") AND THE NEW MEXICO FINANCE AUTHORITY (THE "FINANCE AUTHORITY"), EVIDENCING A SPECIAL, LIMITED OBLIGATION OF THE GOVERNMENTAL UNIT TO PAY A PRINCIPAL AMOUNT OF \$150,000 TOGETHER WITH INTEREST THEREON, FOR THE PURPOSE OF PURCHASING A NEW FIREFIGHTING APPARATUS AND RELATED EQUIPMENT FOR THE CONSERVANCY #2 FIRE DISTRICT WITHIN THE GOVERNMENTAL UNIT, PAYING A LOAN PROCESSING FEE; AND PROVIDING FOR THE PLEDGE AND PAYMENT OF THE PRINCIPAL AND INTEREST DUE UNDER THE LOAN AGREEMENT SOLELY FROM THE DISTRIBUTION OF STATE FIRE PROTECTION FUND REVENUES DISTRIBUTED BY THE STATE TREASURER TO THE GOVERNMENTAL UNIT PURSUANT TO SECTION 59A-53-7, NMSA 1978; PROVIDING FOR THE DISTRIBUTION OF STATE FIRE PROTECTION FUND REVENUES TO BE REDIRECTED BY THE STATE TREASURER TO THE FINANCE AUTHORITY OR ITS ASSIGNS FOR THE PAYMENT OF PRINCIPAL AND INTEREST DUE ON THE LOAN AGREEMENT PURSUANT TO AN INTERCEPT AGREEMENT; APPROVING THE FORM AND TERMS OF, AND OTHER DETAILS CONCERNING THE LOAN AGREEMENT AND INTERCEPT AGREEMENT; SETTING THE MAXIMUM INTEREST RATE OF THE LOAN; 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 LOAN AGREEMENT AND INTERCEPT AGREEMENT.

Capitalized terms used in the following recitals have the same meaning as defined in Section 1 of this 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; and

WHEREAS, the Governing Body has determined and hereby determines that the Project 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 Intercept Agreement be executed and delivered and that the financing of the acquisition of the Project take place by executing and delivering the Loan Agreement and Intercept Agreement; and

WHEREAS, the Governmental Unit may use the Pledged Revenues to finance the Project; and

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

WHEREAS, other than as described in Exhibit "A" to the Loan Agreement, the Pledged Revenues have not been pledged to secure the payment of any obligation which is currently outstanding; 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 full faith and credit of the Governmental Unit or the State; and

WHEREAS, the Governmental Unit desires to provide that distributions of the Pledged Revenues be redirected to the Finance Authority or its assigns pursuant to the Intercept Agreement between the Governmental Unit and the Finance Authority (the "Intercept Agreement") for the payment of amounts due under the Loan Agreement; and

WHEREAS, other than the Pledged Revenues, no tax revenues collected by the Governmental Unit shall be pledged to the Loan Agreement; and

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

WHEREAS, the Governing Body hereby determines that the Project 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, the Governing Body intends by this Resolution to authorize the execution and delivery of the Loan Agreement in the amount and for the purposes set forth herein; and

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

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF QUAY COUNTY, NEW MEXICO:

Section 1. Definitions. As used in this 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, Sections 4-62-1 through 4-62-10, NMSA 1978, as amended, Sections 59A-53-1 through 59A-53-19, NMSA 1978, as amended, and enactments of the Governing Body relating to the Loan Agreement and Intercept Agreement, including this Resolution.

“Aggregate Annual Debt Service Requirement” means the total principal and interest 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.

“Authorized Officers” means the Chairman, Vice Chairman, Finance Director and County Clerk.

“Bonds” means public project revolving fund revenue bonds, if any, issued hereafter by the Finance Authority to fund or reimburse the Loan Agreement.

“Closing Date” means the date of execution, delivery and funding of the Loan Agreement.

“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 cost of the Project.

“Distributing State Agency” means the department or agency of the State, as described on the Term Sheet, authorized to distribute the Pledged Revenues on behalf of the Governmental Unit.

“District” means the Conservancy #2 Fire District within the Governmental Unit.

“Expenses” means the cost of issuance of the Loan Agreement and the costs of issuance of the Bonds, if any, and the periodic and regular fees and expenses incurred by the Finance Authority in administering the Loan Agreement, including legal fees.

“Finance Authority” means the New Mexico Finance Authority.

“Finance Authority Debt Service Account” means the debt service account in the name of the Governmental Unit established under the Indenture and held by the Finance Authority to pay principal and interest, if any, on the Loan Agreement as the same become due.

“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 Board of County Commissioners of the Governmental Unit, or any future successor governing body of the Governmental Unit.

“Governmental Unit” means Quay County, New Mexico.

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

“Indenture” means the General Indenture of Trust and Pledge dated as of June 1, 1995, as amended and supplemented, by and between the Finance Authority and the Trustee, as successor

trustee, or the Subordinated General Indenture of Trust and Pledge dated as of March 1, 2005, as supplemented, by and between the Finance Authority and the Trustee, as successor trustee, as determined by the Finance Authority pursuant to a Pledge Notification or Supplemental Indenture (as defined in the Indenture).

“Intercept Agreement” means the Intercept Agreement, dated the Closing Date, between the Governmental Unit and Finance Authority providing for the direct payment by the Distributing State Agency to the Finance Authority of Pledged Revenues in amounts sufficient to pay principal and interest due on the Loan Agreement, and any amendments or supplements to the Intercept Agreement.

“Loan” means the funds to be loaned to the Governmental Unit by the Finance Authority pursuant to the Loan Agreement.

“Loan Agreement” means the Loan Agreement dated the Closing Date between the Finance Authority and the Governmental Unit which provides for the financing of the Project and requires payments by or on behalf of the Governmental Unit to the Finance Authority and/or the Trustee and any amendments or supplements thereto, and including the exhibits attached to the Loan Agreement.

“Loan Agreement Principal Amount” means the original principal amount of the Loan Agreement as shown on the Term Sheet.

“NMSA” means the New Mexico Statutes Annotated, 1978, as amended and supplemented.

“Parity Obligations” means 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 parity with the Loan Agreement, including those obligations described on the Term Sheet.

“Pledged Revenues” means the State Fire Protection Fund revenues distributed to the Governmental Unit for the benefit of the District, which is utilizing the Project and benefiting from the Loan Agreement, which distribution is made periodically by the State Treasurer pursuant to Section 59A-53-7, NMSA 1978, as amended, in the amount certified by the State Fire Marshal or the New Mexico Public Regulation Commission.

“Processing Fee” means the processing fee to be paid on the Closing Date by the Governmental Unit to the Finance Authority for the costs of originating and servicing the Loan, as shown on the Term Sheet.

“Program Account” means the account in the name of the Governmental Unit established pursuant to the Indenture and held by the Trustee for the deposit of the net proceeds of the Loan Agreement for disbursement to the Governmental Unit for payment of the costs of the Project.

“Project” means the project described in Exhibit “A” to the Loan Agreement.

“Resolution” means this 2019-2020 Resolution No. 25 adopted by the Governing Body on December 9, 2019, approving the Loan Agreement and the Intercept Agreement and pledging the

Pledged Revenues to the payment of the Loan Agreement as shown on the Term Sheet, as supplemented and amended from time to time.

“State” means the State of New Mexico.

“Term Sheet” means Exhibit “A” to the Loan Agreement.

“Trustee” means BOKF, NA, Albuquerque, New Mexico, or any successor trustee company, national or state banking association or financial institution at the time appointed Trustee by the Finance Authority.

Section 2. Ratification. All actions heretofore taken (not inconsistent with the provisions of this Resolution) by the Governing Body and officers of the Governmental Unit directed toward the acquisition of the Project and the execution and delivery of the Loan Agreement and the Intercept Agreement, be, and the same hereby are, ratified, approved and confirmed.

Section 3. Authorization of the Project, the Loan Agreement and the Intercept Agreement. The acquisition of the Project and the method of financing the Project through execution and delivery of the Loan Agreement and the Intercept Agreement are hereby authorized and ordered. The Project is for the benefit and use of 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 Project is needed to meet the needs of the Governmental Unit and its residents and the issuance and delivery of the Loan Agreement is necessary and advisable.

B. Moneys available and on hand for the Project from all sources other than the Loan are not sufficient to defray the cost of acquiring the Project.

C. The Pledged Revenues may lawfully be pledged to secure the payment of amounts due under the Loan Agreement.

D. It is economically feasible to defray, in whole or in part, the costs of the Project by the execution and delivery of the Loan Agreement.

E. The Project 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 Project are necessary and in the interest of the public health, safety and welfare of the residents of the Governmental Unit.

F. The Governmental Unit will acquire the Project, in whole or in part, with the net proceeds of the Loan.

G. Other than as described in the Term Sheet, the Governmental Unit does not have any outstanding obligations payable from the Pledged Revenues which it has incurred or will incur prior to the initial execution and delivery of the Loan Agreement and the Intercept Agreement.

H. The net effective interest rate on the Loan does not exceed twelve percent (12.0%) per annum, which is the maximum rate permitted by State law.

Section 5. Loan Agreement and Intercept Agreement - Authorization and Detail.

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 residents of the Governmental Unit and acquiring the Project, it is hereby declared necessary that the Governmental Unit, pursuant to the Act, execute and deliver the Loan Agreement and the Intercept Agreement evidencing a special, limited obligation of the Governmental Unit to pay a principal amount of \$150,000 plus interest thereon, and the execution and delivery of the Loan Agreement and the Intercept Agreement are hereby authorized. The Governmental Unit shall use the proceeds of the Loan to (i) finance the acquisition of the Project; and (ii) pay the Processing Fee. The Project will be owned by the Governmental Unit.

B. Detail. The Loan Agreement and Intercept Agreement shall be in substantially the forms of the Loan Agreement and Intercept Agreement presented at the meeting of the Governing Body at which this Resolution was adopted. The Loan shall be in an original aggregate principal amount of \$150,000, shall be payable in installments of principal due on May 1 of the years designated in Exhibit "B" to the Loan Agreement and bear interest payable on November 1 and May 1 of each year, beginning on November 1, 2020, at the rates designated in Exhibit "B" to the Loan Agreement.

Section 6. Approval of Loan Agreement and Intercept Agreement. The forms of the Loan Agreement and the Intercept Agreement, as presented at the meeting of the Governing Body at which this Resolution was adopted are hereby approved. Authorized Officers are hereby individually authorized to execute, acknowledge and deliver the Loan Agreement and the Intercept Agreement, with such changes, insertions and omissions that are consistent with this Resolution as may be approved by such individual Authorized Officers, and the County Clerk is hereby authorized to affix the seal of the Governmental Unit on the Loan Agreement and the Intercept Agreement and attest the same. The execution of the Loan Agreement and the Intercept Agreement by an Authorized Officer 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 other obligations of the Governmental Unit thereunder, shall be a special, limited obligation of the Governmental Unit, payable solely from the Pledged Revenues as provided in this Resolution and the Loan Agreement and shall not constitute a general obligation of the Governmental Unit or the State, and the holders of the Loan Agreement may not look to any general or other fund of the Governmental Unit for payment of the obligations thereunder. Nothing contained in this Resolution or in the Loan Agreement, or 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 Loan Agreement, 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 therefore to payments required by the Loan Agreement, in its sole and absolute discretion.

Section 8. Disposition of Proceeds: Completion of Acquisition of the Project.

A. Program Account, Finance Authority Debt Service Account. The Governmental Unit hereby consents to creation of the Finance Authority Debt Service Account to be held by the Finance Authority and to the Program Account, to be held by the Trustee pursuant to the Indenture, each in connection with the Loan. The Governmental Unit hereby approves: (i) the deposit of a portion of the proceeds of the Loan Agreement in the Program Account; and (ii) the payment of the Processing Fee to the Finance Authority, all as set forth in Exhibit "A" to the Loan Agreement.

The proceeds derived from the execution and delivery of the Loan Agreement shall be deposited promptly upon the receipt thereof in the Program Account and Finance Authority Debt Service Account and the Processing Fee shall be paid to the Finance Authority, all 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 the Project in compliance with applicable law and the provisions of the Loan Agreement and the Indenture.

The Governmental Unit will acquire the Project with all due diligence.

B. Completion of Acquisition of the Project. Upon the Completion Date, the Governmental Unit shall execute and send to the Finance Authority a certificate stating that acquisition of and payment for the Project have been completed. As soon as practicable, and, in any event, not more than sixty (60) days from the Completion Date, any balance remaining in the Program Account shall be transferred and deposited into the Finance Authority Debt Service Account, as provided in the Loan Agreement and the Indenture.

C. Finance Authority and Trustee Not Responsible. The Finance Authority and the Trustee 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 Loan Agreement 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 shall be paid directly by the Distributing State Agency to the Finance Authority for deposit in the Finance Authority Debt Service Account and remittance to the Trustee in an amount sufficient to pay the principal and interest due under the Loan Agreement.

B. Termination on Deposits to Maturity. No payment shall be made into the Finance Authority Debt Service Account if the amounts in the Finance Authority Debt Service Account totals a sum at least equal to the entire aggregate amount to become due as to principal, 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 accounts 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 and any payments required by outstanding Parity Obligations, any moneys remaining in the Finance Authority Debt Service Account shall be transferred to the Governmental Unit on a timely basis and shall be 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 other 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 Loan Agreement, the Pledged Revenues are hereby authorized to be pledged to, and are hereby pledged to, and the Governmental Unit grants a security interest therein for, the payment of the principal, interest and any other amounts due under the Loan Agreement, subject to the uses hereof 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 and the Governmental Unit shall not create a lien on the Pledged Revenues superior to that of the Loan Agreement.

Section 11. Authorized Officers. Authorized Officers are hereby individually authorized and directed to execute and deliver any and all papers, instruments, opinions, affidavits and other documents and to do and cause to be done any and all acts and things necessary or proper for carrying out this Resolution, the Loan Agreement, the Intercept Agreement and all other transactions contemplated hereby and thereby. Authorized Officers are hereby individually authorized to do all acts and things required of them by this Resolution, the Loan Agreement and the Intercept Agreement for the full, punctual and complete performance of all the terms, covenants and agreements contained in this Resolution, the Loan Agreement and Intercept Agreement, including but not limited to, the execution and delivery of closing documents in connection with the execution and delivery of the Loan Agreement and the publication of the summary of this Resolution set out in Section 17 of this Resolution (with such changes, additions and deletions as may be necessary).

Section 12. Amendment of Resolution. Prior to the date of the initial delivery of the Loan Agreement to the Finance Authority, the provisions of this Resolution may be supplemented or amended by resolution of the Governing Body with respect to any changes which are not inconsistent with the substantive provisions of this Resolution. This Resolution may be amended without receipt by the Governmental Unit of any additional consideration, but only with the prior written consent of the Finance Authority.

Section 13. Resolution Irrepealable. After the Loan Agreement and Intercept Agreement have been executed and delivered, this Resolution shall be and remain irrepealable until all obligations due under 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, it shall be recorded in the book of the Governmental Unit kept for that purpose, authenticated by the signatures of the Chairman and County Clerk of the Governmental Unit, and 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:

(Form of Summary of Resolution for Publication)

Quay County, 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 2019-2020 Resolution No. 25, duly adopted and approved by the Governing Body of Quay County, New Mexico, on December 9, 2019. A complete copy of the Resolution is available for public inspection during the normal and regular business hours of the County Clerk, 301 S. 3rd Street, Tucumcari, New Mexico 88401.

The title of the Resolution is:

QUAY COUNTY, NEW MEXICO
2019-2020 RESOLUTION NO. 25

AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT AND INTERCEPT AGREEMENT BY AND BETWEEN QUAY COUNTY, NEW MEXICO (THE "GOVERNMENTAL UNIT") AND THE NEW MEXICO FINANCE AUTHORITY (THE "FINANCE AUTHORITY"), EVIDENCING A SPECIAL, LIMITED OBLIGATION OF THE GOVERNMENTAL UNIT TO PAY A PRINCIPAL AMOUNT OF \$150,000 TOGETHER WITH INTEREST THEREON, FOR THE PURPOSE OF PURCHASING A NEW FIREFIGHTING APPARATUS AND RELATED EQUIPMENT FOR THE CONSERVANCY #2 FIRE DISTRICT WITHIN THE GOVERNMENTAL UNIT, PAYING A LOAN PROCESSING FEE; AND PROVIDING FOR THE PLEDGE AND PAYMENT OF

THE PRINCIPAL AND INTEREST DUE UNDER THE LOAN AGREEMENT SOLELY FROM THE DISTRIBUTION OF STATE FIRE PROTECTION FUND REVENUES DISTRIBUTED BY THE STATE TREASURER TO THE GOVERNMENTAL UNIT PURSUANT TO SECTION 59A-53-7, NMSA 1978; PROVIDING FOR THE DISTRIBUTION OF STATE FIRE PROTECTION FUND REVENUES TO BE REDIRECTED BY THE STATE TREASURER TO THE FINANCE AUTHORITY OR ITS ASSIGNS FOR THE PAYMENT OF PRINCIPAL AND INTEREST DUE ON THE LOAN AGREEMENT PURSUANT TO AN INTERCEPT AGREEMENT; APPROVING THE FORM AND TERMS OF, AND OTHER DETAILS CONCERNING THE LOAN AGREEMENT AND INTERCEPT AGREEMENT; SETTING THE MAXIMUM INTEREST RATE OF THE LOAN; 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 LOAN AGREEMENT AND INTERCEPT AGREEMENT.

A general summary of the subject matter of the Resolution is contained in its title. This notice constitutes compliance with Section 6-14-6, NMSA 1978.

(End of Form of Summary for Publication)

PASSED, APPROVED AND ADOPTED THIS DECEMBER 9, 2019.

QUAY COUNTY, NEW MEXICO

By Franklin McCasland
Franklin McCasland, Chairman of the Board of
Board of County Commissioners



By Ellen White
Ellen White, County Clerk

Commissioner Cherry then moved adoption of the foregoing Resolution, duly seconded by Commissioner Dowell.

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

Those Voting Aye: Chairman McCasland
Commissioner Cherry
Commissioner Dowell

Those Voting Nay: _____

Those Absent: _____

Three (3) members of the Governing Body having voted in favor of said motion, the Chairman declared said motion carried and said Resolution adopted, whereupon the Chairman and the County Clerk signed the Resolution upon the records of the minutes of the Governing Body.

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

QUAY COUNTY, NEW MEXICO

By Franklin McCasland
Franklin McCasland, Chairman of the
Board of County Commissioners



By Ellen White
Ellen White, County Clerk

EXHIBIT "A"

Meeting Agenda
of the December 9, 2019
Board of County Commissioners Meeting

(See attached)

STATE OF NEW MEXICO
QUAY COUNTY

I, Ellen White, the duly qualified and acting County Clerk of Quay County, New Mexico (the "Governmental Unit"), do hereby certify:

1. The foregoing pages are a true, perfect, and complete copy of the record of the proceedings of the Board of County Commissioners of Quay County, New Mexico (the "Governing Body"), constituting the governing body of the Governmental Unit had and taken at a duly called regular meeting held at 301 S. 3rd Street, Tucumcari, New Mexico 88401, on December 9, 2019, at the hour of 9:00 a.m., insofar as the same relate to the execution and delivery of the proposed Loan Agreement and Intercept Agreement, a copy of each of which is 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.

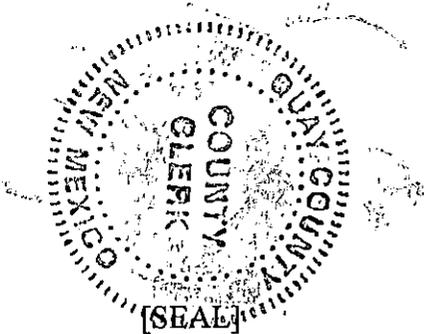
2. Said proceedings were duly had and taken as therein shown, the meeting therein was duly held, and the persons therein named were present at said meeting, as therein shown.

3. Notice of said meeting was given in compliance with the permitted methods of giving notice of regular meetings of the Governing Body as required by the Governmental Unit's open meetings standards presently in effect.

IN WITNESS WHEREOF, I have hereunto set my hand this 9th day of December, 2019.

QUAY COUNTY, NEW MEXICO

By Ellen White
Ellen White, County Clerk



5291852.docx

\$150,000

LOAN AGREEMENT

dated

January 17, 2020

by and between

NEW MEXICO FINANCE AUTHORITY

and

QUAY COUNTY, NEW MEXICO

Certain interests of the New Mexico Finance Authority under this Loan Agreement may be assigned to BOKF, NA as trustee under the Indenture, as defined in Article I of this Loan Agreement.

LOAN AGREEMENT

THIS LOAN AGREEMENT dated January 17, 2020, is entered into by and between the NEW MEXICO FINANCE AUTHORITY (the "Finance Authority"), and QUAY COUNTY, NEW MEXICO (the "Governmental Unit"), a political subdivision duly organized and existing under the laws of the State of New Mexico (the "State").

WITNESSETH:

WHEREAS, the Finance Authority is a public body politic and corporate constituting a governmental instrumentality, separate and apart from the State, duly organized and created under and pursuant to the laws of the State, particularly Section 6-21-1 et seq., NMSA 1978, as amended (the "Finance Authority Act"); and

WHEREAS, one of the purposes of the Finance Authority Act is to implement a program to permit qualified entities, such as the Governmental Unit, to enter into agreements with the Finance Authority to facilitate financing of public projects; and

WHEREAS, the Governmental Unit is a political subdivision duly organized and existing under and pursuant to the laws of the State and is a qualified entity under the Finance Authority Act; and

WHEREAS, the Governing Body of the Governmental Unit, has determined that it is in the best interests of the Governmental Unit and its residents that the Governmental Unit enter into this Loan Agreement with the Finance Authority and accept a loan from the Finance Authority to finance the costs of purchasing a new firefighting apparatus and related equipment as more fully described on the Term Sheet attached hereto as Exhibit "A"; and

WHEREAS, the Act authorizes the Governmental Unit to use the Pledged Revenues to finance the Project and to enter into this Loan Agreement; and

WHEREAS, the Finance Authority has determined that the Project is important to the overall capital needs of the residents of the State and that the Project will directly enhance the health and safety of the residents of the Governmental Unit; and

WHEREAS, the Governmental Unit is a disadvantaged qualified entity within the meaning of Section 8(B)(4)(b) of the Finance Authority's Amended and Restated Rules and Regulations Governing the Public Project Revolving Fund Program.

WHEREAS, the Governmental Unit has entered into the Intercept Agreement by and between the Finance Authority and the Governmental Unit whereby the Pledged Revenues due to the Governmental Unit from the Distributing State Agency are intercepted by the Finance Authority, or the Trustee, as its assignee, to make payments due under this Loan Agreement; and

WHEREAS, the Finance Authority may assign and transfer this Loan Agreement to the Trustee pursuant to the Indenture; and

WHEREAS, except as described on the Term Sheet, the Pledged Revenues have not been pledged or hypothecated in any manner or for any purpose at the time of the execution and delivery of this Loan Agreement, and the Governmental Unit desires to pledge the Pledged Revenues toward the payment of this Loan Agreement; and

WHEREAS, the obligation of the Governmental Unit hereunder shall constitute a special, limited obligation of the Governmental Unit, limited to the Pledged Revenues, and shall not constitute a general obligation or other indebtedness of the Governmental Unit or a charge against the general credit or ad valorem taxing power of the Governmental Unit or the State; and

WHEREAS, the execution, performance and delivery of this Loan Agreement and the Intercept Agreement have been authorized, approved and directed by all necessary and appropriate action of the Governing Body pursuant to the Resolution; and

WHEREAS, the execution and performance of this Loan Agreement and the Intercept Agreement have been authorized, approved and directed by all necessary and appropriate action of the Finance Authority; and

NOW, THEREFORE, for and in consideration of the premises and the mutual promises and covenants herein contained, the parties hereto agree:

ARTICLE I DEFINITIONS

Capitalized terms defined in the foregoing recitals shall have the same meaning when used in this Loan Agreement, unless the context clearly requires otherwise. Capitalized terms not defined in the recitals and defined in this Article I shall have the same meaning when used in this Loan Agreement, including the foregoing recitals, unless the context clearly requires otherwise.

“Act” means the general laws of the State, including Sections 4-62-1 through 4-62-10 and Sections 59A-53-1 through 59A-53-19, NMSA 1978, as amended, and enactments of the Governing Body relating to this Loan Agreement and Intercept Agreement, including the Resolution.

“Additional Payment Obligations” mean payments in addition to Loan Agreement Payments required by this Loan Agreement, including, without limitation, payments required pursuant to the provisions of Article IX and Article X hereof.

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

“Authorized Officers” means, in the case of the Governmental Unit, Chairman, Vice Chairman, Finance Director and County Clerk and, in the case of the Finance Authority, the Chairman, Vice-Chairman and Secretary of the Board of Directors and the Chief Executive Officer or any other officer or employee of the Finance Authority designated in writing by an Authorized Officer.

“Blended Interest Rate” means the rate of interest on this Loan Agreement as shown on the Term Sheet.

“Bond Counsel” means nationally recognized bond counsel experienced in matters of municipal law satisfactory to the Trustee and listed in the list of municipal bond attorneys, as published semi-annually by The Bond Buyer’s Municipal Marketplace, or any successor publication, acting as Loan Counsel to the Finance Authority.

“Bonds” means public project revolving fund revenue bonds, if any, issued hereafter by the Finance Authority to fund or reimburse the Loan Agreement.

“Closing Date” means the date of execution, delivery and funding of this Loan Agreement as shown on the Term Sheet.

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

“District” means the Conservancy #2 Fire District within the Governmental Unit.

“Distributing State Agency” means the department or agency of the State, as described on the Term Sheet, authorized to distribute the Pledged Revenues to or on behalf of the Governmental Unit.

“Event of Default” means one or more events of default as defined in Section 10.1 of this Loan Agreement.

“Expenses” means the costs of issuance of this Loan Agreement and the Bonds, if any, and periodic and regular fees and expenses incurred by the Finance Authority in administering this Loan Agreement, including legal fees.

“Finance Authority Debt Service Account” means the debt service account established in the name of the Governmental Unit within the Debt Service Fund, as defined in the Indenture, held and administered by the Finance Authority to pay principal and interest, if any, on this Loan Agreement as the same become due.

“Fiscal Year” means the period beginning 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 duly organized Board of County Commissioners of the Governmental Unit and any successor governing body of the Governmental Unit.

“Indenture” means the General Indenture of Trust and Pledge dated as of June 1, 1995, as amended and supplemented, by and between the Finance Authority and the Trustee, or the Subordinated General Indenture of Trust and Pledge dated as of March 1, 2005, as supplemented, by and between the Finance Authority and the Trustee, as determined by the Finance Authority pursuant to a Pledge Notification or Supplemental Indenture (as defined in the Indenture).

“Independent Accountant” means: (i) an accountant employed by the State and under the supervision of the State Auditor; or (ii) any certified public 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 January 17, 2020, between the Governmental Unit and the Finance Authority providing for the direct payment by the Distributing State Agency to the Finance Authority of the Pledged Revenues in amounts sufficient to pay Loan Agreement Payments, and any amendments or supplements to the Intercept Agreement.

“Interest Component” means the portion of each Loan Agreement Payment paid as interest on this Loan Agreement as shown on Exhibit “B” hereto.

“Loan” means the funds in the Loan Agreement Principal Amount to be loaned to the Governmental Unit by the Finance Authority pursuant to this Loan Agreement.

“Loan Agreement” means this loan agreement and any amendments or supplements hereto, including the exhibits attached to this loan agreement.

“Loan Agreement Balance” means, as of any date of calculation, the Loan Agreement Principal Amount less the aggregate principal amount paid or prepaid pursuant to the provisions of this Loan Agreement.

“Loan Agreement Payment” means, collectively, the Principal Component and the Interest Component, if any, to be paid by the Governmental Unit as payment of this Loan Agreement as shown on Exhibit “B” hereto.

“Loan Agreement Payment Date” means each date a payment is due on this Loan Agreement as shown on Exhibit “B” hereto.

“Loan Agreement Principal Amount” means the original principal amount of this Loan Agreement as shown on the Term Sheet.

“Loan Agreement Term” means the term of this Loan Agreement as provided under Article III of this Loan Agreement.

“NMSA” means the New Mexico Statutes Annotated, 1978 compilation, as amended and supplemented.

“Parity Obligations” means this Loan Agreement, and any other obligations, now outstanding 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 this Loan Agreement, including any such obligations shown on the Term Sheet.

“Permitted Investments” means securities which are at the time legal investments of the Governmental Unit for the money to be invested, as applicable, including but not limited to the following, if permitted by law: (i) securities that are issued by the United States government or by its agencies or instrumentalities and that are either direct obligations of the United States, the federal home loan mortgage association, the federal national mortgage association, the federal farm credit bank, federal home loan banks or the student loan marketing association or that are backed by the full faith and credit of the United States government; (ii) negotiable securities of the State; (iii) money market funds which invest solely in obligations described in clause (i) above which are rated in the highest rating category by Moody’s Investors Service, Inc., or Standard & Poor’s Rating Group; and (iv) the State Treasurer’s short-term investment fund created pursuant to Section 6-10-10.1, NMSA 1978, and operated, maintained and invested by the office of the State Treasurer.

“Pledged Revenues” means revenues distributed to the Governmental Unit for the District pledged to payment of the Loan Agreement Payments pursuant to the Resolution and described on the Term Sheet.

“Principal Component” means the portion of each Loan Agreement Payment paid as principal on this Loan Agreement as shown on Exhibit “B” hereto.

“Processing Fee” means the processing fee to be paid on the Closing Date by the Governmental Unit to the Finance Authority for the costs of originating and servicing the Loan, as shown on the Term Sheet attached to this Loan Agreement as Exhibit “A”.

“Program Account” means the account in the name of the Governmental Unit established pursuant to the Indenture and held by the Trustee for the deposit of the net proceeds of the Loan Agreement for disbursement to the Governmental Unit for payment of the costs of the Project.

“Project” means the project(s) described on the Term Sheet.

“Resolution” means the Governmental Unit 2019-2020 Resolution No. 25 adopted by the Governing Body on December 9, 2019, approving this Loan Agreement and the Intercept Agreement and pledging the Pledged Revenues to the payment of the Loan Agreement Payments as shown on the Term Sheet.

“Term Sheet” means Exhibit “A” attached hereto.

“Trustee” means BOKF, NA, Albuquerque, New Mexico, or any successor trust company, national or state banking association or financial institution at the time appointed Trustee by Finance Authority.

“Unassigned Rights” means the rights of the Finance Authority to receive payment of the Processing Fee, administrative expenses, reports and indemnity against claims pursuant to the provisions of this Loan Agreement which are withheld in the granting clauses of the Indenture from the pledge, assignment and transfer of this Loan Agreement to the Trustee.

ARTICLE II
REPRESENTATIONS, COVENANTS AND WARRANTIES

Section 2.1 Representations, Covenants and Warranties of the Governmental Unit. The Governmental Unit represents, covenants and warrants:

(a) Binding Nature of Covenants. All covenants, stipulations, obligations and agreements of the Governmental Unit contained in this Loan Agreement shall be deemed to be the covenants, stipulations, obligations and agreements of the Governmental Unit to the full extent authorized or permitted by law, and such covenants, stipulations, obligations and agreements shall be binding upon the Governmental Unit and its successors and upon any board or body to which any powers or duties affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law. Except as otherwise provided in this Loan Agreement, all rights, powers and privileges conferred and duties and liabilities imposed upon the Governmental Unit by the provisions of this Loan Agreement and the Resolution shall be exercised or performed by the Governmental Unit or by such members, officers, or officials of the Governmental Unit as may be required by law to exercise such powers and to perform such duties.

(b) Personal Liability. No covenant, stipulation, obligation or agreement contained in this Loan Agreement shall be deemed to be a covenant, stipulation, obligation or agreement of any officer, agent or employee of the Governmental Unit or member of the Governing Body in his or her individual capacity, and neither the members of the Governing Body nor any officer, agent or employee of the Governmental Unit executing this Loan Agreement shall be liable personally on this Loan Agreement or be subject to any personal liability or accountability by reason of the execution and delivery thereof.

(c) Authorization of Loan Agreement and Intercept Agreement. The Governmental Unit is a political subdivision of the State and is duly organized and existing under the statutes and laws of the State. Pursuant to the Act, as amended and supplemented from time to time, the Governmental Unit is authorized to enter into the transactions contemplated by this Loan Agreement and the Intercept Agreement and to carry out its obligations hereunder and thereunder. The Governmental Unit has duly authorized and approved the execution and delivery of this Loan Agreement, the Intercept Agreement, and the other documents related to the transaction.

(d) Use of Loan Agreement Proceeds. The Governmental Unit shall proceed without delay in applying the proceeds of this Loan Agreement (less the deposits to the Loan Agreement Reserve Account, if any, the Finance Authority Debt Service Account and the Processing Fee) to the acquisition of the Project.

(e) Payment of Loan Agreement. The Governmental Unit shall promptly pay Loan Agreement Payments, as specified in Exhibit "B" hereto, according to the true intent and meaning of this Loan Agreement. Loan Agreement Payments are payable solely from (i) the Pledged Revenues, (ii) special reserve funds of the Finance Authority (as determined by the Finance Authority, and subject to repayment from the Pledged Revenues), or (iii) the proceeds of refunding bonds or other refunding obligations which the Governmental Unit may hereafter issue in its sole discretion and which are payable from the Pledged Revenues; and nothing in this Loan

Agreement shall be construed as obligating the Governmental Unit to pay Loan Agreement Payments from any general or other fund of the Governmental Unit other than such special funds. Nothing contained in this Loan Agreement, however, shall be construed as prohibiting the Governmental Unit in its sole and absolute discretion, from making such payments from any moneys which may be lawfully used, and which are legally available, for that purpose.

(f) Acquisition and Completion of Project. The Project will consist of acquiring a new firefighting apparatus and related equipment. The Project will be acquired and completed so as to comply with all applicable ordinances, resolutions and regulations, if any, and any and all applicable laws relating to the acquisition and completion of the Project and to the use of the Pledged Revenues. The Project complies with Sections 59A-53-1 through 59A-53-19, NMSA 1978, as amended.

(g) Necessity of Project. The acquisition of the Project under the terms and conditions provided for in this Loan Agreement is necessary, convenient and in furtherance of the governmental purposes of the Governmental Unit and is in the best interests of the Governmental Unit and its residents.

(h) Legal, Valid and Binding Special Obligation. The Governmental Unit has taken all required action necessary to authorize the execution and delivery of this Loan Agreement and the Intercept Agreement, and this Loan Agreement and the Intercept Agreement constitute legal, valid and binding special obligations of the Governmental Unit enforceable in accordance with their terms.

(i) Loan Agreement Term. The weighted average maturity of 6.956 years of the Loan Agreement does not exceed 120% of the reasonably expected life of the Project which is at least six (6) years.

(j) Use of Project. During the Loan Agreement Term, the Project will at all times be used for the purpose of benefiting the Governmental Unit as a whole.

(k) No Private Activity. The Governmental Unit is a "governmental unit" within the meaning of Sections 103 and 141(b)(6) of the Code. In addition, no amounts disbursed from the Program Account and used to finance the Project shall be used in the trade or business of a person who is not a "governmental unit" within the meaning of Sections 103 and 141(b)(6) of the Code.

(l) No Excess Loan Agreement Proceeds. The amount loaned to the Governmental Unit under this Loan Agreement as set forth on the Term Sheet does not exceed the sum of: (i) the cost of the Project; and (ii) an amount necessary to pay the Processing Fee and the costs related to issuance of the Bonds, if any.

(m) No Breach or Default Caused by Loan Agreement or Intercept Agreement. Neither the execution and delivery of this Loan Agreement and the Intercept Agreement, nor the fulfillment of or compliance with the terms and conditions in this Loan Agreement and the Intercept Agreement, nor the consummation of the transactions contemplated herein and therein, conflicts with or results in a breach of terms, conditions or provisions of any restriction or any

agreement or instrument to which the Governmental Unit is a party or by which the Governmental Unit is bound or any laws, ordinances, governmental rules or regulations or court or other governmental orders to which the Governmental Unit or its properties are subject, or constitutes a default under any of the foregoing.

(n) Irrevocable Enactments. While this Loan Agreement remains outstanding and unpaid, any ordinance, resolution or other enactment of the Governing Body applying the Pledged Revenues for the payment of this Loan Agreement, including the Resolution shall be irrevocable until this Loan Agreement has been paid in full as to both principal and interest, and shall not be subject to amendment or modification in any manner which would in any way jeopardize the timely payment of Loan Agreement Payments.

(o) Outstanding Debt. Except for the Parity Obligations, if any, described on the Term Sheet, there are currently no outstanding bonds, notes or other obligations of the Governmental Unit which are payable from and secured by a parity lien on the Pledged Revenues. No additional indebtedness, bonds or notes of the Governmental Unit payable on a priority ahead of the indebtedness herein authorized out of the Pledged Revenues shall be created or incurred while this Loan Agreement remains outstanding.

(p) No Litigation. To the knowledge of the Governmental Unit, no litigation or proceeding is pending or threatened against the Governmental Unit or any other person affecting the right of the Governmental Unit to execute or deliver this Loan Agreement or the Intercept Agreement or to comply with its obligations under this Loan Agreement or the Intercept Agreement. Neither, the execution and delivery of this Loan Agreement or the Intercept Agreement by the Governmental Unit, nor compliance by the Governmental Unit with the obligations under such agreements, requires the approval of any regulatory body, or any other entity, which approval has not been obtained or which is not reasonably expected to be obtained.

(q) No Event of Default. No event has occurred and no condition exists which, upon the execution and delivery of this Loan Agreement and the Intercept Agreement, would constitute an Event of Default on the part of the Governmental Unit under this Loan Agreement or the Intercept Agreement.

(r) Pledged Revenues Not Budgeted. The portion of the Pledged Revenues necessary to pay the Loan Agreement Payments, as and when due, is not needed or budgeted to pay current or anticipated operational or other expenses of the Governmental Unit.

(s) Expected Coverage Ratio. The Pledged Revenues (giving credit for any increase in the Pledged Revenues which has received final approval of the Governing Body and become effective) from the Fiscal Year immediately preceding the Closing Date were equal to or exceeded and, on an ongoing basis during each year of the Loan Agreement Term, are reasonably expected to equal or exceed, one hundred twenty-five percent (125%) of the maximum Aggregate Annual Debt Service Requirement.

(t) No Extension of Interest Payments. The Governmental Unit will not extend or be a party to the extension of the time for paying any interest on this Loan Agreement.

(u) Governmental Unit's Existence. The Governmental Unit will maintain its corporate identity and existence so long as this Loan Agreement is unpaid, unless another political subdivision by operation of law succeeds to the liabilities and rights of the Governmental Unit without adversely affecting to any substantial degree the privileges and rights of the Finance Authority.

(v) Continuing Disclosure. The Governmental Unit covenants that it shall provide continuing disclosure to the Finance Authority, as the Finance Authority may require, that shall include, but not be limited to, annual audits, operational data required to update information in any disclosure documents used to assign or securitize the Loan Agreement Payments by issuance of Bonds by the Finance Authority pursuant to the Indenture, and notification of any event deemed material by the Finance Authority.

(w) Tax Covenants. The Governmental Unit covenants that it shall restrict the use of the proceeds of this Loan Agreement in such manner and to such extent, if any, as may be necessary so that this Loan Agreement will not constitute an arbitrage bond under Section 148 of the Code and that it shall pay any applicable rebate to the Internal Revenue Service. Authorized Officers of the Governmental Unit are hereby authorized and directed to execute an Arbitrage and Tax Certificate as may be required by the Finance Authority and such additional certificates as shall be necessary to establish that this Loan Agreement is not an "arbitrage bond" within the meaning of Section 148 of the Code and the Treasury Regulations promulgated or proposed with respect thereto, including Treasury Regulation Sections 1.148-1 through 1.148-11, 1.149 and 1.150 as the same currently exist, or may from time to time hereafter be amended, supplemented or revised. The Governmental Unit covenants to comply with the provisions of any such Arbitrage and Tax Certificate and the provisions thereof will be incorporated herein by reference to the same extent as if set forth herein. The Governmental Unit covenants that no use will be made of the proceeds of this Loan Agreement, or any funds or accounts of the Governmental Unit which may be deemed to be Gross Proceeds (as defined in Treasury Regulation Section 1.148-1(b)) of this Loan Agreement, which use, if it had been reasonably expected on the Closing Date, would have caused this Loan Agreement to be classified as an "arbitrage bond" within the meaning of Section 148 of the Code. Pursuant to this covenant, the Governmental Unit obligates itself to comply throughout the Loan Agreement Term with the requirements of Sections 103 and 141 through 150 of the Code and the regulations proposed or promulgated with respect thereto. The Governmental Unit further represents and covenants that no bonds or other evidence of indebtedness of the Governmental Unit payable from substantially the same source as this Loan Agreement have been or will be issued, sold or delivered within fifteen (15) days prior to or subsequent to the Closing Date. The Governmental Unit hereby further represents and covenants to comply with Section 7.6 hereof, which designates this Loan Agreement as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Code.

(x) Use of Fire Protection Fund Revenues. The Governmental Unit will take no action with respect to the Project that would constitute a violation of the terms of Sections 59A-53-7 through 59A-53-10, NMSA 1978, as the same may be amended or recompiled from time to time.

Section 2.2 Representations, Covenants and Warranties of the Finance Authority. The Finance Authority represents, covenants and warrants for the benefit of the Governmental Unit as follows:

(a) Authorization of Loan Agreement and Intercept Agreement. The Finance Authority is a public body politic and corporate constituting a governmental instrumentality, separate and apart from the State, duly organized, existing and in good standing under the laws of the State, has all necessary power and authority to enter into and perform and observe the covenants and agreements on its part contained in this Loan Agreement and the Intercept Agreement and, by proper action, has duly authorized the execution and delivery of this Loan Agreement and the Intercept Agreement based upon the Finance Authority's findings that:

(i) The Governmental Unit is a disadvantaged qualified entity in that its median household income is \$26,663, which is less than eighty percent (80%) of the State median household income of \$46,718.

(ii) The Project is important to the overall capital needs of the State and directly enhances the health and safety of the residents of the Governmental Unit.

(b) Assignment of Rights. The Finance Authority may not pledge or assign the Pledged Revenues, the Loan Agreement Payments or any of its other rights under this Loan Agreement and the Intercept Agreement except to the Trustee pursuant to the Indenture.

(c) No Breach or Default Caused by Loan Agreement or Intercept Agreement. Neither the execution and delivery of this Loan Agreement or the Intercept Agreement, nor the fulfillment of or compliance with the terms and conditions of this Loan Agreement or the Intercept Agreement, nor the consummation of the transactions contemplated in this Loan Agreement or the Intercept Agreement, conflicts with or results in a breach of the terms, conditions and provisions of any restriction or any agreement or instrument to which the Finance Authority is a party or by which the Finance Authority is bound or constitutes a default under any of the foregoing and will not conflict with or constitute a violation of any constitutional or statutory provision or order, rule, regulation, decree or resolution of any court, government or governmental authority having jurisdiction over the Finance Authority or its property and which conflict or violation will have a material adverse effect on the Finance Authority or the financing of the Project.

(d) No Litigation. To the knowledge of the Finance Authority, there is no litigation or proceeding pending or threatened against the Finance Authority or any other person affecting the right of the Finance Authority to execute or deliver this Loan Agreement or the Intercept Agreement or to comply with its obligations under this Loan Agreement or the Intercept Agreement. Neither, the execution and delivery of this Loan Agreement or the Intercept Agreement by the Finance Authority, nor compliance by the Finance Authority with its obligations under this Loan Agreement and the Intercept Agreement requires the approval of any regulatory body, or any other entity, which approval has not been obtained.

(e) Legal, Valid and Binding Obligations. This Loan Agreement and the Intercept Agreement constitute the legal, valid and binding obligations of the Finance Authority enforceable in accordance with their terms.

(f) Tax-Exempt Reimbursement of Amount Loaned. The Finance Authority intends to reimburse the public project revolving fund (as defined in the Finance Authority Act) for the amount of the Loan from the proceeds of tax-exempt bonds which the Finance Authority expects to issue within eighteen (18) months of the Closing Date.

ARTICLE III
LOAN AGREEMENT TERM

The Loan Agreement Term shall commence on the Closing Date and shall not terminate until this Loan Agreement has been paid in full or provision for the payment of this Loan Agreement has been made pursuant to Article VIII hereof.

ARTICLE IV
LOAN; APPLICATION OF MONEYS

On the Closing Date, the Finance Authority shall transfer the Loan Agreement Principal Amount as follows:

(a) To the Trustee, the amount shown on the Term Sheet as the Program Account Deposit shall be deposited in the Governmental Unit's Program Account to be disbursed by the Trustee pursuant to the Indenture and disbursed pursuant to Section 6.2 hereof at the direction of the Governmental Unit as needed by the Governmental Unit for the Project; and

(b) To the Finance Authority, the amount shown on the Term Sheet as the Finance Authority Debt Service Account deposit shall be deposited into the Finance Authority Debt Service Account to be maintained by the Finance Authority or its assignee and utilized as provided in Section 5.2 hereof; and

(c) To the Finance Authority, payment in the amount shown on the Term Sheet as the Processing Fee.

ARTICLE V
LOAN TO THE GOVERNMENTAL UNIT;
PAYMENTS BY THE GOVERNMENTAL UNIT

Section 5.1 Loan to the Governmental Unit; Payment Obligations Limited to Pledged Revenues; Pledge of Pledged Revenues. The Finance Authority hereby lends to the Governmental Unit and the Governmental Unit hereby borrows from the Finance Authority an amount equal to the Loan Agreement Principal Amount. The Governmental Unit promises to pay, but solely from the sources pledged herein or special reserve funds of the Finance Authority (as determined by the Finance Authority, and subject to repayment from the Pledged Revenues), the Loan Agreement Payments as herein provided. The Governmental Unit does hereby convey, assign and pledge unto the Finance Authority and unto its successors in trust forever all right, title and interest of the Governmental Unit in and to: (i) the Pledged Revenues to the extent required to pay the Loan Agreement Payments on parity with the Parity Obligations; (ii) the Finance Authority Debt Service Account, such account being held by the Finance Authority; (iii) the Program Account, such accounts being held by the Trustee; and (iv) all other rights hereinafter granted, for the securing of

the Governmental Unit's obligations under this Loan Agreement, including payment of the Loan Agreement Payments and Additional Payment Obligations; provided, however, that if the Governmental Unit, its successors or assigns, shall well and truly pay, or cause to be paid, all Loan Agreement Payments at the time and in the manner contemplated by this Loan Agreement, according to the true intent and meaning hereof, or shall provide, as permitted by Article VIII of this Loan Agreement for the payment hereof and shall pay all other amounts due or to become due under this Loan Agreement in accordance with its terms and provisions, then, upon such final payment or provision for payment by the Governmental Unit, this Loan Agreement and the rights created thereby shall terminate; otherwise, this Loan Agreement shall remain in full force and effect. The Loan Agreement Payments shall, in the aggregate, be sufficient to pay the Principal Component and Interest Component when due, the payment schedule of which is attached hereto as Exhibit "B."

The pledge of the Pledged Revenues and the lien thereon shall be effective upon the Closing Date. The Governmental Unit and the Finance Authority acknowledge and agree that the Loan Agreement Payments of the Governmental Unit hereunder are limited to the Pledged Revenues, and that this Loan Agreement shall constitute a special, limited obligation of the Governmental Unit. No provision of this Loan Agreement shall be construed or interpreted as creating a general obligation or other indebtedness of the Governmental Unit within the meaning of any constitutional or statutory debt limitation. No provision of this Loan Agreement shall be construed to pledge or to create a lien on any class or source of Governmental Unit moneys other than the Pledged Revenues, nor shall any provision of this Loan Agreement restrict the future issuance of any bonds or obligations payable from any class or source of Governmental Unit moneys other than the Pledged Revenues. In addition, to the extent not required for the payment of obligations of the Governmental Unit hereunder, the Pledged Revenues may be utilized by the Governmental Unit for any other purposes permitted by law.

Section 5.2 Payment Obligations of Governmental Unit. As provided in the Intercept Agreement, the Distributing State Agency shall cause to be transferred from the Pledged Revenues or special reserve funds of the Finance Authority (as determined by the Finance Authority, and subject to repayment from the Pledged Revenues) the amounts provided in subsections (a)(i) and (ii) of this Section 5.2 for deposit into the Finance Authority Debt Service Account. The Finance Authority Debt Service Account shall be established and held by the Finance Authority on behalf of the Governmental Unit. All Pledged Revenues received by the Finance Authority pursuant to the Intercept Agreement shall be accounted for and maintained on an ongoing basis by the Finance Authority in the Finance Authority Debt Service Account or used for repayment of Loan Agreement Payments paid by the special reserve funds of the Finance Authority, and all Loan Agreement Payments shall be remitted to the Trustee. The amounts on deposit in the Finance Authority Debt Service Account shall be expended and used by the Finance Authority or the Trustee, as the case may be, only in the manner and order of priority specified below.

(a) As a first charge and lien, but not an exclusive first charge and lien, on the Pledged Revenues (on a parity with the lien on the Pledged Revenues created by any outstanding Parity Obligations), the Governmental Unit shall remit to the Finance Authority and the Finance Authority shall transfer and deposit into the Finance Authority Debt Service Account the following

from the Pledged Revenues received pursuant to the Intercept Agreement from the Governmental Unit, which the Finance Authority shall transfer to the Trustee in accordance with the Indenture:

(i) Interest Components. Amounts necessary to pay the Interest Components coming due on this Loan Agreement on May 1 and November 1 of each Fiscal Year beginning with the Fiscal Year ending June 30, 2021, as described in Exhibit "B;"

(ii) Principal Payments. Amounts necessary to pay the Principal Components coming due on this Loan Agreement on May 1 of each Fiscal Year beginning with the Fiscal Year ending June 30, 2021, as described in Exhibit "B."

(b) Each Loan Agreement Payment shall be transferred by the Finance Authority from the Finance Authority Debt Service Account to the Trustee.

(c) Subject to the foregoing deposits, the Finance Authority or the Trustee shall annually use the balance of the Pledged Revenues received, if any, at the request of the Governmental Unit: (i) to credit against upcoming Loan Agreement Payments; or (ii) to distribute to the Governmental Unit's account in the Fire Protection Fund maintained by the State Treasurer for any purpose permitted by law.

Section 5.3 Manner of Payment. All payments of the Governmental Unit hereunder shall be paid in lawful money of the United States of America to the Finance Authority at the address designated in Section 11.1 herein, for remittance to the Trustee. The obligation of the Governmental Unit to make payments hereunder, from and to the extent of the available Pledged Revenues, shall be absolute and unconditional in all events, except as expressly provided hereunder, and payment hereunder shall not be abated through accident or unforeseen circumstances. Notwithstanding any dispute between the Governmental Unit, the Finance Authority, the Trustee, any vendor or any other person, the Governmental Unit shall make all deposits hereunder, from and to the extent of the available Pledged Revenues, when due and shall not withhold any deposit hereunder pending final resolution of such dispute, nor shall the Governmental Unit assert any right of set-off or counterclaim against its obligation to make such deposits required hereunder.

Section 5.4 Disposition of Payments by the Trustee. The Trustee shall deposit all moneys received from the Finance Authority under this Loan Agreement in accordance with the Indenture.

Section 5.5 Additional Parity Obligations. No provision of this Loan Agreement shall be construed in such a manner as to prevent the issuance by the Governmental Unit of additional Parity Obligations payable from the Pledged Revenues, nor to prevent the issuance of bonds or other obligations refunding all or a part of this Loan Agreement; provided, however, that before any such additional Parity Obligations are actually issued (excluding refunding bonds or refunding obligations which refund Parity Obligations but including parity refunding bonds and obligations which refund subordinate obligations as provided in Section 5.6 hereof), it must be determined that:

(a) The Governmental Unit is then current in all of the accumulations required to be made into the Finance Authority Debt Service Account as provided herein.

(b) No default shall exist in connection with any of the covenants or requirements of the Resolution or this Loan Agreement.

(c) The Pledged Revenues received by or credited to the Governmental Unit for the Fiscal Year or for any twelve (12) consecutive months out of the twenty-four (24) months preceding the date of the issuance of such additional Parity Obligations (the "Historic Test Period") shall have been sufficient to pay an amount representing two hundred percent (200%) of the combined maximum Aggregate Annual Debt Service Requirement coming due in any subsequent Fiscal Year on the then outstanding Parity Obligations and the Parity Obligations proposed to be issued (excluding the accumulation of any reserves therefor).

(d) A written certification or opinion by the Governmental Unit's Treasurer or chief financial officer or by an Independent Accountant that the Pledged Revenues for the Historic Test Period are sufficient to pay said amounts, shall be conclusively presumed to be accurate in determining the right of the Governmental Unit to authorize, issue, sell and deliver the Parity Obligations proposed to be issued.

(e) No provision of this Loan Agreement shall be construed in such a manner as to prevent the issuance by the Governmental Unit of additional bonds or other obligations payable from the Pledged Revenues constituting a lien upon such Pledged Revenues subordinate and junior to the lien of this Loan Agreement nor to prevent the issuance of bonds or other obligations refunding all or part of this Loan Agreement as permitted by Section 5.6 hereof.

(f) The Governmental Unit shall not issue bonds or other obligations payable from the Pledged Revenues having a lien thereon prior and superior to this Loan Agreement.

Section 5.6 Refunding Obligations. The provisions of Section 5.5 hereof are subject to the following exceptions:

(a) If at any time after the Closing Date, while this Loan Agreement, or any part thereof, is outstanding, the Governmental Unit shall find it desirable to refund any outstanding bonds or other outstanding obligations payable from the Pledged Revenues, this Loan Agreement, such bonds or other obligations, or any part thereof, may be refunded (but the holders of this Loan Agreement or bonds to be refunded may not be compelled to surrender this Loan Agreement or their bonds, unless this Loan Agreement, the bonds or other obligations, at the time of their required surrender for payment, shall then mature, or shall then be callable for prior redemption at the Governmental Unit's option), regardless of whether the priority of the lien for the payment of the refunding obligations on the Pledged Revenues is changed, except as provided in subparagraph (e) of Section 5.5 hereof and in subparagraphs (b) and (c) of this Section.

(b) No refunding bonds or other refunding obligations payable from the Pledged Revenues shall be issued on a parity with this Loan Agreement unless:

(i) The outstanding obligations so refunded are Parity Obligations and the refunding bonds or other refunding obligations do not increase any aggregate annual principal and interest obligations evidenced by such refunded obligations; or

(ii) The refunding bonds or other refunding obligations are issued in compliance with Section 5.5 hereof.

(c) The refunding bonds or other obligations so issued shall enjoy complete equality of lien on the Pledged Revenues with the portion of this Loan Agreement or any bonds or other obligations of the same issue which is not refunded, if any; and the holder or holders of such refunding bonds or such other refunding obligations shall be subrogated to all of the rights and privileges enjoyed by the holder or holders of this Loan Agreement or the bonds or other obligations of the same issue refunded thereby. If only a part of this Loan Agreement or the outstanding bonds and any other outstanding obligations of any issue or issues payable from the Pledged Revenues is refunded, then such obligations may not be refunded without the consent of the holder or holders of the unrefunded portion of such obligations, unless:

(i) The refunding bonds or other refunding obligations do not increase any aggregate annual principal and interest obligations evidenced by such refunded obligations and by the outstanding obligations not refunded on and prior to the last maturity date of such unrefunded obligations; or

(ii) The refunding bonds or other refunding obligations are issued in compliance with Section 5.5 hereof; or

(iii) The lien on the Pledged Revenues for the payment of the refunding obligations is subordinate to each such lien for the payment of any obligations not refunded.

(d) Any refunding bonds or other refunding obligations payable from the Pledged Revenues shall be issued with such details as the Governmental Unit may provide by ordinance or resolution, but without any impairment of any contractual obligations imposed upon the Governmental Unit by any proceedings authorizing the issuance of any unrefunded portion of such outstanding obligations of any one or more issues (including, but not necessarily limited to, this Loan Agreement).

Section 5.7 Investment of Governmental Unit Funds. Money on deposit in the Finance Authority Debt Service Account established by the Finance Authority may be invested by the Finance Authority in Permitted Investments at the discretion of the Finance Authority. Money on deposit in the Program Account held by the Trustee and created hereunder may be invested by the Trustee in Permitted Investments at the written direction of the Finance Authority or at the discretion of the Trustee. Any earnings on any of said accounts shall be held and administered in each respective account and utilized in the same manner as the other moneys on deposit therein.

Section 5.8 Governmental Unit May Budget for Payments. The Governmental Unit may, in its sole discretion, but without obligation and subject to the Constitution of the State, governing laws, and its budgetary requirements, make available properly budgeted and legally available funds to defray any insufficiency of the Pledged Revenues to pay Loan Agreement

Payments; provided, however, the Governmental Unit has not covenanted and cannot covenant to make such funds available and has not pledged any of such funds for such purpose.

ARTICLE VI THE PROJECT

Section 6.1 Agreement To Acquire and Complete the Project. The Governmental Unit hereby agrees that to effectuate the purposes of this Loan Agreement and to effectuate the acquisition of the Project, it shall make, execute, acknowledge and transmit any contracts, orders, receipts, writings and instructions with any other persons, firms or corporations and, in general, do all things which may be requisite or proper to complete the Project. The Governmental Unit agrees to acquire the Project through the application of moneys to be disbursed from the Program Account pursuant to Section 6.2 of this Loan Agreement.

Section 6.2 Disbursements From the Program Account. So long as no Event of Default shall occur, the Trustee shall disburse moneys from the Program Account in accordance with Section 6.2 of the Indenture upon receipt by the Trustee of a requisition substantially in the form of Exhibit "C" attached hereto signed by an Authorized Officer of the Governmental Unit.

No disbursement shall be made from the Program Account without the approval of Bond Counsel: (i) to reimburse the Governmental Unit's own funds for expenditures made prior to the Closing Date; (ii) to refund or advance refund any tax-exempt obligations issued by or on behalf of the Governmental Unit; (iii) to be used, directly or indirectly, to finance a project used or to be used in the trade or business of a person who is not a "governmental unit," within the meaning of Section 141(b)(6) of the Code; or (iv) to expend funds after the date that is three (3) years after the execution and delivery of this Loan Agreement.

Section 6.3 Completion of Acquisition of the Project. Upon completion of the acquisition of the Project, an Authorized Officer of the Governmental Unit shall deliver a certificate to the Finance Authority and the Trustee substantially in the form of Exhibit "D" attached hereto stating that, to the best of his or her knowledge, the Project has been completed and accepted by the Governmental Unit, and all costs have been paid. Notwithstanding the foregoing, such certificate shall state that it is given without prejudice to any rights against third parties which exist at the date of such certificate or which may subsequently come into being.

Section 6.4 Application of Loan Agreement Proceeds Subsequent to Completion of the Project. Upon completion of the Project as signified by delivery of the completion certificate contemplated in Section 6.3 hereof, or in the event that the Finance Authority and the Trustee shall not have received a certificate of completion as required by Section 6.3 hereof by the date three (3) years from the Closing Date (or such later date as is approved in writing by Bond Counsel), the Trustee shall transfer the amounts remaining in the Program Account (except amounts necessary for payment of amounts not then due and payable) to the Finance Authority Debt Service Account and such amounts shall be used for the payment of Loan Agreement Payments.

ARTICLE VII
COMPLIANCE WITH LAWS
AND RULES; OTHER COVENANTS

Section 7.1 Further Assurances and Corrective Instruments. The Finance Authority and the Governmental Unit agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Project or of the Pledged Revenues, or for otherwise carrying out the intention hereof.

Section 7.2 Finance Authority and Governmental Unit Representatives. Whenever under the provisions hereof the approval of the Finance Authority or the Governmental Unit is required, or the Governmental Unit or the Finance Authority is required to take some action at the request of the other, such approval or such request shall be given for the Finance Authority or for the Governmental Unit by an Authorized Officer of the Finance Authority or the Governmental Unit, as the case may be, and any party hereto shall be authorized to act on any such approval or request.

Section 7.3 Requirements of Law. During the Loan Agreement Term, the Governmental Unit and the Finance Authority shall observe and comply promptly with all current and future orders of all courts having jurisdiction over the parties hereto, the Project or the Pledged Revenues.

Section 7.4 First Lien; Equality of Liens. The Loan Agreement Payments constitute an irrevocable first lien (but not necessarily an exclusive first lien) upon the Pledged Revenues. The Governmental Unit covenants that the Loan Agreement Payments and any Parity Obligations herein authorized to be issued and from time to time outstanding shall be equitably and ratably secured by a first lien on the Pledged Revenues and shall not be entitled to any priority one over the other in the application of the Pledged Revenues regardless of the time or times of the issuance of such obligations, it being the intention of the Governmental Unit that there shall be no priority between the Loan Agreement Payments and any such Parity Obligations regardless of the fact that they may be actually issued and delivered at different times.

Section 7.5 Expeditious Completion. The Governmental Unit shall complete the Project with all practical dispatch.

Section 7.6 Bank Designation of Loan Agreement. For purposes of and in accordance with Section 265 of the Code, the Governmental Unit hereby designates this Loan Agreement as an issue qualifying for the exception for certain qualified tax-exempt obligations to the rule denying banks and other financial institutions 100% of the deduction for interest expenses which is allocable to tax-exempt interest. The Governmental Unit reasonably anticipates that the total amount of tax exempt obligations (other than obligations described in Section 265(b)(3)(C)(ii) of the Code) which will be issued by the Governmental Unit and by any aggregated issuer during the current calendar year will not exceed \$10,000,000. For purposes of this Section 7.6, "aggregated issuer" means any entity which: (i) issues obligations on behalf of the Governmental Unit; (ii) derives its issuing authority from the Governmental Unit; or (iii) is controlled directly or indirectly by the Governmental Unit within the meaning of Treasury Regulation Section 1.150-

1(e). The Governmental Unit hereby represents that: (a) it has not created and does not intend to create and does not expect to benefit from any entity formed or availed of to avoid the purposes of Section 265(b)(3)(C) or (D) of the Code; and (b) the total amount of obligations so designated by the Governmental Unit, and all aggregated issuers for the current calendar year does not exceed \$10,000,000.

Section 7.7 Arbitrage Rebate Exemption. The Governmental Unit hereby certifies and warrants, for the purpose of qualifying for the exception contained in Section 148(f)(4)(D) of the Code, to the requirement to rebate arbitrage earnings from investments of the proceeds of the Loan Agreement (the “Rebate Exemption”), that: (i) this Loan Agreement is issued by the Governmental Unit which has general taxing powers; (ii) neither this Loan Agreement nor any portion thereof is a private activity bond as defined in Section 141 of the Code (“Private Activity Bond”); (iii) all of the net proceeds of this Loan Agreement are to be used for local government activities of the Governmental Unit (or of a governmental unit, the jurisdiction of which is entirely within the jurisdiction of the Governmental Unit); and (iv) neither the Governmental Unit nor any aggregated issuer has issued or is reasonably expected to issue any Tax-Exempt Bonds other than (A) Private Activity Bonds (as those terms are used in Section 148(f)(4)(D) of the Code) and (B) issued to refund (other than to advance refund (as used in the Code)) any bond to the extent the amount of the refunding bond does not exceed the outstanding amount of the refunded bond, during the current calendar year, which would in the aggregate amount exceed \$5,000,000. For purposes of this paragraph, “aggregated issuer” means any entity which: (a) issues obligations on behalf of the Governmental Unit; (b) derives its issuing authority from the Governmental Unit; or (c) is controlled directly or indirectly by the Governmental Unit within the meaning of Treasury Regulation Section 1.150-1(e). The Governmental Unit hereby represents that it has not created, does not intend to create and does not expect to benefit from any entity formed or availed of to avoid the purposes of Section 148(f)(4)(D) of the Code.

Accordingly, with respect to the Loan Agreement, the Governmental Unit will qualify for the rebate exemption granted under Section 148(f)(4)(D) of the Code and the Governmental Unit shall be treated as meeting the requirements of paragraphs (2) and (3) of Section 148(f) of the Code relating to the required rebate of arbitrage earnings to the United States.

The Governmental Unit hereby further represents and covenants that if it is determined that rebatable arbitrage, as that term is defined under Section 148 of the Code and related regulations, is required to be paid to the United States, that it will pay such rebatable arbitrage.

ARTICLE VIII PREPAYMENT OF LOAN AGREEMENT PAYMENTS

Section 8.1 Prepayment. The Governmental Unit is hereby granted the option to prepay any of the Principal Components of this Loan Agreement in whole or in part on any day after the Closing Date without penalty or prepayment premium. The Governmental Unit may designate the due dates of any Principal Components being prepaid in the event of a partial prepayment. Notice of intent to make such prepayment shall be provided to the Finance Authority and the Trustee by the Governmental Unit no less than forty-five (45) days prior to the prepayment date. The Trustee shall recalculate the Loan Agreement Payments due under this Loan Agreement in the event of a

partial prepayment in a manner which is consistent with the manner in which the Bonds, if any, are prepaid.

Section 8.2 Defeasance. Should the Governmental Unit pay or make provision for payment of the Loan such that all amounts due pursuant to this Loan Agreement shall be deemed to have been paid and defeased, then the Loan Agreement Payments hereunder shall also be deemed to have been paid, the Governmental Unit's payment obligations hereunder shall be terminated, this Loan Agreement and all obligations contained herein shall be discharged and the pledge hereof released. Such payment shall be deemed made when the Governmental Unit has deposited with an escrow agent, in trust, (i) moneys sufficient to make such payment, and/or (ii) noncallable Governmental Obligations maturing as to principal and interest in such amount and at such times as will ensure the availability of sufficient moneys to make such payment and when all necessary and proper expenses of the Finance Authority have been paid or provided for. In the event the Governmental Unit makes provisions for defeasance of this Loan Agreement, the Governmental Unit shall cause to be delivered (1) a report of an independent nationally recognized certified public accountant verifying the sufficiency of the escrow established to pay this Loan Agreement in full when due or upon an irrevocably designated prepayment date, and (2) an opinion of Bond Counsel to the effect that this Loan Agreement is no longer outstanding, each of which shall be addressed and delivered to the Finance Authority. Governmental Obligations within the meaning of this Section 8.2, unless otherwise approved by the Finance Authority, shall include only (1) cash, (2) U.S. Treasury Certificates, Notes and Bonds (including State and Local Government Series – "SLGs"), and (3) obligations the principal of and interest on which are unconditionally guaranteed by the United States of America.

ARTICLE IX INDEMNIFICATION

From and to the extent of the Pledged Revenues, and to the extent permitted by law, the Governmental Unit shall and hereby agrees to indemnify and save the Finance Authority and the Trustee harmless against and from all claims, by or on behalf of any person, firm, corporation or other legal entity arising from the acquisition or operation of the Project during the Loan Agreement Term, from: (i) any act of negligence or other misconduct of the Governmental Unit or breach of any covenant or warranty by the Governmental Unit hereunder; and (ii) the incurrence of any cost or expense in connection with the acquisition or operation of the Project in excess of the Loan Agreement proceeds and interest on the investment thereof. The Governmental Unit shall indemnify and save the Finance Authority and the Trustee harmless, from and to the extent of the available Pledged Revenues, from any such claim arising as aforesaid from (i) or (ii) above, or in connection with any action or proceeding brought thereon and, upon notice from the Finance Authority or the Trustee, shall defend the Finance Authority or the Trustee, as applicable, in any such action or proceeding.

ARTICLE X EVENTS OF DEFAULT AND REMEDIES

Section 10.1 Events of Default Defined. Any one of the following shall be an Event of Default under this Loan Agreement:

(a) Failure by the Governmental Unit to pay any amount required to be paid under this Loan Agreement on the date on which it is due and payable;

(b) Failure by the Governmental Unit to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Loan Agreement, other than as referred to in paragraph (a), for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied is given to the Governmental Unit by the Finance Authority or the Trustee unless the Finance Authority and the Trustee shall agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice can be wholly cured within a period of time not materially detrimental to the rights of the Finance Authority or the Trustee but cannot be cured within the applicable thirty (30) day period, the Finance Authority and the Trustee will not unreasonably withhold their consent to an extension of such time if corrective action is instituted by the Governmental Unit within the applicable period and diligently pursued until the failure is corrected; and provided, further, that if by reason of force majeure the Governmental Unit is unable to carry out the agreements on its part herein contained, the Governmental Unit shall not be deemed in default under this paragraph (b) during the continuance of such inability (but force majeure shall not excuse any other Event of Default);

(c) Any warranty, representation or other statement by or on behalf of the Governmental Unit contained in this Loan Agreement or in any instrument furnished in compliance with or in reference to this Loan Agreement is false or misleading in any material respect;

(d) A petition is filed against the Governmental Unit under any bankruptcy, moratorium, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, and is not dismissed within thirty (30) days after such filing, but the Finance Authority and the Trustee shall have the right to intervene in the proceedings prior to the expiration of such thirty (30) days to protect their interests;

(e) The Governmental Unit files a petition in voluntary bankruptcy or seeking relief under any provision of any bankruptcy, moratorium, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, or consents to the filing of any petition against it under any such law; or

(f) The Governmental Unit admits insolvency or bankruptcy or its inability to pay its debts as they become due or is generally not paying its debts as such debts become due, or becomes insolvent or bankrupt or makes an assignment for the benefit of creditors, or a custodian (including, without limitation, a receiver, liquidator or trustee) of the Governmental Unit for any of its property is appointed by court order or takes possession thereof and such order remains in effect or such possession continues for more than thirty (30) days, but the Finance Authority and the Trustee shall have the right to intervene in the proceedings prior to the expiration of such thirty (30) days to protect their interests.

Section 10.2 Remedies on Default. Whenever any Event of Default has occurred and is continuing and subject to Section 10.3 hereof, the Finance Authority or the Trustee may take any or all of the following actions as may appear necessary or desirable to collect the payments then

due and to become due or to enforce performance of any agreement of the Governmental Unit in this Loan Agreement or the Intercept Agreement:

(a) By mandamus or other action or proceeding or suit at law or in equity to enforce the rights of the Finance Authority and the Trustee under this Loan Agreement and the Intercept Agreement against the Governmental Unit, and compel the Governmental Unit to perform or carry out its duties under the law and the agreements and covenants required to be performed by it contained herein; or

(b) By suit in equity to enjoin any acts or things which are unlawful or violate the rights of the Finance Authority or the Trustee; or

(c) Intervene in judicial proceedings that affect this Loan Agreement or the Pledged Revenues; or

(d) Cause the Governmental Unit to account as if it were the trustee of an express trust for all of the Pledged Revenues; or

(e) Take whatever other action at law or in equity may appear necessary or desirable to collect amounts then due and thereafter to become due under this Loan Agreement or to enforce any other of its rights thereunder; or

(f) Apply any amounts in the Program Account toward satisfaction of any of the obligations of the Governmental Unit under this Loan Agreement.

Section 10.3 Limitations on Remedies. A judgment requiring a payment of money entered against the Governmental Unit may reach only the available Pledged Revenues.

Section 10.4 No Remedy Exclusive. Subject to Section 10.3 hereof, no remedy herein conferred upon or reserved to the Finance Authority or the Trustee is intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder as now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Finance Authority or the Trustee to exercise any remedy reserved in this Article X, it shall not be necessary to give any notice, other than such notice as may be required in this Article X.

Section 10.5 Waivers of Events of Default. The Finance Authority or the Trustee may in its discretion waive by written waiver any Event of Default hereunder and the consequences of such an Event of Default provided, however, that there shall not be waived: (i) any Event of Default in the payment of the principal of this Loan Agreement at the date when due as specified herein; or (ii) any default in the payment when due of the interest on this Loan Agreement, unless prior to such waiver or rescission, all arrears of interest, with interest at the rate borne by this Loan Agreement on all arrears of payments of principal and all expenses of the Finance Authority or the Trustee, in connection with such Event of Default shall have been paid or provided for, and in case of any such waiver or rescission, or in case any proceeding taken by the Finance Authority or the

Trustee on account of any such Event of Default shall have been discontinued or abandoned or determined adversely, then and in every such case, the Finance Authority and the Trustee shall be restored to their former positions and rights hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other Event of Default, or impair any right consequent thereon.

Section 10.6 No Additional Waiver Implied by One Waiver. In the event that any agreement contained herein should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section 10.7 Agreement to Pay Attorneys' Fees and Expenses. In the event that the Governmental Unit shall default under any of the provisions hereof and the Finance Authority or the Trustee shall employ attorneys or incur other expenses for the collection of payments hereunder, or the enforcement of performance or observance of any obligation or agreement on the part of the Governmental Unit herein contained, the Governmental Unit agrees that it shall on demand therefor pay to the Finance Authority or the Trustee, as applicable, the fees of such attorneys and such other expenses so incurred, to the extent that such attorneys' fees and expenses may be determined to be reasonable by a court of competent jurisdiction; provided, however, that the obligation of the Governmental Unit under this Section shall be limited to expenditures from and to the extent of the available Pledged Revenues.

ARTICLE XI MISCELLANEOUS

Section 11.1 Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered as follows: if to the Governmental Unit, 301 S. 3rd Street, Tucumcari, New Mexico 88401, Attention: County Manager; if to the Finance Authority, New Mexico Finance Authority, 207 Shelby Street, Santa Fe, New Mexico 87501, Attention: Chief Executive Officer; and if to the Trustee, BOKF, NA, 100 Sun Avenue N.E., Suite 500, Albuquerque, New Mexico 87109, Attention: Trust Division. The Governmental Unit, the Finance Authority, and the Trustee may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 11.2 Binding Effect. This Loan Agreement shall inure to the benefit of and shall be binding upon the Finance Authority, the Governmental Unit and their respective successors and assigns, if any.

Section 11.3 Amendments. The Governmental Unit agrees that this Loan Agreement will not be amended without the prior written consent of the Finance Authority, and, if the Loan has been pledged under the Indenture (as defined herein), without the prior written consent of the Trustee (as defined herein), the Finance Authority and the Governmental Unit, pursuant to the Indenture.

Section 11.4 No Liability of Individual Officers, Directors or Trustees. No recourse under or upon any obligation, covenant or agreement contained in this Loan Agreement shall be

had against any member, employee, director or officer, as such, past, present or future, of the Finance Authority, either directly or through the Finance Authority, or against any officer, employee, director, trustee or member of the Governing Body, past, present or future, as an individual so long as such individual was acting in good faith. Any and all personal liability of every nature, whether at common law or in equity, or by statute, constitution or otherwise, of any such officer, employee, director, trustee or member of the Governing Body or of the Finance Authority is hereby expressly waived and released by the Governmental Unit and by the Finance Authority as a condition of and in consideration for the execution of this Loan Agreement.

Section 11.5 Severability. In the event that any provision of this Loan Agreement, other than the requirement of the Governmental Unit to pay hereunder, shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 11.6 Execution in Counterparts. This Loan Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 11.7 Assignment by the Finance Authority. Pursuant to the Indenture, this Loan Agreement and the Intercept Agreement may be assigned and transferred by the Finance Authority to the Trustee, which assignment and transfer is hereby acknowledged and approved by the Governmental Unit.

Section 11.8 Compliance with Governing Law. It is hereby declared by the Governing Body that it is the intention of the Governmental Unit by the execution of this Loan Agreement to comply in all respects with the provisions of the New Mexico Constitution and statutes as the same govern the pledge of the Pledged Revenues to payment of all amounts payable under this Loan Agreement.

Section 11.9 Applicable Law. This Loan Agreement shall be governed by and construed in accordance with the laws of the State.

Section 11.10 Captions. The captions or headings herein are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Loan Agreement.

[Signature pages follow]

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Finance Authority, on behalf of itself, and as approved by the Board of Directors of the Finance Authority on October 24, 2019, has executed this Loan Agreement in its corporate name by its duly authorized officer; and the Governmental Unit has caused this Loan Agreement to be executed in its corporate name and the seal of the Governmental Unit affixed and attested by its duly authorized officers. All of the above are effective as of the date first above written.

NEW MEXICO FINANCE AUTHORITY

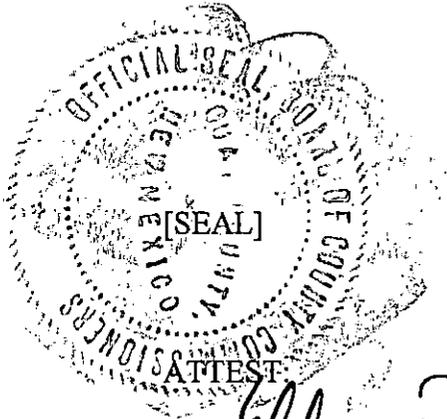
By _____
Marquita D. Russel, Chief Executive Officer

PREPARED FOR EXECUTION BY OFFICERS OF
THE NEW MEXICO FINANCE AUTHORITY:
Sutin, Thayer & Browne A Professional Corporation
As Loan Counsel

By _____
Suzanne Wood Bruckner

APPROVED FOR EXECUTION BY OFFICERS OF THE
NEW MEXICO FINANCE AUTHORITY:

By _____
Daniel C. Opperman, General Counsel



QUAY COUNTY, NEW MEXICO

By Franklin McCasland
Franklin McCasland, Chairman, Board of
County Commissioners

By Ellen White
Ellen White, County Clerk

5291585.docx

EXHIBIT "A"

TERM SHEET

New Mexico Finance Authority Loan No. PPRF-5050

Governmental Unit:	Quay County, New Mexico
Project Description:	Purchase a new firefighting apparatus and related equipment for the Conservancy #2 Fire District
Loan Agreement Principal Amount:	\$150,000
Disadvantaged Funding Amount:	\$150,000
Pledged Revenues:	The distribution of State Fire Protection Funds to the Governmental Unit made periodically by the State Treasurer pursuant to Section 59A-53-7, NMSA 1978.
Coverage Ratio:	125%
Distributing State Agency:	State Treasurer
Currently Outstanding Parity Obligations:	NMFA Loan No. PPRF-2733, maturing 2025
Additional Parity Bonds Test:	200%
Authorizing Legislation:	2019-2020 Resolution No. 25 adopted on December 9, 2019
Closing Date:	January 17, 2020
Blended Interest Rate:	0.100000%
Program Account Deposit:	\$148,875
Finance Authority Debt Service Account Deposit:	\$0.00
Processing Fee:	\$1,125

First Interest Payment Date: November 1, 2020

First Principal Payment Date: May 1, 2021

Final Payment Date: May 1, 2030

PROGRAM ACCOUNT DEPOSITS MUST BE USED WITHIN THREE YEARS UNLESS A
THE FINANCE AUTHORITY APPROVES A LONGER PERIOD IN WRITING

EXHIBIT "B"

DEBT SERVICE SCHEDULE FOR LOAN REPAYMENT

[SEE ATTACHED]

DETAILED BOND DEBT SERVICE

Quay County
2020 Fire Equipment, PPRF-5050

Disadvantages Component (DISADV)

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
11/01/2020			118.33	118.33	
05/01/2021	7,961	0.100%	75.00	8,036.00	8,154.33
11/01/2021			71.02	71.02	
05/01/2022	8,012	0.100%	71.02	8,083.02	8,154.04
11/01/2022			67.01	67.01	
05/01/2023	8,020	0.100%	67.01	8,087.01	8,154.02
11/01/2023			63.00	63.00	
05/01/2024	8,028	0.100%	63.00	8,091.00	8,154.00
11/01/2024			58.99	58.99	
05/01/2025	8,037	0.100%	58.99	8,095.99	8,154.98
11/01/2025			54.97	54.97	
05/01/2026	21,945	0.100%	54.97	21,999.97	22,054.94
11/01/2026			44.00	44.00	
05/01/2027	21,967	0.100%	44.00	22,011.00	22,055.00
11/01/2027			33.02	33.02	
05/01/2028	21,988	0.100%	33.02	22,021.02	22,054.04
11/01/2028			22.02	22.02	
05/01/2029	22,010	0.100%	22.02	22,032.02	22,054.04
11/01/2029			11.02	11.02	
05/01/2030	22,032	0.100%	11.02	22,043.02	22,054.04
	150,000		1,043.43	151,043.43	151,043.43

Note: Quay County has an MHI of \$28,159 which constitutes 61.65% of the State MHI.

EXHIBIT "C"

FORM OF REQUISITION

RE: \$150,000 Loan Agreement by and between Quay County, New Mexico, and the New Mexico Finance Authority (the "Loan Agreement").

TO: BOKF, NA
c/o New Mexico Finance Authority
207 Shelby Street
Santa Fe, New Mexico 87501
Attn: Accounting

You are hereby authorized to disburse from the Program Account – Quay County, New Mexico (2020 Fire Equipment Loan to Conservancy #2 Fire District), with regard to the above-referenced Loan Agreement the following:

LOAN NO. PPRF-5050

CLOSING DATE: January 17, 2020

REQUISITION NUMBER: _____

NAME AND ADDRESS OF PAYEE: _____

AMOUNT OF PAYMENT: \$ _____

PURPOSE OF PAYMENT: _____

Each obligation, item of cost or expense mentioned herein is for costs of the Project, is due and payable, has not been the subject of any previous requisition and is a proper charge against the Program Account – Quay County, New Mexico (2020 Fire Equipment Loan to Conservancy #2 Fire District).

All representations contained in the Loan Agreement and the related closing documents remain true and correct and Quay County, New Mexico, is not in breach of any of the covenants contained therein.

If this is the final requisition, payment of costs of the Project is complete or, if not complete, Quay County, New Mexico shall and understands its obligation to complete the acquisition of the Project from other legally available funds.

Capitalized terms used herein, are used as defined or used in the Loan Agreement.

DATED: _____

By _____
Authorized Officer

Title _____
(Print Name and Title)

C-1

EXHIBIT "D"

CERTIFICATE OF COMPLETION

RE: \$150,000 Loan Agreement by and between Quay County, New Mexico, and the New Mexico Finance Authority (the "Loan Agreement").

TO: New Mexico Finance Authority
207 Shelby Street
Santa Fe, New Mexico 87501
Attn: Accounting

Susan Ellis
Assistant Vice President, Corporate Trust
BOKF, NA
100 Sun Avenue NE, Suite 500
Albuquerque, New Mexico 87109

LOAN NO.: PPRF-5050

CLOSING DATE: January 17, 2020

In accordance with Section 6.3 of the Loan Agreement, the undersigned states, to the best of his or her knowledge, that the acquisition of the Project has been completed and accepted by the Governmental Unit, and all costs have been paid as of the date of this Certificate. Notwithstanding the foregoing, this certification is given without prejudice to any rights against third parties which exist at the date of this Certificate or which may subsequently come into being.

Capitalized terms used herein, are used as defined or used in the Loan Agreement.

DATED: _____

By _____
Authorized Officer of Governmental Unit

Title _____
Print Name and Title

INTERCEPT AGREEMENT

This INTERCEPT AGREEMENT is made and entered into January 17, 2020, by and between the NEW MEXICO FINANCE AUTHORITY (the "Finance Authority"), a public body politic and corporate constituting a governmental instrumentality separate and apart from the State of New Mexico (the "State") under the laws of the State and QUAY COUNTY, NEW MEXICO, a political subdivision duly organized and existing under the laws of the State (the "Governmental Unit").

WITNESSETH:

WHEREAS, Sections 6-21-1 through 6-21-31, NMSA 1978, as amended, authorized the creation of the Finance Authority within the State to assist in financing the cost of public projects of participating qualified entities, including the Governmental Unit, such as the acquisition of a new firefighting apparatus and related equipment for use by the Conservancy #2 Fire District within the Governmental Unit; and

WHEREAS, pursuant to Sections 6-21-1 through 6-21-31, NMSA 1978, as amended, and Sections 4-62-1 through 4-62-10, NMSA 1978, as amended (collectively, the "Act"), the Finance Authority and the Governmental Unit are authorized to enter into agreements to facilitate the financing of the Project as described in the Loan Agreement by and between the Finance Authority and the Governmental Unit of even date herewith (the "Loan Agreement"); and

WHEREAS, the Governmental Unit desires to acquire the Project and such acquisition is permitted under the Act; and

WHEREAS, the Finance Authority has established its Loan Program (the "Program") funded by its public project revolving fund (as defined in the Act) for the financing of infrastructure and equipment projects upon the execution of the Loan Agreement and the assignment of loan agreements to a trustee (the "Trustee"); and

WHEREAS, the Governmental Unit desires to borrow \$150,000 from the Program for the purpose of financing the acquisition of the Project, which Loan is to be governed by this Intercept Agreement and by the Loan Agreement; and

WHEREAS, the Act confers upon the Finance Authority the authority to loan funds to the Governmental Unit to finance the Project, and Section 59A-53-7, NMSA 1978, as amended, authorizes the Governmental Unit to direct that its distribution of State Fire Protection Funds (the "Pledged Revenues") from the State Treasurer (the "Distributing State Agency") be paid to the Finance Authority or its assignee, to secure payments under the Loan Agreement;

NOW THEREFORE, the parties hereto agree:

Unless otherwise defined in this Intercept Agreement and except where the context by clear implication otherwise requires, capitalized terms used in this Intercept Agreement shall have for all purposes of this Intercept Agreement the meanings assigned thereto in the Loan Agreement and the Indenture, as defined in the Loan Agreement.

Section 1. Authorization to the Finance Authority. The Governmental Unit hereby recognizes that the Finance Authority has made a Loan to the Governmental Unit in the amount of \$150,000 to finance the acquisition of the Project. Pursuant to the Loan Agreement and this Intercept Agreement, the Loan and all Loan Agreement Payments on the Loan made by or on behalf of the Governmental Unit shall be collected by the Finance Authority and remitted to the Trustee. All payments due on the Loan from the Pledged Revenues shall be paid by the Distributing State Agency to the Finance Authority or its designee, on behalf of the Governmental Unit, from scheduled distributions of the Pledged Revenues in accordance with the Intercept Schedule attached hereto as Exhibit "A" (the "Intercept Schedule"), or shall be made from special reserve funds of the Finance Authority (as determined by the Finance Authority, and subject to repayment from the Pledged Revenues).

This Intercept Agreement shall be deemed a written certification, authorization and request by the Governmental Unit to the Distributing State Agency to pay to the Finance Authority, on behalf of the Governmental Unit, sums shown on the Intercept Schedule from periodic distributions of the Pledged Revenues pursuant to Section 59A-53-7, NMSA 1978, as amended, or from special reserve funds of the Finance Authority (as determined by the Finance Authority, and subject to repayment from the Pledged Revenues) to insure compliance with the Loan Agreement and repayment of the Loan. Upon written notice to the Distributing State Agency from the Finance Authority, the amount of the Pledged Revenues to be paid to the Finance Authority shall be increased from the amounts shown on Exhibit "A" to defray any delinquencies in the Finance Authority Debt Service Account or Loan Agreement Reserve Account, if any, established for the Governmental Unit. Any accumulation of the Pledged Revenues in an amount in excess of the next Loan Agreement Payment and the Loan Agreement Reserve Requirement, if any, shall be redirected by the Finance Authority to the benefit of the Governmental Unit on a timely basis as provided in Section 5.2 of the Loan Agreement.

To the extent applicable and to the extent that the Pledged Revenues are insufficient to meet the debt service requirements due on the Loan and other Parity Obligations (as defined in the Loan Agreement) now or hereafter issued or incurred, the amounts intercepted under this Intercept Agreement shall be applied to allow partial payment on a pro-rata basis of the debt service due and owing on the Loan Agreement and other Parity Obligations.

Section 2. Term; Amendments. This Intercept Agreement will remain in full force and effect from its effective date as herein provided until such time as the Loan made pursuant to the Loan Agreement and this Intercept Agreement have been paid in full. Nothing herein shall be deemed in any way to limit or restrict the Governmental Unit from

issuing its own obligations, providing its own program or participating in any other program for the financing of public projects which the Governmental Unit may choose to finance. This Intercept Agreement may be amended only by written instrument signed by the parties hereto.

Section 3. Authorization. The execution and performance of the terms of this Intercept Agreement have been authorized and approved by 2019-2020 Resolution No. 25, passed and adopted on December 9, 2019, by the Governing Body of the Governmental Unit, which Resolution is in full force and effect on the date hereof.

Section 4. Severability of Invalid Provisions. If any one or more of the provisions herein contained shall be held contrary to any express provisions of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such provision shall be null and void and shall be deemed separable from the remaining provisions and shall in no way affect the validity of any of the other provisions hereof.

Section 5. Counterparts. This Intercept Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 6. Further Authorization. The Governmental Unit agrees that the Finance Authority shall do all things necessary or convenient to the implementation of the Program to facilitate the Loan to the Governmental Unit.

Section 7. Effective Date. This Intercept Agreement shall take effect on the Closing Date of the Loan.

Section 8. Initial Intercept Date. As indicated on the Intercept Schedule, the periodic distribution of the Pledged Revenues that is to be intercepted by the Distributing State Agency under the terms of this Intercept Agreement consist of Pledged Revenues due to the Governmental Unit distributed in the Fiscal Year ending June 30, 2021.

Section 9. Final Intercept Date. Once the Loan has been fully paid off and satisfied, Finance Authority shall provide written notice to the Distributing State Agency to discontinue the interception of the Governmental Unit's Pledged Revenues.

[Remainder of page left intentionally blank]

[Signature page follows]

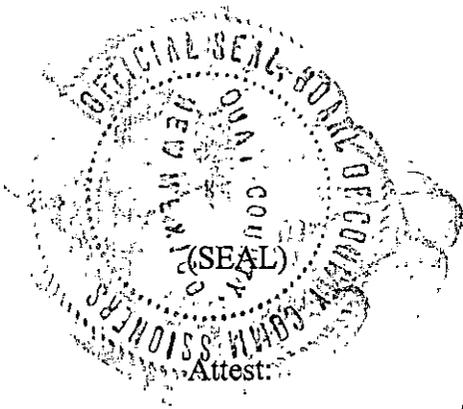
IN WITNESS WHEREOF, the parties to this Intercept Agreement have caused their names to be affixed hereto by the proper officers thereof as of the date first above written.

NEW MEXICO FINANCE AUTHORITY

By _____
Marquita D. Russel, Chief Executive Officer

QUAY COUNTY, NEW MEXICO

By Franklin McCasland
Franklin McCasland, Chairman of the
Board of County Commissioners



By Ellen White
Ellen White, County Clerk

Acknowledged:

By _____
State Treasurer, Tim Eichenberg

By _____
State Fire Marshal, Don Shainin

Date _____

Date _____

EXHIBIT "A"

INTERCEPT SCHEDULE
QUAY COUNTY, NEW MEXICO
CONSERVANCY #2 FIRE DISTRICT

Fiscal Year Ending June 30	Pledged Revenues	Annual Amount
2021	The distribution of State Fire Protection Fund Revenues to Quay County, New Mexico for the Conservancy #2 Fire District pursuant to Section 59A-53-7, NMSA, 1978, which distributions are made periodically by the State Treasurer	\$8,154.33
2022		\$8,154.04
2023		\$8,154.02
2024		\$8,154.00
2025		\$8,154.98
2026		\$22,054.94
2027		\$22,055.00
2028		\$22,054.04
2029		\$22,054.04
2030		\$22,054.04

\$150,000
QUAY COUNTY, NEW MEXICO
CONSERVANCY #2 FIRE DISTRICT
NEW MEXICO FINANCE AUTHORITY LOAN

STATE OF NEW MEXICO)
) ss. GENERAL AND NO LITIGATION
QUAY COUNTY) CERTIFICATE

IT IS HEREBY CERTIFIED by the undersigned, the duly elected and chosen, Chairman, Finance Director, County Clerk and Attorney for Quay County, New Mexico (the "Governmental Unit"), State of New Mexico (the "State") (provided, that the Attorney for the Governmental Unit is certifying only as to Paragraphs 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 13, 14, 16, 17, 18, 20, 21, 22, 24 and 25 hereof):

Capitalized terms used in this Certificate have the same meaning as defined in Governmental Unit 2019-2020 Resolution No. 25 adopted on December 9, 2019 (the "Resolution") unless otherwise defined in this Certificate or the context requires otherwise.

1. The Governmental Unit is a political subdivision of the State and is duly organized and validly existing under and pursuant to the laws of the State, its full name being "Quay County."
2. The Governmental Unit was established in the year 1903, Section 4-20-1, NMSA 1978, as amended.
3. From at least September 9, 2019 (except as otherwise noted), to and including the date of this Certificate, the following were and now are the duly chosen, qualified and acting officers of the Governmental Unit:

Chairman of the Board:	Franklin McCasland
Commissioners:	Mike Cherry (Vice Chairman) Sue Dowell
County Clerk:	Ellen White
Finance Director:	Cheryl Simpson
County Manager:	Richard Primrose
Attorney:	Timothy Rose

4. The population of the Governmental Unit's jurisdictional and service area is not less than seventy-five percent (75%) English speaking and is less than twenty-five percent (25%) Spanish speaking.

5. There is no reason within our knowledge, after due inquiry with respect thereto, why the Governmental Unit may not enter into the Loan Agreement and the Intercept Agreement with the New Mexico Finance Authority (the "Finance Authority"), as authorized by the Resolution.

6. The Governmental Unit has duly authorized the execution, delivery and performance of its obligations under the Loan Agreement and the Intercept Agreement. The Loan Agreement and the Intercept Agreement have been duly authorized, executed and delivered by the Governmental Unit.

7. The Resolution has been duly signed and adopted in accordance with all applicable laws and has not been repealed, rescinded, revoked, modified, amended or supplemented in any manner except as set forth in the Resolution. The Resolution constitutes valid and sufficient legal authority for the Governmental Unit to carry out and enforce the provisions of the Loan Agreement and Intercept Agreement. No referendum petition has been filed with respect to the Resolution under the provisions of the laws, bylaws or regulations or charter of the Governmental Unit and the laws of the Governmental Unit or the State.

8. No event will result from the execution and delivery of the Loan Agreement or the Intercept Agreement that constitutes a default or an event of default under either the Loan Agreement, the Intercept Agreement or the Resolution, and no event of default and no default under the Loan Agreement, the Intercept Agreement or the Resolution has occurred and is continuing on the date of this Certificate.

9. The Governmental Unit has duly authorized and approved the consummation by it of all transactions and has complied with all requirements and satisfied all conditions, which are required by the Loan Agreement and the Intercept Agreement to have been authorized, approved, performed or consummated by the Governmental Unit at or prior to the date of this Certificate. The Governmental Unit has full legal right, power and authority to carry out and consummate the transactions contemplated by the Resolution, the Loan Agreement and the Intercept Agreement.

10. A. All approvals, consents and orders of any governmental authority having jurisdiction in the matter which would constitute a condition precedent to the enforceability of the Loan Agreement or the Intercept Agreement or to any of the actions required to be taken by the Resolution, the Loan Agreement or the Intercept Agreement on or prior to the date of this Certificate have been obtained and are in full force and effect; and

B. All approvals, consents and orders of any governmental authority having jurisdiction in the matter which would constitute a condition precedent to the financing of the Project have been obtained and are in full force and effect.

11. None of the following does or will conflict with, or constitute a breach by the Governmental Unit of, or default by the Governmental Unit under any law, court decree or order, governmental regulation, rule or order, resolution, agreement, indenture, mortgage or other instrument to which the Governmental Unit is subject or by which it is bound:

A. The Governmental Unit's adoption of the Resolution; or

B. Any action contemplated by or pursuant to the Resolution, the Loan Agreement, or the Intercept Agreement.

12. No material adverse change has occurred, nor has any development occurred involving a prospective material and adverse change in, or affecting the affairs, business, financial condition, results of operations, prospects, or properties of the Governmental Unit or the Pledged Revenues since the date of the Resolution.

13. To the best of our knowledge and belief, after due inquiry with respect thereto, none of the events of default referred to in Article X of the Loan Agreement has occurred.

14. Subsequent to the adoption of the Resolution, the Governmental Unit has not pledged or otherwise encumbered the Pledged Revenues. On the date of this Certificate there are no other outstanding obligations with a lien or encumbrance against the Pledged Revenues senior to or on a parity with the lien of the Loan Agreement except as set forth in the Term Sheet attached as Exhibit "A" to the Loan Agreement.

15. The Loan Agreement prohibits the Governmental Unit from issuing any bonds or other obligations with a lien on Pledged Revenues senior to the lien thereon of the Loan Agreement on the Pledged Revenues. The Loan Agreement permits the Governmental Unit to issue additional bonds or other obligations with a lien on the Pledged Revenues on a parity with or subordinate to the lien of the Loan Agreement on the Pledged Revenues upon satisfaction of the conditions set forth in the Loan Agreement.

16. There is no threatened action, suit, proceeding, inquiry or investigation against the Governmental Unit, at law or in equity, by or before any court, public board or body, nor to the Governmental Unit's knowledge is there any basis therefor, affecting the existence of the Governmental Unit or the titles of its officials to their respective offices, or seeking to prohibit, restrain or enjoin the pledge of revenues or assets of the Governmental Unit pledged or to be pledged to pay the principal, premium, if any, and interest on the Loan Agreement, or in any way materially adversely affecting or questioning: (a) the territorial jurisdiction of the Governmental Unit; (b) the use of the proceeds of the Loan Agreement for the Project and to pay certain costs of the Finance Authority associated with the administration of its public projects revolving fund loan program; (c) the validity or enforceability of the Loan Agreement, the Intercept Agreement or any proceedings of the Governmental Unit taken with respect to the Loan Agreement, the Intercept Agreement or the Resolution; (d) the execution and delivery of the Loan Agreement or the Intercept Agreement; or (e) the power of the Governmental Unit to carry out the transactions contemplated by the Loan Agreement, the Intercept Agreement or the Resolution.

17. The Governmental Unit has complied with all the covenants and satisfied all the conditions on its part to be performed or satisfied at or prior to the date hereof, and the representations and warranties of the Governmental Unit contained in the Loan Agreement and in the Resolution are true and correct as of the date hereof.

18. The Governmental Unit is not in default, and has not been in default within the ten (10) years immediately preceding the date of this Certificate, in the payment of principal of, premium, if any, or interest on any bonds, notes or other obligations which it has issued, assumed

or guaranteed as to payment of principal, premium, if any, or interest except that no representation is made with respect to industrial revenue bonds or conduit bonds payable solely from installment sale or lease payments, loan repayments or other amounts received by the Governmental Unit from private entities.

19. To the best of our knowledge and belief, neither the Chairman, Finance Director, County Clerk, any member of the Governing Body, nor any other officer, employee or other agent of the Governmental Unit is interested (except in the performance of his or her official rights, privileges, powers and duties), directly or indirectly, in the profits of any contract, or job for work, or services to be performed and appertaining to the Project.

20. Regular meetings of the Governing Body have been held in the 301 S. 3rd Street, Tucumcari, New Mexico 88041, the principal meeting place of the Governing Body.

21. The Governing Body has no rules of procedure which would invalidate or make ineffective the Resolution or other action taken by the Governing Body in connection with the Loan Agreement. Open Meetings Act Resolution No. 14, as adopted and approved by the Governing Body on December 10, 2018, establishes notice standards as required by Sections 10-15-1 through 10-15-4, NMSA 1978. Open Meetings Act Resolution No. 14 has not been amended or repealed. All action of the Governing Body with respect to the Loan Agreement, the Intercept Agreement and the Resolution was taken at meetings held in compliance with Open Meetings Act Resolution No. 14.

22. The *Quay County Sun* is a legal newspaper which maintains an office and is of general circulation in the Governmental Unit's jurisdictional and service area.

23. The Pledged Revenues from the Fiscal Year immediately preceding the Closing Date were equal to or exceeded, and, on an ongoing basis during each year of the Loan Agreement Term, are reasonably expected to equal or exceed one hundred twenty-five percent (125%) of the maximum Aggregate Annual Debt Service Requirement.

24. The Pledged Revenues may lawfully be pledged to secure the payment of amounts due under the Loan Agreement.

25. The Chairman, Finance Director and County Clerk, on the date of the signing of the Loan Agreement and the Intercept Agreement and on the date of this Certificate, are the duly chosen, qualified and acting officers of the Governmental Unit authorized to execute such agreements.

26. The Governmental Unit understands that Sutin, Thayer & Browne A Professional Corporation represents the Finance Authority in this Loan and the Governmental Unit has had the opportunity to consult other counsel in connection with the Loan.

27. This Certificate is for the benefit of the Finance Authority.

28. This Certificate may be executed in counterparts.

[Signature page follows]

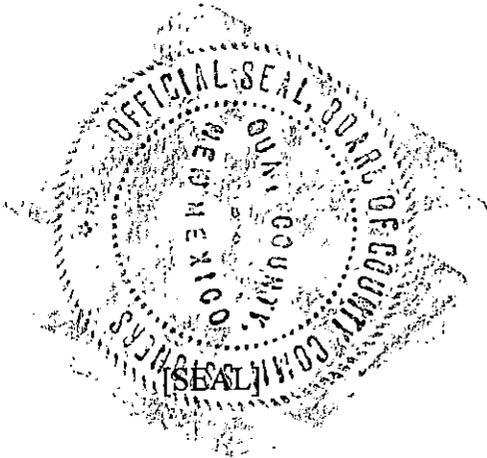
WITNESS our hands and the seal of the Governmental Unit this 17th day of January, 2020.

QUAY COUNTY, NEW MEXICO

By Franklin McCasland
Franklin McCasland, Chairman of the Board of
County Commissioners

By Ellen White
Ellen White, County Clerk

By Cheryl Simpson
Cheryl Simpson, Finance Director



APPROVED:

Paragraphs 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 13, 14, 16, 17, 18, 20, 21, 22, 24 and 25 are approved and confirmed.

Timothy Rose, Attorney for
Quay County, New Mexico

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\$150,000
QUAY COUNTY, NEW MEXICO
CONSERVANCY #2 FIRE DISTRICT
NEW MEXICO FINANCE AUTHORITY LOAN

STATE OF NEW MEXICO)
QUAY COUNTY) ss. ARBITRAGE AND TAX
) CERTIFICATE

On behalf of Quay County, New Mexico (the "Governmental Unit"), and in connection with the Loan Agreement dated January 17, 2020 (the "Loan Agreement"), relating to financing the cost of purchasing a new firefighting apparatus and related equipment for use by the Conservancy #2 Fire District within the Governmental Unit and paying the Processing Fee (the "Project") as described in the Loan Agreement, and evidencing the Governmental Unit's obligation in the aggregate principal amount of \$150,000, the Governmental Unit hereby certifies as follows:

Capitalized terms used in this Certificate have the same meanings as defined in 2019-2020 Resolution No. 25 adopted on December 9, 2019, unless otherwise defined in this Certificate or the context requires otherwise.

1. The Project. The Governmental Unit is entering into the Loan Agreement simultaneously with delivery of this Certificate. The Loan Agreement evidences the loan (the "Loan") made by the New Mexico Finance Authority (the "Finance Authority") to provide funds to pay the costs of acquiring the Project described in Exhibit "A" attached to the Loan Agreement and to pay certain costs incurred in connection with the execution and delivery of the Loan Agreement.

2. Security for the Loan Agreement. Debt service on the Loan Agreement will be secured by the pledged revenues described in Exhibit "A" attached to the Loan Agreement (the "Pledged Revenues") sufficient to pay debt service due in connection with the Loan, which Pledged Revenues have been pledged to the Finance Authority pursuant to the Loan Agreement.

3. Finance Authority Public Project Revolving Fund Program. The Governmental Unit acknowledges that the Finance Authority may assign and transfer the Loan Agreement to the BOKF, NA, as successor trustee (the "Trustee") pursuant to the Indenture, as defined in the Loan Agreement, and all Supplemental Indentures thereto, between the Finance Authority and the Trustee (collectively, the "Indenture"). Pursuant to the Indenture, the Loan Agreement may be pledged as an Additional Pledged Loan to the Trustee as additional security for the payment of amounts due on the Finance Authority's Public Project Revolving Fund Revenue Bonds outstanding at the time of such pledge.

4. Sources and Uses of Loan Funds. The Governmental Unit has received Loan proceeds from the public project revolving fund, as defined in the New Mexico Finance Authority Act, Sections 6-21-1, *et seq.*, NMSA 1978, as amended and supplemented, in the amount of

\$150,000 from the Finance Authority (the "Proceeds"). The Proceeds do not exceed the amount reasonably necessary for the purposes for which the Loan Agreement was entered into.

5. Expenditure Expectations. The Governmental Unit expects to incur a substantial binding obligation within six (6) months of the date hereof with regard to the Project, which obligation involves the expenditure of no less than five percent (5%) of the Proceeds. The Governmental Unit reasonably expects that the \$148,875 of Proceeds deposited into the Governmental Unit's Program Account in the Program Fund together with other legally available funds and anticipated earnings from the investment of such Proceeds until they are spent, are expected to be expended within three (3) years of the date hereof.

The estimated total costs of the Project will not be less than \$148,875 plus investment earnings thereon during the acquisition period.

Proceeds in the amount of \$1,125.00 will be deducted from the Proceeds and paid directly to the Finance Authority as the Processing Fee for the costs of originating and servicing the Loan.

6. Investment of Proceeds. Except for the investment of the Proceeds (i) in the Program Account established under the Indenture with respect to the Loan Agreement pending the payment of the costs of the Project, and (ii) in the Finance Authority Debt Service Account established and administered by the Finance Authority pending the payment of debt service on the Loan Agreement, there will be no investment of the Proceeds.

7. Bona Fide Debt Service Fund. Debt service payments on the Loan Agreement will be paid from the Pledged Revenues of the Governmental Unit deposited to the Finance Authority Debt Service Account created with respect to the Loan Agreement. Because the Pledged Revenues of the Governmental Unit for any year will exceed debt service on the Loan Agreement, it is assumed that current debt service paid by the Governmental Unit for deposit in the Finance Authority Debt Service Account will be derived entirely from the current Pledged Revenues. The Finance Authority Debt Service Account will be depleted at least once a year except for an amount not to exceed the greater of the earnings on the Finance Authority Debt Service Account for the immediately preceding bond year or one-twelfth (1/12th) of debt service on the Loan for the immediately preceding bond year. The Governmental Unit has not created or established, nor does it expect to create or establish, any debt service fund, redemption fund, replacement fund, sinking fund or other similar fund which is reasonably expected to be used to pay principal or interest on the Loan Agreement or pledged therefor, except for the Finance Authority Debt Service Account.

8. No Disposition of Project. The undersigned reasonably expect that no part of the Project acquired with the Proceeds will be sold or otherwise disposed of, in whole or in part, during the term of the Loan Agreement.

9. General Tax Covenant. The Governmental Unit has covenanted in the Loan Agreement that no use will be made of the Proceeds, or any funds or accounts of the Governmental Unit which may be deemed to be Gross Proceeds (as defined in Treasury Regulation Section 1.148(b)) of the Loan Agreement, which use, if it had been reasonably expected on the date hereof, would have caused the Loan Agreement to be classified as an "arbitrage bond" within the meaning of Section 148 of the Code. The Governmental Unit has further obligated itself in the

Loan Agreement to comply throughout the term of the Loan Agreement with the requirements of Sections 103 and 141 through 150 of the Code and regulations proposed or promulgated with respect thereto. Pursuant to the Loan Agreement, the Governmental Unit shall be liable for any rebatable arbitrage payable pursuant to Section 103 and 141 through 150 of the Code and regulations proposed or promulgated with respect thereto.

10. Private Business Use Limitations. None of the Proceeds will be used by a private business or any entity other than a governmental unit or secured by payments from or property of a private business or any entity other than a governmental unit except pursuant to a management contract which conforms with Revenue Procedure 2017-13 of the United States Treasury. For purposes of the preceding sentence a governmental unit does not include the United States Government or any agency or instrumentality thereof.

11. No Common Plan of Financing. There are no other obligations which are being issued or sold at substantially the same time as the Loan Agreement pursuant to a common plan of financing with the Loan Agreement and that will be paid out of the Pledged Revenues or will have substantially the same claim to be paid out of the Pledged Revenues as the Loan Agreement.

12. No Federal Guarantees. The Loan is not federally guaranteed within the meaning of Section 149(b) of the Code.

13. Information Filing. Loan Counsel for the Finance Authority, on behalf of the Governmental Unit, will timely file the Form 8038-G with respect to the Loan Agreement attached hereto as Exhibit "A" with the Internal Revenue Service. The Finance Authority has verified certain information necessary to complete the Form 8038-G as shown on the Finance Authority Certificate attached hereto as Exhibit "B".

14. Hedge Bonds. The Loan is not a hedge bond as defined in Section 149 of the Code.

15. No Reimbursement. None of the Proceeds will be used to reimburse the Governmental Unit for costs paid for the Project more than sixty (60) days prior to the date hereof.

16. No Refunding. Proceeds of the Loan are not being used to refund any other obligation of the Governmental Unit.

17. Economic Life of Project. The weighted average maturity of 6.956 years of the Loan Agreement does not exceed 120% of the reasonably expected economic life of the Project, which is at least six (6) years.

18. Qualified Tax-Exempt Obligations. The Loan Agreement is a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Code. The Governmental Unit represents that the reasonably anticipated amount of qualified tax-exempt obligations which will be issued by the Governmental Unit during the current calendar year does not exceed \$10,000,000 and the Governmental Unit will not designate more than \$10,000,000 of "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code. For purposes of this Section, "aggregated issuer" means any entity which: (i) issues obligations on behalf of the Governmental Unit; (ii) derives its issuing authority from the Governmental Unit; or (iii) is controlled directly or

indirectly by the Governmental Unit within the meaning of Treasury Regulation Section 1.150-1(e).

19. Rebate Exception. The Governmental Unit is a governmental unit with general taxing powers, no part of the Loan Agreement is a private activity bond, ninety-five percent (95%) or more of the proceeds are to be used for local governmental activities of the Governmental Unit and, the aggregate face amount of all tax-exempt obligations issued by the Governmental Unit during the current calendar year is not reasonably expected to exceed \$5,000,000. There are no subordinate entities of the Governmental Unit which are authorized to issue tax-exempt obligations. If the Governmental Unit fails to satisfy all of the provisions of this paragraph 19 for any reason, as provided in the Loan Agreement and consistent with the covenants of the Governmental Unit contained therein, any rebate owed to the United States Treasury will be paid in the amounts and at the times provided in Section 148 of the Code.

20. Record Retention. The Governmental Unit will manage and retain records related to the Loan as follows:

A. Records will be retained for the life of the Loan, including any refunding loans related thereto, plus three (3) years. Records may be in the form of documents or electronic copies of documents, appropriately indexed to the Loan and compliance functions;

B. Basic records relating to the Loan transaction, including transcript documents executed in connection with the issuance of the Loan (i.e., the authorizing documents, Form 8038-G, the tax certificate, and any elections made with respect to the Loan, if applicable), any amendments, and copies of rebate calculations and records of payments, including Forms 8038-T;

C. Records pertaining to the use of Loan-financed facilities by public and private sources including copies of management agreements and research agreements;

D. Records pertaining to expenditures of Loan proceeds including requisitions, appraisal and property purchase contracts, account statements, invoices, payment vouchers, and the final allocation of proceeds to expenditures;

E. Records pertaining to all sources of payment or security for the Loan; and

F. Records pertaining to investments including guaranteed investment contract documents under the Treasury Regulations, records of purchase and sale of other investments, and records of investment activity sufficient to permit calculation of arbitrage rebate or demonstration that no rebate is due.

[Signature page follows]

This certificate is being executed and delivered to establish the reasonable expectations of the Governmental Unit for purposes of Sections 103 and 141 through 148 of the Code, and the undersigned officers of the Governmental Unit are the officers of the Governmental Unit charged with the responsibility of entering into the Loan Agreement. The foregoing is based upon the reasonable expectations of the undersigned on the date hereof, and to the best of our knowledge, information and belief, the above expectations are reasonable.

Dated: January 17, 2020.

QUAY COUNTY, NEW MEXICO

By Franklin McCasland
Franklin McCasland, Chairman of the
Board of County Commissioners

By Ellen White
Ellen White, County Clerk

By Cheryl Simpson
Cheryl Simpson, Finance Director



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EXHIBIT "B"

NEW MEXICO FINANCE AUTHORITY TAX REPRESENTATIONS CERTIFICATE

The undersigned hereby certifies as follows with respect to the \$150,000 Loan Agreement dated January 17, 2020 (the "Loan") from the New Mexico Finance Authority (the "Finance Authority") to Quay County, New Mexico (the "Governmental Unit");

1. The Finance Authority is making the Loan for its own account (and not on behalf of another) in the principal amount of \$150,000, without accrued interest. The Finance Authority is not acting as an Underwriter with respect to the Loan. The Finance Authority has no present intention to sell, reoffer, or otherwise dispose of the Loan (or any portion of the Loan or any interest in the Loan). The Finance Authority has not contracted with any person pursuant to a written agreement to have such person participate in the initial sale of the Loan and the Finance Authority has not agreed with the Governmental Unit pursuant to a written agreement to sell the Loan to persons other than the Finance Authority, therefore the "issue price" of the Loan is \$150,000.

2. The Arbitrage Yield on the Loan, calculated in accordance with the applicable U.S. Treasury Regulations from interest to be paid on the Loan, is 0.0999999%.

3. The Weighted Average Maturity of the Loan, calculated in accordance with the applicable U.S. Treasury Regulations, is 6.956 years.

4. The undersigned understands that the statements made herein will be relied upon by the Governmental Unit in its effort to complete the Information Return for Tax-Exempt Governmental Obligations (Form 8038-G), required to be filed for the Loan pursuant to the Internal Revenue Code of 1986, as amended, and with regard to establishing facts and circumstances relied on by the Governmental Unit and bond counsel in connection with the execution and delivery of the Loan and the exclusion of interest on the Loan from gross income for federal income tax purposes. Such reliance is hereby authorized and approved.

Dated this January 17, 2020.

NEW MEXICO FINANCE AUTHORITY

By: _____
Marquita D. Russel, Chief Executive Officer

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Information Return for Tax-Exempt Governmental Bonds

(Rev. September 2018)

Under Internal Revenue Code section 149(e)

See separate instructions.

OMB No. 1545-0720

Department of the Treasury
Internal Revenue Service

Caution: If the issue price is under \$100,000, use Form 8038-GC.
Go to www.irs.gov/F8038G for instructions and the latest information.

Part I Reporting Authority

If Amended Return, check here

1 Issuer's name Quay County, New Mexico		2 Issuer's employer identification number (EIN) 85-6000238	
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions)		3b Telephone number of other person shown on 3a	
4 Number and street (or P.O. box if mail is not delivered to street address) 301 S. 3rd Street	Room/suite	5 Report number (For IRS Use Only) 3	
6 City, town, or post office, state, and ZIP code Tucumcari, New Mexico 88401		7 Date of Issue 01/17/2020	
8 Name of issue New Mexico Finance Authority Fire Equipment Loan for Conservancy #2 Fire District		9 CUSIP number	
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions) Richard Primrose, County Manager		10b Telephone number of officer or other employee shown on 10a 575-461-2112	

Part II Type of Issue (enter the issue price). See the instructions and attach schedule.

11	Education	11		
12	Health and hospital	12		
13	Transportation	13		
14	Public safety	14	150,000	00
15	Environment (including sewage bonds)	15		
16	Housing	16		
17	Utilities	17		
18	Other. Describe	18		
19a	If bonds are TANs or RANs, check only box 19a			<input type="checkbox"/>
b	If bonds are BANs, check only box 19b			<input type="checkbox"/>
20	If bonds are in the form of a lease or installment sale, check box			<input type="checkbox"/>

Part III Description of Bonds. Complete for the entire issue for which this form is being filed.

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	05/01/2030	\$ 150,000	\$ 150,000	6.956 years	0.099999 %

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

22	Proceeds used for accrued interest	22		
23	Issue price of entire issue (enter amount from line 21, column (b))	23	150,000	00
24	Proceeds used for bond issuance costs (including underwriters' discount)	24	1,125	00
25	Proceeds used for credit enhancement	25		
26	Proceeds allocated to reasonably required reserve or replacement fund	26		
27	Proceeds used to refund prior tax-exempt bonds. Complete Part V	27		
28	Proceeds used to refund prior taxable bonds. Complete Part V	28		
29	Total (add lines 24 through 28)	29	1,125	00
30	Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30	148,875	00

Part V Description of Refunded Bonds. Complete this part only for refunding bonds.

31	Enter the remaining weighted average maturity of the tax-exempt bonds to be refunded	_____	years
32	Enter the remaining weighted average maturity of the taxable bonds to be refunded	_____	years
33	Enter the last date on which the refunded tax-exempt bonds will be called (MM/DD/YYYY)	_____	
34	Enter the date(s) the refunded bonds were issued (MM/DD/YYYY)	_____	

For Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 63773S

Part VI Miscellaneous

- 35** Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)

35		
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- 36a** Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC). See instructions

36a		
------------	--	--
- b** Enter the final maturity date of the GIC ▶ (MM/DD/YYYY) _____
- c** Enter the name of the GIC provider ▶ _____
- 37** Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units

37		
-----------	--	--
- 38a** If this issue is a loan made from the proceeds of another tax-exempt issue, check box ▶ and enter the following information:
 - b** Enter the date of the master pool bond ▶ (MM/DD/YYYY) _____
 - c** Enter the EIN of the issuer of the master pool bond ▶ _____
 - d** Enter the name of the issuer of the master pool bond ▶ _____
- 39** If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box ▶
- 40** If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box ▶
- 41a** If the issuer has identified a hedge, check here ▶ and enter the following information:
 - b** Name of hedge provider ▶ _____
 - c** Type of hedge ▶ _____
 - d** Term of hedge ▶ _____
- 42** If the issuer has superintegrated the hedge, check box ▶
- 43** If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box ▶
- 44** If the issuer has established written procedures to monitor the requirements of section 148, check box ▶
- 45a** If some portion of the proceeds was used to reimburse expenditures, check here ▶ and enter the amount of reimbursement ▶ _____
- b** Enter the date the official intent was adopted ▶ (MM/DD/YYYY) _____

Signature and Consent	Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.		
	Signature of issuer's authorized representative	12/9/19 Date	Franklin McCasland, Chair County Comm. Type or print name and title
Paid Preparer Use Only	Print/Type preparer's name:	Preparer's signature	Date
	Suzanne Wood Bruckner		
	Firm's name ▶ Sutin Thayer & Browne A Professional Corporation	Firm's EIN ▶ 85-0225124	Check <input type="checkbox"/> if self-employed
	Firm's address ▶ 6100 Uptown Blvd. NE, Albuquerque, NM 87110	Phone no. 505-883-2500	PTIN PO1629036



\$150,000
QUAY COUNTY, NEW MEXICO
CONSERVANCY #2 FIRE DISTRICT
NEW MEXICO FINANCE AUTHORITY LOAN

STATE OF NEW MEXICO)
QUAY COUNTY) ss. DELIVERY, DEPOSIT AND
) CROSS-RECEIPT CERTIFICATE

IT IS HEREBY CERTIFIED by the undersigned, the duly chosen, qualified and acting Chairman, Finance Director and County Clerk of Quay County, New Mexico (the "Governmental Unit"):

1. On the date of this Certificate, the Governmental Unit executed and delivered, or caused to be executed and delivered, a Loan Agreement between the Governmental Unit and the New Mexico Finance Authority (the "Finance Authority"), in the aggregate principal amount of \$150,000, to the Finance Authority (the "Loan Agreement"), as authorized by Governmental Unit 2019-2020 Resolution No. 25 (the "Resolution") adopted on December 9, 2019, relating to the execution and delivery of the Loan Agreement and the Intercept Agreement. The undersigned have received \$150,000 as proceeds from the Loan Agreement, being the full purchase price therefore.

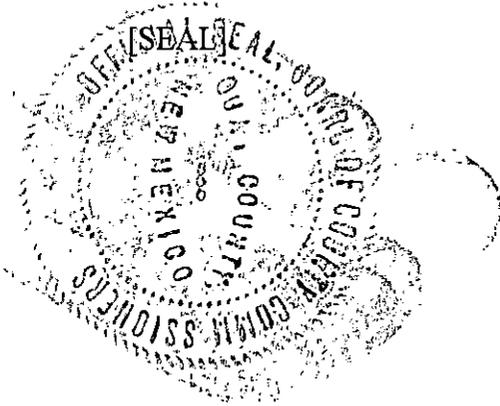
2. The proceeds of the Loan Agreement will be placed in the funds and accounts created for the deposit of such moneys under the General Indenture of Trust and Pledge dated as of June 1, 1995, as amended and supplemented, or the Subordinated General Indenture of Trust and Pledge dated as of March 1, 2005, as supplemented, each by and between the Finance Authority and the BOKF, NA, as Trustee and its successors and assigns, as determined by the Finance Authority pursuant to a Pledge Notification or Supplemental Indenture, as follows:

Governmental Unit's Account in the Program Fund:	\$148,875.00
Deposit to Finance Authority Debt Service Account:	\$ 0.00
Processing Fee paid to the Finance Authority:	\$ <u>1,125.00</u>
Total:	\$150,000.00

3. The proceeds of the Loan Agreement will be available to the Governmental Unit upon submittal of a Requisition Form to the Finance Authority in the form attached to the Loan Agreement as Exhibit "C" and will be used as set forth in the Resolution and the Loan Agreement.

WITNESS our hands this January 17, 2020.

QUAY COUNTY, NEW MEXICO



By Franklin McCasland
Franklin McCasland, Chairman of the
Board of County Commissioners

By Ellen White
Ellen White, County Clerk

By Cheryl Simpson
Cheryl Simpson, Finance Director

It is hereby certified by the undersigned, a duly qualified and acting official of the New Mexico Finance Authority, that, the undersigned has, on the date of this Certificate, received from Quay County, New Mexico the Loan Agreement and the Intercept Agreement.

NEW MEXICO FINANCE AUTHORITY

By _____
Marquita D. Russel, Chief Executive Officer

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\$150,000
QUAY COUNTY, NEW MEXICO
CONSERVANCY #2 FIRE DISTRICT
NEW MEXICO FINANCE AUTHORITY LOAN

STATE OF NEW MEXICO)
) ss. PLEDGED REVENUE CERTIFICATE
QUAY COUNTY)

WHEREAS, Quay County, New Mexico (the "Governmental Unit") pursuant to Resolution No. 1 adopted on July 9, 2012 (the "2012 Resolution"), executed and delivered a Loan Agreement Loan No. PPRF-2733 (the "2012 Loan Agreement") between the Governmental Unit and the New Mexico Finance Authority (the "Finance Authority"), in the aggregate principal amount of \$152,250. The Loan Agreement is payable from a lien on the State Fire Protection fund (the "Pledged Revenues").

WHEREAS, the Governmental Unit, pursuant to 2019-2020 Resolution No. 25 adopted on December 9, 2019 (the "2019 Resolution"), intends to execute and deliver on the date hereof its New Mexico Finance Authority Loan Agreement Loan No. PPRF-5050 in the aggregate principal amount of \$150,000 for the purpose of purchasing a new firefighting apparatus and related equipment for the Conservancy #2 Fire District within the Governmental Unit (the "2019 Loan Agreement") payable from the Pledged Revenues, as set forth in the 2019 Loan Agreement;

WHEREAS, Section 5.5, the "Additional Parity Obligations" of the 2012 Loan Agreement provides as follows:

"Section 5.5 Additional Parity Obligations. No provision of this Loan Agreement shall be construed in such a manner as to prevent the issuance by the Governmental Unit of additional Parity Obligations payable from the Pledged Revenues, nor to prevent the issuance of bonds or other obligations refunding all or a part of this Loan Agreement; provided, however, that before any such additional Parity Obligations are actually issued (excluding refunding bonds or refunding obligations which refund Parity Obligations but including parity refunding bonds and obligations which refund subordinate obligations as provided in Section 5.6 hereof), it must be determined that:

(a) The Governmental Unit is then current in all of the accumulations required to be made into the NMFA Debt Service Account as provided herein.

(b) No default shall exist in connection with any of the covenants or requirements of the Resolution or this Loan Agreement.

(c) The Pledged Revenues received by or credited to the Governmental Unit for the Fiscal Year or for any twelve (12) consecutive months out of the twenty-four (24) months preceding the date of the issuance of such additional Parity Obligations (the "Historic Test Period") shall have been sufficient to pay an amount representing two hundred percent (200%) of the

combined maximum Aggregate Annual Debt Service Requirements coming due in any subsequent Fiscal Year on the then outstanding Parity Obligations and the Parity Obligations proposed to be issued (excluding the accumulation of any reserves therefor).

(d) A written certification or opinion by the Governmental Unit's Treasurer or chief financial officer or by an Independent Accountant that the Pledged Revenues for the Historic Test Period are sufficient to pay said amounts, shall be conclusively presumed to be accurate in determining the right of the Governmental Unit to authorize, issue, sell and deliver the Parity Obligations proposed to be issued.

(e) No provision of this Loan Agreement shall be construed in such a manner as to prevent the issuance by the Governmental Unit of additional bonds or other obligations payable from the Pledged Revenues constituting a lien upon such Pledged Revenues subordinate and junior to the lien of this Loan Agreement nor to prevent the issuance of bonds or other obligations refunding all or part of this Loan Agreement as permitted by Section 5.6 hereof.

(f) The Governmental Unit shall not issue bonds or other obligations payable from the Pledged Revenues having a lien thereon prior and superior to this Loan Agreement.”

WHEREAS, the principal and interest on the outstanding 2012 Loan Agreement coming due in each Fiscal Year to its last principal payment date is as follows:

2012 Loan Agreement Debt Service Requirements

Fiscal Year Ending	Total Payment
2021	\$13,900.00
2022	13,900.00
2023	13,900.00
2024	13,900.00
2025	13,900.00

WHEREAS, the principal and interest on the 2019 Loan Agreement coming due in each Fiscal Year to its last principal date is as follows:

2019 Loan Agreement Debt Service Requirements

Fiscal Year Ending	Principal	Interest	Total Payment
2021	\$7,961.00	\$193.33	\$8,154.33
2022	8,012.00	142.04	8,154.04
2023	8,020.00	134.02	8,154.02
2024	8,028.00	126.00	8,154.00
2025	8,037.00	117.98	8,154.98
2026	21,945.00	109.94	22,054.94
2027	21,967.00	88.00	22,055.00

2028	21,988.00	66.04	22,054.04
2029	22,010.00	44.04	22,054.04
2030	22,032.00	22.04	22,054.04

NOW THEREFORE, the undersigned do hereby certify as follows:

1. We are familiar with the provisions of the 2012 Resolution authorizing the execution and delivery of the 2012 Loan Agreement and the 2019 Resolution authorizing the execution and delivery of the 2019 Loan Agreement and with the provisions of the 2012 Loan Agreement and the 2019 Loan Agreement.

2. We are familiar with the books, accounts and funds of the Governmental Unit pertaining to the Pledged Revenues.

3. Except as stated in the preambles to this Certificate, the Pledged Revenues have not been pledged or hypothecated to the payment of any outstanding parity lien obligations and no other outstanding obligations are payable from the Pledged Revenues.

4. The Governmental Unit is not, and has not been in default as to making any payments on the 2012 Loan Agreement, nor under any of the covenants or requirements of the 2012 Loan Agreement.

5. The 2019 Loan Agreement is payable from the Pledged Revenues and will constitute a lien upon the Pledged Revenues on a parity with the lien of the outstanding 2012 Loan Agreement.

6. The fiscal year immediately preceding the date of the 2019 Loan Agreement is the period commencing on July 1, 2018 and ending in June 30, 2019.

7. The Pledged Revenues for the fiscal year ended 2018 are fairly stated at \$54,483.

8. The combined maximum Aggregate Annual Debt Service Requirements on the 2012 Loan Agreement and the 2019 Loan Agreement for the parity bond test set out in the preambles of this Certificate occurs in Fiscal Year 2027 and is \$22,055.00. Two hundred percent (200%) of such amount is \$44,110.00.

9. The Pledged Revenues of \$54,483 (i.e., paragraph 7 above) for the fiscal year immediately preceding the date of the execution and delivery of the 2019 Loan Agreement were sufficient to pay an amount representing 200% of the combined maximum Aggregate Annual Debt Service Requirements of \$44,110.00 on the 2012 Loan Agreement and the 2019 Loan Agreement.

10. This certificate is for the benefit of each holder from time to time of the 2019 Loan Agreement and for the benefit of bond counsel in rendering opinions to the effect that the 2019 Loan Agreement is secured by a lien pledge on the Pledged Revenues on a parity with the 2012 Loan Agreement.

(Signature Page Follows)

WITNESS our hands this 17th day of January 2020.

QUAY COUNTY, NEW MEXICO

[SEAL]



By Franklin McCasland
Franklin McCasland, Chairman of the
Board of County Commissioners

By Ellen White
Ellen White, County Clerk

By Cheryl Simpson
Cheryl Simpson, Finance Director

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COUNTY OF QUAY
FISCAL YEAR 2019-2020
Resolution No. 26

*A Resolution for Determination of Reasonable
Notice of Meeting of County Boards
And Date and Time of Regular Meetings*

WHEREAS, Sections 10-15-1 to 10-15-4 of the Open Meetings Act, NMSA 1978 require that all meetings of quorum of members of any county board held for the purpose of formulating public policy, discussing public business, or taking action within the authority of the board are to be open to the public; and

WHEREAS, the Open Meetings Act further requires reasonable notice to the public for said meetings; and

WHEREAS, said Act also provides that the board shall determine at least annually what notice shall be reasonable for the public meetings; and

WHEREAS, the Board of Commissioners for Quay County, New Mexico wishes to fully comply with the provisions of the Open Meetings Act.

NOW THEREFORE, BE IT RESOLVED by the Board of Commissioners of Quay County that the following is hereby determined to be reasonable notice for any meeting of the Board for the calendar year 2020 and that notice of the determination and the Regular Meeting dates shall be published once a week for two consecutive weeks in the legal section of a newspaper of general circulation with the County of Quay.

Section 1 – NOTICE REQUIREMENTS

- A. Notice requirements for REGULAR MEETINGS are met:
 - 1. When the above referenced legal notice has been published and a notice of date, time, place and agenda has been posted in a conspicuous place at the Quay County Courthouse, and is available to the public and media at least seventy-two (72) hours prior to the meeting; or
 - 2. By public announcement of the time and place of such meeting made at the previous regular meeting.

- B. SPECIAL MEETINGS – the chairperson or a majority of the members of the County Commission may call for a Special Meeting to be held on dates other than the Regular Meeting dates. Notice requirements for Special Meetings are met:
 - 1. By posting a notice and agenda for the Special Meeting on the main bulletin board of the Quay County Courthouse at least twenty-four (24) hours prior to the commencement of the Special Meeting; or
 - 2. By announcement of the Special Meeting during a Regular or Special Meeting held at least twenty-four (24) hours before the commencement of such Special Meeting; and
 - 3. By providing a written notice of the agenda for the Special Meeting to all local media representatives that have filed a request for notice of public meetings.

- C. EMERGENCY MEETINGS – may be scheduled by the chairperson or a majority of the Commission members to deal with unforeseen circumstances, which demand immediate action to protect the health, safety, or property of citizens or the public from substantial financial loss. Notice requirements for an Emergency Meeting are met:
1. Upon the issuance and posting of an agenda in a conspicuous place in the Courthouse three (3) hours prior to the Emergency Meeting unless threat of personal injury or property damage compel less notice. The County Manager will provide telephone/facsimile notice to the news media of emergency meetings as timely as possible given the nature of the emergency.

Section 2 – REGULAR MEETING DATES AND TIME

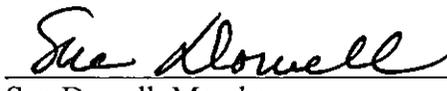
Unless otherwise specified, regular meetings shall be held at 9:00 a.m. on the second and fourth Monday of each month in the County Commission Chambers of the Quay County Courthouse. The agenda will be available at least seventy-two (72) hours prior to any regular meetings in the offices of the County Manager and County Clerk located in the County Courthouse, 300 South Third Street in Tucumcari, New Mexico.

IT IS ALSO RESOLVED, that substantial conformance with any one of the foregoing methods of giving notice shall constitute compliance with this resolution, and that nothing herein shall prevent the use of additional means or methods of giving notice or Regular, Special, or Emergency Meetings and other such notice for any public meeting for which notice has been given and which is recessed. However, in recessing the meeting, the presiding officer shall announce the time and place the meeting shall resume.

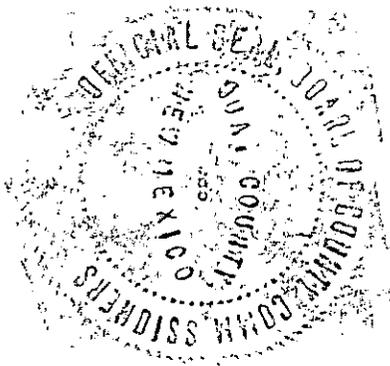
PASSED, APPROVED AND ADOPTED, this 9th day of December, 2019.

QUAY COUNTY BOARD OF COMMISSIONERS

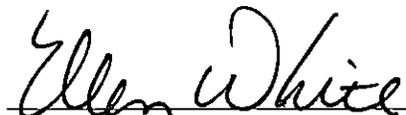

Franklin McCasland, Chairman


Sue Dowell, Member


Mike Cherry, Member



ATTEST:


Ellen White, County Clerk



QUAY COUNTY GOVERNMENT

300 South Third Street
 PO Box 1246
 Tucumcari NM 88401
 Phone: (575) 461-2112
 Fax: (575) 461-6208

NOTICE OF PUBLIC MEETINGS

The Board of County Commissioners of Quay County at its December 9th scheduled meeting adopted 2019-2020 Resolution #26 to establish the following policy regarding public meetings.

1. By 2019-2020 Resolution No. 26 to adopt the New Mexico Open Public Meeting Policy requirements.

Regular monthly meetings will be conducted on the Second and Fourth Monday of each month beginning at 9:00 a.m. unless noted below with an asterisk (*), in the Commission Chambers, First Floor, Quay County Courthouse, 300 South Third Street, Tucumcari, New Mexico.

2020 Commission Meeting Dates

Month	Date - Day	Month	Date - Day	Month	Date - Day
January 13	Monday	May 11	Monday	September 14	Monday
*January 30	Thursday	*May 26	Tuesday	September 28	Monday
February 10	Monday	June 8	Monday	October 12	Monday
February 24	Monday	*July 2	Thursday	October 26	Monday
March 9	Monday	July 13	Monday	November 9	Monday
March 23	Monday	July 27	Monday	November 23	Monday
April 13	Monday	August 10	Monday	December 14	Monday
April 27	Monday	August 24	Monday		

*January 30th is Thursday to accommodate staff & advertising notices following Legislative Conference

*May 26th is Tuesday following the Memorial Day holiday

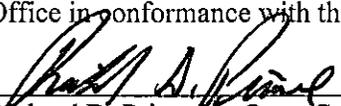
*July 2nd is Thursday to accommodate staff & advertising notices following Annual Conference.

The **Quay County Indigent Hospital Claims Board** will be held in conjunction with the Commission scheduled on the Second Regular Meeting of each month.

2. Established by 2019-2020 Resolution #26 that the following is determined to be reasonable notice for any public meeting for the Board of County Commissioners or of any policymaking agency or authority of the Board for the calendar year 2020.

- For **REGULAR MEETINGS AND WORK SESSIONS**-issuance and posting of an agenda three calendar days (72 hours) before the meeting. The agenda will be made available to the public and news media, and posted on the main Courthouse Bulletin Board.
- For **SPECIAL MEETINGS**-issuance and posting of an agenda one calendar day (24 hours) before the meeting. The agenda will be made available to the public and news media, and posted on the main Courthouse Bulletin Board.
- For **EMERGENCY MEETINGS**-issuance and posting an agenda three (3) hours before the meeting. The agenda will be posted on the main Courthouse Bulletin Board and as many of the news media notified as possible given the nature of the emergency.

The agenda for each Commission Meeting will be available in the County Manager's Office and in the County Clerk's Office in conformance with this schedule.


 Richard D. Primrose, Quay County Manager



QUAY COUNTY GOVERNMENT
300 South Third Street
P.O. Box 1246
Tucumcari, NM 88401
Phone: (575) 461-2112
Fax: (575) 461-6208

2020 HOLIDAY SCHEDULE

<u>DATE OF HOLIDAY</u>	<u>HOLIDAY</u>	<u>DATE OBSERVED</u>
01/01/2020	New Year's Day	Wednesday, January 1, 2020
01/20/2020	Martin Luther King Day	To be Taken at Christmas
02/17/2020	President's Day	Monday, February 17, 2020
04/10/2020	Good Friday	½ Day Friday, April 10, 2020
05/25/2020	Memorial Day	Monday, May 25, 2020
07/04/2020	Independence Day	Friday, July 3, 2020
09/07/2020	Labor Day	Monday, September 7, 2020
10/12/2020	Indigenous People Day	To be Taken at Thanksgiving
11/11/2020	Veterans Day	Wednesday, November 11, 2020
11/26/2020	Thanksgiving Day	Thursday, November 26, 2020 Friday, November 27, 2020
12/25/2020	Christmas Day	Thursday, December 24, 2020 Friday, December 25, 2020
	Personal Holiday	TBD

**2020 BOARD APPOINTMENTS
DECEMBER 9, 2019**

NM County Insurance Authority Member.....Richard Primrose/Mike Cherry Alternate

NMC Board of Directors Member.....Mike Cherry

Tucumcari Economic Development Board.....Franklin McCasland/Mike Cherry, Alternate

City of Tucumcari Library BoardAlida Brown

Llano Estacado RC&DFranklin McCasland/Sue Dowell, Alternate

Northeast Regional Transportation.....Larry Moore/Richard Primrose, Alternate

E-911 County Coordinator.....Daniel Zamora/ Robert McClelland, Alternate

Quay County Fair Board.....Sue Dowell/Franklin McCasland, Alternate

Quay County Tribal Health Council Liaison.....Russell Shafer/Dennis Garcia, Alternate

Ute Reservoir Water Commission.....Richard Primrose/Franklin McCasland Alternate

Natural Resources CommitteeBill Humphries

Tucumcari Quay County Rural Water Authority.....Richard Primrose/Franklin McCasland, Alternate

Eastern Plains Council of Governments (EPCOG)Richard Primrose/Mike Cherry, Alternate

Tucumcari/Quay County Regional
Emergency Communication Center.....Richard Primrose/Mike Cherry, Alternate

Quay County Finance Committee.....Ex Officio Members:
Franklin McCasland
Mike Cherry
Sue Dowell
Richard Primrose
Ellen White
Patsy Gresham
Cheryl Simpson



Stantec Consulting Services Inc.
1601 Camino del Coronado, Tucumcari NM 88401-5001

December 6, 2019

Attention: Mr. Richard Primrose, County Manager
Quay County Manager's Office
300 South 3rd Street, #3
Tucumcari, NM 88401

Dear Mr. Primrose,

Fee Proposal for the Quay County Low Water Crossings at Bridges 1625 and 1042

Stantec appreciates the opportunity to provide the following Scope of Work and Cost Proposal for your consideration. Quay County wishes to design and construct low water crossings along the north side of the existing Bridges #1625 and #1042. Stantec's services will include the following services for both bridges: A Preliminary Drainage Report, a Scoping Report, Environmental, Geotechnical, and Survey and Mapping. The following services will be provided for Bridge #1625 only: Preliminary Design, Final Design, Bid Administration, Construction Management, and Construction Observation.

Scope of Work

The proposed scope of services includes:

Preliminary Drainage Report

Stantec will prepare a preliminary drainage report to evaluate the existing drainage conditions of the bridges. The preliminary drainage report will include:

- A site visit by one or more Stantec representatives to take measurements and pictures.
- A teleconference meeting with Stantec representatives, the County staff, and the NMDOT Drainage Design Bureau to discuss the planned methods of analysis.
- Delineation of the watershed for the bridges.
- The development of a HEC-HMS model of the watershed the bridges.
- A report which will include a project description, hydrologic parameters, a pre-development summary of the existing conditions, and discharge estimates for the two (2) through one hundred (100) year frequency storm events based on the existing conditions.
- Stantec will submit a report to Quay County and the NMDOT and make on set of corrections based on comments received.

Scoping Report

Stantec will prepare a scoping report for the purpose of data gathering and conceptual design decisions for a low water crossing for both bridges. The report will include:

- A discussion of the existing conditions.
- A topographic survey of the area surrounding the bridges.

Reference: Fee Proposal for the Quay County Low Water Crossings at Bridges 1625 and 1042

- A sketch of the existing conditions of the bridges and a conceptual sketch for the proposed low water crossings.
- An engineer's opinion of probable cost for the proposed low water crossings.
- While preparing the report, a Stantec representative will conduct a work session with the County Staff to discuss the proposed design. This will provide the County staff with an opportunity to provide input regarding the proposed design. After the scoping report is complete, a Stantec representative will present the report to the County staff.

Environmental

Stantec will coordinate environmental clearances and or certification with NMDOT to include determining the level of effort and complete a categorical exclusion (CE) if applicable. If additional cultural resource surveys or archaeological surveys etc., not specifically included in the CE effort are required, Stantec can prepare contract amendment(s) to provide those additional services

Geotechnical

Stantec will coordinate with and subcontract a geotechnical consultant to complete required geotechnical services including analysis of existing soil properties and recommended design parameters.

Survey and Mapping

Stantec will coordinate with and subcontract a surveying consultant to complete survey services. Services will include completion of a topographic survey for both bridges, right-of-way mapping and acquisition for Bridge #1625 only, and subsurface utility engineering (SUE) investigation for both bridges.

Preliminary / Final Design

Stantec will complete Design Plans and Specifications for Bridge #1625 only in accordance with NMDOT standards as follows

- 30% Design Submittal
- 60% Design Submittal
- 90% Design Submittal
- 100% PSE submittal

Bid Administration

Stantec will coordinate the bid solicitation and will conduct a pre-bid and a bid-opening meeting(s) for Bridge #1625. Stantec will review and process all received bids and will provide a bid recommendation to Quay County.

Construction Services

- Construction Administration
Stantec will provide construction management services for five (5) months to include product submittal review, processing of Pay Applications and Change Orders, conducting pre-construction, monthly construction status meetings and project site visits, and final inspection and closeout meetings.

Reference: Fee Proposal for the Quay County Low Water Crossings at Bridges 1625 and 1042

- **Construction Observation**

Stantec will provide construction observation at 20 hours a week for the five (5) months.

Deliverables

Stantec will provide one (1) physical copy and one (1) digital copy of the Scoping Report, Geotechnical Report, and the Preliminary Drainage Report.

Stantec will provide one (1) physical copy and one (1) digital copy of the Plans and Technical Specifications at each of the following phases 30%, 60%, 90%, 100%(PS&E).

Stantec will provide four (4) physical copies and one (1) digital copy of the executed project documents including final stamped Plans and Technical Specifications.

Cost Proposal

Stantec proposes to perform the services previously described in accordance with the CES approved rate schedule, not to exceed \$816,794.00 plus New Mexico Gross Receipts Taxes (NMGRT), without the County's prior approval. Invoices will be submitted monthly.

Preliminary Drainage Report	<u>\$ 82,919.00</u>
Scoping Report	<u>\$ 114,549.00</u>
Environmental	<u>\$ 44,474.00</u>
Geotechnical	<u>\$ 49,247.00</u>
Survey and Mapping	<u>\$ 108,408.00</u>
Preliminary Design	<u>\$ 137,847.00</u>
Final Design	<u>\$ 105,768.00</u>
Bid Administration	<u>\$ 13,414.00</u>
Construction Management	<u>\$ 97,871.00</u>
Construction Observation	<u>\$ 62,297.00</u>
Total Cost	\$ 816,794.00

Other Conditions

The County will be utilizing Cooperative Educational Services (CES) to complete this project. If the proposed Scope of Work and associated fees are acceptable to the County, then the County will issue CES a Purchase Order, and then CES will issue Stantec a Purchase Order. The Terms and Conditions between Stantec and CES are acknowledged in the CES Contract ID: 19-01N-C307-ALL.

Best regards,

Stantec Consulting Services Inc.



Dave Maxwell, PE
Principal
Phone: (575) 342-8813
Dave.Maxwell@stantec.com
www.stantec.com

Quay County Bridge#1625 and 1042 Replacement

12/6/2019

Professional Services

Preliminary / Final Drainage Report	\$ 82,919.00
Scoping Report	\$ 114,549.00
Environmental	\$ 44,474.00
Geotechnical	\$ 49,247.00
Survey and Mapping	\$ 108,408.00
Preliminary Design	\$ 137,847.00
Final Design	\$ 105,768.00
Bid Administration	\$ 13,414.00
Construction Management	\$ 97,871.00
Construction Observation	\$ 62,297.00
	TOTAL w/o GRT \$ 816,794.00
	GRT @ 8.3750% \$68,406.00
	PROFESSIONAL SERVICES TOTAL \$885,200.00

Cost Proposal for Engineering Services
 Quay County Bridge 1612 and 1042 Replacement
 12/8/2019

Preliminary Design

Person	Rate	Hours	Amount	Permits/ Examinations	Draws/ Alignment	Shots 1/1	Shots 2/1	Shots 2/2	Shots 2/3	Shots 2/4	Shots 2/5	Schedule	SP/CS	OP/CC	QA/QC	Project Management	Revisions	Client Services Management
Morand, David D (Dwn)	\$ 4,008.50	21	\$ 84,174.50											4	4			
Sparks, George A	\$ 3,474.50	23	\$ 81,903.50											16	16			
Oliver, Weyland	\$ 3,378.00	234	\$ 810,762.00											30	30			
Priddy, Stephen G	\$ 4,902.50	418	\$ 2,050,045.00											30	30			
Caudill, Paul S	\$ 3,378.00	32	\$ 108,116.00											13	13			
Angela, Denny J (Dwn)	\$ 2,177.00	20	\$ 43,540.00											16	16			
Parsons, Cheryl H	\$ 2,177.00	0	\$ 0.00											46	46			
Sparks, George A	\$ 3,474.50	0	\$ 0.00															
Conrad, Arthur M (Act)	\$ 3,650.20	24	\$ 87,604.80															
Norman, Mike A	\$ 1,574.28	20	\$ 31,485.60															
Mazzacosta, Deanna	\$ 577.13	5	\$ 288.56															
TOTAL		1,074	\$ 1,337,624.20															

Final Design

Person	Rate	Quantity	Amount	Permits/ Examinations	Draws/ Alignment	Shots 1/1	Shots 1/2	Shots 1/3	Shots 1/4	Shots 1/5	Schedule	SP/CS	OP/CC	QA/QC	Project Management	Revisions	Client Services Management	
Morand, David D (Dwn)	\$ 4,008.50	18	\$ 72,153.00											4	4			
Sparks, George A	\$ 3,474.50	24	\$ 83,388.00											20	20			
Oliver, Weyland	\$ 3,378.00	148	\$ 498,764.00											12	12			
Priddy, Stephen G	\$ 4,902.50	200	\$ 980,500.00											20	20			
Caudill, Paul S	\$ 3,378.00	0	\$ 0.00															
Angela, Denny J (Dwn)	\$ 2,177.00	71	\$ 154,577.00											15	15			
Parsons, Cheryl H	\$ 2,177.00	0	\$ 0.00															
Sparks, George A	\$ 3,474.50	8	\$ 27,796.00															
Conrad, Arthur M (Act)	\$ 3,650.20	26	\$ 94,905.20															
Norman, Mike A	\$ 1,574.28	26	\$ 40,931.28															
Mazzacosta, Deanna	\$ 577.13	84	\$ 48,478.92															
TOTAL		762	\$ 1,457,204.10															

Cost Proposal for Engineering Services
 Quay County Bridge#1625 and 1042 Replacement
 12/6/2019

Turcumari to Bridge Site Round Trip 85 miles

Construction Management

Person	Title	Rate	Hours	Amount	Pre-Construction Meeting	Product Submittal Review	5 Monthly Meetings	Coordination	5 Pay Applications	Field Changes & 2 Change order	Final Inspection	Closeout	Project Management	Client Service Management
Mawerll, David D (Dave)	Principal	\$ 184.00	40	\$ 7,360.00	8		10			4	8	2	8	
Equeda, George A	Senior Project Manager	\$ 166.00	12	\$ 1,992.00									12	
Oliver, Wayland J	Civil Engineer	\$ 160.00	224	\$ 35,840.00	8	40	50	24	50	24	8	8	12	
Parker, Stephen G	Civil Engineer - EIT	\$ 121.00	326	\$ 39,446.00	15	80	50	48	60	24	12	16	20	
Candalaria, Pauls	Civil Designer	\$ 110.00	0	\$ -										
Aragon, Danny J (Dan)	Senior Civil Designer	\$ 131.00	0	\$ -										
Aragon, Danny J	CAD Technician	\$ 97.00	0	\$ -										
Garcia, Arthur M (Art)	Senior Engineer	\$ 151.00	0	\$ -										
Romero, Nivea A	Business Development Professional	\$ 160.00	12	\$ 1,920.00	4									8
Chavez, Ricky A	Construction Observation	\$ 116.00	44	\$ 5,104.00				12	24	8	4	15	8	
Mascareñas, Deyanna	Office Administrator	\$ 105.00	44	\$ 4,620.00	16									
			602	\$ 96,282.00										
	Reimbursable Expense	Rate	Quantity	Amount										
	Mileage	\$ 0.580	1300	\$ 768.00	235		510		510		85			
	Lodging & Meals	\$ 100.00	7	\$ 700.00	1									
	8.5" x 11" Prints	\$ 0.15	500	\$ 75.00	200	100	100		60	40				
	11" x 17" Prints	\$ 0.25	100	\$ 25.00	100									
	TOTAL			\$ 1,588.00										
				Construction Management \$	97,871.00									

Construction Observation

Person	Title	Rate	Hours	Amount	Pre-Construction Meeting	Construction Observation	Final Inspection
Oliver, Wayland J	Civil Engineer	\$ 160.00	0	\$ -			
Parker, Stephen G	Civil Engineer - EIT	\$ 121.00	0	\$ -			
Chavez, Ricky A	Construction Observation	\$ 116.00	498	\$ 57,528.00	8	480	8
			498	\$ 57,528.00		20 hours per week for 24 weeks	
	Reimbursable Expense	Rate	Quantity	Amount			
	Mileage	\$ 0.580	8160	\$ 4,732.80		8160	
	Lodging & Meals	\$ 100.00	0	\$ -			
	8.5" x 11" Prints	\$ 0.15	100	\$ 15.00		100	
	11" x 17" Prints	\$ 0.25	50	\$ 12.50		50	
	TOTAL			\$ 4,760.30			
				Construction Observation \$	62,287.00		

Cost Proposal for Engineering Services
 Quay County Bridge#1625 and 1042 Replacement
 12/6/2019

Tucuman to Bridge Site Round Trip 85 miles

Environmental

Person	Rate	Hours	Amount	Preparation / Coordination	Review / Approval
Other, Weyland J	\$ 150.00	48	\$ 7,800.00	40	8
Parker, Stephen G	\$ 121.00	36	\$ 6,776.00	40	16
Sub-Consultant	\$ 27,275.00	1.1	\$ 90,002.50		
TOTAL		104	\$ 44,458.50		
Reimbursable Expense					
Mileage	\$ 0.580	0	\$ -		
8.5" x 11" Prints	\$ 0.15	100	\$ 15.00	50	50
11" x 17" Prints	\$ 0.25	0	\$ -		
Lodging & Meals	\$ 100.00	0	\$ -		
TOTAL			\$ 15.00		
Environmental \$ 44,474.00					

Geotechnical

Person	Rate	Hours	Amount	Preparation / Coordination	Review / Approval
Other, Weyland J	\$ 150.00	80	\$ 12,800.00	60	20
Parker, Stephen G	\$ 121.00	96	\$ 11,616.00	80	16
Sub-Consultant	\$ 22,360.00	1.1	\$ 24,616.00		
TOTAL		176	\$ 49,032.00		
Reimbursable Expense					
Mileage	\$ 0.580	0	\$ -		
8.5" x 11" Prints	\$ 0.15	100	\$ 15.00	50	50
11" x 17" Prints	\$ 0.25	0	\$ -		
Lodging & Meals	\$ 100.00	0	\$ -		
TOTAL			\$ 15.00		
Geotechnical \$ 49,247.00					

Survey and Mapping

Person	Rate	Hours	Amount	Preparation / Coordination	Review / Approval	Property Owner Research
Other, Weyland J	\$ 150.00	86	\$ 13,750.00	30	16	40
Parker, Stephen G	\$ 121.00	180	\$ 21,780.00	80	20	80
Sub-Consultant	\$ 65,200.00	1.1	\$ 72,853.00			
TOTAL		266	\$ 108,383.00			
Reimbursable Expense						
Mileage	\$ 0.580	0	\$ -			
8.5" x 11" Prints	\$ 0.15	100	\$ 15.00	50	50	
11" x 17" Prints	\$ 0.25	0	\$ -			
Lodging & Meals	\$ 100.00	0	\$ -			
TOTAL			\$ 15.00			
Survey and Mapping \$ 108,408.00						

PATHFINDER ENVIRONMENTAL, LLC
Historic Route 66 Bridges #1625 & #1042 Low-water Crossing Bypass Project
 Quay County
ENVIRONMENTAL COST PROPOSAL
 December 5, 2019

WORK TASK	TASK LEADER		HOURS PER TASKS	AMOUNT PER TASK
	Brenda Martinez NEPA/Public Involvement Specialist	Devyn Kenmore Environmental Project Manager/Biologist		
Task 1 (T1) - Administration				
1. Contract Administration		4	4	
2. Project Kickoff Meeting	8	8	16	
3. Project Team Meetings and Coordination	16		16	
Task 1 (T1) - Administration Total:	24	12	36	\$ 2,700.00
Task 2 (T2) - Biological Services				
1. Biological Survey to NMDOT Stds		10	10	
2. Biological Evaluation to NMDOT Stds		40	40	
3. BS QA/QC	4		4	
Task 2 (T2) - Biological Services Total:	4	50	54	\$ 4,050.00
Task 3 (T3) - NEPA Compliance				
1. Agency Consultation/TLPA Env Level of Effort Form	4		4	
2. Hazmat Review and Consultation	4		4	
3. Prepare Draft Categorical Exclusion for NMDOT	32		32	
4. Prepare Final Categorical Exclusion for NMDOT	8		8	
5. NEPA QA/QC		2	2	
Task 3 (T3) - NEPA Compliance Total:	48	2	50	\$ 3,750.00
Task 4 (T4) - Preliminary Design Services (60%)				
1. Environmental Follow-up	4		4	
Task 4 (T4) - Preliminary Design Services (60%) Total:	4	0	4	\$ 300.00
Task 5 (T5) - Final Design Services (90%)				
1. Environmental Follow-up	4		4	
Task 5 (T5) - Final Design Services (90%) Total:	4	0	4	\$ 300.00
Task 6 (T6) - Public Involvement				
1. Public Meeting Preparation	8		8	
2. Public Meeting Attendance	8		8	
3. Public Meeting Summary	4		4	
4. PI QA/QC		1	1	
Task 6 (T6) - Public Involvement Total:	20	1	21	\$ 1,575.00
Task 7 (T7) - Wetland Delineation				
1. Wetland Delineation		8	8	
2. Wetland Delineation Report to NMDOT Stds		32	32	
3. WD QA/QC	4		4	
Task 7 (T7) - Wetland Delineation Total:	4	40	44	\$ 3,300.00
Task 8 (T8) - Clean Water Act Section 404/401 Compliance				
1. Prepare Clean Water Act Section 404/401 Pre-Construction Notification		36	36	
2. Coordinate Permitting Process with US Army Corps of Engineers		4	4	
3. Finalize PCN per USACE comments		4	4	
4. PCN QA/QC	2		2	
Task 8 (T8) - Clean Water Act Section 404/401 Compliance Total:	2	44	46	\$ 3,450.00
Total Hours:	110	149	259	
			Total Labor:	\$ 19,425.00

OTHER DIRECT COSTS	AMOUNT	
Reproduction, Postage, etc.	\$250.00	
CIS Mapping Services	\$650.00	
Public Meeting Expenses & Advertisements	\$1,200.00	
Mileage	\$750.00	
Steve Townsend Archaeology	\$5,000.00	
Other Direct Costs Subtotal:	\$7,850.00	Subtotal: \$27,275.00
		NMGRT (exempt): 50.00
		TOTAL: \$27,275.00

PROPOSAL:
 Pathfinder Environmental, 1800 Old Pecos Trail, Suite E, Santa Fe, NM 87505
 Tel: 505.699.5175

Assumptions:

- The two bridge low-water crossing projects will be combined into a single project and all documentation will be combined for the two.
- A noise analysis and air quality technical report will not be prepared.
- Permitting from the US Army Corps of Engineers will be required, NWP #14 Linear Transportation Projects
- There may be wetlands or riparian areas are located within the project area.
- No prime or unique farmland or farmland of statewide or local importance will be impacted.
- NMDOT will require a full Biological Evaluation to NMDOT Standards.
- No hazardous materials are present in the project area that would require an Initial Site Assessment or higher level review.
- One public meeting will be held, which will not require an overnight stay.
- The NMDOT NEPA document will be a Categorical Exclusion.
- The project will not use any federal funding from any federal source; however, the NMDOT will require full environmental certification following their process.
- The National Park Service will not have any environmental requirements for this project.
- The project footprint consists of a 100 foot by 1,300 foot corridor adjacent to Route 66 on the north side from the edge of pavement.
- The pedestrian Cultural Resources Inventory will cover the entire area of potential effect (APE) which includes the visual inventory of the built environment 50 ft outside of the APE.
- The bridge is historic and registered on the NRHP; therefore, a positive report is the anticipated level of effort for reporting.
- HPD/SHPO will be the reviewing agency along with the NMDOT and the National Park Service - National Trails Division in Santa Fe, NM.
- The cost assumes that the only archaeological resource in the area is Bridge #1625.
- The cost does not include any cultural resource monitoring or mitigation efforts that may ultimately be required for this project, or the production of monitoring/mitigation plans associated with these efforts. If needed, monitoring and/or mitigation would take place under a separate contract.
- The public meeting will be held in a facility that does not require user fees.
- Client to Issue a Type 5 NTTC to Pathfinder to exempt from NMGRT.



November 22, 2019

Stantec Consulting Services, Inc.
1601 Camino del Coronado
Tucumcari, NM 88401

Attn: Wayland Oliver, PE

RE: Proposal for Geotechnical Engineering Services
Quay Bridge 1625 Bypass
Quay County, New Mexico

Dear Mr. Oliver:

As requested, we are submitting a cost proposal for a geotechnical investigation for the above referenced project. The purpose of the investigation will be to gather information relative to the physical properties of the underlying site soils and utilize the information to provide data relevant to the construction of a new low water crossing.

It is understood that the project consists of the construction of a new low water arroyo crossing of Route 66 between San Jon and Glenrio. The new crossing will bypass the existing bridge to the north and will consist of concrete box culverts. New roadway and embankments will also be constructed to divert the existing highway onto the new crossing.

The investigation will include the following:

1. UTILITY CLEARANCE AND LAYOUT

Prior to the investigation, a staff engineer/geologist will make a site visit to mark the boring location and call for utility clearance through NM811. All permitting and required traffic control will be coordinated prior to mobilization.

2. MOBILIZATION AND DEMOBILIZATION

A soil sampling drill rig and necessary drilling and sampling tools will be moved to the site and removed from the site at completion of the field investigation.

3. FIELD INVESTIGATION

A total of six (6) borings are planned to be drilled at the site. Two (2) borings will be drilled to a depth of 20 feet below grade within the existing arroyo. Two (2) borings will be drilled to a depth of 20 feet below existing grade at the arroyo banks and two (2) borings will be drilled to a depth of 10 feet below existing grade within the proposed roadway alignment. Standard penetration tests and split spoon or open end drive sampling will be conducted at the surface and at 2.5 foot intervals thereafter. The

GEO-TEST, INC.
3204 RICHARDS LANE
SANTA FE,
NEW MEXICO
87507
(505) 471-1101
FAX (505) 471-2245

8528 CALLE ALAMEDA NE
ALBUQUERQUE,
NEW MEXICO
87113
(505) 857-0933
FAX (505) 857-0803

2805-A LAS VEGAS CT.
LAS CRUCES,
NEW MEXICO
88007
(575) 526-6260
FAX (575) 523-1660



actual boring depth may be adjusted in the field based on subsurface conditions encountered and may be terminated at a shallower depth should practical auger refusal be experienced.

4. LABORATORY TESTING

Laboratory testing will include determining in place moisture content and density, performing grain size distribution and Atterberg limits determinations as well as appropriate testing to determine soil strength parameters and consolidation and/or swell tests will be performed to evaluate soil compressibility or expansiveness. In addition, moisture density and R-Value testing will be performed.

5. FINAL DATA REDUCTION AND REPORT

Information gathered in the field and laboratory investigations will be reduced and analyzed. An engineering report will be prepared presenting the results of field and laboratory investigations as well as geotechnical recommendations as follows:

1. Logs of the test borings, a site plan showing their approximate locations and a description of procedures and equipment used in the field program.
2. Results of laboratory tests.
3. A description of the geotechnical profile, soil properties, soil moisture content and groundwater, if encountered.
4. A discussion and recommendation of the foundation system, or systems best suited to the site.
5. Recommended foundation bearing pressures or capacities and recommended minimum foundation depths and widths.
6. Estimated settlements of foundations.
7. An analysis of lateral soil resistance by LPILE Plus utilizing loading and pile data provided by the project structural engineer, as applicable.
8. Passive earth pressures against foundations, with soil concrete friction factor as required.
9. Equivalent fluid pressures, drainage recommendations and foundation recommendations for retaining walls.
10. Cut slope recommendations and design properties with respect to excavation and shoring requirements.

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11. Guide specifications for site grading, special site treatments, and backfill criteria as well as criteria for structural fill and inspection requirements.
12. Laboratory R-Value and AASHTO classification of roadway subgrade material as well as roadway subgrade preparation recommendations.

Based on available information, we feel the investigation previously outlined will be adequate to provide needed subsurface information. Charges for the geotechnical scope of work outlined above will be **\$11,280.00** plus applicable taxes. This proposal assumes that the subject site is accessible to truck mounted drilling equipment.

Acceptance of this proposal is indicated by signing the following acceptance form and returning it to this office or by the agreement of Geo-Test, Inc. to be party to a contractual agreement drafted by the client.

In recognition of the relative risks and benefits of the project to both the Client and Geo-Test, the risks have been allocated such that the Client agrees, by the signing of this document, that to the fullest extent permitted by law, Geo-Test's total liability to the Client for any and all injuries, claims, losses, expenses, damages or claim expenses arising out of this agreement from any cause or causes, shall not exceed \$25,000.00. Such causes include, but are not limited to, Geo-Test's negligence, errors, omissions, strict liability, breach of contract or breach of warranty.

Our professional services would be performed, our findings obtained, and our recommendations prepared in accordance with generally accepted engineering principles and practices at this time and location. This warranty is in lieu of all other warranties either expressed or implied.

Should you have any questions concerning this proposal, we would welcome the opportunity to review and clarify. We certainly appreciate your consideration of our firm for the geotechnical engineering services required for the project.

Respectfully submitted:
GEO-TEST, INC.

Patrick R. Whorton, EI
Staff Geotechnical Engineer
Albuquerque Office

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Terms of payment are net 30 days. Payment not received within this time period will be charged interest of 1.5 percent per month, an effective annual rate of 18 percent.

Accepted For: Quay County Government
(Organization Responsible for Payment)

By: Richard Pomrose, Manager
(Name and Title)

Signature: *Paul A. Ruiz* Date: 12/9/19

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December 6, 2019

Wayland Oliver, PE
Project Engineer
Stantec
3400 Highway 180 East Suite A
Silver City NM 88061-7784 US

VIA E-MAIL

**Re: Surveying Services
Quay County Bridge 1625 & Bridge 1042 Low Water Crossing**

Dear Mr. Oliver:

Cobb, Fendley & Associates, Inc. (CobbFendley) is pleased to provide this scope and fee for the Surveying services associated with the project referenced above. The proposed Scope of Services, Basis of Compensation and Schedule of Work are outlined below.

SCOPE OF SERVICES - SURVEY

CobbFendley will establish a comprehensive GPS control network for the proposed project referred to the New Mexico State Plane Coordinate System (NAD 83 – Eastern Zone) and NAVD 88 vertical datum and tied into existing NMDOT geodetic control and National Geodetic Survey (NGS) Control. Following completion and field verification of the control network, Topographic Survey, fixed right-of-way surveys, and right-of-way mapping will be conducted throughout the project limits as specified by Stantec.

All work will be completed in accordance with the Minimum Standards for Surveying in New Mexico and under the direction of a New Mexico Professional Surveyor. All above-mentioned right-of-way mapping activities shall be performed to meet N.M.D.O.T. survey and CAD standards.

SURVEY SERVICES TO BE PROVIDED BY COBBFENDLEY:

1. GPS Control Survey:

- Set and survey a minimum of 3 permanent control points utilizing GPS Static/RTK techniques. The new control points will be tied to NMDOT geodetic control, or National Geodetic Survey (NGS) control monuments and may utilize Online Positioning User System (OPUS). All control points will be field checked for quality assurance prior to commencing subsequent surveying activities and will be suitable for future construction staking activities. The project control points will be based upon the New Mexico State Plane Coordinate System (NAD 83, Eastern Zone) and the NAVD 88 vertical datum.
- Deliverables will consist of the following:
 - Ascii point files in both State Plane Grid Coordinates and Local Project Surface Coordinates (NAD 83/NAVD 88)
 - Certified Survey Control Report
 - Survey Control Sheet

Location/Topographic Surveys

- Field location and topographic data will be conducted throughout the corridor and collected sufficiently to produce one-foot contours. A detailed breakdown as follows:
 - Roadway tie in points
 - Roadway planimetrics
 - Bridge deck, pier locations, and top of girders if applicable
 - Visible utilities (Excluding inverts)
 - Break-line information
 - Drainage profiles
 - Fences/Walls

Fee for GPS Control, Location and Supplemental Survey: \$22,340.00

ROW Mapping - 1 Right-of-Way take on each site (2 total):

CobbFendley will provide Research and Right-of-way Mapping for the corridor with this task.

- ROW Maps will be produced for this project within the project limits provided by Stantec. The maps will be producing in accordance with the NMDOT standard format and requirements. Any ROW impacts such as takes or easements, and encroachments will be shown on the maps which will be determined through the design phase.
- CobbFendley and Stantec will provide coordination with the NMDOT ROW Bureau throughout the project duration, if required.
- 1. Assumption: Stantec will provide all right-of-way takes, CME's and TCP's to CobbFendley.
 2. Any modification or additions in right-of-way takes CME's or TCP's will be performed on a time and material basis or renegotiated as a contract modification.

Fee for Right-of-Way Mapping = \$23,280.00

Deliverable:

3. Right-of-way maps approved for final acquisition through the NMDOT process and adheres to NMDOT standards.

Right-of-way maps will be delivered in accordance to a schedule developed by CobbFendley, Stantec, and NMDOT.

***Assumptions**

1. Stantec and CobbFendley will need to renegotiate right-of-way mapping fees, and title reports once the number of Right-of-Way takes, Temporary Construction Easements (TCP's) , and Construction Maintenance Easements (CME's) have been determined by the design. This proposal assumes one take per crossing (2 total).

Research and Title Reports

- 33-year title report searches will be performed for the project properties that will require ROW takes or easements. Ownership searches will be performed for the adjoining properties in order to produce the ROW Maps. The title reports will be produced to NMDOT standards. CobbFendley will coordinate title work with Stantec, and an agreed upon Title Company.
- Title report and title report reviews.

Fee for Research and Title Reports (2) = \$1,200.00

Fee for Title Report Updates (2) = \$200.00

Fee for Encroachment Exhibits if Applicable \$800.00 each

Fee for BLM Government Plats if Applicable = \$1,200.00 each

Fee for State Trust Land plats if Applicable = 1,200.00 each

Monumentation and Monumentation Maps

- CobbFendley will Monument right-of-way takes and CME's once construction has been completed on the project. A monumentation map will be developed and included in final delivery. Monuments will adhere to NMDOT specifications.

Fee for Monumentation and Maps = \$4,060.00

SCOPE OF SERVICES FOR SUE SERVICES

Assumptions

- SUE Level D/C/B Services to be completed throughout the entire project limits, right of way to right of way within the identified roadways.
- Project located in Quay County, near Tucumcari, NM; a mobilization fee will apply.
- Fee based on a roughly 1,250-foot-long area along Rt. 66.
- Survey effort associated with collecting utility paint markings is included in rates shown below.
- AutoCAD deliverable
- Subsurface Utility Engineering / Locating services associated with this project will be completed in conformance with ASCE 38-02 and applicable local and/or client guidelines.

SUE Level D Services

As early as possible, CobbFendley will identify utility owners affected by the project and perform record research with each to obtain the most up to date as built information available. Information obtained from the utility owners includes: one-call information, utility as-builts, construction drawings, verbal recollections, conduit maps etc... CobbFendley will also utilize this initial contact with utility owners to notify them of the project and begin building a utility coordination contact list.

SUE Level C/B Services

CobbFendley's SUE Technicians will perform field investigations to identify all affected utility owners and above ground visible features. Coordination with CobbFendley's survey team will avoid any duplication of efforts.

Existing toneable utilities will be 'designated' within the described project limits. CobbFendley understands right of entry will be obtained by others should utilities outside of the current right-of-way exist and require mapping services. A utility composite drawing, incorporating all SUE Level D, C and B information, will be provided in AutoCAD format.

Designate means to record and mark the horizontal location of the existing toneable utility facilities and their service laterals to existing buildings using non-destructive surface geophysical techniques. A non-water base paint, utilizing the APWA color code scheme, will be used on all surface markings of underground utilities. Designated utilities will be surveyed and tied to horizontal project control.

CobbFendley will correlate utility owner records with designating data and resolve discrepancies using professional judgment. CobbFendley will create an existing utility drawing (or update the existing utility plan, as applicable) using the designated utilities, utility owner names, quality levels, line sizes and subsurface utility locate (test hole) locations if applicable. It is understood by both CobbFendley and the Client that the line sizes of designated utility facilities detailed on the deliverable are from the best available records and that an actual line size is normally determined from a test hole through vacuum excavation. A note will be placed on the designate deliverable that states "lines sizes are from best available records". This information will be provided in AutoCAD format. All surveying associated with SUE Level B services will be completed by CobbFendley.

Fee for SUE Level D/C/B Services:	\$11,480.00
(2 days for a 2-man SUE Crew + related CAD, Survey and management effort)	
Fee associated with one overnight stay in Tucumcari, NM for 2-man SUE Crew:	\$1,240.00
<u>Total Fee for SUE Services:</u>	<u>\$12,720.00</u>

Acquisition and Appraisal Services for a single landowner located at the 1625 Quay Bridge location.

Proposal

Cobb, Fendley & Associates, Inc. (CobbFendley) is pleased to provide Stantec this Cost Estimate for Right-of-Way Acquisition & Appraisal Services on the Quay County Bridge 1625 which is utilizing NMDOT State and Federal funds for, Design, Right of Way Acquisition and Construction of a new road alignment located in Quay County, pursuant to the preliminary plans the project is estimating the proposed right of way necessary to complete the said project: to include (1) partial take, from (1) ownership. As the Contractor, CobbFendley will be responsible to follow the guidelines set forth by the NMDOT Right-of-Way Handbook.

The acquisition work will include, but not be limited to, the following:

- o Send offer packets, certified mail, return receipt requested. Offer packets to include at a minimum, offer letter, donation letter, agreement, appraisal, ROW Acquisition Booklet, Warranty Deed, vendor master request form, W-9, payment agreement (for multiple owners).
- o Attempt to meet with property owners in person to make offers and obtain signatures.

- Work with the City of Jal to obtain final signatures and property owner payments.
- Hand-deliver, when possible, property owner payments to include signature receipt.
- Create and maintain project files for each property owner in accordance with NMDOT requirements.
- Project status updates to the City of Jal on an agreed upon schedule.
- Work with NMDOT to have files audited at the end of acquisition.
- Provide 3-ring binders, indexed, with all conveyance documents obtained for the project.
 - Provide Contracted Appraisal Services

Cobb, Fendley & Associates proposes to provide the right of way acquisition of (1) partial take, and contract the Appraisal Services for the Quay County Bridge 1625 road alignment project. The partial take acquisition task will consist of acquiring (1) partial take from (1) landowner. CobbFendley estimates the amount of time to complete the task will require approximately 9 months of agent's time, with an anticipated notice to proceed on or December 1, 2019. CobbFendley proposes to use one (1) Sr. Right of Way agent and an oversite manager which is included in the per parcel price.

SERVICES PROVIDED FOR PROPOSED QUAY COUNTY BRIDGE 1625	DESCRIPTION	TOTAL
1 Partial Acquisition	2 landowner@ \$4,000	\$8,000
Appraisal Services for 1 Ownership	2 Appraisal	*\$22,000
Total		\$30,000

*Includes 10% Coordination fee

Scope

This is not an all-inclusive list of possible duties to be performed by CobbFendley. CobbFendley may be expected to perform other duties as assigned for the above referenced project or for other Quay County projects.

Task 1 Administrative Support

1.1 Approval Procedures QA/QC: CobbFendley will perform quality review and quality checks of all reports, documents, and acquisition files before they are submitted to the Quay County for final review/approval. QA/QC procedures will follow County Policy and Procedures.

1.2 Weekly meetings/Project Updates: Weekly meetings will be conducted upon the request of the Quay County, or upon request, a weekly summary detailing project process can be sent via email.

1.3 General Tasks: CobbFendley will ensure QA/QC plan is followed.

Closing Tasks: CobbFendley will verify that a hard copy of all acquisition documents will be kept on file, which will include for each parcel:

1. Copy of the recorded deed;
2. Copy of the appraisal report;
3. Copy of any survey or project maps;
4. Copy of any Quay County acquisition documents;

Task 2 Acquisition Services

- o Acquisition package: Quay County will provide CobbFendley with an acquisition file that contains the following material:
- o Right of Way Property Owner Compensation

Negotiations: CobbFendley will contact each owner personally. For those owners out of state or those living in remote places, owners are to be contacted by registered mail. CobbFendley will present to the owner the following, but not limited to:

- a. Brochure or any marketing material pertaining to the Project;
- b. Offer to Purchase or compensation for temporary construction permit;
- c. Ownership Report;
- d. Statement of Just Compensation;
- e. Right of Way Contract;
- f. Deed(s) and/or Easement(s);
- g. Right of way map covering the parcels that need to be acquired on each subject ownership;
- h. Executive Summary of Property Owner's Rights

Logs: It will be CobbFendley's responsibility to maintain and post entries into the Agent's Log within 24 hours after each and every contact or attempted contact with the property owner. Each entry will contain the date of each contact or attempted contact with the owner and a summary of each conversation and negotiation. The Agent will be responsible to follow the Quay County's policy and procedures in every acquisition. Agent is expected to make bi-weekly contact with the owner at a minimum.

Contracts and documents: CobbFendley will be provided the necessary contracts and all other forms required in the acquisition process and will be responsible for completing these forms.

- i. If other information is needed, such as construction maps, etc., contact Quay County.
- j. CobbFendley is authorized and will negotiate based on the approved compensation value. If they cannot reach a g
- k. Any additions and/or alterations to standard contract verbiage must be approved in writing (e-mail) by Quay County. A copy of these e-mail approvals must be submitted with the completed package.

Failed negotiations: If CobbFendley is unable to settle with the property owner within a 30-day negotiation period, CobbFendley shall contact Quay County to discuss issues and solutions which may include:

- l. Options Letter which must be approved by Quay County

- i. This will be an Options Letter if the Authorization to Enter (AE) is already signed.
 - ii. CobbFendley will have two weeks from the date of delivery of the options letter to discuss the Property Owner's decision concerning AE.
- m. Authorization to Enter (AE)
- i. must be turned in with an outline of the issues and an action plan with dates and solutions.
 - ii. CobbFendley is required to have weekly contact with the property owner to try and resolve the issues.
 - iii. File must be turned in to the Quay County with either a signed contract or a complete condemnation file.

Construction features: Any construction features agreed upon, other than those shown in the construction plans, must have approval by the Quay County Engineer in charge of design to be included in the ROW contract.

Final File: The final acquisition or condemnation packet will be completed and delivered to the Quay County as agreed in this scope of work. A final acquisition file is either a completed acquisition package with signed contract.

FEES: CobbFendley's fee for work done pursuant to this agreement shall be billed at the rates outlined in this contract. The obligation to pay CobbFendley's fee is in no way conditional on the approved compensation value or the final negotiated amount. CobbFendley's fee includes all costs incurred by CobbFendley in presenting the offer and concluding the negotiations. The amount does not include any testimony by CobbFendley at trial, deposition, hearing or pre-trial consultations with regard to Condemnation. If CobbFendley fails to follow all these procedures as outlined or fails to perform the necessary services, CobbFendley waives his/her rights to payment.

Deliverables:

- a) Completed acquisition package with signed contract shall be promptly delivered to Quay County.
- b) Completion delays beyond the control of CobbFendley or delays resulting from the actions of Quay County may require a re-negotiated due date. CobbFendley shall provide prompt written notice of unexpected conditions or other reasons that might cause a delay to Quay County.

Condemnation Efforts:

- a) To be determined. Additional fee will be incurred on a time and material, not to exceed basis. A quote will be provided upon request of Quay County.

Additional costs.

General

Project Unknowns:

Fee Type: The contract between the Subcontractor and Quay County will be a cost plus fixed-fee with a not to exceed amount as outlined in the attached cost estimate. If at any time during the project, additional items are deemed necessary, a modification may be prepared to ensure all parties are in agreement with any necessary changes. No work will occur unless it is

covered within an approved work plan and cost estimate.

Change Procedures: Changes to completed or partially completed work products shall be controlled. Any changes which may require a change to the project scope, schedule or budget are to be brought to the attention of and approved, in writing, by Quay County.

**** Quay County Bridge 1625, CobbFendley will invoice per Partial Take on acquired basis: Not to exceed a total consulting budget of \$30,000.00 plus NMGRT ****

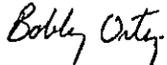
Basis of Compensation

The above scope of services associated with this project can be provided for a fee of \$93,800.00 **plus applicable taxes.**

*fee includes two title report and two title report update, if encroachment exhibits, BLM plats, or State Trust Land plats are applicable, they will be billed on a unit rate listed above.

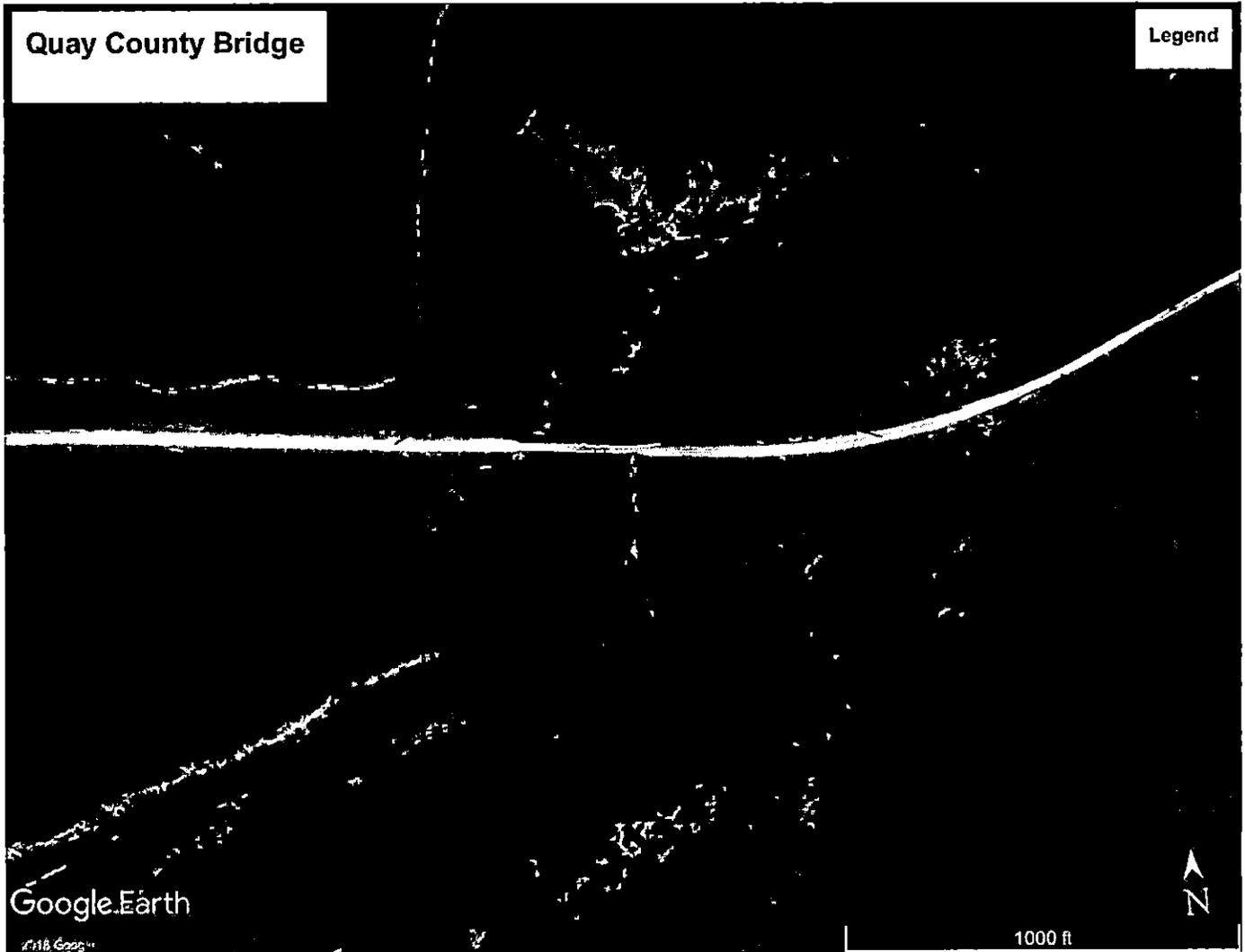
If this summary is acceptable please forward an authorization to proceed. If you have any questions or comments, please do not hesitate to contact us.

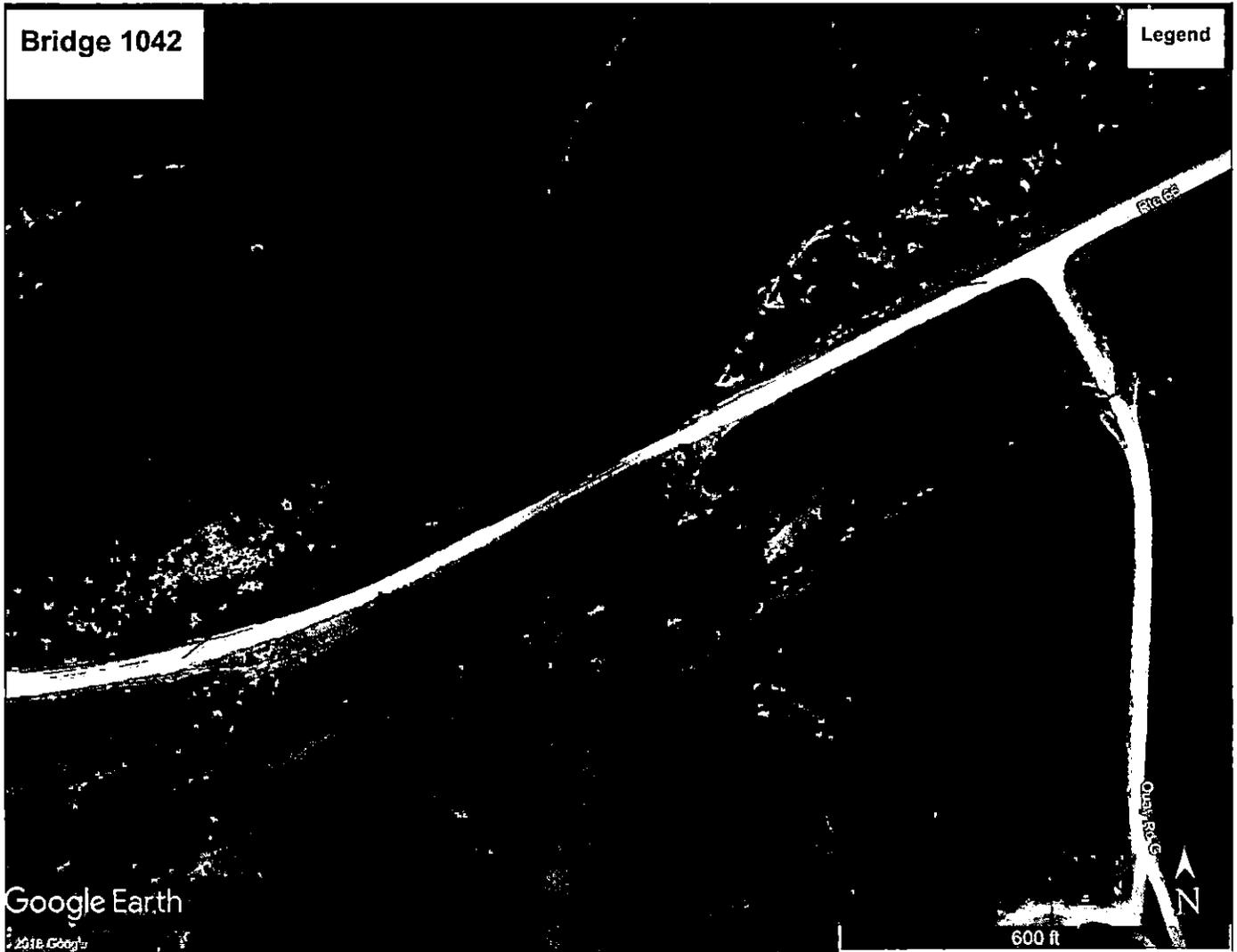
Sincerely,
COBB, FENDLEY & ASSOCIATES, INC.

A handwritten signature in cursive script that reads "Bobby Ortiz".

Bobby Ortiz
Principal
Project Manager

Exhibit A





Name	Duration	Start	Finish	Predecessors	Gantt Chart																													
					Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar		
1 Contract Agreement	60 days	11/18/19 8:00 AM	1/16/20 5:00 PM		[Gantt bar from Dec 18, 2019 to Jan 16, 2020]																													
2 Preliminary Drainage Report	120 days	1/17/20 8:00 AM	5/15/20 5:00 PM	1	[Gantt bar from Jan 17, 2020 to May 15, 2020]																													
3 Research / Report	119 days	1/17/20 8:00 AM	5/14/20 5:00 PM		[Gantt bar from Jan 17, 2020 to May 14, 2020]																													
4 NMDOT Coordination Meeting	1 day	5/15/20 8:00 AM	5/15/20 5:00 PM	3	[Gantt bar from May 15, 2020 to May 15, 2020]																													
5 Scoping Report	120 days	5/16/20 8:00 AM	9/12/20 5:00 PM	2	[Gantt bar from May 16, 2020 to Sep 12, 2020]																													
6 Research / Report	119 days	5/16/20 8:00 AM	9/11/20 5:00 PM		[Gantt bar from May 16, 2020 to Sep 11, 2020]																													
7 Scoping Report Presentation	1 day	9/12/20 8:00 AM	9/12/20 5:00 PM	6	[Gantt bar from Sep 12, 2020 to Sep 12, 2020]																													
8 Geotechnical	30 days	5/16/20 8:00 AM	6/14/20 5:00 PM	2	[Gantt bar from May 16, 2020 to Jun 14, 2020]																													
9 Topographic Survey	30 days	5/16/20 8:00 AM	6/14/20 5:00 PM	2	[Gantt bar from May 16, 2020 to Jun 14, 2020]																													
10 Environmental	120 days	5/16/20 8:00 AM	9/12/20 5:00 PM	2	[Gantt bar from May 16, 2020 to Sep 12, 2020]																													
11 Preliminary Design	180 days	9/13/20 8:00 AM	3/11/21 5:00 PM	10	[Gantt bar from Sep 13, 2020 to Mar 11, 2021]																													
12 Final Design	90 days	3/12/21 8:00 AM	6/9/21 5:00 PM	11	[Gantt bar from Mar 12, 2021 to Jun 9, 2021]																													
13 Agency Review	60 days	6/10/21 8:00 AM	8/8/21 5:00 PM	12	[Gantt bar from Jun 10, 2021 to Aug 8, 2021]																													
14 Bid Administration	60 days	8/9/21 8:00 AM	10/7/21 5:00 PM	13	[Gantt bar from Aug 9, 2021 to Oct 7, 2021]																													
15 Construction	180 days	10/8/21 8:00 AM	4/6/22 5:00 PM	14	[Gantt bar from Oct 8, 2021 to Apr 6, 2022]																													