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P.O. BOX 706 • DEMING, NEW MEXICO 88031
POPULATION 14,000

CITY COUNCIL MEETING

February 14th, 2011

4:00 P.M. CITY COUNCIL WORKSHOP

6:00 P.M. CITY COUNCIL MEETING

AGENDA

Call to Order / Pledge of Allegiance

1. Consent Agenda
 - A. Minutes - City Council Workshop and Regular Meeting 01/10/11
 - B. Minutes – Special City Council Meeting 01/28/11
 - C. Minutes – Tourism Development Committee 01/12/11
 - a. Recommendation to accept the development of a visitor’s guide based upon the budget through year-end and acceptance and approval of content
 - b. Recommendation to deny the update of a billboard west of Deming
 - D. Minutes - Airport Commission 01/18/11
 - E. Minutes - Parks Commission 01/18/11
 - a. Recommendation to plant a tree at the Soccer Field in memory of David Allen
 - F. Minutes – P&Z 01/24/11
 - G. Minutes – Marshall Memorial Library 01/25/11
 - H. Minutes – Historic Landmark Commission 01/27/11
2. Public Forum
3. Mayor’s Swear-in of Deming Firefighters Albert Munoz, Julian Hernandez, and Michael Boylston
4. Mayor’s Appointment to the Historical Landmark Commission
5. Request to Waive Rental Fees for the Use of the Special Events Center by the Chamber of Commerce Banquet on January 15, 2011
6. Request to Waive Rental Fees for the Use of the Special Events Center by The Deming-Luna County Humane Society for their Annual Fundraiser on February 12, 2011
7. Request to Waive Rental Fees for the Use of the Special Events Center by Cancer Support of Deming for their Annual Fundraiser on February 26, 2011
8. Request to Waive Rental Fees for the Use of the Special Events Center by Cancer Support of Deming for their Annual Celebration of Life Event to be held on April 30, 2011
9. Resolution: Authorizing Acceptance of Funding and Airport Aid from the NM Aviation Division
10. Resolution: In Support of the Gila Basin Irrigation Commission Request for Legislature to Approve the Funds received under the AZ Water Settlements Act for the New Mexico Unit be Provided to the NM Interstate Stream Commission for Administration
11. Resolution: To Authorize the Execution and Delivery of a Loan Agreement between the City of Deming and the New Mexico Finance Authority in the Amount of \$499,389 for Renovation of the Fire Station, City Hall and Municipal Court

12. Public Hearing: To Consider an Ordinance Authorizing the Execution and Delivery of a Loan Agreement between the City of Deming and the New Mexico Finance Authority in the Amount of \$1,000,000 to Finance the Expansion and Renovation of the Fire Station
13. Quasi Judicial Public Hearing; To Consider the Approval of a Final Plat for Richard Gilmore
14. Bids
 - a. Bid #11-12 Recycling Collection Trailers
15. Closed Session: To Discuss personnel matters, litigation matters, and real estate, pursuant to NMSA 1978 Sections 10-15-1 (H) (2) (7) and (8) of the Open Meetings Act
16. Open Session: Motions if any
17. Adjourn Meeting

The next regular City Council Workshop and Meeting are scheduled for 4:00 & 6:00 p.m., March 14th, 2011.

RESOLUTION NO. 11-07

**A RESOLUTION AUTHORIZING ACCEPTANCE OF FUNDING AND AIRPORT AID
FROM THE NEW MEXICO AVIATION DIVISION OF THE NEW MEXICO
DEPARTMENT OF TRANSPORTATION**

WHEREAS, the City Of Deming is seeking NMDOT funding for maintenance of the Deming Municipal Airport for the 2010 project year; and

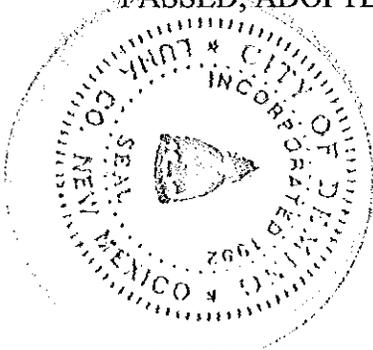
WHEREAS, this project is contingent upon the receipt of a grant from the New Mexico Department of Transportation Aviation Division for 95% of the eligible project costs; and

WHEREAS, the project is within the City of Deming's jurisdiction, necessary for the public good and convenience, and to serve the public of the City of Deming; and

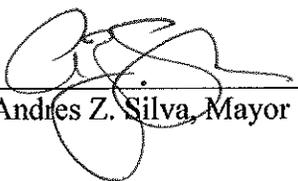
WHEREAS, the City is committed to appropriating an additional 5% in funds, consistent with the regulations and policies governing the New Mexico Department of Transportation Aviation Division Grant Agreements.

NOW THEREFORE, BE IT RESOLVED, that the Governing Body of the City of Deming hereby adopts and approves this Resolution, and authorizes the City Administrator and/or the Community Services Director to execute all documents including grant applications and accepting grant offers related to the project and direct staff to take other actions necessary to implement this Resolution and Project.

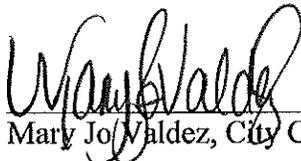
PASSED, ADOPTED, AND APPROVED this 14th day of February 2011.



CITY OF DEMING


Andres Z. Silva, Mayor

ATTEST


Mary Jo Valdez, City Clerk

CITY OF DEMING, NEW MEXICO

RESOLUTION NO 11-08

February 14, 2011

MEMO:

TO: NEW MEXICO GOVERNOR AND LEGISLATORS
FROM: CITY OF DEMING, Andres Silva, Mayor

WHEREAS, the Gila Basin Irrigation Commission is made up of the major acequias in the Gila Basin; and

WHEREAS, the Gila Basin Irrigation Commission represents the farmers and ranchers who have for generations traditionally used the acequias to irrigate from the Gila River; and

WHEREAS, the Gila Basin Irrigation Commission and its members have a vested and economic interest in maintaining and expanding agricultural and livestock operations in the Gila Basin; ex-officio members of the organization include representatives from environmental, real estate, and recreational interests as well and other interested parties; and

WHEREAS, the Arizona Water Settlements Act of 2004 authorizes an additional 14,000 acre feet of water from the Gila and San Francisco rivers, and related funding of up to \$128 million for use in the Southwestern Water Planning Region including the counties of Grant, Hidalgo, Luna and Catron; and

WHEREAS, water supplies are a limited and essential resource required to sustain and support economic activity and growth in agriculture, mining, and other related industries, and to meet municipal, safety, environmental, and recreational needs in the arid Southwestern region of New Mexico ; and

WHEREAS, demand for water is expected to increase due to anticipated growth in the area; and

WHEREAS, the increased water available from the Arizona Water Settlements act will help meet current and future needs in the area; and

WHEREAS, if, by 2014, the State of New Mexico does not notify the U.S. Secretary of the Interior if and how the additional 14,000 acre-feet of water will be utilized in New Mexico, the water will revert to Arizona and be lost to New Mexico; and

WHEREAS, if, by 2014, the State of New Mexico does not notify the U.S. Secretary of the Interior if and how the additional 14,000 acre-feet of water will be utilized in New Mexico, up to \$62 million in related project funding will also revert; and

WHEREAS, the Arizona Water Settlements Act of 2004 designates the New Mexico Interstate Stream Commission as the agency responsible for administering the funds deposited in the New Mexico Unit Fund for the purpose of paying costs of the New Mexico Unit or other water

utilization alternatives to meet water supply demands in the Southwestern Water Planning Region of New Mexico, as determined by the New Mexico Interstate Stream Commission in consultation with the Southwest Water Study Group or its successor, including costs associated with planning and environmental compliance activities and environmental mitigation and restoration; and

WHEREAS, The City of Deming is a stakeholder and former fiscal agent of the Southwest Water Study Group.

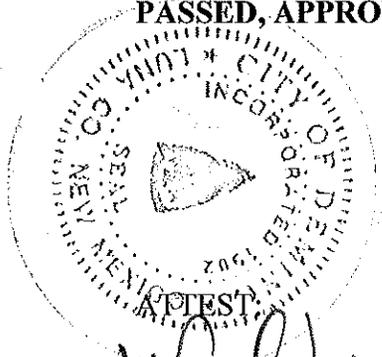
THEREFORE BE IT RESOLVED:

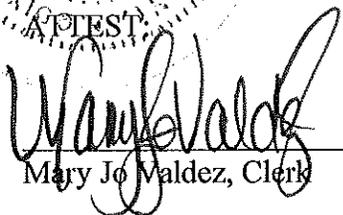
That the City of Deming supports the Gila Basin Irrigation Commission request that the New Mexico Legislature pass, and the Executive approve legislation directing that the funds received under the Arizona Water Settlements Act for the New Mexico Unit be provided to the New Mexico Interstate Stream Commission to be administered by them in a manner and for the purposes specified in the Act;

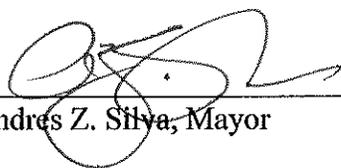
AND BE IT FURTHER RESOLVED:

That the City of Deming supports efforts and projects to ensure that the additional water available under the Arizona Water Settlements Act and related funding is used in New Mexico to meet current and future water demand in the Southwest Region.

PASSED, APPROVED AND ADOPTED THIS 14th day of February 2011.




Mary Jo Valdez, Clerk


Andres Z. Silva, Mayor

STATE OF NEW MEXICO
CITY OF DEMING
LUNA COUNTY

The City Council (the "Governing Body") of City of Deming, New Mexico, met in regular session in full conformity with law and the rules and regulations of the Governing Body at the City Council Chambers, 309 S. Gold Avenue, in Deming, New Mexico being the meeting place of the Governing Body for the regular meeting held on February 14, 2011 at the hour of 6:00 p.m. Upon roll call, the following members were found to be present:

Present: Andres Z. Silva, Mayor
William C. Shattuck, Mayor Pro Tem
David L. Sanchez, Councilor
Linda Enis, Councilor
Joe Milo, Councilor

Absent: _____

Also Present: Richard F. McInturf, Administrator
Richard Kocab, Assistant Treasurer
Mary Jo Valdez, City Clerk

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

CITY OF DEMING, NEW MEXICO
RESOLUTION NO. 11-09

AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT AND INTERCEPT AGREEMENT BY AND BETWEEN CITY OF DEMING, NEW MEXICO (THE "GOVERNMENTAL UNIT") AND THE NEW MEXICO FINANCE AUTHORITY, IN THE PRINCIPAL AMOUNT OF \$499,389 FOR THE PURPOSE OF FINANCING THE COSTS OF RENOVATING, UPGRADING AND REMODELING THE GOVERNMENTAL UNIT'S MAIN FIRE STATION, CITY HALL AND MUNICIPAL COURT, PAYING LOAN PROCESSING FEES AND FUNDING A LOAN AGREEMENT RESERVE ACCOUNT, AND EVIDENCING THE SPECIAL LIMITED OBLIGATION OF THE GOVERNMENTAL UNIT TO REPAY THE PRINCIPAL AMOUNT OF \$499,389, TOGETHER WITH INTEREST THEREON; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL AND INTEREST DUE UNDER THE LOAN AGREEMENT SOLELY FROM THE THIRD INCREMENT OF MUNICIPAL GROSS RECEIPTS TAX IMPOSED PURSUANT TO SECTION 7-19D-9, NMSA 1978, AND DISTRIBUTED TO THE GOVERNMENTAL UNIT BY THE STATE TAXATION AND REVENUE DEPARTMENT; PROVIDING FOR THE DISTRIBUTION OF MUNICIPAL GROSS RECEIPTS TAX TO BE REDIRECTED BY THE STATE TAXATION AND REVENUE DEPARTMENT TO THE NEW MEXICO FINANCE AUTHORITY OR ITS ASSIGNS FOR THE PAYMENT OF PRINCIPAL AND INTEREST DUE ON THE LOAN AGREEMENT PURSUANT TO AN INTERCEPT AGREEMENT; RATIFYING ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT WITH THIS RESOLUTION; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE 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 municipality 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

WHEREAS, pursuant to the Act, the Governmental Unit has by Ordinance No. 734, passed and approved by the Governmental Unit on January 30, 1984, imposed the third increment of one-fourth of one percent (.25%) of Municipal Gross Receipts Tax on the gross receipts of all persons engaging in business within the Governmental Unit, which provides for the Pledged Revenues; 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 heretofore 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 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 NMFA or its assigns pursuant to an Intercept Agreement between the Governmental Unit and the NMFA (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 City 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 NMFA (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 THE CITY OF DEMING, NEW MEXICO:

Section 1. Definitions. As used in this Resolution, the following capitalized 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 3-31-1 through 3-31-12, NMSA 1978, as amended, Section 7-19D-9, 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 Mayor and the City Clerk of the Governmental Unit.

“Bonds” means public project revolving fund revenue bonds, if any, issued hereafter by the NMFA and specifically related to the Loan Agreement and the Loan Agreement Payments.

“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.

“Expense Fund” means the expense fund created pursuant to the Indenture to be held and administered by the Trustee to pay expenses.

“Expenses” means the cost of execution 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 NMFA in administering the Loan Agreement, including legal fees.

“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 City Council of the Governmental Unit, or any future successor governing body of the Governmental Unit.

“Governmental Unit” means the City of Deming, 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 NMFA and the Trustee, or the Subordinated General Indenture of Trust and Pledge dated as of March 1, 2005, as supplemented, by and between the NMFA and the Trustee, as determined by the NMFA pursuant to a Pledge Notification or Supplemental Indenture (as defined in the Indenture).

“Intercept Agreement” means the Intercept Agreement, between the Governmental Unit and

NMFA providing for the direct payment by the Distributing State Agency to the NMFA 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 NMFA pursuant to the Loan Agreement.

“Loan Agreement” means the Loan Agreement dated the Closing Date between the NMFA 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 NMFA and/or the Trustee.

“Loan Agreement Principal Amount” means the original principal amount of the Loan Agreement as shown on Exhibit “A” to the Loan Agreement.

“Loan Agreement Reserve Account” means the loan agreement reserve account established in the name of the Governmental Unit, funded from the proceeds of the Loan Agreement and administered by the Trustee pursuant to the Indenture.

“Loan Agreement Reserve Requirement” means, with respect to the Loan, the amount shown as the Loan Agreement Reserve Account Deposit on Exhibit “A” to the Loan Agreement, which amount does not exceed the least of: (i) ten percent (10%) of the Loan Agreement Principal Amount; (ii) one hundred twenty-five percent (125%) of the average Aggregate Annual Debt Service Requirement under the Loan Agreement; or (iii) the maximum Aggregate Annual Debt Service Requirement under the Loan Agreement.

“NMFA” means the New Mexico Finance Authority.

“NMFA Debt Service Account” means the debt service account in the name of the Governmental Unit and held by the NMFA to pay principal and interest on the Loan Agreement as the same become due.

“NMSA” means the New Mexico Statutes Annotated, 1978 Compilation, 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 attached as Exhibit “A” to the Loan Agreement.

“Pledged Revenues” means the third increment of one-fourth of one percent (.25%) of Municipal Gross Receipts Tax enacted pursuant to Section 7-19D-9, NMSA 1978, as amended, and the Governmental Unit’s Ordinance No. 734, and distributed to the Governmental Unit, which is utilizing the Project and benefiting from the Loan Agreement, which distribution is made monthly by the Distributing State Agency.

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

"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 Resolution No. 11-09 adopted by the Governing Body on February 14, 2011 approving the Loan Agreement and the Intercept Agreement as amended from time to time.

"State" means the State of New Mexico.

"Tax Ordinance" means Ordinance No. 734, passed and approved by the Governmental Unit pursuant to the Act on January 30, 1984, which imposes an excise tax equal to one-fourth of one percent (.25%) of Municipal Gross Receipts Tax on the gross receipts of persons engaging in business within the Governmental Unit.

"Trustee" means The Bank of New York Mellon Trust Company, N.A., Denver, Colorado, or any successor trustee company, national or state banking association or financial institution at the time appointed Trustee by the NMFA.

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 or advisable.

B. Moneys available and on hand for the Project from all sources other than the Loan are not sufficient to defray the costs 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 and the public served by 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, Exhibit "A" to the Loan Agreement, 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.

I. Pursuant to Section 7-19D-9, NMSA 1978, as amended, the Governmental Unit heretofore has adopted the Tax Ordinance, which imposes the third increment of one-fourth of one percent (.25%) of Municipal Gross Receipts Tax on the gross receipts of persons engaging in business within the Governmental Unit.

J. Pursuant to Section 7-1-6.12, NMSA 1978, as amended, the Governmental Unit receives Pledged Revenues from the Distributing State Agency.

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 \$499,389, 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; (ii) fund the Loan Agreement Reserve Account; and (iii) pay the Processing Fees. 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 \$499,389, 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, 2011 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 as may be approved by such individual

Authorized Officers, and the City 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, NMFA Debt Service Account and Loan Agreement Reserve Account. The Governmental Unit hereby consents to creation of the NMFA Debt Service Account to be held and maintained by the NMFA and to the Program Account, and the Loan Agreement Reserve Account to be held by the Trustee pursuant to the Indenture 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 the NMFA Debt Service Account; (ii) the deposit of funds in the amount of the Loan Agreement Reserve Requirement in the Loan Agreement Reserve Account; and (iii) the payment of the Processing Fees to the NMFA, 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, the Loan Agreement Reserve Account and the NMFA Debt Service Account, and the Processing Fees shall be paid to the NMFA, 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 NMFA 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 Debt Service Account, as provided in the Loan Agreement and the Indenture.

C. NMFA and Trustee Not Responsible. The NMFA 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 NMFA for deposit in the NMFA Debt Service Account and remittance to the Trustee in an amount sufficient to pay principal, interest, premium, if any, and other amounts due under the Loan Agreement, including sufficient Pledged Revenues in the Loan Agreement Reserve Account to maintain the Loan Agreement Reserve Requirement.

B. Termination on Deposits to Maturity. No payment shall be made into the NMFA Debt Service Account if the amounts in the NMFA Debt Service Account and Loan Agreement Reserve Account total 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 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 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, 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 NMFA, 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 NMFA.

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 Mayor and City 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)

City of Deming, New Mexico
Notice of Adoption of Resolution

Notice is hereby given of the title and of a general summary of the subject matter contained in Resolution No. 11-09, duly adopted and approved by the Governing Body of the City of Deming, New Mexico, on February 14, 2011. A complete copy of the Resolution is available for public inspection during the normal and regular business hours of the City Clerk, 309 S. Gold Avenue, in Deming, New Mexico. The title of the Resolution is:

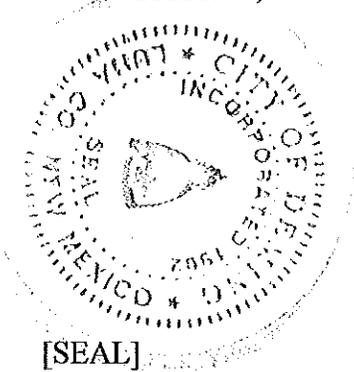
CITY OF DEMING, NEW MEXICO
RESOLUTION NO. 11-09

AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT AND INTERCEPT AGREEMENT BY AND BETWEEN CITY OF DEMING, NEW MEXICO (THE "GOVERNMENTAL UNIT") AND THE NEW MEXICO FINANCE AUTHORITY, IN THE PRINCIPAL AMOUNT OF \$499,389 FOR THE PURPOSE OF FINANCING THE COSTS OF RENOVATING, UPGRADING AND REMODELING THE GOVERNMENTAL UNIT'S MAIN FIRE STATION, CITY HALL AND MUNICIPAL COURT, PAYING LOAN PROCESSING FEES AND FUNDING A LOAN AGREEMENT RESERVE ACCOUNT, AND EVIDENCING THE SPECIAL LIMITED OBLIGATION OF THE GOVERNMENTAL UNIT TO REPAY THE PRINCIPAL AMOUNT OF \$499,389, TOGETHER WITH INTEREST THEREON; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL AND INTEREST DUE UNDER THE LOAN AGREEMENT SOLELY FROM THE THIRD INCREMENT OF MUNICIPAL GROSS RECEIPTS TAX IMPOSED PURSUANT TO SECTION 7-19D-9, NMSA 1978, AND DISTRIBUTED TO THE GOVERNMENTAL UNIT BY THE STATE TAXATION AND REVENUE DEPARTMENT; PROVIDING FOR THE DISTRIBUTION OF MUNICIPAL GROSS RECEIPTS TAX TO BE REDIRECTED BY THE STATE TAXATION AND REVENUE DEPARTMENT TO THE NEW MEXICO FINANCE AUTHORITY OR ITS ASSIGNS FOR THE PAYMENT OF PRINCIPAL AND INTEREST DUE ON THE LOAN AGREEMENT PURSUANT TO AN INTERCEPT AGREEMENT; RATIFYING ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT WITH THIS RESOLUTION; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN AGREEMENT AND INTERCEPT AGREEMENT.

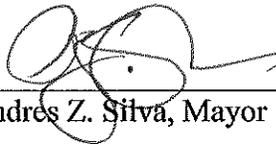
A general summary of the subject matter of the Resolution is contained in its title. This notice constitutes compliance with Section 6-14-6, NMSA 1978.

(End of Form of Summary for Publication)

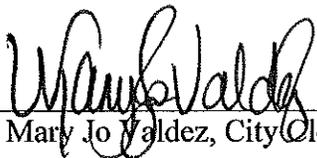
PASSED, APPROVED AND ADOPTED THIS 14TH DAY OF FEBRUARY, 2011.



CITY OF DEMING, NEW MEXICO

By: 
Andres Z. Silva, Mayor

ATTEST:

By: 
Mary Jo Valdez, City Clerk

Councilor Shattuck then moved adoption of the foregoing Resolution, duly seconded by Councilor Milo.

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

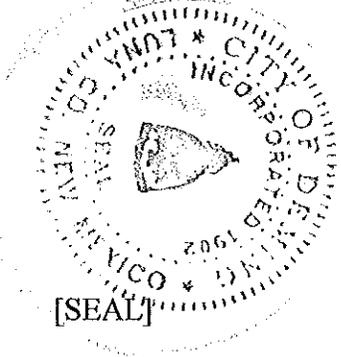
Those Voting Aye: Mayor Pro-Tem Shattuck
Councilor Milo
Councilor Eris
Councilor Sanchez

Those Voting Nay: _____

Those Absent: _____

Four (4) members of the Governing Body having voted in favor of said motion, the Mayor declared said motion carried and said Resolution adopted, whereupon the Mayor and the City 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.



CITY OF DEMING, NEW MEXICO

By:  _____
Andres Z. Silva, Mayor

ATTEST:

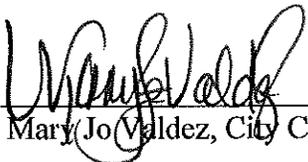
By:  _____
Mary Jo Valdez, City Clerk

EXHIBIT "A"

Meeting Agenda
of the February 14, 2011
City Council Meeting

(See attached)



Phone (575) 546-8848 • Fax (575) 546-6442
E-MAIL: deming@cityofdeming.org • Website: www.cityofdeming.org
P.O. BOX 706 • DEMING, NEW MEXICO 88031
POPULATION 14,000

CITY COUNCIL MEETING

February 14th, 2011

4:00 P.M. CITY COUNCIL WORKSHOP

6:00 P.M. CITY COUNCIL MEETING

AGENDA

Call to Order / Pledge of Allegiance

1. Consent Agenda
 - A. Minutes - City Council Workshop and Regular Meeting 01/10/11
 - B. Minutes – Special City Council Meeting 01/28/11
 - C. Minutes – Tourism Development Committee 01/12/11
 - a. Recommendation to accept the development of a visitor’s guide based upon the budget through year-end and acceptance and approval of content
 - b. Recommendation to deny the update of a billboard west of Deming
 - D. Minutes - Airport Commission 01/18/11
 - E. Minutes - Parks Commission 01/18/11
 - a. Recommendation to plant a tree at the Soccer Field in memory of David Allen
 - F. Minutes – P&Z 01/24/11
 - G. Minutes – Marshall Memorial Library 01/25/11
 - H. Minutes – Historic Landmark Commission 01/27/11
2. Public Forum
3. Mayor’s Swear-in of Deming Firefighters Albert Munoz, Julian Hernandez, and Michael Boylston
4. Mayor’s Appointment to the Historical Landmark Commission
5. Request to Waive Rental Fees for the Use of the Special Events Center by the Chamber of Commerce Banquet on January 15, 2011
6. Request to Waive Rental Fees for the Use of the Special Events Center by The Deming-Luna County Humane Society for their Annual Fundraiser on February 12, 2011
7. Request to Waive Rental Fees for the Use of the Special Events Center by Cancer Support of Deming for their Annual Fundraiser on February 26, 2011
8. Request to Waive Rental Fees for the Use of the Special Events Center by Cancer Support of Deming for their Annual Celebration of Life Event to be held on April 30, 2011
9. Resolution: Authorizing Acceptance of Funding and Airport Aid from the NM Aviation Division
10. Resolution: In Support of the Gila Basin Irrigation Commission Request for Legislature to Approve the Funds received under the AZ Water Settlements Act for the New Mexico Unit be Provided to the NM Interstate Stream Commission for Administration
11. Resolution: To Authorize the Execution and Delivery of a Loan Agreement between the City of Deming and the New Mexico Finance Authority in the Amount of \$499,389 for Renovation of the Fire Station, City Hall and Municipal Court

12. Public Hearing: To Consider an Ordinance Authorizing the Execution and Delivery of a Loan Agreement between the City of Deming and the New Mexico Finance Authority in the Amount of \$1,000,000 to Finance the Expansion and Renovation of the Fire Station
13. Quasi Judicial Public Hearing; To Consider the Approval of a Final Plat for Richard Gilmore
14. Bids
 - a. Bid #11-12 Recycling Collection Trailers
15. Closed Session: To Discuss personnel matters, litigation matters, and real estate, pursuant to NMSA 1978 Sections 10-15-1 (H) (2) (7) and (8) of the Open Meetings Act
16. Open Session: Motions if any
17. Adjourn Meeting

The next regular City Council Workshop and Meeting are scheduled for 4:00 & 6:00 p.m., March 14th, 2011.

STATE OF NEW MEXICO
CITY OF DEMING
LUNA COUNTY

I, Mary Jo Valdez, the duly qualified and acting City Clerk of the City of Deming, 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 City Council of the City of Deming, New Mexico (the "Governing Body"), constituting the governing body of the Governmental Unit had and taken at a duly called regular meeting held at the City Council Chambers, 309 S. Gold Avenue, in Deming, New Mexico, on February 14, 2011, at the hour of 6:00 p.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.

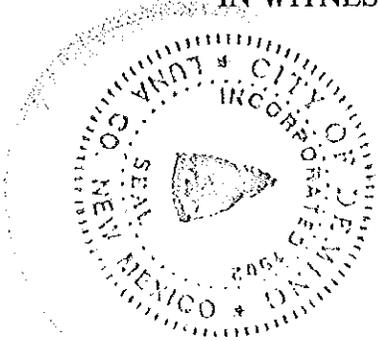
2. Said proceedings were duly had and taken as therein shown, the meeting therein was duly held, and the persons therein named were present at said meeting, as therein shown.

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 14th day of February, 2011.

CITY OF DEMING, NEW MEXICO

By: Mary Jo Valdez
Mary Jo Valdez, City Clerk



[SEAL]

STATE OF NEW MEXICO
LUNA COUNTY
CITY OF DEMING

The City Council (the "Governing Body") of the City of Deming, New Mexico, met in full conformity with law and the rules and regulations of the Governing Body at 309 S. Gold Avenue, in Deming, New Mexico on the 14th day of February, 2011, at the hour of 6:00 p.m. Upon roll call, the following members were found to be present:

Present: Andres Z. Silva, Mayor
William C. Shattuck, Mayor Pro-Tem
David L. Sanchez, Councilor
Linda Enis, Councilor
Joe Milo, Councilor

Absent: _____

Also Present: Richard F. McInturff, Administrator
Richard Kocab, Assistant Treasurer
Mary Jo Valdez, City Clerk

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

CITY OF DEMING, NEW MEXICO
ORDINANCE NO. 1208

AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT AND INTERCEPT AGREEMENT BY AND BETWEEN THE CITY OF DEMING, NEW MEXICO (THE "GOVERNMENTAL UNIT") AND THE NEW MEXICO FINANCE AUTHORITY, EVIDENCING A SPECIAL, LIMITED OBLIGATION OF THE GOVERNMENTAL UNIT TO PAY A PRINCIPAL AMOUNT OF \$1,000,000 FOR THE PURPOSE OF FINANCING THE EXPANSION AND RENOVATION OF THE GOVERNMENTAL UNIT'S MAIN FIRE STATION AND PAYING A LOAN PROCESSING FEE; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL AND INTEREST DUE UNDER THE LOAN AGREEMENT SOLELY FROM THE DISTRIBUTION OF 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 FIRE PROTECTION FUND REVENUES TO BE REDIRECTED BY THE STATE TREASURER TO THE NEW MEXICO 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 ORDINANCE; 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 Ordinance unless the context requires otherwise.

WHEREAS, the Governmental Unit is a legally and regularly created, established, organized and existing municipality 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 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 heretofore 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 faith and credit of the Governmental Unit or the State; and

WHEREAS, the Loan Agreement shall be executed and delivered pursuant to Section 3-31-1 through 3-31-12, NMSA 1978, and with a first lien, but not necessarily an exclusive first lien, on the Pledged Revenues; and

WHEREAS, the Governmental Unit desires to provide that distributions of the Pledged Revenues be redirected to the NMFA or its assigns pursuant to the Intercept Agreement between the Governmental Unit and the NMFA (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 City Clerk, this Ordinance 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 Ordinance 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 NMFA (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 Ordinance, have been obtained or are reasonably expected to be obtained.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF DEMING, NEW MEXICO:

Section 1. Definitions. As used in this Ordinance, the following capitalized 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 3-31-1 through 3-31-12, NMSA 1978, as amended, Sections 59A-53-1 through 59A-53-17, NMSA 1978, as amended, and enactments of the Governing Body relating to the Loan Agreement and Intercept Agreement, including this Ordinance.

“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 Mayor and the City Clerk.

“Bonds” means public project revolving fund revenue bonds, if any, issued hereafter by the NMFA 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.

“Expense Fund” means the expense fund created pursuant to the Indenture to be held and administered by the Trustee to pay Expenses.

“Expenses” means the cost of execution 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 NMFA in administering the Loan Agreement, including legal fees.

“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 City Council of the Governmental Unit, or any future successor governing body of the Governmental Unit.

“Governmental Unit” means the City of Deming, New Mexico.

“Herein,” “hereby,” “hereunder,” “hereof,” “hereinabove” and “hereafter” refer to this entire Ordinance and not solely to the particular section or paragraph of this Ordinance 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 NMFA and the Trustee, or the Subordinated General Indenture of Trust dated as of March 1, 2005, as supplemented, by and between the NMFA

and the Trustee, as determined by the NMFA 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 NMFA providing for the direct payment by the Distributing State Agency to the NMFA 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 NMFA pursuant to the Loan Agreement.

“Loan Agreement” means the Loan Agreement dated the Closing Date between the NMFA 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 NMFA and/or the Trustee and any amendments or supplements thereto, and including the exhibits attached to the Loan Agreement.

“NMFA” means the New Mexico Finance Authority.

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

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

“Ordinance” means this Ordinance No. 1208 adopted by the Governing Body on February 14, 2011 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.

“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 fire protection fund revenues distributed to the Governmental Unit, which is utilizing the Project and benefiting from the Loan Agreement, which distribution is made annually 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 State Fire Board.

“Processing Fee” means the processing fee to be paid on the Closing Date by the Governmental Unit to the NMFA 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 under the Indenture and held by the Trustee for 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 the Term Sheet.

“State” means the State of New Mexico.

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

“Trustee” means The Bank of New York Mellon Trust Company, N.A., or any successor trustee company, national or state banking association or financial institution at the time appointed Trustee by the NMFA.

Section 2. Ratification. All actions heretofore taken (not inconsistent with the provisions of this Ordinance) 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 or 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 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 Ordinance has been adopted by the affirmative vote of at least three-fourths (3/4) 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 evidencing a special, limited obligation of the Governmental Unit to pay a principal amount of \$1,000,000, 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 finance the Project and to 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 Ordinance was adopted. The Loan shall be in an original aggregate principal amount of \$1,000,000, 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, 2011, 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 Ordinance 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 Ordinance as may be approved by such individual Authorized Officers, and the City 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 interest thereon and 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 Ordinance 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 Ordinance 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 Ordinance, 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 and Debt Service Account. The Governmental Unit hereby consents to creation of the NMFA Debt Service Account to be held and maintained by the NMFA and to the Program Account, held and maintained by the Trustee pursuant to the Indenture, each in connection with the Loan. The Governmental Unit hereby approves of the deposit of the portion of the proceeds of the Loan Agreement in the Program Account, and in the NMFA Debt Service Account, and the payment of the Processing Fee to the NMFA, 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 NMFA Debt Service Account, the Program Account, and the Processing Fee to be paid to the NMFA, 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 the Project. Upon the Completion Date, the Governmental Unit shall execute and send to the NMFA 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 NMFA Debt Service Account, as provided in the Loan Agreement and the Indenture.

C. NMFA and Trustee Not Responsible. The NMFA 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 the Pledged Revenues shall be paid to the NMFA for deposit in the NMFA Debt Service Account and remittance to the Trustee in an amount sufficient to pay the principal and interest due under the Loan Agreement. The Governmental Unit shall pay Pledged Revenues in an amount sufficient to pay Loan Agreement Payments, to the NMFA or its assignee to be deposited in the NMFA Debt Service Account.

B. Termination on Deposits to Maturity. No payment shall be made into the NMFA Debt Service Account if the amount in the NMFA Debt Service Account totals a sum at least equal to the entire aggregate amount to become due as to principal, interest, if any, 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 NMFA 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, and the Governmental Unit grants a security interest therein for, the payment of the principal, interest, if any, and any other amounts due under the Loan Agreement, subject to the uses hereof permitted by and the priorities set forth in this Ordinance. 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 Ordinance, 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 Ordinance, Loan Agreement and the Intercept Agreement for the full, punctual and complete performance of all the terms, covenants and agreements contained in this Ordinance and the Loan Agreement and the 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 Intercept Agreement and the publication of the summary of this Ordinance set out in Section 17 of this Ordinance (with such changes, additions and deletions as may be necessary).

Section 12. Amendment of Ordinance. Prior to the date of the initial delivery of the Loan Agreement to NMFA, the provisions of this Ordinance 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 Ordinance. This Ordinance may be amended without receipt by the Governmental Unit of any additional consideration, but only with the prior written consent of the NMFA.

Section 13. Ordinance Irrepealable. After the Loan Agreement and Intercept Agreement have been executed and delivered, this Ordinance 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 Ordinance 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 Ordinance.

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 Ordinance, it shall be recorded in the book of the Governmental Unit kept for that purpose, authenticated by the signatures of the Mayor and City Clerk of the Governmental Unit, and the title and general summary of the subject matter contained in this Ordinance (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 Ordinance 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 Ordinance shall be published in substantially the following form:

(Form of Summary of Ordinance for Publication)

City of Deming, New Mexico
Notice of Adoption of Ordinance

Notice is hereby given of the title and of a general summary of the subject matter contained in Ordinance No. 1208, duly adopted and approved by the City Council of the City of Deming, New Mexico, on February 14, 2011. A complete copy of the Ordinance is available for public inspection during the normal and regular business hours of the City Clerk, 309 S. Gold Avenue, in Deming, New Mexico. The title of the Ordinance is:

CITY OF DEMING, NEW MEXICO
ORDINANCE NO. 1208

AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT AND INTERCEPT AGREEMENT BY AND BETWEEN THE CITY OF DEMING, NEW MEXICO (THE "GOVERNMENTAL UNIT") AND THE NEW MEXICO FINANCE AUTHORITY, EVIDENCING A SPECIAL, LIMITED OBLIGATION OF THE GOVERNMENTAL UNIT TO PAY A PRINCIPAL AMOUNT OF \$1,000,000 FOR THE PURPOSE OF FINANCING THE EXPANSION AND RENOVATION OF THE GOVERNMENTAL UNIT'S MAIN FIRE STATION AND PAYING A LOAN PROCESSING FEE; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL AND INTEREST DUE

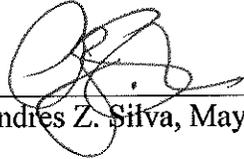
UNDER THE LOAN AGREEMENT SOLELY FROM THE DISTRIBUTION OF FIRE PROTECTION FUND REVENUES DISTRIBUTED BY THE STATE TREASURER TO THE GOVERNMENTAL UNIT PURSUANT TO SECTION 59A-53-7, NMSA 1978; PROVIDING FOR THE DISTRIBUTION OF FIRE PROTECTION FUND REVENUES TO BE REDIRECTED BY THE STATE TREASURER TO THE NEW MEXICO 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 ORDINANCE; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN AGREEMENT AND INTERCEPT AGREEMENT.

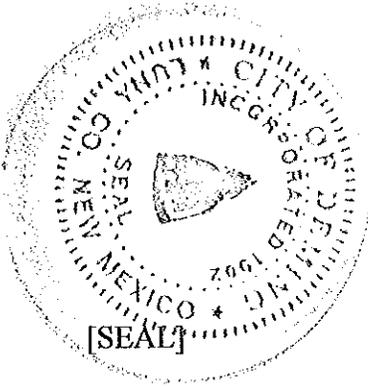
A general summary of the subject matter of the Ordinance is contained in its title. This notice constitutes compliance with Section 6-14-6, NMSA 1978.

(End of Form of Summary for Publication)

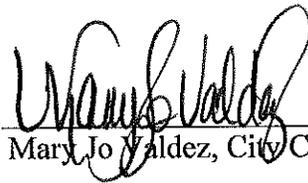
PASSED, APPROVED AND ADOPTED THIS 14TH DAY OF FEBRUARY, 2011.

CITY OF DEMING, NEW MEXICO

By: 
Andres Z. Silva, Mayor



ATTEST:

By: 
Mary Jo Valdez, City Clerk

Councilor Shattuck then moved adoption of the foregoing Ordinance, duly seconded by Councilor Enis.

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

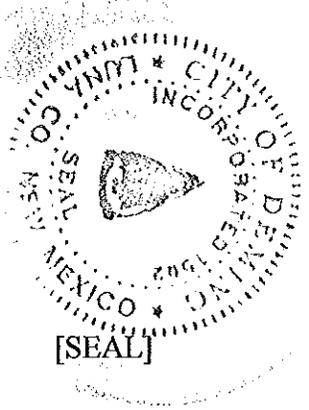
Those Voting Aye: Councilor Milo
Mayor Pro-Tem Shattuck
Councilor Enis
Councilor Sanchez

Those Voting Nay: _____

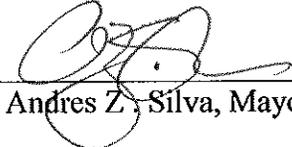
Those Absent: _____

Four (4) members of the Governing Body having voted in favor of said motion, the Mayor declared said motion carried and said Ordinance adopted, whereupon the Mayor and the City Clerk signed the Ordinance upon the records of the minutes of the Governing Body.

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



CITY OF DEMING, NEW MEXICO

By:  _____
Andres Z. Silva, Mayor

ATTEST:

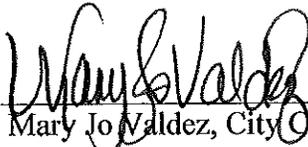
By:  _____
Mary Jo Valdez, City Clerk

EXHIBIT "A"

Meeting Agenda
of the February 14, 2011
City Council Meeting

(See attached)



Phone (575) 546-8848 • Fax (575) 546-6442
E-MAIL: deming@cityofdeming.org • Website: www.cityofdeming.org
P.O. BOX 706 • DEMING, NEW MEXICO 88031
POPULATION 14,000

CITY COUNCIL MEETING

February 14th, 2011

4:00 P.M. CITY COUNCIL WORKSHOP

6:00 P.M. CITY COUNCIL MEETING

AGENDA

Call to Order / Pledge of Allegiance

1. Consent Agenda
 - A. Minutes - City Council Workshop and Regular Meeting 01/10/11
 - B. Minutes – Special City Council Meeting 01/28/11
 - C. Minutes – Tourism Development Committee 01/12/11
 - a. Recommendation to accept the development of a visitor’s guide based upon the budget through year-end and acceptance and approval of content
 - b. Recommendation to deny the update of a billboard west of Deming
 - D. Minutes - Airport Commission 01/18/11
 - E. Minutes - Parks Commission 01/18/11
 - a. Recommendation to plant a tree at the Soccer Field in memory of David Allen
 - F. Minutes – P&Z 01/24/11
 - G. Minutes – Marshall Memorial Library 01/25/11
 - H. Minutes – Historic Landmark Commission 01/27/11
2. Public Forum
3. Mayor’s Swear-in of Deming Firefighters Albert Munoz, Julian Hernandez, and Michael Boylston
4. Mayor’s Appointment to the Historical Landmark Commission
5. Request to Waive Rental Fees for the Use of the Special Events Center by the Chamber of Commerce Banquet on January 15, 2011
6. Request to Waive Rental Fees for the Use of the Special Events Center by The Deming-Luna County Humane Society for their Annual Fundraiser on February 12, 2011
7. Request to Waive Rental Fees for the Use of the Special Events Center by Cancer Support of Deming for their Annual Fundraiser on February 26, 2011
8. Request to Waive Rental Fees for the Use of the Special Events Center by Cancer Support of Deming for their Annual Celebration of Life Event to be held on April 30, 2011
9. Resolution: Authorizing Acceptance of Funding and Airport Aid from the NM Aviation Division
10. Resolution: In Support of the Gila Basin Irrigation Commission Request for Legislature to Approve the Funds received under the AZ Water Settlements Act for the New Mexico Unit be Provided to the NM Interstate Stream Commission for Administration
11. Resolution: To Authorize the Execution and Delivery of a Loan Agreement between the City of Deming and the New Mexico Finance Authority in the Amount of \$499,389 for Renovation of the Fire Station, City Hall and Municipal Court

12. Public Hearing: To Consider an Ordinance Authorizing the Execution and Delivery of a Loan Agreement between the City of Deming and the New Mexico Finance Authority in the Amount of \$1,000,000 to Finance the Expansion and Renovation of the Fire Station
13. Quasi Judicial Public Hearing; To Consider the Approval of a Final Plat for Richard Gilmore
14. Bids
 - a. Bid #11-12 Recycling Collection Trailers
15. Closed Session: To Discuss personnel matters, litigation matters, and real estate, pursuant to NMSA 1978 Sections 10-15-1 (H) (2) (7) and (8) of the Open Meetings Act
16. Open Session: Motions if any
17. Adjourn Meeting

The next regular City Council Workshop and Meeting are scheduled for 4:00 & 6:00 p.m., March 14th, 2011.

STATE OF NEW MEXICO
LUNA COUNTY
CITY OF DEMING

I, Mary Jo Valdez, the duly qualified and acting City Clerk of the City of Deming, 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 City Council of the City of Deming, New Mexico (the "Governing Body"), constituting the Governing Body of the Governmental Unit had and taken at a duly called meeting held at 309 S. Gold Avenue, in Deming, New Mexico, on February 14, 2011, at the hour of 6:00 p.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 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 14th day of February, 2011.

CITY OF DEMING, NEW MEXICO

By: Mary Jo Valdez
Mary Jo Valdez, City Clerk

