

**BERNALILLO COUNTY**  
**BOARD OF COUNTY COMMISSIONERS**  
**ADMINISTRATIVE RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION PROVIDING FOR PUBLICATION OF NOTICE OF BOND SALE OF  
BERNALILLO COUNTY, NEW MEXICO GENERAL OBLIGATION BONDS  
SERIES 2016**

**WHEREAS**, at a special bond election held coincident with the general elections duly called and held in the County of Bernalillo, State of New Mexico (the “County”), the 4th day of November, 2014, the electors of the County authorized the Board of County Commissioners of the County (the “Board”) to contract bonded indebtedness on behalf of the County and upon the credit thereof by issuing general obligation bonds of the County;

**WHEREAS**, the categorization of the proposed general obligation bonds to be sold is as follows:

<b>Description</b>	<b>Remaining Authorization</b>	<b>Proposed Sale Amount</b>
Parks & Recreation	\$ 2,200,000	\$ 2,200,000
Library	900,000	900,000
Roads	4,820,000	4,820,000
Design, Construction and Repair of storm sewer and wastewater systems	<u>2,370,000</u>	<u>2,370,000</u>
<b>Total Amounts</b>	<b><u>\$ 10,290,000</u></b>	<b><u>\$ 10,290,000</u></b>

**WHEREAS**, the Board hereby determines that it is necessary and in the best interest of the County and the inhabitants thereof that the general obligation bonds be issued at this time for the purposes and in the amounts set forth above, provided that a satisfactory price be obtained therefor upon a public sale;

**NOW, THEREFORE**, be it resolved by the Board:

**Section 1.** The Chair of the Board and the Clerk of the County be, and the same hereby are, authorized and directed to have published a notice of sale of Bernalillo County, New Mexico General Obligation Bonds, Series 2016, in the aggregate principal amount of \$10,290,000 (the “Series 2016 Bonds”) in the Albuquerque Journal, a newspaper of general circulation in the County, once at least one week prior to the sale date, and the Chair of the Board is hereby authorized and directed to give such other notice of the bond sale as he shall determine, including the publication of the notice in financial papers and periodicals and the distribution among investment bankers and, others of a preliminary official statement relating to the Series 2016 Bonds.

**Section 2.** The notices of bond sale shall be in substantially the following forms with such changes as are not inconsistent therewith and approved by the Chair of the Board:

A. Grant Street Posting:

[FORM OF NOTICE OF BOND SALE]

**OFFICIAL NOTICE OF BOND SALE**

**\$10,290,000**  
**BERNALILLO COUNTY, NEW MEXICO**  
**GENERAL OBLIGATION BONDS**  
**SERIES 2016**

**PUBLIC NOTICE IS HEREBY GIVEN** that electronic bids will be received by the Board of County Commissioners (the “Board”) of Bernalillo County, New Mexico (the “County”), for the purchase of all of the County’s General Obligation Bonds, Series 2016 (the “Series 2016 Bonds”), more particularly described below. The Board will meet in regular session at 5:00 p.m., Prevailing Mountain Time, February 16, 2016, to take official action awarding the Series 2016 Bonds.

Bids for the purchase of the Series 2016 Bonds will be accepted through the Grant Street Group electronic bidding web site (“Grant Street Group”) at [www.grantstreet.com](http://www.grantstreet.com). No other method of submitting bids will be accepted. The date and time for submitting bids will be as follows:

**Bid Date: February 16, 2016**  
**Bid Time: Between 10:30 a.m. and 11:00 a.m. New York Time**  
**(Between 8:30 a.m. and 9:00 a.m. Albuquerque, New Mexico Time)**  
**Submit Bid to: [www.grantstreet.com](http://www.grantstreet.com)**

**Information related to this auction can be obtained from Grant Street Group Auction Support at (412) 391-5555 (x370), attention John Carver.**

To bid, bidders must have both (1) completed the registration form on the Grant Street Group website and (2) requested and received admission to the County's auction, as described under "TERMS OF SALE - Submission of Bids" below. The use of Grant Street Group shall be at the bidder's risk and expense, and the County shall have no liability with respect thereto.

**Neither the County, Grant Street Group, nor Bond Counsel shall be responsible for, and each bidder expressly assumes the risk of, any incomplete, inaccurate, or untimely bid submitted by Internet transmission by such bidder, including, without limitation, by reason of garbled transmissions, mechanical failure, engaged telephone or telecommunications lines, or any other cause arising from delivery by Internet transmission. Additionally, the Grant Street Group time stamp will govern the receipt of all bids. The official bid clock does not automatically refresh. Bidders must refresh the auction page periodically to monitor the progression of the bid clock and to ensure that their bid will be submitted prior to the termination of the auction. All bids will be deemed to incorporate the provisions of this Official Notice of Bond Sale.**

**This Official Notice of Bond Sale, and the information set forth herein, are not to be treated as a complete disclosure of all relevant information with respect to the Series 2016 Bonds. The information set forth herein is subject, in all respects, to a more complete description of the Series 2016 Bonds and the security therefore set forth in the Preliminary Official Statement dated February 9, 2016 (the "Preliminary Official Statement").**

### **BOND DETAILS**

The Series 2016 Bonds will be issued in the aggregate principal amount of \$10,290,000. The Series 2016 Bonds and the interest thereon are general obligations of the County. The County has prepared the Preliminary Official Statement relating to the Series 2016 Bonds which is deemed by the County to be final as of its date for purposes of allowing bidders to comply with Rule 15c2-12 of the Securities Exchange Commission ("the Rule"), except for the omission of certain information as permitted by the Rule. Details of the Series 2016 Bonds, including maturities, redemption provisions, payment dates and security for payment are contained in the Preliminary Official Statement. The Preliminary Official Statement is subject to revision, amendment and completion in a Final Official Statement.

***Official Statement.*** The Preliminary Official Statement may be viewed and downloaded from [www.grantstreet.com](http://www.grantstreet.com) or a physical copy may be obtained by contacting Grant Street Group, see "Information" below.

The County will make available to the winning bidder, within seven business days after the award of the sale of the Series 2016 Bonds, the Final Official Statement which is to be

downloaded from [www.grantstreet.com](http://www.grantstreet.com). One physical copy of the Final Official Statement also will be provided to the winning bidder at that time; provided, however, the winning bidder must cooperate in providing the information required to complete the Final Official Statement. Additional copies of the Final Official Statement may be provided at the expense of the winning bidder.

The winning bidder shall comply with the requirements of Rule 15c2-12 and the rules of the Municipal Securities Rulemaking Board.

### **TERMS OF SALE**

***Submission of Bids.*** All bids must be submitted only by electronic bidding on Grant Street Group at [www.grantstreet.com](http://www.grantstreet.com). No other provider of bidding services and no other means of delivery (i.e. telephone, telefax or physical delivery) will be accepted. Bidding for the Series 2016 Bonds will begin at 10:30 a.m., New York Time (8:30 a.m. Albuquerque, New Mexico Time), as indicated above. The receipt of bids will end promptly at 11:00 a.m., New York Time (9:00 a.m. Albuquerque, New Mexico Time). No extensions to the bidding period, such as the commonly known “Two-Minute Rule”, will be utilized or in effect for this auction.

To bid, bidders must first visit the Grant Street Group website where, if they have never registered with Grant Street Group, they can register and then request admission to bid on the Series 2016 Bonds. Bidders will be notified prior to the scheduled bidding time of their eligibility to bid. Only FINRA registered broker-dealers and dealer banks with DTC clearing arrangements will be eligible to bid. Bidders who have previously registered with Grant Street Group may call (412) 391-5555, x 370, attention John Carver, for their ID Number or password.

***Rules of Grant Street Group.*** Bidders must comply with, and all bids must be made in accordance with, the Rules of Grant Street Group in addition to the requirements of this Official Notice of Bond Sale. The Rules of Grant Street Group can be viewed on the Grant Street Group website and are incorporated herein by reference. In the event the Rules of Grant Street Group conflict with this Official Notice of Bond Sale, this Official Notice of Bond Sale shall prevail.

***Bidding Parameters.*** Bidders are required to submit unconditional all-or-none bids specifying the rate of interest at which the bidder will purchase all of the Series 2016 Bonds.

Interest shall be bid in multiples of 1/20th or 1/8th percentum and only one interest rate may be bid for each maturity of the Series 2016 Bonds. The maximum interest rate may not exceed 5% and the maximum interest rate specified for any maturity of the Series 2016 Bonds may not exceed the minimum interest rate specified for any maturity of the Series 2016 Bonds by more than two and a half percent (2 1/2%). The maximum net effective interest rate of the Series 2016 Bonds shall not exceed ten percent (10%) per annum.

***Term Bonds.*** A bidder may elect to have all or a portion of the Series 2016 Bonds scheduled to mature in consecutive years issued as one or more term bonds (the “Term Bonds”) scheduled to mature in the latest of said consecutive years and subject to mandatory redemption requirements consistent with the schedule of serial maturities set forth in the Preliminary Official Statement, however, not less than all Bonds of the same serial maturity shall be converted to Term Bonds with mandatory redemption requirements.

***Adjustment of principal amounts, modification or clarification prior to examination of bids.*** The County's Deputy County Manager for Finance (the "Deputy County Manager"), in consultation with the County's financial and bond advisors, in the Deputy County Manager's sole discretion and prior to the examination of bids, may (i) adjust the aggregate principal amount set forth herein or may adjust the principal amount of each series without increasing the aggregate principal amount of Bonds; (ii) adjust individual maturities, and/or (iii) modify or clarify any other term hereof, including the date on which bids for the Series 2016 Bonds will be received, by issuing a notification of the adjusted series, amounts, modification or clarification via Thomson Municipal News ("TM3") and/or Grant Street platform and/or Bloomberg Financial Services no later than 8:00 a.m., prevailing Mountain Time, on the Bid Date.

***Adjustments to principal amounts after determination of best bid.*** The aggregate principal amount of the Series 2016 Bonds is subject to reduction, and each scheduled maturity thereof is subject to increase or reduction, by the Deputy County Manager after the determination of the Best Bid (defined below). Such adjustments will be made within no more than two (2) hours after the end of the time of bid examination and will be in the sole discretion of the County. To cooperate with any adjustment in the principal amounts, the Purchaser is required to indicate by facsimile transmission to the County at (505) 462-9813 or such other method as may be indicated by the Deputy County Manager within one-half (1/2) hour after the end of the time of bid examination, the amount of any original issue discount or premium on any maturity of the Series 2016 Bonds, the initial offering price of each maturity, the cost of bond insurance, if any, and the amount received from the sale of the Series 2016 Bonds to the public that will be retained by the Purchaser as its compensation.

The Deputy County Manager, in consultation with the County's financial and bond advisors, may change the dollar amount bid by the Purchaser if the aggregate principal amount of the Series 2016 Bonds is adjusted as described below, but the interest rates specified by the Purchaser for all maturities will not change. The Deputy County Manager in consultation with the County's financial and bond advisors, will make every effort to ensure that the percentage net compensation to the Purchaser (i.e., the percentage resulting from dividing (i) the aggregate difference between the offering price of the Series 2016 Bonds to the public and the price to be paid to the County, less any bond insurance premium to be paid by the bidder, by (ii) the principal amount of the Series 2016 Bonds) does not increase or decrease from what it would have been if no adjustment was made to principal amounts shown in the maturity schedule. The County will notify the Purchaser of the final principal amounts and the resulting adjusted prices no later than 11:00 a.m. prevailing Mountain Time on the day of the sale and award of the Series 2016 Bonds. THE PURCHASER MAY NOT WITHDRAW OR MODIFY ITS BID ONCE SUBMITTED TO THE COUNTY FOR ANY REASON, INCLUDING, WITHOUT LIMITATION, AS A RESULT OF ANY INCREASE OR DECREASE IN THE FINAL PRINCIPAL AMOUNTS AND THE AGGREGATE PURCHASE PRICE OF THE SERIES 2016 BONDS.

***Information Regarding Bids.*** Bidders may change and submit bids as many times as they wish during the bidding, provided, however, that each bid submitted subsequent to a bidder's initial bid must result in a lower true interest cost ("TIC") with respect to a bid when compared to the immediately preceding bid of such bidder. During the bidding, no bidder will

see any other bidder's bid, but each bidder will be able to see its own ranking (i.e., "Leader," "Cover," "3rd," etc.).

***Bids Constitute an Irrevocable Offer.*** Each bid submitted through Grant Street Group shall be deemed an irrevocable offer to purchase the Series 2016 Bonds on the terms provided in this Official Notice of Bond Sale and shall be binding upon the bidder.

***Basis of Award.*** The Series 2016 Bonds will be sold to the bidder or bidders offering to purchase the same at the lowest true interest cost. The actuarial yield on the Series 2016 Bonds using the true interest cost method will be computed at that yield which, if used to compute the present value of all payments of principal and interest on the Series 2016 Bonds as of March 22, 2016, produces an amount equal to the aggregate bid price. Such calculation will be made based upon a 360-day year and a semiannual interval for compounding.

The winning bid or bids will be indicated on Grant Street Group and the auction results, as posted on such website, will be subject to verification by the County. The County will verify the auction results immediately following the close of the bidding period and notice of confirmation by the County of the winning bidder or bidders will be made by a posting on Grant Street Group stating "Auction Results Verified and Confirmed."

An award may be made by the County to any bidder in a principal amount less than the principal amount of the Series 2016 Bonds for which the bid is submitted. Further, in the event of an award by the County for a principal amount less than the principal amount the bidder submitted, any premium bid shall be ratably reduced. If two or more bids have the same true interest cost, the first bid submitted, as determined by reference to the time stamp displayed on Grant Street Group, shall be deemed to be the leading bid.

***Sale Reservations.*** The County reserves the right (a) to reject any and all bids for any Bonds, (b) to reoffer any Bonds for public sale, and (c) to waive any irregularity or informality in any bid.

***Good Faith Deposit Required.*** Not later than 2:30 p.m., prevailing Mountain time, on February 16, 2016, and prior to the official award of the Series 2016 Bonds, the successful bidder must send an electronic wire transfer to such account as the County shall specify in immediately available funds a good faith deposit of \$205,800. If such wire transfer is not received from the successful bidder by 2:30 p.m., prevailing Mountain Time, on such date, the next best bidder may be awarded the Series 2016 Bonds. No interest on such good faith deposit will accrue to the successful bidder. The good faith deposit will be applied to the purchase price of the Series 2016 Bonds.

The good faith deposit shall be returned for all non-successful bids or if no bid is accepted. If the successful bidder shall fail or neglect to complete the purchase of said Bonds within forty-five (45) days following the acceptance of the bid or within ten (10) days after the Series 2016 Bonds are offered for delivery, whichever is later, the amount of the deposit shall be forfeited to the County as liquidated damages and, in that event, the County Commission may accept the bid of the bidder making the next best bid. If all bids are rejected, the County

Commission may re-advertise said Series 2016 Bonds for sale in the same manner as herein provided for the original advertisement.

***Manner and Time of Delivery.*** The Series 2016 Bonds will be delivered to DTC for the account of the winning bidder or bidders at the expense of the County on [March 22,] 2016, or such later date as the County and the winning bidder may agree. Payment of the purchase price due at delivery must be made in Federal Reserve funds for immediate and unconditional credit to the County.

***Continuing Disclosure Undertaking.*** The County has covenanted to provide, in a timely manner, on the Electronic Municipal Market Access (EMMA) website maintained by the Municipal Securities Rulemaking Board notice of the occurrence of specified, material events. The County has not failed to comply with any of its previous undertakings under Rule 15c2-12, except as may be disclosed in the POS.

***State Securities Laws.*** The County has taken no action to qualify the offer or sale of the Series 2016 Bonds under the securities laws of any state. Should any such qualification be necessary, the County agrees to cooperate with the winning bidder in such matters, provided that the County reserves the right not to consent to service of process outside its boundaries and expenses related to any such qualification shall be the responsibility of the winning bidder.

***CUSIP Numbers.*** CUSIP numbers will be issued and printed on the Series 2016 Bonds at the expense of the County. Any error or omission in printing such numbers on the Series 2016 Bonds will not constitute cause for any winning bidder to refuse delivery of any Series 2016 Bond.

***Legal Opinion, Certificates and Transcript.*** The validity and enforceability of the Series 2016 Bonds will be approved by the County's Bond Counsel:

Sherman & Howard L.L.C.  
633 Seventeenth Street, Suite 3000  
Denver, CO 80202  
Phone: (303) 299-8434  
Email: mhogan@shermanhoward.com

A copy of the form of the opinion of Bond Counsel is attached as an exhibit to the Preliminary Official Statement.

The purchaser of the Series 2016 Bonds will receive a certified transcript of legal proceedings which will include, among other items:

(a) a certificate of the County to the effect that, as of its date, the Preliminary Official Statement was deemed final within the meaning of Rule 15c2-12, except for the omissions permitted under Rule 15c2-12;

(b) a certificate of the County to the effect that there is no litigation pending or, to his knowledge, threatened affecting the validity of the Series 2016 Bonds as of the date of their delivery;

(c) a certificate of the County to the effect that, as of the date of the Official Statement and at all times to and including the date of delivery of the Series 2016 Bonds, the Official Statement did not contain any untrue statement of a material fact or omit any statement of a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; and

(d) the opinion dated the date of the delivery of the Series 2016 Bonds, of Modrall, Sperling, Roehl, Harris & Sisk, P.A., Albuquerque, New Mexico, Disclosure Counsel to the County, to the effect that although they have made no independent investigation or verification of the correctness and completeness of the information included in the Official Statement, nothing that came to their attention in rendering legal services in connection with the preparation of the Official Statement causes them to believe that the Official Statement (excepting financial, demographic, economic and statistical information, any forecasts, estimates and assumptions, any expressions of opinion, and any representations related to the Depository Trust Company, as to which they will express no belief), as of its date, contained any untrue statement of a material fact or omitted to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

***Certification of Issue Price.*** Any winning bidder will be required to complete, execute, and deliver to the County (on or before the date of delivery of the Series 2016 Bonds) a certification as to issue price and certain other matters, substantially in the form to be furnished by Sherman & Howard L.L.C., Bond Counsel. By submitting its bid, each bidder agrees to complete, execute and deliver such certificate by the date of delivery of the Series 2016 Bonds if its bid is accepted. It will be the responsibility of the winning bidder to institute such syndicate reporting requirements, to make such investigation, and otherwise to ascertain the facts necessary to enable it to make such certification with reasonable certainty. Any questions concerning such certification should be directed to Sherman & Howard L.L.C., Bond Counsel.

***Right to Modify or Amend Notice of Sale.*** The County reserves the right to modify or amend this Official Notice of Bond Sale, prior to the bid date. If any modifications occur, supplemental information with respect to the Series 2016 Bonds will be communicated by posting on the Grant Street Group website not later than 3:00 p.m., Albuquerque, New Mexico Prevailing Time on the day preceding the day on which proposals may be submitted, and bidders shall bid upon the Series 2016 Bonds based upon the terms thereof set forth in this Official Notice of Bond Sale, as so modified by such supplemental information.

***Postponement of Sale.*** The County reserves the right to postpone the date and time established for the receipt of bids. Any such postponement will be announced by posting on Grant Street Group prior to commencement of the bidding. If any date and time fixed for the receipt of bids and the sale of the Series 2016 Bonds is postponed, an alternative sale date and time will be announced at least one business day prior to such alternative sale date. On any such alternative sale date and time, any bidder may submit bids electronically as described above for the purchase of the Series 2016 Bonds in conformity in all respects with the provision of this Official Notice of Bond Sale, except for the date and time of sale and except for any changes announced by posting on Grant Street Group at the time the sale date and time are announced.



***Rating.*** Ratings have been applied for to Moody's Investors Service, Standard & Poor's, and Fitch.

***Information.*** Copies (in reasonable quantities) of this Official Notice of Bond Sale and other information concerning the County and the Series 2016 Bonds may be obtained from:

Shirley Ragin  
Deputy County Manager for Finance  
Bernalillo County, New Mexico  
One Civic Plaza, NW – 10<sup>th</sup> Floor  
Albuquerque, New Mexico 87102  
Phone: (505) 468-7000  
Fax: (505) 462-9813

Paul Cassidy  
RBC Capital Markets  
6301 Uptown Blvd., Ste. 110  
Albuquerque, NM 87110  
Phone: (505) 872-5999

The date of this Official Notice of Bond Sale is [February 9,] 2016.

**BOARD OF COUNTY COMMISSIONERS  
BERNALILLO COUNTY, NEW MEXICO**

By /s/  
Chair

[End of form of Notice of Sale]

**Section 3.** The Board and the appropriate officers, counsel, and employees of the County be, and they hereby are, authorized and directed to take all action necessary or appropriate to effectuate the provisions of this resolution. In order to obtain and preserve the exemption from federal income tax of interest on the Series 2016 Bonds, the Board covenants it will take all actions that may be required of the County and the Board, and will not take any actions which would adversely affect such exemption, under the provisions of any federal tax law that applies to the Series 2016 Bonds, whether presently in effect or enacted subsequent to the date of issuance of the Series 2016 Bonds, and the Board hereby authorizes the Chair of the

Board, the Treasurer, and other appropriate officers and employees to take such actions and give such certifications as may be appropriate for the purposes aforesaid.

**Section 4.** The Board hereby undertakes to provide, so long as any Bonds remain outstanding, to an appropriate site designated by the Municipal Securities Remarketing Board or the Securities and Exchange Commission, annual financial information, audited financial statements, and notices of material events, if any, as such events occur.

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PASSED AND ADOPTED this 26th day of January, 2016.

**BOARD OF COUNTY COMMISSIONERS**

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Art De La Cruz, Chair

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Wayne A. Johnson, Vice Chair

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Debbie O'Malley, Member

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Maggie Hart Stebbins, Member

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Lonnie C. Talbert, Member

APPROVED AS TO FORM:

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W. Ken Martinez, County Attorney

ATTEST:

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Maggie Toulouse Oliver  
County Clerk