



Albuquerque Bernalillo County Water Utility Authority

Albuquerque/Bernalillo
County
Government Center
One Civic Plaza
Albuquerque, NM 87102

Agenda

Councilor Trudy E. Jones, Chair
Commissioner Debbie O'Malley, Vice-Chair
Councilor Pat Davis
Mayor Timothy M. Keller
Councilor Klarissa J. Peña
Commissioner Steven Michael Quezada
Commissioner Lonnie C. Talbert
Trustee Pablo Rael

Wednesday, August 22, 2018

5:00 PM

Vincent E. Griego Chambers

1. **CALL TO ORDER**
2. **INVOCATION/PLEDGE OF ALLEGIANCE**
3. **APPROVAL OF MINUTES - June 20, 2018**
4. **PROCLAMATIONS AND AWARDS**
 - A. **Quarterly Employee Incentive Awards**
5. **PUBLIC COMMENT**
6. **ANNOUNCEMENTS/COMMUNICATIONS**
 - A. **Next Scheduled Meeting – September 19, 2018 at 5:00 PM**
7. **INTRODUCTION (FIRST READING) OF LEGISLATION**
 - A. [O-18-7](#) Authorizing the Issuance and Sale of Albuquerque Bernalillo County Water Utility Authority (the “Water Authority”) Senior Lien Joint Water and Sewer System Revenue Bonds, Series 2018 in the Aggregate Principal Amount not to exceed \$83,000,000 (the “SERIES 2018 BONDS or THE BONDS”) to be Issued in One Series for the Purpose of Acquiring Additional System Assets, Extending, Repairing, Replacing and Improving the Water Authority’s Joint Water and Sewer System (“THE SYSTEM”); Providing for the Disposition of, and Other Details Relating to, the Revenues From the Operation of the System Including the Payment of Debt Service on System Obligations; Determining Certain Terms and The Method of Determining Other Terms Concerning the Bonds; Providing for the Approval of Various Agreements and Disclosure Documents Relating to the Bonds; and Ratifying Action Previously Taken

- B. [R-18-20](#) Confirming Approval of the Issuance of Albuquerque Bernalillo County Water Utility Authority ("Water Authority") Senior Lien Joint Water and Sewer System Revenue Bonds, Series 2018 in one Series in the Principal Amount not to exceed \$83,000,000 (the Bonds"); and Ratifying Action Previously Taken in Connection Therewith

8. **CONSENT AGENDA**

(Any Board Member may request that a Consent Agenda item be placed under Approvals)

- A. [R-18-21](#) Approving and Authorizing a New Mexico Environment Department Appropriation for the Carnuel Wastewater System Improvements Project
- B. [C-18-22](#) Appointment of John Pietz to the Water Protection Advisory Board
- C. [C-18-23](#) Approving Service Connection Agreement for Water and Sewer Service with Murphy Oil USA, Inc. at 3751 Highway 528 NW
- D. [C-18-24](#) Approving Service Connection Agreement for Water and Sewer Service with Highbury Properties, LLC at 4011 Paseo Del Norte NW
- E. [C-18-25](#) Approving Service Connection Agreement for Water and Sewer Service with Paradise Hills Holding Company, Inc. at 4550 Paradise Blvd. NW
- F. [C-18-26](#) Approving Fiscal Year 2018 Annual Inventory Certification
- G. [C-18-27](#) Approving Professional Services Contract for Legal Services
- H. [C-18-28](#) Approving Recommendation of Investment Strategy

9. **APPROVALS**

- A. [R-18-17](#) Authorizing an Agreement for Water and Sewer Service for Anasazi Ridge Unit 3
- B. [R-18-22](#) Approving Recommendation of Investment Strategy
- C. [R-18-23](#) Authorizing the Removal of Certain Uncollectable Accounts from the Albuquerque Bernalillo County Water Utility Authority Accounts Receivable Records FY2013 and Prior
- D. [C-18-29](#) Approving the Agreement between the U.S. Department of the Interior, Bureau of Reclamation and the Albuquerque Bernalillo County Water Utility Authority for lease of San Juan-Chama Water
- E. [C-18-30](#) Approving the Agreement between the U.S. Department of the Interior, Bureau of Reclamation and the Albuquerque Bernalillo County Water Utility

Authority for Storage of San Juan-Chama Project Water in Elephant Butte
Reservoir

10. OTHER BUSINESS

- A. [OB-18-12](#) Water Report

11. ADJOURNMENT

Visit Our Website at www.abcwua.org

NOTICE TO PERSONS WITH DISABILITIES: If you have a disability and require special assistance to participate in this meeting, please contact the Authority Office as soon as possible before the meeting date at 289-3100 or by the TTY at 1-800-659-8331.



Meeting Date: August 22, 2018
Staff Contact: Mark S. Sanchez, Executive Director

TITLE: Quarterly Employee Recognition Awards

ACTION: Information Only

SUMMARY:

The Water Authority recognizes with an award employees who have done something extraordinary for the Water Authority each quarter. Nominations can come from a fellow Water Authority employee or supervisor. A committee meets to discuss and evaluate the nominees and make recommendations on the final employees to be recognized.

The following employees are receiving recognition awards for contributions to the Water Authority above-and-beyond and for the example they have set for fellow employees:

Mauricio Carreon	\$300 + 8 hours	Mauricio is recognized for his leadership in performing an in-house refurbishment of a centrifuge rotating assembly that would have cost \$100,000 and taken 10-12 weeks if it had been sent back to the manufacturer for servicing.
Tyrone Honie Marlon Luna Porfirio Maestas Miguel Leyba	\$200 each	These individuals are recognized for the exceptional skill they showed in undertaking the in-house repair and refurbishment of the aforementioned centrifuge rotating assembly, saving ratepayers upwards of \$100,000.
Paul Sanchez Nathan Lueckenhoff Rudolph Madrid Marcos Terrazas	\$100	These individuals are recognized for achieving a 100 percent passing grade during a surprise safety inspection by the Water Authority's safety consultant at a jobsite in April, with no safety hazards or OSHA violations noted.
Kathryn Mendoza Diane Agnew	\$300 + 8 hours each	Kate and Diane are recognized for their outstanding efforts in updating the joint community Water Quality Protection Policy and Action Plan, a model source water protection plan that can be applied across the state, and their leadership and curriculum development for this spring's Customer Conversations meetings regarding water quality and source-water protection.

Deborah Garcia	\$100	Deborah is recognized for her efforts to improve communications and data tracking between the lab and data analysis functions at the utility's Water Quality Lab.
Lisa Whitehouse	\$200	Lisa is recognized for process improvements she has implemented in the performance of root cause analyses for Corrective Action Response Reports at the Water Quality Lab.
Gilbert Marin Alex Gutierrez Thomas Quintana Alejandro Medina Walter Houston Felix Trujillo Jonah Martinez Rene Garcia James Miner Justin Brittelle Raymond Jenkins Michael Garcia Robert Perea Adrian Gonzalez Joseph Molina Eddie Ramirez Roger Martinez Victor Corral	\$50 each	These individuals are recognized for their teamwork and dedication in the efficient installation of advanced metering infrastructure, improving the utility's billing accuracy, while continuing to do excellent work in addressing service leaks, fire hydrant repair, large meter installation, and other work vital to the agency and our customers.
Michael Leeds	\$300 + 8 hours	Michael is recognized for his cool and professional response following an armed assault on his person while he was doing routine maintenance work on a public street in May of this year.
Oswaldo Polanco	\$200	Oswaldo is recognized for going beyond his usual responsibilities in his quick and efficient installation of important new equipment at the drinking water treatment plant.
John Richstone	\$200	John is recognized for improvements he made to analytical processes at the Water Quality Lab, allowing samples to be tested in-house instead of being sent to an external laboratory for analysis.
Robert Moraga	\$200	Robert is recognized for using his welding skills to fabricate necessary equipment for the Water Authority, saving the utility almost \$3,000 in hard costs for labor and materials.

Timothy Chavez

\$300 + 8 hours

Tim is recognized for negotiating the purchase of network equipment in a deal that saved the utility and its ratepayers more than \$23,000.

FISCAL IMPACT:

None. The award amounts are budgeted yearly.

Memo

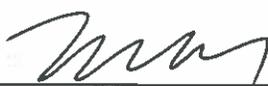
To: Mark Sanchez, Executive Officer
 From: Judy Bentley, HR Manager, Committee Chair *JB*
 Date: 7/18/2018
 Re: FY18 Fourth Quarter Employee Recognition Awards

NOTE: GROSS UP AMOUNTS

The Employee Recognition Review Committee Convened on July 17th, 2018 to review nominations for the Fourth Quarter Awards. The Committee consisted of: In attendance; Judy Bentley (Chair), Mark Kelly, Charles Leder, David Morris, Joel Berman, John Stomp and David Price. Hobert Warren, Katherine Yuhás. Not in attendance: Stan Allred, Cody Stinson. Committee reviewed all the nominations and selected 36 employees to receive awards. The committee is recommending the following:

NAME	EMP#	AMOUNT	HOURS	NAME	EMP#	AMOUNT	HOURS
Mauricio Carreon	16824	\$300.00	8.00	Gilbert Marin	26658	\$50.00	
Tyrone Honie	28177	\$200.00		Alex Gutierrez	27355	\$50.00	
Marlon Luna	29375	\$200.00		Thomas Quintana	27445	\$50.00	
Porfirio Maestas	27321	\$200.00		Alejandro Medina	27442	\$50.00	
Miguel Leyba	20348	\$200.00		Walter Houston	33299	\$50.00	
Paul Sanchez	4308	\$100.00		Felix Trujillo	33638	\$50.00	
Nathan Lueckenhoff	26993	\$100.00		Jonah Martinez	33710	\$50.00	
Rudolph Madrid	22703	\$100.00		Rene Garcia	29086	\$50.00	
Marcos Terrazas	30663	\$100.00		Victor Corral	25598	\$50.00	
Kathryn Mendoza	33870	\$300.00	8.00	James Miner	33739	\$50.00	
Diane Agnew	33895	\$300.00	8.00	Justin Brittelle	27520	\$50.00	
Deborah Garcia	20940	\$100.00		Raymond Jenkins	30724	\$50.00	
Lisa Whitehouse	33880	\$200.00		Michael Garcia	10456	\$50.00	
Michael Leeds	13314	\$450.00	8.00	Robert Perea	33329	\$50.00	
Timothy Chavez	14110	\$300.00	8.00	Adrian Gonzalez	33712	\$50.00	
Oswaldo Polanco	11635	\$200.00		Joseph Molina	33330	\$50.00	
John Richstone	1213	\$200.00		Eddie Ramirez	25665	\$50.00	
Robert Moraga	27346	\$200.00		Roger Martinez	23839	\$50.00	

Totals: \$4,650.00 40

Approved: 
 Mark S. Sanchez, Executive Director



Meeting Date: August 22, 2018
Staff Contact: Stan Allred, Chief Financial Officer

TITLE: O-18-7 - Authorizing the Issuance and Sale of Albuquerque Bernalillo County Water Utility Authority (the “Water Authority”) Senior Lien Joint Water and Sewer System Revenue Bonds, Series 2018 in the Aggregate Principal Amount not to exceed \$83,000,000 (the “SERIES 2018 BONDS or THE BONDS”) to be Issued in One Series for the Purpose of Acquiring Additional System Assets, Extending, Repairing, Replacing and Improving the Water Authority’s Joint Water and Sewer System (“THE SYSTEM”); Providing for the Disposition of, and Other Details Relating to, the Revenues From the Operation of the System Including the Payment of Debt Service on System Obligations; Determining Certain Terms and The Method of Determining Other Terms Concerning the Bonds; Providing for the Approval of Various Agreements and Disclosure Documents Relating to the Bonds; and Ratifying Action Previously Taken

ACTION: Introduction August 22, 2018 – Final Action September 19, 2018

SUMMARY:

This Bond Ordinance is for the proposed Senior Lien Joint Water and Sewer System Revenue Bonds, Series 2018. It was prepared by the Modrall Law Firm as Bond Counsel for this transaction. The Bond Ordinance establishes certain bond details; provides for the payment of the cost of issuing the bonds; approves disclosure and other documents relating to the bonds. Attached is a presentation that will be discussed by RBC the Water Authority’s municipal advisor as a part of the presentation to the Board.

The purpose of the Bond Ordinance is to provide for \$83 million in basic needs financing. The Water Authority’s current Senior Lien Bonds are rated Aa2/AA+/AA by Moody’s, Standard and Poor’s and Fitch Ratings respectively. The Water Authority’s subordinate lien is rated Aa2/AA/AA- by Moody’s, Standard and Poor’s and Fitch Ratings respectively. Rating presentations to Moody’s and Standard and Poor’s are scheduled for September 17, 2018. A Confirming Resolution and final approval of the Bond Ordinance and other matters with respect to the Bonds will be considered for final adoption at the Water Authority’s September 19, 2018 meeting. The Bond Ordinance delegates’ final approval of the pricing terms to the Chief Financial Officer subject to parameters set out in the Ordinance. The proposed financing is set to price on or near October 16, 2018. A report and summary of the pricing terms and financing is expected to be delivered to the Board at its regularly scheduled meeting on October 17, 2018.

COMMENTS:

Approval of the Bond Ordinance is required for the issuance of the proposed bonds. Final action is expected at the Water Authority's September Board meeting. The Board has delegated final approval of the pricing terms to the Chief Financial Officer. Subject to market conditions, a report and summary of the pricing terms and financing will be delivered to the Board at its regularly scheduled meeting on October 17, 2018. This Ordinance authorizes the financing necessary to carry out the Capital Improvements Plan outlined in the Decade Plan and the 2019 Finance Plan. It is anticipated that the financing would be completed by October 31, 2018.

Current Senior Lien Bond ratings for this issue are as follows: AA+ Standard and Poor's, Aa2 Moody's. Fitch has a AA rating on outstanding bond prior to 2016 but the Authority will not be requesting a rating from Fitch for the 2018 Bonds or future debt issuances.

A floor substitute may be prepared by Bond Counsel which makes technical adjustments.

FISCAL IMPACT:

Based upon current market conditions the new money financing will have a 12 year final maturity (July 1, 2030) with annual debt service of approximately \$8.85 million beginning in fiscal year 2020. There will be interest only payment in fiscal year 2019. Gross Revenues, all income and revenues directly or indirectly derived by the Water Authority from the operation and use of the System less operation and maintenance expenses, are pledged as security for these bonds, similar to the Water Authority's prior debt issuances.

1 WHEREAS, the Water Authority is obligated on the following Senior
2 Obligations, payable from Net Revenues, Outstanding on the date of the adoption of
3 this Bond Ordinance in the following principal amounts:

	Amount
<u>Senior Obligations</u>	<u>Outstanding</u>
4	
5	
6 Series 2009A-1 Bonds	\$ 8,395,000
7 Series 2013A&B Bonds	\$ 74,685,000
8 Series 2014A Bonds	\$ 79,995,000
9 Series 2015 Bonds	\$196,710,000
10 Series 2017 Bonds	\$ 84,090,000
11 Drinking Water State Revolving Fund Loan Agreement (2009)	\$ 765,498
12 Public Project Revolving Fund Loan Agreement (2011)	\$ 32,120,000
13 Drinking Water State Revolving Fund Loan Agreement #4200 (2018)	\$ 1,010,000
14 Drinking Water State Revolving Fund Loan Agreement #4202 (2018)	\$ 1,000,000

15 and

16 WHEREAS, the Water Authority is obligated on the following Subordinate
17 Obligations, payable from Net Revenues with a lien on the Net Revenues
18 subordinated to the Senior Obligations, and superior to the lien of the Super
19 Subordinated Obligations, Outstanding on the date of the adoption of this Bond
20 Ordinance in the following principal amounts:

	Amount
<u>Subordinate Obligations</u>	<u>Outstanding</u>
21	
22	
23 Series 2014B Bonds	\$ 58,865,000
24 Drinking Water State Revolving Fund Loan Agreement (2008)	\$ 6,860,187

25 And

26 WHEREAS, the Water Authority does not have any Super Subordinate
27 Obligations, payable from Net Revenues with a lien on the Net Revenues
28 subordinated to the Senior Obligations and the Subordinated Obligations,
29 Outstanding on the date of the adoption of this Bond Ordinance; an

30

1 WHEREAS, except as stated in these preambles, the Net Revenues have not
2 been pledged or hypothecated to the payment of any Outstanding obligations and no
3 other obligations are payable from the Net Revenues on the date of this Bond
4 Ordinance; and

5 WHEREAS, there are no obligations which have a lien on the Net Revenues
6 superior to the lien thereon of the Senior Obligations;

7 WHEREAS, the Board hereby determines that (i) Project may be financed
8 with a portion of the proceeds of the Bonds and (ii) that it is necessary and in the
9 best interests of the Water Authority and the residents of the geographic area served
10 by the Water Authority that the Bonds be authorized pursuant to the Act; and

11 WHEREAS, the Board has determined that it may lawfully pledge the Net
12 Revenues for repayment of the Bonds; and

13 WHEREAS, the Water Authority intends to use the proceeds of the Bonds for
14 the purpose of acquiring additional System assets, and extending repairing,
15 replacing and improving the System; and

16 WHEREAS, it is in the best interests of the Water Authority to sell the Bonds
17 to the Underwriters upon the terms as set forth in this Bond Ordinance and the Bond
18 Purchase Agreement; and

19 WHEREAS, there have been presented to the Board for approval the
20 Preliminary Official Statement, the form of Continuing Disclosure Undertaking, and
21 the Bond Purchase Agreement; and

22 WHEREAS, the Water Authority expects to receive an offer from the
23 Underwriters to purchase the Bonds pursuant to a Bond Purchase Agreement to be
24 executed by the Delegate pursuant to Section 6-14-10.2 NMSA 1978, all within the
25 parameters set forth in this Bond Ordinance; and

26 WHEREAS, all required authorizations, consents or approvals of any
27 governmental body, agency or authority in connection with charging the current rates
28 for services of the System and for the authorization, execution and delivery of the
29 Bonds which are required to have been obtained by the date of this Bond Ordinance
30 or which will be required to be obtained prior to the date of issuance of the Bonds
31 have been or will have been obtained by such dates.

1 BE IT ORDAINED BY THE BOARD OF THE WATER AUTHORITY:

2 Section 1. DEFINITIONS AND RULES OF CONSTRUCTION.

3 (A) DEFINITIONS. As used in this Bond Ordinance, the following
4 terms have the meanings specified, unless the context clearly requires otherwise:

5 ACT. Section 72-1-10 NMSA 1978, Sections 3-31-1 through 3-31-12
6 NMSA 1978, Sections 4-62-1 to 4-62-10 NMSA 1978, Sections 6-18-1 through 6-18-
7 16 NMSA 1978, and enactments of the Board relating to the Bond Legislation.

8 ACQUISITION FUND. The “Albuquerque Bernalillo County Water
9 Utility Authority Joint Water and Sewer System Bonds Improvement Project
10 Acquisition Fund.”

11 AUTHENTICATING AGENT. The Registrar or any trust company,
12 national or state banking association or financial institution qualified to act and
13 appointed as the authenticating agent for the Bonds by an Authorized Officer from
14 time to time.

15 AUTHORIZED DENOMINATIONS. Denominations of \$5,000 or
16 integral multiples of \$5,000.

17 AUTHORIZED OFFICER. The Chair, the Executive Director of the
18 Water Authority, or other officer or employee of the Water Authority when designated
19 by a certificate signed by the Chair from time to time.

20 BASIC CAPITAL PROGRAM. The Water Authority’s basic capital
21 program for funding annual capital needs for regular System improvements,
22 expansion, maintenance and upgrades to operate a water and wastewater utility.

23 BENEFICIAL OWNERS. Beneficial Owners as defined in Section
24 7.(C).

25 BOARD. The governing body in which is vested the legislative power
26 of the Water Authority.

27 BOND, BONDS OR SERIES 2018 BONDS. The Albuquerque
28 Bernalillo County Water Utility Authority Senior Lien Joint Water and Sewer System
29 Improvement Revenue Bonds, Series 2018 issued pursuant to the Bond Legislation.

1 BOND COUNSEL. An attorney at law or a firm of attorneys,
2 designated by the Water Authority, of nationally recognized standing in matters
3 pertaining to the issuance of bonds issued by states and their political subdivisions.

4 BOND INSURANCE POLICY. A municipal bond insurance policy
5 issued by a Credit Source insuring the payment when due of the principal of and
6 interest on Insured Obligations.

7 BOND LEGISLATION. Collectively, the Bond Ordinance and the
8 Confirming Resolution.

9 BOND ORDINANCE. This ordinance, as amended or supplemented
10 from time to time.

11 BOND PURCHASE AGREEMENT. The Bond Purchase Agreement
12 among the Water Authority and the Underwriters of the Bonds.

13 BUSINESS DAY. Any day during which any Credit Source, the Paying
14 Agent or the Registrar, the offices of the Water Authority and the New York Stock
15 Exchange are all open for business during normal business hours.

16 CHAIR. The duly elected Chair of the Board or the Vice Chair of the
17 Board acting in the absence of the Chair.

18 CITY. The City of Albuquerque, in the County of Bernalillo and State
19 of New Mexico.

20 CLOSING DATE. The date of delivery of the Bonds to the
21 Underwriters or their designee.

22 CODE. The Internal Revenue Code of 1986, as amended, the federal
23 income tax regulations of the Treasury Department (whether proposed, temporary or
24 final) and any amendments of, or successor provisions to, the foregoing and any
25 official rulings, announcements, notices, procedures and judicial determinations
26 regarding any of the foregoing, all as and to the extent applicable. Unless otherwise
27 indicated, reference to a section of the Code in this Bond Ordinance means that
28 section of the Code and such applicable regulations, rulings, announcements,
29 notices, procedures and determinations pertinent to that section.

1 COMPLETION DATE. The date of completion of the Project, or, for
2 purposes of the Prospective Test Period, the date of completion of the project for
3 which the additional System Obligations are to be issued.

4 CONFIRMING RESOLUTION. A resolution adopted on the date of
5 adoption of this Bond Ordinance declaring the necessity of the issuance of the
6 Bonds and confirming the terms hereof for purposes of Section 72-1-10(M) NMSA
7 1978, as amended.

8 CONSULTING ENGINEER. Any registered or licensed professional
9 engineer or firm of engineers, entitled to practice and practicing as such under the
10 laws of the State, retained and compensated by the Water Authority but not in the
11 regular employ of the Water Authority, the City or the County; but, as to any
12 construction drawings and specifications prepared for the System by Water Authority
13 or City employees under the supervision of an engineer employed by the Water
14 Authority or the City, this term may include such engineer.

15 CONTINUING DISCLOSURE UNDERTAKING. The undertaking of
16 the Water Authority pursuant to which the Water Authority will agree for the benefit
17 of Owners that, while the Bonds are Outstanding, the Water Authority will annually
18 provide certain financial information and operating data and audited financial
19 statements and will provide notice of certain events in accordance with Rule 15c2-12
20 promulgated by the United States Securities and Exchange Commission under the
21 Securities Exchange Act of 1934.

22 COUNSEL. An attorney at law (who may be counsel to the Water
23 Authority).

24 COUNTY. Bernalillo County, New Mexico.

25 CREDIT FACILITY. A letter of credit, line of credit, Bond Insurance
26 Policy or Reserve Account Surety Bond, guaranty or similar agreement provided by
27 a Credit Source to provide support to pay the purchase price of, or the payment
28 when due of the principal of and interest on, System Obligations.

29 CREDIT SOURCE. Any bank, insurance company or other financial
30 institution which provides a Credit Facility for a series of System Obligations.

1 DEBT SERVICE ACCOUNT. An account of the Debt Service Fund for
2 the deposit of Net Revenues and proceeds of a series of System Obligations for the
3 payment of Debt Service Requirements on that series of System Obligations.

4 DEBT SERVICE FUND. The Debt Service Fund previously established
5 by the Water Authority and continued in Section 20 of this Bond Ordinance.

6 DEBT SERVICE REQUIREMENTS. With respect to System
7 Obligations and for any given period, the sum of: (1) the amount required to pay the
8 interest, or to make reimbursements for payments of interest, becoming due on
9 System Obligations during that period, plus (2) the amount required to pay the
10 principal or to make reimbursements for the payment of principal becoming due on
11 System Obligations during that period, whether at maturity or upon mandatory
12 sinking fund redemption dates, plus (3) the periodic payments required to be made
13 by the Water Authority pursuant to a Qualified Exchange Agreement minus (4) the
14 periodic payments to be received by the Water Authority pursuant to a Qualified
15 Exchange Agreement. No payments required for any System Obligations which may
16 be tendered or otherwise presented for payment at the option or demand of the
17 owners of System Obligations, or which may occur because of the exercise of an
18 option by the Water Authority, or which may otherwise become due by reason of any
19 other circumstance or contingency, including acceleration or early termination
20 payments, which constitute other than regularly scheduled payments of principal,
21 interest or other regularly scheduled payments on System Obligations shall be
22 included in any computation of Debt Service Requirements for that period.

23 Unless, at the time of computation of Debt Service Requirements, payments
24 on System Obligations are owed to, or System Obligations are owned or held by, the
25 provider of a Credit Facility pursuant to the provisions of that Credit Facility, the
26 computation of interest for the purposes of this definition shall be made without
27 considering the interest rate payable pursuant to a Credit Facility.

28 In any computation of Debt Service Requirements relating to the issuance of
29 additional System Obligations, there shall be excluded from the computation of the
30 Debt Service Requirements amounts and investments which are irrevocably
31 committed to make designated payments on System Obligations during the

1 applicable period, including, without limitation, money on deposit in any Debt Service
2 Account and amounts on deposit in an escrow account irrevocably committed to
3 make designated payments on System Obligations during the applicable period and
4 earnings on such investments which are payable and committed to the payment of
5 such System Obligations during the applicable period.

6 Unless otherwise required by a Water Authority ordinance or resolution
7 relating to a series of System Obligations, to determine Debt Service Requirements
8 of Variable Rate Obligations, the Water Authority shall use the procedures set forth
9 in the following paragraphs to determine the amount of interest or other payments to
10 be paid by the Water Authority on Variable Rate Obligations.

11 (1) During any historical period for which the actual variable
12 interest rate or rates are determinable, the actual variable interest rate shall be used.
13 During any historical period when the actual variable interest rate is not
14 determinable, the variable interest rate shall, for the purpose of determining Debt
15 Service Requirements, be deemed to be the higher of:

16 (a) the actual variable interest rate, if any, at the time
17 of computation; or

18 (b) a fixed annual rate equal to the prevailing rate on
19 the Variable Rate Obligations on the date of computation (which, for the purpose of
20 determining the Debt Service Requirements, shall be a date which is no more than
21 60 days prior to the date of issuance of the applicable System Obligations) as
22 certified by the Water Authority's financial advisor, the Underwriters of the System
23 Obligations, an investment banker designated by the Water Authority from time to
24 time or a counterparty with respect to a Qualified Exchange Agreement.

25 (2) Prospective computations of interest payable on Variable
26 Rate Obligations, including those relating to the issuance of additional System
27 Obligations required by Section 27 or required by the Rate Covenant, shall be made
28 on the assumption that such obligations bear interest at a fixed annual rate equal to:

29 (a) the average of the daily rates of such System
30 Obligations during the 365 consecutive days (or any lesser period such System
31 Obligations have been Outstanding) next preceding a date which is no more than 60

1 days prior to the date of the issuance of the additional System Obligations; or
2 (b) with respect to System Obligations initially issued
3 or incurred as or being converted to Variable Rate Obligations, the estimated initial
4 rate of interest of such System Obligations upon the date of issuance, exchange or
5 conversion as certified by the Water Authority's financial advisor, another investment
6 banker, as designated by the Water Authority from time to time, or a counterparty
7 with respect to a Qualified Exchange Agreement.

8 DEFEASANCE OBLIGATIONS.

9 (1) Government Obligations; or

10 (2) if permitted by law, other obligations which would result in
11 the defeased Bonds receiving the same rating from any national rating agency then
12 rating such series of bonds as would have been received if the obligations described
13 in clause (1) of this definition had been used.

14 DELEGATE means an Authorized Officer of the Water Authority.

15 DEPOSITORY OR DEPOSITORIES. The following registered
16 securities depository: The Depository Trust Company, 570 Washington Boulevard,
17 Jersey City, New Jersey 07310, <http://www.dtcc.com>; or in accordance with then-
18 current guidelines of the Securities and Exchange Commission, to such other
19 addresses and/or such other securities depositories, or no such depositories, as an
20 Authorized Officer may designate in a certificate of the Water Authority.

21 DRINKING WATER STATE REVOLVING FUND LOAN AGREEMENT
22 (2008). The loan agreement dated November 7, 2008 between the NMFA and the
23 Water Authority in the original principal amount of \$9,627,877, authorized and
24 approved by Water Authority Ordinance Enactment No. F/S O-08-4 and Resolution
25 Enactment No. F/S R-08-13 as amended by Ordinance No. F/S O-14-2 and the
26 Amendment to the Loan Agreement dated July 24, 2014 constituting a subordinate
27 lien on the Net Revenues.

28 DRINKING WATER STATE REVOLVING FUND LOAN AGREEMENT
29 (2009). The loan agreement between the NMFA and the Water Authority in the
30 original principal amount of \$1,010,000, authorized and approved by Water Authority

1 Ordinance Enactment No. O-09-9 and Resolution Enactment No. R-09-24
2 constituting a senior lien on the Net Revenues.

3 DRINKING WATER STATE REVOLVING FUND LOAN AGREEMENT
4 #4200 (2018). The loan agreement between the NMFA and the Water Authority in
5 the original principal amount of \$1,000,000 authorized and approved by Water
6 Authority Ordinance No. O-18-2 and Resolution No. R-18-7 constituting a senior lien
7 on the Net Revenues.

8 DRINKING WATER STATE REVOLVING FUND LOAN AGREEMENT
9 #4202 (2018). The loan agreement between the NMFA and the Water Authority in
10 the original principal amount of \$1,010,000 authorized and approved by Water
11 Authority Ordinance No. O-18-5 and Resolution No. R-18-11 constituting a senior
12 lien on the Net Revenues.

13 ELECTRONIC MEANS. Telephone, telecopy, telegraph, email,
14 facsimile transmission or any other similar means of electronic communication. Any
15 communication by telephone as an Electronic Means shall promptly be confirmed in
16 writing, which may be by one of the other means of electronic communication listed
17 in this definition.

18 EMMA. The Municipal Securities Rulemaking Board's Electronic
19 Municipal Market Access System located on its website at emma.msrb.org.

20 EXPENSE ACCOUNT. That account continued in Section 20 of this
21 Bond Ordinance for the purpose of paying Expenses and which is a separate
22 account of the Debt Service Fund.

23 EXPENSES. The reasonable and necessary fees, costs and
24 expenses incurred by the Water Authority with respect to the issuance of, including
25 disclosure matters pertaining to, the Bonds, including, without limitation, attorneys'
26 fees and costs, financial advisor's fees and costs, premiums and costs for any Credit
27 Facility, costs of advertising and publication, underwriter's discounts, cost of printing
28 bonds and disclosure documents, fees and costs of the Escrow Agent, legal fees
29 and expenses, bidding agent's fees and costs relating to the initial purchase of
30 securities for deposit with the Escrow Agent, including any fees and costs
31 associated with any verification agent, and expenses of any Independent Accountant

1 and all reasonable and necessary fees and administrative costs of the Water
2 Authority relating to the foregoing.

3 FISCAL YEAR. The twelve-month period beginning on the first day of
4 July of each year and ending on the last day of June of the next succeeding year, or
5 any other consecutive twelve-month period, which the Water Authority designates as
6 its Fiscal Year.

7 GOVERNMENT OBLIGATIONS. Direct obligations of, or obligations
8 the principal of and interest on which are unconditionally guaranteed by, the United
9 States of America, or certificates or receipts established by the United States
10 Government or its agencies or instrumentalities representing direct ownership of
11 future interests or principal payments on direct obligations of, or obligations fully
12 guaranteed by, the United States of America or any of its agencies or
13 instrumentalities the obligations of which are backed by the full faith and credit of the
14 United States, which obligations are held by a custodian in safekeeping on behalf of
15 the holders of such receipts, and rated or assessed in its highest Rating Category by
16 S&P, if then rating the Bonds, and by Moody's, if then rating the Bonds.

17 GROSS REVENUES. All income and revenues directly or indirectly
18 derived by the Water Authority from the operation and use of the System, or any part
19 of the System, and includes, without limitation, all revenues received by the Water
20 Authority, or any municipal corporation or agency succeeding to the rights of the
21 Water Authority, from the System and from the sale and use of water, water services
22 or facilities, sewer service or facilities or any other service, commodity or facility or
23 any combination thereof furnished to the inhabitants of the geographic area served
24 by the Water Authority by means of the System as the same may at any time exist to
25 serve customers outside the Water Authority's geographical limits as well as
26 customers within the Water Authority's geographical limits. Such term also includes:

27 (1) All income derived from the investment of any money in
28 the Acquisition Fund, Joint Water and Sewer Fund, Debt Service Fund and Rate
29 Stabilization Fund and income derived from surplus Net Revenues;

30 (2) Money released from the Rebate Fund to the Water
31 Authority;

1 (3) Money released from the Rate Stabilization Fund to the
2 Water Authority to the extent that the amount released is used to pay Operation and
3 Maintenance Expenses or Debt Service Requirements on System Obligations in the
4 year released; provided that withdrawals from the Rate Stabilization Fund shall not
5 be included in Gross Revenues for the purposes of the Rate Covenant in any two
6 consecutive calendar years;

7 (4) Property insurance proceeds which are not necessary to
8 restore or replace the property lost or damaged and the proceeds of the sale or
9 other disposition of any part of the System; and

10 (5) Funds received from users of the System as a
11 reimbursement of, or otherwise in connection with, franchise fees to be paid by the
12 Water Authority.

13 Gross Revenues do not include:

14 (1) any money received as grants or gifts from the United
15 States of America, the State or other sources, or the proceeds of any charge or tax
16 intended as a replacement therefor or other capital contributions from any source
17 which are restricted as to use; and

18 (2) condemnation proceeds or the proceeds of any
19 insurance policy, except any property insurance proceeds described above in clause
20 (4) of this definition or in Section 29.(L) or derived in respect of loss of use or
21 business interruption.

22 HISTORIC TEST PERIOD. Any period of 12 consecutive months out
23 of the 24 calendar months next preceding the delivery of additional Senior
24 Obligations pursuant to Section 27.(B) or additional Subordinate Obligations
25 pursuant to Section 27.(C).

26 INDEPENDENT ACCOUNTANT. Any certified public accountant,
27 registered accountant, or firm of accountants duly licensed to practice and practicing
28 as such under the laws of the State, appointed and paid by the Water Authority who
29 (a) is, in fact, independent and not under the domination of the Water Authority, the
30 City or the County, (b) does not have any substantial interest, direct or indirect, with
31 the Water Authority, the City or the County, and (c) is not connected with the Water

1 Authority as an officer or employee of the Water Authority, but who may be regularly
2 retained to make annual or similar audits of the books or records of the Water
3 Authority, the City or the County.

4 INSURED BANK. A bank insured by an agency of the United States.

5 INSURED OBLIGATIONS. System Obligations insured by a Bond
6 Insurance Policy or payable with the proceeds of another Credit Facility.

7 INTEREST PAYMENT DATE. January 1 and July 1 of each year (or if
8 such day is not a Business Day, then the next succeeding Business Day) beginning
9 on January 1, 2019.

10 JOINT WATER AND SEWER FUND. The “City of Albuquerque, New
11 Mexico, Joint Water and Sewer Fund” originally established in Section 16 of
12 Ordinance No. 18-1984 and continued in Section 20 of this Bond Ordinance as the
13 “Albuquerque Bernalillo County Water Utility Authority Joint Water and Sewer Fund.”

14 MOODY’S. Moody’s Investors Service, Inc., a corporation organized
15 and existing under the laws of the State of Delaware, its successors and their
16 assigns, and, if such corporation does not provide a rating for the Bonds, “Moody’s”
17 shall be deemed to refer to any other nationally recognized securities rating agency
18 rating the Bonds.

19 NMFA. The New Mexico Finance Authority.

20 NMSA 1978. New Mexico Statutes Annotated, 1978 Compilation, as
21 amended and supplemented.

22 NET REVENUES. The Gross Revenues after deducting Operation
23 and Maintenance Expenses.

24 OFFICIAL STATEMENT. The final disclosure document relating to the
25 offer and sale of the Bonds (including the cover page and all summary statement
26 appendices and other materials included or incorporated by reference or attached
27 thereto), as amended or supplemented.

28 OPERATION AND MAINTENANCE EXPENSES. All reasonable and
29 necessary current expenses of the System, paid or accrued, related to operating,
30 maintaining and repairing the System including, without limiting the generality of the
31 foregoing:

1 (1) legal and overhead expenses directly related and
2 reasonably allocable to the administration of the System;

3 (2) insurance premiums for the System, including, without
4 limitation, premiums for property insurance, public liability insurance and workmen's
5 compensation insurance, whether or not self-funded;

6 (3) premiums, expenses and other costs (other than required
7 reimbursements of insurance proceeds and other amounts advanced to pay Debt
8 Service Requirements on System Obligations) for Credit Facilities;

9 (4) Expenses other than expenses paid from the proceeds of
10 System Obligations;

11 (5) the costs of audits of the books and accounts of the
12 Water Authority and the System;

13 (6) amounts required to be deposited in the Rebate Fund or
14 otherwise required to make rebate payments to the United States Government;

15 (7) salaries, administrative expenses, labor costs, surety
16 bonds and the cost of materials and supplies used for or in connection with the
17 current operation of the System; and

18 (8) franchise tax payments to the City, County or any other
19 local government.

20 Operation and Maintenance Expenses do not include any allowance for
21 depreciation, payments in lieu of taxes, liabilities incurred by the Water Authority as
22 a result of its negligence or other misconduct in the operation of the System or any
23 charges or costs allocable to capital improvements or replacements. Operation and
24 Maintenance Expenses do not include any payment of or reimbursement for the
25 payment of Debt Service Requirements or premiums on the Bonds.

26 OUTSTANDING. When used in reference to System Obligations, on
27 any particular date, the aggregate of all System Obligations issued and delivered
28 under the applicable Water Authority ordinance authorizing the issuance of, System
29 Obligations except:

30 (1) those canceled at or prior to such date or delivered to or
31 acquired by the Water Authority at or prior to such date for cancellation;

1 (2) those which have been paid or are deemed to be paid in
2 accordance with the Water Authority or City ordinance or resolution authorizing the
3 issuance of the applicable System Obligations or otherwise relating thereto, provided
4 that the payment of Insured Obligations with the proceeds of a Bond Insurance
5 Policy shall not result in those Insured Obligations ceasing to be Outstanding;

6 (3) in the case of Variable Rate Obligations, System
7 Obligations deemed tendered but not yet presented for payment;

8 (4) those Bonds which have been refunded in accordance
9 with this Bond Ordinance or other ordinances of the Water Authority authorizing the
10 defeasance of such designated System Obligations; and

11 (5) those in lieu of or in exchange or substitution for which
12 other System Obligations shall have been delivered, unless proof satisfactory to the
13 Water Authority and the Paying Agent for the applicable System Obligations is
14 presented that any System Obligation for which a new System Obligation was
15 issued or exchanged is held by a bona fide holder in due course.

16 OWNER. The registered owner or owners of any Bond as shown on
17 the registration books maintained by the Registrar.

18 PAYING AGENT. The Chief Financial Officer or successor in function
19 of the Water Authority or any trust company, national or state banking association or
20 financial institution qualified to act, appointed as the paying agent for the Bonds by
21 an Authorized Officer from time to time.

22 PERMITTED INVESTMENTS. Any of the following which at the time
23 of the investment are legal investments for the Water Authority for the money to be
24 invested and any other investments, subject to approval by S&P and Moody's, if
25 then rating the Bonds, which at the time of investment are legal investments of the
26 Water Authority for the money to be invested:

27 (1) United States Government Obligations: Securities
28 backed by the full faith and credit of the U.S. Government including direct obligations
29 of the U.S. Treasury, such as U.S. treasury notes and bills and "Ginnie Mae"
30 mortgage-backed certificates issued by the Government National Mortgage
31 Association;

1 (2) United States Government Obligations: Securities issued
2 or guaranteed by U.S. Government agencies, instrumentalities or sponsored
3 enterprises, but which are not backed by the full faith and credit of the U.S.
4 Government. These securities include Federal Farm Credit Bank “FFCB”, Federal
5 Home Loan Bank “FHLB”, Federal Home Loan Mortgage Corporation “FHLMC” and
6 Federal National Mortgage Association “FNMA” and other entities that qualify as
7 instrumentalities of the U.S. government. Additionally, mortgage-backed certificates,
8 and debentures issued by “Freddie Mac” (Federal Home Loan Mortgage
9 Corporation) and “Fannie Mae” (Federal National Mortgage Association) are
10 allowable;

11 (3) Bank, Savings and Loan Associations or Credit Unions:
12 Deposits in certified and designated New Mexico financial institutions, per the
13 requirement in the New Mexico Constitution Article VIII, Section 4, whose deposits
14 are insured by an agency of the United States. All deposits will comply with State
15 law of the Board related to interest rate and collateral requirements. CD deposits
16 shall not be made with custodial banks of the Water Authority. A deposit in any
17 credit union shall be limited to the amount insured by an agency of the United
18 States;

19 (4) Municipal Securities: Obligations, the interest on which is
20 excluded from gross income of the recipient for federal income tax purposes, which
21 comply with State law and the policies of the Board;

22 (5) Money market instruments and other securities of
23 commercial banks, broker-dealers or recognized financial investors, which securities
24 or institutions are rated in the highest Rating Category by S&P or Moody’s, if then
25 rating the Bonds, or which securities are guaranteed by a person or entity whose
26 long-term debt obligations are rated in the highest Rating Category by S&P and
27 Moody’s, if then rating the Bonds, including, without limitation, securities of, or other
28 interests in, any open-end or closed-end management type investment company or
29 investment trust registered under the provisions of 15 U.S.C. Sections 80(a)-1 et.
30 seq., which invest only in, or whose securities are secured only by, obligations of the
31 type set forth in paragraphs (1) and (2) of this definition;

1 (6) The “participating government investment fund”
2 described in Section 6-10-10.1 NMSA. 1978 or other similar pooled fund maintained
3 by the State for the investment of public funds of local public bodies of the State;
4 and

5 (7) Repurchase agreements involving the purchase and sale
6 of, and guaranteed investment contracts, the par value of which is collateralized by a
7 perfected first pledge of, or security interest in, or the payments of which are
8 unconditionally guaranteed by, securities described in parts (1) and (2) of this
9 definition, which collateral is held by the Water Authority, or for the benefit of the
10 Water Authority, by a party other than the provider of the guaranteed investment
11 contract or repurchase agreement, with a collateralized value of at least 102% of the
12 par value of such repurchase agreement or guaranteed investment contract or 102%
13 of the market value thereof, valued at intervals of no less than monthly and which
14 collateral is not subject to any other pledge or security interest.

15 PRELIMINARY OFFICIAL STATEMENT. The initial disclosure
16 document relating to the offer and sale of the Bonds (including the cover page and
17 all summary statements, appendices and other materials included or incorporated by
18 reference or attached thereto), as amended or supplemented.

19 PRINCIPAL PAYMENT DATE. July 1st of each year beginning on
20 the date set forth in the Bond Purchase Agreement, so long as the Bonds are
21 Outstanding.

22 PROJECT OR IMPROVEMENT PROJECT. Acquiring additional
23 System assets, extending, repairing, replacing and improving the Water Authority’s
24 System and the payment of Expenses associated with the issuance of the Bonds.

25 PROSPECTIVE TEST PERIOD. The 12-month period commencing
26 on the first day of the month following the estimated Completion Date of the project
27 for which additional Senior Obligations or Subordinate Obligations are proposed to
28 be issued pursuant to Section 27.(B) or Section 27.(C), respectively, or the first day
29 of the thirty-sixth month following the delivery of such Senior Obligations or
30 Subordinate Obligations, whichever is earlier.

1 PUBLIC PROJECT REVOLVING FUND LOAN AGREEMENT (2011).
2 The loan agreement dated December 15, 2011 between the NMFA and the Water
3 Authority in the principal amount of \$53,400,000 and approved by Ordinance No. O-
4 11-5 and Resolution No. R-11-17 constituting a senior lien on the Net Revenues.

5 QUALIFIED EXCHANGE AGREEMENT. Any interest rate exchange
6 between the Water Authority and a counterparty which, when entered into by the
7 Water Authority, satisfies the requirements of Section 6-18-8.1 NMSA 1978.

8 RATE COVENANT. The covenants in Section 29.(C) relating to
9 charging rates for use of the System to pay Debt Service Requirements.

10 RATE STABILIZATION FUND. The Rate Stabilization Fund for
11 System Obligations previously established by the Water Authority and continued in
12 Section 20 of this Bond Ordinance.

13 RATING CATEGORY. A generic securities rating category, without
14 regard, in the case of a long-term rating category, to any refinement or gradation of
15 such long-term rating category by a numerical modifier or otherwise.

16 REBATE FUND. The Rebate Fund for System Obligations previously
17 established by the Water Authority and continued in Section 20 of this Bond
18 Ordinance.

19 RECORD DATE. The fifteenth day of the calendar month preceding
20 each Interest Payment Date.

21 REGISTRAR. The Chief Financial Officer or successor in function of
22 the Water Authority or any trust company, national or state banking association or
23 financial institution qualified to act, appointed as the registrar for the Bonds by an
24 Authorized Officer from time to time.

25 RESERVE ACCOUNT. The accounts of the Debt Service Fund to be
26 established for Senior Obligations or Subordinate Obligations with a reserve
27 requirement.

28 RESERVE ACCOUNT SURETY BOND. Any policy of insurance or
29 surety bond or other Credit Facility issued to the Water Authority to be deposited in a
30 Reserve Account, the proceeds of which shall be used to prevent deficiencies in the
31 payment of the principal of or interest on a series of System Obligations, written by

1 an insurer whose policies of insurance, or issued by a Credit Source whose Credit
2 Facility, would not adversely affect the rating of the System Obligations by either
3 Moody's or S&P if the Bonds are then rated by Moody's or S&P. At the time of the
4 issuance of such policy, such insurer or the component insurance companies thereof
5 or the obligations thereof shall have received the highest policy claims rating
6 accorded insurers by the A. M. Best Company or any comparable service and either
7 of the two highest rating categories of Moody's or S&P if the Bonds are then rated by
8 Moody's or S&P.

9 S&P. S&P Global Ratings, a division of S&P Global Inc., its
10 successors and their assigns, and, if such corporation does not provide a rating for
11 the Bonds, "S&P" shall be deemed to refer to any other nationally recognized
12 securities agency rating the Bonds.

13 SENIOR OBLIGATIONS. The Series 2009A-1 Bonds, the Drinking
14 Water State Revolving Fund Loan Agreement (2009), the Public Project Revolving
15 Fund Loan Agreement (2011), the Series 2013A&B Bonds, the Series 2014A Bonds,
16 the Series 2015 Bonds, the Series 2017 Bonds, the Drinking Water State Revolving
17 Fund Loan Agreement #DW-4200 (2018), the Drinking Water State Revolving Fund
18 Loan Agreement #DW-4202 (2018), the Series 2018 Bonds, and obligations related
19 thereto designated as Senior Obligations, in any ordinance or resolution of the Water
20 Authority relating to those bonds, and any other System Obligations issued with a
21 lien on the Net Revenues on a parity with the lien of the Outstanding Senior
22 Obligations on Net Revenues.

23 SERIES 2009A-1 BONDS. The Senior Obligations designated as
24 "Albuquerque Bernalillo County Water Utility Authority Joint Water and Sewer
25 System Improvement Revenue Bonds, Series 2009A-1" in the original principal
26 amount of \$135,990,000, authorized and issued pursuant to Ordinance No. O-09-1
27 and Resolution No. R-09-7 constituting a senior lien on the Net Revenues.

28 SERIES 2013A&B BONDS. The Senior Obligations designated as the
29 "Albuquerque Bernalillo County Water Utility Authority Joint Water and Sewer
30 System Improvement Revenue Bonds, Series 2013A" and the "Albuquerque
31 Bernalillo County Water Utility Authority Joint Water and Sewer System Refunding

1 Revenue Bonds, Series 2013B” in the combined original principal amount of
2 \$118,215,000, authorized and issued pursuant to Ordinance No. O-13-2 and
3 Resolution R-13-13 constituting a senior lien on the Net Revenues.

4 SERIES 2014A BONDS. The Senior Obligations designated as the
5 “Albuquerque Bernalillo County Water Utility Authority Senior Lien Joint Water and
6 Sewer System Refunding Revenue Bonds, Series 2014A” in the original principal
7 amount of \$97,270,000, authorized and issued pursuant to Ordinance No. F/S O-14-
8 2 and Resolution F/S R-14-10 constituting a senior lien on the Net Revenues.

9 SERIES 2014B BONDS. The Subordinate Obligations designated as
10 the “Albuquerque Bernalillo County Water Utility Authority Subordinate Lien Joint
11 Water and Sewer System Refunding Revenue Bonds, Series 2014B” in the original
12 principal amount of \$87,005,000, authorized and issued pursuant to Ordinance No.
13 F/S O-14-2 and Resolution F/S R-14-10 constituting a subordinate lien on the Net
14 Revenues.

15 SERIES 2015 BONDS. The Senior Obligations designated as the
16 “Albuquerque Bernalillo County Water Utility Authority Senior Lien Joint Water and
17 Sewer System Refunding and Improvement Revenue Bonds, Series 2015” in the
18 original principal amount of \$211,940,000, authorized and issued pursuant to
19 Ordinance No. O-15-2 and Resolution F/S R-15-6 constituting a senior lien on the
20 Net Revenues.

21 SERIES 2017 BONDS. The Senior Obligations designated as the
22 “Albuquerque Bernalillo County Water Utility Authority Senior Lien Joint Water and
23 Sewer System Refunding and Improvement Revenue Bonds, Series 2017” in the
24 original principal amount of \$87,970,000, authorized and issued pursuant to
25 Ordinance No. O-16-2 and Resolution F/S R-16-13 constituting a senior lien on the
26 Net Revenues.

27 SERIES 2018 BONDS DEBT SERVICE ACCOUNT. An account of the
28 Debt Service Fund established for the deposit of amounts necessary to pay the Debt
29 Service Requirements on the Bonds.

1 SERIES 2018 BONDS ACQUISITION ACCOUNT. An account of the
2 Acquisition Fund established for the deposit of the portion of the proceeds of the
3 Series 2018 Bonds to finance the Project.

4 STATE. The State of New Mexico.

5 SUBORDINATE OBLIGATIONS. The Drinking Water State Revolving
6 Fund Loan Agreement (2008), the Series 2014B Bonds, and all other bonds and
7 other obligations of the Water Authority now or hereafter issued with a lien on the
8 Net Revenues subordinate to the lien of Senior Obligations and superior to the lien
9 of the Super Subordinated Obligations on the Net Revenues.

10 SUPER SUBORDINATED OBLIGATIONS. All other bonds and other
11 obligations of the Water Authority hereafter issued with a lien on the Net Revenues
12 subordinate to the liens of the Senior Obligations and the Subordinate Obligations
13 on the Net Revenues.

14 SYSTEM. The public utility owned by the Water Authority and
15 designated as the Water Authority's water system and sanitary sewer system
16 (continued as a joint utility system in Section 4 of this Bond Ordinance) consisting of
17 all properties, real, personal, mixed or otherwise, now owned or hereafter acquired
18 by the Water Authority, through purchase, construction or otherwise, including all
19 extensions, enlargements and improvements of or to the water and sanitary sewer
20 system and used in connection therewith or relating thereto, and any other related
21 activity or enterprise of the Water Authority designated by the Board as part of the
22 water and sanitary sewer system, whether situated within or without the
23 geographical limits of the Water Authority.

24 SYSTEM OBLIGATIONS. All bonds and other similar indebtedness
25 payable solely or primarily from Net Revenues, including, without limitation, the
26 Senior Obligations, the Subordinate Obligations and the Super Subordinated
27 Obligations.

28 UNDERWRITERS. J.P. Morgan Securities LLC and Robert W. Baird &
29 Co., collectively, as the original purchasers of the Bonds.

1 VARIABLE RATE OBLIGATIONS. System Obligations, including
2 reimbursement obligations pursuant to a Credit Facility, the interest rate on which is
3 subject to change from time to time.

4 WATER AUTHORITY. The Albuquerque Bernalillo County Water
5 Utility Authority created by Section 72-1-10 NMSA 1978 as a joint agency of the City
6 and the County and operating under the name Albuquerque Bernalillo County Water
7 Utility Authority.

8 WATER TRUST BOARD. The board created by Section 72-4A-4
9 NMSA 1978.

10 WATER TRUST BOARD LOANS. As of the date of adoption of the
11 Bond Ordinance, the 2017 loan authorized and approved pursuant to Water
12 Authority Ordinance No. O-16-3 and Resolution No. R-16-14 to the Water Authority
13 by the Water Trust Board, evidenced by that loan agreement #3544-WTB in the
14 amount of \$669,550.

15 (B) RULES OF CONSTRUCTION. For purposes of this Bond
16 Ordinance, unless otherwise expressly provided or unless the context requires
17 otherwise:

18 (1) Unless otherwise stated in this Bond Ordinance, all
19 references in this Bond Ordinance to designated Sections and other subdivisions are
20 to the designated Section and other subdivisions of this Bond Ordinance.

21 (2) The words “herein”, “hereof”, “hereunder”, and “herewith”
22 and other words of similar import in this Bond Ordinance refer to this Bond
23 Ordinance, as a whole, and not to any particular Section or other subdivision.

24 (3) All accounting terms not otherwise defined in this Bond
25 Ordinance have the meanings assigned to them in accordance with generally
26 accepted accounting principles.

27 (4) Words of the masculine gender shall be deemed and
28 construed to include correlative words of the feminine and neuter genders.

29 (5) The headings used in this Bond Ordinance are for
30 convenience of reference only and shall not define or limit the provisions of this
31 Bond Ordinance.

1 (6) Terms in the singular include the plural and vice versa.

2 Section 2. RATIFICATION. All actions previously taken (not inconsistent
3 with the provisions of this Bond Ordinance) by the Board and the officers of the
4 Water Authority, directed toward the authorization, pledge, collection and distribution
5 of the Net Revenues, the Project, and the authorization, issuance and sale of the
6 Bonds are ratified, approved and confirmed.

7 Section 3. FINDINGS.

8 (A) The Water Authority declares that it has considered all relevant
9 information and data and finds that the issuance of the Bonds in one series under
10 the Act in an aggregate principal amount not to exceed \$83,000,000 to finance the
11 Project is necessary and in the interest of the public health, safety and welfare of the
12 residents of the geographic area served by the Water Authority.

13 (B) The Water Authority will finance the Project with the proceeds of
14 the Bonds, together with other funds of the Water Authority, if necessary.

15 (C) It is economically feasible to accomplish the Project by the
16 issuance of the Bonds.

17 (D) The forms of the Bond Purchase Agreement and Preliminary
18 Official Statement as presented to the Board, and the sale of the Bonds to the
19 Underwriters within the parameters set forth in this Bond Ordinance are hereby
20 approved by the Board with the approval of the final terms of the Bonds and final
21 forms of the Bond Purchase Agreement, Preliminary Official Statement, Continuing
22 Disclosure Undertaking delegated to the Delegate or her designee as permitted by
23 Section 6-14-10.2 NMSA 1978. The use and distribution of the Preliminary Official
24 Statement and Official Statement by the Underwriters in connection with the sale of
25 the bonds to the public are hereby ratified, authorized, approved and acknowledged.

26 Section 4. JOINT UTILITY. The System shall continue to be operated and
27 maintained as a joint public utility.

28 Section 5. LIABILITY FOR OUTSTANDING SYSTEM OBLIGATIONS.
29 The Water Authority hereby confirms that, in accordance with Section 72-1-10
30 NMSA 1978, the Water Authority has assumed all of the obligations that were
31 entered into by the City prior to the Water Authority's acquisition of the System and

1 is solely responsible for paying the Debt Service Requirements for all Outstanding
2 System Obligations.

3 Section 6. AUTHORIZATION OF PROJECT; EXPENSES.

4 (A) PROJECT. The Project is hereby authorized and approved.

5 (B) EXPENSES. The payment of Expenses is authorized and
6 approved.

7 (C) PROCEEDS. The net proceeds of the Bonds will be used
8 exclusively to finance the Project including the payment of Expenses.

9 Section 7. THE BONDS.

10 (A) AUTHORIZATIONS; This Bond Ordinance has been adopted
11 by the affirmative vote of at least a majority of all of the members of the Board. For
12 the purpose of protecting the public health, conserving the property, protecting the
13 general welfare and prosperity of the citizens of the geographic area served by the
14 Water Authority, and completing the Project, it is necessary that the Water Authority
15 issue, and the Water Authority is hereby authorized to issue, pursuant to the Act, its
16 negotiable, fully registered bonds designated as the "Albuquerque Bernalillo County
17 Water Utility Authority Senior Lien Joint Water and Sewer System Improvement
18 Revenue Bonds, Series 2018."

19 The Bonds shall be issued in one or more series in the aggregate principal
20 amount not to exceed \$83,000,000, to be used, with other available moneys of the
21 Water Authority, if any, to finance the Project, including the payment of Expenses.

22 (B) DETAILS OF THE BONDS.

23 (1) General. The Bonds shall be issued as fully registered
24 bonds in one or more series and shall be issued to provide funds, together with other
25 available funds of the Water Authority, if any, to finance the Project and to pay
26 Expenses. The Bonds shall be dated the date of issuance of the Bonds (the "Series
27 Date"), and shall be issued in fully registered form only, without coupons, and when
28 issued will be registered in the name of Cede & Co., as nominee of The Depository
29 Trust Company ("DTC"), New York, New York, as registered owner of the Bonds, all
30 as provided in the Bond Ordinance.

31 (2) Interest Payment Date; Interest Rates; Maturities. The

1 Bonds shall bear interest from the most recent date to which interest has been paid
2 or provided for or if no interest has been paid or provided for from the date of the
3 Bonds until maturity or until redeemed if called for redemption prior to maturity. The
4 Bonds shall bear interest payable on each Interest Payment Date, beginning
5 January 1, 2019, at the rates per annum, maturing in the years and amounts, set
6 forth in the Bond Purchase Agreement.

7 (3) Computation of Interest. Interest on Bonds will be
8 computed on the basis of a 360-day year consisting of twelve 30-day months. If,
9 upon presentation at maturity or for prior redemption, payment of the principal
10 amount of any Bond is not made as required by this Bond Ordinance, interest on the
11 unpaid principal amount of such Bond shall continue to accrue at the interest rate
12 stated or described in that Bond until the principal amount of that Bond is paid in full.

13 (4) Priority of Lien on the Net Revenues. The Bonds shall be
14 issued with a lien on the Net Revenues on a parity with the lien of the Senior
15 Obligations on the Net Revenues and a lien superior to the liens of the Subordinate
16 Obligations and the Super Subordinated Obligations on the Net Revenues.

17 (C) BOOK-ENTRY. The Bonds shall be issued or registered in
18 book entry form with no physical distribution of bond certificates made to the public,
19 with a Depository acting as securities depository for the Bonds. A single certificate
20 for each maturity of the Bonds will be delivered to the Depository and immobilized in
21 its custody. The book-entry system will evidence ownership of the Bonds in
22 Authorized Denominations, with transfer of ownership effected on the books of the
23 Depository and its participants (“Participants”). As a condition to delivery of the
24 Bonds, the Underwriters will, immediately after acceptance of delivery thereof,
25 deposit, or cause to be deposited, Bond certificates with the Depository, registered
26 in the name of the Depository or its nominee. Principal of, premium, if any, and
27 interest on the Bonds will be paid to the Depository or its nominee as the registered
28 Owner of the Bonds. The transfer of principal and interest payments to Participants
29 will be the responsibility of the Depository; the transfer of principal and interest
30 payments to the beneficial owners of the Bonds (the “Beneficial Owners”) will be the
31 responsibility of such Participants and other nominees of Beneficial Owners

1 maintaining a relationship with Participants (the “Indirect Participants”). The Water
2 Authority will not be responsible or liable for maintaining, supervising or reviewing
3 the records maintained by the Depository, Participants or Indirect Participants.

4 If (i) the Bonds are not eligible for the services of the Depository, (ii) the
5 Depository determines to discontinue providing its services or (iii) the Water
6 Authority determines that a continuation of the system of book-entry transfers
7 through the Depository ceases to be beneficial to the Water Authority or the
8 Beneficial Owners, the Water Authority will either identify another Depository or
9 certificates will be delivered to Beneficial Owners or their nominees and the
10 Beneficial Owners or their nominees, upon authentication of Bonds and registration
11 of the Bonds in the Beneficial Owners’ or nominees’ names, will become the Owners
12 for all purposes. In either such event, the Water Authority shall mail an appropriate
13 notice to the Depository for notification to Participants, Indirect Participants and
14 Beneficial Owners of the substitute Depository or the issuance of bond certificates to
15 Beneficial Owners or their nominees, as applicable.

16 Authorized Officers are authorized to sign agreements with Depositories
17 relating to the matters set forth in this Section.

18 Notwithstanding any other provision of the Bond Legislation to the contrary,
19 so long as all the Bonds are registered in the name of the Depository or its nominee,
20 all payments with respect to principal of, redemption premium, if any, and interest on
21 the Bonds, and all notices, shall be made and given by the Paying Agent or the
22 Water Authority to the Depository as provided in the Bond Legislation and by the
23 Depository to its Participants and by the Participants or Indirect Participants to the
24 Beneficial Owners.

25 (D) PAYMENT OF THE BONDS. The principal of and premium, if
26 any, on the Bonds shall be payable upon presentation and surrender of the Bonds at
27 the principal office of the Paying Agent at or after their maturity or prior redemption
28 dates. Interest on the Bonds shall be payable by check or draft mailed to the owners
29 (or by such other arrangement as may be mutually agreed to by the Paying Agent
30 and an Owner). The Owner shall be deemed to be that person or entity shown on
31 the registration books for the Bonds maintained by the Registrar at the address

1 appearing in the registration books at the close of business on the applicable Record
2 Date. Interest which is not timely paid or provided for shall cease to be payable to
3 the Owner of the applicable Bonds (or of one or more predecessor Bonds) as of the
4 Record Date, but shall be payable to the Owners of those Bonds (or of one or more
5 predecessor Bonds) at the close of business on a special record date for the
6 payment of the overdue interest. The special record date shall be fixed by the
7 Paying Agent and Registrar whenever money becomes available for payment of the
8 overdue interest and notice of the special record date shall be given to the Owners
9 of the Bonds not less than ten days prior to that date. Payment shall be made in the
10 coin or currency of the United States of America that is at the time of payment legal
11 tender for the payment of public and private debts. If the principal amount of any
12 Bond presented for payment remains unpaid at maturity, the unpaid principal shall
13 bear interest at the rate designated in that Bond. Payments of Bonds shall be made
14 without deduction for exchange or collection charges.

15 The Water Authority shall transfer, or cause to be transferred, funds to the
16 Paying Agent on a timely basis so that the Paying Agent may make payments of the
17 principal of, premium, if any, and interest on the Bonds, when due, to the Owners
18 and comply with the requirements of any Credit Source. The Water Authority shall
19 notify the Paying Agent if there is or will be an insufficient amount of money of the
20 Water Authority legally available to pay principal and interest on the Bonds when
21 due.

22 Section 8. APPOINTMENT OF PAYING AGENT AND REGISTRAR. The
23 Chief Financial Officer of the Water Authority is appointed as the initial Paying Agent
24 and Registrar. The Paying Agent, Authenticating Agent and Registrar shall be the
25 same person.

26 Section 9. REDEMPTION OF BONDS.

27 (A) GENERAL. The Bonds may be subject to redemption prior to
28 their respective maturities on and after the date specified in the Bond Purchase
29 Agreement, at the option of the Water Authority in any order of maturity as
30 determined by the Water Authority, at a redemption price equal to 100% of the
31 principal amount of the Bonds to be redeemed, plus accrued interest to the date of

1 redemption.

2 (B) REDEMPTION CONDITIONAL. Unless money sufficient to pay
3 the principal of and interest on the Bonds to be redeemed at the option of the Water
4 Authority is received by the Paying Agent prior to the giving of notice of redemption
5 in accordance with Section 9.(E), that notice shall state that the redemption is
6 conditional upon the receipt of that money by the Paying Agent by 2:00 p.m. on the
7 redemption date. If an amount sufficient to redeem all Bonds called for redemption
8 is not received by that time (i) the Paying Agent shall redeem only those Bonds for
9 which the redemption price was received and the Bonds to be redeemed shall be
10 selected in the manner set forth in Section 9.(D) and (ii) the redemption notice shall
11 have no effect with respect to those Bonds for which the redemption price was not
12 received and those Bonds shall not be redeemed. The Registrar shall give notice to
13 the Owners of the Bonds which will not be redeemed in the manner in which the
14 notice of redemption was given, identifying the Bonds which will not be redeemed,
15 stating that the redemption did not take place with respect to those Bonds, and the
16 Registrar shall promptly return those Bonds to the Owners thereof as shown on the
17 Bonds register.

18 (C) CANCELLATION AND CREDIT. At its option, to be exercised
19 on or before the 45th day next preceding any mandatory sinking fund redemption
20 date, the Water Authority may irrevocably elect to (a) deliver to the Paying Agent for
21 cancellation Bonds of the same series, interest rate and maturity in any aggregate
22 principal amount and/or (b) receive a credit in respect of its sinking fund redemption
23 obligation for any Bonds of the same series, interest rate and maturity which, prior to
24 said date, have been redeemed (other than through the operation of the sinking
25 fund) and canceled by the Paying Agent and not theretofore applied as a credit
26 against any sinking fund redemption obligation. Each Bond delivered or previously
27 redeemed shall be credited by the Paying Agent as directed by the Water Authority
28 at the principal amount thereof in Authorized Denominations against the amounts
29 required to be paid by the Water Authority on the designated mandatory sinking fund
30 redemption date, and the principal amount of Bonds to be redeemed by operation of
31 such sinking fund on such date shall be reduced by that principal amount.

1 (D) PARTIAL REDEMPTION. If less than all of the Bonds subject
2 to redemption are to be redeemed at any one time, the Bonds to be redeemed shall
3 be selected by the Registrar in the manner and from the maturities designated by
4 the Water Authority. If less than all of the Bonds of a given maturity are redeemed,
5 the Bonds to be redeemed within that maturity shall be selected by lot in such
6 manner as determined by the Registrar. Part of a Bond may be redeemed in an
7 Authorized Denomination if the amount of that Bond which remains outstanding is
8 also in an Authorized Denomination.

9 (E) NOTICE OF REDEMPTION. Notice of redemption of Bonds
10 shall be given by the Registrar by sending a copy of such notice by Electronic
11 Means or by first-class, postage prepaid mail not less than 30 days prior to the
12 redemption date to the Owner of each Bond, or portion thereof, to be redeemed at
13 the address shown as of the fifth day prior to the mailing of notice on the registration
14 books kept by the Registrar and to the Credit Source for the Bonds, if any. The
15 Water Authority shall give the Registrar notice of Bonds to be called for optional
16 redemption at least fifteen (15) days prior to the date that the Registrar is required to
17 give Owners notice of redemption specifying the Bonds or the principal amount
18 thereof to be called for redemption and the applicable redemption date. If the Water
19 Authority has not designated the Bonds to be called for redemption on the dates
20 specified above, the Registrar shall select the Bonds to be redeemed by lot. Neither
21 the Water Authority's failure to give such notice, the Registrar's failure to give such
22 notice to the registered Owner of any Bonds or to any Credit Source, or any defect
23 thereon, nor the failure of the Depository to notify a Participant or any Participant or
24 Indirect Participant to notify a Beneficial Owner of any such redemption, shall affect
25 the validity of the proceedings for the redemption of any Bonds for which proper
26 notice was given.

27 Notices shall specify the CUSIP numbers and maturity date or dates of the
28 Bonds to be redeemed (if less than all Bonds are to be redeemed), the date of or
29 principal amounts of any Bonds to be redeemed in part, the date fixed for
30 redemption, and shall further state that, subject to the terms of Section 9.(B), if
31 applicable, on such redemption date there will become and be due and payable

1 upon each Bond or part thereof to be redeemed at the office of the Paying Agent the
2 principal amount thereof to be redeemed plus accrued interest, if any, to the
3 redemption date and the stipulated premium, if any, and that from and after such
4 date, interest will cease to accrue on those Bonds. In addition to the foregoing
5 notice, the notice of redemption given by the Registrar shall include such additional
6 information, and the Registrar shall comply with any other terms regarding
7 redemption, as are required by any applicable agreement with a Depository.

8 Notice having been given in the manner provided above, subject to the terms
9 of Section 9.(B), the Bonds or part thereof called for redemption shall become due
10 and payable on the redemption date designated and the Bonds or part thereof to be
11 redeemed, for which there was sufficient money on deposit with the Paying Agent,
12 shall not be deemed to be Outstanding and shall cease to bear or accrue interest
13 from and after such redemption date. Upon presentation of a Bond to be redeemed
14 at the office of the Paying Agent on or after the redemption date or, so long as the
15 book-entry system is used for determining beneficial ownership of Bonds, upon
16 satisfaction of the terms of any other arrangement between the Paying Agent and
17 the Depository, the Paying Agent will pay such Bond, or portion thereof called for
18 redemption.

19 The Registrar shall also send a copy of the notice of redemption by Electronic
20 Means, first class mail or overnight delivery to each Depository. Failure to provide
21 notice to any Depository shall not affect the validity of proceedings for the
22 redemption of Bonds.

23 The Water Authority is not required to notify the Registrar of mandatory
24 sinking fund redemption of Bonds.

25 (F) CANCELLATION. All Bonds which have been redeemed or
26 received for transfer shall be canceled and destroyed by the Paying Agent and shall
27 not be reissued and a counterpart of the certificate of destruction shall be furnished
28 by the Paying Agent to the Water Authority.

29 Section 10. REGISTRATION, TRANSFER, EXCHANGE AND OWNERSHIP
30 OF BONDS.

31 (A) REGISTRATION AND EXCHANGE. The Water Authority shall

1 cause books for registration, transfer and exchange of the Bonds to be kept at the
2 principal office of the Registrar. Upon surrender for transfer or exchange of any
3 Bonds at the principal office of the Registrar duly endorsed by the Owner or his
4 attorney duly authorized in writing, or accompanied by a written instrument or
5 instruments of transfer or exchange in form satisfactory to the Registrar and properly
6 executed, the Water Authority shall execute and the Registrar shall authenticate and
7 deliver in the name of the transferee or Owner replacement Bonds of the same
8 maturity, interest rate and aggregate principal amount in Authorized Denominations.

9 (B) OWNERS OF BONDS. The person in whose name any Bond is
10 registered shall be deemed and regarded as its absolute Owner for all purposes,
11 except as may otherwise be provided with respect to the payment of overdue
12 interest on the Bonds in Section 7.(D). Payment of either the principal of or interest
13 on any Bond shall be made only to or upon the order of its Owner or his legal
14 representative. All such payments shall be valid and effectual to satisfy and
15 discharge the liability on Bonds to the extent of the amount paid.

16 (C) LOST BONDS. If any Bond is lost, stolen, destroyed or
17 mutilated, the Registrar shall, upon receipt of such Bond, if mutilated, and the
18 evidence, information or indemnity which the Registrar may reasonably require, if
19 lost, stolen, or destroyed, authenticate and deliver a replacement Bond of the same
20 aggregate principal amount, maturity and interest rate, bearing a number or numbers
21 not then outstanding. If any lost, stolen, destroyed or mutilated Bond has matured or
22 been called for redemption, the Registrar may direct the Paying Agent to pay that
23 Bond in lieu of replacement.

24 (D) CHARGES TO OWNERS. Exchanges and transfers of Bonds
25 shall be made without charge to the Owner or any transferee except that the
26 Registrar may make a charge sufficient to reimburse the Registrar for any tax, fee or
27 other governmental charge required to be paid with respect to that transfer or
28 exchange.

29 (E) LIMITATIONS ON TRANSFER. Except for any Bond which
30 may be and is tendered for purchase, the Registrar shall not be required to transfer
31 or exchange (a) any Bond during the five-day period preceding the mailing of notice

1 calling Bonds, as applicable, for redemption and (b) any Bond called for redemption.

2 Section 11. FILING OF SIGNATURES. Prior to the execution of any Bond
3 pursuant to Sections 6-9-1 to 6-9-6 NMSA 1978, as amended, the Chair, the Vice
4 Chair, the Executive Director and the Secretary of the Water Authority shall each file
5 with the New Mexico Secretary of State his or her manual signature certified by him
6 or her under oath; provided that filing shall not be necessary for any officer where
7 any previous filing may have legal application to the Bonds.

8 Section 12. EXECUTION AND CUSTODY OF BONDS.

9 (A) EXECUTION. The Bonds shall be signed with the facsimile or
10 manual signature of the Chair and the manual or facsimile signature of the Secretary
11 of the Water Authority. Bonds when authenticated and bearing the manual or
12 facsimile signatures of the officers in office at the time of their signing shall be valid
13 and binding obligations of the Water Authority, notwithstanding that before delivery
14 of those Bonds, any or all of the persons who executed those Bonds shall have
15 ceased to fill their respective offices. The Chair, Vice Chair, Executive Director and
16 Board Secretary, at the time of the execution of the Bonds and the signature
17 certificate, each may adopt as and for his or her own facsimile signature, the
18 facsimile signature of his or her predecessor in office if such facsimile signature
19 appears upon any of the Bonds or certificates pertaining to the Bonds. No manual
20 or facsimile signature of an officer of the Water Authority or an Authenticating Agent
21 shall be required if the Bonds are issued in book-entry form without the delivery of
22 any physical securities.

23 (B) CUSTODY. The Authenticating Agent or its designee shall hold
24 in custody all Bonds signed and attested by the Chair, Vice Chair and Executive
25 Director or Secretary until ready for delivery to the Underwriters, transferee or
26 Owner. The Water Authority shall, from time to time, at the written request of the
27 Authenticating Agent, provide the Authenticating Agent an adequate supply of
28 Bonds.

29 (C) AUTHENTICATION. No Bond shall be valid or obligatory for
30 any purpose unless the certificate of authentication has been duly executed by the
31 Authenticating Agent. The Authenticating Agent's certificate of authentication shall

1 be deemed to have been duly executed if manually signed by an Authorized Officer
2 of the Authenticating Agent, but it shall not be necessary that the same officer sign
3 the certificate of authentication on all Bonds.

4 Section 13. NEGOTIABILITY; PREFERENCE. Except as otherwise stated
5 in this Bond Ordinance, the Bonds shall be fully negotiable and shall have all the
6 qualities of negotiable paper and the Owners shall possess all rights enjoyed by the
7 holders of negotiable instruments under the provisions of the State's Uniform
8 Commercial Code -- Investment Securities. All of the Bonds shall in all respects, as
9 to each other, be equally and ratably secured, without preference, priority or
10 distinction on account of the dates or the actual times of their issuance or maturities.

11 Section 14. SPECIAL LIMITED OBLIGATIONS. All of the Bonds and all
12 payments of principal of, premium, if any, and interest on Bonds, and the fees, costs,
13 expenses and other obligations of the Water Authority under the Bond Legislation,
14 the Continuing Disclosure Undertaking, the Bond Purchase Agreement, or any
15 Credit Facility, together with the interest accruing thereon, shall be special limited
16 obligations of the Water Authority and shall be payable, collectible or reimbursable
17 solely from the Net Revenues, Bond proceeds, the earnings thereon and, if a Bond
18 Insurance Policy is issued for the payment of the Bonds, from the proceeds of the
19 policy. The Owners, any Credit Source and obligees under the Bond Legislation or
20 any Credit Facility may not look to any general or other municipal fund for the
21 payment of the principal of, premium, if any, or interest on such obligations or such
22 fees, costs and expenses, except the designated special funds specifically pledged
23 for the Bonds as set forth in or permitted by this Section. None of the Bonds, the
24 Bond Legislation, the Continuing Disclosure Undertaking, or any Credit Facility or
25 such costs, fees and expenses of the Water Authority shall constitute an
26 indebtedness of the Water Authority within the meaning of any constitutional, charter
27 or statutory provision or limitation, nor shall they be considered or held to be general
28 obligations of the Water Authority, and each Bond shall recite that it is payable and
29 collectible solely from the Net Revenues, the proceeds of the Bonds, and, if a Bond
30 Insurance Policy is issued for the payment of the Bonds, from the proceeds of that
31 policy and that the Owners may not look to any general funds of the Water Authority

1 or any City or County fund for the payment of the principal of, premium, if any, or
2 interest on the Bonds.

3 Section 15. SALE OF BONDS; DELEGATION OF AUTHORITY TO
4 APPROVE FINAL TERMS WITHIN THE PARAMETERS SET FORTH HEREIN.

5 The sale of the Bonds in a negotiated sale to the Underwriters within the parameters
6 set forth below and as described in the Bond Purchase Agreement is hereby
7 approved. After the Bonds have been duly executed and authenticated and upon
8 receipt of the purchase price therefor, the Bonds shall be delivered to the
9 Underwriters by an Authorized Officer in accordance with the Bond Purchase
10 Agreement. The final terms of the Bonds shall be within the parameters set forth
11 below:

12 (a) The proceeds of the Bonds shall be used for the Project.

13 (b) The maximum par amount of the Bonds shall not be more than
14 \$83,000,000.

15 (c) The final maturity of the Bonds shall be no later than July 1, 2031.

16 (d) The maximum interest rate on the Bonds shall be no greater than 12%
17 per annum.

18 (e) The Bonds shall be secured by a senior lien on and shall be payable
19 solely from the Net Revenues of the System.

20 (f) The Bonds shall be sold pursuant to a negotiated sale with the
21 Underwriters.

22 (g) The Underwriters' discount shall not exceed 1% of the aggregate
23 principal amount of the Bonds.

24 (h) The Bonds may be subject to optional and/or mandatory sinking fund
25 redemption as set forth in the Bond Purchase Agreement.

26 (i) The Bonds and Bond Purchase Agreement shall be in substantially the
27 forms submitted to the Board with the adoption of this Ordinance.

28 The Delegate is hereby authorized pursuant to this Ordinance to determine
29 the final terms of the Bonds as permitted by Section 6-14-10.2 NMSA 1978 and to
30 execute a Bond Purchase Agreement with the Underwriters in conformance with
31 these parameters.

1 Section 16. FORM OF BONDS. The form of the Bonds shall be
2 substantially as set forth herein, with such terms and provisions as are not
3 inconsistent with the Bond Legislation.

4 **[Form of Bond]**

5 **UNITED STATES OF AMERICA** **STATE OF NEW MEXICO**

6 AS PROVIDED IN THE BOND LEGISLATION REFERRED TO HEREIN, UNTIL
7 THE TERMINATION OF REGISTERED OWNERSHIP OF ALL OF THE BONDS
8 THROUGH THE DEPOSITORY TRUST COMPANY (TOGETHER WITH ANY
9 SUCCESSOR SECURITIES DEPOSITORY APPOINTED PURSUANT TO THE
10 RESOLUTION, "DTC"), AND NOTWITHSTANDING ANY OTHER PROVISION OF
11 THE BOND LEGISLATION TO THE CONTRARY, THE PRINCIPAL AMOUNT
12 OUTSTANDING UNDER THIS BOND MAY BE PAID OR REDEEMED WITHOUT
13 SURRENDER HEREOF TO THE REGISTRAR. DTC OR A TRANSFEREE OR
14 ASSIGNEE OF DTC OF THIS BOND MAY NOT RELY UPON THE PRINCIPAL
15 AMOUNT INDICATED HEREON AS THE PRINCIPAL AMOUNT HEREOF
16 OUTSTANDING AND TO BE PAID. THE PRINCIPAL AMOUNT OUTSTANDING
17 AND TO BE PAID ON THIS BOND SHALL FOR ALL PURPOSES BE THE
18 AMOUNT INDICATED ON THE BOOKS OF THE REGISTRAR.

19 UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE
20 OF DTC TO THE REGISTRAR FOR REGISTRATION OF TRANSFER, EXCHANGE
21 OR PAYMENT, AND ANY BOND ISSUED IS REGISTERED IN THE NAME OF
22 CEDE & CO. OR SUCH OTHER NAME AS REQUESTED BY AN AUTHORIZED
23 REPRESENTATIVE OF DTC AND ANY PAYMENT IS MADE TO CEDE & CO.,
24 ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR
25 OTHERWISE BY OR TO ANY PERSONS IS WRONGFUL SINCE THE
26 REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

27 **ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY AUTHORITY**
28 **SENIOR LIEN JOINT WATER AND SEWER SYSTEM**
29 **IMPROVEMENT REVENUE BONDS**
30 **SERIES 2018**

31 **Bond No. R-_____ \$_____**

1 **INTEREST RATE** **MATURITY DATE** **DATE OF BOND** **CUSIP**
2 ____% per annum _____, 20____ _____, 20____ _____

3 The Albuquerque Bernalillo County Water Utility Authority (the “Water
4 Authority”), a legally and regularly created, established, organized and existing
5 municipal utility under the general laws of the State of New Mexico, for value
6 received, hereby promises to pay, solely from the special funds available for the
7 purpose as hereinafter set forth, to Cede & Co. or registered assigns, no later than
8 the Maturity Date stated above (unless this bond is called for prior redemption, in
9 which case on such redemption date), upon presentation and surrender hereof at
10 the principal office of the chief financial officer of the Water Authority as paying
11 agent, or any successor paying agent (the “Paying Agent”), the sum of
12 _____ DOLLARS (\$_____) and to pay from said sources interest on the
13 unpaid principal amount at the Interest Rate stated above on January 1, 2019, and
14 on January 1 and July 1 of each year (each an “Interest Payment Date”) thereafter to
15 its maturity, or until redeemed if called for redemption prior to maturity. This bond
16 will bear interest from the most recent date to which interest has been paid or
17 provided for or, if no interest has been paid or provided for, from its date. Interest on
18 this bond is payable by check mailed to the registered owner hereof (or by such
19 other arrangement as may be mutually agreed to by the Paying Agent and the
20 registered owner) as shown on the registration books for this issue maintained by
21 the chief financial officer of the Water Authority as registrar, or any successor
22 registrar (the “Registrar”) at the address appearing therein at the close of business
23 on the fifteenth day of the calendar month next preceding the Interest Payment Date
24 (the “Record Date”). Any interest which is not timely paid or duly provided for shall
25 cease to be payable to the owner hereof as of the Record Date but shall be payable
26 to the owner hereof at the close of business on a special record date to be fixed by
27 the Paying Agent for the payment of interest. The special record date shall be fixed
28 by the Paying Agent whenever moneys become available for payment of the
29 overdue interest, and notice of the special record date shall be given to owner of the
30 Bonds (defined below) as then shown on the Registrar’s registration books not less
31 than ten days prior to the special record date. If, upon presentation at maturity or

1 redemption, payment of this bond is not made as herein provided, interest hereon
2 shall continue at the Interest Rate stated above until the principal hereof is paid in
3 full. The principal, premium, if any, and interest on this bond are payable in lawful
4 money of the United States of America, without deduction for the services of the
5 Paying Agent or the Registrar.

6 This bond is one of a duly authorized issue of fully registered bonds of the
7 Water Authority in the principal amount of \$83,000,000, issued in denominations of
8 \$5,000 or integral multiples thereof, designated as Albuquerque Bernalillo County
9 Water Utility Authority Senior Lien Joint Water and Sewer System Improvement
10 Revenue Bonds, Series 2018 (the "Bonds"), issued under and pursuant to
11 Ordinance No. O-18-__ adopted September 19, 2018 and Confirming Resolution
12 No. R-18-__ adopted September 19, 2018 (collectively, the "Bond Legislation").

13 The Bonds are subject to prior redemption as more particularly described
14 below:

15 Optional Redemption. Bonds maturing on and after July 1, __ are subject to
16 redemption on any date, in whole or in part, at the option of the Water Authority,
17 prior to their respective maturities on or after July 1, ___ at a price equal to 100% of
18 the principal amount of the Bonds redeemed, plus accrued interest to the date of
19 redemption.

20 Notice of redemption of this bond, or any portion of this bond, will be given by
21 providing at least 30 days prior written notice by Electronic Means or by first-class
22 mail, postage prepaid, to the owner hereof at the address shown on the registration
23 book as of the fifth day prior to the mailing of notice as provided in the Bond
24 Legislation. Notice of redemption will specify the amount being redeemed, and shall
25 further state that on such redemption date there will become and be due and
26 payable upon each Bond to be redeemed at the office of the Paying Agent the
27 principal amount thereof plus accrued interest to the redemption date and the
28 stipulated premium, if any, and that from and after such date, the redemption
29 amount having been deposited and notice having been given, interest will cease to
30 accrue.

1 Books for the registration and transfer of the Bonds shall be kept by the
2 Registrar. Upon the surrender for transfer or exchange of this bond at the principal
3 office of the Registrar, duly endorsed or accompanied by an assignment duly
4 executed by the registered owner or his attorney duly authorized in writing, the
5 Registrar shall authenticate and deliver, not more than three (3) business days after
6 receipt of the Bond or Bonds to be transferred, in the name of the transferee or
7 owner a new Bond or Bonds in fully registered form of the same aggregate principal
8 amount, maturity and interest rate. Exchanges and transfers of the Bonds shall be
9 without charge to the owner or any transferee, but the Registrar may require the
10 payment by the owner of any Bonds of any tax or other similar governmental charge
11 required to be paid with respect to such exchange or transfer. The Registrar shall
12 not be required (i) to transfer or exchange any Bond during the period of five days
13 next preceding the mailing of notice calling any Bond for redemption, or (ii) to
14 transfer or exchange any Bond or part thereof called for redemption. The Registrar
15 will close books for change of registered owners' addresses on each Record Date;
16 transfers will be permitted within the period from each Record Date to each interest
17 payment date, but such transfers shall not include a transfer of accrued interest
18 payable.

19 The person in whose name any Bond is registered on the registration books
20 kept by the Registrar shall be deemed and regarded as the absolute owner thereof
21 for the purpose of making payment thereof and for all other purposes except as may
22 otherwise be provided with respect to payment of overdue interest in the Bond
23 Legislation; and payment of or on account of either principal or interest on any Bond
24 shall be made only to or upon the written order of the registered owner thereof or his
25 legal representative. All such payments shall be valid and effectual to discharge the
26 liability upon such Bond to the extent of the sum or sums so paid.

27 If any Bond shall be lost, stolen, destroyed or mutilated, the Registrar will,
28 upon receipt of such Bond, if mutilated, and such evidence, information or indemnity
29 relating thereto as the Registrar may reasonably require, if lost, stolen or destroyed,
30 authenticate and deliver a replacement Bond or Bonds of a like aggregate principal
31 amount and of the same maturity and interest rate, bearing a number or numbers

1 not contemporaneously outstanding. If such lost, stolen, destroyed or mutilated
2 Bond shall have matured or have been called for redemption, the Registrar may
3 direct the Paying Agent to pay such Bond in lieu of replacement.

4 This bond does not constitute an indebtedness of the Water Authority within
5 the meaning of any constitutional or statutory provision or limitation, shall not be
6 considered or held to be a general obligation of the Water Authority, and is payable
7 and collectible solely from the Net Revenues (as defined in the Bond Legislation),
8 and the bondholders may not look to any general or other Water Authority fund other
9 than those described above for the payment of the interest and principal of this
10 bond. Additional bonds may be issued and made payable from the Net Revenues
11 upon satisfaction of the conditions set forth in the Bond Legislation, having a lien
12 thereon either on a parity with or junior to the lien of the Bonds on the Net
13 Revenues.

14 The Bonds are issued to provide funds for (i) acquiring additional System
15 assets, extending, repairing, replacing and improving the Water Authority's System
16 and (ii) the payment of Expenses relating to the issuance of the Bonds.

17 The Water Authority covenants and agrees with the owner of this bond and
18 with each and every person who may become the owner hereof that it will keep and
19 perform all of the covenants of the Bond Legislation.

20 This bond is subject to the condition, and every owner hereof by accepting
21 the same agrees with the obligor and every subsequent owner hereof, that the
22 principal of and interest on this bond shall be paid, and this bond is transferable, free
23 from and without regard to any equities, set-offs or crossclaims between the obligor
24 and the original or any other owner hereof.

25 It is hereby certified that all acts and conditions necessary to be done or
26 performed by the Water Authority or to have happened precedent to and in the
27 issuance of the Bonds to make them legal, valid and binding special obligations of
28 the Water Authority, have been performed and have happened as required by law,
29 and that the Bonds do not exceed or violate any constitutional or statutory limitation
30 of or pertaining to the Water Authority.

1 This bond shall not be valid or obligatory for any purpose until the
2 Authenticating Agent shall have manually signed the Certificate of Authentication of
3 this bond.

4 **IN WITNESS WHEREOF**, the Water Authority has caused this bond to be
5 signed and executed on the Water Authority's behalf with the manual or facsimile
6 signature of the Chair of the Board and to be countersigned with the manual or
7 facsimile signature of the Secretary, all as of the Date of Bond.

8 **ALBUQUERQUE BERNALILLO COUNTY**
9 **WATER UTILITY AUTHORITY**

10
11 **By:** _____
12 **Chair**

13
14 **ATTEST:**

15 **By:** _____
16 **Secretary**

17
18 **[FORM OF CERTIFICATE OF AUTHENTICATION]**

19
20 This is one of the Bonds described in the Bond Legislation, and this bond has
21 been registered on the registration books kept by the undersigned as Registrar for
22 the Bonds.

23 **CHIEF FINANCIAL OFFICER,**
24 **ALBUQUERQUE BERNALILLO COUNTY**
25 **WATER UTILITY AUTHORITY, AS**
26 **REGISTRAR**

27
28 **Dated:** _____

29 **By:** _____
30 **Authorized Signature**

31 **[FORM OF ASSIGNMENT]**

1 FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers
2 unto

3 _____
4 (Social Security or Federal Taxpayer Identification Number)

5 _____
6 _____
7 (Please print or typewrite Name and Address, including Zip Code, of Assignee)

8
9 the within bond and all rights thereunder, and hereby irrevocably constitutes and
10 appoints the Registrar under the Bond Legislation as Attorney to register the transfer
11 of the within bond on the books kept for registration thereof, with full power of
12 substitution in the premises.

13 Dated: _____

14 NOTICE: The signature of the
15 registered owner to this assignment
16 must correspond with the name as it
17 appears on the face of the within
18 bond in every particular, without
19 alteration or enlargement or any
20 change whatsoever.

21 Signature guaranteed by:
22 _____

23 NOTICE: Signature guarantee
24 should be made by a guarantor
25 institution participating in the
26 Securities Transfer Agents Medallion
27 Program or in such other guarantee
28 program acceptable to the Registrar.

29 **[END OF FORM OF BOND]**

30 Section 17. PERIOD OF IMPROVEMENT PROJECT'S USEFULNESS.
31 The useful life of the Improvement Project exceeds the final maturity date of the

1 Bonds.

2 Section 18. USE OF PROCEEDS; UNDERWRITERS NOT RESPONSIBLE.

3 (A) USE OF PROCEEDS.

4 (1) The Board, having been informed of and having
5 considered all pertinent facts and circumstances, does hereby find and determine
6 and declare that proceeds from the sale of the Bonds shall be appropriated and
7 deposited as follows:

8 (a) Proceeds of the Bonds in an amount set forth in
9 the Bond Purchase Agreement will be deposited into the Expense Account to pay
10 Expenses associated with the Bonds, with any amounts not expended within ninety
11 (90) days to be deposited into the Series 2018 Bonds Debt Service Account.

12 (b) Proceeds of the Bonds designated in the Bond
13 Purchase Agreement for the payment of interest will be deposited into the Series
14 2018 Bonds Debt Service Account.

15 (c) Proceeds of the Bonds in an amount set forth in
16 the Bond Purchase Agreement will be deposited to the Acquisition Fund created
17 herein and shall be applied to the Improvement Project. Any amounts remaining in
18 the Series 2018 Bonds Acquisition Account after the Completion Date shall be
19 transferred to the Series 2018 Bonds Debt Service Account and used by the Water
20 Authority for the payment of the principal of or interest next coming due on the
21 Bonds.

22 (d) Proceeds of the Bonds in an amount set forth in
23 the Bond Purchase Agreement shall be used to pay and is appropriated for the
24 payment of Underwriters' discount.

25 The Executive Director of the Water Authority is hereby authorized to make
26 any necessary adjustments in the amounts to be deposited in the funds and
27 accounts described in this Section on the date of delivery of the Bonds.

28 (B) UNDERWRITERS NOT RESPONSIBLE. The Underwriters
29 shall not be responsible for the application or use by the Water Authority of the
30 proceeds of Bonds.

31 Section 19. APPROVAL OF DOCUMENTS AND USE OF DISCLOSURE

1 DOCUMENTS.

2 (A) APPROVAL OF DOCUMENTS. The Chair or other Authorized
3 Officer is authorized to execute, and the Board Secretary is authorized and directed
4 to attest, as applicable, the Preliminary Official Statement, the Official Statement, the
5 Bond Purchase Agreement, and the Continuing Disclosure Undertaking in
6 substantially the forms presented or described to the Board with this Bond
7 Ordinance, with such changes as are not inconsistent with the terms of the Bond
8 Legislation and as are approved by the Chair or other Authorized Officer, the
9 execution or acceptance of delivery thereof to constitute conclusive evidence of the
10 approval of any and all changes or revisions from the form of any document now or
11 hereafter before the Board. Any changes in any such documents inconsistent with
12 the terms of the Bond Legislation shall be approved by the Board by subsequent
13 ordinance or resolution of the Board. The officers, agents and employees of the
14 Water Authority are authorized, empowered and directed to do all such acts and
15 things and to execute all such documents as may be necessary to carry out and
16 comply with the provisions of the Preliminary Official Statement, the Official
17 Statement, the Bond Purchase Agreement and the Continuing Disclosure
18 Undertaking.

19 (B) DISCLOSURE DOCUMENT. The use and distribution of the
20 Preliminary Official Statement and the Official Statement (with terms which are not
21 inconsistent with the Bond Legislation) by the Underwriters in connection with the
22 sale and issuance of the Bonds are hereby authorized and ratified.

23 (C) FURTHER ACTS. The officers, agents and employees of the
24 Water Authority are hereby authorized and empowered to do all acts and things and
25 to execute all documents, including separate agreements with the Paying Agent and
26 Registrar, if necessary, to carry out and comply with the provisions of the Bond
27 Legislation and the related documents.

28 Section 20. FUNDS AND ACCOUNTS.

29 (A) JOINT WATER AND SEWER FUND. The Water Authority shall
30 continue the Joint Water and Sewer Fund as a separate, distinct and segregated
31 fund. As long as the Bonds are outstanding, all Gross Revenues shall continue to be

1 set aside and credited to the Joint Water and Sewer Fund.

2 (B) DEBT SERVICE FUND AND ACCOUNTS. The Water Authority
3 shall continue the Debt Service Fund as a separate, distinct and segregated fund for
4 the deposit of Net Revenues for the payment of System Obligations. The Water
5 Authority shall continue the Expense Account as part of the Debt Service Fund.
6 Money on deposit or credited to the Expense Account shall be used for the purpose
7 of payment of Expenses. The Water Authority shall establish the Series 2018 Bonds
8 Debt Service Account as a separate account of the Debt Service Fund.

9 (C) RATE STABILIZATION FUND. The Water Authority shall
10 continue the Rate Stabilization Fund as a separate, distinct and segregated fund for
11 the purposes described in Section 21.(E).

12 (D) ACQUISITION FUND. The Water Authority shall continue the
13 Acquisition Fund as a separate, distinct and segregated fund. The Water Authority
14 shall establish the Series 2018 Bonds Acquisition Account as a separate account in
15 the Acquisition Fund for the deposit of a portion of the proceeds of the Bonds to
16 finance the Improvement Project. The Water Authority may establish separate
17 subaccounts in the Acquisition Fund for the payment of Improvement Project costs
18 and capitalized interest, if any, and for other purposes permitted by the Bond
19 Legislation.

20 Section 21. ADMINISTRATION OF JOINT WATER AND SEWER FUND.

21 (A) USE OF GROSS REVENUES. As long as any Bonds are
22 outstanding, all Gross Revenues shall continue to be deposited in the Joint Water
23 and Sewer Fund and transferred from that fund to the following funds and accounts
24 or for payment of the following amounts in the order listed:

25 (1) Operation And Maintenance Expenses. A sufficient
26 amount of Gross Revenues shall be set aside each month to be used to pay the
27 current Operation and Maintenance Expenses as they become due.

28 (2) Debt Service Accounts for Senior Obligations. Net
29 Revenues shall be transferred to the Debt Service Accounts established for Senior
30 Obligations to pay Debt Service Requirements on Senior Obligations, as they
31 become due, including amounts owed to any Credit Source to reimburse that Credit

1 Source for the payments of Debt Service Requirements on Senior Obligations.

2 (3) Reserve Accounts for Senior Obligations. Net Revenues
3 shall be transferred to a Reserve Account, if any, to the extent that amounts on
4 deposit in that Reserve Account are less than the amount (including coverage
5 available under any applicable Reserve Account Surety Bond) required to be on
6 deposit therein. The Net Revenues deposited shall be used first to reimburse the
7 Credit Source for the proceeds of a Reserve Account Surety Bond used to pay Debt
8 Service Requirements, second to replace money drawn from the Reserve Account
9 and third to pay the Credit Source interest accrued and owed on amounts advanced
10 pursuant to the Reserve Account Surety Bond.

11 (4) Debt Service Accounts For Subordinate Obligations. Net
12 Revenues shall be transferred to the Debt Service Accounts established for
13 Subordinate Obligations to pay Debt Service Requirements on Subordinate
14 Obligations, as they become due, including amounts owed to any Credit Source to
15 reimburse that Credit Source for the payments of Debt Service Requirements on
16 Subordinate Obligations.

17 (5) Reserve Accounts for Subordinate Obligations. Net
18 Revenues shall be transferred to a Reserve Account, if any, to the extent that
19 amounts on deposit in that Reserve Account are less than the amount (including
20 coverage available under any applicable Reserve Account Surety Bond) required to
21 be on deposit therein. The Net Revenues deposited shall be used first to reimburse
22 the Credit Source for the proceeds of a Reserve Account Surety Bond used to pay
23 Debt Service Requirements, second to replace money drawn from the Reserve
24 Account and third to pay to the Credit Source interest accrued and owed on amounts
25 advanced pursuant to the Reserve Account Surety Bond.

26 (6) Super Subordinated Obligations. Net Revenues shall be
27 used to pay Debt Service Requirements on Super Subordinated Obligations, and to
28 fund any Reserve Requirement for Super Subordinated Obligations.

29 (7) Rate Stabilization Fund. At the option of the Water
30 Authority, Net Revenues may be transferred to the Rate Stabilization Fund to be
31 used for the purposes stated in Section 21.(E).

1 (8) Surplus Net Revenues. Surplus Net Revenues shall be
2 retained in the Joint Water and Sewer Fund or used for any other lawful System
3 purpose including, but not limited to, redeeming or purchasing System Obligations or
4 paying costs and expenses of the Water Authority relating to the administration of
5 System Obligations.

6 (9) Accumulation Of Revenues. Net Revenues need not be
7 retained for any use or in any fund or account described in Section 21.(A) in excess
8 of the Net Revenues required for any current use or deposit. For the purposes of
9 this subparagraph, the term “current” shall mean the month during which the Net
10 Revenues are being distributed and the immediately following month.

11 (B) SERIES 2018 BONDS DEBT SERVICE ACCOUNT. Net
12 Revenues shall be transferred to the Series 2018 Bonds Debt Service Account
13 sufficient to pay when due the Debt Service Requirements on the Bonds.

14 (1) Except as stated in this Section 21.(B)(1) and in Section
15 21.(D), substantially equal monthly deposits of Net Revenues shall be made to the
16 Series 2018 Bonds Debt Service Account beginning six months before each Interest
17 Payment Date in order to make the next payment of interest on the Bonds when
18 due. However, if the first Interest Payment Date for the Bonds is less than six
19 months after the date of the original issuance of the Bonds, substantially equal
20 monthly deposits of Net Revenues before the first Interest Payment Date shall begin
21 in the first full month following the date of issuance of the Bonds in order to make the
22 first payment of interest on the Bonds when due.

23 (2) Except as stated in this Section 21.(B)(2) and in Section
24 21.(D), substantially equal monthly deposits of Net Revenues shall be made to the
25 Series 2018 Bonds Debt Service Account beginning 12 months before each
26 Principal Payment Date for the Bonds payable from such account in order to make
27 the next scheduled payment of principal on the Bonds when due at maturity.
28 However, if the first principal payment date for the Bonds is less than thirteen
29 months after the date of the original issuance of the Bonds, substantially equal
30 monthly deposits of Net Revenues before the first principal payment date shall begin
31 in the first full month following the date of issuance of the Bonds in order to make the

1 first payment of principal on the Bonds when due at maturity.

2 If in the month immediately preceding any payment date for the Bonds, the
3 Water Authority determines that there are not sufficient funds accumulated in the
4 Series 2018 Bonds Debt Service Account to pay the amount becoming due on that
5 payment date, the Water Authority shall promptly deposit any available Net
6 Revenues in the Series 2018 Bonds Debt Service Account in an amount equal to the
7 deficiency. If, prior to any payment date for the Bonds, there has accumulated in the
8 Series 2018 Bonds Debt Service Account the entire amount necessary to pay the
9 amount becoming due on the Bonds payable from such account on that payment
10 date, no additional Net Revenues need be deposited in the Series 2018 Bonds Debt
11 Service Account prior to that payment date. In making the determinations permitted
12 by this paragraph, the Water Authority may take into account the amount on deposit
13 in any other fund or account or escrow relating to the Bonds irrevocably set aside for
14 the next payment of the Bonds.

15 Amounts on deposit in the Series 2018 Bonds Debt Service Account shall be
16 applied first to the payment of interest and then to pay or satisfy any payment of
17 principal on the respective Bonds. Except as provided in Section 21.(D), money in
18 the Series 2018 Bonds Debt Service Account shall be used only to pay the Debt
19 Service Requirements on the Bonds. Transfers of amounts equal to the periodic
20 Debt Service Requirements on the Bonds shall be made by the Water Authority on a
21 timely basis to the Paying Agent.

22 (C) RESERVE ACCOUNTS FOR BONDS. At the time of initial
23 delivery of the Bonds, no Reserve Account will be established with respect to the
24 Bonds.

25 (D) TERMINATION UPON DEPOSITS RELATING TO THE BONDS
26 TO MATURITY. No payments need be made into the Series 2018 Bonds Debt
27 Service Account if the amount in the Series 2018 Bonds Debt Service Account is not
28 less than the Debt Service Requirements due and to become due on and before the
29 final maturity date of the Bonds, both accrued and not accrued, and all proceeds
30 paid under any Credit Facility for the Bonds have been reimbursed. The money
31 retained in that account shall be used only to pay the Debt Service Requirements on

1 the Bonds when due except that any money on deposit in the Series 2018 Bonds
2 Debt Service Account which is not necessary to pay such Debt Service
3 Requirements shall be used as surplus Net Revenues in accordance with Section
4 21.(A)(8) of this Bond Ordinance.

5 (E) RATE STABILIZATION FUND. Money on deposit in the Rate
6 Stabilization Fund may be withdrawn at any time and used for any purpose for which
7 Gross Revenues may be used.

8 (F) PRO RATA DEPOSITS. If the amount of Net Revenues
9 available for deposit in the Debt Service Fund is not sufficient to pay the entire
10 amount required to be deposited in the Debt Service Accounts and/or Reserve
11 Accounts for System Obligations, the Net Revenues available shall be deposited in
12 the Debt Service Accounts and Reserve Accounts pro rata based upon the amount
13 required to be deposited in each account to the total Net Revenues available for
14 deposit but with the priorities established in Section 21.(A).

15 With respect to each applicable series of System Obligations,
16 reimbursements owed to a Credit Source for amounts used to pay Debt Service
17 Requirements on those System Obligations shall be paid on the same pro rata basis
18 and with the same priority as are amounts to be deposited in the Debt Service
19 Account or Reserve Account, as applicable, for those System Obligations; provided
20 that such reimbursements for payments of Debt Service Requirements made
21 pursuant to a Credit Facility shall be made with the priorities established in Section
22 21.(A).

23 (G) VARIABLE RATE OBLIGATIONS. In making computations
24 required by this Section, interest on Variable Rate Obligations which cannot be
25 computed exactly shall be deemed to bear the interest rate required by the definition
26 of Debt Service Requirements in the Bond Legislation. To determine the amount
27 required to be on deposit in any Debt Service Account for the payment of interest,
28 computations of the interest rate on Variable Rate Obligations shall be made
29 whenever there is a change in the interest rate on the applicable Variable Rate
30 Obligations except that the computation need not be made more often than once in
31 any month.

1 Section 22. TRANSFERS TO PAY PRINCIPAL OF, PREMIUM, IF ANY,
2 AND INTEREST ON THE BONDS; PAYMENT OF EXPENSES.

3 (A) TRANSFER TO PAYING AGENT. The Water Authority shall
4 transfer the funds set aside pursuant to Section 21 for the payments of Debt Service
5 Requirements on the Bonds to the Paying Agent on or before the date on which
6 each such payment is due.

7 (B) EXPENSES. The Water Authority or its designee shall pay, or
8 cause to be paid, all Expenses directly to the party entitled thereto.

9 Section 23. GENERAL ADMINISTRATION OF FUNDS. The funds and
10 accounts designated in Sections 20 and 21 shall be administered as follows:

11 (A) INVESTMENT OF MONEY. To the extent practicable, any
12 money in any such fund or account shall be invested in Permitted Investments,
13 provided however that money in the Escrow Fund shall be invested only as provided
14 in the Escrow Agreement. Obligations purchased as an investment of money in any
15 fund or account shall be deemed at all times to be part of that fund or account, and
16 the interest accruing and any profit realized on those Investments shall be credited
17 to that fund or account, unless otherwise stated in the Bond Legislation or related
18 document (subject to withdrawal at any time for the uses directed and permitted for
19 such money by the Bond Legislation and related documents), and any loss resulting
20 from such investment shall be charged to that fund or account. The custodian for
21 any such fund or account shall present for redemption or sale on the prevailing
22 market any Permitted Investment in a fund or account when necessary to provide
23 money to meet a required payment or when required to be transferred from that fund
24 or account.

25 (B) DEPOSITS OF FUNDS. The money and investments which are
26 part of the funds and accounts designated in Sections 20 and 21 shall be maintained
27 and kept in an Insured Bank or Banks, or otherwise in Permitted Investments or may
28 be held in book-entry form in the name of the Water Authority by an agent or
29 custodian of or for the Water Authority for the benefit of the Water Authority, as
30 permitted by State law and the money and investments deposited in the Escrow
31 Fund shall be held by the Escrow Agent. Each payment or deposit shall be made

1 into and credited to the proper fund or account at the designated time, except that
2 when the designated time is not a Business Day, then the payment shall be made on
3 the next succeeding Business Day unless otherwise required in the Bond Legislation
4 or related documents. The Water Authority may establish one or more accounts in
5 Insured Banks for all of the funds and accounts or combine such funds and accounts
6 with any other Insured Bank account or accounts for other funds and accounts of the
7 Water Authority.

8 (C) VALUATION OF INVESTMENTS. In the computation of the
9 amount in any account or fund for any purpose under the Bond Legislation, except
10 as otherwise expressly provided in the Bond Legislation, Permitted Investments
11 shall be valued according to the accounting standards applicable to the Water
12 Authority and the Board's investment policy.

13 Section 24. CREDIT FACILITY.

14 (A) CREDIT FACILITY FOR PAYMENT OF THE BONDS.
15 Payments of all or any part of the principal of and interest on the Bonds may be
16 guaranteed by a Credit Source.

17 (B) CHANGES TO INSURANCE TERMS. Terms and provisions
18 with respect to any Credit Facility for the Bonds, in addition to those set forth in the
19 Bond Legislation, shall be as set forth in the Credit Facility.

20 (C) CONSENT OF CREDIT SOURCE. Any provision of the Bond
21 Legislation expressly recognizing or granting rights in or to a Credit Source may not
22 be amended in any manner which affects the rights of the Credit Source without the
23 prior written consent of that Credit Source.

24 (D) ADVERSE EFFECT ON OWNERS. In determining whether the
25 rights of the Owners will be adversely affected by any action taken pursuant to the
26 terms and provisions of the Bond Legislation, the Water Authority shall consider the
27 effect on the Owners as if there were no Bond Insurance Policy or Reserve Account
28 Surety Bond in effect.

29 (E) CREDIT FACILITY. The rights and obligations of any Credit
30 Source under any Credit Facility shall be as set forth in the Bond Legislation or the
31 Credit Facility but shall not exceed any of the limitations included in the Bond

1 Legislation. The Water Authority shall promptly notify any rating agency then rating
2 the Bonds of changes to the terms of a Credit Facility.

3 Section 25. PLEDGE OF NET REVENUES AND LIEN OF THE BONDS.

4 The Net Revenues are hereby pledged for the payment of the Bonds, the
5 reimbursement of obligations of the Water Authority for the proceeds of any Credit
6 Facility used to pay Debt Service Requirements on the Bonds and for the other
7 payment obligations of the Water Authority set forth in the Bond Legislation, and
8 such payments and obligations of the Water Authority shall continue to have an
9 irrevocable senior lien (but not an exclusive senior lien) upon the Net Revenues, on
10 a parity with the Outstanding Senior Obligations and senior to the Subordinate
11 Obligations and the Super Subordinate Obligations until paid. Net Revenues shall
12 be applied to the payment of such payments and obligations with the priorities set
13 forth in Section 21.(A).

14 Section 26. ESTABLISHMENT OF PRIORITIES OF THE BONDS. Except

15 as set forth in the Bond Legislation, the Bonds from time to time Outstanding shall
16 not be entitled to any priority one over the other in the application of the Net
17 Revenues, regardless of the time or times of their issuance.

18 Section 27. ADDITIONAL SYSTEM OBLIGATIONS.

19 (A) LIMITATIONS UPON ISSUANCE OF SYSTEM OBLIGATIONS.

20 Subject to the limitations of this Section and Section 28, nothing in this Bond
21 Ordinance shall be construed to prevent the issuance by the Water Authority of
22 additional System Obligations.

23 (B) ADDITIONAL PARITY SENIOR OBLIGATIONS. The tests

24 required in this Section 27.(B) shall be performed without adjustment for payments
25 to or withdrawals from the Rate Stabilization Fund or interest accrued in an
26 acquisition account for any Outstanding System Obligations. Except as permitted by
27 Section 28, prior to the issuance of additional Senior Obligations, the Water
28 Authority shall be current in making all deposits required by Section 21 and the
29 following test shall be satisfied:

30 (1) The Net Revenues for the Historic Test Period shall have

31 been sufficient to pay an amount representing at least 133% of the maximum

1 combined annual Debt Service Requirements of only the Outstanding Senior
2 Obligations and the terms of either subparagraph 2(a) or 2(b) of this Section 27.(B)
3 shall be satisfied.

4 (2) (a) Using the fees and rates for use of the System on
5 the date of computation, or assuming that any new schedule of fees and rates
6 approved by the Water Authority during or after the Historic Test Period was in effect
7 during the entire Historic Test Period, the Net Revenues which were or would have
8 been received during that Historic Test Period shall have been sufficient to pay an
9 amount representing at least 133% of the maximum combined annual Debt Service
10 Requirements on the Outstanding Senior Obligations and the Senior Obligations
11 proposed to be issued; or

12 (b) The projected Net Revenues for the Prospective
13 Test Period shall be sufficient to pay an amount representing at least 133% of the
14 maximum combined annual Debt Service Requirements on the Outstanding Senior
15 Obligations and the Senior Obligations proposed to be issued. To determine if the
16 annual Net Revenues are sufficient for the purposes of the preceding sentence, the
17 Net Revenues projected for the applicable Prospective Test Period shall be
18 determined by applying the rates for use of the System approved by the Board at the
19 time of computation to be in effect during the Prospective Test Period to the
20 proposed number of connections to the System after giving effect to the purchase,
21 expansion or improvement of the System or the acquisition of an existing water and
22 sanitary sewer system.

23 (C) ADDITIONAL SUBORDINATE OBLIGATIONS. The tests
24 required in this Section 27.(C) shall be performed without adjustment for payments
25 to or withdrawals from the Rate Stabilization Fund or interest accrued in an
26 acquisition account for Outstanding System Obligations. So long as the Series
27 2009A-1 Bonds, Series 2013A&B Bonds, Drinking Water State Revolving Fund Loan
28 Agreement (2009), and Public Project Revolving Fund Loan Agreement (2011) are
29 Outstanding, the Water Authority shall be required to meet all three tests established
30 in this paragraph; after such Senior Obligations listed above are no longer
31 Outstanding, the Water Authority shall be required to only meet the tests set forth in

1 (i) and (iii) of the following sentence, and the test set forth in (ii) of the following
2 sentence shall have no further force or effect when additional Subordinate
3 Obligations are issued by the Water Authority. Except as permitted by Section 28,
4 prior to the issuance of additional Subordinate Obligations, the Water Authority (i)
5 shall be current in making all deposits required by Section 21, (ii) shall satisfy the
6 test set forth in paragraph (B) of this Section 27 related to the issuance of additional
7 Senior Obligations, and (iii) shall satisfy the following test:

8 (1) The Net Revenues for the Historic Test Period shall have
9 been sufficient to pay an amount representing at least 120% of the maximum
10 combined annual Debt Service Requirements of only the Outstanding Senior
11 Obligations and the Outstanding Subordinate Obligations and the terms of either
12 subparagraph 2(a) or 2(b) of this Section 27.(C) shall be satisfied.

13 (2) (a) Using the fees and rates for use of the System on
14 the date of computation, or assuming that any new schedule of fees and rates
15 approved by the Water Authority during or after the Historic Test Period was in effect
16 during the entire Historic Test Period, the Net Revenues which were or would have
17 been received during that Historic Test Period shall have been sufficient to pay an
18 amount representing at least 120% of the maximum combined annual Debt Service
19 Requirements on the Outstanding Senior Obligations and the Outstanding
20 Subordinate Obligations and the Subordinate Obligations proposed to be issued; or

21 (b) The projected Net Revenues for the Prospective
22 Test Period shall be sufficient to pay an amount representing at least 120% of the
23 maximum combined annual Debt Service Requirements on the Outstanding Senior
24 Obligations and the Outstanding Subordinate Obligations and the Subordinate
25 Obligations proposed to be issued. To determine if the annual Net Revenues are
26 sufficient for the purposes of the preceding sentence, the Net Revenues projected
27 for the applicable Prospective Test Period shall be determined by applying the rates
28 for use of the System approved by the Board at the time of computation to be in
29 effect during the Prospective Test Period to the proposed number of connections to
30 the System after giving effect to the purchase, expansion or improvement of the
31 System or the acquisition of an existing water and sanitary sewer system.

1 (D) CERTIFICATES. In determining whether additional Senior
2 Obligations may be issued pursuant to Section 27.(B) or additional Subordinate
3 Obligations may be issued pursuant to Section 27.(C), a written certificate or opinion
4 of an Independent Accountant or an Authorized Officer that states in substance that
5 the Net Revenues are sufficient to pay the amounts required shall be conclusively
6 presumed to be accurate in determining the right of the Water Authority to authorize,
7 issue, sell and deliver such additional Senior Obligations or additional Subordinate
8 Obligations, respectively. Also, an opinion of a Consulting Engineer as to the
9 estimated Completion Date of the project to be financed by the proposed System
10 Obligations and the estimated Net Revenues for the Prospective Test Period
11 referred to in Section 27.(B)(2)(b) and Section 27.(C)(2)(b) shall be conclusively
12 presumed to be accurate, and the Independent Accountant or Authorized Officer, as
13 the case may be, may conclusively rely upon the written opinion of the Consulting
14 Engineer in making the determinations required by Section 27.(B)(2)(b) and Section
15 27.(C)(2)(b).

16 (E) SUPER SUBORDINATED OBLIGATIONS PERMITTED. No
17 provision of the Bond Legislation shall be construed to prevent the Water Authority
18 from issuing additional Super Subordinated Obligations with a lien on Net Revenues
19 subordinate to the lien of the Subordinate Obligations and the Senior Obligations.

20 (F) VARIABLE RATE OBLIGATIONS. In making the computations
21 required by this Section to determine if additional System Obligations may be
22 issued, Variable Rate Obligations shall be deemed to bear a rate of interest as
23 required in the definition of Debt Service Requirements.

24 (G) SUPERIOR OBLIGATIONS PROHIBITED. As long as Parity
25 Senior Obligations are outstanding, the Water Authority shall not issue additional
26 System Obligations having a lien on the Net Revenues prior and superior to the lien
27 of the Parity Senior Obligations on Net Revenues.

28 Section 28. REFUNDING OBLIGATIONS. The provisions of Section 27 of
29 this Bond Ordinance are subject to the following exceptions:

30 (A) PRIVILEGE OF ISSUING REFUNDING OBLIGATIONS. If at
31 any time while System Obligations remain Outstanding, the Water Authority desires

1 to refund any Outstanding System Obligations or other obligations payable from Net
2 Revenues, those System Obligations or other obligations, or any part thereof, may
3 be refunded regardless of whether the priority of the lien for the payment of the
4 refunding System Obligations on the Net Revenues is changed (except as provided
5 in paragraphs B and C of this Section).

6 (B) LIMITATIONS UPON ISSUANCE OF REFUNDING SENIOR
7 OBLIGATIONS. No senior refunding bonds or other senior refunding obligations
8 shall be issued as Senior Obligations unless:

9 (1) The refunding does not increase the maximum combined
10 annual Debt Service Requirements of the Senior Obligations, or

11 (2) The refunding Senior Obligations are issued in
12 compliance with Section 27.(B).

13 (C) LIMITATIONS UPON ISSUANCE OF REFUNDING
14 SUBORDINATE OBLIGATIONS. No subordinate refunding bonds or other
15 subordinate refunding obligations shall be issued as Subordinate Obligations unless:

16 (1) The refunding does not increase the maximum combined
17 annual Debt Service Requirements of the Subordinate Obligations, or

18 (2) The refunding Subordinate Obligations are issued in
19 compliance with Section 27.(C).

20 (D) LIMITATIONS UPON ISSUANCE OF ANY REFUNDING
21 SYSTEM OBLIGATIONS. Any refunding System Obligations shall be issued with
22 such details as the Board may provide by appropriate proceedings but without
23 impairment of any contractual obligation imposed upon the Water Authority by any
24 proceedings authorizing the issuance of any unrefunded portion of the series of
25 System Obligations to which the refunding was applicable.

26 Section 29. PROTECTIVE COVENANTS. The Water Authority hereby
27 covenants and agrees with the Owners:

28 (A) USE OF THE BOND PROCEEDS. The Water Authority will
29 promptly apply the proceeds of the Bonds to the Project and for the other purposes
30 permitted by this Bond Ordinance.

31 (B) PAYMENT OF THE BONDS. The Water Authority will promptly

1 pay the Debt Service Requirements on the Bonds at the place, on the dates and in
2 the manner specified in the Bond Legislation and the Bonds.

3 (C) RATE COVENANTS.

4 (1) Rate Covenant for Senior Obligations. The Water
5 Authority will charge all purchasers of services of the System, including the Water
6 Authority, the City and the County, such reasonable and just rates as are sufficient
7 to produce Net Revenues annually to pay 133% of the annual Debt Service
8 Requirements on the Outstanding Senior Obligations (excluding accumulation of any
9 reserves therefor).

10 (2) Rate Covenant for Subordinate Obligations. The Water
11 Authority will charge all purchasers of services of the System, including the Water
12 Authority, the City and the County, such reasonable and just rates as are sufficient
13 to produce Net Revenues annually to pay 120% of the annual Debt Service
14 Requirements on the Outstanding Senior Obligations and the Outstanding
15 Subordinate Obligations (excluding accumulation of any reserves therefor).

16 (3) Quarterly, the Water Authority shall determine that the
17 Net Revenues are sufficient to satisfy the Rate Covenants. If the Net Revenues are
18 not sufficient to satisfy the Rate Covenant upon the approval of the annual audit for
19 a Fiscal Year, the Water Authority will either: (i) promptly increase the rates for use
20 of the services of the System in order to generate sufficient Net Revenues to satisfy
21 the Rate Covenants or (ii) employ a consultant or manager for the System who shall
22 have a favorable national reputation for skill and experience in the management,
23 operation and financial affairs of water and sanitary sewer systems and who is not
24 an employee or officer of the Water Authority. The Water Authority will request that
25 consultant or manager to make its recommendations, if any, as to revisions of the
26 Water Authority's rate structure and other charges for use of the System, its
27 Operation and Maintenance Expenses and the method of operation of the System in
28 order to satisfy the Rate Covenants as soon as practicable. Copies of any such
29 requests and recommendations of the consultant or manager shall be filed with the
30 Board. So long as the Water Authority substantially complies with the
31 recommendations of the consultant or manager on a timely basis, the Water

1 Authority will not be deemed to have defaulted in satisfying the Rate Covenants
2 even if the resulting Net Revenues are not sufficient to be in compliance with the
3 Rate Covenants, if there is no other default under the Bond Legislation.

4 (4) No free service, facilities or commodities shall be
5 furnished by the System. If the Water Authority, the City or the County elects to use
6 water supplied by, or the sanitary sewer facilities of, the System or in any other
7 manner use the System, such use of the System by such entity shall be paid from
8 lawfully available money of such entity at the reasonable value of the use made,
9 service rendered or facility or commodity supplied as is charged to other similar
10 users of the System.

11 (5) Nothing contained in this Section 29.(C) shall be
12 interpreted to require the Water Authority to take any action in violation of any
13 applicable requirement imposed by law.

14 (D) LIEN ON LANDS SERVICED BY SYSTEM. To the extent
15 permitted by law, the Water Authority will cause a lien to be perfected upon each lot
16 or parcel of land for delinquent charges imposed for water and sanitary sewer
17 services supplied by the System to the owner of such lot or parcel. The Water
18 Authority will take all necessary steps to enforce the lien against any parcel of
19 property the owner of which is delinquent for more than six months in the payment of
20 charges imposed by the Water Authority.

21 (E) LEVY OF CHARGES. The Water Authority will promptly fix,
22 establish and levy the rates and charges which are required by Section 29.(C). No
23 reduction in any initial or existing rate schedule for the System may be made unless:

24 (1) the Water Authority has fully complied with the provisions
25 of Section 21 of this Bond Ordinance for any 12 consecutive months out of the 16
26 calendar months immediately preceding the reduction of the rate schedule, and

27 (2) the audit required by Section 29.(I) or a separate
28 certificate by an Independent Accountant for or relating to any 12 consecutive
29 months out of the 16 calendar months immediately preceding any reduction
30 discloses that the estimated Net Revenues resulting from the proposed reduced rate
31 schedule would have been sufficient to meet the applicable Rate Covenant during

1 the applicable 12-month period.

2 (F) EFFICIENT OPERATION. The Water Authority will maintain the
3 System in efficient operating condition and make such improvements, extensions,
4 enlargements, repairs and betterments to the System as may be necessary or
5 advisable for its economical and efficient operation at all times and to supply
6 reasonable public and private demands for System services within the area served
7 by the Water Authority.

8 (G) RECORDS. So long as the Bonds remain Outstanding, the
9 Water Authority will keep, or cause to be kept, proper books of record and account,
10 separate from all other records and accounts, showing complete and correct entries
11 of all transactions relating to the System.

12 (H) RIGHT TO INSPECT. Owners, or their duly authorized agents,
13 shall have the right to inspect at all reasonable times all records, accounts and data
14 relating to the System; however, pursuant to Section 6-14-10(E) NMSA 1978,
15 records with regard to the ownership or pledge of the Bonds are not subject to
16 inspection or copying.

17 (I) AUDITS. So long as the Bonds are Outstanding, within 270
18 days following the close of each Fiscal Year, the Water Authority will cause an audit
19 of the books and accounts of the System to be made by an Independent Accountant.
20 Each audit of the System shall include those matters determined to be proper by the
21 Independent Accountant.

22 (J) BILLING PROCEDURE. Bills for water, water services or
23 facilities, sanitary sewer service or facilities, or any combination thereof, furnished by
24 or through the System shall be provided to customers on a regular basis each month
25 following the month in which the service was rendered and shall be due as required
26 by Water Authority ordinance. If permitted by law, if a bill is not paid within the
27 period of time required by Water Authority ordinance, water and sanitary sewer
28 services shall be discontinued as required by Water Authority ordinance, and the
29 rates and charges due shall be collected in a lawful manner, including but not limited
30 to the cost of disconnection and reconnection.

31 (K) CHARGES AND LIENS UPON SYSTEM. The Water Authority

1 will pay when due from Gross Revenues or other legally available funds all taxes
2 and assessments or other municipal or governmental charges, lawfully levied or
3 assessed upon the System and will observe and comply with all valid requirements
4 of any municipal or governmental authority relating to the System. The Water
5 Authority will not create or permit any lien or charge upon the System or the Gross
6 Revenues or Net Revenues except as permitted by this Bond Ordinance, or it will
7 make adequate provisions to satisfy and discharge within 60 days after the same
8 accrue, all lawful claims and demands for labor, materials, supplies or other objects,
9 which, if unpaid, might by law become a lien upon the System, the Gross Revenues
10 or the Net Revenues. However, the Water Authority shall not be required to pay or
11 cause to be discharged, or make provision for any tax assessment, lien or charge
12 before the time when payment becomes due or so long as the validity thereof is
13 contested in good faith by appropriate legal proceedings and there is no adverse
14 effect on Owners.

15 (L) INSURANCE. In its operation of the System, the Water
16 Authority will carry fire and extended coverage insurance. As required by law, the
17 Water Authority will acquire insurance or maintain a self-insurance fund to cover
18 workmen's compensation insurance and public liability insurance. In the event of
19 property loss or damage to the System, insurance proceeds shall be used first for
20 the purpose of restoring or replacing the property lost or damaged and any
21 remainder shall be treated as Gross Revenues.

22 (M) ALIENATING SYSTEM. Except as permitted in this Bond
23 Ordinance, while any Bonds are Outstanding, the Water Authority will not sell, lease,
24 mortgage, pledge or otherwise encumber, or in any manner dispose of, or otherwise
25 alienate, any part of the System, except that the Water Authority may sell any
26 portion of the property of the System which is replaced by other property of at least
27 equal value, or which ceases to be necessary for the efficient operation of the
28 System. In the event of any sale of System property, the proceeds of such sale
29 which are not used to purchase other System property shall be distributed as Gross
30 Revenues.

31 (N) EXTENDING INTEREST PAYMENTS. To prevent any

1 accumulation of claims for interest after maturity, except as permitted by the Bond
2 Legislation, the Water Authority will not directly or indirectly extend or assent to the
3 extension of the time for the payment of any claim for interest on the Bonds. If the
4 time for payment of interest is extended contrary to the provisions of this Section, the
5 installments of interest extended shall not be entitled, in case of an event of default
6 under the Bond Legislation, to the benefit or security of the Bond Legislation until the
7 prior payment in full of the principal of and interest on all other Bonds then
8 Outstanding.

9 (O) COMPETENT MANAGEMENT. The Water Authority shall
10 employ experienced and competent personnel to manage the System.

11 (P) PERFORMING DUTIES. The Water Authority will faithfully and
12 punctually perform all duties with respect to the System required by State, City and
13 County laws including, but not limited to, making and collecting reasonable and
14 sufficient rates and charges for services rendered or furnished by the System as
15 required by this Section and the proper segregation and application of the Gross
16 Revenues.

17 (Q) OTHER LIENS. Other than as stated in or provided by the
18 Bond Legislation, there are no liens or encumbrances of any nature whatsoever on
19 or against the System or Gross Revenues or Net Revenues.

20 (R) WATER AUTHORITY'S EXISTENCE. The Water Authority will
21 maintain its corporate identity and existence as long as the Bonds remain
22 outstanding.

23 (S) TAX COMPLIANCE. The Water Authority covenants that it will
24 use, and will restrict the use and investment of, the proceeds of the Bonds in such
25 manner and to such extent as may be necessary so that (a) the Bonds will not (i)
26 constitute private activity bonds, arbitrage bonds or hedge bonds under Sections
27 141, 148 or 149 of the Code or (ii) be treated other than as bonds to which Section
28 103(a) of the Code applies, and (b) the interest thereon will not be treated as a
29 preference item under Section 57 of the Code.

30 The Water Authority further covenants (a) that it will take or cause to be taken
31 such actions that may be required of it for the interest on the Bonds to be and to

1 remain excludable from gross income for federal income tax purposes, (b) that it will
2 not take or authorize to be taken any actions that would adversely affect that
3 exclusion, and (c) that it, or persons acting for it, will, among other acts of
4 compliance, (i) apply the proceeds of the Bonds to the governmental purposes of the
5 borrowings, (ii) restrict the yield on investment property, (iii) make timely and
6 adequate rebate payments or payments of alternative amounts in lieu of rebate to
7 the federal government, (iv) maintain books and records and make calculations and
8 reports, and (v) refrain from certain uses of those proceeds and, as applicable, of
9 property financed with such proceeds, all in such manner to the extent necessary to
10 assure such exclusion of that interest under the Code.

11 Authorized Officers are hereby authorized (a) to make or effect any election,
12 selection, designation, choice, consent, approval, or waiver on behalf of the Water
13 Authority as the Water Authority is permitted or required to make or give under the
14 federal income tax laws including, without limitation thereto, any of the elections
15 provided for in Section 148(f)(4)(C) of the Code or available under Section 148 of the
16 Code, for the purpose of assuring, enhancing or protecting favorable tax treatment
17 or status of the Bonds or interest thereon or assisting in the compliance with
18 requirements for that purpose, reducing the burden or expense of such compliance,
19 reducing the rebate amount or payments of penalties, or making payments of special
20 amounts in lieu of making computations to determine, or paying, excess earnings as
21 rebate, or obviating those amounts or payments, as determined by that officer, which
22 action shall be in writing and signed by the Authorized Officer, (b) to take any and all
23 other actions, make or obtain calculations, make payments, and make or give
24 reports, covenants and certifications of and on behalf of the Water Authority, as may
25 be appropriate to assure the exclusion of interest from gross income and the
26 intended tax status of the Bonds, and (c) to give one or more appropriate certificates
27 of the Water Authority, for inclusion in the transcripts of the proceedings for the
28 Bonds, setting forth the reasonable expectations of the Water Authority regarding
29 the amount and use of all the proceeds of the Bonds, the facts, circumstances and
30 estimates on which they are based, and other facts and circumstances relevant to
31 the tax treatment of the interest on and the tax status of the Bonds.

1 Section 30. REBATE FUND. A separate account of the Rebate Fund shall
2 not be required for the Bonds provided that the Water Authority shall comply with the
3 provisions of Section 29.(S).

4 Section 31. EVENTS OF DEFAULT. Each of the following events is
5 declared an "event of default" under the Bond Legislation:

6 (A) NONPAYMENT OF PRINCIPAL. Failure to pay the principal of
7 the Bonds when due and payable, either at maturity or otherwise.

8 (B) NONPAYMENT OF INTEREST. Failure to pay any installment
9 of interest on the Bonds when due and payable.

10 (C) INCAPABLE OF PERFORMING. For any reason, the Water
11 Authority becomes incapable of fulfilling its obligations under the Bond Legislation.

12 (D) DEFAULTS OF ANY OTHER PROVISION. Default by the
13 Water Authority in the due and punctual performance of its covenants, conditions,
14 agreements and provisions contained in System Obligations or in the Water
15 Authority ordinance authorizing those System Obligations and the continuance of
16 such default (other than a default set forth in paragraphs A, B and C of this Section)
17 for 60 days after written notice specifying such default and requiring the same to be
18 remedied has been given to the Water Authority by any Credit Source or the Owners
19 of 25% in principal amount of the System Obligations then Outstanding.

20 Section 32. REMEDIES UPON DEFAULT. Upon the happening and
21 continuance of any of the events of default stated in Section 31:

22 (1) any applicable Credit Source may proceed with any
23 available remedies under any Credit Facility; and

24 (2) the Owners of not less than 66% in principal amount of
25 the System Obligations then Outstanding, including but not limited to a trustee or
26 trustees therefor, with the consent of the Credit Source with respect to Insured
27 Obligations, may proceed against the Water Authority or the Board or both to:

28 (a) protect and enforce the rights of the Owners by
29 mandamus or other suit, action or special proceedings in equity or at law, in any
30 court of competent jurisdiction, either for the appointment of a receiver or for the
31 specific performance of any covenant or agreement contained in the Bond

1 Legislation or for the enforcement of any proper legal or equitable remedy as those
2 Owners may deem necessary or desirable to protect and enforce their rights,

3 (b) to enjoin any act or thing which may be unlawful or
4 in violation of any right of any Owner,

5 (c) to require the Board to act as if it were the trustee
6 of an express trust, or

7 (d) any combination of those remedies.

8 All proceedings shall be instituted and maintained for the equal benefit of all
9 Owners of System Obligations then Outstanding, subject to the provisions of Section
10 21 of this Bond Ordinance, with respect to the use of Gross Revenues. The Owners
11 by purchasing System Obligations consent to the appointment of a receiver to
12 protect the rights of the Owners. The receiver may enter and take possession of
13 and operate and maintain the System and shall prescribe rates, fees or charges and
14 collect, receive and apply all Gross Revenues as required by this Bond Ordinance.
15 The failure of any Owner to exercise any right granted by this Section shall not
16 relieve the Water Authority of any obligation to perform any duty. Each right or
17 privilege of any Owner (or trustee or receiver therefor) is in addition and cumulative
18 to any other right or privilege and the exercise of any right or privilege by or on
19 behalf of any Owner shall not be deemed a waiver of any other right or privilege of
20 any Owner.

21 Notwithstanding any other provision in the Bond Legislation, no recourse shall
22 be had for the payment of any Bond or for any claim based on any other obligation,
23 covenant or agreement contained in the Bond Legislation against any past, present
24 or future officer, employee or agent of the Water Authority or member of the Board,
25 and all such liability of any such officers, employees, agents or member (as such) is
26 released as a condition of and consideration for the adoption of the Bond Legislation
27 and the issuance of the Bonds.

28 Upon the occurrence and continuance of an Event of Default, so long as the
29 Credit Source, if any, is not in default in its payment obligations under the Bond
30 Insurance Policy, the Credit Source shall be entitled to control and direct the
31 enforcement of all rights and remedies granted to the Owners with respect to

1 Insured Obligations and such Credit Source shall also be entitled to direct and
2 approve all waivers of Events of Default with respect to Insured Obligations.

3 Section 33. DUTIES UPON DEFAULT. Upon the happening of any of the
4 events of default listed in Section 31, the Water Authority will do and perform all
5 proper acts on behalf of and for the Owners necessary to protect and preserve the
6 security created for the payment of the System Obligations and for the payment of
7 the Debt Service Requirements on the System Obligations promptly as the same
8 become due. As long as any of the System Obligations are Outstanding, all Gross
9 Revenues shall be distributed and used for the purpose and with the priorities set
10 forth in Section 21. If the Water Authority fails or refuses to proceed as provided in
11 this Section, the Owners of not less than 66% in principal amount of the System
12 Obligations then Outstanding, after demand in writing, may proceed to protect and
13 enforce the rights of the Owners as provided in the Bond Legislation.

14 Section 34. DEFEASANCE. When all principal, interest and prior
15 redemption premiums, if any, in connection with all or any part of the Bonds have
16 been paid or provided for (including amounts owed to the Credit Source, if any,
17 under any Bond Insurance Policy), the pledge and lien and all obligations under the
18 Bond Legislation with respect to those Bonds and any Bond Insurance Policy shall
19 be discharged and those Bonds shall no longer be deemed to be Outstanding within
20 the meaning of the Bond Legislation.

21 Without limiting the preceding paragraph, there shall be deemed to be such
22 payment when: (i) the Board has caused to be placed in escrow and in trust with an
23 escrow agent located within or without the State and exercising trust powers, an
24 amount sufficient (including the known minimum yield from Defeasance Obligations
25 in which such amount may be initially invested) to pay all requirements of principal,
26 interest and prior redemption premium, if any, on the Bonds to be defeased as the
27 same become due to the final maturities or upon designated prior redemption dates,
28 and (ii) any Bonds to be redeemed prior to maturity shall have been duly called for
29 redemption or irrevocable instructions to call such Bonds for redemption have been
30 given to the Registrar. The escrow agent shall have received evidence satisfactory
31 to it that the cash and Defeasance Obligations delivered will be sufficient to provide

1 for the payment of the Bonds to be defeased as stated above. Neither the
2 Defeasance Obligations nor money deposited with the escrow agent shall be
3 withdrawn or used for any purpose other than as provided in the escrow agreement
4 and the Defeasance Obligations and money shall be segregated and held in trust for
5 the payment of the principal and premium, if any, and interest on the Bonds with
6 respect to which such deposit has been made. The Defeasance Obligations shall
7 become due prior to the respective times at which the proceeds are needed in
8 accordance with a schedule established and agreed upon between the Board and
9 the escrow agent at the time of the creation of the escrow, or the Defeasance
10 Obligations shall be subject to redemption but only at the option of the holders or
11 owners thereof to assure the availability of the proceeds as needed to meet the
12 schedule.

13 Until reimbursement is made by the Water Authority to the applicable Credit
14 Source, if the principal and/or interest due on Insured Obligations is paid by a Credit
15 Source pursuant to a Credit Facility, the applicable Insured Obligations shall remain
16 Outstanding, shall not be defeased or otherwise satisfied and shall not be
17 considered to be paid by the Water Authority. In such case, the assignment and
18 pledge of the Net Revenues for the payment of the Insured Obligations paid by the
19 Credit Source and all covenants, agreements and other obligations of the Water
20 Authority to the Owners of those Insured Obligations shall continue to exist and shall
21 run to the benefit of that Credit Source and that Credit Source shall be subrogated to
22 the rights of the owners of those Insured Obligations, until all obligations of the
23 Water Authority to that Credit Source have been paid.

24 Notwithstanding the foregoing, any provisions of the Bond Legislation
25 which relate to indemnification and the payment of fees and expenses, the payment
26 of the principal of and premium of Bonds at maturity or on a prior redemption date,
27 interest payments and dates thereof, exchange, registration of transfer and
28 registration of Bonds, replacement of mutilated, destroyed, lost or stolen Bonds, the
29 safekeeping and cancellation of Bonds, non-presentment of Bonds, the holding of
30 money in trust, the obligations set forth in the Bond Legislation regarding rebate, and
31 the duties of the Registrar, Authenticating Agent and Paying Agent in connection

1 with all of the foregoing shall remain in effect and be binding upon the Owners, the
2 Registrar, Authenticating Agent and Paying Agent notwithstanding the release and
3 discharge of the Bond Legislation. The provisions of this Section shall survive the
4 release, discharge and satisfaction of the Bond Legislation.

5 Section 35. BONDS NOT PRESENTED WHEN DUE. If any Bonds are not
6 duly presented for payment when due at maturity or on any prior redemption date,
7 and if money sufficient for the payment of those Bonds is on deposit with the Paying
8 Agent, and, in the case of the Bonds to be redeemed, if notice of redemption has
9 been given as provided in the Bond Legislation, all liability of the Water Authority to
10 the Owners of those Bonds shall be discharged, those Bonds shall no longer be
11 Outstanding and it shall be the duty of the Paying Agent to segregate and to hold
12 such money in trust, without liability for interest thereon, for the benefit of the
13 Owners of those Bonds.

14 Section 36. DELEGATED POWERS. The officers of the Water Authority
15 are authorized and directed to take all action from time to time which is necessary or
16 appropriate to effectuate the provisions of the Bond Legislation and the Bonds,
17 including, without limitation, the execution of any credit facility, any liquidity
18 agreement, any remarketing agreement, any qualified exchange agreement, the
19 delivery of a "deemed final" certificate relating to the disclosure document for the
20 Bonds, the publication of a summary of this Bond Ordinance substantially in the form
21 set out in Section 44, the distribution of material related to the Bonds, the printing of
22 the Bonds and the execution of related documents and certificates pertaining to the
23 System, the Bonds, and the delivery of and security for the Bonds, as may be
24 reasonably required by the Underwriters. The officers of the Water Authority are
25 authorized and directed to take all action from time to time which is desirable or
26 necessary for the Water Authority with respect to arbitrage rebate requirements
27 under Section 148(f) of the Code.

28 The Executive Director of the Water Authority, or successor in interest, is
29 hereby authorized and directed to make such changes or corrections to the
30 procedures established in the Bond Legislation relating to the times of day or the
31 days on which actions are required to be taken, or the persons responsible for

1 particular actions, the form of notice of the occurrence of events, the types and
2 forms of actions required and other similar administrative matters which, in the
3 judgment of the Executive Director, are necessary and appropriate to accomplish the
4 purposes of the Bond Legislation and to provide for the efficient administration of the
5 System and the Bonds. Notice of any such changes or corrections shall be given to
6 all persons affected thereby.

7 Section 37. AMENDMENT OF BOND ORDINANCE.

8 (A) LIMITATIONS UPON AMENDMENTS. The Bond Legislation
9 may be amended by ordinance or resolution of the Board without the consent of
10 Owners but with the consent of any Credit Source providing a Credit Facility which is
11 in effect and which pertains to the Bonds and is affected by the amendment if the
12 Credit Source is not in default in its obligations under the Credit Facility:

13 (1) To cure any ambiguity, or to cure, correct or supplement
14 any defect or inconsistent provision contained in the Bond Legislation;

15 (2) To grant to the Owners any additional rights, remedies,
16 powers or authority that may lawfully be granted to them;

17 (3) To obtain or maintain a rating on the Bonds from any
18 rating agency if the amendment, in the judgment of Bond Counsel, does not
19 materially adversely affect the Owners of the Bonds;

20 (4) To achieve compliance with federal securities or tax
21 laws; and

22 (5) To make any other changes in the Bond Legislation
23 which, in the opinion of Bond Counsel, are not materially adverse to the Owners.

24 (B) ADDITIONAL AMENDMENTS. Except as provided above or in
25 the Confirming Resolution, the Bond Legislation may only be amended or
26 supplemented by ordinance or resolution adopted by the Board in accordance with
27 the laws of the State, without receipt by the Water Authority of any additional
28 consideration, but with the written consent of the Owners of a majority of the
29 principal amount of the Bonds then Outstanding which are affected by the
30 amendment or supplement (not including the Bonds which are then owned by or for
31 the account of the Water Authority) and of any Credit Source providing a Credit

1 Facility which is in effect affected by the amendment or supplement, if the Credit
2 Source is not in default in its obligations under the Credit Facility; provided, however,
3 that no such ordinances or resolutions shall have the effect of permitting:

- 4 (1) An extension of the maturity of any Bond; or
- 5 (2) A reduction in the principal amount of, premium, if any, or
6 interest rate on any Bond; or
- 7 (3) The creation of a lien on or a pledge of Net Revenues
8 ranking prior to the lien or pledge of Senior Obligations on Net Revenues; or
- 9 (4) A reduction of the principal amount of the Bonds required
10 for consent to such amendment or supplement.

11 (C) PROOF OF INSTRUMENTS. The fact and date of the
12 execution of any instrument under the provisions of this Section may be proved by
13 the certificate of any officer in any jurisdiction who by the laws of that jurisdiction is
14 authorized to take acknowledgments of deeds within that jurisdiction that the person
15 signing the instrument acknowledged before him the execution of that instrument, or
16 may be proved by an affidavit of a witness to the execution sworn to before such
17 officer.

18 Section 38. LIMITATION OF RIGHTS. Nothing in the Bond Legislation
19 expressed or implied is intended or shall be construed to give to any Person other
20 than the Owners, the Water Authority and the parties to which such right, remedy or
21 claim is expressly granted by the Bond Legislation any legal or equitable right,
22 remedy or claim under or in respect to the Bond Legislation or any covenant,
23 condition or stipulation of the Bond Legislation, and all covenants, stipulations,
24 promises and agreements in the Bond Legislation shall be for the sole and exclusive
25 benefit of the Water Authority, the Paying Agent, the Registrar and the Owners.

26 Section 39. NOTICES. Except as otherwise specifically required in the
27 Bond Legislation, notice with respect to the Bonds shall be effective when received
28 and it shall be sufficient service of any notice, request, demand or other paper if the
29 same is given: (i) orally, or (ii) by mail, or (iii) by Electronic Means, or (iv) hand
30 delivered; provided that any notice given orally, including notice by telephone, must
31 be confirmed by notice in writing as set forth in clause (ii), (iii) (except by telephone)

1 or (iv) above initiated within one Business Day after oral Notice is given. Notice shall
2 be given as follows:

3 (A) If to the Water Authority:

4 Albuquerque Bernalillo County Water Utility Authority

5 One Civic Plaza, N.W., Room 5012

6 Albuquerque, NM 87102

7 Attention: Executive Director

8 (505) 289-3101

9 (505) 289-3060 (Fax)

10 (B) If to the Initial Paying Agent:

11 Albuquerque Bernalillo County Water Utility Authority

12 One Civic Plaza NW, Room 5012

13 Albuquerque, NM 87102

14 Attention: Chief Financial Officer

15 (505) 289-3080

16 Any such party may, by notice as set forth above to other parties, designate
17 any further or different address to which subsequent notices, certificates or other
18 communication shall be sent. All notices sent pursuant to the Bond Legislation to
19 any Owner shall also be sent to the Credit Source, if any, of the Bonds.

20 When the Bond Legislation provides for notice to the Owners of Bonds of any
21 event, such notice shall be sufficiently given (unless otherwise expressly provided in
22 the Bond Legislation) if in writing and given in accordance with this Section to each
23 Owner of Bonds affected by such event, at his address as it appears on the register
24 for the Bonds. In any case where notice to an Owner of Bonds is given by Electronic
25 Means or by mail, neither the failure to send such notice nor any defect in any notice
26 sent to any particular Owner of Bonds shall affect the sufficiency of such notice with
27 respect to any other Owner, and any notice which is sent in the manner provided in
28 this paragraph shall conclusively be presumed to have been duly given.

29 Where the Bond Legislation provides for notice upon the occurrence of any
30 event, that notice may be waived by the person entitled to receive that notice, either
31 before or after the event, and such waiver shall be the equivalent of notice.

1 The Paying Agent shall provide Moody's and S&P if the Bonds are then rated
2 by Moody's and S&P, as applicable, with prior written notice of any amendments to
3 the Bond Legislation and the optional redemption of Bonds pursuant to Section 9.(A)
4 or defeasance pursuant to Section 34. Such notice shall be sent (a) to Moody's at:
5 Moody's Investors Service, Public Finance Department – Structured Finance Group,
6 99 Church Street, New York, New York 10007, and (b) to S&P at: S&P Global
7 Ratings, Attention: Municipal Finance Department – Structured Finance Group, 25
8 Broadway, 20th Floor, New York, New York 10004.

9 Section 40. BOND ORDINANCE IRREPEALABLE AS TO THE BONDS.
10 After any of the Bonds are issued, this Bond Ordinance shall be and remain
11 irrepeatable until the Debt Service Requirements on all the Bonds are fully paid and
12 discharged and the Bonds are canceled, as provided in this Bond Ordinance, or
13 there has been defeasance of all the Bonds as provided in this Bond Ordinance.

14 Section 41. SEVERABILITY CLAUSE. If any section, paragraph, clause or
15 provision of this Bond Ordinance shall for any reason be held to be invalid or
16 unenforceable, the invalidity or unenforceability of that section, paragraph, clause or
17 provision shall not affect any of the remaining provisions of this Bond Ordinance.

18 Section 42. REPEALER CLAUSE. All bylaws, orders, resolutions and
19 ordinances, or parts thereof, inconsistent with this Bond Ordinance are repealed to
20 the extent only of such inconsistency. This repealer shall not be construed to revive
21 any bylaw, order, resolution or Ordinance, or part thereof, previously repealed.

22 Section 43. GENERAL SUMMARY FOR PUBLICATION. The title and a
23 general summary of the subject matter contained in the Bond Ordinance shall be
24 published in substantially the following form:

25 **(Form of Summary of Ordinance for Publication)**

26 **Albuquerque Bernalillo County Water Utility Authority**

27 **Notice of Adoption of Ordinance**

28 NOTICE IS HEREBY GIVEN, pursuant to the provisions of Section 6-14-6
29 NMSA 1978, that on September 19, 2018, the Board of Albuquerque Bernalillo
30 County Water Utility Authority (the "Water Authority") adopted Water Authority
31 Ordinance No. O-18-__ (the "Bond Ordinance"), an ordinance which authorizes the

1 issuance of the Water Authority’s Senior Lien Joint Water and Sewer System
2 Improvement Revenue Bonds, Series 2018 in an aggregate principal amount not to
3 exceed \$83,000,000 to make certain improvements to the Water Authority’s joint
4 water and sewer system (the “System”).

5 The title of the Bond Ordinance is:

6 **ORDINANCE**

7 **AUTHORIZING THE ISSUANCE AND SALE OF ALBUQUERQUE BERNALILLO**
8 **COUNTY WATER UTILITY AUTHORITY (THE “WATER AUTHORITY”) SENIOR**
9 **LIEN JOINT WATER AND SEWER SYSTEM IMPROVEMENT REVENUE BONDS,**
10 **SERIES 2018 IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED**
11 **\$83,000,000 (THE “SERIES 2018 BONDS” OR THE “BONDS”) TO BE ISSUED IN**
12 **ONE OR MORE SERIES FOR THE PURPOSE OF ACQUIRING ADDITIONAL**
13 **SYSTEM ASSETS, EXTENDING, REPAIRING, REPLACING AND IMPROVING**
14 **THE WATER AUTHORITY’S JOINT WATER AND SEWER SYSTEM (“THE**
15 **SYSTEM”); PROVIDING FOR THE DISPOSITION OF, AND OTHER DETAILS**
16 **RELATING TO, THE REVENUES FROM THE OPERATION OF THE SYSTEM**
17 **INCLUDING THE PAYMENT OF DEBT SERVICE ON SYSTEM OBLIGATIONS;**
18 **DETERMINING CERTAIN TERMS AND THE METHOD OF DETERMINING**
19 **OTHER TERMS CONCERNING THE BONDS; PROVIDING FOR THE APPROVAL**
20 **OF VARIOUS AGREEMENTS AND DISCLOSURE DOCUMENTS RELATING TO**
21 **THE BONDS; DELEGATING AUTHORITY TO THE DELEGATE TO EXECUTE**
22 **AND DELIVERY A BOND PURCHASE AGREEMENT FOR THE SALE OF THE**
23 **BONDS TO THE UNDERWRITERS; AND RATIFYING ACTION PREVIOUSLY**
24 **TAKEN**

25 The title contains a general summary of the subject matter contained in the
26 Bond Ordinance.

27 This notice constitutes compliance with § 6-14-6 NMSA 1978.

28 WITNESS my hand as of September 19, 2018.

29 _____
30 Executive Director

31 (End of Summary of Ordinance for Publication)

1 WHEREAS, the Water Authority is obligated on the following Senior
2 Obligations, payable from Net Revenues, Outstanding on the date of the adoption of
3 this Bond Ordinance in the following principal amounts:

	Amount
<u>Senior Obligations</u>	<u>Outstanding</u>
4 Series 2009A-1 Bonds	\$ 8,395,000
5 Series 2013A&B Bonds	\$ 74,685,000
6 Series 2014A Bonds	\$ 79,995,000
7 Series 2015 Bonds	\$196,710,000
8 Series 2017 Bonds	\$ 84,090,000
9 Drinking Water State Revolving Fund Loan Agreement (2009)	\$ 765,498
10 Public Project Revolving Fund Loan Agreement (2011)	\$ 32,120,000
11 Drinking Water State Revolving Fund Loan Agreement #4200 (2018)	\$ 1,010,000
12 Drinking Water State Revolving Fund Loan Agreement #4202 (2018)	\$ 1,000,000

13 and

14 WHEREAS, the Water Authority is obligated on the following Subordinate
15 Obligations, payable from Net Revenues with a lien on the Net Revenues
16 subordinated to the Senior Obligations, and superior to the lien of the Super
17 Subordinated Obligations, Outstanding on the date of the adoption of this Bond
18 Ordinance in the following principal amounts:

	Amount
<u>Subordinate Obligations</u>	<u>Outstanding</u>
19 Series 2014B Bonds	\$ 58,865,000
20 Drinking Water State Revolving Fund Loan Agreement (2008)	\$ 6,860,187

21 And

22 WHEREAS, the Water Authority does not have any Super Subordinate
23 Obligations, payable from Net Revenues with a lien on the Net Revenues
24 subordinated to the Senior Obligations and the Subordinated Obligations,
25 Outstanding on the date of the adoption of this Bond Ordinance; an

26 WHEREAS, except as stated in these preambles, the Net Revenues have not
27 been pledged or hypothecated to the payment of any Outstanding obligations and no
28

1 other obligations are payable from the Net Revenues on the date of this Bond
2 Ordinance; and

3 WHEREAS, there are no obligations which have a lien on the Net Revenues
4 superior to the lien thereon of the Senior Obligations;

5 WHEREAS, the Board hereby determines that (i) Project may be financed
6 with a portion of the proceeds of the Bonds and (ii) that it is necessary and in the
7 best interests of the Water Authority and the residents of the geographic area served
8 by the Water Authority that the Bonds be authorized pursuant to the Act; and

9 WHEREAS, the Board has determined that it may lawfully pledge the Net
10 Revenues for repayment of the Bonds; and

11 WHEREAS, the Water Authority intends to use the proceeds of the Bonds for
12 the purpose of acquiring additional System assets, and extending repairing,
13 replacing and improving the System; and

14 WHEREAS, it is in the best interests of the Water Authority to sell the Bonds
15 to the Underwriters upon the terms as set forth in this Bond Ordinance and the Bond
16 Purchase Agreement; and

17 WHEREAS, there have been presented to the Board for approval the
18 Preliminary Official Statement, the form of Continuing Disclosure Undertaking, and
19 the Bond Purchase Agreement; and

20 WHEREAS, the Water Authority expects to receive an offer from the
21 Underwriters to purchase the Bonds pursuant to a Bond Purchase Agreement to be
22 executed by the Delegate pursuant to Section 6-14-10.2 NMSA 1978, all within the
23 parameters set forth in this Bond Ordinance; and

24 WHEREAS, all required authorizations, consents or approvals of any
25 governmental body, agency or authority in connection with charging the current rates
26 for services of the System and for the authorization, execution and delivery of the
27 Bonds which are required to have been obtained by the date of this Bond Ordinance
28 or which will be required to be obtained prior to the date of issuance of the Bonds
29 have been or will have been obtained by such dates.

30 BE IT ORDAINED BY THE BOARD OF THE WATER AUTHORITY:

31 Section 1. DEFINITIONS AND RULES OF CONSTRUCTION.

1 (A) DEFINITIONS. As used in this Bond Ordinance, the following
2 terms have the meanings specified, unless the context clearly requires otherwise:

3 ACT. Section 72-1-10 NMSA 1978, Sections 3-31-1 through 3-31-12
4 NMSA 1978, Sections 4-~~6162~~-1 to 4-~~6162~~-10 NMSA 1978, Sections 6-18-1 through
5 6-18-16 NMSA 1978, and enactments of the Board relating to the Bond Legislation.

6 ACQUISITION FUND. The "Albuquerque Bernalillo County Water
7 Utility Authority Joint Water and Sewer System Bonds Improvement Project
8 Acquisition Fund."

9 AUTHENTICATING AGENT. The Registrar or any trust company,
10 national or state banking association or financial institution qualified to act and
11 appointed as the authenticating agent for the Bonds by an Authorized Officer from
12 time to time.

13 AUTHORIZED DENOMINATIONS. Denominations of \$5,000 or
14 integral multiples of \$5,000.

15 AUTHORIZED OFFICER. The Chair, the Executive Director of the
16 Water Authority, or other officer or employee of the Water Authority when designated
17 by a certificate signed by the Chair from time to time.

18 BASIC CAPITAL PROGRAM. The Water Authority's basic capital
19 program for funding annual capital needs for regular System improvements,
20 expansion, maintenance and upgrades to operate a water and wastewater utility.

21 BENEFICIAL OWNERS. Beneficial Owners as defined in Section
22 7.(C).

23 BOARD. The governing body in which is vested the legislative power
24 of the Water Authority.

25 BOND, BONDS OR SERIES 2018 BONDS. The Albuquerque
26 Bernalillo County Water Utility Authority Senior Lien Joint Water and Sewer System
27 Improvement Revenue Bonds, Series 2018 issued pursuant to the Bond Legislation.

28 BOND COUNSEL. An attorney at law or a firm of attorneys,
29 designated by the Water Authority, of nationally recognized standing in matters
30 pertaining to the issuance of bonds issued by states and their political subdivisions.

1 BOND INSURANCE POLICY. A municipal bond insurance policy
2 issued by a Credit Source insuring the payment when due of the principal of and
3 interest on Insured Obligations.

4 BOND LEGISLATION. Collectively, the Bond Ordinance and the
5 Confirming Resolution.

6 BOND ORDINANCE. This ordinance, as amended or supplemented
7 from time to time.

8 BOND PURCHASE AGREEMENT. The Bond Purchase Agreement
9 among the Water Authority and the Underwriters of the Bonds.

10 BUSINESS DAY. Any day during which any Credit Source, the Paying
11 Agent or the Registrar, the offices of the Water Authority and the New York Stock
12 Exchange are all open for business during normal business hours.

13 CHAIR. The duly elected Chair of the Board or the Vice Chair of the
14 Board acting in the absence of the Chair.

15 CITY. The City of Albuquerque, in the County of Bernalillo and State
16 of New Mexico.

17 CLOSING DATE. The date of delivery of the Bonds to the
18 Underwriters or their designee.

19 CODE. The Internal Revenue Code of 1986, as amended, the federal
20 income tax regulations of the Treasury Department (whether proposed, temporary or
21 final) and any amendments of, or successor provisions to, the foregoing and any
22 official rulings, announcements, notices, procedures and judicial determinations
23 regarding any of the foregoing, all as and to the extent applicable. Unless otherwise
24 indicated, reference to a section of the Code in this Bond Ordinance means that
25 section of the Code and such applicable regulations, rulings, announcements,
26 notices, procedures and determinations pertinent to that section.

27 COMPLETION DATE. The date of completion of the Project, or, for
28 purposes of the Prospective Test Period, the date of completion of the project for
29 which the additional System Obligations are to be issued.

30 CONFIRMING RESOLUTION. A resolution adopted on the date of
31 adoption of this Bond Ordinance declaring the necessity of the issuance of the

1 Bonds and confirming the terms hereof for purposes of Section 72-1-10(M) NMSA
2 1978, as amended.

3 CONSULTING ENGINEER. Any registered or licensed professional
4 engineer or firm of engineers, entitled to practice and practicing as such under the
5 laws of the State, retained and compensated by the Water Authority but not in the
6 regular employ of the Water Authority, the City or the County; but, as to any
7 construction drawings and specifications prepared for the System by Water Authority
8 or City employees under the supervision of an engineer employed by the Water
9 Authority or the City, this term may include such engineer.

10 CONTINUING DISCLOSURE UNDERTAKING. The undertaking of
11 the Water Authority pursuant to which the Water Authority will agree for the benefit
12 of Owners that, while the Bonds are Outstanding, the Water Authority will annually
13 provide certain financial information and operating data and audited financial
14 statements and will provide notice of certain events in accordance with Rule 15c2-12
15 promulgated by the United States Securities and Exchange Commission under the
16 Securities Exchange Act of 1934.

17 COUNSEL. An attorney at law (who may be counsel to the Water
18 Authority).

19 COUNTY. Bernalillo County, New Mexico.

20 CREDIT FACILITY. A letter of credit, line of credit, Bond Insurance
21 Policy or Reserve Account Surety Bond, guaranty or similar agreement provided by
22 a Credit Source to provide support to pay the purchase price of, or the payment
23 when due of the principal of and interest on, System Obligations.

24 CREDIT SOURCE. Any bank, insurance company or other financial
25 institution which provides a Credit Facility for a series of System Obligations.

26 DEBT SERVICE ACCOUNT. An account of the Debt Service Fund for
27 the deposit of Net Revenues and proceeds of a series of System Obligations for the
28 payment of Debt Service Requirements on that series of System Obligations.

29 DEBT SERVICE FUND. The Debt Service Fund previously established
30 by the Water Authority and continued in Section 20 of this Bond Ordinance.

1 DEBT SERVICE REQUIREMENTS. With respect to System
2 Obligations and for any given period, the sum of: (1) the amount required to pay the
3 interest, or to make reimbursements for payments of interest, becoming due on
4 System Obligations during that period, plus (2) the amount required to pay the
5 principal or to make reimbursements for the payment of principal becoming due on
6 System Obligations during that period, whether at maturity or upon mandatory
7 sinking fund redemption dates, plus (3) the periodic payments required to be made
8 by the Water Authority pursuant to a Qualified Exchange Agreement minus (4) the
9 periodic payments to be received by the Water Authority pursuant to a Qualified
10 Exchange Agreement. No payments required for any System Obligations which may
11 be tendered or otherwise presented for payment at the option or demand of the
12 owners of System Obligations, or which may occur because of the exercise of an
13 option by the Water Authority, or which may otherwise become due by reason of any
14 other circumstance or contingency, including acceleration or early termination
15 payments, which constitute other than regularly scheduled payments of principal,
16 interest or other regularly scheduled payments on System Obligations shall be
17 included in any computation of Debt Service Requirements for that period.

18 Unless, at the time of computation of Debt Service Requirements, payments
19 on System Obligations are owed to, or System Obligations are owned or held by, the
20 provider of a Credit Facility pursuant to the provisions of that Credit Facility, the
21 computation of interest for the purposes of this definition shall be made without
22 considering the interest rate payable pursuant to a Credit Facility.

23 In any computation of Debt Service Requirements relating to the issuance of
24 additional System Obligations, there shall be excluded from the computation of the
25 Debt Service Requirements amounts and investments which are irrevocably
26 committed to make designated payments on System Obligations during the
27 applicable period, including, without limitation, money on deposit in any Debt Service
28 Account and amounts on deposit in an escrow account irrevocably committed to
29 make designated payments on System Obligations during the applicable period and
30 earnings on such investments which are payable and committed to the payment of
31 such System Obligations during the applicable period.

1 Unless otherwise required by a Water Authority ordinance or resolution
2 relating to a series of System Obligations, to determine Debt Service Requirements
3 of Variable Rate Obligations, the Water Authority shall use the procedures set forth
4 in the following paragraphs to determine the amount of interest or other payments to
5 be paid by the Water Authority on Variable Rate Obligations.

6 (1) During any historical period for which the actual variable
7 interest rate or rates are determinable, the actual variable interest rate shall be used.
8 During any historical period when the actual variable interest rate is not
9 determinable, the variable interest rate shall, for the purpose of determining Debt
10 Service Requirements, be deemed to be the higher of:

11 (a) the actual variable interest rate, if any, at the time
12 of computation; or

13 (b) a fixed annual rate equal to the prevailing rate on
14 the Variable Rate Obligations on the date of computation (which, for the purpose of
15 determining the Debt Service Requirements, shall be a date which is no more than
16 60 days prior to the date of issuance of the applicable System Obligations) as
17 certified by the Water Authority's financial advisor, the Underwriters of the System
18 Obligations, an investment banker designated by the Water Authority from time to
19 time or a counterparty with respect to a Qualified Exchange Agreement.

20 (2) Prospective computations of interest payable on Variable
21 Rate Obligations, including those relating to the issuance of additional System
22 Obligations required by Section 27 or required by the Rate Covenant, shall be made
23 on the assumption that such obligations bear interest at a fixed annual rate equal to:

24 (a) the average of the daily rates of such System
25 Obligations during the 365 consecutive days (or any lesser period such System
26 Obligations have been Outstanding) next preceding a date which is no more than 60
27 days prior to the date of the issuance of the additional System Obligations; or

28 (b) with respect to System Obligations initially issued
29 or incurred as or being converted to Variable Rate Obligations, the estimated initial
30 rate of interest of such System Obligations upon the date of issuance, exchange or
31 conversion as certified by the Water Authority's financial advisor, another investment

1 banker, as designated by the Water Authority from time to time, or a counterparty
2 with respect to a Qualified Exchange Agreement.

3 DEFEASANCE OBLIGATIONS.

- 4 (1) Government Obligations; or
5 (2) if permitted by law, other obligations which would result in
6 the defeased Bonds receiving the same rating from any national rating agency then
7 rating such series of bonds as would have been received if the obligations described
8 in clause (1) of this definition had been used.

9 DELEGATE means an Authorized Officer of the Water Authority.

10 DEPOSITORY OR DEPOSITORIES. The following registered
11 securities depository: The Depository Trust Company, 570 Washington Boulevard,
12 Jersey City, New Jersey 07310, <http://www.dtcc.com>; or in accordance with then-
13 current guidelines of the Securities and Exchange Commission, to such other
14 addresses and/or such other securities depositories, or no such depositories, as an
15 Authorized Officer may designate in a certificate of the Water Authority.

16 DRINKING WATER STATE REVOLVING FUND LOAN AGREEMENT
17 (2008). The loan agreement dated November 7, 2008 between the NMFA and the
18 Water Authority in the original principal amount of \$9,627,877, authorized and
19 approved by Water Authority Ordinance Enactment No. F/S O-08-4 and Resolution
20 Enactment No. F/S R-08-13 as amended by Ordinance No. F/S O-14-2 and the
21 Amendment to the Loan Agreement dated July 24, 2014 constituting a subordinate
22 lien on the Net Revenues.

23 DRINKING WATER STATE REVOLVING FUND LOAN AGREEMENT
24 (2009). The loan agreement between the NMFA and the Water Authority in the
25 original principal amount of \$1,010,000, authorized and approved by Water Authority
26 Ordinance Enactment No. O-09-9 and Resolution Enactment No. R-09-24
27 constituting a senior lien on the Net Revenues.

28 DRINKING WATER STATE REVOLVING FUND LOAN AGREEMENT
29 #4200 (2018). The loan agreement between the NMFA and the Water Authority in
30 the original principal amount of \$1,000,000 authorized and approved by Water

1 Authority Ordinance No. O-18-2 and Resolution No. R-18-7 constituting a senior lien
2 on the Net Revenues.

3 DRINKING WATER STATE REVOLVING FUND LOAN AGREEMENT
4 #4202 (2018). The loan agreement between the NMFA and the Water Authority in
5 the original principal amount of \$1,010,000 authorized and approved by Water
6 Authority Ordinance No. O-18-5 and Resolution No. R-18-11 constituting a senior
7 lien on the Net Revenues.

8 ELECTRONIC MEANS. Telephone, telecopy, telegraph, email,
9 facsimile transmission or any other similar means of electronic communication. Any
10 communication by telephone as an Electronic Means shall promptly be confirmed in
11 writing, which may be by one of the other means of electronic communication listed
12 in this definition.

13 EMMA. The Municipal Securities Rulemaking Board's Electronic
14 Municipal Market Access System located on its website at emma.msrb.org.

15 EXPENSE ACCOUNT. That account continued in Section 20 of this
16 Bond Ordinance for the purpose of paying Expenses and which is a separate
17 account of the Debt Service Fund.

18 EXPENSES. The reasonable and necessary fees, costs and
19 expenses incurred by the Water Authority with respect to the issuance of, including
20 disclosure matters pertaining to, the Bonds, including, without limitation, attorneys'
21 fees and costs, financial advisor's fees and costs, premiums and costs for any Credit
22 Facility, costs of advertising and publication, underwriter's discounts, cost of printing
23 bonds and disclosure documents, fees and costs of the Escrow Agent, legal fees
24 and expenses, bidding agent's fees and costs relating to the initial purchase of
25 securities for deposit with the Escrow Agent, including any fees and costs
26 associated with any verification agent, and expenses of any Independent Accountant
27 and all reasonable and necessary fees and administrative costs of the Water
28 Authority relating to the foregoing.

29 FISCAL YEAR. The twelve-month period beginning on the first day of
30 July of each year and ending on the last day of June of the next succeeding year, or

1 any other consecutive twelve-month period, which the Water Authority designates as
2 its Fiscal Year.

3 GOVERNMENT OBLIGATIONS. Direct obligations of, or obligations
4 the principal of and interest on which are unconditionally guaranteed by, the United
5 States of America, or certificates or receipts established by the United States
6 Government or its agencies or instrumentalities representing direct ownership of
7 future interests or principal payments on direct obligations of, or obligations fully
8 guaranteed by, the United States of America or any of its agencies or
9 instrumentalities the obligations of which are backed by the full faith and credit of the
10 United States, which obligations are held by a custodian in safekeeping on behalf of
11 the holders of such receipts, and rated or assessed in its highest Rating Category by
12 S&P, if then rating the Bonds, and by Moody's, if then rating the Bonds.

13 GROSS REVENUES. All income and revenues directly or indirectly
14 derived by the Water Authority from the operation and use of the System, or any part
15 of the System, and includes, without limitation, all revenues received by the Water
16 Authority, or any municipal corporation or agency succeeding to the rights of the
17 Water Authority, from the System and from the sale and use of water, water services
18 or facilities, sewer service or facilities or any other service, commodity or facility or
19 any combination thereof furnished to the inhabitants of the geographic area served
20 by the Water Authority by means of the System as the same may at any time exist to
21 serve customers outside the Water Authority's geographical limits as well as
22 customers within the Water Authority's geographical limits. Such term also includes:

23 (1) All income derived from the investment of any money in
24 the Acquisition Fund, Joint Water and Sewer Fund, Debt Service Fund and Rate
25 Stabilization Fund and income derived from surplus Net Revenues;

26 (2) Money released from the Rebate Fund to the Water
27 Authority;

28 (3) Money released from the Rate Stabilization Fund to the
29 Water Authority to the extent that the amount released is used to pay Operation and
30 Maintenance Expenses or Debt Service Requirements on System Obligations in the
31 year released; provided that withdrawals from the Rate Stabilization Fund shall not

1 be included in Gross Revenues for the purposes of the Rate Covenant in any two
2 consecutive calendar years;

3 (4) Property insurance proceeds which are not necessary to
4 restore or replace the property lost or damaged and the proceeds of the sale or
5 other disposition of any part of the System; and

6 (5) Funds received from users of the System as a
7 reimbursement of, or otherwise in connection with, franchise fees to be paid by the
8 Water Authority.

9 Gross Revenues do not include:

10 (1) any money received as grants or gifts from the United
11 States of America, the State or other sources, or the proceeds of any charge or tax
12 intended as a replacement therefor or other capital contributions from any source
13 which are restricted as to use; and

14 (2) condemnation proceeds or the proceeds of any
15 insurance policy, except any property insurance proceeds described above in clause
16 (4) of this definition or in Section 29.(L) or derived in respect of loss of use or
17 business interruption.

18 HISTORIC TEST PERIOD. Any period of 12 consecutive months out
19 of the 24 calendar months next preceding the delivery of additional Senior
20 Obligations pursuant to Section 27.(B) or additional Subordinate Obligations
21 pursuant to Section 27.(C).

22 INDEPENDENT ACCOUNTANT. Any certified public accountant,
23 registered accountant, or firm of accountants duly licensed to practice and practicing
24 as such under the laws of the State, appointed and paid by the Water Authority who
25 (a) is, in fact, independent and not under the domination of the Water Authority, the
26 City or the County, (b) does not have any substantial interest, direct or indirect, with
27 the Water Authority, the City or the County, and (c) is not connected with the Water
28 Authority as an officer or employee of the Water Authority, but who may be regularly
29 retained to make annual or similar audits of the books or records of the Water
30 Authority, the City or the County.

31 INSURED BANK. A bank insured by an agency of the United States.

1 INSURED OBLIGATIONS. System Obligations insured by a Bond
2 Insurance Policy or payable with the proceeds of another Credit Facility.

3 INTEREST PAYMENT DATE. January 1 and July 1 of each year (or if
4 such day is not a Business Day, then the next succeeding Business Day) beginning
5 on January 1, 2019.

6 JOINT WATER AND SEWER FUND. The “City of Albuquerque, New
7 Mexico, Joint Water and Sewer Fund” originally established in Section 16 of
8 Ordinance No. 18-1984 and continued in Section 20 of this Bond Ordinance as the
9 “Albuquerque Bernalillo County Water Utility Authority Joint Water and Sewer Fund.”

10 MOODY’S. Moody’s Investors Service, Inc., a corporation organized
11 and existing under the laws of the State of Delaware, its successors and their
12 assigns, and, if such corporation does not provide a rating for the Bonds, “Moody’s”
13 shall be deemed to refer to any other nationally recognized securities rating agency
14 rating the Bonds.

15 NMFA. The New Mexico Finance Authority.

16 NMSA 1978. New Mexico Statutes Annotated, 1978 Compilation, as
17 amended and supplemented.

18 NET REVENUES. The Gross Revenues after deducting Operation
19 and Maintenance Expenses.

20 OFFICIAL STATEMENT. The final disclosure document relating to the
21 offer and sale of the Bonds (including the cover page and all summary statement
22 appendices and other materials included or incorporated by reference or attached
23 thereto), as amended or supplemented.

24 OPERATION AND MAINTENANCE EXPENSES. All reasonable and
25 necessary current expenses of the System, paid or accrued, related to operating,
26 maintaining and repairing the System including, without limiting the generality of the
27 foregoing:

28 (1) legal and overhead expenses directly related and
29 reasonably allocable to the administration of the System;

30 (2) insurance premiums for the System, including, without
31 limitation, premiums for property insurance, public liability insurance and workmen’s

- 1 compensation insurance, whether or not self-funded;
- 2 (3) premiums, expenses and other costs (other than required
- 3 reimbursements of insurance proceeds and other amounts advanced to pay Debt
- 4 Service Requirements on System Obligations) for Credit Facilities;
- 5 (4) Expenses other than expenses paid from the proceeds of
- 6 System Obligations;
- 7 (5) the costs of audits of the books and accounts of the
- 8 Water Authority and the System;
- 9 (6) amounts required to be deposited in the Rebate Fund or
- 10 otherwise required to make rebate payments to the United States Government;
- 11 (7) salaries, administrative expenses, labor costs, surety
- 12 bonds and the cost of materials and supplies used for or in connection with the
- 13 current operation of the System; and
- 14 (8) franchise tax payments to the City, County or any other
- 15 local government.

16 Operation and Maintenance Expenses do not include any allowance for

17 depreciation, payments in lieu of taxes, liabilities incurred by the Water Authority as

18 a result of its negligence or other misconduct in the operation of the System or any

19 charges or costs allocable to capital improvements or replacements. Operation and

20 Maintenance Expenses do not include any payment of or reimbursement for the

21 payment of Debt Service Requirements or premiums on the Bonds.

22 OUTSTANDING. When used in reference to System Obligations, on

23 any particular date, the aggregate of all System Obligations issued and delivered

24 under the applicable Water Authority ordinance authorizing the issuance of, System

25 Obligations except:

26 (1) those canceled at or prior to such date or delivered to or

27 acquired by the Water Authority at or prior to such date for cancellation;

28 (2) those which have been paid or are deemed to be paid in

29 accordance with the Water Authority or City ordinance or resolution authorizing the

30 issuance of the applicable System Obligations or otherwise relating thereto, provided

31 that the payment of Insured Obligations with the proceeds of a Bond Insurance

1 Policy shall not result in those Insured Obligations ceasing to be Outstanding;
2 (3) in the case of Variable Rate Obligations, System
3 Obligations deemed tendered but not yet presented for payment;
4 (4) those Bonds which have been refunded in accordance
5 with this Bond Ordinance or other ordinances of the Water Authority authorizing the
6 defeasance of such designated System Obligations; and
7 (5) those in lieu of or in exchange or substitution for which
8 other System Obligations shall have been delivered, unless proof satisfactory to the
9 Water Authority and the Paying Agent for the applicable System Obligations is
10 presented that any System Obligation for which a new System Obligation was
11 issued or exchanged is held by a bona fide holder in due course.

12 OWNER. The registered owner or owners of any Bond as shown on
13 the registration books maintained by the Registrar.

14 PAYING AGENT. The Chief Financial Officer or successor in function
15 of the Water Authority or any trust company, national or state banking association or
16 financial institution qualified to act, appointed as the paying agent for the Bonds by
17 an Authorized Officer from time to time.

18 PERMITTED INVESTMENTS. Any of the following which at the time
19 of the investment are legal investments for the Water Authority for the money to be
20 invested and any other investments, subject to approval by S&P and Moody's, if
21 then rating the Bonds, which at the time of investment are legal investments of the
22 Water Authority for the money to be invested:

23 (1) United States Government Obligations: Securities
24 backed by the full faith and credit of the U.S. Government including direct obligations
25 of the U.S. Treasury, such as U.S. treasury notes and bills and "Ginnie Mae"
26 mortgage-backed certificates issued by the Government National Mortgage
27 Association;

28 (2) United States Government Obligations: Securities issued
29 or guaranteed by U.S. Government agencies, instrumentalities or sponsored
30 enterprises, but which are not backed by the full faith and credit of the U.S.
31 Government. These securities include Federal Farm Credit Bank "FFCB", Federal

1 Home Loan Bank "FHLB", Federal Home Loan Mortgage Corporation "FHLMC" and
2 Federal National Mortgage Association "FNMA" and other entities that qualify as
3 instrumentalities of the U.S. government. Additionally, mortgage-backed certificates,
4 and debentures issued by "Freddie Mac" (Federal Home Loan Mortgage
5 Corporation) and "Fannie Mae" (Federal National Mortgage Association) are
6 allowable;

7 (3) Bank, Savings and Loan Associations or Credit Unions:
8 Deposits in certified and designated New Mexico financial institutions, per the
9 requirement in the New Mexico Constitution Article VIII, Section 4, whose deposits
10 are insured by an agency of the United States. All deposits will comply with State
11 law of the Board related to interest rate and collateral requirements. CD deposits
12 shall not be made with custodial banks of the Water Authority. A deposit in any
13 credit union shall be limited to the amount insured by an agency of the United
14 States;

15 (4) Municipal Securities: Obligations, the interest on which is
16 excluded from gross income of the recipient for federal income tax purposes, which
17 comply with State law and the policies of the Board;

18 (5) Money market instruments and other securities of
19 commercial banks, broker-dealers or recognized financial investors, which securities
20 or institutions are rated in the highest Rating Category by S&P or Moody's, if then
21 rating the Bonds, or which securities are guaranteed by a person or entity whose
22 long-term debt obligations are rated in the highest Rating Category by S&P and
23 Moody's, if then rating the Bonds, including, without limitation, securities of, or other
24 interests in, any open-end or closed-end management type investment company or
25 investment trust registered under the provisions of 15 U.S.C. Sections 80(a)-1 et.
26 seq., which invest only in, or whose securities are secured only by, obligations of the
27 type set forth in paragraphs (1) and (2) of this definition;

28 (6) The "participating government investment fund"
29 described in Section 6-10-10.1 NMSA. 1978 or other similar pooled fund maintained
30 by the State for the investment of public funds of local public bodies of the State;
31 and

1 (7) Repurchase agreements involving the purchase and sale
2 of, and guaranteed investment contracts, the par value of which is collateralized by a
3 perfected first pledge of, or security interest in, or the payments of which are
4 unconditionally guaranteed by, securities described in parts (1) and (2) of this
5 definition, which collateral is held by the Water Authority, or for the benefit of the
6 Water Authority, by a party other than the provider of the guaranteed investment
7 contract or repurchase agreement, with a collateralized value of at least 102% of the
8 par value of such repurchase agreement or guaranteed investment contract or 102%
9 of the market value thereof, valued at intervals of no less than monthly and which
10 collateral is not subject to any other pledge or security interest.

11 PRELIMINARY OFFICIAL STATEMENT. The initial disclosure
12 document relating to the offer and sale of the Bonds (including the cover page and
13 all summary statements, appendices and other materials included or incorporated by
14 reference or attached thereto), as amended or supplemented.

15 PRINCIPAL PAYMENT DATE. July 1st of each year beginning on
16 the date set forth in the Bond Purchase Agreement, so long as the Bonds are
17 Outstanding.

18 PROJECT OR IMPROVEMENT PROJECT. Acquiring additional
19 System assets, extending, repairing, replacing and improving the Water Authority's
20 System and the payment of Expenses associated with the issuance of the Bonds.

21 PROSPECTIVE TEST PERIOD. The 12-month period commencing
22 on the first day of the month following the estimated Completion Date of the project
23 for which additional Senior Obligations or Subordinate Obligations are proposed to
24 be issued pursuant to Section 27.(B) or Section 27.(C), respectively, or the first day
25 of the thirty-sixth month following the delivery of such Senior Obligations or
26 Subordinate Obligations, whichever is earlier.

27 PUBLIC PROJECT REVOLVING FUND LOAN AGREEMENT (2011).
28 The loan agreement dated December 15, 2011 between the NMFA and the Water
29 Authority in the principal amount of \$53,400,000 and approved by Ordinance No. O-
30 11-5 and Resolution No. R-11-17 constituting a senior lien on the Net Revenues.

31 QUALIFIED EXCHANGE AGREEMENT. Any interest rate exchange

1 between the Water Authority and a counterparty which, when entered into by the
2 Water Authority, satisfies the requirements of Section 6-18-8.1 NMSA 1978.

3 RATE COVENANT. The covenants in Section 29.(C) relating to
4 charging rates for use of the System to pay Debt Service Requirements.

5 RATE STABILIZATION FUND. The Rate Stabilization Fund for
6 System Obligations previously established by the Water Authority and continued in
7 Section 20 of this Bond Ordinance.

8 RATING CATEGORY. A generic securities rating category, without
9 regard, in the case of a long-term rating category, to any refinement or gradation of
10 such long-term rating category by a numerical modifier or otherwise.

11 REBATE FUND. The Rebate Fund for System Obligations previously
12 established by the Water Authority and continued in Section 20 of this Bond
13 Ordinance.

14 RECORD DATE. The fifteenth day of the calendar month preceding
15 each Interest Payment Date.

16 REGISTRAR. The Chief Financial Officer or successor in function of
17 the Water Authority or any trust company, national or state banking association or
18 financial institution qualified to act, appointed as the registrar for the Bonds by an
19 Authorized Officer from time to time.

20 RESERVE ACCOUNT. The accounts of the Debt Service Fund to be
21 established for Senior Obligations or Subordinate Obligations with a reserve
22 requirement.

23 RESERVE ACCOUNT SURETY BOND. Any policy of insurance or
24 surety bond or other Credit Facility issued to the Water Authority to be deposited in a
25 Reserve Account, the proceeds of which shall be used to prevent deficiencies in the
26 payment of the principal of or interest on a series of System Obligations, written by
27 an insurer whose policies of insurance, or issued by a Credit Source whose Credit
28 Facility, would not adversely affect the rating of the System Obligations by either
29 Moody's or S&P if the Bonds are then rated by Moody's or S&P. At the time of the
30 issuance of such policy, such insurer or the component insurance companies thereof
31 or the obligations thereof shall have received the highest policy claims rating

1 accorded insurers by the A. M. Best Company or any comparable service and either
2 of the two highest rating categories of Moody's or S&P if the Bonds are then rated by
3 Moody's or S&P.

4 S&P. S&P Global Ratings, a division of S&P Global Inc., its
5 successors and their assigns, and, if such corporation does not provide a rating for
6 the Bonds, "S&P" shall be deemed to refer to any other nationally recognized
7 securities agency rating the Bonds.

8 SENIOR OBLIGATIONS. The Series 2009A-1 Bonds, the Drinking
9 Water State Revolving Fund Loan Agreement (2009), the Public Project Revolving
10 Fund Loan Agreement (2011), the Series 2013A&B Bonds, the Series 2014A Bonds,
11 the Series 2015 Bonds, the Series 2017 Bonds, the Drinking Water State Revolving
12 Fund Loan Agreement #DW-4200 (2018), the Drinking Water State Revolving Fund
13 Loan Agreement #DW-4202 (2018), the Series 2018 Bonds, and obligations related
14 thereto designated as Senior Obligations, in any ordinance or resolution of the Water
15 Authority relating to those bonds, and any other System Obligations issued with a
16 lien on the Net Revenues on a parity with the lien of the Outstanding Senior
17 Obligations on Net Revenues.

18 SERIES 2009A-1 BONDS. The Senior Obligations designated as
19 "Albuquerque Bernalillo County Water Utility Authority Joint Water and Sewer
20 System Improvement Revenue Bonds, Series 2009A-1" in the original principal
21 amount of \$135,990,000, authorized and issued pursuant to Ordinance No. O-09-1
22 and Resolution No. R-09-7 constituting a senior lien on the Net Revenues.

23 SERIES 2013A&B BONDS. The Senior Obligations designated as the
24 "Albuquerque Bernalillo County Water Utility Authority Joint Water and Sewer
25 System Improvement Revenue Bonds, Series 2013A" and the "Albuquerque
26 Bernalillo County Water Utility Authority Joint Water and Sewer System Refunding
27 Revenue Bonds, Series 2013B" in the combined original principal amount of
28 \$118,215,000, authorized and issued pursuant to Ordinance No. O-13-2 and
29 Resolution R-13-13 constituting a senior lien on the Net Revenues.

30 SERIES 2014A BONDS. The Senior Obligations designated as the
31 "Albuquerque Bernalillo County Water Utility Authority Senior Lien Joint Water and

1 Sewer System Refunding Revenue Bonds, Series 2014A” in the original principal
2 amount of \$97,270,000, authorized and issued pursuant to Ordinance No. F/S O-14-
3 2 and Resolution F/S R-14-10 constituting a senior lien on the Net Revenues.

4 SERIES 2014B BONDS. The Subordinate Obligations designated as
5 the “Albuquerque Bernalillo County Water Utility Authority Subordinate Lien Joint
6 Water and Sewer System Refunding Revenue Bonds, Series 2014B” in the original
7 principal amount of \$87,005,000, authorized and issued pursuant to Ordinance No.
8 F/S O-14-2 and Resolution F/S R-14-10 constituting a subordinate lien on the Net
9 Revenues.

10 SERIES 2015 BONDS. The Senior Obligations designated as the
11 “Albuquerque Bernalillo County Water Utility Authority Senior Lien Joint Water and
12 Sewer System Refunding and Improvement Revenue Bonds, Series 2015” in the
13 original principal amount of \$211,940,000, authorized and issued pursuant to
14 Ordinance No. O-15-2 and Resolution F/S R-15-6 constituting a senior lien on the
15 Net Revenues.

16 SERIES 2017 BONDS. The Senior Obligations designated as the
17 “Albuquerque Bernalillo County Water Utility Authority Senior Lien Joint Water and
18 Sewer System Refunding and Improvement Revenue Bonds, Series 2017” in the
19 original principal amount of ~~\$78,750~~87,970,000, authorized and issued pursuant to
20 Ordinance No. O-16-2 and Resolution F/S R-16-13 constituting a senior lien on the
21 Net Revenues.

22 SERIES 2018 BONDS DEBT SERVICE ACCOUNT. An account of the
23 Debt Service Fund established for the deposit of amounts necessary to pay the Debt
24 Service Requirements on the Bonds.

25 SERIES 2018 BONDS ACQUISITION ACCOUNT. An account of the
26 Acquisition Fund established for the deposit of the portion of the proceeds of the
27 Series 2018 Bonds to finance the Project.

28 STATE. The State of New Mexico.

29 SUBORDINATE OBLIGATIONS. The Drinking Water State Revolving
30 Fund Loan Agreement (2008), the Series 2014B Bonds, and all other bonds and
31 other obligations of the Water Authority now or hereafter issued with a lien on the

1 Net Revenues subordinate to the lien of Senior Obligations and superior to the lien
2 of the Super Subordinated Obligations on the Net Revenues.

3 SUPER SUBORDINATED OBLIGATIONS. All other bonds and other
4 obligations of the Water Authority hereafter issued with a lien on the Net Revenues
5 subordinate to the liens of the Senior Obligations and the Subordinate Obligations
6 on the Net Revenues.

7 SYSTEM. The public utility owned by the Water Authority and
8 designated as the Water Authority's water system and sanitary sewer system
9 (continued as a joint utility system in Section 4 of this Bond Ordinance) consisting of
10 all properties, real, personal, mixed or otherwise, now owned or hereafter acquired
11 by the Water Authority, through purchase, construction or otherwise, including all
12 extensions, enlargements and improvements of or to the water and sanitary sewer
13 system and used in connection therewith or relating thereto, and any other related
14 activity or enterprise of the Water Authority designated by the Board as part of the
15 water and sanitary sewer system, whether situated within or without the
16 geographical limits of the Water Authority.

17 SYSTEM OBLIGATIONS. All bonds and other similar indebtedness
18 payable solely or primarily from Net Revenues, including, without limitation, the
19 Senior Obligations, the Subordinate Obligations and the Super Subordinated
20 Obligations.

21 UNDERWRITERS. J.P. Morgan Securities LLC and Robert W. Baird &
22 Co., collectively, as the original purchasers of the Bonds.

23 VARIABLE RATE OBLIGATIONS. System Obligations, including
24 reimbursement obligations pursuant to a Credit Facility, the interest rate on which is
25 subject to change from time to time.

26 WATER AUTHORITY. The Albuquerque Bernalillo County Water
27 Utility Authority created by Section 72-1-10 NMSA 1978 as a joint agency of the City
28 and the County and operating under the name Albuquerque Bernalillo County Water
29 Utility Authority.

30 WATER TRUST BOARD. The board created by Section 72-4A-4
31 NMSA 1978.

1 WATER TRUST BOARD LOANS. As of the date of adoption of the
2 Bond Ordinance, the 2017 loan authorized and approved pursuant to Water
3 Authority Ordinance No. O-16-3 and Resolution No. R-16-14 to the Water Authority
4 by the Water Trust Board, evidenced by that loan agreement #3544-WTB in the
5 amount of \$669,550.

6 (B) RULES OF CONSTRUCTION. For purposes of this Bond
7 Ordinance, unless otherwise expressly provided or unless the context requires
8 otherwise:

9 (1) Unless otherwise stated in this Bond Ordinance, all
10 references in this Bond Ordinance to designated Sections and other subdivisions are
11 to the designated Section and other subdivisions of this Bond Ordinance.

12 (2) The words “herein”, “hereof”, “hereunder”, and “herewith”
13 and other words of similar import in this Bond Ordinance refer to this Bond
14 Ordinance, as a whole, and not to any particular Section or other subdivision.

15 (3) All accounting terms not otherwise defined in this Bond
16 Ordinance have the meanings assigned to them in accordance with generally
17 accepted accounting principles.

18 (4) Words of the masculine gender shall be deemed and
19 construed to include correlative words of the feminine and neuter genders.

20 (5) The headings used in this Bond Ordinance are for
21 convenience of reference only and shall not define or limit the provisions of this
22 Bond Ordinance.

23 (6) Terms in the singular include the plural and vice versa.

24 Section 2. RATIFICATION. All actions previously taken (not inconsistent
25 with the provisions of this Bond Ordinance) by the Board and the officers of the
26 Water Authority, directed toward the authorization, pledge, collection and distribution
27 of the Net Revenues, the Project, and the authorization, issuance and sale of the
28 Bonds are ratified, approved and confirmed.

29 Section 3. FINDINGS.

30 (A) The Water Authority declares that it has considered all relevant
31 information and data and finds that the issuance of the Bonds in one series under

1 the Act in an aggregate principal amount not to exceed \$~~78,750~~83.000,000 to
2 finance the Project is necessary and in the interest of the public health, safety and
3 welfare of the residents of the geographic area served by the Water Authority.

4 (B) The Water Authority will finance the Project with the proceeds of
5 the Bonds, together with other funds of the Water Authority, if necessary.

6 (C) It is economically feasible to accomplish the Project by the
7 issuance of the Bonds.

8 (D) The forms of the Bond Purchase Agreement and Preliminary
9 Official Statement as presented to the Board, and the sale of the Bonds to the
10 Underwriters within the parameters set forth in this Bond Ordinance are hereby
11 approved by the Board with the approval of the final terms of the Bonds and final
12 forms of the Bond Purchase Agreement, Preliminary Official Statement, Continuing
13 Disclosure Undertaking delegated to the Delegate or her designee as permitted by
14 Section 6-14-10.2 NMSA 1978. The use and distribution of the Preliminary Official
15 Statement and Official Statement by the Underwriters in connection with the sale of
16 the bonds to the public are hereby ratified, authorized, approved and acknowledged.

17 Section 4. JOINT UTILITY. The System shall continue to be operated and
18 maintained as a joint public utility.

19 Section 5. LIABILITY FOR OUTSTANDING SYSTEM OBLIGATIONS.
20 The Water Authority hereby confirms that, in accordance with Section 72-1-10
21 NMSA 1978, the Water Authority has assumed all of the obligations that were
22 entered into by the City prior to the Water Authority's acquisition of the System and
23 is solely responsible for paying the Debt Service Requirements for all Outstanding
24 System Obligations.

25 Section 6. AUTHORIZATION OF PROJECT; EXPENSES.

26 (A) PROJECT. The Project is hereby authorized and approved.

27 (B) EXPENSES. The payment of Expenses is authorized and
28 approved.

29 (C) PROCEEDS. The net proceeds of the Bonds will be used
30 exclusively to finance the Project including the payment of Expenses.

31 Section 7. THE BONDS.

1 (A) AUTHORIZATIONS; This Bond Ordinance has been adopted
2 by the affirmative vote of at least a majority of all of the members of the Board. For
3 the purpose of protecting the public health, conserving the property, protecting the
4 general welfare and prosperity of the citizens of the geographic area served by the
5 Water Authority, and completing the Project, it is necessary that the Water Authority
6 issue, and the Water Authority is hereby authorized to issue, pursuant to the Act, its
7 negotiable, fully registered bonds designated as the "Albuquerque Bernalillo County
8 Water Utility Authority Senior Lien Joint Water and Sewer System Improvement
9 Revenue Bonds, Series 2018."

10 The Bonds shall be issued in one or more series in the aggregate principal
11 amount not to exceed \$~~78,750~~83,000,000, to be used, with other available moneys
12 of the Water Authority, if any, to finance the Project, including the payment of
13 Expenses.

14 (B) DETAILS OF THE BONDS.

15 (1) General. The Bonds shall be issued as fully registered
16 bonds in one or more series and shall be issued to provide funds, together with other
17 available funds of the Water Authority, if any, to finance the Project and to pay
18 Expenses. The Bonds shall be dated the date of issuance of the Bonds (the "Series
19 Date"), and shall be issued in fully registered form only, without coupons, and when
20 issued will be registered in the name of Cede & Co., as nominee of The Depository
21 Trust Company ("DTC"), New York, New York, as registered owner of the Bonds, all
22 as provided in the Bond Ordinance.

23 ~~(2) —~~ Interest Payment Date; Interest Rates; Maturities. The
24 Bonds shall bear interest from the most recent date to which interest has been paid
25 or provided for or if no interest has been paid or provided for from the date of the
26 Bonds until maturity or until redeemed if called for redemption prior to maturity. The
27 Bonds shall bear interest payable on each Interest Payment Date, beginning
28 January 1, 2019, at the rates per annum, maturing in the years and amounts, set
29 forth in the Bond Purchase Agreement.

30 ~~(2) —~~

31 (3) Computation of Interest. Interest on Bonds will be

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1 computed on the basis of a 360-day year consisting of twelve 30-day months. If,
2 upon presentation at maturity or for prior redemption, payment of the principal
3 amount of any Bond is not made as required by this Bond Ordinance, interest on the
4 unpaid principal amount of such Bond shall continue to accrue at the interest rate
5 stated or described in that Bond until the principal amount of that Bond is paid in full.

6 (4) Priority of Lien on the Net Revenues. The Bonds shall be
7 issued with a lien on the Net Revenues on a parity with the lien of the Senior
8 Obligations on the Net Revenues and a lien superior to the liens of the Subordinate
9 Obligations and the Super Subordinated Obligations on the Net Revenues.

10 (C) BOOK-ENTRY. The Bonds shall be issued or registered in
11 book entry form with no physical distribution of bond certificates made to the public,
12 with a Depository acting as securities depository for the Bonds. A single certificate
13 for each maturity of the Bonds will be delivered to the Depository and immobilized in
14 its custody. The book-entry system will evidence ownership of the Bonds in
15 Authorized Denominations, with transfer of ownership effected on the books of the
16 Depository and its participants ("Participants"). As a condition to delivery of the
17 Bonds, the Underwriters will, immediately after acceptance of delivery thereof,
18 deposit, or cause to be deposited, Bond certificates with the Depository, registered
19 in the name of the Depository or its nominee. Principal of, premium, if any, and
20 interest on the Bonds will be paid to the Depository or its nominee as the registered
21 Owner of the Bonds. The transfer of principal and interest payments to Participants
22 will be the responsibility of the Depository; the transfer of principal and interest
23 payments to the beneficial owners of the Bonds (the "Beneficial Owners") will be the
24 responsibility of such Participants and other nominees of Beneficial Owners
25 maintaining a relationship with Participants (the "Indirect Participants"). The Water
26 Authority will not be responsible or liable for maintaining, supervising or reviewing
27 the records maintained by the Depository, Participants or Indirect Participants.

28 If (i) the Bonds are not eligible for the services of the Depository, (ii) the
29 Depository determines to discontinue providing its services or (iii) the Water
30 Authority determines that a continuation of the system of book-entry transfers
31 through the Depository ceases to be beneficial to the Water Authority or the

1 Beneficial Owners, the Water Authority will either identify another Depository or
2 certificates will be delivered to Beneficial Owners or their nominees and the
3 Beneficial Owners or their nominees, upon authentication of Bonds and registration
4 of the Bonds in the Beneficial Owners' or nominees' names, will become the Owners
5 for all purposes. In either such event, the Water Authority shall mail an appropriate
6 notice to the Depository for notification to Participants, Indirect Participants and
7 Beneficial Owners of the substitute Depository or the issuance of bond certificates to
8 Beneficial Owners or their nominees, as applicable.

9 Authorized Officers are authorized to sign agreements with Depositories
10 relating to the matters set forth in this Section.

11 Notwithstanding any other provision of the Bond Legislation to the contrary,
12 so long as all the Bonds are registered in the name of the Depository or its nominee,
13 all payments with respect to principal of, redemption premium, if any, and interest on
14 the Bonds, and all notices, shall be made and given by the Paying Agent or the
15 Water Authority to the Depository as provided in the Bond Legislation and by the
16 Depository to its Participants and by the Participants or Indirect Participants to the
17 Beneficial Owners.

18 (D) PAYMENT OF THE BONDS. The principal of and premium, if
19 any, on the Bonds shall be payable upon presentation and surrender of the Bonds at
20 the principal office of the Paying Agent at or after their maturity or prior redemption
21 dates. Interest on the Bonds shall be payable by check or draft mailed to the owners
22 (or by such other arrangement as may be mutually agreed to by the Paying Agent
23 and an Owner). The Owner shall be deemed to be that person or entity shown on
24 the registration books for the Bonds maintained by the Registrar at the address
25 appearing in the registration books at the close of business on the applicable Record
26 Date. Interest which is not timely paid or provided for shall cease to be payable to
27 the Owner of the applicable Bonds (or of one or more predecessor Bonds) as of the
28 Record Date, but shall be payable to the Owners of those Bonds (or of one or more
29 predecessor Bonds) at the close of business on a special record date for the
30 payment of the overdue interest. The special record date shall be fixed by the
31 Paying Agent and Registrar whenever money becomes available for payment of the

1 overdue interest and notice of the special record date shall be given to the Owners
2 of the Bonds not less than ten days prior to that date. Payment shall be made in the
3 coin or currency of the United States of America that is at the time of payment legal
4 tender for the payment of public and private debts. If the principal amount of any
5 Bond presented for payment remains unpaid at maturity, the unpaid principal shall
6 bear interest at the rate designated in that Bond. Payments of Bonds shall be made
7 without deduction for exchange or collection charges.

8 The Water Authority shall transfer, or cause to be transferred, funds to the
9 Paying Agent on a timely basis so that the Paying Agent may make payments of the
10 principal of, premium, if any, and interest on the Bonds, when due, to the Owners
11 and comply with the requirements of any Credit Source. The Water Authority shall
12 notify the Paying Agent if there is or will be an insufficient amount of money of the
13 Water Authority legally available to pay principal and interest on the Bonds when
14 due.

15 Section 8. APPOINTMENT OF PAYING AGENT AND REGISTRAR. The
16 Chief Financial Officer of the Water Authority is appointed as the initial Paying Agent
17 and Registrar. The Paying Agent, Authenticating Agent and Registrar shall be the
18 same person.

19 Section 9. REDEMPTION OF BONDS.

20 (A) GENERAL. The Bonds may be subject to redemption prior to
21 their respective maturities on and after the date specified in the Bond Purchase
22 Agreement, at the option of the Water Authority in any order of maturity as
23 determined by the Water Authority, at a redemption price equal to 100% of the
24 principal amount of the Bonds to be redeemed, plus accrued interest to the date of
25 redemption.

26 (B) REDEMPTION CONDITIONAL. Unless money sufficient to pay
27 the principal of and interest on the Bonds to be redeemed at the option of the Water
28 Authority is received by the Paying Agent prior to the giving of notice of redemption
29 in accordance with Section 9.(E), that notice shall state that the redemption is
30 conditional upon the receipt of that money by the Paying Agent by 2:00 p.m. on the
31 redemption date. If an amount sufficient to redeem all Bonds called for redemption

1 is not received by that time (i) the Paying Agent shall redeem only those Bonds for
2 which the redemption price was received and the Bonds to be redeemed shall be
3 selected in the manner set forth in Section 9.(D) and (ii) the redemption notice shall
4 have no effect with respect to those Bonds for which the redemption price was not
5 received and those Bonds shall not be redeemed. The Registrar shall give notice to
6 the Owners of the Bonds which will not be redeemed in the manner in which the
7 notice of redemption was given, identifying the Bonds which will not be redeemed,
8 stating that the redemption did not take place with respect to those Bonds, and the
9 Registrar shall promptly return those Bonds to the Owners thereof as shown on the
10 Bonds register.

11 (C) CANCELLATION AND CREDIT. At its option, to be exercised
12 on or before the 45th day next preceding any mandatory sinking fund redemption
13 date, the Water Authority may irrevocably elect to (a) deliver to the Paying Agent for
14 cancellation Bonds of the same series, interest rate and maturity in any aggregate
15 principal amount and/or (b) receive a credit in respect of its sinking fund redemption
16 obligation for any Bonds of the same series, interest rate and maturity which, prior to
17 said date, have been redeemed (other than through the operation of the sinking
18 fund) and canceled by the Paying Agent and not theretofore applied as a credit
19 against any sinking fund redemption obligation. Each Bond delivered or previously
20 redeemed shall be credited by the Paying Agent as directed by the Water Authority
21 at the principal amount thereof in Authorized Denominations against the amounts
22 required to be paid by the Water Authority on the designated mandatory sinking fund
23 redemption date, and the principal amount of Bonds to be redeemed by operation of
24 such sinking fund on such date shall be reduced by that principal amount.

25 (D) PARTIAL REDEMPTION. If less than all of the Bonds subject
26 to redemption are to be redeemed at any one time, the Bonds to be redeemed shall
27 be selected by the Registrar in the manner and from the maturities designated by
28 the Water Authority. If less than all of the Bonds of a given maturity are redeemed,
29 the Bonds to be redeemed within that maturity shall be selected by lot in such
30 manner as determined by the Registrar. Part of a Bond may be redeemed in an
31 Authorized Denomination if the amount of that Bond which remains outstanding is

1 also in an Authorized Denomination.

2 (E) NOTICE OF REDEMPTION. Notice of redemption of Bonds
3 shall be given by the Registrar by sending a copy of such notice by Electronic
4 Means or by first-class, postage prepaid mail not less than 30 days prior to the
5 redemption date to the Owner of each Bond, or portion thereof, to be redeemed at
6 the address shown as of the fifth day prior to the mailing of notice on the registration
7 books kept by the Registrar and to the Credit Source for the Bonds, if any. The
8 Water Authority shall give the Registrar notice of Bonds to be called for optional
9 redemption at least fifteen (15) days prior to the date that the Registrar is required to
10 give Owners notice of redemption specifying the Bonds or the principal amount
11 thereof to be called for redemption and the applicable redemption date. If the Water
12 Authority has not designated the Bonds to be called for redemption on the dates
13 specified above, the Registrar shall select the Bonds to be redeemed by lot. Neither
14 the Water Authority's failure to give such notice, the Registrar's failure to give such
15 notice to the registered Owner of any Bonds or to any Credit Source, or any defect
16 thereon, nor the failure of the Depository to notify a Participant or any Participant or
17 Indirect Participant to notify a Beneficial Owner of any such redemption, shall affect
18 the validity of the proceedings for the redemption of any Bonds for which proper
19 notice was given.

20 Notices shall specify the CUSIP numbers and maturity date or dates of the
21 Bonds to be redeemed (if less than all Bonds are to be redeemed), the date of or
22 principal amounts of any Bonds to be redeemed in part, the date fixed for
23 redemption, and shall further state that, subject to the terms of Section 9.(B), if
24 applicable, on such redemption date there will become and be due and payable
25 upon each Bond or part thereof to be redeemed at the office of the Paying Agent the
26 principal amount thereof to be redeemed plus accrued interest, if any, to the
27 redemption date and the stipulated premium, if any, and that from and after such
28 date, interest will cease to accrue on those Bonds. In addition to the foregoing
29 notice, the notice of redemption given by the Registrar shall include such additional
30 information, and the Registrar shall comply with any other terms regarding
31 redemption, as are required by any applicable agreement with a Depository.

1 Notice having been given in the manner provided above, subject to the terms
2 of Section 9.(B), the Bonds or part thereof called for redemption shall become due
3 and payable on the redemption date designated and the Bonds or part thereof to be
4 redeemed, for which there was sufficient money on deposit with the Paying Agent,
5 shall not be deemed to be Outstanding and shall cease to bear or accrue interest
6 from and after such redemption date. Upon presentation of a Bond to be redeemed
7 at the office of the Paying Agent on or after the redemption date or, so long as the
8 book-entry system is used for determining beneficial ownership of Bonds, upon
9 satisfaction of the terms of any other arrangement between the Paying Agent and
10 the Depository, the Paying Agent will pay such Bond, or portion thereof called for
11 redemption.

12 The Registrar shall also send a copy of the notice of redemption by Electronic
13 Means, first class mail or overnight delivery to each Depository. Failure to provide
14 notice to any Depository shall not affect the validity of proceedings for the
15 redemption of Bonds.

16 The Water Authority is not required to notify the Registrar of mandatory
17 sinking fund redemption of Bonds.

18 (F) CANCELLATION. All Bonds which have been redeemed or
19 received for transfer shall be canceled and destroyed by the Paying Agent and shall
20 not be reissued and a counterpart of the certificate of destruction shall be furnished
21 by the Paying Agent to the Water Authority.

22 Section 10. REGISTRATION, TRANSFER, EXCHANGE AND OWNERSHIP
23 OF BONDS.

24 (A) REGISTRATION AND EXCHANGE. The Water Authority shall
25 cause books for registration, transfer and exchange of the Bonds to be kept at the
26 principal office of the Registrar. Upon surrender for transfer or exchange of any
27 Bonds at the principal office of the Registrar duly endorsed by the Owner or his
28 attorney duly authorized in writing, or accompanied by a written instrument or
29 instruments of transfer or exchange in form satisfactory to the Registrar and properly
30 executed, the Water Authority shall execute and the Registrar shall authenticate and
31 deliver in the name of the transferee or Owner replacement Bonds of the same

1 maturity, interest rate and aggregate principal amount in Authorized Denominations.

2 (B) OWNERS OF BONDS. The person in whose name any Bond is
3 registered shall be deemed and regarded as its absolute Owner for all purposes,
4 except as may otherwise be provided with respect to the payment of overdue
5 interest on the Bonds in Section 7.(D). Payment of either the principal of or interest
6 on any Bond shall be made only to or upon the order of its Owner or his legal
7 representative. All such payments shall be valid and effectual to satisfy and
8 discharge the liability on Bonds to the extent of the amount paid.

9 (C) LOST BONDS. If any Bond is lost, stolen, destroyed or
10 mutilated, the Registrar shall, upon receipt of such Bond, if mutilated, and the
11 evidence, information or indemnity which the Registrar may reasonably require, if
12 lost, stolen, or destroyed, authenticate and deliver a replacement Bond of the same
13 aggregate principal amount, maturity and interest rate, bearing a number or numbers
14 not then outstanding. If any lost, stolen, destroyed or mutilated Bond has matured or
15 been called for redemption, the Registrar may direct the Paying Agent to pay that
16 Bond in lieu of replacement.

17 (D) CHARGES TO OWNERS. Exchanges and transfers of Bonds
18 shall be made without charge to the Owner or any transferee except that the
19 Registrar may make a charge sufficient to reimburse the Registrar for any tax, fee or
20 other governmental charge required to be paid with respect to that transfer or
21 exchange.

22 (E) LIMITATIONS ON TRANSFER. Except for any Bond which
23 may be and is tendered for purchase, the Registrar shall not be required to transfer
24 or exchange (a) any Bond during the five-day period preceding the mailing of notice
25 calling Bonds, as applicable, for redemption and (b) any Bond called for redemption.

26 Section 11. FILING OF SIGNATURES. Prior to the execution of any Bond
27 pursuant to Sections 6-9-1 to 6-9-6 NMSA 1978, as amended, the Chair, the Vice
28 Chair, the Executive Director and the Secretary of the Water Authority shall each file
29 with the New Mexico Secretary of State his or her manual signature certified by him
30 or her under oath; provided that filing shall not be necessary for any officer where
31 any previous filing may have legal application to the Bonds.

1 Section 12. EXECUTION AND CUSTODY OF BONDS.

2 (A) EXECUTION. The Bonds shall be signed with the facsimile or
3 manual signature of the Chair and the manual or facsimile signature of the Secretary
4 of the Water Authority. Bonds when authenticated and bearing the manual or
5 facsimile signatures of the officers in office at the time of their signing shall be valid
6 and binding obligations of the Water Authority, notwithstanding that before delivery
7 of those Bonds, any or all of the persons who executed those Bonds shall have
8 ceased to fill their respective offices. The Chair, Vice Chair, Executive Director and
9 Board Secretary, at the time of the execution of the Bonds and the signature
10 certificate, each may adopt as and for his or her own facsimile signature, the
11 facsimile signature of his or her predecessor in office if such facsimile signature
12 appears upon any of the Bonds or certificates pertaining to the Bonds. No manual
13 or facsimile signature of an officer of the Water Authority or an Authenticating Agent
14 shall be required if the Bonds are issued in book-entry form without the delivery of
15 any physical securities.

16 (B) CUSTODY. The Authenticating Agent or its designee shall hold
17 in custody all Bonds signed and attested by the Chair, Vice Chair and Executive
18 Director or Secretary until ready for delivery to the Underwriters, transferee or
19 Owner. The Water Authority shall, from time to time, at the written request of the
20 Authenticating Agent, provide the Authenticating Agent an adequate supply of
21 Bonds.

22 (C) AUTHENTICATION. No Bond shall be valid or obligatory for
23 any purpose unless the certificate of authentication has been duly executed by the
24 Authenticating Agent. The Authenticating Agent's certificate of authentication shall
25 be deemed to have been duly executed if manually signed by an Authorized Officer
26 of the Authenticating Agent, but it shall not be necessary that the same officer sign
27 the certificate of authentication on all Bonds.

28 Section 13. NEGOTIABILITY; PREFERENCE. Except as otherwise stated
29 in this Bond Ordinance, the Bonds shall be fully negotiable and shall have all the
30 qualities of negotiable paper and the Owners shall possess all rights enjoyed by the
31 holders of negotiable instruments under the provisions of the State's Uniform

1 Commercial Code -- Investment Securities. All of the Bonds shall in all respects, as
2 to each other, be equally and ratably secured, without preference, priority or
3 distinction on account of the dates or the actual times of their issuance or maturities.

4 Section 14. SPECIAL LIMITED OBLIGATIONS. All of the Bonds and all
5 payments of principal of, premium, if any, and interest on Bonds, and the fees, costs,
6 expenses and other obligations of the Water Authority under the Bond Legislation,
7 the Continuing Disclosure Undertaking, the Bond Purchase Agreement, or any
8 Credit Facility, together with the interest accruing thereon, shall be special limited
9 obligations of the Water Authority and shall be payable, collectible or reimbursable
10 solely from the Net Revenues, Bond proceeds, the earnings thereon and, if a Bond
11 Insurance Policy is issued for the payment of the Bonds, from the proceeds of the
12 policy. The Owners, any Credit Source and obligees under the Bond Legislation or
13 any Credit Facility may not look to any general or other municipal fund for the
14 payment of the principal of, premium, if any, or interest on such obligations or such
15 fees, costs and expenses, except the designated special funds specifically pledged
16 for the Bonds as set forth in or permitted by this Section. None of the Bonds, the
17 Bond Legislation, the Continuing Disclosure Undertaking, or any Credit Facility or
18 such costs, fees and expenses of the Water Authority shall constitute an
19 indebtedness of the Water Authority within the meaning of any constitutional, charter
20 or statutory provision or limitation, nor shall they be considered or held to be general
21 obligations of the Water Authority, and each Bond shall recite that it is payable and
22 collectible solely from the Net Revenues, the proceeds of the Bonds, and, if a Bond
23 Insurance Policy is issued for the payment of the Bonds, from the proceeds of that
24 policy and that the Owners may not look to any general funds of the Water Authority
25 or any City or County fund for the payment of the principal of, premium, if any, or
26 interest on the Bonds.

27 Section 15. SALE OF BONDS; DELEGATION OF AUTHORITY TO
28 APPROVE FINAL TERMS WITHIN THE PARAMETERS SET FORTH HEREIN.
29 The sale of the Bonds in a negotiated sale to the Underwriters within the parameters
30 set forth below and as described in the Bond Purchase Agreement is hereby
31 approved. After the Bonds have been duly executed and authenticated and upon

1 receipt of the purchase price therefor, the Bonds shall be delivered to the
2 Underwriters by an Authorized Officer in accordance with the Bond Purchase
3 Agreement. The final terms of the Bonds shall be within the parameters set forth
4 below:

- 5 (a) The proceeds of the Bonds shall be used for the Project.
- 6 (b) The maximum par amount of the Bonds shall not be more than
7 ~~\$78,75983,000~~,000.
- 8 (c) The final maturity of the Bonds shall be no later than July 1, 2031.
- 9 (d) The maximum interest rate on the Bonds shall be no greater than 12%
10 per annum.
- 11 (e) The Bonds shall be secured by a senior lien on and shall be payable
12 solely from the Net Revenues of the System.
- 13 (f) The Bonds shall be sold pursuant to a negotiated sale with the
14 Underwriters.
- 15 (g) The Underwriters' discount shall not exceed 1% of the aggregate
16 principal amount of the Bonds.
- 17 (h) The Bonds may be subject to optional and/or mandatory sinking fund
18 redemption as set forth in the Bond Purchase Agreement.
- 19 (i) The Bonds and Bond Purchase Agreement shall be in substantially the
20 forms submitted to the Board with the adoption of this Ordinance.

21
22 The Delegate is hereby authorized pursuant to this Ordinance to determine
23 the final terms of the Bonds as permitted by Section 6-14-10.2 NMSA 1978 and to
24 execute a Bond Purchase Agreement with the Underwriters in conformance with
25 these parameters.

26
27 Section 16. FORM OF BONDS. The form of the Bonds shall be
28 substantially as set forth herein, with such terms and provisions as are not
29 inconsistent with the Bond Legislation.

30 **[Form of Bond]**

31 **UNITED STATES OF AMERICA**

STATE OF NEW MEXICO

1 AS PROVIDED IN THE BOND LEGISLATION REFERRED TO HEREIN, UNTIL
2 THE TERMINATION OF REGISTERED OWNERSHIP OF ALL OF THE BONDS
3 THROUGH THE DEPOSITORY TRUST COMPANY (TOGETHER WITH ANY
4 SUCCESSOR SECURITIES DEPOSITORY APPOINTED PURSUANT TO THE
5 RESOLUTION, "DTC"), AND NOTWITHSTANDING ANY OTHER PROVISION OF
6 THE BOND LEGISLATION TO THE CONTRARY, THE PRINCIPAL AMOUNT
7 OUTSTANDING UNDER THIS BOND MAY BE PAID OR REDEEMED WITHOUT
8 SURRENDER HEREOF TO THE REGISTRAR. DTC OR A TRANSFEREE OR
9 ASSIGNEE OF DTC OF THIS BOND MAY NOT RELY UPON THE PRINCIPAL
10 AMOUNT INDICATED HEREON AS THE PRINCIPAL AMOUNT HEREOF
11 OUTSTANDING AND TO BE PAID. THE PRINCIPAL AMOUNT OUTSTANDING
12 AND TO BE PAID ON THIS BOND SHALL FOR ALL PURPOSES BE THE
13 AMOUNT INDICATED ON THE BOOKS OF THE REGISTRAR.

14 UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE
15 OF DTC TO THE REGISTRAR FOR REGISTRATION OF TRANSFER, EXCHANGE
16 OR PAYMENT, AND ANY BOND ISSUED IS REGISTERED IN THE NAME OF
17 CEDE & CO. OR SUCH OTHER NAME AS REQUESTED BY AN AUTHORIZED
18 REPRESENTATIVE OF DTC AND ANY PAYMENT IS MADE TO CEDE & CO.,
19 ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR
20 OTHERWISE BY OR TO ANY PERSONS IS WRONGFUL SINCE THE
21 REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

22

23 **ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY AUTHORITY**
24 **SENIOR LIEN JOINT WATER AND SEWER SYSTEM**
25 **IMPROVEMENT REVENUE BONDS**
26 **SERIES 2018**

27 **Bond No. R-**____ **\$**_____

28 **INTEREST RATE** **MATURITY DATE** **DATE OF BOND** **CUSIP**

29 _____% per annum _____, 20____ _____, 20____ _____

30

1 The Albuquerque Bernalillo County Water Utility Authority (the “Water
2 Authority”), a legally and regularly created, established, organized and existing
3 municipal utility under the general laws of the State of New Mexico, for value
4 received, hereby promises to pay, solely from the special funds available for the
5 purpose as hereinafter set forth, to Cede & Co. or registered assigns, no later than
6 the Maturity Date stated above (unless this bond is called for prior redemption, in
7 which case on such redemption date), upon presentation and surrender hereof at
8 the principal office of the chief financial officer of the Water Authority as paying
9 agent, or any successor paying agent (the “Paying Agent”), the sum of
10 _____ DOLLARS (\$_____) and to pay from said sources interest on the
11 unpaid principal amount at the Interest Rate stated above on January 1, 2019, and
12 on January 1 and July 1 of each year (each an “Interest Payment Date”) thereafter to
13 its maturity, or until redeemed if called for redemption prior to maturity. This bond
14 will bear interest from the most recent date to which interest has been paid or
15 provided for or, if no interest has been paid or provided for, from its date. Interest on
16 this bond is payable by check mailed to the registered owner hereof (or by such
17 other arrangement as may be mutually agreed to by the Paying Agent and the
18 registered owner) as shown on the registration books for this issue maintained by
19 the chief financial officer of the Water Authority as registrar, or any successor
20 registrar (the “Registrar”) at the address appearing therein at the close of business
21 on the fifteenth day of the calendar month next preceding the Interest Payment Date
22 (the “Record Date”). Any interest which is not timely paid or duly provided for shall
23 cease to be payable to the owner hereof as of the Record Date but shall be payable
24 to the owner hereof at the close of business on a special record date to be fixed by
25 the Paying Agent for the payment of interest. The special record date shall be fixed
26 by the Paying Agent whenever moneys become available for payment of the
27 overdue interest, and notice of the special record date shall be given to owner of the
28 Bonds (defined below) as then shown on the Registrar’s registration books not less
29 than ten days prior to the special record date. If, upon presentation at maturity or
30 redemption, payment of this bond is not made as herein provided, interest hereon
31 shall continue at the Interest Rate stated above until the principal hereof is paid in

1 full. The principal, premium, if any, and interest on this bond are payable in lawful
2 money of the United States of America, without deduction for the services of the
3 Paying Agent or the Registrar.

4 This bond is one of a duly authorized issue of fully registered bonds of the
5 Water Authority in the principal amount of \$78,75083,000,000, issued in
6 denominations of \$5,000 or integral multiples thereof, designated as Albuquerque
7 Bernalillo County Water Utility Authority Senior Lien Joint Water and Sewer System
8 Improvement Revenue Bonds, Series 2018 (the "Bonds"), issued under and
9 pursuant to Ordinance No. O-18-__ adopted September 19, 2018 and Confirming
10 Resolution No. R-18-__ adopted September 19, 2018 (collectively, the "Bond
11 Legislation").

12 The Bonds are subject to prior redemption as more particularly described
13 below:

14 Optional Redemption. Bonds maturing on and after July 1, __ are subject to
15 redemption on any date, in whole or in part, at the option of the Water Authority,
16 prior to their respective maturities on or after July 1, ____ at a price equal to 100% of
17 the principal amount of the Bonds redeemed, plus accrued interest to the date of
18 redemption.

19 Notice of redemption of this bond, or any portion of this bond, will be given by
20 providing at least 30 days prior written notice by Electronic Means or by first-class
21 mail, postage prepaid, to the owner hereof at the address shown on the registration
22 book as of the fifth day prior to the mailing of notice as provided in the Bond
23 Legislation. Notice of redemption will specify the amount being redeemed, and shall
24 further state that on such redemption date there will become and be due and
25 payable upon each Bond to be redeemed at the office of the Paying Agent the
26 principal amount thereof plus accrued interest to the redemption date and the
27 stipulated premium, if any, and that from and after such date, the redemption
28 amount having been deposited and notice having been given, interest will cease to
29 accrue.

30 Books for the registration and transfer of the Bonds shall be kept by the
31 Registrar. Upon the surrender for transfer or exchange of this bond at the principal

1 office of the Registrar, duly endorsed or accompanied by an assignment duly
2 executed by the registered owner or his attorney duly authorized in writing, the
3 Registrar shall authenticate and deliver, not more than three (3) business days after
4 receipt of the Bond or Bonds to be transferred, in the name of the transferee or
5 owner a new Bond or Bonds in fully registered form of the same aggregate principal
6 amount, maturity and interest rate. Exchanges and transfers of the Bonds shall be
7 without charge to the owner or any transferee, but the Registrar may require the
8 payment by the owner of any Bonds of any tax or other similar governmental charge
9 required to be paid with respect to such exchange or transfer. The Registrar shall
10 not be required (i) to transfer or exchange any Bond during the period of five days
11 next preceding the mailing of notice calling any Bond for redemption, or (ii) to
12 transfer or exchange any Bond or part thereof called for redemption. The Registrar
13 will close books for change of registered owners' addresses on each Record Date;
14 transfers will be permitted within the period from each Record Date to each interest
15 payment date, but such transfers shall not include a transfer of accrued interest
16 payable.

17 The person in whose name any Bond is registered on the registration books
18 kept by the Registrar shall be deemed and regarded as the absolute owner thereof
19 for the purpose of making payment thereof and for all other purposes except as may
20 otherwise be provided with respect to payment of overdue interest in the Bond
21 Legislation; and payment of or on account of either principal or interest on any Bond
22 shall be made only to or upon the written order of the registered owner thereof or his
23 legal representative. All such payments shall be valid and effectual to discharge the
24 liability upon such Bond to the extent of the sum or sums so paid.

25 If any Bond shall be lost, stolen, destroyed or mutilated, the Registrar will,
26 upon receipt of such Bond, if mutilated, and such evidence, information or indemnity
27 relating thereto as the Registrar may reasonably require, if lost, stolen or destroyed,
28 authenticate and deliver a replacement Bond or Bonds of a like aggregate principal
29 amount and of the same maturity and interest rate, bearing a number or numbers
30 not contemporaneously outstanding. If such lost, stolen, destroyed or mutilated

1 Bond shall have matured or have been called for redemption, the Registrar may
2 direct the Paying Agent to pay such Bond in lieu of replacement.

3 This bond does not constitute an indebtedness of the Water Authority within
4 the meaning of any constitutional or statutory provision or limitation, shall not be
5 considered or held to be a general obligation of the Water Authority, and is payable
6 and collectible solely from the Net Revenues (as defined in the Bond Legislation),
7 and the bondholders may not look to any general or other Water Authority fund other
8 than those described above for the payment of the interest and principal of this
9 bond. Additional bonds may be issued and made payable from the Net Revenues
10 upon satisfaction of the conditions set forth in the Bond Legislation, having a lien
11 thereon either on a parity with or junior to the lien of the Bonds on the Net
12 Revenues.

13 The Bonds are issued to provide funds for (i) acquiring additional System
14 assets, extending, repairing, replacing and improving the Water Authority's System
15 and (ii) the payment of Expenses relating to the issuance of the Bonds.

16 The Water Authority covenants and agrees with the owner of this bond and
17 with each and every person who may become the owner hereof that it will keep and
18 perform all of the covenants of the Bond Legislation.

19 This bond is subject to the condition, and every owner hereof by accepting
20 the same agrees with the obligor and every subsequent owner hereof, that the
21 principal of and interest on this bond shall be paid, and this bond is transferable, free
22 from and without regard to any equities, set-offs or crossclaims between the obligor
23 and the original or any other owner hereof.

24 It is hereby certified that all acts and conditions necessary to be done or
25 performed by the Water Authority or to have happened precedent to and in the
26 issuance of the Bonds to make them legal, valid and binding special obligations of
27 the Water Authority, have been performed and have happened as required by law,
28 and that the Bonds do not exceed or violate any constitutional or statutory limitation
29 of or pertaining to the Water Authority.

1 This bond shall not be valid or obligatory for any purpose until the
2 Authenticating Agent shall have manually signed the Certificate of Authentication of
3 this bond.

4 **IN WITNESS WHEREOF**, the Water Authority has caused this bond to be
5 signed and executed on the Water Authority's behalf with the manual or facsimile
6 signature of the Chair of the Board and to be countersigned with the manual or
7 facsimile signature of the Secretary, all as of the Date of Bond.

8 **ALBUQUERQUE BERNALILLO COUNTY**
9 **WATER UTILITY AUTHORITY**

10
11 **By:** _____
12 **Chair**

13
14 **ATTEST:**

15 **By:** _____
16 **Secretary**

17
18 **[FORM OF CERTIFICATE OF AUTHENTICATION]**

19
20 This is one of the Bonds described in the Bond Legislation, and this bond has
21 been registered on the registration books kept by the undersigned as Registrar for
22 the Bonds.

23 **CHIEF FINANCIAL OFFICER,**
24 **ALBUQUERQUE BERNALILLO COUNTY**
25 **WATER UTILITY AUTHORITY, AS**
26 **REGISTRAR**

27
28 **Dated:** _____ **By:** _____
29 **Authorized Signature**

30
31 **[FORM OF ASSIGNMENT]**

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FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers
unto

(Social Security or Federal Taxpayer Identification Number)

(Please print or typewrite Name and Address, including Zip Code, of Assignee)

the within bond and all rights thereunder, and hereby irrevocably constitutes and
appoints the Registrar under the Bond Legislation as Attorney to register the transfer
of the within bond on the books kept for registration thereof, with full power of
substitution in the premises.

Dated: _____

NOTICE: The signature of the
registered owner to this assignment
must correspond with the name as it
appears on the face of the within
bond in every particular, without
alteration or enlargement or any
change whatsoever.

Signature guaranteed by:

NOTICE: Signature guarantee
should be made by a guarantor
institution participating in the
Securities Transfer Agents Medallion
Program or in such other guarantee
program acceptable to the Registrar.

[END OF FORM OF BOND]

Section 17. PERIOD OF IMPROVEMENT PROJECT'S USEFULNESS.

1 The useful life of the Improvement Project exceeds the final maturity date of the
2 Bonds.

3 Section 18. USE OF PROCEEDS; UNDERWRITERS NOT RESPONSIBLE.

4 (A) USE OF PROCEEDS.

5 (1) The Board, having been informed of and having
6 considered all pertinent facts and circumstances, does hereby find and determine
7 and declare that proceeds from the sale of the Bonds shall be appropriated and
8 deposited as follows:

9 (a) Proceeds of the Bonds in an amount set forth in
10 the Bond Purchase Agreement will be deposited into the Expense Account to pay
11 Expenses associated with the Bonds, with any amounts not expended within ninety
12 (90) days to be deposited into the Series 2018 Bonds Debt Service Account.

13 (b) Proceeds of the Bonds designated in the Bond
14 Purchase Agreement for the payment of interest will be deposited into the Series
15 2018 Bonds Debt Service Account.

16 (c) Proceeds of the Bonds in an amount set forth in
17 the Bond Purchase Agreement will be deposited to the Acquisition Fund created
18 herein and shall be applied to the Improvement Project. Any amounts remaining in
19 the Series 2018 Bonds Acquisition Account after the Completion Date shall be
20 transferred to the Series 2018 Bonds Debt Service Account and used by the Water
21 Authority for the payment of the principal of or interest next coming due on the
22 Bonds.

23 (d) Proceeds of the Bonds in an amount set forth in
24 the Bond Purchase Agreement shall be used to pay and is appropriated for the
25 payment of Underwriters' discount.

26 The Executive Director of the Water Authority is hereby authorized to make
27 any necessary adjustments in the amounts to be deposited in the funds and
28 accounts described in this Section on the date of delivery of the Bonds.

29 (B) UNDERWRITERS NOT RESPONSIBLE. The Underwriters
30 shall not be responsible for the application or use by the Water Authority of the
31 proceeds of Bonds.

1 Section 19. APPROVAL OF DOCUMENTS AND USE OF DISCLOSURE
2 DOCUMENTS.

3 (A) APPROVAL OF DOCUMENTS. The Chair or other Authorized
4 Officer is authorized to execute, and the Board Secretary is authorized and directed
5 to attest, as applicable, the Preliminary Official Statement, the Official Statement, the
6 Bond Purchase Agreement, and the Continuing Disclosure Undertaking in
7 substantially the forms presented or described to the Board with this Bond
8 Ordinance, with such changes as are not inconsistent with the terms of the Bond
9 Legislation and as are approved by the Chair or other Authorized Officer, the
10 execution or acceptance of delivery thereof to constitute conclusive evidence of the
11 approval of any and all changes or revisions from the form of any document now or
12 hereafter before the Board. Any changes in any such documents inconsistent with
13 the terms of the Bond Legislation shall be approved by the Board by subsequent
14 ordinance or resolution of the Board. The officers, agents and employees of the
15 Water Authority are authorized, empowered and directed to do all such acts and
16 things and to execute all such documents as may be necessary to carry out and
17 comply with the provisions of the Preliminary Official Statement, the Official
18 Statement, the Bond Purchase Agreement and the Continuing Disclosure
19 Undertaking.

20 (B) DISCLOSURE DOCUMENT. The use and distribution of the
21 Preliminary Official Statement and the Official Statement (with terms which are not
22 inconsistent with the Bond Legislation) by the Underwriters in connection with the
23 sale and issuance of the Bonds are hereby authorized and ratified.

24 (C) FURTHER ACTS. The officers, agents and employees of the
25 Water Authority are hereby authorized and empowered to do all acts and things and
26 to execute all documents, including separate agreements with the Paying Agent and
27 Registrar, if necessary, to carry out and comply with the provisions of the Bond
28 Legislation and the related documents.

29 Section 20. FUNDS AND ACCOUNTS.

30 (A) JOINT WATER AND SEWER FUND. The Water Authority shall
31 continue the Joint Water and Sewer Fund as a separate, distinct and segregated

1 fund. As long as the Bonds are outstanding, all Gross Revenues shall continue to be
2 set aside and credited to the Joint Water and Sewer Fund.

3 (B) DEBT SERVICE FUND AND ACCOUNTS. The Water Authority
4 shall continue the Debt Service Fund as a separate, distinct and segregated fund for
5 the deposit of Net Revenues for the payment of System Obligations. The Water
6 Authority shall continue the Expense Account as part of the Debt Service Fund.
7 Money on deposit or credited to the Expense Account shall be used for the purpose
8 of payment of Expenses. The Water Authority shall establish the Series 2018 Bonds
9 Debt Service Account as a separate account of the Debt Service Fund.

10 (C) RATE STABILIZATION FUND. The Water Authority shall
11 continue the Rate Stabilization Fund as a separate, distinct and segregated fund for
12 the purposes described in Section 21.(E).

13 (D) ACQUISITION FUND. The Water Authority shall continue the
14 Acquisition Fund as a separate, distinct and segregated fund. The Water Authority
15 shall establish the Series 2018 Bonds Acquisition Account as a separate account in
16 the Acquisition Fund for the deposit of a portion of the proceeds of the Bonds to
17 finance the Improvement Project. The Water Authority may establish separate
18 subaccounts in the Acquisition Fund for the payment of Improvement Project costs
19 and capitalized interest, if any, and for other purposes permitted by the Bond
20 Legislation.

21 Section 21. ADMINISTRATION OF JOINT WATER AND SEWER FUND.

22 (A) USE OF GROSS REVENUES. As long as any Bonds are
23 outstanding, all Gross Revenues shall continue to be deposited in the Joint Water
24 and Sewer Fund and transferred from that fund to the following funds and accounts
25 or for payment of the following amounts in the order listed:

26 (1) Operation And Maintenance Expenses. A sufficient
27 amount of Gross Revenues shall be set aside each month to be used to pay the
28 current Operation and Maintenance Expenses as they become due.

29 (2) Debt Service Accounts for Senior Obligations. Net
30 Revenues shall be transferred to the Debt Service Accounts established for Senior
31 Obligations to pay Debt Service Requirements on Senior Obligations, as they

1 become due, including amounts owed to any Credit Source to reimburse that Credit
2 Source for the payments of Debt Service Requirements on Senior Obligations.

3 (3) Reserve Accounts for Senior Obligations. Net Revenues
4 shall be transferred to a Reserve Account, if any, to the extent that amounts on
5 deposit in that Reserve Account are less than the amount (including coverage
6 available under any applicable Reserve Account Surety Bond) required to be on
7 deposit therein. The Net Revenues deposited shall be used first to reimburse the
8 Credit Source for the proceeds of a Reserve Account Surety Bond used to pay Debt
9 Service Requirements, second to replace money drawn from the Reserve Account
10 and third to pay the Credit Source interest accrued and owed on amounts advanced
11 pursuant to the Reserve Account Surety Bond.

12 (4) Debt Service Accounts For Subordinate Obligations. Net
13 Revenues shall be transferred to the Debt Service Accounts established for
14 Subordinate Obligations to pay Debt Service Requirements on Subordinate
15 Obligations, as they become due, including amounts owed to any Credit Source to
16 reimburse that Credit Source for the payments of Debt Service Requirements on
17 Subordinate Obligations.

18 (5) Reserve Accounts for Subordinate Obligations. Net
19 Revenues shall be transferred to a Reserve Account, if any, to the extent that
20 amounts on deposit in that Reserve Account are less than the amount (including
21 coverage available under any applicable Reserve Account Surety Bond) required to
22 be on deposit therein. The Net Revenues deposited shall be used first to reimburse
23 the Credit Source for the proceeds of a Reserve Account Surety Bond used to pay
24 Debt Service Requirements, second to replace money drawn from the Reserve
25 Account and third to pay to the Credit Source interest accrued and owed on amounts
26 advanced pursuant to the Reserve Account Surety Bond.

27 (6) Super Subordinated Obligations. Net Revenues shall be
28 used to pay Debt Service Requirements on Super Subordinated Obligations, and to
29 fund any Reserve Requirement for Super Subordinated Obligations.

30 (7) Rate Stabilization Fund. At the option of the Water
31 Authority, Net Revenues may be transferred to the Rate Stabilization Fund to be

1 used for the purposes stated in Section 21.(E).

2 (8) Surplus Net Revenues. Surplus Net Revenues shall be
3 retained in the Joint Water and Sewer Fund or used for any other lawful System
4 purpose including, but not limited to, redeeming or purchasing System Obligations or
5 paying costs and expenses of the Water Authority relating to the administration of
6 System Obligations.

7 (9) Accumulation Of Revenues. Net Revenues need not be
8 retained for any use or in any fund or account described in Section 21.(A) in excess
9 of the Net Revenues required for any current use or deposit. For the purposes of
10 this subparagraph, the term "current" shall mean the month during which the Net
11 Revenues are being distributed and the immediately following month.

12 (B) SERIES 2018 BONDS DEBT SERVICE ACCOUNT. Net
13 Revenues shall be transferred to the Series 2018 Bonds Debt Service Account
14 sufficient to pay when due the Debt Service Requirements on the Bonds.

15 (1) Except as stated in this Section 21.(B)(1) and in Section
16 21.(D), substantially equal monthly deposits of Net Revenues shall be made to the
17 Series 2018 Bonds Debt Service Account beginning six months before each Interest
18 Payment Date in order to make the next payment of interest on the Bonds when
19 due. However, if the first Interest Payment Date for the Bonds is less than six
20 months after the date of the original issuance of the Bonds, substantially equal
21 monthly deposits of Net Revenues before the first Interest Payment Date shall begin
22 in the first full month following the date of issuance of the Bonds in order to make the
23 first payment of interest on the Bonds when due.

24 (2) Except as stated in this Section 21.(B)(2) and in Section
25 21.(D), substantially equal monthly deposits of Net Revenues shall be made to the
26 Series 2018 Bonds Debt Service Account beginning 12 months before each
27 Principal Payment Date for the Bonds payable from such account in order to make
28 the next scheduled payment of principal on the Bonds when due at maturity.
29 However, if the first principal payment date for the Bonds is less than thirteen
30 months after the date of the original issuance of the Bonds, substantially equal
31 monthly deposits of Net Revenues before the first principal payment date shall begin

1 in the first full month following the date of issuance of the Bonds in order to make the
2 first payment of principal on the Bonds when due at maturity.

3 If in the month immediately preceding any payment date for the Bonds, the
4 Water Authority determines that there are not sufficient funds accumulated in the
5 Series 2018 Bonds Debt Service Account to pay the amount becoming due on that
6 payment date, the Water Authority shall promptly deposit any available Net
7 Revenues in the Series 2018 Bonds Debt Service Account in an amount equal to the
8 deficiency. If, prior to any payment date for the Bonds, there has accumulated in the
9 Series 2018 Bonds Debt Service Account the entire amount necessary to pay the
10 amount becoming due on the Bonds payable from such account on that payment
11 date, no additional Net Revenues need be deposited in the Series 2018 Bonds Debt
12 Service Account prior to that payment date. In making the determinations permitted
13 by this paragraph, the Water Authority may take into account the amount on deposit
14 in any other fund or account or escrow relating to the Bonds irrevocably set aside for
15 the next payment of the Bonds.

16 Amounts on deposit in the Series 2018 Bonds Debt Service Account shall be
17 applied first to the payment of interest and then to pay or satisfy any payment of
18 principal on the respective Bonds. Except as provided in Section 21.(D), money in
19 the Series 2018 Bonds Debt Service Account shall be used only to pay the Debt
20 Service Requirements on the Bonds. Transfers of amounts equal to the periodic
21 Debt Service Requirements on the Bonds shall be made by the Water Authority on a
22 timely basis to the Paying Agent.

23 (C) RESERVE ACCOUNTS FOR BONDS. At the time of initial
24 delivery of the Bonds, no Reserve Account will be established with respect to the
25 Bonds.

26 (D) TERMINATION UPON DEPOSITS RELATING TO THE BONDS
27 TO MATURITY. No payments need be made into the Series 2018 Bonds Debt
28 Service Account if the amount in the Series 2018 Bonds Debt Service Account is not
29 less than the Debt Service Requirements due and to become due on and before the
30 final maturity date of the Bonds, both accrued and not accrued, and all proceeds
31 paid under any Credit Facility for the Bonds have been reimbursed. The money

1 retained in that account shall be used only to pay the Debt Service Requirements on
2 the Bonds when due except that any money on deposit in the Series 2018 Bonds
3 Debt Service Account which is not necessary to pay such Debt Service
4 Requirements shall be used as surplus Net Revenues in accordance with Section
5 21.(A)(8) of this Bond Ordinance.

6 (E) RATE STABILIZATION FUND. Money on deposit in the Rate
7 Stabilization Fund may be withdrawn at any time and used for any purpose for which
8 Gross Revenues may be used.

9 (F) PRO RATA DEPOSITS. If the amount of Net Revenues
10 available for deposit in the Debt Service Fund is not sufficient to pay the entire
11 amount required to be deposited in the Debt Service Accounts and/or Reserve
12 Accounts for System Obligations, the Net Revenues available shall be deposited in
13 the Debt Service Accounts and Reserve Accounts pro rata based upon the amount
14 required to be deposited in each account to the total Net Revenues available for
15 deposit but with the priorities established in Section 21.(A).

16 With respect to each applicable series of System Obligations,
17 reimbursements owed to a Credit Source for amounts used to pay Debt Service
18 Requirements on those System Obligations shall be paid on the same pro rata basis
19 and with the same priority as are amounts to be deposited in the Debt Service
20 Account or Reserve Account, as applicable, for those System Obligations; provided
21 that such reimbursements for payments of Debt Service Requirements made
22 pursuant to a Credit Facility shall be made with the priorities established in Section
23 21.(A).

24 (G) VARIABLE RATE OBLIGATIONS. In making computations
25 required by this Section, interest on Variable Rate Obligations which cannot be
26 computed exactly shall be deemed to bear the interest rate required by the definition
27 of Debt Service Requirements in the Bond Legislation. To determine the amount
28 required to be on deposit in any Debt Service Account for the payment of interest,
29 computations of the interest rate on Variable Rate Obligations shall be made
30 whenever there is a change in the interest rate on the applicable Variable Rate
31 Obligations except that the computation need not be made more often than once in

1 any month.

2 Section 22. TRANSFERS TO PAY PRINCIPAL OF, PREMIUM, IF ANY,
3 AND INTEREST ON THE BONDS; PAYMENT OF EXPENSES.

4 (A) TRANSFER TO PAYING AGENT. The Water Authority shall
5 transfer the funds set aside pursuant to Section 21 for the payments of Debt Service
6 Requirements on the Bonds to the Paying Agent on or before the date on which
7 each such payment is due.

8 (B) EXPENSES. The Water Authority or its designee shall pay, or
9 cause to be paid, all Expenses directly to the party entitled thereto.

10 Section 23. GENERAL ADMINISTRATION OF FUNDS. The funds and
11 accounts designated in Sections 20 and 21 shall be administered as follows:

12 (A) INVESTMENT OF MONEY. To the extent practicable, any
13 money in any such fund or account shall be invested in Permitted Investments,
14 provided however that money in the Escrow Fund shall be invested only as provided
15 in the Escrow Agreement. Obligations purchased as an investment of money in any
16 fund or account shall be deemed at all times to be part of that fund or account, and
17 the interest accruing and any profit realized on those Investments shall be credited
18 to that fund or account, unless otherwise stated in the Bond Legislation or related
19 document (subject to withdrawal at any time for the uses directed and permitted for
20 such money by the Bond Legislation and related documents), and any loss resulting
21 from such investment shall be charged to that fund or account. The custodian for
22 any such fund or account shall present for redemption or sale on the prevailing
23 market any Permitted Investment in a fund or account when necessary to provide
24 money to meet a required payment or when required to be transferred from that fund
25 or account.

26 (B) DEPOSITS OF FUNDS. The money and investments which are
27 part of the funds and accounts designated in Sections 20 and 21 shall be maintained
28 and kept in an Insured Bank or Banks, or otherwise in Permitted Investments or may
29 be held in book-entry form in the name of the Water Authority by an agent or
30 custodian of or for the Water Authority for the benefit of the Water Authority, as
31 permitted by State law and the money and investments deposited in the Escrow

1 Fund shall be held by the Escrow Agent. Each payment or deposit shall be made
2 into and credited to the proper fund or account at the designated time, except that
3 when the designated time is not a Business Day, then the payment shall be made on
4 the next succeeding Business Day unless otherwise required in the Bond Legislation
5 or related documents. The Water Authority may establish one or more accounts in
6 Insured Banks for all of the funds and accounts or combine such funds and accounts
7 with any other Insured Bank account or accounts for other funds and accounts of the
8 Water Authority.

9 (C) VALUATION OF INVESTMENTS. In the computation of the
10 amount in any account or fund for any purpose under the Bond Legislation, except
11 as otherwise expressly provided in the Bond Legislation, Permitted Investments
12 shall be valued according to the accounting standards applicable to the Water
13 Authority and the Board's investment policy.

14 Section 24. CREDIT FACILITY.

15 (A) CREDIT FACILITY FOR PAYMENT OF THE BONDS.
16 Payments of all or any part of the principal of and interest on the Bonds may be
17 guaranteed by a Credit Source.

18 (B) CHANGES TO INSURANCE TERMS. Terms and provisions
19 with respect to any Credit Facility for the Bonds, in addition to those set forth in the
20 Bond Legislation, shall be as set forth in the Credit Facility.

21 (C) CONSENT OF CREDIT SOURCE. Any provision of the Bond
22 Legislation expressly recognizing or granting rights in or to a Credit Source may not
23 be amended in any manner which affects the rights of the Credit Source without the
24 prior written consent of that Credit Source.

25 (D) ADVERSE EFFECT ON OWNERS. In determining whether the
26 rights of the Owners will be adversely affected by any action taken pursuant to the
27 terms and provisions of the Bond Legislation, the Water Authority shall consider the
28 effect on the Owners as if there were no Bond Insurance Policy or Reserve Account
29 Surety Bond in effect.

30 (E) CREDIT FACILITY. The rights and obligations of any Credit
31 Source under any Credit Facility shall be as set forth in the Bond Legislation or the

1 Credit Facility but shall not exceed any of the limitations included in the Bond
2 Legislation. The Water Authority shall promptly notify any rating agency then rating
3 the Bonds of changes to the terms of a Credit Facility.

4 Section 25. PLEDGE OF NET REVENUES AND LIEN OF THE BONDS.

5 The Net Revenues are hereby pledged for the payment of the Bonds, the
6 reimbursement of obligations of the Water Authority for the proceeds of any Credit
7 Facility used to pay Debt Service Requirements on the Bonds and for the other
8 payment obligations of the Water Authority set forth in the Bond Legislation, and
9 such payments and obligations of the Water Authority shall continue to have an
10 irrevocable senior lien (but not an exclusive senior lien) upon the Net Revenues, on
11 a parity with the Outstanding Senior Obligations and senior to the Subordinate
12 Obligations and the Super Subordinate Obligations until paid. Net Revenues shall
13 be applied to the payment of such payments and obligations with the priorities set
14 forth in Section 21.(A).

15 Section 26. ESTABLISHMENT OF PRIORITIES OF THE BONDS. Except
16 as set forth in the Bond Legislation, the Bonds from time to time Outstanding shall
17 not be entitled to any priority one over the other in the application of the Net
18 Revenues, regardless of the time or times of their issuance.

19 Section 27. ADDITIONAL SYSTEM OBLIGATIONS.

20 (A) LIMITATIONS UPON ISSUANCE OF SYSTEM OBLIGATIONS.

21 Subject to the limitations of this Section and Section 28, nothing in this Bond
22 Ordinance shall be construed to prevent the issuance by the Water Authority of
23 additional System Obligations.

24 (B) ADDITIONAL PARITY SENIOR OBLIGATIONS. The tests
25 required in this Section 27.(B) shall be performed without adjustment for payments
26 to or withdrawals from the Rate Stabilization Fund or interest accrued in an
27 acquisition account for any Outstanding System Obligations. Except as permitted by
28 Section 28, prior to the issuance of additional Senior Obligations, the Water
29 Authority shall be current in making all deposits required by Section 21 and the
30 following test shall be satisfied:

31 (1) The Net Revenues for the Historic Test Period shall have

1 been sufficient to pay an amount representing at least 133% of the maximum
2 combined annual Debt Service Requirements of only the Outstanding Senior
3 Obligations and the terms of either subparagraph 2(a) or 2(b) of this Section 27.(B)
4 shall be satisfied.

5 (2) (a) Using the fees and rates for use of the System on
6 the date of computation, or assuming that any new schedule of fees and rates
7 approved by the Water Authority during or after the Historic Test Period was in effect
8 during the entire Historic Test Period, the Net Revenues which were or would have
9 been received during that Historic Test Period shall have been sufficient to pay an
10 amount representing at least 133% of the maximum combined annual Debt Service
11 Requirements on the Outstanding Senior Obligations and the Senior Obligations
12 proposed to be issued; or

13 (b) The projected Net Revenues for the Prospective
14 Test Period shall be sufficient to pay an amount representing at least 133% of the
15 maximum combined annual Debt Service Requirements on the Outstanding Senior
16 Obligations and the Senior Obligations proposed to be issued. To determine if the
17 annual Net Revenues are sufficient for the purposes of the preceding sentence, the
18 Net Revenues projected for the applicable Prospective Test Period shall be
19 determined by applying the rates for use of the System approved by the Board at the
20 time of computation to be in effect during the Prospective Test Period to the
21 proposed number of connections to the System after giving effect to the purchase,
22 expansion or improvement of the System or the acquisition of an existing water and
23 sanitary sewer system.

24 (C) ADDITIONAL SUBORDINATE OBLIGATIONS. The tests
25 required in this Section 27.(C) shall be performed without adjustment for payments
26 to or withdrawals from the Rate Stabilization Fund or interest accrued in an
27 acquisition account for Outstanding System Obligations. So long as the Series
28 2009A-1 Bonds, Series 2013A&B Bonds, Drinking Water State Revolving Fund Loan
29 Agreement (2009), and Public Project Revolving Fund Loan Agreement (2011) are
30 Outstanding, the Water Authority shall be required to meet all three tests established
31 in this paragraph; after such Senior Obligations listed above are no longer

1 Outstanding, the Water Authority shall be required to only meet the tests set forth in
2 (i) and (iii) of the following sentence, and the test set forth in (ii) of the following
3 sentence shall have no further force or effect when additional Subordinate
4 Obligations are issued by the Water Authority. Except as permitted by Section 28,
5 prior to the issuance of additional Subordinate Obligations, the Water Authority (i)
6 shall be current in making all deposits required by Section 21, (ii) shall satisfy the
7 test set forth in paragraph (B) of this Section 27 related to the issuance of additional
8 Senior Obligations, and (iii) shall satisfy the following test:

9 (1) The Net Revenues for the Historic Test Period shall have
10 been sufficient to pay an amount representing at least 120% of the maximum
11 combined annual Debt Service Requirements of only the Outstanding Senior
12 Obligations and the Outstanding Subordinate Obligations and the terms of either
13 subparagraph 2(a) or 2(b) of this Section 27.(C) shall be satisfied.

14 (2) (a) Using the fees and rates for use of the System on
15 the date of computation, or assuming that any new schedule of fees and rates
16 approved by the Water Authority during or after the Historic Test Period was in effect
17 during the entire Historic Test Period, the Net Revenues which were or would have
18 been received during that Historic Test Period shall have been sufficient to pay an
19 amount representing at least 120% of the maximum combined annual Debt Service
20 Requirements on the Outstanding Senior Obligations and the Outstanding
21 Subordinate Obligations and the Subordinate Obligations proposed to be issued; or

22 (b) The projected Net Revenues for the Prospective
23 Test Period shall be sufficient to pay an amount representing at least 120% of the
24 maximum combined annual Debt Service Requirements on the Outstanding Senior
25 Obligations and the Outstanding Subordinate Obligations and the Subordinate
26 Obligations proposed to be issued. To determine if the annual Net Revenues are
27 sufficient for the purposes of the preceding sentence, the Net Revenues projected
28 for the applicable Prospective Test Period shall be determined by applying the rates
29 for use of the System approved by the Board at the time of computation to be in
30 effect during the Prospective Test Period to the proposed number of connections to
31 the System after giving effect to the purchase, expansion or improvement of the

1 System or the acquisition of an existing water and sanitary sewer system.

2 (D) CERTIFICATES. In determining whether additional Senior
3 Obligations may be issued pursuant to Section 27.(B) or additional Subordinate
4 Obligations may be issued pursuant to Section 27.(C), a written certificate or opinion
5 of an Independent Accountant or an Authorized Officer that states in substance that
6 the Net Revenues are sufficient to pay the amounts required shall be conclusively
7 presumed to be accurate in determining the right of the Water Authority to authorize,
8 issue, sell and deliver such additional Senior Obligations or additional Subordinate
9 Obligations, respectively. Also, an opinion of a Consulting Engineer as to the
10 estimated Completion Date of the project to be financed by the proposed System
11 Obligations and the estimated Net Revenues for the Prospective Test Period
12 referred to in Section 27.(B)(2)(b) and Section 27.(C)(2)(b) shall be conclusively
13 presumed to be accurate, and the Independent Accountant or Authorized Officer, as
14 the case may be, may conclusively rely upon the written opinion of the Consulting
15 Engineer in making the determinations required by Section 27.(B)(2)(b) and Section
16 27.(C)(2)(b).

17 (E) SUPER SUBORDINATED OBLIGATIONS PERMITTED. No
18 provision of the Bond Legislation shall be construed to prevent the Water Authority
19 from issuing additional Super Subordinated Obligations with a lien on Net Revenues
20 subordinate to the lien of the Subordinate Obligations and the Senior Obligations.

21 (F) VARIABLE RATE OBLIGATIONS. In making the computations
22 required by this Section to determine if additional System Obligations may be
23 issued, Variable Rate Obligations shall be deemed to bear a rate of interest as
24 required in the definition of Debt Service Requirements.

25 (G) SUPERIOR OBLIGATIONS PROHIBITED. As long as Parity
26 Senior Obligations are outstanding, the Water Authority shall not issue additional
27 System Obligations having a lien on the Net Revenues prior and superior to the lien
28 of the Parity Senior Obligations on Net Revenues.

29 Section 28. REFUNDING OBLIGATIONS. The provisions of Section 27 of
30 this Bond Ordinance are subject to the following exceptions:

31 (A) PRIVILEGE OF ISSUING REFUNDING OBLIGATIONS. If at

1 any time while System Obligations remain Outstanding, the Water Authority desires
2 to refund any Outstanding System Obligations or other obligations payable from Net
3 Revenues, those System Obligations or other obligations, or any part thereof, may
4 be refunded regardless of whether the priority of the lien for the payment of the
5 refunding System Obligations on the Net Revenues is changed (except as provided
6 in paragraphs B and C of this Section).

7 (B) LIMITATIONS UPON ISSUANCE OF REFUNDING SENIOR
8 OBLIGATIONS. No senior refunding bonds or other senior refunding obligations
9 shall be issued as Senior Obligations unless:

10 (1) The refunding does not increase the maximum combined
11 annual Debt Service Requirements of the Senior Obligations, or

12 (2) The refunding Senior Obligations are issued in
13 compliance with Section 27.(B).

14 (C) LIMITATIONS UPON ISSUANCE OF REFUNDING
15 SUBORDINATE OBLIGATIONS. No subordinate refunding bonds or other
16 subordinate refunding obligations shall be issued as Subordinate Obligations unless:

17 (1) The refunding does not increase the maximum combined
18 annual Debt Service Requirements of the Subordinate Obligations, or

19 (2) The refunding Subordinate Obligations are issued in
20 compliance with Section 27.(C).

21 (D) LIMITATIONS UPON ISSUANCE OF ANY REFUNDING
22 SYSTEM OBLIGATIONS. Any refunding System Obligations shall be issued with
23 such details as the Board may provide by appropriate proceedings but without
24 impairment of any contractual obligation imposed upon the Water Authority by any
25 proceedings authorizing the issuance of any unrefunded portion of the series of
26 System Obligations to which the refunding was applicable.

27 Section 29. PROTECTIVE COVENANTS. The Water Authority hereby
28 covenants and agrees with the Owners:

29 (A) USE OF THE BOND PROCEEDS. The Water Authority will
30 promptly apply the proceeds of the Bonds to the Project and for the other purposes
31 permitted by this Bond Ordinance.

1 (B) PAYMENT OF THE BONDS. The Water Authority will promptly
2 pay the Debt Service Requirements on the Bonds at the place, on the dates and in
3 the manner specified in the Bond Legislation and the Bonds.

4 (C) RATE COVENANTS.

5 (1) Rate Covenant for Senior Obligations. The Water
6 Authority will charge all purchasers of services of the System, including the Water
7 Authority, the City and the County, such reasonable and just rates as are sufficient
8 to produce Net Revenues annually to pay 133% of the annual Debt Service
9 Requirements on the Outstanding Senior Obligations (excluding accumulation of any
10 reserves therefor).

11 (2) Rate Covenant for Subordinate Obligations. The Water
12 Authority will charge all purchasers of services of the System, including the Water
13 Authority, the City and the County, such reasonable and just rates as are sufficient
14 to produce Net Revenues annually to pay 120% of the annual Debt Service
15 Requirements on the Outstanding Senior Obligations and the Outstanding
16 Subordinate Obligations (excluding accumulation of any reserves therefor).

17 (3) Quarterly, the Water Authority shall determine that the
18 Net Revenues are sufficient to satisfy the Rate Covenants. If the Net Revenues are
19 not sufficient to satisfy the Rate Covenant upon the approval of the annual audit for
20 a Fiscal Year, the Water Authority will either: (i) promptly increase the rates for use
21 of the services of the System in order to generate sufficient Net Revenues to satisfy
22 the Rate Covenants or (ii) employ a consultant or manager for the System who shall
23 have a favorable national reputation for skill and experience in the management,
24 operation and financial affairs of water and sanitary sewer systems and who is not
25 an employee or officer of the Water Authority. The Water Authority will request that
26 consultant or manager to make its recommendations, if any, as to revisions of the
27 Water Authority's rate structure and other charges for use of the System, its
28 Operation and Maintenance Expenses and the method of operation of the System in
29 order to satisfy the Rate Covenants as soon as practicable. Copies of any such
30 requests and recommendations of the consultant or manager shall be filed with the
31 Board. So long as the Water Authority substantially complies with the

1 recommendations of the consultant or manager on a timely basis, the Water
2 Authority will not be deemed to have defaulted in satisfying the Rate Covenants
3 even if the resulting Net Revenues are not sufficient to be in compliance with the
4 Rate Covenants, if there is no other default under the Bond Legislation.

5 (4) No free service, facilities or commodities shall be
6 furnished by the System. If the Water Authority, the City or the County elects to use
7 water supplied by, or the sanitary sewer facilities of, the System or in any other
8 manner use the System, such use of the System by such entity shall be paid from
9 lawfully available money of such entity at the reasonable value of the use made,
10 service rendered or facility or commodity supplied as is charged to other similar
11 users of the System.

12 (5) Nothing contained in this Section 29.(C) shall be
13 interpreted to require the Water Authority to take any action in violation of any
14 applicable requirement imposed by law.

15 (D) LIEN ON LANDS SERVICED BY SYSTEM. To the extent
16 permitted by law, the Water Authority will cause a lien to be perfected upon each lot
17 or parcel of land for delinquent charges imposed for water and sanitary sewer
18 services supplied by the System to the owner of such lot or parcel. The Water
19 Authority will take all necessary steps to enforce the lien against any parcel of
20 property the owner of which is delinquent for more than six months in the payment of
21 charges imposed by the Water Authority.

22 (E) LEVY OF CHARGES. The Water Authority will promptly fix,
23 establish and levy the rates and charges which are required by Section 29.(C). No
24 reduction in any initial or existing rate schedule for the System may be made unless:

25 (1) the Water Authority has fully complied with the provisions
26 of Section 21 of this Bond Ordinance for any 12 consecutive months out of the 16
27 calendar months immediately preceding the reduction of the rate schedule, and

28 (2) the audit required by Section 29.(l) or a separate
29 certificate by an Independent Accountant for or relating to any 12 consecutive
30 months out of the 16 calendar months immediately preceding any reduction
31 discloses that the estimated Net Revenues resulting from the proposed reduced rate

1 schedule would have been sufficient to meet the applicable Rate Covenant during
2 the applicable 12-month period.

3 (F) EFFICIENT OPERATION. The Water Authority will maintain the
4 System in efficient operating condition and make such improvements, extensions,
5 enlargements, repairs and betterments to the System as may be necessary or
6 advisable for its economical and efficient operation at all times and to supply
7 reasonable public and private demands for System services within the area served
8 by the Water Authority.

9 (G) RECORDS. So long as the Bonds remain Outstanding, the
10 Water Authority will keep, or cause to be kept, proper books of record and account,
11 separate from all other records and accounts, showing complete and correct entries
12 of all transactions relating to the System.

13 (H) RIGHT TO INSPECT. Owners, or their duly authorized agents,
14 shall have the right to inspect at all reasonable times all records, accounts and data
15 relating to the System; however, pursuant to Section 6-14-10(E) NMSA 1978,
16 records with regard to the ownership or pledge of the Bonds are not subject to
17 inspection or copying.

18 (I) AUDITS. So long as the Bonds are Outstanding, within 270
19 days following the close of each Fiscal Year, the Water Authority will cause an audit
20 of the books and accounts of the System to be made by an Independent Accountant.
21 Each audit of the System shall include those matters determined to be proper by the
22 Independent Accountant.

23 (J) BILLING PROCEDURE. Bills for water, water services or
24 facilities, sanitary sewer service or facilities, or any combination thereof, furnished by
25 or through the System shall be provided to customers on a regular basis each month
26 following the month in which the service was rendered and shall be due as required
27 by Water Authority ordinance. If permitted by law, if a bill is not paid within the
28 period of time required by Water Authority ordinance, water and sanitary sewer
29 services shall be discontinued as required by Water Authority ordinance, and the
30 rates and charges due shall be collected in a lawful manner, including but not limited
31 to the cost of disconnection and reconnection.

1 (K) CHARGES AND LIENS UPON SYSTEM. The Water Authority
2 will pay when due from Gross Revenues or other legally available funds all taxes
3 and assessments or other municipal or governmental charges, lawfully levied or
4 assessed upon the System and will observe and comply with all valid requirements
5 of any municipal or governmental authority relating to the System. The Water
6 Authority will not create or permit any lien or charge upon the System or the Gross
7 Revenues or Net Revenues except as permitted by this Bond Ordinance, or it will
8 make adequate provisions to satisfy and discharge within 60 days after the same
9 accrue, all lawful claims and demands for labor, materials, supplies or other objects,
10 which, if unpaid, might by law become a lien upon the System, the Gross Revenues
11 or the Net Revenues. However, the Water Authority shall not be required to pay or
12 cause to be discharged, or make provision for any tax assessment, lien or charge
13 before the time when payment becomes due or so long as the validity thereof is
14 contested in good faith by appropriate legal proceedings and there is no adverse
15 effect on Owners.

16 (L) INSURANCE. In its operation of the System, the Water
17 Authority will carry fire and extended coverage insurance. As required by law, the
18 Water Authority will acquire insurance or maintain a self-insurance fund to cover
19 workmen's compensation insurance and public liability insurance. In the event of
20 property loss or damage to the System, insurance proceeds shall be used first for
21 the purpose of restoring or replacing the property lost or damaged and any
22 remainder shall be treated as Gross Revenues.

23 (M) ALIENATING SYSTEM. Except as permitted in this Bond
24 Ordinance, while any Bonds are Outstanding, the Water Authority will not sell, lease,
25 mortgage, pledge or otherwise encumber, or in any manner dispose of, or otherwise
26 alienate, any part of the System, except that the Water Authority may sell any
27 portion of the property of the System which is replaced by other property of at least
28 equal value, or which ceases to be necessary for the efficient operation of the
29 System. In the event of any sale of System property, the proceeds of such sale
30 which are not used to purchase other System property shall be distributed as Gross
31 Revenues.

1 (N) EXTENDING INTEREST PAYMENTS. To prevent any
2 accumulation of claims for interest after maturity, except as permitted by the Bond
3 Legislation, the Water Authority will not directly or indirectly extend or assent to the
4 extension of the time for the payment of any claim for interest on the Bonds. If the
5 time for payment of interest is extended contrary to the provisions of this Section, the
6 installments of interest extended shall not be entitled, in case of an event of default
7 under the Bond Legislation, to the benefit or security of the Bond Legislation until the
8 prior payment in full of the principal of and interest on all other Bonds then
9 Outstanding.

10 (O) COMPETENT MANAGEMENT. The Water Authority shall
11 employ experienced and competent personnel to manage the System.

12 (P) PERFORMING DUTIES. The Water Authority will faithfully and
13 punctually perform all duties with respect to the System required by State, City and
14 County laws including, but not limited to, making and collecting reasonable and
15 sufficient rates and charges for services rendered or furnished by the System as
16 required by this Section and the proper segregation and application of the Gross
17 Revenues.

18 (Q) OTHER LIENS. Other than as stated in or provided by the
19 Bond Legislation, there are no liens or encumbrances of any nature whatsoever on
20 or against the System or Gross Revenues or Net Revenues.

21 (R) WATER AUTHORITY'S EXISTENCE. The Water Authority will
22 maintain its corporate identity and existence as long as the Bonds remain
23 outstanding.

24 (S) TAX COMPLIANCE. The Water Authority covenants that it will
25 use, and will restrict the use and investment of, the proceeds of the Bonds in such
26 manner and to such extent as may be necessary so that (a) the Bonds will not (i)
27 constitute private activity bonds, arbitrage bonds or hedge bonds under Sections
28 141, 148 or 149 of the Code or (ii) be treated other than as bonds to which Section
29 103(a) of the Code applies, and (b) the interest thereon will not be treated as a
30 preference item under Section 57 of the Code.

1 The Water Authority further covenants (a) that it will take or cause to be taken
2 such actions that may be required of it for the interest on the Bonds to be and to
3 remain excludable from gross income for federal income tax purposes, (b) that it will
4 not take or authorize to be taken any actions that would adversely affect that
5 exclusion, and (c) that it, or persons acting for it, will, among other acts of
6 compliance, (i) apply the proceeds of the Bonds to the governmental purposes of the
7 borrowings, (ii) restrict the yield on investment property, (iii) make timely and
8 adequate rebate payments or payments of alternative amounts in lieu of rebate to
9 the federal government, (iv) maintain books and records and make calculations and
10 reports, and (v) refrain from certain uses of those proceeds and, as applicable, of
11 property financed with such proceeds, all in such manner to the extent necessary to
12 assure such exclusion of that interest under the Code.

13 Authorized Officers are hereby authorized (a) to make or effect any election,
14 selection, designation, choice, consent, approval, or waiver on behalf of the Water
15 Authority as the Water Authority is permitted or required to make or give under the
16 federal income tax laws including, without limitation thereto, any of the elections
17 provided for in Section 148(f)(4)(C) of the Code or available under Section 148 of the
18 Code, for the purpose of assuring, enhancing or protecting favorable tax treatment
19 or status of the Bonds or interest thereon or assisting in the compliance with
20 requirements for that purpose, reducing the burden or expense of such compliance,
21 reducing the rebate amount or payments of penalties, or making payments of special
22 amounts in lieu of making computations to determine, or paying, excess earnings as
23 rebate, or obviating those amounts or payments, as determined by that officer, which
24 action shall be in writing and signed by the Authorized Officer, (b) to take any and all
25 other actions, make or obtain calculations, make payments, and make or give
26 reports, covenants and certifications of and on behalf of the Water Authority, as may
27 be appropriate to assure the exclusion of interest from gross income and the
28 intended tax status of the Bonds, and (c) to give one or more appropriate certificates
29 of the Water Authority, for inclusion in the transcripts of the proceedings for the
30 Bonds, setting forth the reasonable expectations of the Water Authority regarding
31 the amount and use of all the proceeds of the Bonds, the facts, circumstances and

1 estimates on which they are based, and other facts and circumstances relevant to
2 the tax treatment of the interest on and the tax status of the Bonds.

3 Section 30. REBATE FUND. A separate account of the Rebate Fund shall
4 not be required for the Bonds provided that the Water Authority shall comply with the
5 provisions of Section 29.(S).

6 Section 31. EVENTS OF DEFAULT. Each of the following events is
7 declared an "event of default" under the Bond Legislation:

8 (A) NONPAYMENT OF PRINCIPAL. Failure to pay the principal of
9 the Bonds when due and payable, either at maturity or otherwise.

10 (B) NONPAYMENT OF INTEREST. Failure to pay any installment
11 of interest on the Bonds when due and payable.

12 (C) INCAPABLE OF PERFORMING. For any reason, the Water
13 Authority becomes incapable of fulfilling its obligations under the Bond Legislation.

14 (D) DEFAULTS OF ANY OTHER PROVISION. Default by the
15 Water Authority in the due and punctual performance of its covenants, conditions,
16 agreements and provisions contained in System Obligations or in the Water
17 Authority ordinance authorizing those System Obligations and the continuance of
18 such default (other than a default set forth in paragraphs A, B and C of this Section)
19 for 60 days after written notice specifying such default and requiring the same to be
20 remedied has been given to the Water Authority by any Credit Source or the Owners
21 of 25% in principal amount of the System Obligations then Outstanding.

22 Section 32. REMEDIES UPON DEFAULT. Upon the happening and
23 continuance of any of the events of default stated in Section 31:

24 (1) any applicable Credit Source may proceed with any
25 available remedies under any Credit Facility; and

26 (2) the Owners of not less than 66% in principal amount of
27 the System Obligations then Outstanding, including but not limited to a trustee or
28 trustees therefor, with the consent of the Credit Source with respect to Insured
29 Obligations, may proceed against the Water Authority or the Board or both to:

30 (a) protect and enforce the rights of the Owners by
31 mandamus or other suit, action or special proceedings in equity or at law, in any

1 court of competent jurisdiction, either for the appointment of a receiver or for the
2 specific performance of any covenant or agreement contained in the Bond
3 Legislation or for the enforcement of any proper legal or equitable remedy as those
4 Owners may deem necessary or desirable to protect and enforce their rights,

5 (b) to enjoin any act or thing which may be unlawful or
6 in violation of any right of any Owner,

7 (c) to require the Board to act as if it were the trustee
8 of an express trust, or

9 (d) any combination of those remedies.

10 All proceedings shall be instituted and maintained for the equal benefit of all
11 Owners of System Obligations then Outstanding, subject to the provisions of Section
12 21 of this Bond Ordinance, with respect to the use of Gross Revenues. The Owners
13 by purchasing System Obligations consent to the appointment of a receiver to
14 protect the rights of the Owners. The receiver may enter and take possession of
15 and operate and maintain the System and shall prescribe rates, fees or charges and
16 collect, receive and apply all Gross Revenues as required by this Bond Ordinance.
17 The failure of any Owner to exercise any right granted by this Section shall not
18 relieve the Water Authority of any obligation to perform any duty. Each right or
19 privilege of any Owner (or trustee or receiver therefor) is in addition and cumulative
20 to any other right or privilege and the exercise of any right or privilege by or on
21 behalf of any Owner shall not be deemed a waiver of any other right or privilege of
22 any Owner.

23 Notwithstanding any other provision in the Bond Legislation, no recourse shall
24 be had for the payment of any Bond or for any claim based on any other obligation,
25 covenant or agreement contained in the Bond Legislation against any past, present
26 or future officer, employee or agent of the Water Authority or member of the Board,
27 and all such liability of any such officers, employees, agents or member (as such) is
28 released as a condition of and consideration for the adoption of the Bond Legislation
29 and the issuance of the Bonds.

30 Upon the occurrence and continuance of an Event of Default, so long as the
31 Credit Source, if any, is not in default in its payment obligations under the Bond

1 Insurance Policy, the Credit Source shall be entitled to control and direct the
2 enforcement of all rights and remedies granted to the Owners with respect to
3 Insured Obligations and such Credit Source shall also be entitled to direct and
4 approve all waivers of Events of Default with respect to Insured Obligations.

5 Section 33. DUTIES UPON DEFAULT. Upon the happening of any of the
6 events of default listed in Section 31, the Water Authority will do and perform all
7 proper acts on behalf of and for the Owners necessary to protect and preserve the
8 security created for the payment of the System Obligations and for the payment of
9 the Debt Service Requirements on the System Obligations promptly as the same
10 become due. As long as any of the System Obligations are Outstanding, all Gross
11 Revenues shall be distributed and used for the purpose and with the priorities set
12 forth in Section 21. If the Water Authority fails or refuses to proceed as provided in
13 this Section, the Owners of not less than 66% in principal amount of the System
14 Obligations then Outstanding, after demand in writing, may proceed to protect and
15 enforce the rights of the Owners as provided in the Bond Legislation.

16 Section 34. DEFEASANCE. When all principal, interest and prior
17 redemption premiums, if any, in connection with all or any part of the Bonds have
18 been paid or provided for (including amounts owed to the Credit Source, if any,
19 under any Bond Insurance Policy), the pledge and lien and all obligations under the
20 Bond Legislation with respect to those Bonds and any Bond Insurance Policy shall
21 be discharged and those Bonds shall no longer be deemed to be Outstanding within
22 the meaning of the Bond Legislation.

23 Without limiting the preceding paragraph, there shall be deemed to be such
24 payment when: (i) the Board has caused to be placed in escrow and in trust with an
25 escrow agent located within or without the State and exercising trust powers, an
26 amount sufficient (including the known minimum yield from Defeasance Obligations
27 in which such amount may be initially invested) to pay all requirements of principal,
28 interest and prior redemption premium, if any, on the Bonds to be defeased as the
29 same become due to the final maturities or upon designated prior redemption dates,
30 and (ii) any Bonds to be redeemed prior to maturity shall have been duly called for
31 redemption or irrevocable instructions to call such Bonds for redemption have been

1 given to the Registrar. The escrow agent shall have received evidence satisfactory
2 to it that the cash and Defeasance Obligations delivered will be sufficient to provide
3 for the payment of the Bonds to be defeased as stated above. Neither the
4 Defeasance Obligations nor money deposited with the escrow agent shall be
5 withdrawn or used for any purpose other than as provided in the escrow agreement
6 and the Defeasance Obligations and money shall be segregated and held in trust for
7 the payment of the principal and premium, if any, and interest on the Bonds with
8 respect to which such deposit has been made. The Defeasance Obligations shall
9 become due prior to the respective times at which the proceeds are needed in
10 accordance with a schedule established and agreed upon between the Board and
11 the escrow agent at the time of the creation of the escrow, or the Defeasance
12 Obligations shall be subject to redemption but only at the option of the holders or
13 owners thereof to assure the availability of the proceeds as needed to meet the
14 schedule.

15 Until reimbursement is made by the Water Authority to the applicable Credit
16 Source, if the principal and/or interest due on Insured Obligations is paid by a Credit
17 Source pursuant to a Credit Facility, the applicable Insured Obligations shall remain
18 Outstanding, shall not be defeased or otherwise satisfied and shall not be
19 considered to be paid by the Water Authority. In such case, the assignment and
20 pledge of the Net Revenues for the payment of the Insured Obligations paid by the
21 Credit Source and all covenants, agreements and other obligations of the Water
22 Authority to the Owners of those Insured Obligations shall continue to exist and shall
23 run to the benefit of that Credit Source and that Credit Source shall be subrogated to
24 the rights of the owners of those Insured Obligations, until all obligations of the
25 Water Authority to that Credit Source have been paid.

26 Notwithstanding the foregoing, any provisions of the Bond Legislation
27 which relate to indemnification and the payment of fees and expenses, the payment
28 of the principal of and premium of Bonds at maturity or on a prior redemption date,
29 interest payments and dates thereof, exchange, registration of transfer and
30 registration of Bonds, replacement of mutilated, destroyed, lost or stolen Bonds, the
31 safekeeping and cancellation of Bonds, non-presentment of Bonds, the holding of

1 money in trust, the obligations set forth in the Bond Legislation regarding rebate, and
2 the duties of the Registrar, Authenticating Agent and Paying Agent in connection
3 with all of the foregoing shall remain in effect and be binding upon the Owners, the
4 Registrar, Authenticating Agent and Paying Agent notwithstanding the release and
5 discharge of the Bond Legislation. The provisions of this Section shall survive the
6 release, discharge and satisfaction of the Bond Legislation.

7 Section 35. BONDS NOT PRESENTED WHEN DUE. If any Bonds are not
8 duly presented for payment when due at maturity or on any prior redemption date,
9 and if money sufficient for the payment of those Bonds is on deposit with the Paying
10 Agent, and, in the case of the Bonds to be redeemed, if notice of redemption has
11 been given as provided in the Bond Legislation, all liability of the Water Authority to
12 the Owners of those Bonds shall be discharged, those Bonds shall no longer be
13 Outstanding and it shall be the duty of the Paying Agent to segregate and to hold
14 such money in trust, without liability for interest thereon, for the benefit of the
15 Owners of those Bonds.

16 Section 36. DELEGATED POWERS. The officers of the Water Authority
17 are authorized and directed to take all action from time to time which is necessary or
18 appropriate to effectuate the provisions of the Bond Legislation and the Bonds,
19 including, without limitation, the execution of any credit facility, any liquidity
20 agreement, any remarketing agreement, any qualified exchange agreement, the
21 delivery of a "deemed final" certificate relating to the disclosure document for the
22 Bonds, the publication of a summary of this Bond Ordinance substantially in the form
23 set out in Section 44, the distribution of material related to the Bonds, the printing of
24 the Bonds and the execution of related documents and certificates pertaining to the
25 System, the Bonds, and the delivery of and security for the Bonds, as may be
26 reasonably required by the Underwriters. The officers of the Water Authority are
27 authorized and directed to take all action from time to time which is desirable or
28 necessary for the Water Authority with respect to arbitrage rebate requirements
29 under Section 148(f) of the Code.

30 The Executive Director of the Water Authority, or successor in interest, is
31 hereby authorized and directed to make such changes or corrections to the

1 procedures established in the Bond Legislation relating to the times of day or the
2 days on which actions are required to be taken, or the persons responsible for
3 particular actions, the form of notice of the occurrence of events, the types and
4 forms of actions required and other similar administrative matters which, in the
5 judgment of the Executive Director, are necessary and appropriate to accomplish the
6 purposes of the Bond Legislation and to provide for the efficient administration of the
7 System and the Bonds. Notice of any such changes or corrections shall be given to
8 all persons affected thereby.

9 Section 37. AMENDMENT OF BOND ORDINANCE.

10 (A) LIMITATIONS UPON AMENDMENTS. The Bond Legislation
11 may be amended by ordinance or resolution of the Board without the consent of
12 Owners but with the consent of any Credit Source providing a Credit Facility which is
13 in effect and which pertains to the Bonds and is affected by the amendment if the
14 Credit Source is not in default in its obligations under the Credit Facility:

15 (1) To cure any ambiguity, or to cure, correct or supplement
16 any defect or inconsistent provision contained in the Bond Legislation;

17 (2) To grant to the Owners any additional rights, remedies,
18 powers or authority that may lawfully be granted to them;

19 (3) To obtain or maintain a rating on the Bonds from any
20 rating agency if the amendment, in the judgment of Bond Counsel, does not
21 materially adversely affect the Owners of the Bonds;

22 (4) To achieve compliance with federal securities or tax
23 laws; and

24 (5) To make any other changes in the Bond Legislation
25 which, in the opinion of Bond Counsel, are not materially adverse to the Owners.

26 (B) ADDITIONAL AMENDMENTS. Except as provided above or in
27 the Confirming Resolution, the Bond Legislation may only be amended or
28 supplemented by ordinance or resolution adopted by the Board in accordance with
29 the laws of the State, without receipt by the Water Authority of any additional
30 consideration, but with the written consent of the Owners of a majority of the
31 principal amount of the Bonds then Outstanding which are affected by the

1 amendment or supplement (not including the Bonds which are then owned by or for
2 the account of the Water Authority) and of any Credit Source providing a Credit
3 Facility which is in effect affected by the amendment or supplement, if the Credit
4 Source is not in default in its obligations under the Credit Facility; provided, however,
5 that no such ordinances or resolutions shall have the effect of permitting:

- 6 (1) An extension of the maturity of any Bond; or
- 7 (2) A reduction in the principal amount of, premium, if any, or
8 interest rate on any Bond; or
- 9 (3) The creation of a lien on or a pledge of Net Revenues
10 ranking prior to the lien or pledge of Senior Obligations on Net Revenues; or
- 11 (4) A reduction of the principal amount of the Bonds required
12 for consent to such amendment or supplement.

13 (C) PROOF OF INSTRUMENTS. The fact and date of the
14 execution of any instrument under the provisions of this Section may be proved by
15 the certificate of any officer in any jurisdiction who by the laws of that jurisdiction is
16 authorized to take acknowledgments of deeds within that jurisdiction that the person
17 signing the instrument acknowledged before him the execution of that instrument, or
18 may be proved by an affidavit of a witness to the execution sworn to before such
19 officer.

20 Section 38. LIMITATION OF RIGHTS. Nothing in the Bond Legislation
21 expressed or implied is intended or shall be construed to give to any Person other
22 than the Owners, the Water Authority and the parties to which such right, remedy or
23 claim is expressly granted by the Bond Legislation any legal or equitable right,
24 remedy or claim under or in respect to the Bond Legislation or any covenant,
25 condition or stipulation of the Bond Legislation, and all covenants, stipulations,
26 promises and agreements in the Bond Legislation shall be for the sole and exclusive
27 benefit of the Water Authority, the Paying Agent, the Registrar and the Owners.

28 Section 39. NOTICES. Except as otherwise specifically required in the
29 Bond Legislation, notice with respect to the Bonds shall be effective when received
30 and it shall be sufficient service of any notice, request, demand or other paper if the
31 same is given: (i) orally, or (ii) by mail, or (iii) by Electronic Means, or (iv) hand

1 delivered; provided that any notice given orally, including notice by telephone, must
2 be confirmed by notice in writing as set forth in clause (ii), (iii) (except by telephone)
3 or (iv) above initiated within one Business Day after oral Notice is given. Notice shall
4 be given as follows:

5 (A) If to the Water Authority:
6 Albuquerque Bernalillo County Water Utility Authority
7 One Civic Plaza, N.W., Room 5012
8 Albuquerque, NM 87102
9 Attention: Executive Director
10 (505) 289-3101
11 (505) 289-3060 (Fax)

12
13 (B) If to the Initial Paying Agent:
14 Albuquerque Bernalillo County Water Utility Authority
15 One Civic Plaza NW, Room 5012
16 Albuquerque, NM 87102
17 Attention: Chief Financial Officer
18 (505) 289-3080

19
20 Any such party may, by notice as set forth above to other parties, designate
21 any further or different address to which subsequent notices, certificates or other
22 communication shall be sent. All notices sent pursuant to the Bond Legislation to
23 any Owner shall also be sent to the Credit Source, if any, of the Bonds.

24 When the Bond Legislation provides for notice to the Owners of Bonds of any
25 event, such notice shall be sufficiently given (unless otherwise expressly provided in
26 the Bond Legislation) if in writing and given in accordance with this Section to each
27 Owner of Bonds affected by such event, at his address as it appears on the register
28 for the Bonds. In any case where notice to an Owner of Bonds is given by Electronic
29 Means or by mail, neither the failure to send such notice nor any defect in any notice
30 sent to any particular Owner of Bonds shall affect the sufficiency of such notice with

1 respect to any other Owner, and any notice which is sent in the manner provided in
2 this paragraph shall conclusively be presumed to have been duly given.

3 Where the Bond Legislation provides for notice upon the occurrence of any
4 event, that notice may be waived by the person entitled to receive that notice, either
5 before or after the event, and such waiver shall be the equivalent of notice.

6 The Paying Agent shall provide Moody's and S&P if the Bonds are then rated
7 by Moody's and S&P, as applicable, with prior written notice of any amendments to
8 the Bond Legislation and the optional redemption of Bonds pursuant to Section 9.(A)
9 or defeasance pursuant to Section 34. Such notice shall be sent (a) to Moody's at:
10 Moody's Investors Service, Public Finance Department – Structured Finance Group,
11 99 Church Street, New York, New York 10007, and (b) to S&P at: S&P Global
12 Ratings, Attention: Municipal Finance Department – Structured Finance Group, 25
13 Broadway, 20th Floor, New York, New York 10004.

14 Section 40. BOND ORDINANCE IRREPEALABLE AS TO THE BONDS.
15 After any of the Bonds are issued, this Bond Ordinance shall be and remain
16 irrevocable until the Debt Service Requirements on all the Bonds are fully paid and
17 discharged and the Bonds are canceled, as provided in this Bond Ordinance, or
18 there has been defeasance of all the Bonds as provided in this Bond Ordinance.

19 Section 41. SEVERABILITY CLAUSE. If any section, paragraph, clause or
20 provision of this Bond Ordinance shall for any reason be held to be invalid or
21 unenforceable, the invalidity or unenforceability of that section, paragraph, clause or
22 provision shall not affect any of the remaining provisions of this Bond Ordinance.

23 Section 42. REPEALER CLAUSE. All bylaws, orders, resolutions and
24 ordinances, or parts thereof, inconsistent with this Bond Ordinance are repealed to
25 the extent only of such inconsistency. This repealer shall not be construed to revive
26 any bylaw, order, resolution or Ordinance, or part thereof, previously repealed.

27 Section 43. GENERAL SUMMARY FOR PUBLICATION. The title and a
28 general summary of the subject matter contained in the Bond Ordinance shall be
29 published in substantially the following form:

30 **(Form of Summary of Ordinance for Publication)**
31 **Albuquerque Bernalillo County Water Utility Authority**

1 **Notice of Adoption of Ordinance**

2 NOTICE IS HEREBY GIVEN, pursuant to the provisions of Section 6-14-6
3 NMSA 1978, that on September 19, 2018, the Board of Albuquerque Bernalillo
4 County Water Utility Authority (the "Water Authority") adopted Water Authority
5 Ordinance No. O-18-__ (the "Bond Ordinance"), an ordinance which authorizes the
6 issuance of the Water Authority's Senior Lien Joint Water and Sewer System
7 Improvement Revenue Bonds, Series 2018 in an aggregate principal amount ~~of~~
8 ~~\$78,750,000~~ not to exceed \$83,000,000 to make certain outstanding System
9 Obligations of improvements to the Water Authority's joint water and sewer system
10 (the "System") and to make improvements to the Water Authority's System.)
11

12 The title of the Bond Ordinance is:

13 **ORDINANCE**

14 **AUTHORIZING THE ISSUANCE AND SALE OF ALBUQUERQUE BERNALILLO**
15 **COUNTY WATER UTILITY AUTHORITY (THE "WATER AUTHORITY") SENIOR**
16 **LIEN JOINT WATER AND SEWER SYSTEM IMPROVEMENT REVENUE BONDS,**
17 **SERIES 2018 IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED**
18 **~~\$78,750,000~~ \$83,000,000 (THE "SERIES 2018 BONDS" OR THE "BONDS") TO BE**
19 **ISSUED IN ONE OR MORE SERIES FOR THE PURPOSE OF ACQUIRING**
20 **ADDITIONAL SYSTEM ASSETS, EXTENDING, REPAIRING, REPLACING AND**
21 **IMPROVING THE WATER AUTHORITY'S JOINT WATER AND SEWER SYSTEM**
22 **("THE SYSTEM"); PROVIDING FOR THE DISPOSITION OF, AND OTHER**
23 **DETAILS RELATING TO, THE REVENUES FROM THE OPERATION OF THE**
24 **SYSTEM INCLUDING THE PAYMENT OF DEBT SERVICE ON SYSTEM**
25 **OBLIGATIONS; DETERMINING CERTAIN TERMS AND THE METHOD OF**
26 **DETERMINING OTHER TERMS CONCERNING THE BONDS; PROVIDING FOR**
27 **THE APPROVAL OF VARIOUS AGREEMENTS AND DISCLOSURE**
28 **DOCUMENTS RELATING TO THE BONDS; DELEGATING AUTHORITY TO THE**
29 **DELEGATE TO EXECUTE AND DELIVERY A BOND PURCHASE AGREEMENT**
30 **FOR THE SALE OF THE BONDS TO THE UNDERWRITERS; AND RATIFYING**
31 **ACTION PREVIOUSLY TAKEN.**

1 The title contains a general summary of the subject matter contained in the
2 Bond Ordinance.

3 This notice constitutes compliance with § 6-14-6 NMSA 1978.

4 WITNESS my hand as of September 19, 2018.

5 _____
6 Executive Director

7 (End of Summary of Ordinance for Publication)

8
9 PASSED AND ADOPTED THIS 19TH DAY OF SEPTEMBER, 2018.

10 BY A VOTE OF ___ FOR AND ___ AGAINST.

11

12

13

14

Chair

15 ATTEST:

16

17

18

Secretary

20

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22 \1534183865\File0004.DOCX

FINANCING SCHEDULE
ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY AUTHORITY
Joint Water and Sewer System Revenue Bonds,
Series 2018

JULY 2018						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

AUGUST 2018						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

SEPTEMBER 2018						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23/30	24	25	26	27	28	29

OCTOBER 2018						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

 ABCWUA Board Meetings

 Closing Date

DATE	ACTION	RESPONSIBLE PARTIES
Friday, July 20, 2018 11:00 a.m. at Forque	Finance Team All Hands Meeting Distribute Draft Financing Schedule	All
Wednesday, August 1, 2018	Distribute Draft Bond Ordinance and Confirming Resolution	Modrall
Friday, August 3, 2018	Distribute Draft Preliminary Official Statement	Modrall

DATE	ACTION	RESPONSIBLE PARTIES
Thursday, August 9, 2018	Comments due on Bond Ordinance and Confirming Resolution	All
Monday, August 13, 2018	Comments due on Preliminary Official Statement	All
Tuesday, August 14, 2018	Distribute Revised Drafts of Ordinance, Confirming Resolution, Preliminary Official Statement, and Disclosure Memo for August 22 nd Board Packets	Modrall
Wednesday, August 22, 2018 (5:00 pm)	First Reading of Bond Ordinance and Confirming Resolution	ABCWUA RBC Modrall
Tuesday, August 28, 2018	Distribute Draft Bond Purchase Agreement	Underwriters' Counsel
Thursday, August 30, 2018	Submit Notice of Meeting and Intent to Adopt Ordinance to the <i>Albuquerque Journal</i> for publication on Monday, September 3, 2018	Modrall
Monday, September 3, 2018	Publish Notice of Meeting and Intent to Adopt Ordinance in the <i>Albuquerque Journal</i>	Newspaper
Tuesday, September 4, 2018	Due diligence call for Preliminary Official Statement	All
Wednesday, September 5, 2018	Comments due on Draft of Preliminary Official Statement, Bond Ordinance, Confirming Resolution and Bond Purchase Agreement	All
Thursday, September 6, 2018	Items due to Rating Agencies	ABCWUA RBC

DATE	ACTION	RESPONSIBLE PARTIES
Wednesday, September 12, 2018	Distribute Revised Drafts of Bond Ordinance, Confirming Resolution and Bond Purchase Agreement for Board packets	Modrall Underwriters' Counsel
Week of September 17 th , 2018	Rating Presentations	ABCWUA RBC Modrall
Wednesday, September 19, 2018 (5:00 pm)	ABCWUA Governing Board adopts Bond Ordinance and Confirming Resolution Delegating Authority to Approve Final Pricing to Delegate	All
Thursday, September 20, 2018 (by 9:00 am)	Submit Notice of Adoption of Ordinance and Resolution to the <i>Albuquerque Journal</i> for publication on Saturday, September 22, 2018	Modrall
Saturday, September 22, 2018	Publish Notice of Adoption of Ordinance and Resolution in the <i>Albuquerque Journal</i>	Newspaper
Wednesday-Thursday September 26-27, 2018	Federal Reserve Meetings	
Friday, October 5, 2018	Post Preliminary Official Statement for Electronic Distribution	Modrall
Monday, October 15, 2018	Market Update and Pre-Pricing Call	Underwriters ABCWUA RBC
Tuesday, October 16, 2018	Bond Pricing Delegate Executes Bond Purchase Agreement and Pricing Certificate	All

DATE	ACTION	RESPONSIBLE PARTIES
Wednesday, October 17, 2018 (5:00 pm)	Delegate Reports Results of Bond Pricing in the Pricing Certificate to Board as Informational Item at ABCWUA Regular Meeting – No Board Action Required Distribute Draft of Official Statement to working group	ABCWUA RBC Modrall
Monday, October 22, 2018	Distribute Draft Closing Documents Comments due on Official Statement and Final Official Statement to Printer for electronic distribution	Modrall
Tuesday, October 23, 2018	30-day Limitation of Action Period expires	ABCWUA
Thursday, October 25, 2018	Comments due on Closing Documents	All
Friday October 26, 2018	Pre-Closing / Document Signing	All
Monday, October 29, 2018	Send Bonds to DTC for Closing	Modrall
Wednesday, October 31, 2018	Closing via Telephone	All

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Albuquerque Bernalillo County Water Utility Authority

Proposed Series 2018 Financing
Discussion

August 22, 2018

Proposed Series 2018 Joint Water and Sewer System Revenue Bonds

- The Series 2018 bond transaction is expected to be sold at a negotiated pricing on or about October 16, 2018
 - The estimated borrowing rate is __. __%*
 - Final maturity of July 2030 (12 year)
 - Issuance of proposed 2018 complies with the Authority's Debt Policy
- The Water Authority's current senior lien bond ratings are:
 - AA+ Standard and Poor's (Stable Outlook)
 - Aa2 Moody's (Stable Outlook)
 - AA Fitch (Stable Outlook)⁽¹⁾
- The proceeds of the Series 2018 bonds will be used to fund the basic needs assets of the Water Authority

Projects to be Financed by the Series 2018 Bond Issuance

\$MM	Project	\$MM	Project
\$56.00	General Projects	\$2.00	IT Projects
\$12.00	Special Projects (Clarifiers)	\$2.00	Aquifer Storage & Recover (Large Scale)
\$9.00	Consolidated Customer Services and Field Operations	\$3.00	Solids De-Watering Plant
\$83 million in total projects to be financed			

(1) Fitch last rated the Water Authority's bonds in 2016. The Water Authority will not be requesting a Fitch rating for the 2018 Bonds.

* Rates as of _____ plus 25 bps. Subject to change.

Proposed Time Schedule

DATE	ACTION	RESPONSIBLE PARTIES
08/22/2018	First Reading of Bond Ordinance and Confirming Resolution	ABCWUA, RBC, Modrall
08/28/2018	Distribute Draft Bond Purchase Agreement	Underwriters' Counsel
09/03/2018	Publish Notice of Meeting and Intent to Adopt Ordinance in the <i>Albuquerque Journal</i>	Newspaper
09/05/2018	Comments due on Draft of POS, Bond Ordinance, Confirming Resolution and BPA	All
09/12/2018	Distribute Revised Drafts of Bond Ordinance, Confirming Resolution and BPA for Board packets	Modrall, UW Counsel
Week of Sept 17th 2018	Rating Presentations	ABCWUA, RBC, Modrall
09/19/2018	ABCWUA Governing Board adopts Bond Ordinance and Confirming Resolution Delegating Authority to Approve Final Pricing to Delegate	All
09/20/2018	Submit Notice of Adoption of Ordinance and Resolution to the <i>Albuquerque Journal</i> for publication on Saturday, September 22, 2018	Modrall
10/05/2018	Post Preliminary Official Statement for Electronic Distribution	Modrall
10/15/2018	Market Update and Pre-Pricing Call	Underwriters, ABCWUA, RBC
10/16/2018	Bond Pricing & BPA & Pricing Certificate Signed	All
10/17/2018	Delegate Reports Results of Bond Pricing in the Pricing Certificate to Board as Informational Item at ABCWUA Regular Meeting – No Board Action Required.	ABCWUA, RBC, Modrall
10/22/2018	Distribute Draft Closing Documents. Comments due on OS	Modrall
10/23/2018	30-day Limitation of Action Period expires	ABCWUA
10/26/2018	Pre-Closing / Document Signing	All
10/31/2018	Closing via Telephone	All

Proposed Series 2018 Joint Water and Sewer System Revenue Bonds

Proposed Series 2018 Financing ⁽¹⁾

Sources & Uses

Sources

Bond Proceeds	\$	74,220,000
Bond Premium		10,551,106
Total	\$	84,771,106

Uses

General Projects	\$	56,000,000
Special Projects (Clarifiers)		12,000,000
Administration Building		9,000,000
IT Projects		2,000,000
Acquifer Storage & Recover (Large Scale)		2,000,000
Solids De-Watering Plan		3,000,000
Cost of Issuance		400,000
Other Underwriter's Discount		371,100
Debt Service Fund		6
Total	\$	84,771,106

Bond Statistics

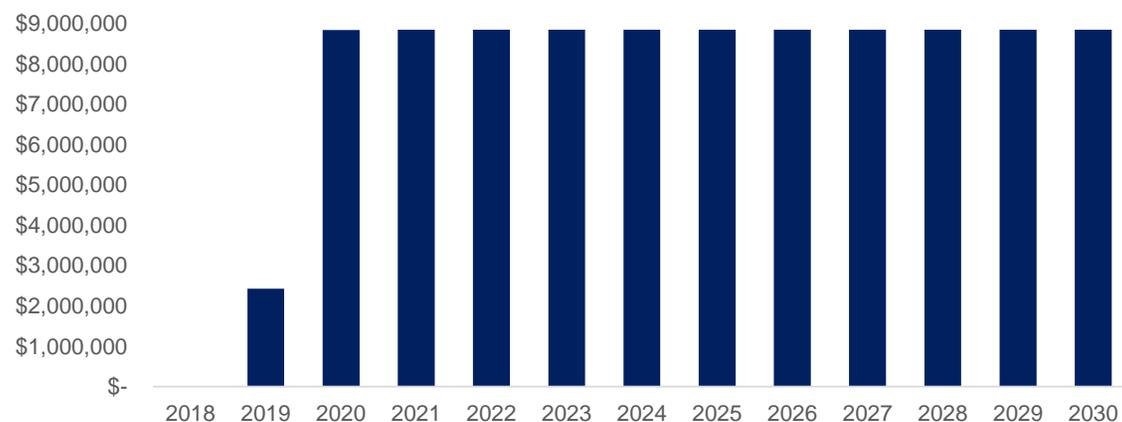
Dated Dated	10/31/18
First Interest	1/1/19
Final Maturity	7/1/30
Arbitrage Yield	2.3111%
True Interest Cost (TIC)	2.6668%
Net Interest Cost (NIC)	2.8961%
Average Coupon	4.8130%

1) - Indicative pricing as of 8/13/2018

Year	Principal	Interest Rate ⁽¹⁾	Interest	Debt Service
2019			\$ 2,427,339	\$ 2,427,339
2020	\$ 5,220,000	5.000%	3,625,900	8,845,900
2021	5,485,000	5.000%	3,364,900	8,849,900
2022	5,760,000	5.000%	3,090,650	8,850,650
2023	6,050,000	5.000%	2,802,650	8,852,650
2024	6,350,000	5.000%	2,500,150	8,850,150
2025	6,670,000	5.000%	2,182,650	8,852,650
2026	7,000,000	5.000%	1,849,150	8,849,150
2027	7,350,000	5.000%	1,499,150	8,849,150
2028	7,720,000	5.000%	1,131,650	8,851,650
2029	8,105,000	5.000%	745,650	8,850,650
2030	8,510,000	4.000%	340,400	8,850,400
Total	\$ 74,220,000		\$ 25,560,239	\$ 99,780,239

1) - Preliminary, subject to change

2018 Proposed Debt Service



Proposed Debt Service Coverage

Period Ending (July 1)	Outstanding Senior Lien Debt Service	Proposed Senior Lien 2018 Debt Service	Combined Senior Lien Debt Service	Subordinate Debt Service	Combined Total Debt Service	FY 17 Net Revenues	Senior Coverage	Subordinate Coverage
2018	\$69,498,264		\$69,498,264	\$11,958,654	\$81,456,918	\$116,022,766	1.67x	1.42x
2019	69,500,515	2,254,823	71,755,338	11,730,628	83,485,966	116,022,766	1.62x	1.39x
2020	63,685,516	8,218,200	71,903,716	11,459,065	83,362,782	116,022,766	1.61x	1.39x
2021	64,084,518	8,220,700	72,305,218	11,067,927	83,373,145	116,022,766	1.60x	1.39x
2022	57,759,769	8,220,950	65,980,719	10,856,816	76,837,535	116,022,766	1.76x	1.51x
2023	58,106,107	8,218,450	66,324,557	10,505,530	76,830,087	116,022,766	1.75x	1.51x
2024	53,042,859	8,222,700	61,265,559	10,145,567	71,411,126	116,022,766	1.89x	1.62x
2025	47,801,610	8,222,700	56,024,310	9,782,179	65,806,489	116,022,766	2.07x	1.76x
2026	42,613,361	8,222,950	50,836,311	715,367	51,551,678	116,022,766	2.28x	2.25x
2027	31,943,413	8,222,700	40,166,113	715,130	40,881,243	116,022,766	2.89x	2.84x
2028	23,792,862	8,221,200	32,014,062	714,718	32,728,780	116,022,766	3.62x	3.54x
2029	23,802,600	8,222,700	32,025,300	714,127	32,739,427	116,022,766	3.62x	3.54x
2030	16,911,262	8,221,200	25,132,462	725,687	25,858,149	116,022,766	4.62x	4.49x
2031	17,000,105		17,000,105		17,000,105	116,022,766	6.82x	6.82x
2032	16,854,738		16,854,738		16,854,738	116,022,766	6.88x	6.88x
2033	16,849,488		16,849,488		16,849,488	116,022,766	6.89x	6.89x
2034	8,484,663		8,484,663		8,484,663	116,022,766	13.67x	13.67x
2035	2,427,625		2,427,625		2,427,625	116,022,766	47.79x	47.79x
2036	2,423,813		2,423,813		2,423,813	116,022,766	47.87x	47.87x
2037	1,350,500		1,350,500		1,350,500	116,022,766	85.91x	85.91x
2038	1,349,250		1,349,250		1,349,250	116,022,766	85.99x	85.99x
TOTAL	\$689,282,835	\$92,689,273	\$781,972,107	\$91,091,396	\$873,063,503			

Weekly Municipal Market Update

Aug 13, 2018



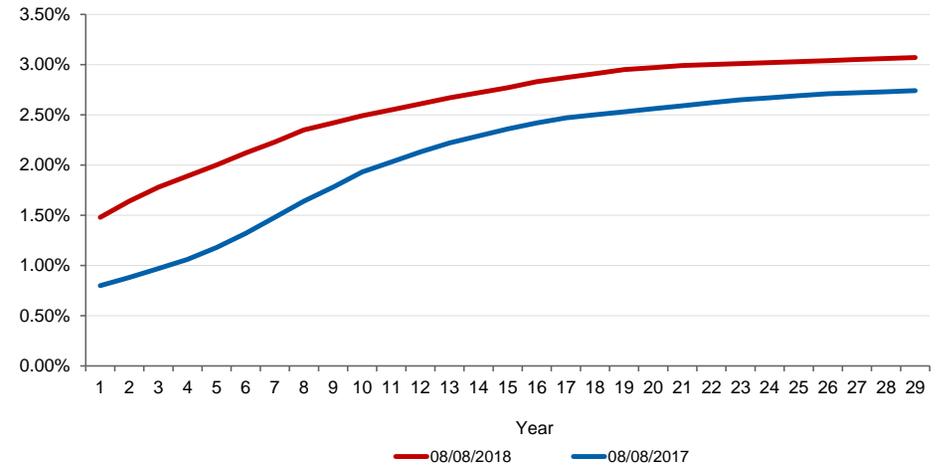
RBC Capital Markets

Long-Term Market

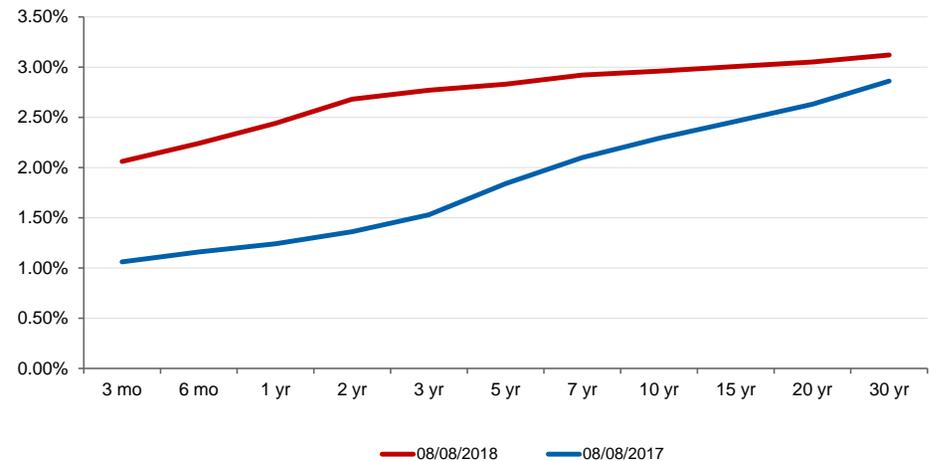
Market Overview

- A light economic calendar kept rates in a narrow range for most of last week, despite continued rhetoric on the global trade front. However, rates rallied strongly on Friday as concerns over the decline in the Turkish currency created a risk-off sentiment in the market, bolstering Treasury prices. By the close of the week, US Treasuries were six basis points lower in the five year range, eight basis points lower in the ten year range, and six basis points lower in thirty years. Municipals worked through a moderate week of issuance but nevertheless generally underperformed Treasuries thanks, in part, to a growing forward calendar. The Municipal Market Data AAA yield closed the week one basis points lower in the two and five year ranges, three basis points lower in the ten year range and one basis point lower in thirty years. Municipal/Treasury yield ratios closed the week one to two percentage points higher across the yield curve.

Municipal GO “AAA” MMD Yield Curve Changes



U.S. Treasury Yield Curve Changes



Source: Bloomberg and Thomson Municipal Market Data

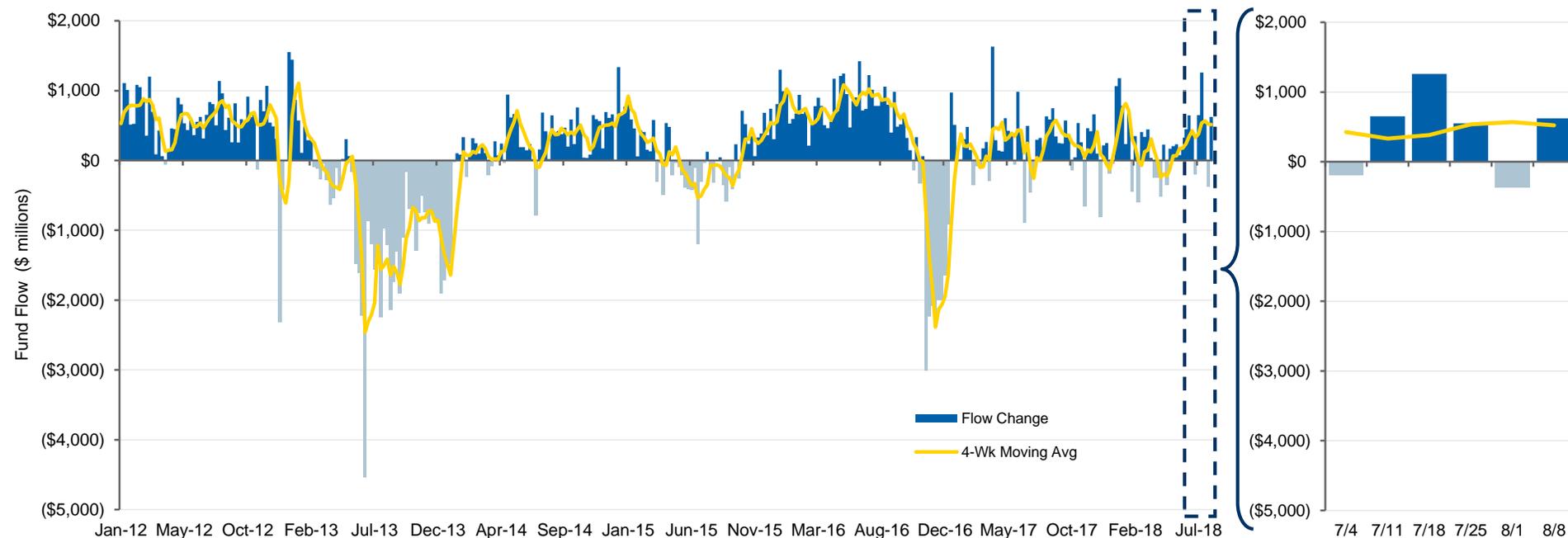
Municipal Market Fund Flows

Municipal bond funds see inflows

According to data from Lipper, for the week ended August 8, 2018, weekly municipal bond funds reported \$623 million of inflows, after the previous week's \$368 million of outflows

- Long-term muni bond funds experienced inflows, gaining \$370 million in the latest week, after outflows of \$294 million in the previous week
- Four week moving average is currently positive at \$516 million, down from last week's number of \$523 million

Lipper Municipal Fund Flows

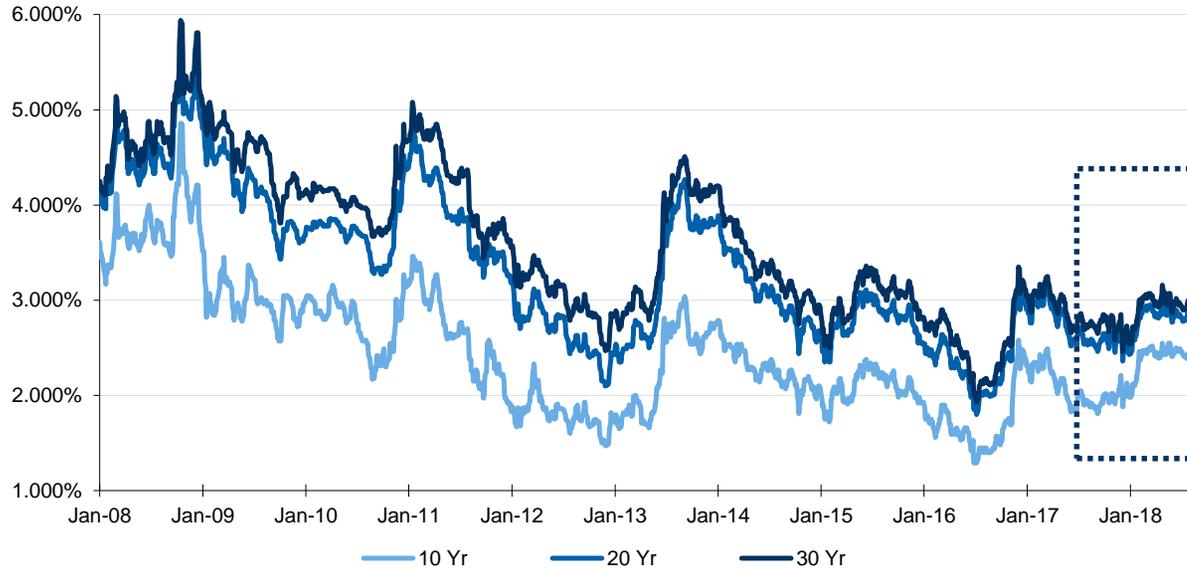


Period ended August 8, 2018

Current Municipal Market Conditions: “AAA” MMD

After closing at 3.05% the previous week, the 30-year “AAA” MMD decreased 1 bp from August 3 – August 10, closing at the current rate of 3.04%

“AAA” MMD January 1, 2008 to Present



Shift in “AAA” MMD Since August 2017



January 1, 2008 to Present

	10 Year	20 Year	30 Year
Maximum	4.860%	5.740%	5.940%
Minimum	1.290%	1.800%	1.930%
Current	2.450%	2.930%	3.040%

Shift in 30-year “AAA” MMD

	2011	2012	2013	2014	2015	2016	2017
	-1.130%	-0.740%	1.330%	-1.340%	-0.010%	0.270%	-0.510%

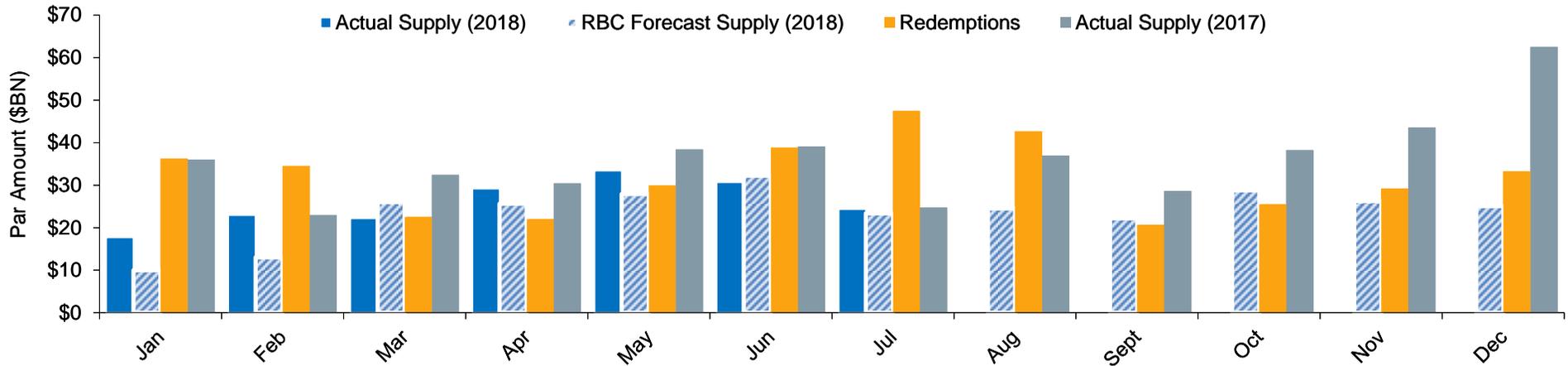
August 1, 2017 to Present

	10 Year	20 Year	30 Year
Maximum	2.550%	3.030%	3.160%
Minimum	1.810%	2.360%	2.460%
Average	2.231%	2.726%	2.861%

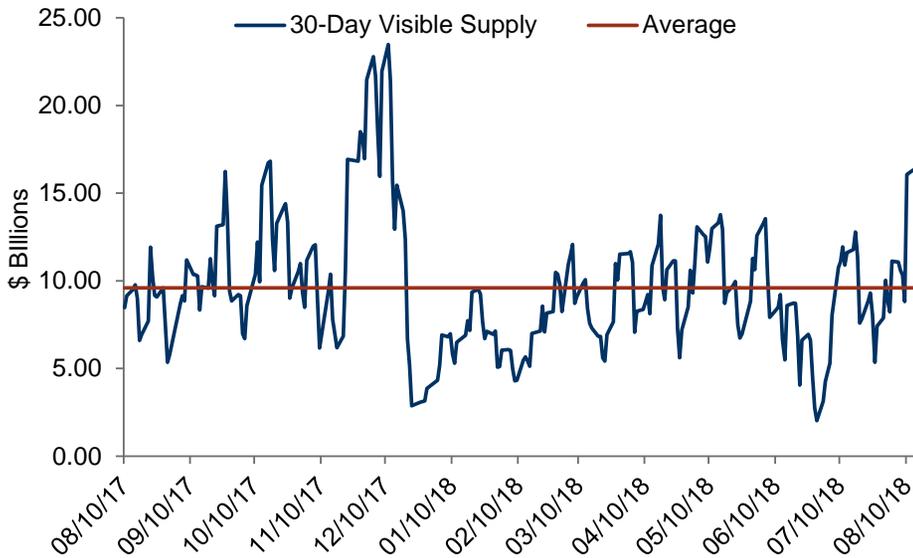
Source: TM3, Thomson Reuters
10, 20, and 30 year “AAA” MMD shown to represent different average lives of municipal transactions
Rates as of August 10, 2018

Overview of Municipal Supply

Monthly Projected Supply and Redemptions



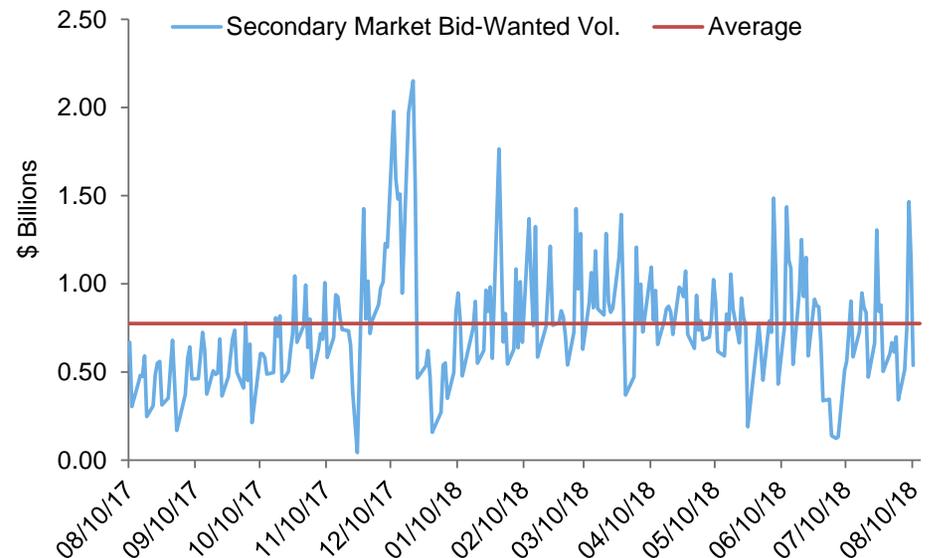
30-Day Visible Supply



Summary Statistics (Billions)

Max	\$23.47	Min	\$2.02	Avg.	\$9.60	Curr.	\$16.32
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Secondary Market Bid-Wanted Volume



Summary Statistics (Billions)

Max	\$2.15	Min	\$0.04	Avg.	\$0.77	Curr.	\$0.54
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Source: Bloomberg

Bond Buyer 20 General Obligation Bond Index

57 Year Historical Perspective

Bond Buyer 20 GO Index since January 1961



% of Time in Each Range Since 1961

Yield Range		
Less than 3.50%	10.10%	
3.50% - 4.00%	10.43%	
4.01% - 4.50%	10.80%	
4.51% - 5.00%	10.07%	
5.01% - 5.50%	14.03%	
5.51% - 6.00%	9.77%	
6.01% - 6.50%	7.57%	
6.51% - 7.00%	6.90%	
7.01% - 7.50%	6.23%	
7.51% - 8.00%	3.67%	
Greater than 8.00%	10.43%	
Total	100.00%	

Source: Bloomberg as of August 9, 2018
 Weekly yields and indexes released by the Bond Buyer. Updated every Thursday at approximately 6:00pm EST. 20 Bond General Obligation Yield with 20 year maturity, rated Aa2 by Moody's Arithmetic Average of 20 bonds' yield to maturity.

Today's 3.98% level is lower than 79.93% of historical rates since January 1961

Bond Buyer Revenue Bond Index

38 Year Historical Perspective

Bond Buyer Revenue Index since September 1979



% of Time in Each Range Since 1979

Yield Range		
Less than 3.50%	1.08%	
3.50% - 4.00%	3.50%	■
4.01% - 4.50%	7.79%	■
4.51% - 5.00%	12.47%	■
5.01% - 5.50%	20.11%	■
5.51% - 6.00%	12.32%	■
6.01% - 6.50%	8.33%	■
6.51% - 7.00%	3.50%	■
7.01% - 7.50%	6.16%	■
7.51% - 8.00%	4.93%	■
Greater than 8.00%	19.81%	■
Total	100.00%	

Source: Bloomberg as of August 9, 2018
 Weekly yields and indexes released by the Bond Buyer. Updated every Thursday at approximately 6:00pm EST. 25 Revenue Bond Yield with 30 year maturity, rated A1 by Moody's and A+ by S&P Arithmetic Average of 25 bonds' yield to maturity.

Today's 4.48% level is lower than 88.17% of historical rates since September 1979

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Meeting Date: August 22, 2018
Staff Contact: Stan Allred, Chief Financial Officer

TITLE: R-18-20 – Confirming Approval of the Issuance of Albuquerque Bernalillo County Water Utility Authority (“Water Authority”) Senior Lien Joint Water and Sewer System Revenue Bonds, Series 2018 in one Series in the Principal Amount not to exceed \$83,000,000 (the Bonds”); and Ratifying Action Previously Taken in Connection Therewith

ACTION: Introduction August 22, 2018 – Final Action September 19, 2018

SUMMARY:

This legislation is the Confirming Resolution for the proposed Senior Lien Joint Water Revenue Bonds, Series 2018. It was prepared by the Modrall Law Firm as Bond Counsel for this transaction. This resolution establishes certain bond final pricing details; provides for the payment of the cost of issuing the bonds; approves disclosure and other documents relating to the bonds; and ratifies previous action taken in connection with the sale of the bonds.

Pending approval of Ordinance O-18-7, this Resolution authorize the Water Authority issue new money for basic needs improvements as approved by the Board in the decade plan and annual capital budget.. This Confirming Resolution approves the terms, sale price, interest rates, redemption features and other matters with respect to the Bonds.

FISCAL IMPACT:

Based upon current market conditions the new money financing will have a 12 year final maturity (July 1, 2030) with annual debt service of approximately \$8.85 million beginning in fiscal year 2020. There will be interest only payment in fiscal year 2019. Gross Revenues, all income and revenues directly or indirectly derived by the Water Authority from the operation and use of the System less operation and maintenance expenses, are pledged as security for these bonds, similar to the Water Authority’s prior debt issuances.

COMMENTS:

This confirming resolution is required for any bond issuance under the approved Bond Ordinance and requires Water Authority Board approval.

Current Senior Lien Bond ratings for this issue are as follows: AA+ Standard and Poor’s, Aa2 Moody’s. Fitch has a AA rating on outstanding bond prior to 2016 but the Authority will not be requesting a rating from Fitch for the 2018 Bonds or future debt issuances.

1 SECTION 4. Pursuant to the general laws of the State, the title and general
2 summary of the subject matter contained in the Confirming Resolution shall be
3 published in substantially the following form:

4 **ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY AUTHORITY**

5 **LEGAL NOTICE**

6 Notice is hereby given that the Board of Directors of Albuquerque Bernalillo
7 County Water Utility Authority did on the 19th day of September, 2018, adopt a
8 resolution entitled:

9 **CONFIRMING APPROVAL OF THE ISSUANCE OF ALBUQUERQUE**
10 **BERNALILLO COUNTY WATER UTILITY AUTHORITY (THE "WATER**
11 **AUTHORITY") SENIOR LIEN JOINT WATER AND SEWER SYSTEM**
12 **IMPROVEMENT REVENUE BONDS, SERIES 2018 IN ONE OR MORE**
13 **SERIES IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED**
14 **\$83,000,000 (THE "BONDS"); AND RATIFYING ACTION PREVIOUSLY**
15 **TAKEN IN CONNECTION THEREWITH.**

16 The Confirming Resolution authorizes the issuance of the Bonds. Complete
17 copies of the Confirming Resolution are available for public inspection during normal
18 and regular business hours at the offices of the Water Authority, One Civic Plaza, NW,
19 Albuquerque, New Mexico.

20 Dated this 19th day of September, 2018.

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1 SECTION 3. The Confirming Resolution shall be in full force and effect
2 immediately upon adoption.

3 SECTION 4. Pursuant to the general laws of the State, the title and general
4 summary of the subject matter contained in the Confirming Resolution shall be
5 published in substantially the following form:

6 **ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY AUTHORITY**
7 **LEGAL NOTICE**

8 Notice is hereby given that the Board of Directors of Albuquerque Bernalillo
9 County Water Utility Authority did on the 19th day of September, 2018, adopt a
10 resolution entitled:

11 **CONFIRMING APPROVAL OF THE ISSUANCE OF ALBUQUERQUE**
12 **BERNALILLO COUNTY WATER UTILITY AUTHORITY (THE "WATER**
13 **AUTHORITY") SENIOR LIEN JOINT WATER AND SEWER SYSTEM**
14 **IMPROVEMENT REVENUE BONDS, SERIES 2018 IN ONE OR MORE**
15 **SERIES IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED**
16 **\$78,75083,000,000 (THE "BONDS"); AND RATIFYING ACTION**
17 **PREVIOUSLY TAKEN IN CONNECTION THEREWITH.**

18 The Confirming Resolution authorizes the issuance of the Bonds. Complete
19 copies of the Confirming Resolution are available for public inspection during normal
20 and regular business hours at the offices of the Water Authority, One Civic Plaza, NW,
21 Albuquerque, New Mexico.

22 Dated this 19th day of September, 2018.
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1 PASSED AND ADOPTED THIS 19TH DAY OF SEPTEMBER, 2018. BY A VOTE OF
2 _____ FOR AND _____ AGAINST.

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6

CHAIR

7 ATTEST:

8

9

10 SECRETARY

11 <C:\Users\kmc\AppData\Local\Temp\iScrub\Email\1534183865\File0005.DOCX>



Meeting Date: August 22, 2018
Staff Contact: Frank Roth, Senior Policy Manager

TITLE: R-18-21 – Approving and Authorizing a New Mexico Environment Department Appropriation for the Carnuel Wastewater System Improvements Project

ACTION: Recommend Approval

SUMMARY:

This resolution authorizes the Water Authority to enter into a Capital Appropriation Fund Agreement with the State of New Mexico Environment Department in the amount of \$37,500. This funding was authorized by the State Legislature in 2018 pursuant House Bill 306. The funding will be used to plan and design Phase One wastewater system improvements for the Carnuel to improve the health and safety of residents and help remediate high groundwater nitrate concentrations from leaking septic systems.

FISCAL IMPACT:

None. This is 100% grant funding so there is no loan component.

ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY AUTHORITY

BILL NO. R-18-21

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RESOLUTION

APPROVING AND AUTHORIZING A NEW MEXICO ENVIRONMENT DEPARTMENT APPROPRIATION FOR THE CARNUEL WASTEWATER SYSTEM IMPROVEMENTS PROJECT

WHEREAS, the Albuquerque Bernalillo County Water Utility Authority (“Water Authority”) has entered into a Capital Appropriation Fund Agreement with the State of New Mexico Environment Department, and

WHEREAS, the Agreement is identified as SAP 18-2233-STB Grant Agreement.

BE IT RESOLVED BY THE WATER AUTHORITY:

Section 1. The Executive Director or his successor is the SIGNATORY AUTHORITY who is authorized to sign reimbursement requests and other documents requiring a signature for submittal to the New Mexico Environment Department.

Section 2. New Mexico Environment Department funds in the amount of \$37,500, is hereby appropriated to Fund 29, JL Key 941704 Carnuel System Improvements Project.

Meeting Date: August 22, 2018
Staff Contact: Diane Agnew, Water Quality Hydrologist

TITLE: C-18-22 – Appointment of John Pietz to the Water Protection Advisory Board

ACTION: Recommend Approval

SUMMARY:

Albuquerque Bernalillo County Water Utility Authority (Water Authority) staff request the appointment of Mr. John Pietz to the Water Protection Advisory Board (WPAB) to serve a three year term as one of two of the Water Authority's appointees on the board.

The purpose of the WPAB is to study and advise the Water Authority, City and County on surface and groundwater protection concerns, oversee the implementation of the Water Quality Protection Policy and Action Plan, and assist with the development of policies and strategies necessary to enhance protection of surface and groundwater quality in the Albuquerque Basin.

Mr. Pietz has had diverse professional experiences in environmental remediation and water resources activities, including environmental investigations and cleanups, water treatment system design, and other hydrogeology projects.

Mr. Pietz is a registered professional engineer in New Mexico and received a Bachelor of Science in Chemistry from the University of Minnesota and Master of Science in Chemical Engineering from the University of New Mexico. He is a member of the National Society of Professional Engineers and the American Institute of Chemical Engineers.

FISCAL IMPACT:

None

John M. Pietz, PE

Professional Qualifications

Mr. Pietz is a registered professional chemical engineer with 32 years of chemical and environmental engineering experience including project management, construction management, site assessments, groundwater modeling, corrective measure studies, feasibility studies, design and operation of groundwater and soil remediation systems, preparation of pollution prevention and waste minimization plans, and risk assessments. He has worked with a variety of contaminants including petroleum and chlorinated hydrocarbons, and explosives.

Education

M.S. Chemical Engineering, University of New Mexico; 1984
B.S. Chemistry, University of Minnesota; 1980

Registrations/Certifications

Registered Professional Engineer, State of New Mexico

Experience and Background

2009 – *Senior Engineer, Trihydro Corporation, Laramie, Wyoming.*

Present

- Senior Engineer for the design and installation of a soil vapor extraction (SVE) system for a natural gas condensate site in Colorado for Anadarko Petroleum Corporation. Conducted SVE pilot test, developed conceptual design in collaboration with Anadarko engineers and local operations personnel, and currently designing full-scale system. System will use an internal combustion engine for the initial phase of SVE operation. Site factors include constraints of an operating compressor station, and lack of power.
- Project manager and senior engineer for installation of 69 air sparge (AS) wells at a natural gas condensate release site in the San Juan Basin of northwest New Mexico. Site is located in a high permeability channel, and the benzene plume extended nearly 1000 ft towards the San Juan River and several private drinking water wells. As a result of five years of AS system operation, all site wells have attained groundwater standards, and closure is expected.
- Senior engineer for the design of an AS/biosparge system at a petroleum terminal in Rock Springs Wyoming. Developed design drawings, specifications, and bid documents. System consists of 10 AS and 7 SVE wells.
- Project manager for the design of a hot water flushing system for the removal of bunker oil beneath a historical school house in Washington State. Developed plans,

specifications, and bid documents. Supported procurement, submittal review, construction and O&M.

- Senior Engineer for studying the feasibility of waste water evaporation and recycle at a Wyoming refinery.
- Senior Engineer for the design of a low pH groundwater extraction and treatment system for a Wyoming refinery. Developed design basis, treatability test plan, and conducted treatability testing. Developed design report, design drawings and specifications.
- Senior engineer for the design of an LNAPL recovery system for an active refinery in Texas, including plans and specifications per refinery standards.

1994–
2009 ***Engineering Manager/Project Manager, Shaw Environmental, Inc, Albuquerque.***

- Project manager for the Texaco South Valley terminal O&M consisting of 7 groundwater recovery wells, 5 injection wells, 12 air sparge wells and 35 soil venting wells, two 2,000 cfm catalytic oxidation units, chemical sequestering and low profile air stripping. Project included the design, installation and startup of a dual-phase extraction system.
- Project manager for a RFI/CMS at LANL TA-16. Contaminants include high explosives, barium, and perchlorate. Remedial alternatives include excavation, groundwater recovery and treatment, storm water filters, and permeable reactive barriers.
- Project engineer for the design of an SVE system for a carbon tetrachloride plume at Ft.Ord, Monterey, California. Developed specifications and bid documents. Conducted SVE modeling, designed pipe layouts, assisted with startup.
- Senior engineer for a due diligence audit at a manufacturing facility in Las Cruces, New Mexico.
- Senior engineer for a compliance audit at a trucking facility in Albuquerque. Conducted a site visit, interviewed lessee, documented site conditions, and wrote report.
- Project manager/design engineer for the design, construction and operation and maintenance for a 300 gpm public water supply treatment system and in situ bioremediation system in Santa Fe. Conducted a corrective measure study on options for groundwater recovery and treatment. The preferred option consists of pH

adjustment, air stripping, solids settling/filtration, carbon adsorption and chlorination/fluoridation.

- Project manager for remediation system design and groundwater monitoring and sampling at manufacturing site in Salt Lake City, Utah. Designed and installed a dual-phase extraction system for chlorinated hydrocarbons.
- Project manager/project engineer for City of Albuquerque former Los Angeles Landfill (Balloon Fiesta Park) investigation and remediation, including soil vapor surveys, boring/monitoring well installation, aquifer testing, corrective measure study, remediation system design, installation and operation and maintenance, and the design, installation and O&M of a 1,200 cfm landfill gas extraction system.
- Remedial action plan/corrective measure study of MTBE remediation options at the former Texaco South Valley terminal. Options included onsite and offsite groundwater pump and treat, source remediation using dual-phase air/water extraction, and natural attenuation. The preferred alternative, approved by the agency, was dual phase extraction of the source area.
- Project engineer for a corrective measure study involving options for treatment of soil and groundwater for a former hazardous waste landfill in California. Selected final option and conducted draft and final design of an SVE and groundwater treatment system.
- Senior engineer for Chevron terminal remediation, including soil vapor extraction and bioventing. Reviewed bioventing test procedures and results. Developed closure plan in accordance with negotiated agreement.
- Senior test engineer for the commissioning of a LANL nuclear facility for the decontamination and size reduction of gloveboxes and other components. Co-authored test plan and conducted testing of HVAC and other critical systems.
- Senior engineer for the risk assessment of a diesel release at Los Alamos National Laboratory.
- Senior engineer for a pollution prevention opportunity assessment and feasibility study conducted for the F-Area groundwater treatment plant, Savannah River Site. Developed and evaluated options for reducing waste and sludge generation.
- Senior engineer and team member for a pollution prevention opportunity assessment conducted for the Hanford site D&D program.

- Project manager/design engineer for the design, installation and operations and maintenance of a state-lead UST site.
- Project test engineer for the VACIS LSDDP project at Los Alamos National Laboratory involving gamma ray imaging of large FRP crates. Developed a test plan, conducted field testing, and wrote a summary report.
- Project test engineer for the MCS LSDDP project at Los Alamos National Laboratory involving x-ray imaging of large FRP crates. Developed a test plan, conducted field testing, and wrote a summary report.
- Senior engineer for a LSDDP technology demonstration project involving a removable coating decontamination system at Nuclear Fuel Services, Erwin, Tennessee
- Project engineer for the Megatech Plunging Blade Cutter LSDDP project involving testing of a hydraulic cutting blade for shearing of metal pipes and support structures. The baseline technology consisted of a reciprocating saw. Supervised cost estimating and wrote a summary report.
- Senior engineer for the development of functional operational requirements and design criteria for the TA-50 Radioactive Liquid Waste Facility (LANL) under the Cerro Grande Fire Risk Mitigation Project.
- Senior engineer for an options analysis of HEPA filter volume reduction TA-54, LANL.
- Senior engineer for the conceptual design and cost estimate of a water treatment evaporator system for accelerator cooling water treatment at Los Alamos National Laboratory. Contaminants included beryllium-7, cobalt-60 and tritium.
- Treatment system design task manager for the Sandia National Laboratory RCRA CAMU soil remediation project. Selected RCRA treatment technologies for waste streams. Designed staging areas for implementation of thermal desorption, stabilization and soil washing. Developed engineering drawings.
- Senior engineer for the design and cost estimate of a data acquisition system at Sandia National Laboratory
- Senior engineer for Remedial Action Plan development for clean-up of drilling sludges at a DOE site in western Colorado. Conducted feasibility study/corrective measure study of excavation and treatment options, including fly ash stabilization and on site centrifugation.

- Professional engineer review for Title II design of a waste effluent handling system for Los Alamos National Laboratory. Reviewed P&IDs, process flow diagrams and piping isometrics.
- Senior engineer for Part B modification for a waste water cementation unit for Los Alamos National Laboratory. Developed P&IDs, process flow diagrams and piping isometrics.
- Professional engineering review of Los Alamos National Laboratory TA50 waste water treatment plant modifications including reverse osmosis, microfiltration, centrifugal filtration unit operations.

1989–
1994 ***Office Manager/Senior Project Engineer, IT Corporation, Massachusetts.*** Senior Engineer and Office Manager for staff of 15 engineers and geologists. Responsible for office financial performance and business development. Managed projects in the areas of site investigation, risk assessment, remediation system design installation and operation and maintenance, litigation support, pollution prevention and air permitting. Experience areas include:

Groundwater and Soil Remediation

- Mobil Oil Corporation/Exxon Company, USA - New England - Conducted dewatering for UST replacement activities at 11 service stations. Installed dewatering wells for depression of groundwater and product removal. Treated recovered groundwater using activated carbon or air stripping. Obtained necessary NPDES permits for discharge of treated water. Wrote summary reports.
- Mobil Oil Corporation, New England - Designed, installed and operated over 15 soil vapor extraction systems at UST sites. Conducted Phase III Corrective Measure Studies at over fifteen sites. Offgas control systems consisted of activated carbon, catalytic oxidation using natural gas or electric fired units, or direct discharge. Conducted all related permitting and reporting.
- Exxon Company, USA, Massachusetts - Designed, installed and operated 3 soil vapor extraction/groundwater recovery systems at UST sites. Conducted all permitting and regulatory interface.
- Mobil Oil Corporation, New England - Designed, installed and operated over 20 groundwater/product recovery systems. Conducted groundwater modeling in support of design. Treatment technologies included activated carbon and air stripping. Product recovery technologies included filter scavengers and direct pumping. Conducted all related permitting and reporting.

- Mobil Oil Corporation, Sudbury, MA - Designed installed and operated an in situ aquifer bioremediation system. System consisted of 8 recovery wells, air stripping, addition of nutrients and hydrogen peroxide, followed by infiltration.
- Yellow Freight, Milford, CT - Performed operation and maintenance of IT's patented Biofast soil bioremediation cell for remediation of a diesel release. Evaluated data on cell performance, including O₂/CO₂ data. Responsible for monthly O&M.
- Project Engineer for jet fuel soil removal project involving demolition of a runway fueling station and excavation of 4,000 yards of jet fuel contaminated soil at Fort Devens Massachusetts. Soil was sent to asphalt batching for recycle. Project included backfilling to geotechnical specifications, slope maintenance and site restoration.
- Varian, Associates, Beverly MA - Performed design, pilot testing and construction of groundwater treatment plant for 50 gpm groundwater/DNAPL recovery system consisting of 6 recovery wells. Conducted corrective measure/feasibility study to identify the best treatment options. Conducted system evaluation and mass balance of old system consisting of tower air stripper with activated carbon offgas control. Conducted pilot tests of low profile air stripper and on-site carbon regeneration system. System modifications included slant rib coalescor for DNAPL settling, pH adjustment, two low profile air strippers in series with regenerable carbon offgas control of first unit and direct discharge of polishing unit. Obtained all necessary regulatory approvals, including groundwater discharge permit and air discharge permit.
- United States Air Force Installation Restoration Program, Pease Air Force Base, Portsmouth, NH - Provided groundwater treatment plant design support, excavation plan development support, permitting support and logistics support for excavation and relocation of waste, soil and sediments from landfills 2, 4, and 5. Water treatment consisted of metals precipitation, air stripping and carbon adsorption.
- U.S. Army Corps of Engineers, Ft. Devens, Massachusetts - Designed, installed and operated a soil vapor extraction system for a PCE release. System consists of 5 SVE wells, 5 piezometers and carbon adsorption. Performed SVE field pilot test and data interpretation. Conducted regulatory negotiations, wrote an installation report and operations and maintenance manual.
- Buckeye Pipeline, Ludlow MA - Designed, installed and operated single well groundwater/product recovery system for recovery of jet fuel.
- Unocal Chemical Company, East Providence, RI - Operated a product recovery system consisting of a filter scavenger system for recovery of LNAPL mineral spirits.

- US Army Corp of Engineers, Waltham, MA - Managed operation and maintenance activities for 500 gpm groundwater treatment plant at Baird-McGuire Superfund site. Provided 24-hour staffing support including operators and plant foreman. Unit operations consisted of groundwater recovery, pH adjustment, metals precipitation, sludge management and carbon adsorption.
- Connecticut DPW, Colchester, Connecticut - Provided design modifications, installation, and operation and maintenance for a two phase air/water vacuum recovery system consisting of 12 recovery wells, liquid-ring vacuum pump, and air stripping.
- Kontro Pump/Sunstrand Corporation, Orange, MA - Conducted fuel oil tank removal and replacement activities. Replaced UST with a 2000 gal AST. Designed tank pad area in accordance with client's specifications.

Site Investigations/Risk Assessments

- Mobil Oil Corporation, New England - Project Manager for over 25 Phase I preliminary site investigations and 10 Phase II comprehensive site investigations in New England. Projects included soil boring installation, monitoring well installation, groundwater gauging and sampling, aquifer testing, report writing.
- Environmental consultant for Mobil for UST removal and replacement on 15 service station sites. Conducted soil sampling, UST removal documentation, soil disposal management.
- Mobil Oil Corporation, New England - Conducted 10 risk assessments at UST sites. Exposure pathways included vapor infiltration, soil/groundwater dermal contact, drinking water, and consumption of fruits and vegetables. Developed spreadsheet models for calculation of exposure point concentrations and absorbed doses. Closed 8 sites using risk assessment analysis in accordance with state regulations.
- Duncan Galvanizing, Everett, MA - Conducted comprehensive site investigation and risk assessment for zinc, cadmium, arsenic and nickel at a galvanizing facility. Exposure pathways consisted of ingestion of fish and shellfish, and soil/groundwater dermal contact. Conducted groundwater flow and solute transport modeling using AT123D.
- Northrop Corporation, Norwood, MA - Performed Phase II comprehensive site assessment and risk assessment for a site with TCA, DCE. Evaluated site hydrogeological data. Wrote Phase II report. On the basis of Phase II report, a no further action alternative was selected.

- Unocal Chemicals, East Providence, RI - Performed preliminary site investigation using soil vapor survey, boring/well installation, and tidal survey for LNAPL site. Wrote a summary report.
- Exxon Company, USA, South Portland, ME - Performed a site investigation at an abandoned oil terminal using boring/well installation, groundwater gauging/tidal survey, and a soil vapor survey. Wrote a summary report.
- Kontro Pump/Sunstrand Corporation, Orange, MA - Conducted a preliminary site assessment using indoor/outdoor borings and surface soil sampling. Wrote a summary report.
- Varian, Associates, Inc, Beverly, MA - Designed and conducted a field investigation for a DNAPL site involving a geophysical survey, soil gas surveys, borings/monitoring well installation, groundwater monitoring and sampling and stream gauging. Developed a site conceptual model. Co-authored a site investigation report.
- Buckeye Pipeline, Ludlow, MA - Designed and conducted a field investigation to determine nature and extent of petroleum at a pipeline terminal. Wrote a summary report. Developed a scope of work for the site risk assessment.

Air Permitting, Toxic Use Reduction, Pollution Prevention

- Conducted air discharge permitting in support of groundwater and soil remediation systems. Permitted activated carbon units, regenerable carbon units, air strippers and catalytic oxidation units. Conducted SCREEN modeling in support of direct discharge permits.
- Lilly Manufacturing, Templeton, MA - Conducted Source Registration evaluation and Clean Air Act Amendment permitting for a paint and coatings manufacturer. Plant evaluation was complicated by use of batch processing and multiple product line.
- Lilly Manufacturing, Templeton, MA - Conducted Toxic Use Reduction Plan activities in accordance with Massachusetts regulations at a paint and coating manufacturer. Identified options include use of water-based coatings, and solvent recycling.
- Browning Ferris Industries, New England - Provided professional engineer review of over 25 storm water pollution prevention plans and spill prevention and control plans.

Litigation Support

- Mobil Oil Corporation, Massachusetts - Served as expert witness for two cases involving groundwater contamination and vapor infiltration into occupied structures.

Designed field investigations in support of discovery. Wrote expert opinions on hydrogeology/contaminant transport.

- 1986–
1989 ***Project Engineer, IT Corporation, Albuquerque, New Mexico.*** Developed flow and transport models including development of coupled fluid flow and rock mechanics models for a proposed nuclear waste repository. Utilized groundwater modeling for groundwater recovery system design for commercial clients. Provided materials and chemical compatibility expertise for listed wastes for a nuclear waste repository. Developed three dimensional flow and transport models for the deep well injection permitting process for three companies in southeast Texas. Other projects include technical consulting on groundwater modeling projects in California, Colorado, Texas, Ohio and Washington.
- 1984–
1986 ***Staff Scientist, Los Alamos National Laboratory, Los Alamos, New Mexico.*** Production/research supervisor for the recovery of special nuclear materials from scraps and residues at TA55. Supervised process technicians. Conducted waste minimization, materials corrosion studies and chemical compatibility studies.

Professional Affiliations

National Society of Professional Engineers
American Institute of Chemical Engineers

Publications

Anderson, H., Pietz, J., & Smith, D. 1983. Radionuclide Transport Modeling of Diffusion Cell Experiments Specific to a Backfill Barrier in a Salt Repository. MRS Proceedings, 26, 681. doi:10.1557/PROC-26-681

Niou, S., J. Case, J. Pietz, M. Wallace and J. Zurkoff, 1987. Coupled Fluid Flow and Salt Creep Analysis for Room Saturation of a Salt Repository, Proceedings, International Waste Management 87, Tucson, AZ.

Wallace, Michael G., and John Pietz, 1989. A Three Dimensional Flow and Solute Transport Model of a Deep Well Injection System, Proceedings: "Solving Groundwater Problems with Models", Feb. 7-9, 1989, Indianapolis, Indiana, jointly sponsored by the NWWA and the IGWMC

Wallace, M., J. M. Pietz, B. Lauctes, J. B. Case, and D. E. Deal, 1990. Coupled Fluid-Flow Modeling of Brines Flowing Through Deforming Salt Around the Excavations for the Waste Isolation Pilot Plant (WIPP) in the Permian Salado Formation, Proceedings, Waste Management '90, Tucson, AZ.

Hickmott, D; Reid, K; Pietz, J; Ware, D, 2008. CMI Remedy Selection for HE- and Barium-Contaminated Vadose Zone and Alluvium at LANL. American Geophysical Union, Fall Meeting 2008, abstract #H33G-1100

Meeting Date: August 22, 2018
Staff Contact: Kristopher Cadena, Principal Engineer, Utility Development

TITLE: C-18-23 – Service Connection Agreement for Water and Sewer Service with Murphy Oil USA, Inc. at 3751 Highway 528 NW

ACTION: Recommend Approval

SUMMARY:

Murphy Oil USA, Inc., as lessee of the subject property which is owned by the New Mexico Commission for Public Lands, desires to connect to existing water and wastewater infrastructure located at 3751 Highway 528 NW. The undeveloped property is located along the northeast corner of Cottonwood Dr. and NM 528. The property is proposed to construct a Murphy's Express convenience store/gas station. The development is located outside of the Water Authority's Fully Served Service Area, but within the City of Albuquerque. No additional infrastructure requirements are needed to provide water and wastewater service to this property other than a service agreement approved by the Water Authority Board.

As a condition of service, the owner will be required to:

- Comply with the ordinances, resolutions, plans, and regulations of the Water Authority
- Obtain concurrent water and wastewater service
- Pay the Utility Expansion Charge (UEC) at the rates that are imposed at the time of a service connection
- Pay the Water Supply Charge

FISCAL IMPACT:

None

**SERVICE CONNECTION
AGREEMENT
Murphy Oil USA
New Mexico
Commissioner of
Public Lands
310 Old Santa Fe
Trail
Santa Fe, NM
87501**

Albuquerque Bernalillo County Water Utility Authority, a New Mexico political subdivision ("Water Authority") and New Mexico Commissioner of Public Lands, whose address is 310 Santa Fe Trail, Santa Fe, NM 87501, agree as follows:

1. Recitals

- A.** New Mexico Commission of Public Lands, ("Owner") is the owner of 3751 Hwy 528 NW (Legal Description: Tract lettered "C-2" of SEVEN BAR RANCH, Albuquerque, New Mexico, as the same is show and designated on the plat thereof, filed in the office of the County Clerk of Bernalillo County, New Mexico, on July, 26, 1984, in Plat Book C24, folio 136.) ("Property"), more particularly described and as shown in the Serviceability Statement for the Property. The Serviceability Letter for the Property reflecting request for service referred to in this Agreement is attached hereto as **Exhibit A** and incorporated herein by reference.
- B.** The property is located outside the Water Authority's Service Area within the region previously serviced by New Mexico Utilities, Inc.
- C.** Owner desires to connect to existing water and waste water infrastructure with a 1" domestic water meter service, a 1" irrigation water meter service and a 4" sanitary sewer service.
- D.** Water service to the Property will be taken from the existing water line in American Road NW. Wastewater service to the Property will tie into the existing sanitary line in Cottonwood Drive NW. Installation of services shall be performed under the standard tapping permit or mini-work order process.
- E.** All developments located outside of the Water Authority's service area will be assessed a Water Supply Charge (WSC) as provided in the Water Authority's Water and Sewer Rate Ordinance for the development of new water resources, rights and supplies necessary to serve the development.

2. Service

- A. Owner shall comply with the Water Authority's Water and Sewer System Expansion Ordinance, as amended from time to time. Connection for water service shall require concurrent sewer service connection to the Water Authority's wastewater system.
 - B. Owner shall pay Utility Expansion Charges ("UECs") at the rates that are imposed at the time of a service connection, as provided in the Water Authority's Water and Sewer Rate Ordinance, as amended from time to time.
 - C. Owner shall pay all outstanding Pro Rata assessments in full at the time of service application.
 - D. Pursuant to Water Authority Resolution No. R-05-13, Owner agrees that it shall incorporate water conservation guidelines that shall achieve water usage of seventy-five (75) gallons per capita per day.
3. **Termination.** If construction of the Connection to the waterline and sanitary sewer modifications by Owner has not been completed and accepted by the Water Authority within seven (7) years of the effective date of this Agreement, this Agreement shall automatically terminate, and the Water Authority and Owner shall have no further rights, obligations, or liabilities with respect to this Agreement, unless otherwise agreed in writing.
4. **Indemnification.** Owner will indemnify and hold harmless the Water Authority and its officials, agents, and employees from any claims, actions, suits, or other proceedings arising from the acts or omissions of Owner, its agents, representatives, contractors, or subcontractors, or arising from the failure of Owner, its agents, representatives, contractors, or subcontractors to perform any act or duty required of Owner herein. The indemnification by Owner will not extend to the negligent acts of the Water Authority.
5. **Representations and Warranties of Owner.** Owner represents and warrants that:
- A. Owner is validly existing under the laws of the State of New Mexico.
 - B. Owner has all the requisite power and authority to enter into this Agreement and bind Owner under the terms of the Agreement; and
 - C. The undersigned officer of Owner is fully authorized to execute this Agreement on behalf of Owner.
6. **Notices.** Any notice to be given under this Agreement will be in writing and will be deemed to have been given when deposited in the United States Mail postage prepaid addressed:

If to the Water Authority:
Mark S. Sanchez
Executive Director
Albuquerque Bernalillo County
Water Utility Authority
One Civic Plaza, Room 5012

Albuquerque, New Mexico 87102

If to Owner:
Craig Johnson
New Mexico Commissioner of Public Lands
310 Santa Fe Trail
Santa Fe, NM 87501
505-827-3827
cjohnson@slo.state.nm.us

- 7. **Assignment.** This Agreement will not be assigned without the prior written consent of the Water Authority and Owner.
- 8. **Miscellaneous.** This Agreement will be governed by and interpreted in accordance with the laws of the State of New Mexico. The headings used in this Agreement are for convenience only and shall be disregarded in interpreting the substantive provisions of the Agreement. This Agreement binds and benefits the Water Authority and their successors, assigns, and transferees and The Owner and their successors, assigns and transferees. Time is of the essence of each term of this Agreement. If any provision of this Agreement is determined by a court of competent jurisdiction to be void, invalid, illegal, or unenforceable, that portion will be severed from this Agreement and the remaining parts will remain in full force as though the invalid, illegal, or unenforceable portion had never been a part of this Agreement.
- 9. **Integration; Interpretation.** This Agreement contains or expressly incorporates by reference the entire agreement of the parties with respect to the matters contemplated by this Agreement and supersedes all prior negotiations. This Agreement may only be modified in writing executed by both parties.
- 10. **Approval.** This Agreement is subject to the approval of the Board of Directors of the Water Authority and will not become effective until approved by the Water Authority.
- 11. **Effective Date.** The effective date of this Agreement is the date last entered below.

In Witness Whereof, the parties hereto have executed this Agreement on the dates entered below.

**Albuquerque Bernalillo County
Water Utility Authority**

Owner

By: _____
Mark S. Sanchez
Executive Director

By: _____
Craig Johnson, New Mexico
Commissioner of Public Lands

Date: _____

Date: _____

STATE OF _____)
) ss.
COUNTY OF _____)

This instrument was acknowledged before me on this ___ day of _____, by _____ [name] _____, [title] of _____, [company name], a _____ [type of entity], on behalf of said company.

—
My Commission Expires:

Notary Public

STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)

This instrument was acknowledged before me on this ___ day of _____, by Mark S. Sanchez, Executive Director of the Albuquerque Bernalillo County Water Utility Authority, a political subdivision of the State of New Mexico, on behalf of said political subdivision.

—
My Commission Expires:

Notary Public

June 7, 2018

Chair

Trudy E. Jones
City of Albuquerque
Councilor, District 8

Vice Chair

Debbie O'Malley
County of Bernalillo
Commissioner, District 1

Pat Davis
City of Albuquerque
Councilor, District 6

Timothy M. Keller
City of Albuquerque
Mayor

Klarissa J. Peña
City of Albuquerque
Councilor, District 3

Steven Michael Quezada
County of Bernalillo
Commissioner, District 2

Lonnie Talbert
County of Bernalillo
Commissioner, District 4

Ex-Officio Member
Pablo R. Rael
Village of Los Ranchos
Board Trustee

Executive Director
Mark S. Sanchez

Website
www.abcwua.org

Gaven Ballinger
Murphy Express
200 East Peach St.
El Dorado, AR 71730

**RE: Water and Sanitary Sewer Serviceability Letter #180203
Murphy Express - 3751 Highway 528 NW
Legal Description: TR C-2 SEVEN-BAR RANCH CONT 1.25 AC
UPC: 101406605830520115 - Zone Atlas Map: A-14**

Dear Mr. Ballinger:

Project Description: The subject site is located on the northeast corner of the intersection of Cottonwood Dr. and NM 528 within the City of Albuquerque. The property consists of approximately 1.25 acres and is currently zoned SU-1 for industrial/wholesale/manufacturing use. The property lies within the Pressure Zone 2WR in the Corrales trunk. The request for information indicates plans to construct a Murphy's Express convenience store/gas station on the site.

Service Connection Agreement: As this development is outside the Water Authority's Adopted Service Area, a Service Connection Agreement must be executed between the owner and the Water Authority. The developer shall coordinate with the Utility Development Office of the Water Authority in order to execute this Service Connection Agreement.

Water Supply Charge: All developments located outside of the Water Authority's Adopted Service Area will be assessed a Water Supply Charge (WSC) as provided in the Water Authority's Water and Sewer Rate Ordinance for the development of new water resources, rights and supplies necessary to serve the development. The WSC shall not be used for reimbursement of master planned facilities.

Existing Conditions:

Water infrastructure in the area consists of the following:

- 12 inch steel distribution main (project #07-002-75) along Cottonwood Dr.
- 12 inch steel distribution main (project #07-002-75) along north property border.

Sanitary sewer infrastructure in the area consists of the following:

- Eight inch PVC collector line (project #26-2172-85) along Cottonwood Dr.
- 15 inch AC interceptor line (project #07-007-80) along NM 528

Water Service: New metered water service to the property can be provided via routine connection to the existing infrastructure mentioned. Existing metered service and fire lines that will not be utilized are to be removed by shutting the valve near the distribution main and capping the line near the valve. For fire lines, the valve access shall be grouted and collar removed. Service is also contingent upon compliance with the Fire Marshal's instantaneous fire flow requirements. Water service will not be sold without adequate fire protection. Water service will only be sold in conjunction with sanitary sewer service.

Sanitary Sewer Service: It is understood that sanitary sewer service for the site tends towards the 15 inch interceptor along NM 528 and the proposed utility plan presented with this submittal reflects this. Based on Section 7-1-5-B of the "Water and Wastewater System Expansion" Ordinance, service connections shall not be made to the lines 15 inch and greater. Therefore, every attempt shall be made to utilize the collector main along Cottonwood Dr. for new sanitary sewer service. Should the collector line along Cottonwood Dr. prove to be inaccessible by the site, coordination with the Utility Development section of the Water Authority shall take place to allow for connection to the 15 inch interceptor along NM 528. All food service establishments must install a grease trap upstream of the domestic private sewer connection prior to discharge into the public sanitary sewer lines.

Fire Protection: From the request for availability the instantaneous fire flow requirements for the project are 1,500 gallons-per-minute and one hydrant. As modeled using InfoWater™ computer software, the fire flow can be met. Analysis was performed by simulating the flow from hydrant 81 located at the southwest corner of the site. Any changes to the proposed connection points shall be coordinated through Utility Development. All new required hydrants as well as their exact locations must be determined through the City of Albuquerque Fire Marshal's Office and verified through the Utility Development Office prior to sale of service. Please note that the engineer designing any required fire lines is responsible for determining pressure losses and sizing of the private water line(s) downstream of the public water line to serve the proposed fire hydrants and/or fire suppression system.

Cross Connection Prevention: Per the Cross Connection Ordinance, all new non-residential premises must have a reduced pressure principle backflow prevention assembly approved by the Water Authority and installed at each domestic service connection at a location accessible to the Water Authority. All new fire line services to fire protection systems shall be equipped with a reduced pressure principle backflow prevention assembly approved by the Water Authority and Fire Marshal having jurisdiction at each service connection. A double check valve assembly approved by the Water Authority and Fire Marshal having jurisdiction may be installed instead of a reduced pressure backflow prevention assembly provided the fire protection system contains ANSI/NSF Standard 60 or 61 water piping throughout the entire fire protection system, the fire sprinkler drain discharges into atmosphere, and there are no reservoirs, fire department connections, connections from auxiliary water supplies, antifreeze nor other additives. The Water Authority requests that all backflow (containment) devices be located above ground just outside the easement or roadway right-of-way. Contact Cross Connection at 289-3439 for more information.

Easements: Exclusive public water and sanitary sewer easements are required for all public lines that are to be constructed outside of any dedicated rights-of-way. A minimum width easement of 20 feet is required for a single utility and 25 feet for water and sewer both within the same easement. Easements for standard sized water meters need to be five feet by five feet and include the length of the water service if located on private property. For larger meters that require a meter vault, a 35 feet by 35 feet easement is required. Actual easement widths may vary depending on the depth of the lines to be installed. Acceptable easements must be documented prior to approval of service.

Pro Rata: Pro Rata is not owed and the property can utilize the services available upon completion of the requirements of this statement to connect to water and sanitary sewer.

Design and Construction of all required improvements will be at the developer / property owner's expense. Improvements must be coordinated through the Water Authority tapping permit process. Construction must be by a licensed, bonded, public utility contractor.

Costs and Fees: In addition to installation and construction costs, any new metered water services will be subject to both water and sanitary sewer Utility Expansion Charges (UEC) payable at the time of service application. All charges and rates collected will be based on the ordinances and policies in effect at the time service is actually requested and authorized.

Water Use: All new commercial developments shall be subject to the requirements for water usage and water conservation requirements as defined by the Water Authority, particularly the Water Waste Ordinance. Where available, outdoor water usage shall utilize reclaimed water.

Closure: This serviceability letter does not provide a commitment from the Water Authority to provide services to the development. It only provides details of infrastructure that is available and potential precursors for the proposed development. For service to be provided, a Board approved service connection agreement must be supplemented by this serviceability letter. The serviceability letter will remain in effect for a period of one year from the date of issue and applies only to the development identified herein. Its validity is, in part, contingent upon the continuing accuracy of the information supplied by the developer. Changes in the proposed development may require reevaluation of availability and should be brought to the attention of the Utility Development Office of the Water Authority as soon as possible.

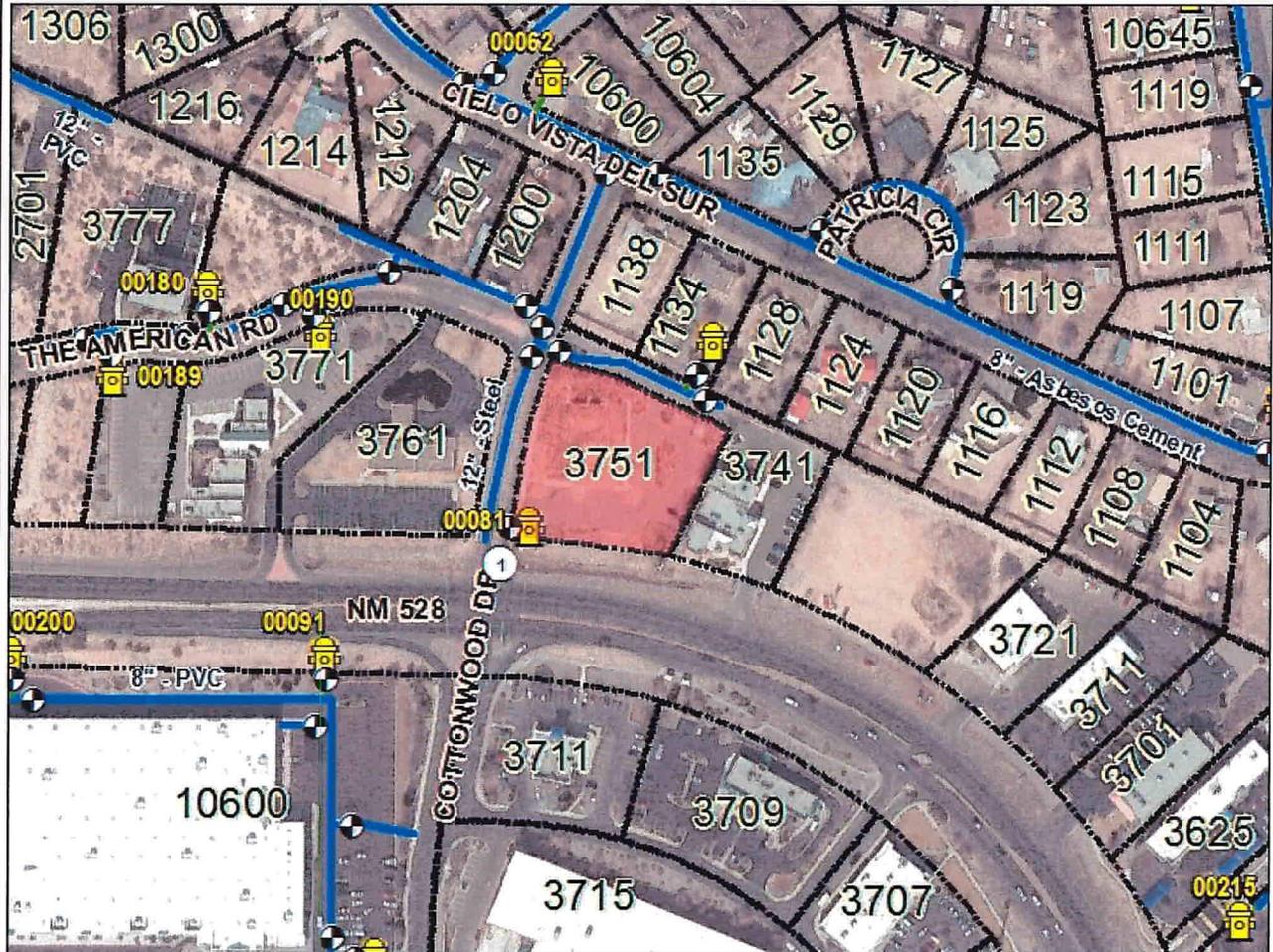
Please feel free to contact Mr. Kristopher Cadena in our Utility Development Section at (505) 289-3301 or email at kcadena@abcwua.org if you have questions regarding the information presented herein or need additional information.

Sincerely,



Mark S. Sanchez
Executive Director
Enclosures: Infrastructure Maps (2)
f/ Serviceability Letter 180203

180203 - Water



Legend

Project Location

Valve

SUBTYPE

Valve

Hydrant

Pipe

SUBTYPE

Distribution Line

Hydrant Leg

0 460 920 Feet



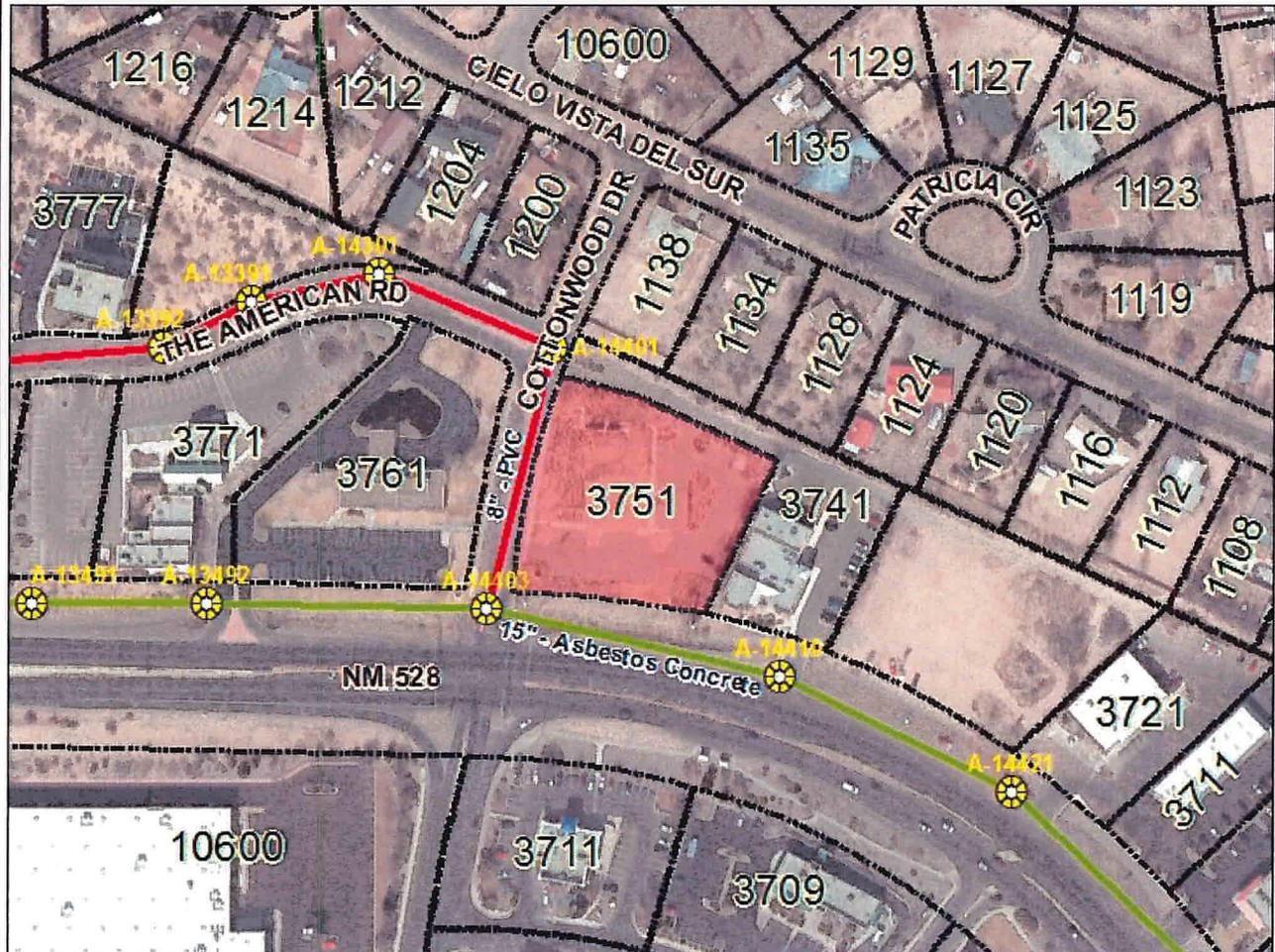
--- Fire Flow Analysis Points

1--- Analysis Point



Water Utility
Authority

180203 - Sanitary Sewer



Legend

-  Project Location
-  Sewer Manhole

Sewer Pipe SUBTYPE

-  COLLECTOR
-  INTERCEPTOR

0 380 760 Feet



Meeting Date: August 22, 2018
Staff Contact: Kristopher Cadena, Principal Engineer, Utility Development

TITLE: C-18-24 – Service Connection Agreement for Water and Sewer Service with Highbury Properties, LLC at 4011 Paseo Del Norte NW

ACTION: Recommend Approval

SUMMARY:

Highbury Properties, LLC desires to connect to existing water and wastewater infrastructure located at 4011 Paseo Del Norte NW. The property is currently undeveloped land that is to be a proposed two story office building. The development is located outside of the Water Authority's Fully Served Service Area, but within the City of Albuquerque. No additional infrastructure requirements are needed to provide water and wastewater service to this property other than a service agreement approved by the Water Authority Board.

As a condition of service, the owner will be required to:

- Comply with the ordinances, resolutions, plans, and regulations of the Water Authority
- Obtain concurrent water and wastewater service
- Pay the Utility Expansion Charge (UEC) at the rates that are imposed at the time of a service connection
- Pay the Water Supply Charge

FISCAL IMPACT:

None

**SERVICE CONNECTION
AGREEMENT
Smiles for Kids
Building 4
Highbury
Properties, LLC
9201Eagle Ranch
NW
Albuquerque, NM
87114**

Albuquerque Bernalillo County Water Utility Authority, a New Mexico political subdivision ("Water Authority") and Highbury Properties, LLC, whose address is 9201 Eagle Ranch NW agree as follows:

1. Recitals

- A. Highbury Properties, LLC ("Owner") is the owner of 4011 Paseo Del Norte NW (Legal Description: Tract G, Fountain Hills Plaza Subdivision) ("Property"), more particularly described and as shown in the Serviceability Statement for the Property. The Serviceability Letter for the Property reflecting request for service referred to in this Agreement is attached hereto as **Exhibit A** and incorporated herein by reference.
- B. The property is located outside the Water Authority's Service Area within the region previously serviced by New Mexico Utilities, Inc.
- C. Owner desires to connect to existing water and waste water infrastructure with a 1" meter service connection and a 4" sanitary sewer service.
- D. Water service to the Property will be taken from the existing 8" PVC distribution main on the north side of Paseo Del Norte. Wastewater service to the Property will tie into the existing 8" PVC collector along the north side of Paseo Del Norte. Installation of services shall be performed under the standard tapping permit or mini-work order process.
- E. All developments located outside of the Water Authority's service area will be assessed a Water Supply Charge (WSC) as provided in the Water Authority's Water and Sewer Rate Ordinance for the development of new water resources, rights and supplies necessary to serve the development.

2. Service

- A. Owner shall comply with the Water Authority's Water and Sewer System Expansion Ordinance, as amended from time to time. Connection for water service shall require concurrent sewer service connection to the Water

Authority's wastewater system.

- B.** Owner shall pay Utility Expansion Charges ("UECs") at the rates that are imposed at the time of a service connection, as provided in the Water Authority's Water and Sewer Rate Ordinance, as amended from time to time.
 - C.** Owner shall pay all outstanding Pro Rata assessments in full at the time of service application.
 - D.** Pursuant to Water Authority Resolution No. R-05-13, Owner agrees that it shall incorporate water conservation guidelines that shall achieve water usage of seventy-five (75) gallons per capita per day.
- 3. Termination.** If construction of the Connection to the waterline and sanitary sewer modifications by Owner has not been completed and accepted by the Water Authority within seven (7) years of the effective date of this Agreement, this Agreement shall automatically terminate, and the Water Authority and Owner shall have no further rights, obligations, or liabilities with respect to this Agreement, unless otherwise agreed in writing.
- 4. Indemnification.** Owner will indemnify and hold harmless the Water Authority and its officials, agents, and employees from any claims, actions, suits, or other proceedings arising from the acts or omissions of Owner, its agents, representatives, contractors, or subcontractors, or arising from the failure of Owner, its agents, representatives, contractors, or subcontractors to perform any act or duty required of Owner herein. The indemnification by Owner will not extend to the negligent acts of the Water Authority.
- 5. Representations and Warranties of Owner.** Owner represents and warrants that:
 - A.** Owner is validly existing under the laws of the State of New Mexico.
 - B.** Owner has all the requisite power and authority to enter into this Agreement and bind Owner under the terms of the Agreement; and
 - C.** The undersigned officer of Owner is fully authorized to execute this Agreement on behalf of Owner.
- 6. Notices.** Any notice to be given under this Agreement will be in writing and will be deemed to have been given when deposited in the United States Mail postage prepaid addressed:

If to the Water Authority:
Mark S. Sanchez
Executive Director
Albuquerque Bernalillo County
Water Utility Authority
One Civic Plaza, Room 5012
Albuquerque, New Mexico 87102

If to Owner:

Highbury Properties,
LLC
9201 Eagle Ranch NW
Albuquerque, NM 87114

7. **Assignment.** This Agreement will not be assigned without the prior written consent of the Water Authority and Owner.

8. **Miscellaneous.** This Agreement will be governed by and interpreted in accordance with the laws of the State of New Mexico. The headings used in this Agreement are for convenience only and shall be disregarded in interpreting the substantive provisions of the Agreement. This Agreement binds and benefits the Water Authority and their successors, assigns, and transferees and The Owner and their successors, assigns and transferees. Time is of the essence of each term of this Agreement. If any provision of this Agreement is determined by a court of competent jurisdiction to be void, invalid, illegal, or unenforceable, that portion will be severed from this Agreement and the remaining parts will remain in full force as though the invalid, illegal, or unenforceable portion had never been a part of this Agreement.

9. **Integration; Interpretation.** This Agreement contains or expressly incorporates by reference the entire agreement of the parties with respect to the matters contemplated by this Agreement and supersedes all prior negotiations. This Agreement may only be modified in writing executed by both parties.

10. **Approval.** This Agreement is subject to the approval of the Board of Directors of the Water Authority and will not become effective until approved by the Water Authority.

11. **Effective Date.** The effective date of this Agreement is the date last entered below.

In Witness Whereof, the parties hereto have executed this Agreement on the dates entered below.

**Albuquerque Bernalillo County
Water Utility Authority**

Owner

By: _____
Mark S. Sanchez
Executive Director

By: _____
Dr. Ganon Roway, Partner

Date: _____

Date: _____

STATE OF _____)
) ss.
COUNTY OF _____)

This instrument was acknowledged before me on this ____ day of _____, by _____ [name] _____, [title] of _____, [company name], a _____ [type of entity], on behalf of said company.

—
My Commission Expires:

Notary Public

STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)

This instrument was acknowledged before me on this ____ day of _____, by Mark S. Sanchez, Executive Director of the Albuquerque Bernalillo County Water Utility Authority, a political subdivision of the State of New Mexico, on behalf of said political subdivision.

—
My Commission Expires:

Notary Public

March 29, 2018

Chair

Trudy E. Jones
City of Albuquerque
Councilor, District 8

Vice Chair

Debbie O'Malley
County of Bernalillo
Commissioner, District 1

Pat Davis
City of Albuquerque
Councilor, District 6

Timothy M. Keller
City of Albuquerque
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City of Albuquerque
Councilor, District 3

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County of Bernalillo
Commissioner, District 2

Lonnie Talbert
County of Bernalillo
Commissioner, District 4

Ex-Officio Member
Pablo R. Rael
Village of Los Ranchos
Board Trustee

Executive Director
Mark S. Sanchez

Website
www.abcwua.org

Glenn Broughton
Bohannon Huston, Inc.
7500 Jefferson St. NE
Albuquerque, New Mexico 87109

**RE: Water and Sanitary Sewer Serviceability Letter #180208
Smiles for Kids Dental Office – Site Expansion
4011 Paseo Del Norte NW**

Dear Mr. Broughton:

Project Description: The subject site is located on Paseo Del Norte west of Eagle Ranch Rd. within the City of Albuquerque. The property consists of approximately 0.95 acres and is currently zoned SU-1 for commercial use. The property lies within the Pressure Zone 2WR in the Corrales trunk. The request for information indicates plans to construct a two story office building.

Service Connection Agreement: As this development is outside the Water Authority's Adopted Service Area, a Service Connection Agreement must be executed between the owner and the Water Authority. The developer shall coordinate with the Utility Development Section of the Water Authority in order to execute this Service Connection Agreement.

Water Supply Charge: All developments located outside of the Water Authority's Adopted Service Area will be assessed a Water Supply Charge (WSC) as provided in the Water Authority's Water and Sewer Rate Ordinance for the development of new water resources, rights and supplies necessary to serve the development. The WSC shall not be used for reimbursement of master planned facilities.

Existing Conditions: Water infrastructure in the area consists of the following:

- Eight inch PVC distribution main (project #26-4133.90-91) along Paseo Del Norte.

Sanitary sewer infrastructure in the area consists of the following:

- Eight inch PVC collector line (project #26-4878.90-95) along Paseo Del Norte

Water Service: New metered water service to the property can be provided via routine connection to the existing infrastructure mentioned. Existing metered service and fire lines that will not be utilized are to be removed by shutting the valve near the distribution main and capping the line near the valve. For fire lines, the valve access shall be grouted and collar removed. Service is also contingent upon compliance with the Fire Marshal's instantaneous fire flow requirements. Water service will not be sold without adequate fire protection. Water service will only be sold in conjunction with sanitary sewer service.

Sanitary Sewer Service can be provided via routine connection to the existing infrastructure mentioned. The proposed site plan provided with the submittal indicates a sanitary sewer connection to adjacent, private, infrastructure. This indicated service is considered a shared service and is prohibited. All food service establishments must

install a grease trap upstream of the domestic private sewer connection prior to discharge into the public sanitary sewer lines.

Fire Protection: From the request for availability the instantaneous fire flow requirements for the project are 1500 gallons-per-minute with one required fire hydrant. As modeled using InfoWater™ computer software, the fire flow can be met. Analysis, as indicated on the Fire Marshal approved Fire One Plan, was taken from a point approximating the connection made in Paseo Del Norte. The onsite hydrant shown in the Fire One Plan is to be considered private and painted safety orange. Any changes to the proposed connection points shall be coordinated through Utility Development. All new required hydrants as well as their exact locations must be determined through the City of Albuquerque Fire Marshal's Office and verified through the Utility Development Office prior to sale of service. All new fire lines are to obtain service from the distribution main along Paseo Del Norte. Please note that the engineer designing the fire line is responsible for determining pressure losses and sizing of the private water line(s) downstream of the public water line to serve the proposed fire hydrants and/or fire suppression system.

Cross Connection Prevention: Per the Cross Connection Ordinance, all new non-residential premises must have a reduced pressure principle backflow prevention assembly approved by the Water Authority and installed at each domestic service connection at a location accessible to the Water Authority. All new fire line services to fire protection systems shall be equipped with a reduced pressure principle backflow prevention assembly approved by the Water Authority and Fire Marshal having jurisdiction at each service connection. A double check valve assembly approved by the Water Authority and Fire Marshal having jurisdiction may be installed instead of a reduced pressure backflow prevention assembly provided the fire protection system contains ANSI/NSF Standard 60 or 61 water piping throughout the entire fire protection system, the fire sprinkler drain discharges into atmosphere, and there are no reservoirs, fire department connections, connections from auxiliary water supplies, antifreeze nor other additives. The Water Authority requests that all backflow (containment) devices be located above ground just outside the easement or roadway right-of-way. Contact Cross Connection at 289-3439 for more information.

Easements: Exclusive public water and sanitary sewer easements are required for all public lines that are to be constructed outside of any dedicated rights-of-way. A minimum width easement of 20 feet is required for a single utility and 25 feet for water and sewer both within the same easement. Easements for standard sized water meters need to be five feet by five feet and include the length of the water service if located on private property. For larger meters that require a meter vault, a 35 feet by 35 feet easement is required. Actual easement widths may vary depending on the depth of the lines to be installed. Acceptable easements must be documented prior to approval of service.

Pro Rata: Pro Rata is not owed and the property can utilize the services available upon completion of the requirements of this statement to connect to water and sanitary sewer.

Design and Construction of all required improvements will be at the developer / property owner's expense. Improvements must be coordinated through the Water

Authority Mini Work Order process. Construction must be performed by a licensed and bonded public utility contractor.

Costs and Fees: In addition to installation and construction costs, any new metered water services will be subject to both water and sanitary sewer Utility Expansion Charges (UEC) payable at the time of service application. All charges and rates collected will be based on the ordinances and policies in effect at the time service is actually requested and authorized.

Water Use: All new commercial developments shall be subject to the requirements for water usage and water conservation requirements as defined by the Water Authority, particularly the Water Waste Ordinance. Where available, outdoor water usage shall utilize reclaimed water.

Closure: This serviceability letter does not provide a commitment from the Water Authority to provide services to the development. It only provides details of infrastructure that is available and potential precursors for the proposed development. For service to be provided, a Board approved service connection agreement must be supplemented by this serviceability letter. The serviceability letter will remain in effect for a period of one year from the date of issue and applies only to the development identified herein. Its validity is, in part, contingent upon the continuing accuracy of the information supplied by the developer. Changes in the proposed development may require reevaluation of availability and should be brought to the attention of the Utility Development Section of the Water Authority as soon as possible.

Please feel free to contact Mr. Kristopher Cadena in our Utility Development Section at (505) 289-3301 or email at kcadena@abcwua.org if you have questions regarding the information presented herein or need additional information.

Sincerely,



Mark S. Sanchez
Executive Director

Enclosures: Infrastructure Maps (2)
f/ Serviceability Letter 180208

180208



Legend

Pipe
SUBTYPE

- Distribution Main
- Hydrant
- Valve



○ --- Fire Flow Analysis Points

1. --- Analysis Point



180208



Legend

Sewer Pipe

<all other values>

SUBTYPE

- COLLECTOR
- FORCE MAIN
- INTERCEPTOR
- VACUUM LINE

Sewer Manhole



Meeting Date: August 22, 2018

Staff Contact: Kristopher Cadena, Principal Engineer, Utility Development

TITLE: C-18-25 – Service Connection Agreement for Water and Sewer Service with Paradise Hills Holding Company, Inc. at 4550 Paradise Blvd. NW

ACTION: Recommend Approval

SUMMARY:

Paradise Hills Holding Company, Inc. desires to connect to existing water and wastewater infrastructure located at 4550 Paradise Blvd. NW. The undeveloped property is located on Paradise Blvd. east of Eagle Ranch Rd. The property is currently undeveloped land that is proposed to develop as a new charter school. The development is located outside of the Water Authority's Fully Served Service Area, but within the City of Albuquerque. No additional infrastructure requirements are needed to provide water and wastewater service to this property other than a service agreement approved by the Water Authority Board.

As a condition of service, the owner will be required to:

- Comply with the ordinances, resolutions, plans, and regulations of the Water Authority
- Obtain concurrent water and wastewater service
- Pay the Utility Expansion Charge (UEC) at the rates that are imposed at the time of a service connection
- Pay the Water Resource Charge

FISCAL IMPACT:

None

**SERVICE CONNECTION
AGREEMENT
Paradise Hills Holding
Company Inc.
4578 Paradise Boulevard
Albuquerque, NM 87120**

Albuquerque Bernalillo County Water Utility Authority, a New Mexico political subdivision ("Water Authority") and Paradise Hills Holding Company, whose address is 4578 Paradise Boulevard, agree as follows:

1. Recitals

- A. Paradise Hills Holding Company ("Owner") is the owner of 4550 Paradise Blvd. NW (Legal Description: Tract A-1 of TR A) ("Property"), more particularly described and as shown in the Serviceability Statement for the Property. The Serviceability Letter for the Property reflecting request for service referred to in this Agreement is attached hereto as **Exhibit A** and incorporated herein by reference.
- B. The property is located outside the Water Authority's Service Area within the region previously serviced by New Mexico Utilities, Inc.
- C. Owner desires to connect to existing water and waste water infrastructure with 6" fire lines, 2" water service, and 6" sanitary sewer service.
- D. Water service to the Property will be taken from the existing 12" waterline running along south side of Paradise Blvd. Wastewater service to the Property will tie into the existing 8" sanitary sewer line running along the south side of Paradise Blvd. Installation of services shall be performed under the standard tapping permit or mini-work order process.
- E. All developments located outside of the Water Authority's service area will be assessed a Water Resource Charge (WRC) as provided in the Water Authority's Water and Sewer Rate Ordinance for the development of new water resources, rights and supplies necessary to serve the development.

2. Service

- A. Owner shall comply with the Water Authority's Water and Sewer System Expansion Ordinance, as amended from time to time. Connection for water service shall require concurrent sewer service connection to the Water Authority's wastewater system.
- B. Owner shall pay Utility Expansion Charges ("UECs") at the rates that are imposed at the time of a service connection, as provided in the Water Authority's Water and Sewer Rate Ordinance, as amended from time to time.

- C. Owner shall pay all outstanding Pro Rata assessments in full at the time of service application.
 - D. Pursuant to Water Authority Resolution No. R-05-13, Owner agrees that it shall incorporate water conservation guidelines that shall achieve water usage of seventy-five (75) gallons per capita per day.
3. **Termination.** If construction of the Connection to the waterline and sanitary sewer modifications by Owner has not been completed and accepted by the Water Authority within seven (7) years of the effective date of this Agreement, this Agreement shall automatically terminate, and the Water Authority and Owner shall have no further rights, obligations, or liabilities with respect to this Agreement, unless otherwise agreed in writing.
4. **Indemnification.** Owner will indemnify and hold harmless the Water Authority and its officials, agents, and employees from any claims, actions, suits, or other proceedings arising from the acts or omissions of Owner, its agents, representatives, contractors, or subcontractors, or arising from the failure of Owner, its agents, representatives, contractors, or subcontractors to perform any act or duty required of Owner herein. The indemnification by Owner will not extend to the negligent acts of the Water Authority.
5. **Representations and Warranties of Owner.** Owner represents and warrants that:
- A. Owner is validly existing under the laws of the State of New Mexico.
 - B. Owner has all the requisite power and authority to enter into this Agreement and bind Owner under the terms of the Agreement; and
 - C. The undersigned officer of Owner is fully authorized to execute this Agreement on behalf of Owner.
6. **Notices.** Any notice to be given under this Agreement will be in writing and will be deemed to have been given when deposited in the United States Mail postage prepaid addressed:

If to the Water Authority:
Mark S. Sanchez
Executive Director
Albuquerque Bernalillo County
Water Utility Authority
One Civic Plaza, Room 5012
Albuquerque, New Mexico 87102

If to Owner:
Paradise Hills Holding
Company, Inc.
4578 Paradise Boulevard
Albuquerque, NM 87120

- 7. **Assignment.** This Agreement will not be assigned without the prior written consent of the Water Authority and Owner.

- 8. **Miscellaneous.** This Agreement will be governed by and interpreted in accordance with the laws of the State of New Mexico. The headings used in this Agreement are for convenience only and shall be disregarded in interpreting the substantive provisions of the Agreement. This Agreement binds and benefits the Water Authority and their successors, assigns, and transferees and The Owner and their successors, assigns and transferees. Time is of the essence of each term of this Agreement. If any provision of this Agreement is determined by a court of competent jurisdiction to be void, invalid, illegal, or unenforceable, that portion will be severed from this Agreement and the remaining parts will remain in full force as though the invalid, illegal, or unenforceable portion had never been a part of this Agreement.

- 9. **Integration; Interpretation.** This Agreement contains or expressly incorporates by reference the entire agreement of the parties with respect to the matters contemplated by this Agreement and supersedes all prior negotiations. This Agreement may only be modified in writing executed by both parties.

- 10. **Approval.** This Agreement is subject to the approval of the Board of Directors of the Water Authority and will not become effective until approved by the Water Authority.

- 11. **Effective Date.** The effective date of this Agreement is the date last entered below.

In Witness Whereof, the parties hereto have executed this Agreement on the dates entered below.

**Albuquerque Bernalillo County
Water Utility Authority**

Owner

By: _____
Mark S. Sanchez
Executive Director

By: _____
Paradise Hills Holding Company, Inc.
Title _____

Date: _____

Date: _____

STATE OF _____)
) ss.
COUNTY OF _____)

This instrument was acknowledged before me on this ___ day of _____, by _____ [name] _____, [title] of _____, [company name], a _____ [type of entity], on behalf of said company.

—
My Commission Expires:

Notary Public

STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)

This instrument was acknowledged before me on this ___ day of _____, by Mark S. Sanchez, Executive Director of the Albuquerque Bernalillo County Water Utility Authority, a political subdivision of the State of New Mexico, on behalf of said political subdivision.

—
My Commission Expires:

Notary Public

Exhibit A

May 9, 2018

Chair

Trudy E. Jones
City of Albuquerque
Councilor, District 8

Vice Chair

Debbie O'Malley
County of Bernalillo
Commissioner, District 1

Pat Davis
City of Albuquerque
Councilor, District 6

Timothy M. Keller
City of Albuquerque
Mayor

Klarissa J. Peña
City of Albuquerque
Councilor, District 3

Steven Michael Quezada
County of Bernalillo
Commissioner, District 2

Lonnie Talbert
County of Bernalillo
Commissioner, District 4

Ex-Officio Member
Pablo R. Rael
Village of Los Ranchos
Board Trustee

Executive Director
Mark S. Sanchez

Website
www.abcwua.org

Jonathan Niski
Tierra West, LLC
5571 Midway Park Pl. NE
Albuquerque, New Mexico 87109

RE: Water and Sanitary Sewer Serviceability Letter #180325

Project Name: Primrose School - Project Address: 4550 Paradise Blvd. NW
Legal Description: TR A-1 PLAT FOR TR A-1 ALBUQUERQUE WEST UNIT 2
(BEING AREPLAT OF TR A UNIT 2 ALBUQUERQUE WEST UNIT ONE & A
PORTION OF LOT 3 BLK 'E' ALBUQUERQUE WEST) CONT 3.4816 AC
UPC: 101306409028520304 – Zone Atlas Map: C-13

Dear Mr. Niski:

Project Description: The subject site is located on Paradise Blvd. east of Eagle Ranch Rd. within the City of Albuquerque. The property consists of approximately 3.5 acres and is currently zoned SU-1 for commercial use. The property lies within the Pressure Zone 2WR in the Corrales trunk. The request for information indicates plans to develop the site and construct a new charter school.

Service Connection Agreement: As this development is outside the Water Authority's Adopted Service Area, a Service Connection Agreement must be executed between the owner and the Water Authority. The developer shall coordinate with the Utility Development Section of the Water Authority in order to execute this Service Connection Agreement.

Water Supply Charge: All developments located outside of the Water Authority's Adopted Service Area will be assessed a Water Supply Charge (WSC) as provided in the Water Authority's Water and Sewer Rate Ordinance for the development of new water resources, rights and supplies necessary to serve the development. The WSC shall not be used for reimbursement of master planned facilities.

Existing Conditions:

Water infrastructure in the area consists of the following:

- 12 inch AC distribution main (project #07-002-75) along Paradise Blvd.

Sanitary sewer infrastructure in the area consists of the following:

- Eight inch AC collector line (project #NMUI-025-73) along Paradise Blvd.

Water Service: New metered water service to the property can be provided via routine connection to the existing infrastructure mentioned. Existing metered service and fire lines that will not be utilized are to be removed by shutting the valve near the distribution main and capping the line near the valve. For fire lines, the valve access shall be grouted and collar removed. Service is also contingent upon compliance with the Fire Marshal's instantaneous fire flow requirements. Water service will not be sold without adequate fire protection. Water service will only be sold in conjunction with sanitary sewer service.

Sanitary Sewer Service: Sanitary sewer service can be provided via routine connection to the existing infrastructure mentioned. All food service establishments must install a grease trap upstream of the domestic private sewer connection prior to discharge into the public sanitary sewer lines.

Fire Protection: From the request for availability the instantaneous fire flow requirements for the project are 1,500 gallons-per-minute and one (1) hydrant. As modeled using InfoWater™ computer software, the fire flow can be met. Analysis was performed by simulating flow from the City Fire Marshal Approved fire hydrant location located at the northwest corner of the site. Any changes to the proposed connection points shall be coordinated through Utility Development. All new required hydrants as well as their exact locations must be determined through the City of Albuquerque Fire Marshal's Office and verified through the Utility Development Office prior to sale of service. All fire line connections shall be made to the infrastructure indicated under "Existing Conditions". Please note that the engineer designing the fire line is responsible for determining pressure losses and sizing of the private water line(s) downstream of the public water line to serve the proposed fire hydrants and/or fire suppression system.

Cross Connection Prevention: Per the Cross Connection Ordinance, all new non-residential premises must have a reduced pressure principle backflow prevention assembly approved by the Water Authority and installed at each domestic service connection at a location accessible to the Water Authority. All new fire line services to fire protection systems shall be equipped with a reduced pressure principle backflow prevention assembly approved by the Water Authority and Fire Marshal having jurisdiction at each service connection. A double check valve assembly approved by the Water Authority and Fire Marshal having jurisdiction may be installed instead of a reduced pressure backflow prevention assembly provided the fire protection system contains ANSI/NSF Standard 60 or 61 water piping throughout the entire fire protection system, the fire sprinkler drain discharges into atmosphere, and there are no reservoirs, fire department connections, connections from auxiliary water supplies, antifreeze nor other additives. The Water Authority requests that all backflow (containment) devices be located above ground just outside the easement or roadway right-of-way. Contact Cross Connection at 289-3439 for more information.

Easements: Exclusive public water and sanitary sewer easements are required for all public lines that are to be constructed outside of any dedicated rights-of-way. A minimum width easement of 20 feet is required for a single utility and 25 feet for water and sewer both within the same easement. Easements for standard sized water meters need to be five feet by five feet and include the length of the water service if located on private property. For larger meters that require a meter vault, a 35 feet by 35 feet easement is required. Actual easement widths may vary depending on the depth of the lines to be installed. Acceptable easements must be documented prior to approval of service.

Pro Rata: Pro Rata is not owed and the property can utilize the services available upon completion of the requirements of this statement to connect to water and sanitary sewer.

Design and Construction of all required improvements will be at the developer / property owner's expense. Improvements must be coordinated through the Water

Authority Mini Work Order process. Construction must be performed by a licensed and bonded public utility contractor.

Costs and Fees: In addition to installation and construction costs, any new metered water services will be subject to both water and sanitary sewer Utility Expansion Charges (UEC) payable at the time of service application. All charges and rates collected will be based on the ordinances and policies in effect at the time service is actually requested and authorized.

Water Use: All new commercial developments shall be subject to the requirements for water usage and water conservation requirements as defined by the Water Authority, particularly the Water Waste Ordinance. Where available, outdoor water usage shall utilize reclaimed water.

Closure: This serviceability letter does not provide a commitment from the Water Authority to provide services to the development. It only provides details of infrastructure that is available and potential precursors for the proposed development. For service to be provided, a Board approved service connection agreement must be supplemented by this serviceability letter. The serviceability letter will remain in effect for a period of one year from the date of issue and applies only to the development identified herein. Its validity is, in part, contingent upon the continuing accuracy of the information supplied by the developer. Changes in the proposed development may require reevaluation of availability and should be brought to the attention of the Utility Development Section of the Water Authority as soon as possible.

Please feel free to contact Mr. Kristopher Cadena in our Utility Development Section at (505) 289-3301 or email at kcadena@abcwua.org if you have questions regarding the information presented herein or need additional information.

Sincerely,

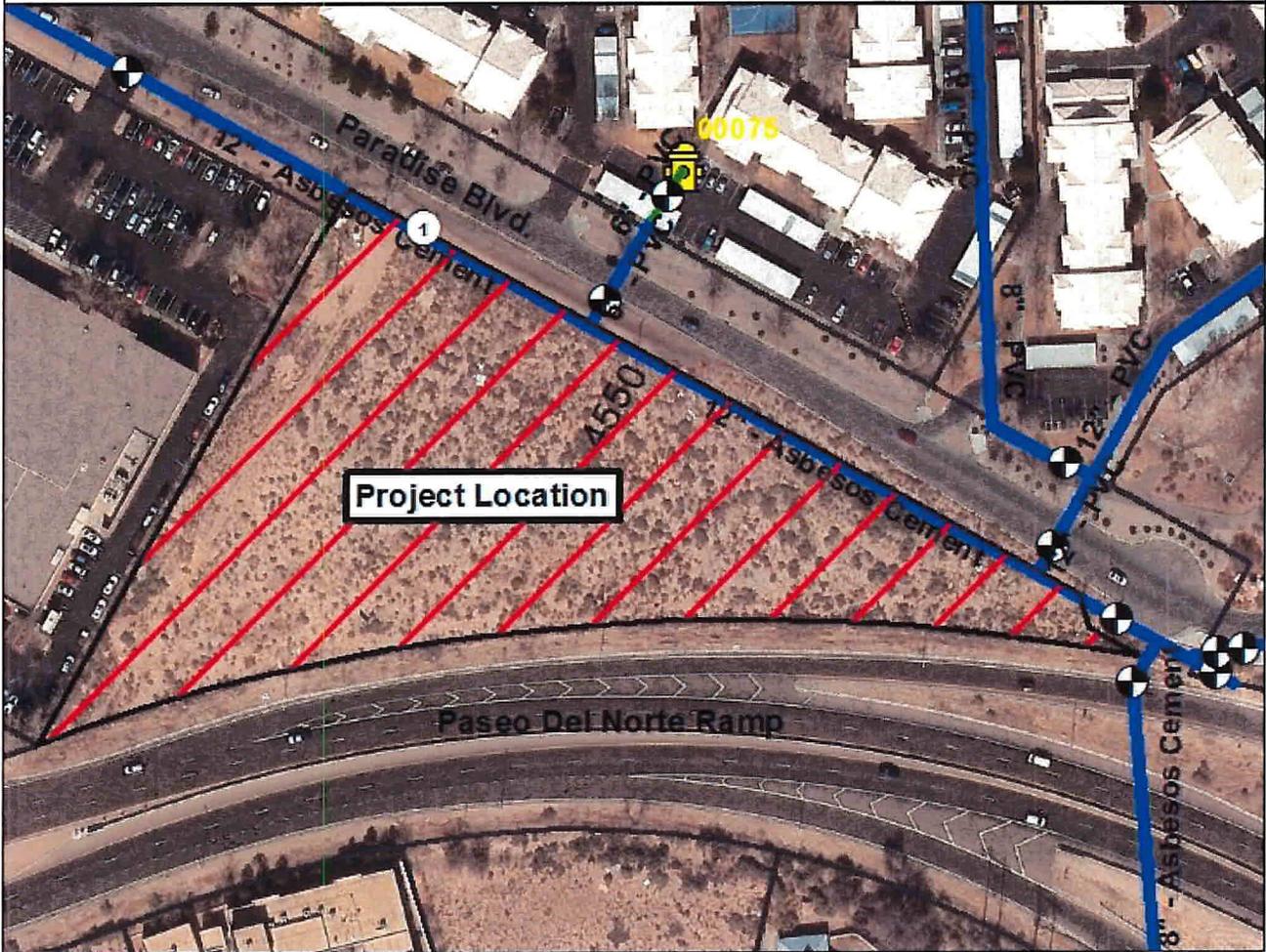


Mark S. Sanchez
Executive Director

Enclosures: Infrastructure Maps (2)

f/ Serviceability Letter 180325

180325



Legend

Pipe

SUBTYPE

 Distribution Main

 Hydrant Leg

 Hydrant

 Valve



 --- Fire Flow Analysis Points

1. --- Analysis Point



Meeting Date: August 22, 2018
Staff Contact: Stan Allred, Chief Financial Officer

TITLE: C-18-26 – Fiscal Year 2018 Annual Inventory Certification

ACTION: Recommend Approval

SUMMARY:

Based on a requirement by the New Mexico Administrative Code (NMAC), the Water Authority must conduct an annual physical inventory of movable equipment on the inventory list at the end of each fiscal year in accordance with the requirements of The Audit Act (12-6-10 NMSA 1978). Upon completion of the physical inventory, it requires that the governing body verify correctness of the results by approving it.

FISCAL IMPACT:

None.

August 6, 2018

Chair

Trudy E. Jones
City of Albuquerque
Councilor, District 8

Vice Chair

Debbie O'Malley
County of Bernalillo
Commissioner, District 1

Pat Davis
City of Albuquerque
Councilor, District 6

Timothy M. Keller
City of Albuquerque
Mayor

Klarissa J. Peña
City of Albuquerque
Councilor, District 3

Steven Michael Quezada
County of Bernalillo
Commissioner, District 2

Lonnie Talbert
County of Bernalillo
Commissioner, District 4

Ex-Officio Member
Pablo R. Rael
Village of Los Ranchos
Board Trustee

Executive Director
Mark S. Sanchez

Website
www.abcwua.org

To: Albuquerque Bernalillo County Water Utility Authority Board
Mark Sanchez, Executive Director

Through: Stan Allred, Chief Financial Officer

From: Marta Ortiz, Controller

Subject: Annual Physical Inventory

In fulfillment of the Albuquerque Bernalillo County Water Utility Authority's (Water Authority) annual physical inventory requirement, the following has been performed:

1. Completed the annual physical inventory of movable chattels and equipment on the inventory list according to 2.2.2.10(W)(2) New Mexico Administrative Code (NMAC) and in accordance with the requirements of "The Audit Act" (12-6-10 NMSA 1978).
2. Updated the Capital Asset records to correct discrepancies among the attributes.
3. Verified that all items are identified as such with proper Locations.
4. Ensured that any equipment not locatable at the close of our initial search have been resolved.

As a requirement under The Audit Act, this document and the attached equipment listing shall be certified by the Water Authority board for verification purposes of the annual physical inventory.

Sincerely,



Marta J. Ortiz, Controller

Attachment

Asset Num	Asset Tag	Asset Description	Last Audit Date	Serial No	Model
576829	0400002	PRINTER HP Color Laserjet 5550HDN	7/10/2017	JPEC527005	5550HDN
579417	UNK00002	SBWQ SAMPLE STORAGE REFRIDGERATOR SSR #5 SAMPLE PREP LAB	1/11/2018	32-544-416	Hobart
582534	UNK00001	SBWQ SAMPLE STORAGE REFRIGERATOR SSR #6 SAMPLE PREP LAB	1/11/2018	32-543-947	Hobart
586264	IT2046	PANASONIC CF-30 TOUGH BOOK	1/10/2018	9FKYA61110	CF-30
586265	IT2047	PANASONIC CF-30 TOUGH BOOK	1/10/2018	9FKYA63299	CF-30
586266	IT2048	PANASONIC CF-30 TOUGH BOOK	12/19/2017	9FKYA62162	CF-30
586271	IT2055	PANASONIC CF-30 TOUGH BOOK	1/10/2018	9FKYA60286	CF-30
586288	0400001	SUNFIRE V880 SERVER	7/14/2017	323V03BF	V880
586872	IT2061	PANASONIC CF-30 TOUGH BOOK	12/19/2017	9FKYA57174	CF-30
586874	IT2062	LAPTOP, PANASONIC, CF-30, 2 GB, 1.6 GHZ, 32	12/19/2017	9EKYA57200	
587027	0400004	SUNFIRE V880 SERVER	7/6/2017	0439AM0114	V890
587035	0500003	SUNFIRE V240 SERVER	7/13/2017	FN44640060	V240
599247	UNK00003	SBWQ ICP MASS SPECTROMETER LAB INSTRUMENT METALS LAB	2/2/2018	AH13590803	ELAN DRC-E
599252	UNK00004	SBWQ TITRATOR INSTRUMENT LAB INSTRUMENT ALKALINITY CHEMISTRY LAB	2/2/2018		664 CONTROL UNIT
599253	UNK00005	SBWQ TITRATOR PROCESSOR LAB INSTRUMENT ALKALINITY CHEMISTRY LAB	2/2/2018		686 TITROPROCESSOR
599257	UNK00006	SBWQ FLOW INJECTION MERCURY SYSTEM LAB INSTRUMENT METALS LAB	2/2/2018	1219	509550
599260	UNK00007	SBWQ STERILIZATION AUTOCLAVE PATHOGENIC MICRO LAB	2/2/2018	16824	PSS 500
599543	0700001	SBWQ TOTAL ORGANIC CARBON LAB INSTRUMENT CHROMOTOGRAPHY LAB	1/11/2018	6111495	5310C
599546	UNK00009	SBWQ TITRATOR SAMPLE CHANGER LAB INSTRUMENT ALKALINITY CHEMISTRY LAB	2/2/2018		673 SAMPLE CHANGER
599548	UNK00010	SBWQ AUTOSAMPER LAB INSTRUMENT FLOW INJECTION MERCURY SYSTEM METALS LAB	2/2/2018		
599619	UNK00011	SBWQ INCUBATOR OVEN CHEMISTRY LAB	2/2/2018	10AX3	EQUATHERM C1570
599621	UNK00012	SBWQ INCUBATOR OVEN SAMPLE PREP LAB	2/2/2018		PRECISION MODEL 815
599627	UNK00013	SBWQ INCUBATOR OVEN CHEMISTRY LAB	2/2/2018	699071813	
601992	UNK00014	SBWQ TITRATOR CONTROLLER LAB INSTRUMENT ALKALINITY CHEMISTRY LAB	2/2/2018		665 DOSIMAT
602409	UNK00015	SBWQ SAMPLE STORAGE REFRIDGERATOR SSR #12 SAMPLE PREP LAB	2/2/2018	8100427	NSPR502WWG/0
602412	UNK00016	SBWQ SAMPLE STORAGE REFRIDGERATOR SSR#4 PATHOGENIC MICRO LAB	2/2/2018	32486525	Q1
606422	IT3133	PRINTER, SCANNER, MINOLTA, MS7000 MKII, NONE	2/6/2018	35009824	
606710	IT3134	PRINTER, PRINTER, MINOLTA, RP609Z, NONE	7/25/2017	361017	
607796	IT4043	SWITCH, CISCO, Catalyst 2960, 24	7/6/2017	FOC143823P6	
607797	IT4042	SWITCH, CISCO, Catalyst 2960, 24	7/6/2017	FOC143823Q9	
608416	1100002	HP Proliant G7 SERVER	7/10/2017	MXQ1100J38	PROLIANT DL360
609914	1100003	HP Proliant G7 SERVER	7/13/2017	MXQ1100J39	PROLIANT DL360
621457	1500010	SERVER HP Proliant DL360e G8	7/6/2017	MXQ2510FPQ	DL360e
642197	074122	FORD MOWING TRACTOR	12/13/2017	C4270383/CY61	
642198	016102	Bobcat 963 Loader	12/28/2017	562216119	
642199	126101	CAT backhoe	11/8/2017	CAT0420EJDJL04023	
642201	887503	CASE Loader	2/7/2018	UNKNOWN	
642203	956204	LOADER	1/10/2018		
642204	976102	YALE FORK LIFT	3/20/2018	E177B15042U / 5021352-23	
642205	006103	John Deere 310SG BACKHOE LOADER 4X4	1/20/2018	T0310SE890354	
642206	007101	FORKLIFT- DONKEY TRUCK CARRIED	12/13/2017	4375XLKGS43	
642207	016103	LOADER- 2001 Bobcat 873	11/8/2017	514148031	
642208	016105	LOADER- 2001 John Deere 310SG Backhoe Loader	1/16/2018	T0310SG902319	
642209	016106	LOADER- 2001 John Deere 310SG Backhoe Loader	1/16/2018	T0310SG902328	
642210	016107	LOADER- 2001 John Deere 310SG Backhoe Loader	1/20/2018	T0310SG902334	
642211	016108	LOADER- 2001 John Deere 310SG Backhoe Loader	1/20/2018	T0310SG902313	
642212	016110	LOADER- 2001 Bobcat 873 Loader	1/4/2018	514149637	
642213	016201	LOADER- 2001 John Deere 310SG Backhoe Loader	1/16/2018	894582	
642214	046112	JOHN DEERE BACKHOE LOADER MODEL 310SG	1/20/2018	T0310SG943005	
642215	056106	JOHN DEERE BOBCAT TURBO S300	1/16/2018	525815782	
642216	066105	John Deere Backhoe Loader Model 310SG	3/27/2018	T0310SG957901	

Asset Num	Asset Tag	Asset Description	Last Audit Date	Serial No	Model
642217	076102	EEC Front Loader Model 580SM	3/28/2018	N6C413229	
642218	076103	EEC Front Loader Model 580SM	1/16/2018	N6C413231	
642219	076104	EEC Front Loader Model 580SM	1/16/2018	N6C413233	
642220	076110	Bobcat Loader Model 5300	1/20/2018	531116115	
642221	08911001	Bobcat skid loader	3/20/2018	A5GP21060	
642222	08911002	Bobcat skid loader	1/20/2018	A5GP21053	
642226	12035001	VACUUM- 2012 Ditch Witch w/Valve STAR & GPS	3/28/2018	1DSB20252C1701750	
642227	146102	521F Case Loader	3/23/2018	NDF219893	
642228	126102	S70 Bobcat skid steer loader	3/23/2018	A3W615947	
642229	876401	TERRA-GATOR CHASSIS 1987	11/15/2017	2503327	
642230	876402	TERRA-GATOR CHASSIS 1987	11/15/2017	2503287	
642231	896401	TERRAGATOR	11/15/2017	TG40319	
642232	912155	John Deere TRACTOR UTILITY	11/15/2017	XL02155A723300M	
642233	912155-01	SWEEPER W/5POINT HITCH	12/13/2017	911850	
642234	917503	LOADER 6 CUBIC YD BUCKET	3/2/2018	L120V60672	
642236	944803	FORD LT9000 TRACTOR	12/13/2017	1FTYY95S8RVA29384	
642237	944802	FORD LT9000 TRACTOR	12/13/2017	1FTYY95SXRVA29385	
642238	944801	FORD LT9000 TRACTOR	11/15/2017	1FTYU90XXRVA08664	
642239	056203	CASE 821C FRONT END LOADER	11/15/2017	JEE0156481	
642240	056402	JOHN DEERE TRACKTOR WITH SLUDGE SPREADER	11/15/2017	S1067200232	
642241	086201	Case 921E Front End Loader	11/15/2017	N8F204259	
642242	087401	Agco Terragator	11/15/2017	AGCA3244VQT001007	
642243	09917001	Case 865 Road Grader	11/15/2017	N8AF04515	
642244	129641	TROMMEL SCREENER- WILDCAT	11/15/2017	1W98532FOAF351709	
642245	128123	Terragator Model 3244 Side Discharge	11/15/2017	AGCA3244TQT001033	
642246	10877901	Freightliner M2 Sludge Mixer Modell M2106V	11/15/2017	1FVHC3BS4ADAU2859	
642247	10877902	Freightliner M2 Sludge Mixer Modell M2106V	12/13/2017	1FVHC3BS2ADAU2858	
642248	130017	Industrial Screener- Grizzly Model #AGSC 714-0	12/13/2017	AG148372-12	
642249	OF5	Case 921E Front End Loader	11/15/2017	N8F206438	
642250	946101	LOADER	2/7/2018	512812296	
642251	956203	LOADER- 1995 BACKHOE Turbo	3/28/2018	A430790/AB30790	
642252	016202	LOADER- 2001 Case 721C Front End Loader	3/28/2018	JEE0125090	
642253	056105	VOLVO FRONT END LOADER	1/16/2018	L110EV60399	
642254	0902	Ingersoll Rand Club Car 295G Carryall	3/2/2018	RC0919020602	
642255	0903	Ingersoll Rand Club Car 295G Carryall	3/23/2018	RC0919020603	
642256	0904	Ingersoll Rand Club Car 295G Carryall	3/2/2018	RC0919020604	
642257	129969	Doosan Daewoo G25P KQ01057	3/2/2018	KQ01057	G25P
642258	OF6	Case 921E Front End Loader	3/2/2018	N8F206429	
642259	OF1	JD 755C Series II Crawler/Loader	3/2/2018	LU755CX008915	
642260	877505	MINI LOADER	12/13/2017	17955223-06	
642261	877510	JL CASE BACKHOE LOADER MODEL 580K	2/7/2018	17424451	
642262	877512	LOADER- Case 580K	2/7/2018		
642263	OF3	GENSET- Cummins QuietSite 125	12/19/2017	109EA1117RF127047	
642265	976104	Bobcat 873	12/19/2017	514115089	
642267	046101	JOHN DEERE BACKHOE LOADER MODEL 310SG	1/10/2018	T0310SG928104	
642269	046302	KAWASAKI MULE 550 KAF300-C7	12/19/2017	JK1AFBC114B540822	
642271	046305	KAWASAKI MULE 550 KAF300-C7	12/19/2017	JK1AFBC143B544726	
642272	046307	KAWASAKI MULE 3000 KAF300-C7	3/27/2018	JK1AFBC195B509545	
642273	066104	JOHN DEERE BACKHOE LOADER	2/7/2018	T0310SG957907	
642274	125081	Welder, 2007 Bobcat Model 250D	3/28/2018	LH015816	Model 250D
642275	129054	Forklift- Clark model CMP 50SD	1/10/2018	CMP450D-0106-9684	

Asset Num	Asset Tag	Asset Description	Last Audit Date	Serial No	Model
642276	12121601	Kubota RTV900000XTG-H general purpose utility vehicle	12/19/2017	A5KB1FDAKCG0D1232	
642277	12121602	Kubota RTV900000XTG-H general purpose utility vehicle	1/10/2018	A5KB1FDAKCG0D1621	
642278	006306	KAWASAKI MULE	12/19/2017	JK1AFBC18Y8518791	
642281	046306	KAWASAKI MULE 550 KAF300-C7	1/10/2018	JK1AFBC174B544387	
642282	006305	KAWASAKI MULE	2/7/2018	JK1AFBC11YB516428	
642283	OF4	GENSET- Birmingham	3/20/2018	K7846H	
642284	876401-01	HEAVY DUTY OFFSET DISC HARROW	11/15/2017	MODEL #HD-1290	
642285	912155-02	Vacuum- John Deere	11/15/2017	MODEL #162	
642286	910134	Scarab	11/15/2017	0134	
642289	123935	EEC Arm Hammer Loader Huskie	4/11/2018	6H2-1232	
642294	106101	LOADER- CAT 279C SkidSteer	1/20/2018	CAT0279CPMBT01540	
642295	146101	LOADER- 2014 Cat 272D	3/23/2018	CAT0272DCGSL00688	
642296	OF9	Screen-All CV-40-D	11/8/2017	1649	
642297	OF10	710 Box Screener	4/3/2018		
642700	794204	Trailer- 1979 Timppte hydraulic trailer-orange	2/7/2018	9781	
642701	906302	Hydraulic Power Unit Trailer	1/16/2018	13311	
642703	829002	MOBILE HOME Trailer	3/2/2018	13520	
642705	896303	Trailer- 1989 HYDRAULIC UTILITY FLATBED	4/6/2018	NM116327	
642708	067501	MCT Trailer Model 12HY-12	1/20/2018	15CLS12236AU00126	
642709	067505	MCT Hydraulic Trailer- initial asset number was 126181	2/14/2018	15CLS12237AU00127	
642710	067506	MCT Hydraulic Trailer- initial asset number was 126182	1/16/2018	15CLS12257AU00128	
642711	067503	MCT Trailer Model 12HY-12	1/20/2018	15CLS1226AU00125	
642712	067502	MCT Trailer Model 12HY-12	3/20/2018	15CLS12286AU00123	
642713	067504	MCT Trailer Model 12HY-12	3/20/2018	15CLS122X6A400124	
642714	909005	Trailer- 1990 M T C 2X TRAILER	3/20/2018	15CLS2028LAL01669	
642715	067807	Big Tex Equipment Trailer	1/20/2018	16VEX182161308752	
642716	057803	2005 BIG TEX GOOSENECK 2X EQUIP TRAILER	3/8/2018	16VGX162052849361	
642717	09071304	Trailer- 2009 Big Tex Trailer	1/16/2018	16VGX162092843694	
642718	057818	2005 BIG TEX GOOSENECK 2X EQUIP TRAILER	1/20/2018	16VGX162152885169	
642719	007806	Big Tex TRAILER FLATBED 2 AXLE	1/20/2018	16VGX1621Y1827864	
642720	057801	2005 BIG TEX GOOSENECK 2X EQUIP TRAILER	1/20/2018	16VGX162252849359	
642721	0972303	Trailer- 2009 Big Tex Trailer	1/16/2018	16VGX162292843695	
642722	9071302	2009 Big Tex Trailer	1/20/2018	16VGX162592834666	
642723	9071301	2009 Big Tex Trailer	1/20/2018	16VGX162792834667	
642724	057802	2005 BIG TEX GOOSENECK 2X EQUIP TRAILER	1/16/2018	16VGX162952849360	
642725	067806	Trailer- 2006 BIG TEX 12' TRAILER	12/13/2017	16VNX122X61C04224	
642727	017401	TRAILER- Grindex submersible sludge pump	3/20/2018	16VPX162111E40997	
642728	067802	Trailer- 2006 Hydraulic Power Unit trailer	3/27/2018	16VPX202261612280	
642729	879005	Trailer- 1987 2X TRAILER	3/20/2018	16VSB1626H1315185	
642730	067816	Trailer- 2006 Big 70TV	1/10/2018	16VUX162561E26689	
642731	067817	Trailer	11/15/2017	16VUX162961E19650	
642732	054705	West Mark Tank Trailer	11/15/2017	16WTC40266A135368	
642733	017503	Quality Trailer- 6200 gallon tank trailer	3/2/2018	190RA372423E14466	
642734	017502	Quality Trailer- 6200 gallon tank trailer	3/2/2018	190RA372623E14467	
642735	017501	Quality Trailer- 6200 gallon tank trailer	3/2/2018	190RA372823E14468	
642736	017504	Quality Trailer- 6200 gallon tank trailer	3/2/2018	190RA372X23E14469	
642737	057809	ACCUTRAK Trailer	2/7/2018	1C9DB122851305130	
642738	067801	TRAIL EZE TE20T26 + 2	1/16/2018	1DA12TN816P017730	
642739	02035001	Ditch Witch Vactor Trailer	11/8/2017	1DSB162ZX117V4275	
642740	037810	Trailmax 2 axle flatbed 10 ten tilt deck	1/20/2018	1G9KS32203A065017	
642741	037809	Trailmax 2 axle flatbed 10 ten tilt deck	2/14/2018	1G9KS32273A065015	

Asset Num	Asset Tag	Asset Description	Last Audit Date	Serial No	Model
642742	037808	Trailmax 2 axle flatbed 10 ten tilt deck	1/16/2018	1G9KS32293A065016	
642743	071306	Trailer Great Dane Trailer	3/2/2018	1GRAA06247D422047	
642744	947805	TRLR- SLUDGE/DUMP	2/7/2018	1H2DO3929RW036603	
642745	067702	Big Tex Cargo Trailer	3/20/2018	1J9CE12206C115017	
642746	11071302	box trailer	3/28/2018	1J9EH1620B1287189	
642747	12071302	Trailer- 2012 HOTSYS J&B Trailer Utility- 23K Capacity	1/10/2018	1J9EH1626C1287585	
642748	11071301	Trailer- 2011 JAND 82X	2/7/2018	1J9EH1629B1287188	
642749	146301	TRAILER- 2014 J&B Equipment Hauler	2/7/2018	1J9EH1823E1287530	
642750	11071103	J & B trailer with mounted hydraulic power unit	1/20/2018	1J9FB1421B1287212	
642751	11071101	J & B trailer with mounted hydraulic power unit	1/16/2018	1J9FB1429B1287197	
642752	11071102	J & B trailer with mounted hydraulic power unit	1/16/2018	1J9FB142XB1287211	
642753	986301	4X4 Box (baby) Trailer	12/13/2017	1K9US0819WB03206	
642754	879007	REDI HAUL 2X TRAILER	1/16/2018	1RHF222T912874274	
642755	057501	Trailer- 2005 Cummins Power Generation QuietSite	3/27/2018	1W9SS132641294486	
642756	957101	Trailer- 1995 INGE 175 Air Compressor trailer	3/20/2018	252139ULF282	
642757	947808	TRLR- SLUDGE/DUMP	11/15/2017	2D03925RW036601	
642758	947807	TRLR- SLUDGE/DUMP	2/7/2018	2D03928RW062903	
642760	136301	Trailer- 2013 PJ Electric Motor	12/29/2017	3CVU61216D2508740	
642761	047807	Travis S96 Classic Trailer - Sludge Dump Truck	11/15/2017	48X1L392341003248	
642762	047808	Travis S96 Classic Trailer - Sludge Dump Truck	11/15/2017	48X1L392541003249	
642763	9072303	Travis S976 End Dump Trailer per RFB2009-102-TC	11/15/2017	48X1L392591006773	
642766	9072304	Travis S976 End Dump Trailer per RFB2009-102-TC	11/15/2017	48X1L392791006774	
642768	077801	Trailer- 2007 Crawler Trailer T-50 Towmaster	4/3/2018	4KNFT24377L162676	
642769	13071302	bbackhoe trailer	11/8/2017	4ZBPP2521D1038574	
642770	127501	Trailer- 2012 Whisperwatt 70	3/27/2018	5SLBG1421CL010961	
642776	TOTE	TRAILER- HYDRAULIC POWER UNIT Model 610 20K Cap. 11/70	3/27/2018	K7846H	
642780	809003	MARTINEZ 2X TRAILER	2/7/2018	MCTL0546	
642782	839018	MARTINEZ 2X TRAILER	12/29/2017	MCTL0897	
642784	977504	TRAILER UTILITY W/GENERATOR	12/29/2017	NM152829	
642785	977503	UTILITY TRAILER	1/20/2018	NM152831	
642786	899011	UT-Trailer	3/27/2018	NM19671	
642788	977505	Hydraulic Power Unit trailer	12/13/2017		
642789	977502	Trailer- 1997 Hydraulic Power Unit Model 610 20K Cap. 11/70	1/16/2018	NM152840	
642790	896304	Trailer- 1989 Hydraulic Power Unit trailer	1/16/2018		
642791	906301	Trailer- 1990 Hydraulic Power Unit trailer	2/7/2018		
642794	NM1	TRAILER- GenSet #1 25.0	12/19/2017		
642795	NM2	TRAILER- cage trailer-white	3/20/2018	1B9CC2125M1076059	
642796	NM3	4-wheel trailer	2/7/2018		
642798	PJ	TRAILER- PJ	11/15/2017		
642800	12071301	Trailer 102in X 20ft plus ft dovetail	3/20/2018	4ZEP2523C1018230	
644491	794204	Truck- 1979 International Transtar 4300	2/7/2018	D2137JGB31323	
644494	884315	Truck- 1988 Mack 10yd Dump	11/15/2017	1M2AY23C0JM001217	
644498	904902	Vactor- 1990 Ford 9YD	2/7/2018	1FDYR82A2LVA14398	
644499	914802	Vactor- 1991	2/7/2018	1FDYR82A1MVA05242	
644502	914301	Truck- 1991 GMC 10YD Dump (White)	2/7/2018	4V2SCBCG1MU507957	
644504	94351101	Truck- 1994 GMC 3500 flatbed w/hoist	12/13/2017	1GDJC34K8RE542337	
644507	954401	Truck- 1995 6 YD Dump	2/7/2018	1GDP7H1J65J503430	
644508	954702	Truck- 1995 Ford F800 w/Mounted Crane	12/19/2017	1FDPF80015VA77712	
644510	963205	Truck- 1996 Ford 4X2 (1/2-ton)	2/7/2018	2FTEF15N1TCA31592	
644512	962222	Van- 1996 Dodge 12 Passenger	3/20/2018	2B5WB35Z7TK166914	
644514	973212	Vactor- 1997 Ford	3/20/2018	1FTDF1767VKC90930	

Asset Num	Asset Tag	Asset Description	Last Audit Date	Serial No	Model
644519	974701	Vactor- 1997 Ford	2/7/2018	1FDXF80C1WVA10534	
644520	984701	Vactor- 1998 2103	2/7/2018	1HTSCABL3WH573677	
644521	991216	Sedan- 1999 Chevrolet Malibu 4-dr	12/19/2017	1G1ND52M7X6276358	
644523	993242	Truck- 1999 Dodge Ram Club Cab 1/2 Ton	12/19/2017	3B7HC12Y4XG218063	
644526	993532	Truck- 1999 Chevrolet 1 Ton Utility	1/4/2018	1GBJC34J2XF092448	
644527	993531	Truck- 1999 Chevrolet 1 Ton Utility	12/19/2017	1GBJC34J1XF092702	
644528	993530	Truck- 1999 Chevrolet Utility (1-ton)	3/28/2018	1GBJC34JXXF091855	
644532	993508	Truck- 1999 Chevrolet Utility (1-ton)	4/16/2018	1GBJC34J1XF091971	
644533	993521	Truck- 1999 Chevrolet Utility (1-ton)	12/19/2017	1GBJC34J5XF093271	
644535	993524	Truck- 1999 Chevrolet Utility (1-ton)	12/19/2017	1GBJC34J7XF091991	
644539	993236	Truck- 1999 1/2-Ton	12/19/2017	1GCEK14T9XE172549	
644543	994004	Truck- 1999 Ford F550 4DR Utility Crew Cab	3/20/2018	1FDAW56F4XEE77695	
644544	994412	Truck- 1999 Tractor	12/13/2017	1GDP7H1C6XJ513920	
644545	994801	Truck- 1999 Cab/Chassis 5th Wheel	3/20/2018	1GDP7H1C6XJ509611	
644551	003512	Truck- 2000 Chevrolet Utility Bed (1-ton)	12/19/2017	1GBJC34J2YF510041	
644552	003515	Truck- 2000 Chevrolet Utility Bed (1-ton)	3/20/2018	1GBJC34J8YF511680	
644554	004510	Truck- 2000 Volvo ACL64	3/20/2018	4V4SD2JH4YN521061	
644555	004511	Truck- 2000 Volvo ACL64 50-000 lbs GVW	3/20/2018	4V5SC2JH2YN521297	
644556	004509	Truck- 2000 Volvo ACL64 50-000 lbs GVW	3/20/2018	4V5SC2JH0YN520875	
644557	002402	Van- 2000 Ford E456 for CCTV sewer lines	2/7/2018	1FDXE45F9YHA40557	
644558	01251402	Truck- 2001 Ford F250 w/service body	1/16/2018	1FDNF20S31EC01540	
644559	01251401	Truck- 2001 Ford F250 w/service body	11/8/2017	1FDNF20S11EC02122	
644562	013110	SUV- 2001 Chevrolet S10 Blazer 4WD	12/28/2017	1GNDT13W81K202631	
644564	014001	Truck- 2001 Ford F450 stake bed (2-ton)	12/13/2017	1FDXF46S11EB93660	
644565	014014	Truck- 2001 F450 Utility bed	3/28/2018	1FDXF46S31EB93659	
644566	014013	Truck- 2001 Ford F450 utility bed	12/13/2017	1FDXF46S21EB93670	
644567	014009	Truck- 2001 Ford F450 utility bed	1/20/2018	1FDXF46S41EB93668	
644568	014008	Truck- 2001 Ford F450 utility bed	3/28/2018	1FDXF46S21EB93667	
644570	014006	Truck- 2001 Ford F450 utility bed	3/23/2018	1FDXF46S51EB93663	
644571	014005	Truck- 2001 Ford F450 utility bed	1/16/2018	1FDXF46S31EB93662	
644572	014012	Truck- 2001 Ford F450 utility bed w/crane	1/16/2018	1FDXF46S01EB93666	
644573	014011	Truck- 2001 Ford F450 utility bed w/crane	3/28/2018	1FDXF46S71EB93664	
644574	014802	Truck- 2001 Sterling 8500 w/ 5th wheel and extended cab	1/20/2018	2FWBANAK62AJ68638	
644575	014801	Truck- 2001 Sterling 8500 w/ 5th wheel and extended cab	1/16/2018	2FWBANAK42AJ68637	
644576	014803	Truck- 2001 Sterling LT8500 w/ 5th wheel	3/8/2018	2FWBANAKX2AK41655	
644577	014002	Truck- 2001 Ford F450 stake bed (2-ton) w/mounted 1824	1/16/2018	1FDXF46S11EB93661	
644578	014502	Truck- 2001 Sterling LT9500	1/20/2018	2FZHAZA802AK41656	
644579	014501	Truck- 2001 Sterling LT9500	1/20/2018	2FZHAZA812AJ68636	
644580	014702	Vactor- 2001 International 2554	2/7/2018	1HTGCADT31H310827	
644581	023212	Truck- 2002 Ford Ranger	11/1/2017	1FTYR10D52PB67370	
644582	023211	Truck- 2002 Ford Ranger	10/31/2017	1FTYR10D82PB68593	
644583	023210	Truck- 2002 Ford Ranger	1/16/2018	1FTYR10DX2PB67476	
644584	023209	Truck- 2002 Ford Ranger	1/11/2018	1FTYR10D52PB68616	
644585	021204	Sedan- 2002 Chevrolet Malibu	12/14/2017	1G1ND52J52M644935	
644586	023110	SUV- 2002 Chevrolet Tahoe	12/19/2017	1GNEK13Z32J306792	
644587	024801	Truck- 2002 Sterling LT9500 50-000 lb GVW	1/20/2018	2FWJAZA8X2AJ76782	
644588	024704	Vactor- 2002 International 2554	2/7/2018	1HTGBADR12H532839	
644589	024703	Vactor- 2002 International 2554	2/7/2018	1HTGBADR2H532838	
644590	024702	Vactor- 2002 International 2554	2/7/2018	1HTGBADR82H532837	
644591	024701	Vactor- 2002 International 2554	2/7/2018	1HTGBADR62H532836	
644598	032103	Van- 2003 Chevrolet Express 2 passenger 3/4 ton cargo	3/8/2018	1GCGG25U831172809	

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644599	033421	Truck- 2003 Ford F250 regular cab	12/19/2017	3FTNF20L53MB40041	
644600	033420	Truck- 2003 Ford F250 regular cab	2/7/2018	3FTNF20L93MB40043	
644601	033419	Truck- 2003 Ford F250 regular cab	2/7/2018	3FTNF20L23MB40045	
644602	033418	Truck- 2003 Ford F250 regular cab	12/19/2017	3FTNF20L33MB40040	
644603	033417	Truck- 2003 Ford F250 regular cab	12/19/2017	3FTNF20L73MB40039	
644606	033414	Truck- 2003 Ford F250 regular cab	12/19/2017	3FTNF20L43MB40046	
644607	033201	Truck- 2003 Chevrolet Silverado 1500 extended cab	1/4/2018	2GCEC19TX31240939	
644608	033215	SUV- 2003 Chevrolet Blazer LS 4X4	3/8/2018	1GNCS13X23K151184	
644609	033213	SUV- 2003 Chevrolet Blazer LS 4X4	2/7/2018	1GNCS13X83K150959	
644610	033214	SUV- 2003 Chevrolet Blazer LS 4X4	1/16/2018	1GNCS13X43K152028	
644611	033202	Truck- 2003 Chevrolet Silverado 1500 1/2 ton 4 X 4 ext cab	12/13/2017	2GCEC19TX31276954	
644612	033203	Truck- 2003 Chevrolet Silverado 1500 1/2 ton 4 X 4 ext cab	1/4/2018	2GCEC19T331276553	
644613	033107	SUV- 2003 Chevrolet Blazer LS 4X4	1/4/2018	1GNNDT13X13K149976	
644615	033106	Truck- 2003 Chevrolet Silverado 1/2 ton 4 X 4	2/7/2018	2GCEK19T531274693	
644616	033105	Truck- 2003 Chevrolet Silverado 1/2 ton 4 X 4	12/13/2017	2GCEK19T331273929	
644617	033104	Truck- 2003 Chevrolet Silverado 1/2 ton 4 X 4	1/4/2018	2GCEK19T931275023	
644618	033103	Truck- 2003 Chevrolet Silverado 1/2 ton 4 X 4	1/4/2018	2GCEK19T531274404	
644619	033102	Truck- 2003 Chevrolet Silverado 1/2 ton 4 X 4	12/19/2017	2GCEK19T431273860	
644620	033219	SUV- 2003 Chevrolet Suburban	2/7/2018	3GNEC16Z93G257190	
644621	034020	Truck- 2003 Ford F450 regular cab	3/8/2018	1FDXF46S63ED60129	
644622	034019	Truck- 2003 Ford F450 regular cab	11/8/2017	1FDXF46S03ED60126	
644623	034018	Truck- 2003 Ford F450 regular cab	4/6/2018	1FDXF46S93ED60125	
644624	034017	Truck- 2003 Ford F450 regular cab	3/8/2018	1FDXF46S33ED60122	
644625	034016	Truck- 2003 Ford F450 regular cab	3/8/2018	1FDXF46S23ED60130	
644626	034015	Truck- 2003 Ford F450 regular cab	1/16/2018	1FDXF46S3ED60120	
644627	034014	Truck- 2003 Ford F450 regular cab	3/20/2018	1FDXF46S53ED60123	
644628	034013	Truck- 2003 Ford F450 regular cab	3/8/2018	1FDXF46S73ED60124	
644629	034011	Truck- 2003 Ford F450 regular cab	12/13/2017	1FDXF46S43ED60128	
644630	034010	Truck- 2003 Ford F450 regular cab	1/20/2018	1FDXF46S13ED60121	
644631	034012	Truck- 2003 Ford F450 regular cab	3/2/2018	1FDXF46S23ED60127	
644632	034414	Truck- 2003 Ford F450	12/13/2017	1FDXF46P23EC58161	
644633	034413	Truck- 2003 Ford F450	2/14/2018	1FDXF46P93EC58156	
644634	034004	Truck- 2003 Ford F450 with stake bed	12/19/2017	1FDXF46P53ED28574	
644635	034009	Truck- 2003 Ford F450 w/Crane	1/10/2018	1FDXF46P33ED28573	
644636	034007	Truck- 2003 Ford F450 w/Crane	12/19/2017	1FDXF46PX3ED28571	
644637	034005	Truck- 2003 Ford F450 w/Crane	12/19/2017	1FDXF46P13ED28572	
644638	034008	Truck- 2003 Ford F450 w/Crane	12/19/2017	1FDAF56P33ED28570	
644639	034006	Truck- 2003 Ford F450 w/Crane	3/27/2018	1FDAF56P73ED28569	
644640	034501	Truck- 2003 Kenworth T800B 10 cubic yard dump	3/8/2018	1NKDL09X94R059198	
644641	04251401	Truck- 2004 Chevrolet 2500 w/service body	11/8/2017	1GBHC24U24E317245	
644642	043215	Truck- 2004 Chevrolet Colorado	10/31/2017	1GCCS148348214890	
644643	043214	Truck- 2004 Chevrolet Colorado	11/3/2017	1GCCS148048215608	
644644	041218	Sedan- 2004 Dodge Stratus	3/20/2018	1B3EL36TX4N331954	
644646	043408	Truck- 2004 Ford F250 Super-duty 4X2	3/20/2018	1FTNF20L24EC37950	
644647	043407	Truck- 2004 Ford F250 Super-duty 4X2	3/20/2018	1FTNF20L44EC37948	
644648	043406	Truck- 2004 Ford F250 Super-duty 4X2	2/7/2018	1FTNF20L04EC37946	
644649	043405	Truck- 2004 Ford F250 Super-duty 4X2	12/19/2017	1FTNF20L64EC37949	
644650	043404	Truck- 2004 Ford F250 Super-duty 4X2	3/20/2018	1FTNF20L24EC37947	
644651	043403	Truck- 2004 Ford F250 Super-duty 4X2	3/20/2018	1FTNF20L94EC37945	
644652	043122	Truck- 2004 Chevrolet Silverado 4 X 2	1/4/2018	2GCEC19T241378993	
644653	043121	Truck- 2004 Chevrolet Silverado 4 X 2	11/15/2017	2GCEC19TX41380961	

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644654	043208	SUV- 2004 Chevrolet Blazer	12/28/2017	1GNCS13X64K162593	
644656	043119	Truck- 2004 Chevrolet Silverado extended cab	4/6/2018	1GCEK19T44E351733	
644658	043508	Van- 2004 F350 SD w/ Econo Cutaway	12/13/2017	1FDSE35L34HB30145	
644659	043507	Van- 2004 F350 SD w/ Econo Cutaway	2/7/2018	1FDSE35L14HB30144	
644660	043506	Van- 2004 F350 SD w/ Econo Cutaway	3/8/2018	1FDSE35L74HB30147	
644661	043505	Van- 2004 E350 SD w/Econoline Cutaway	12/13/2017	1FDSE35L54HB30146	
644662	044501	Truck- 2004 Kenworth T800B 10 YD 2X Dump	3/20/2018	3BKDL09X44F070932	
644663	05251404	Truck- 2005 Chevrolet 2500 w/service body	11/8/2017	1GBHC24U55E162059	
644664	05251403	Truck- 2005 Chevrolet 2500 w/service body	11/8/2017	1GBHC24U25E161192	
644665	05251402	Truck- 2005 Chevrolet 2500 w/service body	11/8/2017	1GBHC24U75E165187	
644667	053111	Truck- 2005 Chevrolet Silverado	3/20/2018	1GCEC14V452323673	
644668	052112	Van- 2005 Chevrolet Express 2500 Cargo	3/8/2018	1GCGG25U951252963	
644671	053113	Truck- 2005 Chevrolet 1500 Crew Cab	3/9/2018	1GCEC19T45E303471	
644672	053114	Truck- 2005 Chevrolet 1500 Crew Cab	2/7/2018	1GCEC19T05E301250	
644673	053110	Truck- 2005 Chevrolet 1500 Crew Cab	12/13/2017	1GCEC19T252274965	
644674	053108	Truck- 2005 Chevrolet 1500 Crew Cab	3/8/2018	1GCEC19T452275986	
644675	053107	Truck- 2005 Chevrolet 1500 Crew Cab	1/4/2018	1GCEC19T052272356	
644676	053106	Truck- 2005 Chevrolet 1500 Crew Cab	12/13/2017	1GCEC19T452273221	
644677	053105	Truck- 2005 Chevrolet 1500 Crew Cab	12/13/2017	1GCEC19T252274464	
644678	053206	SUV- 2005 Chevrolet Blazer	12/28/2017	1GNDS13S952321259	
644679	053212	SUV- 2005 Chevrolet Blazer 4WD	3/20/2018	1GNDS13S052349094	
644680	053211	SUV- 2005 Chevrolet Blazer 4WD	1/2/2018	1GNDS13SX52344730	
644681	053207	SUV- 2005 Chevrolet Blazer 4WD	12/19/2017	1GNDS13SX52346154	
644682	053205	Truck- 2005 Chevrolet 1500	10/31/2017	2GCEC13T651311274	
644683	053424	Truck- 2005 Chevrolet Silverado 2500	3/20/2018	1GCHK24U95E306453	
644684	053210	SUV- 2005 Chevrolet Blazer 4WD	2/7/2018	1GNDT13S752345850	
644685	053209	SUV- 2005 Chevrolet Blazer 4WD	2/7/2018	1GNDT13SX52348192	
644686	053208	SUV- 2005 Chevrolet Blazer 4WD	2/7/2018	1GNDT13S552345846	
644687	053425	Truck- 2005 Chevrolet Silverado 2500	12/19/2017	1GCHC29205E301131	
644688	054808	Truck- 2005 Dump	12/19/2017	3FRNF65A35V112060	
644689	054002	Truck- 2005 Ford F450 4X2 Superduty	3/8/2018	1FDXF46Y15EA34925	
644691	054807	Truck- 2005 Kenworth T800B 10 cy dump sludge hauling	11/15/2017	1XKDDU9X96R136813	
644692	054802	Truck- 2005 Kenworth T800B 10 cy dump sludge hauling	3/28/2018	1XKDDU9X55R083042	
644693	054801	Truck- 2005 Kenworth T800B 10 cy dump sludge hauling	1/10/2018	1XKDDU9X75R083043	
644694	054806	Truck- 2005 Kenworth Dump	2/14/2018	1NKDL09X65R099160	
644695	054805	Truck- 2005 Kenworth Dump	1/16/2018	1NKDL09X85R099810	
644696	06251403	Truck- 2006 Ford F350 w/service body	11/8/2017	1FDSF30516EC24261	
644697	06251402	Truck- 2006 Ford F350 w/service body	11/8/2017	1FDSF30506EC19827	
644698	06251401	Truck- 2006 Ford F350 w/service body	11/8/2017	1FDSF30536EC24262	
644699	061206	Sedan- 2006 Dodge Stratus	2/7/2018	1B3EL46X96N151814	
644700	061205	Sedan- 2006 Dodge Stratus	1/11/2018	1B3EL46X76N151813	
644701	062120	Van- 2006 Ford E150 Cargo	2/7/2018	1FTRE14W86DA93302	
644702	062119	Van- 2006 Ford E150 Cargo	2/7/2018	1FTRE14W66DA93301	
644703	063201	SUV- 2006 Chevrolet Blazer 4WD	11/3/2017	1GNDS13S862121412	
644704	063202	SUV- 2006 Chevrolet Blazer 4WD	3/8/2018	1GNDS13S662121473	
644709	063113	SUV- 2006 Ford Explorer 4X4	11/3/2017	1FMEU72E46UA34581	
644710	063452	Van- 2006 Ford Econoline Cutaway	12/13/2017	1FDSE35L76DA31662	
644711	063451	Van- 2006 Ford Econoline Cutaway	12/13/2017	1FDSE35L56DA31661	
644712	063449	Van- 2006 Ford Econoline Cutaway	12/13/2017	1FDSE35L96DA31663	
644713	063450	Van- 2006 Ford Econoline Cutaway	3/23/2018	1FDSE35L36DA31660	
644714	064001	Truck- 2006 Ford F-450 w/Utility body	12/13/2017	1FDXF46Y36EB00117	

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644715	063516	Truck- 2006 Chevrolet Silverado	12/13/2017	1GBJC34D06E190845	
644716	063515	Truck- 2006 Chevrolet Silverado	12/13/2017	1GBJC34D66E213223	
644717	064003	Truck- 2006 Ford F-450 w/Utility body	12/13/2017	1FDXF46Y16EB00116	
644718	063502	Truck- 2006 Chevrolet 4500 w/Chassis	3/20/2018	1GBC4C1226F400493	
644719	063501	Truck- 2006 Chevrolet 4500 w/Chassis	3/20/2018	1GBC4C12X6F400287	
644720	064702	Truck- 2006 Freightliner FS 65 w/Dump Body	1/16/2018	1FVHC5DE66HW49359	
644721	071212	Sedan- 2007 Chevrolet Impala	3/27/2018	2G1WB58K579390044	
644722	071211	Sedan- 2007 Chevrolet Impala	3/20/2018	2G1WB58K579389251	
644723	071210	Sedan- 2007 Chevrolet Impala	3/2/2018	2G1WB58K979387678	
644724	073234	Truck- 2007 Chevrolet Silverado	3/20/2018	1GCEC140372621347	
644725	073104	Truck- 2007 Chevrolet Silverado	12/13/2017	1GCEC14007Z598190	
644726	073109	Truck- 2007 Chevrolet Silverado	3/20/2018	1GCEC14027Z598692	
644727	073107	Truck- 2007 Chevrolet Silverado	12/19/2017	1GCEC140X7Z596673	
644728	073106	Truck- 2007 Chevrolet Silverado	12/19/2017	1GCEC14097Z597569	
644729	073105	Truck- 2007 Chevrolet Silverado	12/19/2017	1GCEC14027Z597056	
644730	073103	Truck- 2007 Chevrolet Silverado	1/4/2018	1GCEC14057Z598623	
644731	073102	Truck- 2007 Chevrolet Silverado	11/13/2017	1GCEC14007Z596844	
644732	073224	Truck- 2007 Chevrolet Silverado	10/31/2017	1GCEC14087Z608304	
644733	073223	Truck- 2007 Chevrolet Silverado	10/31/2017	1GCEC14067Z606504	
644734	072124	Van- 2007 Dodge Caravan	1/3/2018	1D4GP24E77B251949	
644735	072123	Van- 2007 Dodge Caravan	2/7/2018	1D4GP24E17B251946	
644736	072122	Van- 2007 Dodge Caravan	3/28/2018	1D4GP24E87B251944	
644739	071206	Sedan- 2007 Honda Civic	11/3/2017	JHMF36237S006003	
644741	073405	Truck- 2007 Chevrolet Silverado	12/19/2017	1GBHC24D07E150470	
644742	073404	Truck- 2007 Chevrolet Silverado	12/19/2017	1GBHC24D37E149748	
644743	073409	Truck- 2007 Chevrolet Silverado	3/20/2018	1GCHC24D87E152611	
644744	074009	Truck- 2007 Ford F450	12/13/2017	1FDXF46PX7EB31910	
644745	074014	Truck- 2007 Ford F450	1/16/2018	1FDXF46P47EB34107	
644746	074013	Truck- 2007 Ford F450	12/13/2017	1FDXF46P67EB34108	
644747	074011	Truck- 2007 Ford F450	1/16/2018	1FDXF46P27EB34106	
644748	074010	Truck- 2007 Ford F450	3/8/2018	1FDXF46P17EB31911	
644749	074007	Truck- 2007 Ford F550 6L V-8 w/Crew Cab & Water Utility Body	1/16/2018	1FDXF46P87EA14245	
644750	074006	Truck- 2007 Ford F550 6L V-8 w/Crew Cab & Water Utility Body	1/20/2018	1FDXF46P47EA14243	
644751	074005	Truck- 2007 Ford F550 6L V-8 w/Crew Cab & Water Utility Body	1/16/2018	1FDXF46P67EA14244	
644752	074004	Truck- 2007 Ford F550 6L V-8 w/Crew Cab & Water Utility Body	3/20/2018	1FDXF44P27EA14242	
644753	074003	Truck- 2007 Ford F550 6L V-8 w/Crew Cab & Water Utility Body	1/16/2018	1FDAW56P47EA26209	
644754	074002	Truck- 2007 Ford F550 6L V-8 w/Crew Cab & Water Utility Body	2/14/2018	1FDAW56P07EA26207	
644755	074001	Truck- 2007 Ford F550 6L V-8 w/Crew Cab & Water Utility Body	1/16/2018	1FDAW56P27EA26208	
644756	074704	Truck- 2007 International 4200	12/13/2017	1HTMPAFN07H445455	
644757	074703	Truck- 2007 Freightliner Model M2112 Cab/Chassis w/ 10 YD Dump	3/20/2018	1FVHC5DE97HY00406	
644758	074705	Truck- 2007 International 4400	12/13/2017	1HTMKAAAR67H509054	
644759	083215	Truck- 2008 Chevrolet Colorado	10/31/2017	1GCCS149488204514	
644760	083214	Truck- 2008 Chevrolet Colorado	1/19/2018	1GCCS149288205077	
644761	083213	Truck- 2008 Chevrolet Colorado	10/31/2017	1GCCS149088205448	
644762	083201	Truck- 2008 Chevrolet Silverado	1/4/2018	1GCEC19038Z130223	
644763	083207	Truck- 2008 Chevrolet Silverado	11/8/2017	1GCEC19028Z248523	
644764	083208	Truck- 2008 Chevrolet Silverado	3/27/2018	1GCEC19098Z248504	
644765	083204	Truck- 2008 Chevrolet Silverado	3/2/2018	1GCEC19088Z201156	
644766	083203	Truck- 2008 Chevrolet Silverado	3/2/2018	1GCEC19058Z197664	
644767	083111	SUV- 2008 Ford Explorer 4X4	12/27/2017	1FMEU73E58UA88893	
644768	083103	SUV- 2008 Ford Escape	11/3/2017	1FMCU49H68KA75797	

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644769	083112	SUV- 2008 Ford Escape	3/8/2018	1FMCU49H18KD99451	
644770	082101	Van- 2008 Chevrolet Express Cargo	12/13/2017	1GBHG316271254448	
644771	084009	Truck- 2008 Chevrolet 4500 w/Chassis	12/13/2017	1GBC4C1968F409505	
644772	084007	Truck- 2008 Chevrolet 4500 w/Chassis	1/4/2018	1GBC4C1988F409327	
644773	084008	Truck- 2008 Chevrolet 4500 w/Chassis	3/2/2018	1GBC4C1928F409176	
644774	084006	Truck- 2008 Chevrolet 4500 w/Chassis	11/8/2017	1GBC4C19X8F404744	
644775	084005	Truck- 2008 Chevrolet 4500 w/Chassis	11/8/2017	1GBC4C1998F404573	
644776	084004	Truck- 2008 Chevrolet 4500 w/Chassis	11/8/2017	1GBC4C1998F404458	
644777	084003	Truck- 2008 Chevrolet 4500 w/Chassis	3/2/2018	1GBC4C1978F404328	
644778	084002	Truck- 2008 Chevrolet 4500 w/Chassis	3/8/2018	1GBC4C1978F404880	
644779	084001	Truck- 2008 Chevrolet 4500 w/Chassis	4/9/2018	1GBC4C1968F404658	
644780	084801	Truck- 2008 Sterling Acterra	1/16/2018	2FWBCHBS78AZ64897	
644781	084702	Truck- 2008 International 4700 w/Trailer	3/20/2018	1HSWYAHT58J682118	
644782	08671101	Truck- 2008 GVWR mounted salt delivery	12/13/2017	J8DE5W16587302141	
644783	084704	Truck- 2008 Sterling L9500	2/7/2018	2FZHAZCV28AZ83083	
644784	09132201	Sedan- 2009 Ford Focus	12/15/2017	1FAHP34NX9W171943	
644785	09132202	Sedan- 2009 Ford Focus	11/13/2017	1FAHP34N69W212570	
644786	09151103	Truck- 2009 Chevrolet Colorado	10/31/2017	1GCCS149098141672	
644787	09151102	Truck- 2009 Chevrolet Colorado	10/31/2017	1GCCS149598141246	
644788	09151101	Truck- 2009 Chevrolet Colorado	10/31/2017	1GCCS149998140519	
644789	09242401	Van- 2009 Ford E-350 Cargo	12/13/2017	1FTSE34LX9DA46442	
644791	09162203	SUV- 2009 Ford Explorer 4 Door 4WD	1/16/2018	1FMEU73E49UA29898	
644792	09162202	SUV- 2009 Ford Explorer 4 Door 4WD	3/27/2018	1FMEU73E99UA29900	
644793	09162201	SUV- 2009 Ford Explorer 4 Door 4WD	3/20/2018	1FMEU73E69UA29899	
644794	09152206	Truck- 2009 Chevrolet Silverado w/Extended Cab	3/8/2018	1GCEC190X9Z199511	
644795	09152203	Truck- 2009 Chevrolet Silverado w/Extended Cab	1/4/2018	1GCEC19039Z196451	
644796	09152210	Truck- 2009 Chevrolet Silverado w/Extended Cab	3/20/2018	1GCEC19089Z198051	
644797	09152209	Truck- 2009 Chevrolet Silverado w/Extended Cab	12/13/2017	1GCEC19009Z198125	
644798	09152208	Truck- 2009 Chevrolet Silverado w/Extended Cab	1/4/2018	1GCEC19069Z198565	
644799	09152207	Truck- 2009 Chevrolet Silverado w/Extended Cab	1/4/2018	1GCEC19099Z197975	
644801	09152204	Truck- 2009 Chevrolet Silverado w/Extended Cab	1/4/2018	1GCEC19039Z197504	
644802	09152202	Truck- 2009 Chevrolet Silverado w/Extended Cab	1/4/2018	1GCEC19049Z196376	
644803	09152217	Truck- 2009 Chevrolet Silverado	3/8/2018	1GCEK19039E147339	
644804	09152216	Truck- 2009 Chevrolet Silverado	1/20/2018	1GCEK19039E147714	
644805	09152215	Truck- 2009 Chevrolet Silverado	3/20/2018	1GCEK19099E147846	
644806	09152214	Truck- 2009 Chevrolet Silverado	1/16/2018	1GCEK19059E145463	
644807	09152213	Truck- 2009 Chevrolet Silverado	1/16/2018	1GCEK19079E148056	
644808	09152211	Truck- 2009 Chevrolet Silverado	3/8/2018	1GCEK19089E147904	
644809	09152212	Truck- 2009 Chevrolet Silverado	1/16/2018	1GCEK19079E147408	
644810	09251103	Truck- 2009 Chevrolet Silverado 3/4-ton w/Extended Cab	3/27/2018	1GCHK44619F175872	
644811	09251102	Truck- 2009 Chevrolet Silverado 3/4-ton w/Extended Cab	3/20/2018	1GCHK446X9F174140	
644812	09251101	Truck- 2009 Chevrolet Silverado 3/4-ton w/Extended Cab	3/20/2018	1GCHK44659F174949	
644813	09242402	Van- 2009 Ford Cargo E-350 Model 34 with KUV body	12/13/2017	1FDSE35L39DA01093	
644814	09571401	Truck- 2009 Ford F550 w/mounted Aries CCTV unit	2/7/2018	1FDAF56R79EA51318	
644815	09571310	Truck- 2009 Ford F450 Regular Cab Utility Body	12/13/2017	1FDAF46Y29EA59036	
644816	09571309	Truck- 2009 Ford F450 Regular Cab Utility Body	12/13/2017	1FDAF46Y09EA59035	
644817	09571308	Truck- 2009 Ford F450 Regular Cab Utility Body	12/13/2017	1FDAF46Y49EA59037	
644818	09571307	Truck- 2009 Ford F450 Regular Cab Utility Body	12/13/2017	1FDAF46Y99EA59034	
644819	09571302	Truck- 2009 Ford F450 Regular Cab Utility Body	1/20/2018	1FDAF46Y79EA59033	
644821	09571306	Truck- 2009 Ford F550 Crew Cab Utility Body	1/20/2018	1FDAW56R69EA59040	
644823	09571303	Truck- 2009 Ford F550 Crew Cab Utility Body	1/20/2018	1FDAW56R89EA59047	

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644825	09871801	Truck- 2009 International 7500 w/5th wheel	1/20/2018	1HSWLZR89J160196	
644826	09771701	Truck- 2009 Septic Pump 2-000 gal	3/20/2018	1GDM7C1B69F410192	
644827	10132204	Sedan- 2010 Ford Focus	11/13/2017	1FAHP3FN2AW281774	
644829	10151104	Truck- 2010 Ford Ranger	10/31/2017	1FTKR1AD2APA07868	
644830	10151103	Truck- 2010 Ford Ranger	10/31/2017	1FTKR1AD0APA07867	
644831	10151102	Truck- 2010 Ford Ranger	10/31/2017	1FTKR1AD9APA07866	
644832	10162203	SUV- 2010 Ford Explorer	12/28/2017	1FMEU7DE9AUA30242	
644833	10151101	Truck- 2010 Ford F150 Super Cab	3/27/2018	1FTFX1EV1AFA48153	
644834	10162201	SUV- 2010 Ford Explorer 4X4	3/20/2018	1FMEU7DE6AUA24902	
644835	10132202	Sedan- 2010 Honda Civic Hybrid	12/14/2017	JHMFA362X9S014585	
644836	10132201	Sedan- 2010 Honda Civic Hybrid	12/7/2017	JHMFA362X9S016479	
644837	10571310	Truck- 2010 Ford F550 w/mounted Aries Badger CCTV unit	2/7/2018	1FDAF5GR6AEB25959	
644838	10242402	Van- 2010 Ford E-350 2-pass cargo w/KUV body and other options	12/13/2017	1FDSE3FL2ADA08877	
644839	10242401	Van- 2010 Ford E-350 2-pass cargo w/KUV body and other options	12/13/2017	1FDSE3FL4ADA08878	
644840	10571305	Truck- 2010 Ford F450 crew cab w/partial water body with lights	1/16/2018	1FDAF4GY2AEB25958	
644841	10571304	Truck- 2010 Ford F450 crew cab w/partial water body with lights	12/13/2017	1FDAF4GY7AEB25955	
644842	10571303	Truck- 2010 Ford F450 crew cab w/partial water body with lights	12/13/2017	1FDAF4GY5AEB25954	
644843	10571308	Truck- 2010 Ford F450 crew cab w/full water body with lights	1/16/2018	1FDAF4GY3AEB25953	
644844	10571307	Truck- 2010 Ford F450 crew cab w/full water body with lights	3/8/2018	1FDAF4GY0AEB25957	
644845	10571309	Truck- 2010 Ford F450 Crew cab w/full water body with lights	11/8/2017	1FDAF4GY9AEB25956	
644848	10072302	Trailer- 2010 Travis End Dump Trailer Model S96	11/15/2017	48X1L3927A1006972	
644849	10072301	Trailer- 2010 Travis End Dump Trailer Model S96	11/15/2017	48X1L3925A1006971	
644850	10871804	Truck- 2010 International Harvester 7500	1/20/2018	1HSWLZR3AJ279730	
644851	10871803	Truck- 2010 International Harvester 7500	3/23/2018	1HSWLZR3AJ279729	
644852	10871802	Truck- 2010 International Harvester 7500	1/16/2018	1HSWLZR1AJ279728	
644853	10871801	Truck- 2010 International Harvester 7500	1/20/2018	1HSWLZR3AJ279727	
644854	10881005	Truck- 2010 Kenworth T 800 5th Wheel	11/15/2017	1XKDD49X7AJ273644	
644855	10881004	Truck- 2010 Kenworth T 800 5th Wheel	11/15/2017	1XKDD49X5AJ273643	
644856	10881003	Truck- 2010 Kenworth T 800 5th Wheel	11/15/2017	1XKDD49X3AJ262883	
644857	10881002	Truck- 2010 Kenworth T 800 5th Wheel	11/15/2017	1XKDD49X1AJ262882	
644858	10881001	Truck- 2010 Kenworth T 800 5th Wheel	11/15/2017	1XKDD49XXAJ262881	
644859	10871204	Truck- 2010 International 7600 w/10 yd dump body (B12804)	1/20/2018	1HTWXAHR5AJ279801	
644860	10871203	Truck- 2010 International 7600 w/10 yd dump body (B12804)	1/16/2018	1HTWXAHR3AJ279800	
644861	10877501	Vactor- 2010 Maxforce 10- combination 12 yard	2/7/2018	1HTWNAZT9AJ190345	
644862	11151105	Truck- 2011 Ford Ranger w/tool box and light bar	10/31/2017	1FTKR1AD0BPA33404	
644863	11151104	Truck- 2011 Ford Ranger w/tool box and light bar	10/31/2017	1FTKR1AD5BPA33401	
644864	11151103	Truck- 2011 Ford Ranger w/toolbox and light bar	10/31/2017	1FTKR1AD7BPA33402	
644865	11151102	Truck- 2011 Ford Ranger w/tool box and light bar	10/31/2017	1FTKR1AD9BPA33403	
644866	12151104	Truck- 2011 Chevrolet Colorado	10/31/2017	1GCCSBF94C8157514	
644867	11251203	Truck- 2011 Ford F250- 2-wheel drive extended cab	1/16/2018	1FT7X2A62BEB81519	
644868	11251201	Truck- 2011 Ford F250- 2-wheel drive extended cab	12/13/2017	1FT7X2A69BEB81520	
644869	11251202	Truck- 2011 Ford F250- 2 wheel drive- extended cab	3/2/2018	1FT7X2A60BEB81518	
644870	11571301	Truck- 2011 Ford F450 cab chassis- dual rear wheels- 15000 GVW	1/20/2018	1FDUF4GY1BEB81517	
644871	11571303	Truck- 2011 Ford F450 cab chassis- dual rear wheels- 15000 GVW	3/23/2018	1FDUF4GYXBEB81516	
644872	11571302	Truck- 2011 Ford F450 cab chassis- dual rear wheels- 15000 GVW	1/20/2018	1FDUF4GY8BEB81515	
644874	12133201	Sedan- 2012 Ford Fusion	11/3/2017	3FAHP0GAXCR380780	
644875	12153101	Truck- 2012 Ford F250 4X4 regular cab	11/15/2017	1FTBF2B63CEC13486	
644876	12242101	Van- 2012 Chevrolet Express 2500 Cargo	11/8/2017	1GCWGFCA6C1161495	
644877	12242102	Van- 2012 Chevrolet Express 2500 Cargo	11/8/2017	1GCWGFCA8C1161580	
644879	12153203	Truck- 2012 Ford F250 4X4 super cab	11/15/2017	1FT7X2B62CEC13501	
644880	12153202	Truck- 2012 Ford F250 4 X 4 super cab	3/20/2018	1FT7X2B60CEC13500	

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644881	12153201	Truck- 2012 Ford F250 4 X 4 super cab	3/20/2018	1FT7X2B68CEC13499	
644882	12242103	Van- 2012 Chevrolet Express Stabilitrak	3/27/2018	1GCZGTCG9C1161538	
644883	12351402	Truck- 2012 Ford F350	12/19/2017	1FD8X3A61CEC12847	
644884	12351401	Truck- 2012 Ford F350	12/19/2017	1FD8X3A6XCCEC12846	
644885	12351403	Truck- 2012 Ford F350	12/19/2017	1FD8X3B65CEC12848	
644886	12571306	Truck- 2012 Ford F450 Super-duty	12/13/2017	1FDUF4GYXCCEC56474	
644887	12571305	Truck- 2012 Ford F-450 Utility	1/16/2018	1FDUF4GY3CEC56476	
644888	12571304	Truck- 2012 Ford F-450 Utility	1/16/2018	1FDUF4GY1CEC56475	
644889	12571303	Truck- 2012 Ford F-450 Utility	1/20/2018	1FDUF4GY8CEC56473	
644890	13152103	Truck- 2013 Ford F-150	3/2/2018	1FTMF1CM0DKE35258	
644891	13152102	Truck- 2013 Ford F-150	3/2/2018	1FTMF1CK9DKE35257	
644892	13152104	Truck- 2013 Ford F150 XL	3/2/2018	1FTMF1CM2DKE35259	
644893	13152101	Truck- 2013 Ford F150 XL	3/27/2018	1FTMF1CM6DKE46295	
644894	13151208	Truck- 2013 Chevrolet Silverado 1500 Ext. Cab	12/13/2017	1GCRKPEA7D2262577	
644895	13151206	Truck- 2013 Chevrolet Silverado Ext. Cab 4X4 (1/2-ton)	12/13/2017	1GCRKPEA7D2259100	
644896	13151205	Truck- 2013 Chevrolet Silverado Ext. Cab 4X4 (1/2-ton)	12/13/2017	1GCRKPEA2D2259005	
644897	13151207	Truck- 2013 Chevrolet CK1	12/13/2017	1GCRKPEAXDZ259303	
644898	13162202	SUV- 2013 Ford Explorer	11/3/2017	1FM5K8B87DGC41032	
644899	14162201	SUV- 2013 Ford Explorer 4-WD	12/28/2017	1FM5K8B86EGA38716	
644900	13152205	Truck- 2013 Ford F150 4X4	10/31/2017	1FTEX1EM1DKF49011	
644901	13152204	Truck- 2013 Ford F150 4X4	10/31/2017	1FTEX1EMXDKF49010	
644902	13152203	Truck- 2013 Ford F150 4X4	11/8/2017	1FTEX1EM3DKF49009	
644903	13871206	Truck- 2013 International Dump	11/8/2017	1HTMKAAN0DJ363137	
644905	13162204	SUV. 2014 Nissan Xterra	3/2/2018	5N1ANONWXDN821078	
644906	141501	Truck- 2014 Ford F150 XL 4X4	11/8/2017	1FTFX1EF5EFB70562	
644907	14152206	Truck- 2014 Ford F150	10/31/2017	1FTEX1EM3EKD69646	
644908	14152205	Truck- 2014 Ford F150	11/8/2017	1FTEX1EM3EKD69645	
644909	14152204	Truck- 2014 Ford F150	10/31/2017	1FTEX1EM3EKD69644	
644910	154501	TRUCK- 2015 Freightliner Vactor Model 114SD	1/16/2018	1FVHG3DV8FHGG9930	
644911	144702	Vactor- 2015 Freightliner Model 114	2/7/2018	1FVHG3DV3FHGG8698	
644912	144701	Vactor- 2015 Freightliner Model 114	2/7/2018	1FVHG3DV3FHGG8697	
645426	1500001	LINE LOCATOR, Multi-Freq Pipe & Cable Locator System	1/4/2018	8359566	102-1479
645428	1500002	LINE LOCATOR- Multi-Freq Pipe & Cable Locator System	1/4/2018	8359567	102-1479
645429	1500003	LINE LOCATOR- Multi-Freq Pipe & Cable Locator System	1/4/2018	8359569	102-1479
645436	1500004	LINE LOCATOR- Multi-Freq Pipe & Cable Locator System	1/4/2018	8359575	102-1479
645437	1500005	LINE LOCATOR- Multi-Freq Pipe & Cable Locator System	5/9/2018	8359571	102-1479
645438	1500006	LINE LOCATOR- Multi-Freq Pipe & Cable Locator System	1/4/2018	8359574	102-1479
645439	1500007	LINE LOCATOR- Multi-Freq Pipe & Cable Locator System	1/4/2018	8359568	102-1479
645441	1500009	LINE LOCATOR- Multi-Freq Pipe & Cable Locator System	1/4/2018	8359572	102-1479
646559	156101	Loader- 2015 Caterpillar Skid Stear	1/16/2018	B5W00707	
647152	153001	FORKLIFT- CONSTRUCTION	12/19/2017	765394	
647729	156102	LOADER- Case- SV300- Skidsteer-Wheel	1/20/2018	NFM406657	
647732	IT2060	PANASONIC CF-31 TOUGH BOOK	12/19/2017	4ITYA33668	CF-31
647733	IT2529	PANASONIC CF-31 TOUGH BOOK	12/19/2017	4ITYA33582	CF-31
647734	IT2531	PANASONIC CF-31 TOUGH BOOK	12/19/2017	4ITYA33617	CF-31
647735	IT2532	PANASONIC CF-31 TOUGH BOOK	12/19/2017	4ITYA33702	CF-31
647736	IT2530	PANASONIC CF-31 TOUGH BOOK	12/19/2017	4ITYA33633	CF-31
651200	163201	Sedan- 2016 Ford Fusion	12/8/2017	3FA6P0G72GR144173	
651201	163101	SUV- 2016 Ford Explorer	11/13/2017	1FM5K7B80GGA57890	
651202	163102	SUV- 2016 Ford Explorer	4/4/2018	1FM5K7B82GGA57891	
651203	163202	Truck- 2016 Ford F250 4 X 4 super cab	3/20/2018	1FT7X2B66GEA59588	

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651204	163103	SUV- 2016 Ford Escape 4DR SE	1/2/2018	1FMCU0GX8GUA67269	
651235	967101	Trailer- 1996 Box	11/8/2017	8803SL2RITX000030	
651239	1501	Mower- John Deere Z915B Ztrak w/Bag Hopper	1/10/2018	1TC915BAKET020988	
651240	079001	AERIAL BOOM- 2007 Model Z-60/34	12/19/2017	Z6007-7434	
651251	1500010	GPS DATA COLLECTION UNIT	7/25/2017	OW1490002212	Leica CS25
651252	1500011	Xylem, Handheld	7/17/2017		
651253	163104	SUV- 2016 Ford Explorer	12/7/2017	1FM5K8B84GGB43838	
651277	9800001	CONTROL DITRIBUTED	7/13/2017		INFI-90
651308	0900003	TITRATION WORKSTATION	7/17/2017	700R008N003	R41T039
651326	1000016	TRANSCIEVER MODULE	7/6/2017	ONT184601RD	X2-10GB-ER
651331	1200001	HP PROLIANT G6 SERVER	7/6/2017	MXQ2210GL8	DL370
651634	165701	Truck- 2016 Ford F-550 Powerstroke Utility	3/20/2018	1FDUF5HT4GEA83999	
651635	165702	Truck- 2016 Ford F450 Utility	11/8/2017	1FDUF4GY3GEA92636	
651636	165703	Truck- 2016 Ford F450 Utility	11/8/2017	1FDUF4GY5GEA92637	
651637	165704	Truck- 2016 Ford F450 Utility w/Chassis	12/19/2017	1FDUF4GY7GEA92638	
651638	154701	Vactor- 2016 Freightliner	2/7/2018	1FVAG3CY8GHHM5049	
651639	154702	Vactor- 2016 Freightliner	2/7/2018	1FVHG3DV3GHHJ0387	
651640	163105	SUV- 2016 Ford Explorer	12/27/2017	1FM5K8B85GGB75973	
651641	167501	Trailer- 2016 Cummins	12/19/2017	5V8CY48B6GM611802	
652713	1600005	DOOSAN PORTABLE COMPRESSOR P185	3/27/2018	449782UAXD76	P185WYM-T41
653554	163204	Truck- 2016 Ford F350 w/Service Body	3/20/2018	1FTRF3BT3GEB25764	
653555	163203	Truck- 2016 Ford F350 w/Service Body	3/27/2018	1FTRF3BT1GEB25763	
653556	162401	Van- 2016 Ford 2 Pass Cargo	3/27/2018	1FTYR2CM0GKA55985	
653557	162402	Van- 2016 Ford Transit Connect Cargo	3/28/2018	NMOLS7E78G1246561	
653558	163106	Sedan- 2016 Ford Fusion	11/3/2017	3FA6P0H72GR303840	
653754	1601	Landoll- 2016 Construction Disc	11/15/2017	65J1500130	
653755	167501A	Generator- 2016 Mobile Generator Set w/Battery Charger	12/19/2017	F150836837	2000 kW
653756	1600001	JEROME 631-X H2S ANALYZER	1/10/2018	631-2964 Rev H	P/N: X631 0002
653757	1600004	Portable Ultrasonic Flowmeter	12/19/2017	04010072	FLUXUS F401 H2O
653759	1600010	Office Cubicals (IT)	7/25/2017		
653760	1400006	ERP Office Furniture	7/26/2017		
653761	1500012	Office Cubicals (Payroll)	7/25/2017		
653990	907401	Crane- 1990 P&H	3/27/2018	06A0454428	
653991	1602	RTV- 2016 Utility Kubota	12/19/2017	31764	
653992	1600002	CCTV Inspection Unit	2/7/2018	IBAK KIEL 34888	
653993	1600003	CCTV Inspection Unit	2/7/2018	IBAK KIEL 353514	CB 31
654342	163107	SUV- 2016 Ford Escape 4WD 4DR SE	12/28/2017	1FMCU9GXXGUC90075	
654343	163108	SUV- 2016 Ford Escape 4WD 4DR SE	11/3/2017	1FMCU9GX6GUC82197	
654344	163401	Truck- 2016 Chevrolet Silverado 2500 EXT CAB 4x4	11/15/2017	1GB5KYC84GZ210692	
654345	167503	Trailer- 2016 Vantage T-91-SS	11/15/2017	4E7AA3925GATS5388	
654346	167801	Trailer- 2016 Big Tex 3XDD-16+5A	1/16/2018	16VGX1620G2069444	
654347	167802	Trailer- 2016 Big Tex 3XDD-16+5A	1/16/2018	16VGX1629G2069443	
654365	163109	SUV- FORD ESCAPE 4DR	11/3/2017	1FMCU0F70GUC42906	
654846	174501	TRUCK 2017 FREIGHTLINER 114SD DUMP	3/20/2018	1FVHG3DVXHHHZ4273	
654849	1600009	SHAKER TABLE	12/19/2017	932	9100D
654850	1600006	TUBE & CLAMP SCAFFOLDING SYSTEM	3/27/2018		SFST8SG
654851	1600007	DIONEX INTEGRION RFIC SYSTEM	1/11/2018	16040384	
654852	1600008	SPECTROPHOTOMETER W/RFID	1/11/2018	1669257	HACH DR 6000
654854	1600011	OFFICE FURNITURE (IT)	7/26/2017		
654855	162403	VAN- 2016 Ford E350 ECONOLINE CUTAWAY CHASSIS W/KUV UPFIT	3/20/2018	1FDWE3FL7GDC31457	
655285	167502	Trailer- 2016 Cummins	12/19/2017	5V8CY3124GM611785	

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655286	167502A	Generator- 2016 Mobile Generator Set w/Chocks/Testing/Manuals	12/19/2017	K150889810	
655823	1700001	Lighting Unit for IBAK Camera used w/extension pole	2/7/2018	366165	
655898	1700002	PORTABLE RISING STEM W/ADAPTOR HUB	1/4/2018	129-0002-002 / 7398F1411	RS-2
655900	1700003	LINE LOCATOR (PIPE & CABLE KIT)	1/4/2018	R387433T387485	
655901	1700004	LINE LOCATOR (PIPE & CABLE KIT)	1/4/2018	R387411T38465	
655902	1700005	CISCO CATALYST SWITCH	12/28/2017	FD02039E09A	WS-C3650-48FD-L
655904	1400001	Morborak Wood Hog	11/15/2017	189-1127	3800
655905	1400002	OPTIMA 8300 INDUCTIVELY COUPLED PLASMA INSTRUMENT	1/11/2018		Optima 8300
655906	1400004	PORTABLE OZONE TRANSDUCER PRESSURE CALIBRATOR (DRUCK)	7/17/2017	DPI 615 61564229	DPI 615
655908	1400005	DOOSAN MOBILE AIR COMPRESSOR	11/8/2017	462616UCYF05	P185WJD-FX-T4I
655921	1700007	SHARP 80" MONITOR	1/11/2018	610413356	LC-80LE661U
655922	1700008	SHARP 80" MONITOR	7/26/2017	608921376	LC-80LE661U
655923	1700009	SHARP 70" MONITOR	7/25/2017	60123789	PN-L703
655924	1700010	SHARP 80" MONITOR	7/25/2017	608921375	LC-80LE661U
655926	1700011	SHARP 60" MONITOR	7/25/2017	608921514	
655932	IT2522	PANASONIC CF-30 TOUGH BOOK	12/19/2017	OCKYA22886	CF-30
655933	177101	PORTABLE TRASH PUMP	3/23/2018	12373	CT006D
656457	172401	VAN, 2017 FORD TRANSIT CONNECT	3/27/2018	NMOLS7F73G1292507	
656458	173101	SUV, 2017 FORD ESCAPE 4DR	1/17/2018	1FMCU0F78HUB68183	
656459	173102	SUV, 2017 FORD ESCAPE 4DR	3/6/2018	1FMCU0F7XHUB68184	
656460	173201	SEDAN, 2017 FORD FUSION	12/27/2017	3FA6P0H76HR21533	
656461	162404	VAN, 2016 FORD KUV	3/28/2018	1FDWE3FL7GDC43513	
656463	1500013	EPSON PL4750W PROJECTOR	7/17/2017	TL8F450107L	
656466	1700012	CALIBRATION CHARGING STATION	1/4/2018	16102SR-001	P/N 18107664
656477	1700014	NIKON MICROSCOPE W/CAMERA	1/11/2018	707385	ECLIPSE Ci-L
656478	176301	CLUBCAR, 2017 CARRYALL 300	12/19/2017	MC1722-814072	
656479	176302	CLUBCAR, 2017 CARRYALL 300	3/27/2018	MC1722-814073	
656480	176303	CLUBCAR, 2017 CARRYALL 300	12/19/2017	MC1722-814074	
656481	177801	TRAILER - 2017 DAKOTA 20-TON TILTBED	3/28/2018	1DATFFP21HP022193	
656482	174701	VACTOR - 2017 FREIGHTLINER 114SD	2/7/2018	1FVAG3CY3HHJE3363	
656483	174702	VACTOR - 2017 FREIGHTLINER 114SD	2/7/2018	1FVAG3CY5HHJE3364	
656484	1700015	CAMERA RAFT W/ADAPTER & LIGHTHEAD	2/7/2018		
656485	1700016	TRAILER MOUNTED VACUUM PUMP	3/28/2018	TMVP009950	
656487	171503	TRUCK - 2017 FORD F150 EXTENDED CAB	10/31/2017	1FTEX1C84HHC37258	
656488	171504	TRUCK - 2017 FORD F150 EXTENDED CAB	3/8/2018	1FTEX1C86HHC37259	
656489	171505	TRUCK - 2017 FORD F150 EXTENDED CAB	3/8/2018	1FTEX1C82HHC37260	
656490	175703	TRUCK - 2017 FORD F550 CREWCAB WITH UTILITY BODY	11/8/2017	1FDOW5GT8HEB92970	
656495	0600002	SBWQ SAMPLE STORAGE REFRIDGERATOR SSR#10 SAMPLE PREP LAB	1/11/2018	146-26-594	Continental
656500	171501	TRUCK - 2017 FORD F150	3/28/2018	1FTEX1C80HHC37256	
656501	171502	TRUCK - 2017 FORD F150	10/31/2017	1FTEX1C82HHC37257	
656502	175701	TRUCK - 2017 FORD F550 CREWCAB WITH UTILITY BODY	3/28/2018	1FDOW5GT1HEB92969	
656503	175702	TRUCK - 2017 FORD F550 CREWCAB WITH UTILITY BODY	3/20/2018	1FDOW5GTXHUB92971	
656504	173103	SUV- 2017 FORD ESCAPE 4DR	12/28/2017	1FMCU0FXHUC10868	
656505	173202	TRUCK - 2017 FORD F250 W/SERVICE BODY & LIFTGATE	11/8/2017	1FTBF2A64HEB92964	
656526	173204	TRUCK - 2017 FORD F250	11/8/2017	1FTBF2A66HEB92965	
656527	173203	TRUCK - 2017 FORD F250 W/TOMMY GATE	12/19/2017	1FTBF2A68HEB92966	
656528	171506	TRUCK - 2017 FORD F150 CREW CAB 2WD	12/28/2017	1FTEW1C83HFA76526	
657196	9200001	Wildcat - Orange Screener	11/15/2017	1W9SP4813	
657197	1400003	Kolman 3-piece Screener	11/15/2017	03-043	
657199	1400007	HP DESIGNJET T7100 LARGE FORMAT PRINTER	7/25/2017	MY34479004	
657727	171507	Truck - 2017 Chevy Silverado 1500	3/20/2018	1GCVKNEC3HZ240442	

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657728	171508	Truck - 2017 Chevy Silverado 1500	12/13/2017	1GCVKNEC2HZ237709	
658475	173104	SUV - 2017 FORD EXPLORER	1/9/2018	1FM5K8B81HGC32235	
658539	037460	OPEN TOP 25CU TD ROLL OFF CONTAINER	5/4/2018		
658540	037461	OPEN TOP 25CU TD ROLL OFF CONTAINER	4/27/2018	CF-2110	RB-25-O-S
659783	1700019	24 PORT ON LINE 2 - SWITCH	7/25/2017	FDO2052Q0LA	
659784	1700020	48 PORT ON LINE 1 - SWITCH	7/25/2017	FDO2008Q015	
659785	1700021	48 PORT ON LINE 1 - SWITCH	7/25/2017	FDO2108Q017	
659786	1700022	48 PORT ON LINE 1 - SWITCH	7/25/2017	FDO2108E01Y	
659787	1700023	48 PORT ON LINE 1 - SWITCH	7/25/2017	FDO2108E029	
659788	1700024	48 GIGE LINE 6 - SWITCH	7/25/2017	FDO0211819V	
660157	1700030	Nexus 5548 UP Chassis, 32 10GbE Ports, 2 PS, 2 Fans	7/11/2017	SSI16120D91	
660158	1700031	Nexus 5548 UP Chassis, 32 10GbE Ports, 2 PS, 2 Fans	7/11/2017	SSI16170FBF	
660159	1700032	CATALYST 4500 X SERIES	7/11/2017	JAE17220AMT	
660160	1700033	CATALYST 4500 X SERIES	7/11/2017	JAE17220AMD	
660259	0300001	UPS SYSTEM	7/13/2017	EV372ZBA05	9315
660260	0300002	CABINET 7X24 STARUP	7/13/2017	FV3654XX06	480V
660261	0500001	TAPE DRIVE STORAGE	7/13/2017	01228420433MA0058	L25SDLT
660265	0800001	Sun SL500 Tape Jukebox	7/13/2017	559000200857	SL500
660266	1000001	SMARTBOARD 77"	7/13/2017	MSAF020735L	SB680
660268	0800002	HP Designjet T1100ps PRINTER	7/13/2017	DK7CC4C02K	T1100
660269	1000003	Mitsubishi PROJECTOR, LCD	7/13/2017	5002215	XL2550U
660270	1000004	Epson PROJECTOR, LUMEN	7/13/2017	MSAF040346L	EMP460
660281	1400008	Epson Powerlite pro projector	7/10/2017	VWSF580416L	G6770WU
660282	1500011	SERVER HP Proliant DL360e G8	7/6/2017	MXQ3020148	DL360e
660283	1700025	Simplivity HPE DL380 Gen 9 Server	7/6/2017	MXQ72300PH	
660284	1700026	Simplivity HPE DL380 Gen 9 Server	7/6/2017	MXQ72300PJ	
660285	1700027	Simplivity HPE DL380 Gen 9 Server	7/6/2017	MXQ72300PK	
660286	1700028	Simplivity HPE DL380 Gen 9 Server	7/6/2017	MXQ72300PL	
660292	0700004	ETHERNET ADAPTIVE SECURITY APPLIANC	7/14/2017	SJMX1133LOKP	ASA5520
660371	1700029	Portable Carbon Unit, VF 5000 Vessel	7/13/2017		
903300	UNK00040	SBWQ TEMPERATURE CONTROL CHILLER ICP ANALYZER	2/2/2018	2F1381314	N0772046
903301	UNK00017	SBWQ AUTOSAMPLER TOTAL ORGANIC CARBON LAB INSTRUMENT CHROMOTOGRAPHY LAB	2/2/2018	4642A11249	SIEVERS 900
903302	UNK00018	SBWQ AUTOSAMPLER ION CHROMOTOGRAPHY LAB INSTRUMENT CHROMOTOGRAPHY LAB	2/2/2018	14111337	DIONEX AS-DV 068888
903303	UNK00019	SBWQ UV-VIS SPECTROPHOTOMETER LAB INSTRUMENT CHEMISTRY LAB	2/2/2018	1359809	DR 5000
903304	UNK00020	SBWQ DISSOLVED OXYGEN LAB INSTRUMENT CHEMISTRY LAB	2/2/2018	13470695	MULTILAB IDS 4010-3
903305	UNK00021	SBWQ AUTOSAMPLER LAB INSTRUMENT ICP MASS SPECTROMETER METALS LAB	2/2/2018		S10
903306	UNK00022	SBWQ TURBIDIMETER LAB INSTRUMENT CHEMISTRY LAB	2/2/2018	13013C029723	2100N
903307	UNK00023	SBWQ MASS BALANCE LAB INSTRUMENT CHEMISTRY LAB	2/2/2018	H50390	AE100
903308	UNK00024	SBWQ CENTRIFUGE LAB INSTRUMENT CHEMISTRY LAB	2/2/2018		SORVALL LEGEND XF
903309	0900002	SBWQ INCUBATOR OVEN CHEMISTRY LAB	2/2/2018	41840875	89511-428
903310	0900001	SBWQ INCUBATOR OVEN PATHOGENIC MICRO LAB	2/2/2018	8006806	EQUATHERM
903311	UNK00025	SBWQ SAMPLE STORAGE REFRIDGERATOR SSR #16 PATHOGENIC MICRO LAB	2/2/2018	3084455	
903312	UNK00026	SBWQ SAMPLE STORAGE REFRIDGERATOR SSR #20 PATHOGENIC MICRO LAB	2/2/2018	B511L134SUM16010199	
903313	UNK00027	SBWQ SAMPLE STORAGE REFRIDGERATOR SSR #13 PATHOGENIC MICRO LAB	2/2/2018	6649591	
903314	UNK00028	SBWQ SAMPLE STORAGE REFRIDGERATOR SSR #18 SAMPLE PREP LAB	2/2/2018	C511L134SUM16030455	
903315	UNK00029	SBWQ SAMPLE STORAGE REFRIDGERATOR SSR #15 SAMPLE PREP LAB	2/2/2018	15510816	
903316	UNK00038	SBWQ MASS BALANCE SCALE SAMPLE PREP LAB 113	2/2/2018	A67368	
903317	UNK00039	SBWQ MASS BALANCE SCALE SAMPLE PREP LAB 113	2/2/2018	1126163269	
903318	UNK00037	SBWQ GLASSWEAR WASHER CHEMISTRY LAB	2/2/2018	218866	82100-004
903319	UNK00036	SBWQ WATER BATH 1 CHEMISTRY LAB	2/2/2018	0201-3571	AQUABATH
903320	UNK00035	SBWQ WATER BATH 2 PATHOGENIC MICRO LAB	2/2/2018	204366221	MODEL 2868 CATELOG 61221036

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903321	UNK00041	SBWQ HOT PLATE 1 CHEMISTRY LAB	2/2/2018	C1707120205620	TYPE 2200
903322	UNK00042	SBWQ HOT PLATE 2 CHEMISTRY LAB	2/2/2018	C1707120205624	TYPE 2200
903323	UNK00043	SBWQ HOT PLATE 3 CHEMISTRY LAB	2/2/2018	C1719160507020	TYPE 2200
907799	IT5096	SWITCH, CISCO, Catalyst 2960, 24	7/6/2017	FOC143823PA	
910498	176101	BACKHOE, 2017 CATERPILLAR 420F2	3/20/2018	CAT0420FHHWC02555	420F2 4WDE
910499	172201	SEDAN, 2017 FORD FOCUS	10/11/2017	1FADP3E2XHL277151	
910501	172405	VAN, 2017 FORD TRANSIT CONNECT CARGO	10/12/2017	NM0LS7E74H1326361	
910503	172406	VAN, 2017 FORD TRANSIT CONNECT CARGO	10/12/2017	NM0LS7E78H1326363	
910504	172402	VAN, 2017 FORD ECONOLINE WITH KUV UPFIT	3/20/2018	1FDWE3F67HDC60274	
910505	172403	VAN, 2017 FORD ECONOLINE WITH KUV UPFIT	3/20/2018	1FDWE3F61HDC63106	
910506	172404	VAN, 2017 FORD ECONOLINE WITH KUV UPFIT	10/12/2017	1FDWE3F63HDC63107	
911085	176304	CLUBCAR, 2017 CARRYALL 300	12/19/2017	MC1811-856550	
911088	176305	CLUBCAR, 2017 CARRYALL 300	3/2/2018	MC1811-856549	
911284	183104	SUV, 2018 FORD ESCAPE	12/8/2017	1FMCU0F76JUA25416	
911285	183103	SUV, 2018 FORD ESCAPE	12/28/2017	1FMCU0F78JUA25417	
911286	183102	SUV, 2018 FORD ESCAPE	12/28/2017	1FMCU0F7XJUA25418	
911287	183101	SUV, 2018 FORD ESCAPE	3/19/2018	1FMCU0F74JUA25415	
911288	181508	TRUCK, 2018 FORD F150 EXTENDED CAB 4X4	1/10/2018	1FTEX1EP9JKC05027	
911289	181503	TRUCK, 2018 FORD F150 EXT CAB 2WD	12/28/2017	1FTMF1CPXJKC12473	
911290	181505	TRUCK, 2018 FORD F150 EXTENDED CAB W.LIFTGATE	1/20/2018	1FTEX1CPXJKC12474	
911291	181501	TRUCK, 2018 FORD F150 REG CAB 2WD	3/2/2018	1FTMF1CP6JKC12471	
911292	181502	TRUCK, 2018 FORD F150 REG CAB 2WD	1/9/2018	1FTMF1CP8JKC12472	
911293	181504	TRUCK, 2018 FORD F150 EXT CAB 2WD	12/8/2017	1FTEX1CP5JKC12477	
911294	IT1801	ROUTER, CISCO 4451-X	12/7/2017	FJC2127D0Y3	
911295	IT1802	ROUTER, CISCO 4431	12/7/2017	FLM2126W1B7	
911296	IT1803	ROUTER, CISCO 4431	12/20/2017	FLM2126W1B8	
911344	187101	P185WDOU-T4F AIR COMPRESSOR - 1217A2376	3/20/2018	482376UHA8F89	P185WDOU-T4F
911345	187102	P185WDOU-T4F AIR COMPRESSOR - 1217A2377	3/20/2018	482377UHA8F89	P185WDOU-T4F
911346	182501	TRUCK, 2017 FORD F250 WITH SERVICE BODY AND RACK	12/19/2017	1FD7X2A63HEE72602	
911347	182502	TRUCK, 2017 FORD F250 WITH SERVICE BODY AND RACK	12/19/2017	1FD7X2A61HEE72601	
911350	182155-01	72" SWEEPER ATTACHMENT	1/4/2018	783742424	
911414	181509	TRUCK, 2017 FORD F150 EXTENDED CAB 4X4	12/20/2017	1FTFX1EG4HKE39459	
911415	181510	TRUCK, 2017 FORD F150 EXTENDED CAB 4X4	12/20/2017	1FTFX1EG0HKE39460	
911416	182503	TRUCK, 2017 FORD F250 EXTENDED CAB W/SERVICE BODY & RACK	12/19/2017	1FD7X2A67HEE72599	
911417	182504	TRUCK, 2017 FORD F250 EXTENDED CAB W/SERVICE BODY & RACK	12/15/2017	1FD7X2A67HEE72600	
911464	1801	LOADER, 2017 JOHN DEERE FRONT-END 844K-III	3/2/2018	1DW844KCEHF683947	844K-III
911465	187801	TRAILER, 2017 TRAIL KING 5TH WHEEL 48"W	1/10/2018	1TKL0412XJW095209	OLB36-102
911468	IT1804	CISCO NEXUS 5K SWITCH	12/27/2017	FOC213209A6	NEXUS 5548
911469	IT1805	CISCO NEXUS 5K SWITCH	12/27/2017	FPC212715B7	NEXUS 5548
911470	187802	TRAILER, 2017 TRAILKING 5TH WHEEL 48"W	1/10/2018	1TKL04126JW095210	OLB36-102
911473	IT1806	SIMPLIVITY HPE DL380 GEN 9 SERVER	12/27/2017	MXQ744045B	
911474	IT1807	SIMPLIVITY HPE DL380 GEN 9 SERVER	12/27/2017	MXQ7440458	
911475	IT1808	SIMPLIVITY HPE DL380 GEN 9 SERVER	12/27/2017	MXQ7440459	
911476	1800001	PSI TAPPING MACHINE 8"	1/4/2018		
911504	187803	TRAILER, 2017 TRAILKING 5TH WHEEL 48"W	1/10/2018	1TKL04128JW095211	
911505	187804	TRAILER, 2017 TRAILKING 5TH WHEEL 48"W	1/10/2018	1TKL0412XJW095212	
911506	187805	TRAILER, 2017 TRAILKING 5TH WHEEL 48"W	1/10/2018	1TKL04121JW095213	
911507	187501	GENERATOR, G40WDO-3A-T4F GENSETS	1/10/2018	4FVGLBBB9JU482724	46694595
911508	187502	GENERATOR, G40WDO-3A-T4F GENSETS	1/10/2018	4FVGLBBB0JU482725	46694595
911509	1800002	SBWQ SOLIDS LAB TITROSAMPLER 855 ANALYZER	1/11/2018	185003005564	855
911510	185702	TRUCK, 2017 FORD F550	1/10/2018	1FDOW5GT9HEE72591	

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911511	185703	TRUCK, 2017 FORD F550	1/10/2018	1FDOW5GT8HEE72596	
911512	185704	TRUCK, 2017 FORD F550	1/10/2018	1FDOW5GT6HEE72595	
911513	185705	TRUCK, 2017 FORD F550	1/10/2018	1FDOW5GT0HEE72592	
911514	IT1809	HP STORAGE ARRAY	1/9/2018	SGH751SK91	HPE StoreEasy 1650
911521	1800003	AUTOBLOCK PLUS METALS DIGESTION SYSTEM 120V	1/11/2018	AB4001-1017-084	AB4001
911593	UNK00030	SBWQ METALS LAB AUTOSAMPLER ICP-OES	2/2/2018	102S13072915	S10
911602	1800004	SBWQ SOLIDS LAB TITROSAMPLER DOSINO	2/2/2018	1800001099724	800
911603	1800005	SBWQ SOLIDS LAB TITROSAMPLER DOSINO	2/2/2018	1800001099726	800
911607	UNK00031	SBWQ PATHOGENIC MICRO LAB SAMPLE STORAGE REFRIGERATOR SSR 14	2/2/2018	6649592	GDM-23
911609	UNK00034	SBWQ PATHOGENIC MICRO LAB WATER BATH	2/2/2018	9608-008	253-115
911611	UNK00032	SBWQ SOLIDS LAB OVEN	2/2/2018	07-13170	FD240-UL
911612	UNK00044	SBWQ SOLIDS LAB OVEN	2/2/2018	13-08026	FD240-UL
911615	185706	TRUCK, 2017 FORD F550 WITH UTILITY UPFIT	3/2/2018	1FDOW5GT2HEE72593	
911616	185707	TRUCK, 2017 FORD F550 WITH UTILITY UPFIT	2/14/2018	1FDOW5GT4HEE72594	
911617	185708	TRUCK, 2017 FORD F550 WITH UTILITY UPFIT	2/14/2018	1FDOW5GXTHEE72597	
911618	181507	TRUCK, 2018 FORD F150 EXTENDED CAB 2WD	2/12/2018	1FTEX1CP3JKC12476	
911619	1800006	LINE LOCATOR SYSTEM PIPE & CABLE KIT	2/16/2018	8395895	TX-SEWERIN-12W PLUS 102-1550
911620	185701	TRUCK, 2017 FORD F550 WITH PLATORM BODY	3/20/2018	1FDOW5GT9HEE86099	F550
911622	182505	TRUCK, 2017 FORD F250 4X2 REG CAB SS SRW	3/2/2018	1FDBF2A63HEE73682	
911633	1200002	GEOGRAPHICAL INFORMATION SYSTEM, HANDHELD TOPCON	2/2/2018	822-10086	
911634	1200003	GEOGRAPHICAL INFORMATION SYSTEM, HANDHELD TOPCON	2/2/2018	822-10088	
911635	1200004	GEOGRAPHICAL INFORMATION SYSTEM, HANDHELD TOPCON	2/2/2018	822-10089	
911639	1800007	SBWQ SOLIDS LAB TITROSAMPLER 772 PUMP	3/20/2018	1772011036208	772
911652	IT1201	2- SAMSUNG 46" MONITOR WITH CHANNEL PLAYER	2/5/2018	20700096JEBB	DE45-H6
911653	IT1202	1- SAMSUNG 40" MONITOR WITH CHANNEL PLAYER	2/5/2018	20700372JEBB	DE45-H6
911657	IT1001	HDMI CHANNEL PLAYER WITH 2 - SAMSUNG 46" MONITORS	2/14/2018	LH46DLPLGA	
911707	1300001	TOOL, VALVE INERTION UNIT	2/16/2018		
911708	181506	TRUCK, 2018 FORD F150 SUPERCAB 4X2 SS	3/9/2018	1FTEX1CP1JKC12475	F150
911715	182506	TRUCK, 2017 FORD F250 EXT CAB 4X2 SS	3/2/2018	1FD7X2A66HEF25437	F250
911716	182507	TRUCK, 2017 FORD F250 EXT CAB 4X2 SS	3/2/2018	1FD7X2A68HEF25438	F250
911717	182508	TRUCK, 2017 FORD F250 EXT CAB 4X2 SS	3/2/2018	1FD7X2A62HEF25435	F250
911718	182509	TRUCK, 2017 FORD F250 EXT CAB 4X2 SS	3/2/2018	1FD7X2A64HEF25436	F250
911719	182510	TRUCK, 2017 FORD F250 EXT CAB 4X2 SS	3/2/2018	1FD7X2A60HEF25434	F250
911720	182511	TRUCK, 2017 FORD F250 EXT CAB 4X2 SS	3/2/2018	1FD7X2A6XHEF25439	F250
912331	185709	TRUCK, 2017 FORD F550 CREW CAB 2WD WITH BODY UPFIT	3/28/2018	1FDOW5GT1HEE99235	F550
912337	182512	182512, TRUCK, 2018 FORD F250 EXT CAB	3/23/2018	1FT7X2B62HEF25440	F250
912338	182513	182513, TRUCK, 2018 FORD F250 EXT CAB	3/23/2018	1FT7X2B64HEF25441	F250
912339	183001	183001, FORKLIFT 2017 8FD50V	3/20/2018	11352	8FD50V
912349	1800008	SBWQ BALANCE XS204	3/20/2018	B806394043	
912351	1800009	SBWQ ACER ASPIRE E18 LAPTOP SNID: 73805202976	3/20/2018	NXGG5AA0057380CB3D7600	E5-575-33BM
912357	183201	SEDAN, 2018 FORD FUSION	3/23/2018	3FA6P0G75JR103933	FUSION
912358	183202	SEDAN, 2018 FORD FUSION	3/23/2018	3GA6P0G71JR186728	FUSION
912360	183204	SEDAN, 2018 FORD FUSION	3/23/2018	3GA6P0G70JR103936	FUSION
912416	037802	OPEN TOP 25CU TD ROLL OFF CONTAINER	4/27/2018	CF-1441/1442	RB-25-O-S
912417	183105	SUV, 2018 FORD ESCAPE	3/30/2018	1FMCU0F72JUB12987	ESCAPE
912418	037092	OPEN TOP 25CU TD ROLL OFF CONTAINER	4/27/2018	CF-1632	RB-25-O-S
912419	184701	VACTOR, 2018 2100 PLUS DUAL FAN KENWORTH T440 CHASSIS	4/9/2018	3BKBHJ8X2JF216515	
912420	184702	VACTOR, 2018 2100 PLUS PD KENWORTH T440 CHASSIS	4/9/2018	3BKBHJ8X4JF216516	
912422	IT4044	SWITCH CISCO WS-C3750X-48PF-S	4/9/2018	FDO1441Z0U7	C3750X48PFS
912443	12071302A	RECPL, HOTSYS, PRESSURE WASHER, TRAILER MOUNTED	5/4/2018	11100430-100062	1285SS
912910	037803	OPEN TOP 25CU TD ROLL OFF CONTAINER 037803	4/27/2018	CF-1905	RB 20 5

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912911	037804	OPEN TOP 25CU TD ROLL OFF CONTAINER 037804	4/27/2018	CF-1903	RB 20 5
912912	037805	OPEN TOP 25CU TD ROLL OFF CONTAINER 037805	4/27/2018	CF-1904	RB 20 5
912913	N/A	OPEN TOP SMALL ROLL OFF CONTAINER	4/27/2018	CF.2200	FL.4.0.S
912914	N/A	OPEN TOP SMALL ROLL OFF CONTAINER	4/27/2018	CF.2199	FL.4.0.S
915381	187806	TRAILER, 2018 BIG TEX LANDSCAPE	5/23/2018	16VEX1627J2023060	
915382	187807	TRAILER, 2018 BIG TEX LANDSCAPE	5/23/2018	16VEX1629J2023061	
915465	1800012	LINE LOCATOR SYSTEM PIPE & CABLE KIT	5/29/2018	8413707	102-1550
915487	185710	TRUCK, 2018 FORD F550 REG CAB 2WD CHASSIS WITH STEP SAVER UPFIT	6/6/2018	1FDUF5GT5HEE86098	F550
915488	182514	TRUCK, 2018 FORD F250	6/6/2018	1FD7X2B61HEF25442	F250
915512	IT1810	SIMPLIVITY HPE DL380 GEN 9 SERVER	6/11/2018	MXQ8140332	
915513	IT1811	SIMPLIVITY HPE DL380 GEN 9 SERVER	6/11/2018	MXQ8140331	
915529	IT1812	CISCO ISR ROUTER	6/11/2018	FJC22143D0C6	ISR4451-XX9
917660	183203	SEDAN, 2018 FORD FUSION	6/27/2018	3FA6P0G78JR240199	FUSION
917661	183205	SEDAN, 2018 FORD FUSION	6/27/2018	3FA6P0G78JR253860	FUSION
918340	IT1813	CISCO ONE CATALYST 3650 48 PORT FULL POE 2X10G UPLINK	6/27/2018	FDO2212E1HV	
918341	IT1814	CISCO ONE CATALYST 3650 48 PORT FULL POE 2X10G UPLINK	6/27/2018	FDO2212E1J1	
918342	183206	SEDAN, 2018 FORD FUSION	6/27/2018	3FA6P0G71JR253862	FUSION
918343	183207	SEDAN, 2018 FORD FUSION	6/27/2018	3FA6P0G7XJR253861	FUSION
918346	183501	TRUCK, 2018 FORD F350	6/30/2018	1FDRF3BT5JEC64734	F350
918347	183502	TRUCK, 2018 FORD F350	6/30/2018	1FDRF3BT7JEC64735	F350
918349	183503	TRUCK, 2018 FORD F350	6/30/2018	1FDRF3GTXJEC64737	F350
918350	187808	TRAILER, 2018 VBS-608 ODOR CONTROL	6/30/2018	4FVGLBB9JU482724	
918351	187809	TRAILER, 2018 VBS-608 ODOR CONTROL G40WDO-3Z-T 4F	6/30/2018	4FVGLBBBOJU482725	
918352	187808A	ODOR CONTROL UNIT VBS-608	6/30/2018	482724U IABG67	
918353	187809A	ODOR CONTROL UNIT VBS-608 G40WDO-3ZT 4F	6/30/2018	482725U IABG67	



Meeting Date: August 22, 2018
Staff Contact: Peter Auh, General Counsel

TITLE: C-18-27 – Professional Services Contract for Legal Services

ACTION: Recommend Approval

SUMMARY:

Professional Services Contract with the law firm of Modrall Sperling Roehl Harris & Sisk, P.A. to represent the Water Authority in an administrative hearing prosecuted by the Air Quality Program of the City of Albuquerque’s Environmental Health Department.

COMMENTS:

The Air Quality Program (AQP) of the City’s Environmental Health Department filed a Notice of Charges against the Water Authority, listing five counts of violation by the Southwest Reclamation Plant (SWRP) of its Title V air quality permit. The Water Authority retained the Modrall law firm for its expertise in air quality regulations. Four of the five counts have been settled, but the fifth count—which focuses on whether the SWRP has been “reconstructed” as that term of art is defined in the federal Clean Air Act. Reconstruction occurs if the total amount of fixed capital costs of new components added to the wastewater treatment facility exceeds 50 percent of the fixed capital costs that would be required to construct a comparable new facility. If “reconstruction” has occurred, the SWRP is subject to significantly more onerous and costly reporting requirements.

The Water Authority engaged Carollo Engineering to calculate the dollar amount of fixed capital costs of new components, as well as a valuation of how much it would cost to construct a comparable new facility. Carollo’s analysis resulted in a ratio of 15.1%, well below the 50% threshold for “reconstruction.” Despite what appears to be convincing evidence that the Water Authority has not “reconstructed,” the AQP continues to aggressively litigate this issue and the Water Authority is required to defend against it.

FISCAL IMPACT:

FY18- \$80,503. FY19- \$50,000.

Meeting Date: August 22, 2018
Staff Contact: Stan Allred, Chief Financial Officer

TITLE: C-18-28 – Approving Recommendation of Investment Strategy

ACTION: Recommend Approval

SUMMARY:

The Investment Oversight Committee of the Albuquerque Bernalillo County Water Utility Authority (the Water Authority) approved on August 10, 2018 along with Public Trust Advisors, the Water Authority's Investment Advisor a new Investment Strategy that best meet the objectives of safety, liquidity and yield in managing the funds currently held by the Water Authority. The committee determined that there is opportunity to improve both safety and yield in the current marketplace.

The Investment Oversight Committee is made up of: Board Member (Councilor Trudy Jones), Executive Director, Chief Financial Officer, Chief Operating Officer, and a Director from RBC Capital Markets (Eric Harrigan). The Committee voted unanimously to implement the strategy recommended by Public Trust Advisors.

RECOMMENDATION:

The committee recommends that the Board approve the investment of a total of \$100 million in US Treasury securities, invested in an even ladder and the portfolio of Treasury bills will mature in June of 2019. Then, as the securities mature, the funds that are not needed for current projects or operating needs will be reinvested at the end of the ladder to maintain the even flow of funds.

FISCAL IMPACT:

Continue to diversify funds on deposit and improve yield to meet the Authority's investment objectives of safety, liquidity and then yield by:

- Maintaining \$36 million / Six month Treasury Bill ladder.
- Adding a \$64 million Treasury Bill ladder whose funds will be used to make a July 1, 2019 debt payment. This portfolio of bills will all mature in June of 2019.
- High levels of liquidity will be maintained in immediately available bank deposits.

The additional interest income from the \$64 million should exceed \$500,000 in FY19 and is targeted to help offset credit card fees.



Memo

To: Albuquerque Bernalillo County Water Utility Authority Board

From: Stanley Allred, CFO Albuquerque Bernalillo County Water Utility Authority

Date: 8/14/2018

Re: Investment Strategy

Presented for the Boards approval is the proposed new Investment strategy for the Authority along with the Authority's current Strategy. The Strategy was developed by the Authority's Investment consultant Public Trust, along with the CFO, Controller and Treasurer of the Authority. The Proposed Strategy was then reviewed by the Authority's Attorney Peter Auh and the Authority's investment Committee. All five members of the committee voted approval of the new strategy. The Committee is made up of Trudy Jones, ABCWUA Chairperson, Mark Sanchez, Executive Director, Stan Allred, CFO, John Stomp, COO, and Eric Harrigan, Managing Partner RBC Capital Markets and ABCWUA's Financial Advisor.

Current Investment Strategy:

Diversify funds on deposit and improve yield to meet the Authority's investment objectives of safety, liquidity and then yield by investing \$36 million in short-term US Treasury securities. \$6 million blocks have been invested in an even ladder with one block maturing every month.

Investment earnings for the six month period of January 1, 2017 to June 30, 2018 was 1.844%. Total interest income in that period was slightly over \$284,224 (advisor fees were \$14,882). For comparison purposes the same \$36 million in deposits held by Wells Fargo Bank at 0.3725% would have earned about \$67,050 in the same period.

Proposed Investment Strategy:

Continue to diversify funds on deposit and improve yield to meet the Authority's investment objectives of safety, liquidity and then yield by:

- Maintaining \$36 million / 6 month Treasury Bill ladder.
- Adding a \$64 million Treasury Bill ladder whose funds will be used to make a July 1, 2019 debt payment. This portfolio of bills will all mature in June of 2019.
- High levels of liquidity will be maintained in immediately available bank deposits.

The additional interest income from the \$64 million should exceed \$500,000 in FY19 and is targeted to help offset credit card fees.

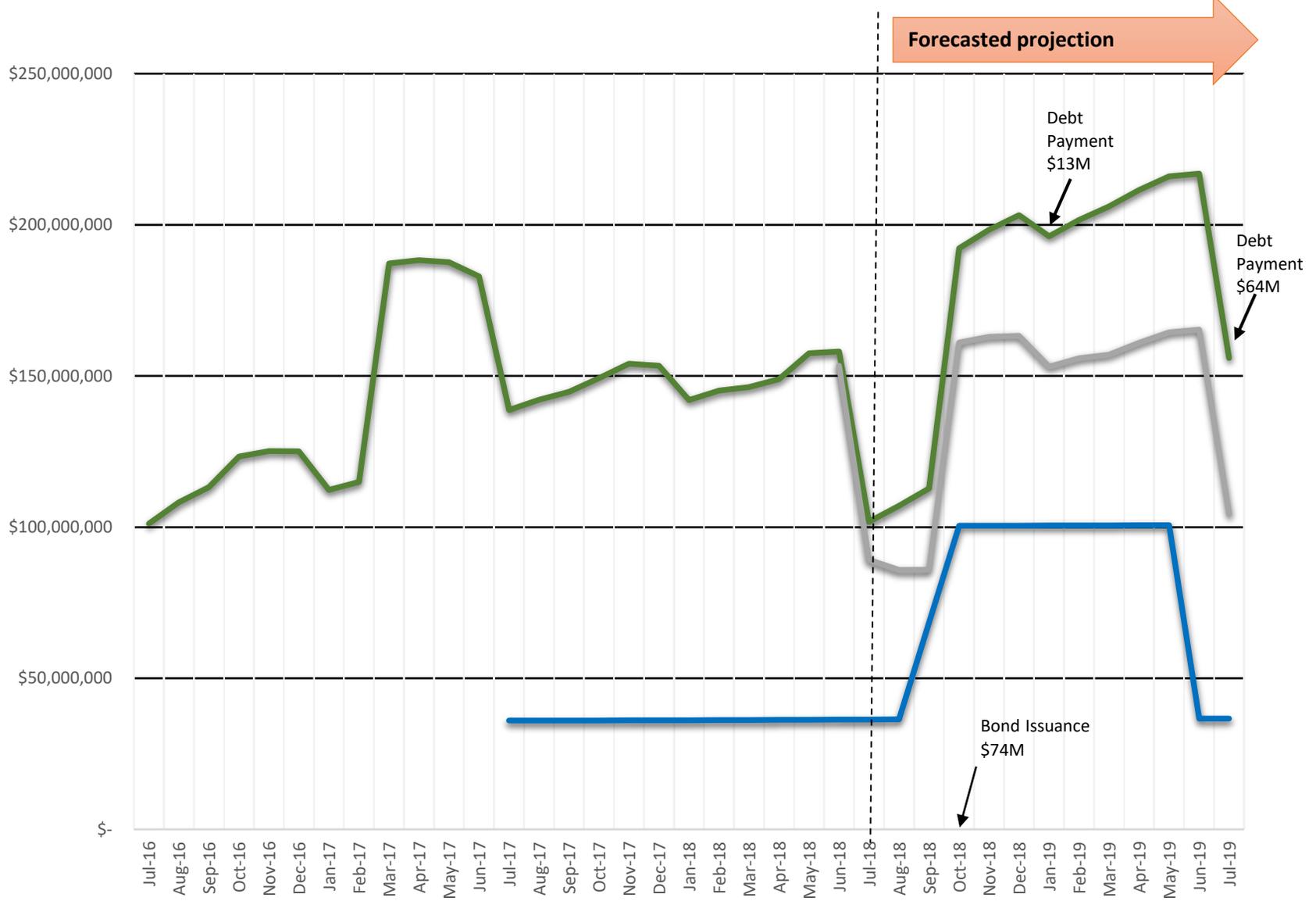
Cash Flow Position*:

Source	As of: 8-Aug-18	Proposed: 1-Sep-18	Proposed: 1-Nov-18
Treasury Bills	36M	72M	100M
Bank Deposits	<u>72M</u>	<u>40M</u>	<u>100M</u>
TOTAL CASH	108M	112M	200M

* See attached Cashflow Projection Chart.

Cashflow projections through 7/1/2019

— EOM Cash
 — US Gov't Investments
 — EOM Cash less Commitments





Meeting Date: August 22, 2018

Staff Contact: Kristopher Cadena, Principal Engineer, Utility Development

TITLE: R-18-17 – Authorizing an Agreement for Water and Sewer Service for Anasazi Ridge Unit 3

ACTION: Recommend Approval

SUMMARY:

The development is located along the south side of McMahan Blvd., east of Universe Blvd. within the City Limits. The property is located outside of the Adopted Service Area. The project consists of 24 residential lots.

The property lies within Pressure Zone 4W in the Corrales Trunk.

Water and wastewater service is contingent on the Developer constructing internal distribution and collector lines that tie to the existing infrastructure proximate to the property.

All services provided within the development will be subject to current Utility Expansion and Water Supply Charges.

FISCAL IMPACT:

None.

DEVELOPMENT AGREEMENT
Anasazi Ridge, Unit 3

Albuquerque Bernalillo County Water Utility Authority, a New Mexico political subdivision, (“Water Authority”) and Anasa West, LLC, a New Mexico limited liability corporation, (“Developer”) (together, “Parties”), agree as follows:

1. Recitals

- A.** Anasa West, LLC is the “Developer” and owner of certain real property located in UNIT/SUBDIVISION (collectively, the “Property”). The Property is more particularly described and shown on **Exhibit A** attached hereto and incorporated herein by reference. The Property is located in the former New Mexico Utilities, Inc. (“NMUI”) service area, outside the Water Authority’s currently adopted Water Service Area. The property will consist of 24 residential lots.
- B.** The Property is described as: Portion of Lot 3, All of Lots 4-9 Block 7, Lots 9 – 13 Block 8, Lot 12 Block 9, Lots 2-10 Block 14
- C.** The Property is located in Pressure Zone 4W of the Corrales Trunk.
- D.** The Parties desire to agree upon terms and conditions pursuant to which the Water Authority will provide water and sanitary sewer service to the Property. As a condition of such service, the Developer shall construct, or cause to be constructed, extensions of existing public water and sanitary sewer lines and other necessary infrastructure improvements (collectively, “Facility Improvements”) under all applicable plans, specifications, requirements, and standards of the Water Authority. The Serviceability Letter for the Property reflecting necessary Facility Improvements referred to in this Agreement is attached hereto as **Exhibit B** and incorporated herein by reference and made a term of this Agreement.
- E.** The Facility Improvements referenced in this Agreement are not considered Master Plan improvements by the Water Authority. As such, reimbursement of construction costs associated with their construction will not be available through water and sewer UEC (defined below in Section 3.B) reimbursements.

2. Design and Construction of the Facility Improvements

- A.** The Developer will cause definitive designs and plans of the Facility Improvements to be produced which will include estimates of all costs and expenses. The Developer will not connect the Facility Improvements to the existing water and sanitary sewer lines within the City of Albuquerque

(“City”) public right-of-way or within public easements until the Water Authority has approved the Facility Improvements. The Developer will obtain all necessary permits, assurances, and approvals from the Water Authority and City, and the Developer will deliver a copy of such permits, assurances, and approvals to the Water Authority prior to the start of construction. Construction will be handled through the City work order process.

- B.** The Developer will complete, or cause to be completed, construction of the Facility Improvements as approved by the City of Albuquerque Design Review Committee and the Water Authority, and in conformance with all applicable plans, specifications, and standards of the City and the Water Authority. The Water Authority shall provide service to the Property only after the Water Authority has accepted the Facility Improvements. The Water Authority shall accept, operate and maintain the Facility Improvements after the Developer conveys, at no expense to the Water Authority, all the Facility Improvements together with all real and personal property rights which the Water Authority deems reasonably necessary which shall be free and clear of all claims, encumbrances and liens for the construction, operation and maintenance. The provisions of this Agreement constitute covenants running with the referenced Property for the benefit of the Water Authority and its successors and assigns until terminated, and are binding on the Developer and their heirs, successors and assigns.
- C.** The contractor’s one (1) year warranty period shall commence upon final project acceptance by the City. The Developer shall be responsible for conducting an 11 month warranty inspection. Developer shall be responsible for correcting any deficiencies found during the inspection to the satisfaction of the Water Authority.
- D.** The Developer will be responsible for close coordination of the project with the Water Authority during the design and construction phases, including review of design details, during the design process, and the approval of specifications and contract documents. The Water Authority will review and approve in a timely manner the design plans for construction and estimated cost, to ensure the designs meet Water Authority standards and follow the guidance provided in the City’s Development Process Manual (“DPM”) and/or applicable Water Authority Design Manuals.
- E.** To the extent relevant and applicable and to the extent there is no conflict with the terms of this Agreement, the usual procedures and documentation, including the Procedure “B”, as defined in the Subdivision Ordinance and the DPM of the City, will be followed and used for the Facility Improvements.

3. Service

- A. The Developer shall comply with the Water Authority's Water and Sewer System Expansion Ordinance, as amended from time to time. Connection for water service shall require the concurrent connection of sanitary sewer service to the Water Authority's wastewater system.
 - B. The Developer or its successor shall pay Utility Expansion Charges (UEC) and the Water Supply Charges (WSCs) at the rates that are imposed at the time of a service connection, as provided in the Water Authority's Water and Sewer Rate Ordinance, as amended from time to time.
 - C. Pursuant to Water Authority Resolution No. R-05-13, the Developer agrees that it will incorporate water conservation guidelines that will seek to achieve water usage of no more than 180 gallons per household which is equivalent to seventy-five (75) gallons per capita per day.
4. **Financial Guarantee** - For any Master Plan Infrastructure required to be constructed by Developer herein, the Developer shall provide a financial guarantee in the form of a property lien that is acceptable to the Water Authority as assurance that the Master Plan Infrastructure will be completed and placed in service.
5. **Termination.** If construction of the Facility Improvements by the Developer has not been completed and accepted by the Water Authority within seven years of the effective date of this Agreement, this Agreement shall automatically terminate, and the Water Authority and the Developer shall have no further rights, obligations, or liabilities with respect to this Agreement, unless otherwise agreed in writing.
6. **Water for Construction.** During the construction of the Facility Improvements, the Developer agrees to utilize alternative methods as approved by the City of Albuquerque's Air Quality Division for dust abatement and control including compost from the Water Authority, if economically feasible. The Developers may purchase water for construction from the Water Authority from the nearest approved fire hydrant in accordance with the Water Authority's Water and Sewer Rate Ordinance. Water purchased from the Water Authority shall be used only for construction.
7. **Indemnification.** Until final acceptance of the Facility Improvements by the Water Authority, the Developer shall be solely responsible for the condition and maintenance of the Facility Improvements and the premises upon which the Facility Improvements are constructed. The Developer agrees to indemnify and hold harmless the Water Authority and its officials, agents, and employees from and against all suits, actions or claims of any character brought because of any injury or damage arising out of the design or construction of the Facility Improvements, or by reason of any act or omission, or misconduct of the Developer, its agents, employees or the Engineer or Contractor or its agents or employees. The indemnity required hereunder shall not be limited by reason of the specification of any particular insurance coverage in this Agreement. Nothing herein is intended to impair any right

or immunity under the laws of the State of New Mexico. The indemnification by the Developer herein does not extend to the negligent acts of the Water Authority.

8. Representations and Warranties of Developer. The Developer represents and warrants that:

- A. Developer is a validly existing limited liability company under the laws of the State of New Mexico.
- B. Developer has all the requisite power and authority to enter into this Agreement and bind the Developer under the terms of the Agreement; and
- C. The undersigned officer of the Developer is fully authorized to execute this Agreement on behalf of the Developer.

9. Notices. Any notice to be given under this Agreement will be in writing and will be deemed to have been given when deposited with the United States Postal Service, postage prepaid and addressed as follows:

If to the Water Authority:

Mark S. Sanchez
Executive Director
Albuquerque Bernalillo County
Water Utility Authority
One Civic Plaza, Room 5012
Albuquerque, New Mexico 87102

If to Developer:

Anasa West, LLC
Attention: W. Michael Fretz – Managing Member
9600 Tennyson St. NE
Albuquerque, NM 87122

10. Assignment. This Agreement will not be assigned without the prior written consent of the Water Authority and the Developer. If so assigned, this Agreement shall extend to and be binding upon the successors and assigns of the parties hereto.

11. Miscellaneous. This Agreement will be governed by and interpreted in accordance with the laws of the State of New Mexico. The headings used in this Agreement are for convenience only and shall be disregarded in interpreting the substantive provisions of the Agreement. This Agreement binds and benefits the Water Authority and their successors, assigns, and transferees and the Developer and their successors, assigns and transferees. Time is of the essence for each term of this Agreement. If any provision of this Agreement is determined by a court of competent jurisdiction to

be void, invalid, illegal, or unenforceable, that portion will be severed from this Agreement and the remaining parts will remain in full force as though the invalid, illegal, or unenforceable portion had never been a part of this Agreement.

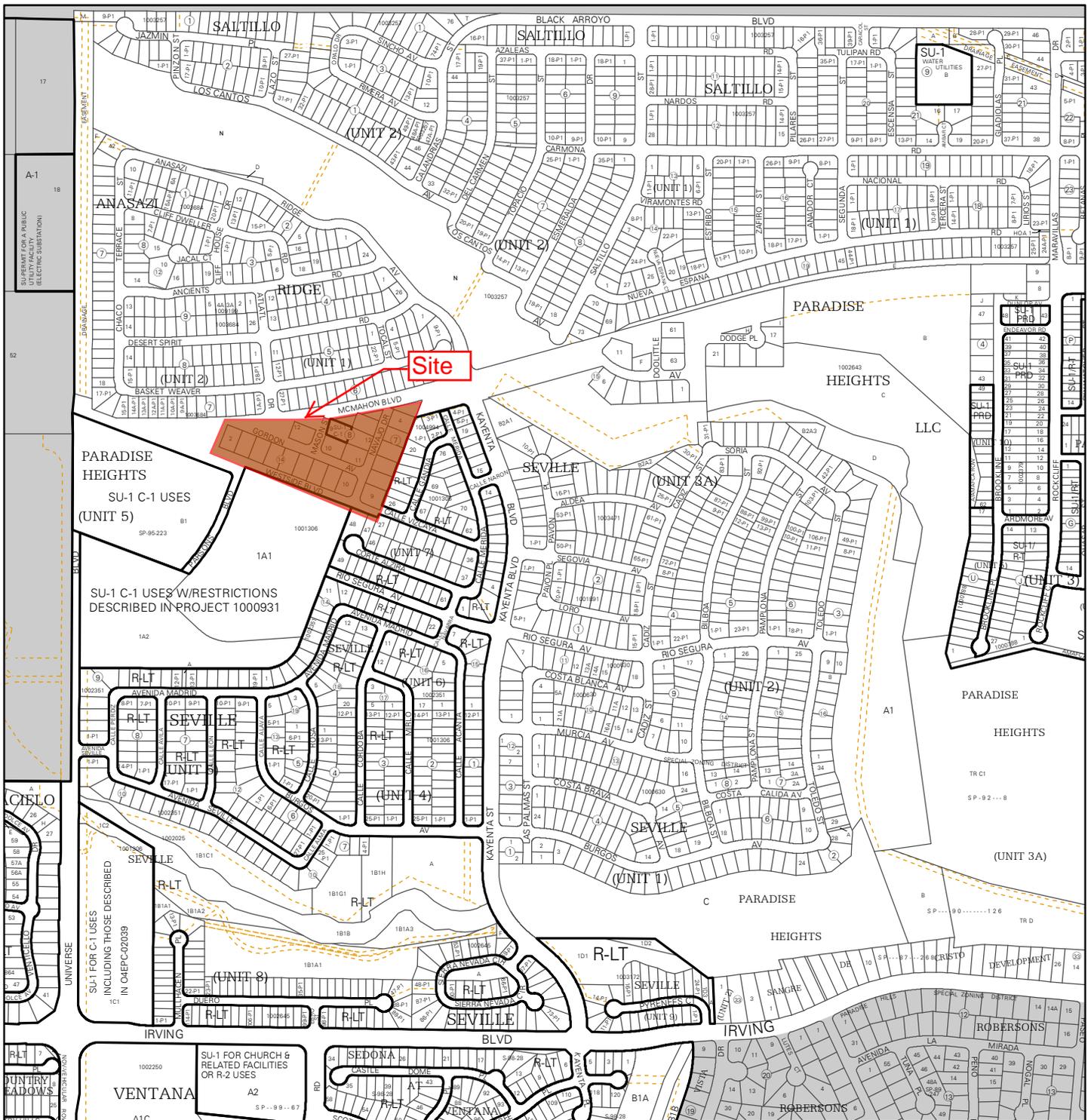
12. Integration; Interpretation. This Agreement contains or expressly incorporates by reference the entire agreement of the parties with respect to the matters contemplated by this Agreement and supersedes all prior negotiations. This Agreement may only be modified in writing executed by both parties.

13. Approval. This Agreement is subject to the approval of the Board of Directors of the Water Authority and will not become effective until approved by the Water Authority.

14. Effective Date. The effective date of this Agreement is the date last entered below.

In Witness Whereof, the parties hereto have executed this Agreement on the dates entered below.

Exhibit A



For more current information and details visit: <http://www.cabq.gov/gis>

Map amended through: 1/28/2016

Note: Grey Shading Represents Area Outside of the City Limits

Zone Atlas Page:
A-10-Z

Selected Symbols

- SECTOR PLANS
- Design Overlay Zones
- City Historic Zones
- H-1 Buffer Zone
- Petroglyph Mon.
- Escarpment
- 2 Mile Airport Zone
- Airport Noise Contours
- Wall Overlay Zone

0 750 1,500 Feet

December 11, 2017

Chair

Klarissa J. Peña
City of Albuquerque
Councilor, District 3

Vice Chair

Debbie O'Malley
County of Bernalillo
Commissioner, District 1

Timothy M. Keller
City of Albuquerque
Mayor

Pat Davis
City of Albuquerque
Councilor, District 6

Maggie Hart Stebbins
County of Bernalillo
Commissioner, District 3

Wayne Johnson
County of Bernalillo
Commissioner, District 5

Trudy E. Jones
City of Albuquerque
Councilor, District 8

Ex-Officio Member
Pablo R. Rael
Village of Los Ranchos
Board Trustee

Executive Director
Mark S. Sanchez

Website
www.abcwua.org

Mark Goodwin
Mark Goodwin & Associates, PA
P.O. Box 90606
Albuquerque, NM 87199

**RE: Water and Sanitary Sewer Serviceability Letter #171101
Anasazi Ridge Unity 3
McMahon between Keyenta and Westside**

Mr. Goodwin:

Service requirements were last addressed in a Serviceability Letter #160303 dated April 1, 2016 (attached). The information and conditions described in the previous Serviceability Letter are still applicable.

The attached letter, in conjunction with the statements presented in this document, is hereby renewed for a period of one year from the date of this correspondence. Please feel free to contact Mr. Kristopher Cadena in our Utility Development Section at (505) 289-3301 or email at kcadena@abcwua.org if you have questions regarding the information presented herein or need additional information.

Sincerely,



Mark S. Sanchez
Executive Director

Encl: Serviceability Letter #171101
f/ Serviceability Letter #160303

Meeting Date: August 22, 2018

Staff Contact: John M. Stomp, Chief Operating Officer

TITLE: R-18-22 – Authorizing the Albuquerque Bernalillo County Water Utility Authority to Submit an Application for Funding to the Water Trust Board for the Uptown Water Reuse Project

ACTION: Recommend Approval

SUMMARY:

This resolution authorizes the Albuquerque Bernalillo County Water Utility Authority (Water Authority) to submit an application for funding from the Water Trust Board (WTB) for the Uptown Water Reuse Project. This project includes the construction of a new on-site wastewater plant which will reduce potable water use by providing reclaimed water for irrigation for the 83 acre Winrock site and for public parks in the surrounding area. The new plant is rated at 60,000 gallons per day but is expandable to meet increased demand in the Uptown and Northeast Heights area. This project provides for a public-private-partnership showcasing cutting edge approach for innovative water conservation techniques and strategies. Winrock's retail and entertainment mix will attract local residents and visitors alike, presenting an excellent opportunity to create awareness of better conservation and utilization of resources.

FISCAL IMPACT:

The estimated cost of the project is approximately \$2.5 million. The Water Authority is requesting \$1.5 million in grant funding from the Water Trust Fund. Winrock is providing funding to cover the loan portion of the funding request.

**ALBUQUERQUE BERNALILLO COUNTY
WATER UTILITY AUTHORITY**

BILL NO. R-18-22

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RESOLUTION

**AUTHORIZING THE ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY
AUTHORITY TO SUBMIT AN APPLICATION FOR FUNDING TO THE WATER
TRUST BOARD FOR THE UPTOWN WATER REUSE PROJECT**

WHEREAS, the redevelopment of the Winrock shopping area will create a high density, mixed-use, urban environment; and

WHEREAS, Winrock’s retail and entertainment mix will attract local residents and visitors alike, presenting an excellent opportunity to create awareness of better conservation and utilization of resources; and

WHEREAS, the construction of a new on-site wastewater plant will reduce potable water use by providing reclaimed water for irrigation for the 83 acre Winrock site and for public parks in the surrounding area; and

WHEREAS, the new plant is rated at 60,000 gallons per day but is expandable to meet increased demand in the Uptown and Northeast Heights area; and

WHEREAS, this project provides for a public-private-partnership showcasing cutting edge approach for innovative water conservation techniques and strategies.

BE IT RESOLVED BY THE WATER AUTHORITY:

Section 1. That the Executive Director is authorized to submit an application to the Water Trust Board requesting funds for the Uptown Water Reuse Project.



Meeting Date: August 22, 2018
Staff Contact: Stan Allred, Chief Financial Officer

TITLE: R-18-23 – Authorizing the Removal of Certain Uncollectable Accounts from the Albuquerque Bernalillo County Water Utility Authority Accounts Receivable Records FY2013 and Prior

ACTION: Recommend Approval

SUMMARY:

This legislation provides information to support a request to the Board authorizing the removal of uncollectable accounts greater than four (4) years old totaling \$105,017.36.

FISCAL IMPACT:

Since 1965, pursuant to NMSA 1978, § 3-37-7, New Mexico municipalities have been expressly permitted to write off uncollectable debt. Counties and political subdivisions like the Albuquerque Bernalillo County Water Authority (Water Authority) may use the same process as a municipality to write off uncollectable debt through the procedure set forth in state law. This process will avoid an excessive accrual of accounts receivable while also accurately report the financial position of the Water Authority and comply with state debt-collection law. Further, the Water Authority should not represent to its customers, either in invoices or in any demand, that the customer owes any amount that was accrued more than four years prior to the demand.

The Chief Financial Officer (CFO) of the Water Authority states that:

- a) A utility account or any unsecured account services have been incurred;
- b) Diligent efforts were made to collect the utility account or unsecured account and to locate a debtor;
- c) That the utility account or unsecured account has been uncollectable for a period of more than four years; and
- d) That in his opinion the utility account or unsecured account is uncollectable.

Staff recommends authorization to remove the uncollectable accounts as shown in Exhibit A.

Attachments:

Resolution
Exhibit A

CCB ACCT #	MAILING ADDRESS	AMOUNT DUE
374807283	2625 DECKER NW	\$ 15.49
1051949021	2535 LAKEVIEW SW	\$ 19.95
1528948493	1101 SANTA MARTHA CT NE	\$ 350.02
2799723074	6301 CANVASBACK CT NE	\$ 36.23
6254072972	2212 EL NAVAJO ST SW	\$ 77.44
7406488046	120 HIGHWAY 66 E	\$ 992.75
9551317178	1310 RINCONADA SW	\$ 8.51
9611641760	2108 SILVER SE	\$ 17.33
6185719566	305 LISBON AVE	\$ 210.00
7907985824	1839 BOLD RULER ST SE	\$ 27.83
8822381875	8235 RUIDOSO RD NE	\$ 25.46
1013168245	8923 CORDOVA AVE NE	\$ 29.93
1594812551	1205 BROADWAY SE	\$ 31.50
2562095534	ATTN MARK OTERO	\$ 3,676.29
3528666995	2132 TAPIA BLVD SW	\$ 28.35
3761950267	6601 CUEVA ESCONDIDA NW	\$ 22.05
5750225681	9909 DENALI RD NE	\$ 24.94
5801236303	5213 COLLEGE HEIGHTS DR NW	\$ 24.15
9547711075	MARK DYKE	\$ 11.81
5019653016	8316 VISTA SERENA SW	\$ 23.10
9699082464	5820 DAY DREAMER RD NW	\$ 40.43
1276535764	6889 AUGUSTA HILLS DR NE	\$ 48.30
3836742142	5539 CORRALES RD	\$ 28.61
4366316865	1824 FIELD DR NE	\$ 36.23
4708098558	1701 GRANDE BLVD SE	\$ 72.98
4984520163	8740 4TH ST NW	\$ 15.23
0515168682	14215 DOMINGO RD NE	\$ 26.78
2240109973	6820 OLD MESA DR	\$ 14.70
4428945455	6320 FLOR DE MAYO PL NW	\$ 19.43
4620891325	202 PLEASANT VIEW DR	\$ 508.20
5287102241	5336 SUSY ST SW	\$ 32.03
5638035554	2652 NORMENT PL SW	\$ 198.97
8979578151	1214 CLANCY DR NE	\$ 19.16
	Other	\$ 6,714.18

1713929560	608 3RD ST SW	\$ 2,982.49
1160489560	1898 DESIDERO RD SW	\$ 3,137.12
1854279560	158 ATRISCO DR SW	\$ 3,756.11
1955289560	1564 BRIDGE BLVD SW	\$ 3,957.75
1424769560	4814 CENTRAL AVE SW	\$ 5,080.44
2735557445	6130 ILIFF RD NW	\$ 5,659.25
1494939560	945 MADEIRA DR SE	\$ 1,753.00
5540189560	619 CALLE DEL PAJARITO NW	\$ 16,454.19
9643959560	8911 MENAUL BLVD NE	\$ 5,733.94
1311739560	617 HEADINGLY AVE NW	\$ 2,244.58
3308489560	5827 TORRES RD SW	\$ 5,215.65
6981929560	400 THAXTON AVE SE	\$ 1,441.00
3309389560	1233 TAPIA BLVD SW	\$ 3,762.82
2106939560	603 VALENCIA DR SE	\$ 1,791.64
6356839560	1109 SOLANO DR SE	\$ 1,428.43
1625389560	1310 RINCONADO LN SW	\$ 1,447.65
1378179560	433 62ND ST SW	\$ 1,521.60
3424769560	4904 CENTRAL AVE SW	\$ 5,800.71
1492929560	2332 WILLAM ST SE	\$ 1,118.69
4109855128	6924 RAY LN SW #3	\$ 1,494.85
1022929560	2327 WILLAM ST SE	\$ 2,771.29
5976289560	1638 ISLETA BLVD SW	\$ 3,791.92
7025729560	1709 SPENCE AVE SE	\$ 3,266.79
1156979560	6331 MICHELANGELO NW	\$ 2,040.52
1287039560	1109 JENARO ST SW	\$ 2,521.99
1348829560	524 GIBSON BLVD SE	\$ 1,393.99
1263069560	9001 CORDOVA AVE NE	\$ 1,673.04
1155539560	224 ASPEN AVE NW	\$ 719.21
1994469560	11105 TOWNER AVE NE	\$ 754.35
1472539560	712 15TH ST NW	\$ 845.88
1989639560	202 CANDELARIA RD NW	\$ 828.14
7340389560	2400 SALVADOR RD SW	\$ 1,914.15
	Water/Wastewater	\$ 98,303.18

Grand Total \$ 105,017.36



Meeting Date: August 22, 2018
Staff Contact: John M. Stomp III, P.E., Chief Operating Officer

TITLE: C-18-29 – Agreement between the U.S. Department of the Interior, Bureau of Reclamation and the Albuquerque Bernalillo County Water Utility Authority for lease of San Juan-Chama Water

ACTION: Request Approval

SUMMARY:

The Albuquerque Bernalillo County Water Utility Authority (Water Authority) is partnering with the U.S. Bureau of Reclamation (USBR) and the City of Santa Fe to keep the Albuquerque reach of the Rio Grande flowing the remainder of the irrigation season. The Middle Rio Grande Conservancy District (MRGCD) is currently scheduled to exhaust their 2018 supplies towards the end of August 2018 and this agreement will provide for the Water Authority to continue surface diversions and to keep the Albuquerque reach flowing until the end of irrigation season October 31, 2018.

This agreement provides for a one-time lease of 20,000 acre-feet at \$ 100.00 per acre-foot for a total of \$ 2.0 million. The San Juan-Chama water will be used to supplement the overall water supplies in the Middle Rio Grande and provide for the USBR's obligation under the current Biological Opinion. The agreement is consistent with policies E.4 and J.1 of the Water Authority's Water 2120 Plan. The funding from this agreement should be placed in the Water 2120 Decade Plan activity for implementing the 100-year water plan.

Fiscal Impact:

The Water Authority will be paid \$ 100 per acre-foot for the San Juan-Chama water delivered from Abiquiu Reservoir for a total amount if fully used of \$ 2.0 million. The funding should be set aside and placed into the Decade Plan activity for the implementation of Water 2120.

**SAN JUAN-CHAMA PROJECT
NEW MEXICO
CONTRACT
Between the
UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION
and the
ALBUQUERQUE BERNALILLO COUNTY
WATER UTILITY AUTHORITY
TO LEASE THE USE OF STORED SAN JUAN-CHAMA PROJECT WATER**

THIS CONTRACT (Contract), made this ____ day of _____, 2018, between the UNITED STATES OF AMERICA, hereafter styled the United States, acting through the Secretary of the Interior (Secretary), Bureau of Reclamation (Reclamation), acting pursuant to the Act of June 17, 1902 (ch. 1093, 32 Stat. 388) and Acts amendatory thereof or supplementary thereto, particularly the authority granted the Secretary under Section 14 of the Reclamation Project Act of August 4, 1939 (ch.418, 53 Stat. 1197; 43 U.S.C. § 389), and the Act of June 13, 1962 (76 Stat. 96), and the Act of December 28, 1973 (87 Stat. 884), particularly Section 1536 (a) (1) (16 U.S.C. §§ 1531-1543), more commonly known as the Endangered Species Act, and the Act of December 29, 1981, particularly Section 5 (b), authorizing San Juan-Chama Project (SJCP) Storage in Abiquiu Reservoir, and the ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY AUTHORITY, a municipal corporation in the State of New Mexico, herein styled “Water Authority.”

WITNESSETH THAT:

EXPLANATORY RECITALS

WHEREAS, the Colorado River Storage Project was authorized by the Act of April 11, 1956 (70 Stat. 105), as amended and supplemented by, among other statutes, the Act of June 13, 1962 (76 Stat. 96), which authorized the San Juan-Chama Project as a participating project in the Colorado River Storage Project as set out in the 43 U.S.C. 615pp, and the Act of December 29, 1981 (PL. 97-140, 95 Stat. 1717); and

WHEREAS, the City of Albuquerque, on June 25, 1963, entered into Contract No.14-06-500-810 with the United States, as amended in 1965, for water from the SJCP measured at the outlet of Heron Reservoir in the amount of 48,200 acre-feet per year; and

WHEREAS, the City of Albuquerque has assigned that contract to the Water Authority and said assignment was approved by Reclamation on March 9, 2006; and

WHEREAS, the Water Authority currently has previous annual allocations of SJCP water

stored in Abiquiu Reservoir (Stored Water) and has previously leased Stored Water to the United States for beneficial consumptive use within the State of New Mexico, consistent with applicable State and Federal laws; and

WHEREAS, the Rio Grande silvery minnow (minnow) has been listed as a Federal endangered species and can be found in a reach of the Rio Grande between Cochiti Dam and San Marcial, New Mexico, which is prone to critically low flows during the irrigation season lasting from March 1 through October 31 each year; and

WHEREAS, until permanent strategies for managing the existing limited water supply to meet the needs of the Middle Rio Grande water users can be effectuated, efforts need to be made to assure flow targets contained in the December 2, 2016 Biological Opinion are satisfied; and

WHEREAS, it is Reclamation's and the Water Authority's understanding that the Middle Rio Grande Conservancy District (District) intends to operate its irrigation and drainage system to augment river flows with native Rio Grande water; and

WHEREAS, the Water Authority has the right under Contract No. DACW47-86-C-0009 dated March 20, 1986 with the U.S. Army Corps of Engineers (Corps) to store up to 170,900 acre-feet and has the ability to suballot storage space to other parties subject to approval from the Corps; and

NOW, THEREFORE, it is agreed as follows:

WATER AUTHORITY DELIVERABLES

1. a. The Water Authority agrees to allow Reclamation the use of up to 20,000 acre-feet of Stored Water, to be released from Abiquiu through December 31, 2019, for the purpose of augmenting the total water supply to the Middle Rio Grande Valley, under the terms set out below.

b. The Water Authority agrees that Reclamation will call for the release of Leased Water from Abiquiu, as necessary and that the Water Authority will cooperate with Reclamation as may be needed to facilitate such releases. The point of measurement for deliveries to the United States pursuant to this Contract will be the outlet works of Abiquiu. The parties have agreed that the amount of water under lease by Reclamation will not be diminished by evaporation losses in Abiquiu Reservoir.

c. The Water Authority shall have available in storage the 20,000 AF of stored water in Abiquiu beginning on the effective date of this contract, and upon each release to Reclamation under this contract, ensure the balance of the remaining quantity is releasable to Reclamation throughout the full term of this contract. The Water Authority shall have no right to payment for water not released from the outlet works of Abiquiu reservoir.

d. The Water Authority shall provide a summary of release to Reclamation based on records from release as approved in the water accounting, as indicated in paragraphs 2. b. and 3. c. so that Reclamation can make payment for the actual amount of water released.

e. All previous Contracts between the Water Authority and the United States shall remain in full force and effect during the term of this Contract, and this Contract is not intended to modify previous contracts.

RECLAMATION DELIVERABLES

2. a. Reclamation agrees to make beneficial consumptive use of the leased water considered herein within the State of New Mexico, pursuant to the Colorado River Compact, 45 Stat. 1028 (1928), and the Upper Colorado River Basin Compact, 63 Stat. 31 (1949), and consistent with the December 2, 2016 Biological Opinion, or any subsequent biological opinion.

b. Reclamation will pay the Water Authority \$100 per acre-foot for Stored Water actually released from Abiquiu Reservoir. Reclamation will pay the Water Authority only for water it calls for over the contract term and released for beneficial use, under terms and conditions described herein, pursuant to this Contract. Reclamation will pay the Water Authority upon receipt of a verifiable summary of release of the water considered herein.

c. Reclamation will be solely responsible for all National Environmental Policy Act requirements and costs associated with this Contract, and no such costs shall be passed on to the Water Authority.

PAYMENT

3. a. Reclamation will make payment in February 2019, and again in February 2020 for water actually released from Abiquiu, under the terms of this subcontract, over the previous calendar year.

b. Payment under this Contract shall not exceed \$2,000,000 for the term of this Contract, contingent upon appropriation of funds being made therefore. If Reclamation does not call for the release of any of the 20,000 acre-feet during the term of this Contract, the Water Authority shall not be entitled to payment from Reclamation.

c. The Water Authority will provide a summary of release for the water considered herein, to Reclamation, not later than January 15th 2019, and again January 15th of 2020 based on approved water accounting.

d. At the end of the 2018 and 2019 calendar years, Reclamation will verify the quantity of stored water actually released from Abiquiu Reservoir. Reclamation will make payment without requiring an invoice from the Authority; however, a summary of release from the Water

Authority is required. Reclamation will pay \$100 per acre-foot to the Authority for water released under the terms of this contract.

e. Upon verification and approval by Reclamation's Contracting Officer, payment requests will be made for compensation to the Water Authority via electronic transfer. The Contractor is responsible to register and maintain registration on sam.gov as required to receive electronic payments.

Any correspondence to the Water Authority should be directed to:

Albuquerque Bernalillo County Water Utility Authority
Attn: Mr. Mark S. Sanchez, Executive Director
PO Box 568
Albuquerque NM 87102

Any correspondence to Reclamation should be directed to:

Bureau of Reclamation
Albuquerque Area Office
Attention: ALB-622
555 Broadway NE, Suite 100
Albuquerque NM 87102-2162

TERM OF CONTRACT

4. This Contract shall be effective on the date of execution, and shall expire upon final payment by Reclamation to the Water Authority. Reclamation must call for any, and all water considered in this subcontract. Such calls for release must be made with sufficient notice to allow all water to be released from the outlet works of Abiquiu Dam on or before December 31, 2019. Any portion of the 20,000 AF, considered herein, that is not called for prior to December 15, 2019 is no longer available to Reclamation, and the Water Authority's obligations under this contract shall cease, except to provide a final accounting to Reclamation so that Reclamation may remit final payment.

WATER QUALITY

5. The Water Authority makes no warranty or representation regarding, and Reclamation assumes all responsibility for, the quality of water released by the Water Authority to Reclamation hereunder.

WATER RIGHTS PROTECTION

6. No party hereto shall assert that any activity under this Contract shall affect the validity

of any existing water rights held by any other party.

WAIVER

7. Waiver of any breach of this Contract by any party hereto shall not constitute a continuing waiver or a waiver of any breach of the same or another provision of this Contract.

ASSIGNMENT -- SUCCESSORS AND ASSIGNS OBLIGATED

8. This Contract shall be binding upon and inure to the benefit of the heirs, executors, administrators, assigns, and successors of the parties hereto.

CONTINGENT ON APPROPRIATION OR ALLOTMENT OF FUNDS

9. The expenditure or advance of any money or the performance of any obligation of the United States under this Contract shall be contingent upon appropriation or allotment of funds. No liability shall accrue to the United States in case funds are not appropriated or allotted.

OFFICIALS NOT TO BENEFIT

10. No member or delegate to Congress, Resident Commissioner, or Federal or State official, shall be admitted to any share or part of this Contract, or to any benefit that may arise therefrom.

EQUAL EMPLOYMENT OPPORTUNITY

11. During the performance of this contract, the Contractor agrees as follows:

(1) The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, disability, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, disability, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the

Contracting Officer setting forth the provisions of this nondiscrimination clause.

(2) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, disability, or national origin.

(3) The Contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the Contracting Officer, advising the labor union or workers' representative of the Contractor's commitments under section 202 of Executive Order 11246 of September 24, 1965 (EO 11246), and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(4) The Contractor will comply with all provisions of EO 11246, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(5) The Contractor will furnish all information and reports required by EO 11246, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the Contracting Agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(6) In the event of the Contractor's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in EO 11246, and such other sanctions may be imposed and remedies invoked as provided in EO 11246 or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(7) The Contractor will include the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by the rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of EO 11246, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions, including sanctions for noncompliance: *Provided, however*, that in the event the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

COMPLIANCE WITH CIVIL RIGHTS LAWS AND REGULATIONS

12. (a) The Contractor shall comply with Title VI of the Civil Rights Act of 1964 (Pub. L. 88-352; 42 U.S.C. § 2000d), the Rehabilitation Act of 1973 (Pub. L. 93-112, Title V, as amended; 29 U.S.C. § 791, et seq.), the Age Discrimination Act of 1975 (Pub. L. 94-135,

Title III; 42 U.S.C. § 6101, et seq.), [Title II of the Americans with Disabilities Act of 1990 (Pub. L. 101-336; 42 U.S.C. § 12131, et seq.)] [Title III of the Americans with Disabilities Act of 1990 (Pub. L. 101-336; 42 U.S.C. § 12181, et seq.)], and any other applicable civil rights laws, and with the applicable implementing regulations and any guidelines imposed by the U.S. Department of the Interior and/or Bureau of Reclamation.

(b) These statutes prohibit any person in the United States from being excluded from participation in, being denied the benefits of, or being otherwise subjected to discrimination under any program or activity receiving financial assistance from the Bureau of Reclamation on the grounds of race, color, national origin, disability, or age. By executing this contract, the Contractor agrees to immediately take any measures necessary to implement this obligation, including permitting officials of the United States to inspect premises, programs, and documents.

(c) The Contractor makes this agreement in consideration of and for the purpose of obtaining any and all Federal grants, loans, contracts, property discounts, or other Federal financial assistance extended after the date hereof to the Contractor by the Bureau of Reclamation, including installment payments after such date on account of arrangements for Federal financial assistance which were approved before such date. The Contractor recognizes and agrees that such Federal assistance will be extended in reliance on the representations and agreements made in this article and that the United States reserves the right to seek judicial enforcement thereof.

(d) Complaints of discrimination against the Contractor shall be investigated by the Contracting Officer's Office of Civil Rights.

CERTIFICATION OF NONSEGREGATED FACILITIES

13. The Contractor hereby certifies that it does not maintain or provide for its employees any segregated facilities at any of its establishments and that it does not permit its employees to perform their services at any location under its control where segregated facilities are maintained. It certifies further that it will not maintain or provide for its employees any segregated facilities at any of its establishments and that it will not permit its employees to perform their services at any location under its control where segregated facilities are maintained. The Contractor agrees that a breach of this certification is a violation of the Equal Employment Opportunity clause in this contract. As used in this certification, the term "segregated facilities" means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, creed, color, or national origin, because of habit, local custom, disability, or otherwise. The Contractor further agrees that (except where it has obtained identical certifications from proposed subcontractors for specific time periods) it will obtain identical certifications from proposed subcontractors prior to the award of subcontracts exceeding \$10,000 which are not exempt from the provisions of the Equal Employment Opportunity clause; that it will retain such certifications in its files; and that it will forward the

following notice to such proposed subcontractors (except where the proposed subcontractors have submitted identical certifications for specific time periods):

**NOTICE TO PROSPECTIVE SUBCONTRACTORS OF REQUIREMENT FOR
CERTIFICATIONS OF NONSEGREGATED FACILITIES**

A Certification of Nonsegregated Facilities must be submitted prior to the award of a subcontract exceeding \$10,000 which is not exempt from the provisions of the Equal Employment Opportunity clause. The certification may be submitted either for each subcontract or for all subcontracts during a period (i.e., quarterly, semiannually, or annually). Note: The penalty for making false statements in offers is prescribed in 18 U.S.C. § 1001.

BOOKS, RECORDS, AND REPORTS

14. The Contractor shall establish and maintain accounts and other books and records pertaining to administration of the terms and conditions of this contract, including the Contractor's financial transactions; water supply data; project operation, maintenance, and replacement logs; project land and rights-of-way use agreements; the water users' land-use (crop census), land-ownership, land-leasing, and water-use data; and other matters that the Contracting Officer may require. Reports shall be furnished to the Contracting Officer in such form and on such date or dates as the Contracting Officer may require. Subject to applicable Federal laws and regulations, each party to this contract shall have the right during office hours to examine and make copies of the other party's books and records relating to matters covered by this contract.

CONTRACT DRAFTING CONSIDERATIONS

15. This Contract has been negotiated and reviewed by the parties hereto, each of whom is sophisticated in the matters to which this Contract pertains. Articles 1 through 4 of this Contract have been drafted, negotiated, and reviewed by the parties, and no one party shall be considered to have drafted the stated articles.

IN WITNESS WHEREOF, the parties hereto have hereunto affixed their names, the date and year first above written.

APPROVED AS TO FORM:

UNITED STATES OF AMERICA

Office of the Regional Solicitor

Regional Director
Upper Colorado Region
Bureau of Reclamation

APPROVED:

ALBUQUERQUE BERNALILLO COUNTY
WATER UTILITY AUTHORITY

Mark S. Sanchez
Executive Director



Meeting Date: August 22, 2018
Staff Contact: John M. Stomp III, P.E., Chief Operating Officer

TITLE: C-18-30 – Agreement between the U.S. Department of the Interior, Bureau of Reclamation and the Albuquerque Bernalillo County Water Utility Authority for Storage of San Juan-Chama Project Water in Elephant Butte Reservoir

ACTION: Request Approval

SUMMARY:

The Albuquerque Bernalillo County Water Utility Authority (Water Authority) has had a contract with the U.S. Bureau of Reclamation (USBR) for storage of San Juan-Chama water since the original agreement in 1986. The original 1986 Storage agreement has expired and a new agreement was needed following the completion of required environmental analysis for storage of San Juan-Chama water in Elephant Butte Reservoir.

This agreement provides the Water Authority the ability to store up to 50,000 acre-feet of San Juan-Chama water in Elephant Butte Reservoir for up to 40-years. The need for additional long-term storage is a key to providing the Water Authority and others flexibility in water operations in the Middle Rio Grande. In addition, this long-term storage agreement was called for in Policy I.6 of the Water Authority's adopted 100-year water plan entitled Water 2120.

When the Water Authority's San Juan-Chama water is stored in Elephant Butte, the water can be used to offset depletions associated with the Water Authority's pumping, offset diversion during flood operations and can be exchanged upstream when conditions are appropriate for an exchange.

Fiscal Impact:

The Water Authority is required to pay for the increased cost of operations and accounting that will be incurred by the USBR when Water Authority stores San Juan-Chama water in Elephant Butte.

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WATER STORAGE CONTRACT

BETWEEN THE

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION

AND THE

ALBUQUERQUE BERNALILLO COUNTY
WATER UTILITY WATER AUTHORITY, NEW MEXICO

FOR

STORAGE OF SAN JUAN-CHAMA PROJECT WATER IN
ELEPHANT BUTTE RESERVOIR

THIS CONTRACT, made this _____ day of _____, 2018, between the United States of America, hereinafter called “United States,” acting through the Secretary of the Interior (Secretary), Bureau of Reclamation (Reclamation) and pursuant to the Act of June 17, 1902 (32 Stat. 388), as amended and supplemented; particularly Section 9(c)(2) of the Reclamation Project Act of August 4, 1939, Public Law 76-260 (53 Stat. 1187;43 U.S.C. § 485h(c)); the Navajo Indian Irrigation Project and San Juan-Chama Project, Initial Stage Act of June 13, 1962, Public Law 87-483 (76 Stat. 96); the Renewal of Water Supply Contracts Act of June 21, 1963, Public Law 88-44 (77 Stat. 68); and the San Juan Project Water Act of December 29, 1981, Public Law 97-140 (95 Stat. 1717), all as amended or supplemented, and the Albuquerque Bernalillo County Water Utility Water Authority, New Mexico, a political subdivision of the State of New Mexico, hereinafter “the Water Authority;”

WITNESSETH THAT:

EXPLANATORY RECITALS

1
2 WHEREAS, by the Act of Congress, February 25, 1905, ch. 798 (33 Stat. 814), Congress
3 authorized the construction of the Rio Grande Project, Texas-New Mexico;

4 WHEREAS, the United States has constructed, owns, and operates Elephant Butte Dam
5 and Reservoir, hereinafter referred to as EB Dam and Reservoir; and

6 WHEREAS, by the Act of December 29, 1981, Public Law 97-140 (95 Stat. 1717), the
7 Secretary is authorized to enter into agreements for storage of San Juan-Chama Project (SJCP)
8 water in Elephant Butte Reservoir, hereinafter referred to as EB Reservoir; and

9 WHEREAS, in 1963, the City of Albuquerque (City) contracted with the United States
10 (Contract No. 14-06-500-810, as amended), hereinafter referred to as the 1963 Repayment
11 Contract, for water from the SJCP measured and delivered at the outlet of Heron Reservoir in the
12 amount of 48,200 acre-feet per year; and

13 WHEREAS, the United States and the City entered into Contract No. 3-CS-53-01510,
14 dated January 26, 1983, for a twenty-five (25) year term to allow storage of SJCP water
15 delivered pursuant to the 1963 Repayment Contract in EB Reservoir, and

16 WHEREAS, the existing contracts executed by the City, and obligations thereunder, were
17 assigned to the Water Authority through an agreement dated April 7, 2004, and approved by
18 Reclamation on March 9, 2006; and

19 WHEREAS, Contract No. 3-CS-53-01510 expired on January 26, 2008, has remained
20 continuously in effect through March 1, 2017, by amended interim agreements which will be
21 superseded by this renewal contract; and

22 WHEREAS, the Water Authority wants to continue storage in EB Reservoir a portion of
23 its SJCP water available under the 1963 Repayment Contract; and

1 WHEREAS, any releases of SJCP water from Heron Reservoir and its subsequent storage
2 in EB Reservoir will be in strict compliance with the Rio Grande Compact and the statutes of the
3 State of New Mexico; and

4 WHEREAS, once the SJCP water is in storage, it may be withdrawn from EB Reservoir
5 as requested by the Water Authority for uses pursuant to the 1963 Repayment Contract; and

6 WHEREAS, the Water Authority provided funds in advance to the United States to cover
7 costs incurred in developing this present contract and performing associated environmental
8 compliance work.

9 WHEREAS, this renewal contract will be executed with the Contractor for a term not to
10 exceed 40 years and will provide a right of renewal under mutually agreeable terms and
11 conditions; and

12 WHEREAS, this renewal contract will authorize the storage of up to 50,000 acre-feet of
13 SJCP water to be stored in Elephant Butte for M&I and other miscellaneous purposes, including
14 incidental irrigation; and

15 WHEREAS, the Contractor will be assessed annual charges reflecting any increased
16 operation and maintenance (O&M) and administrative charges resulting from the use of Elephant
17 Butte; and

18 WHEREAS, the Contractor may enter into third-party contracts, for cumulative annual
19 lease total of 150 acre-feet of the stored water in Elephant Butte Reservoir. The United States
20 will approve any contract with a third-party contracts; and

21 WHEREAS, National Environmental Policy Act (NEPA) compliance for this renewal
22 contract has been met with an Environmental Assessment (EA) titled *Long Term Contract*
23 *between Reclamation and the Albuquerque-Bernalillo County Water Utility Authority for*

1 *Storage of San Juan-Chama Project Water in Elephant Butte Reservoir, New Mexico* and dated
2 August 2017. Appropriate environmental compliance will also be met when providing water to
3 third-party contractors; and

4 WHEREAS, this renewal contract will require that storage in Elephant Butte will comply
5 with the Rio Grande Compact and its operating criteria and the water rights administration
6 requirements of the State of New Mexico; and

7 WHEREAS, the Contractor will advance funds to cover the costs of this renewal contract
8 development and associated environmental compliance costs

9 WHEREAS, the provisions of the Reclamation Reform Act of October 12, 1982 (P.L. 97-
10 293) (RRA) will not apply to this renewal and third-party contracts.

11
12 NOW, THEREFORE, in consideration of the mutual covenants herein and other good
13 and valuable consideration, it is understood and agreed as follows:

14
15 DEFINITIONS

16 1. The following terms when used herein, unless otherwise distinctly expressed or
17 manifestly incompatible with the intent hereof, shall have the meaning specified.

18 a. CONTRACTING OFFICER – shall mean the Secretary of the United States
19 Department of the Interior or her duly authorized representative, who is, as of the date of
20 execution of this contract, the Regional Director, Upper Colorado Region, Bureau of
21 Reclamation.

22 b. FEDERAL RECLAMATION LAW – shall mean the Act of June 17, 1902 (32
23 Stat. 388), and all acts amendatory thereto, and especially the Act of December 29, 1981 (Public
24 Law 97-140), authorizing storage of SJCP water in EB Reservoir.

1 c. WATER STORAGE CHARGE - shall mean the recoverable costs, payable
2 annually, including costs related to contract administration, third party contract administration,
3 metering, and other administrative actions by the United States to support the Water Authority's
4 storage needs.

5 d. CONTRACTOR – shall mean the Albuquerque Bernalillo County Water
6 Utility Water Authority, New Mexico.

7 e. SPILL – shall mean as referred to the following sections of Article I of the Rio
8 Grande Compact (RGC) dated May 31, 1939:

9 RGC, section (p) *“Actual Spill” is all water which is actually spilled from*
10 *Elephant Butte Reservoir, or is released therefrom for flood control, in excess of the current*
11 *demand on project storage and which does not become usable water by storage in another*
12 *reservoir; provided, that actual spill of usable water cannot occur until all credit water shall*
13 *have been spilled.*

14 RGC, section (q) *“Hypothetical Spill” is the time in any year at which*
15 *usable water would have spilled from project storage if 790,000 acre-feet had been released*
16 *therefrom at rates proportional to the actual release in every year from the starting date to the*
17 *end of the year in which hypothetical spill occurs; in computing hypothetical spill the initial*
18 *condition shall be the amount of usable water in project storage at the beginning of the calendar*
19 *year following the effective date of this Compact, and thereafter the initial condition shall be the*
20 *amount of usable water in project storage at the beginning of the calendar year following each*
21 *actual spill.*

22 f. PROJECT WATER – shall mean, unless otherwise indicated, the Water
23 Authority's annual allocation(s) of SJCP water.

1 g. CALL – shall mean a request to Reclamation for the release of water for the
2 Water Authority, or a call made on behalf of a third party contractor for its use. (to be filled in)

3 h. SUBCONTRACTING – shall mean, the lease of the use of the Water
4 Authority's SJCP water stored, or expected to be stored, in Elephant Butte Reservoir under the
5 1963 Repayment Contract, to a party other than the United States Bureau of Reclamation. Such
6 subcontracts are limited by this present storage agreement to a cumulative total 150 AF per
7 annum.

8 WATER RELEASES AND STORAGE

9 2. a. The Water Authority may store in EB Reservoir all or a portion of SJCP water
10 to which it is entitled under the 1963 Repayment Contract during the term of this contract;
11 providing, however, that no more than 50,000 acre-feet of the Water Authority's SJCP water
12 may be stored in EB Reservoir at any given time. The storage of SJCP water in EB Reservoir
13 shall be in compliance with the Rio Grande Compact, the Rio Grande Project Operating
14 Agreement and the water rights administration requirements of the State of New Mexico.

15 b. The Contracting Officer shall determine the quantity of the Water Authority's
16 SJCP water in storage as well as the chargeable amount of evaporation, loss and spill in
17 accordance with procedures provided by the Rio Grande Compact Commission. The
18 Contracting Officer shall provide an annual report to the Water Authority that accounts for the
19 amount of storage in the reservoir on a monthly basis and the computations for evaporation, loss
20 and spills.

21 c. In the event of an Actual or Hypothetical Spill from EB Reservoir, as defined
22 by the Rio Grande Compact, Article I, sections (p) and (q), the SJCP stored pursuant to this
23 contract shall be the first spilled. In the event multiple contractors have SJCP water stored in EB

1 Reservoir pursuant to the Act of December 29, 1981, Public Law 97-140, 95 Stat. 1717 (1981
2 Act), all contractors shall incur losses due to spills in the proportion that their stored water bears
3 to the total of water stored pursuant to the 1981 Act. The Contracting Officer shall notify the
4 Water Authority when it determines that an Actual or Hypothetical Spill may occur as soon as
5 possible to provide the Water Authority with the opportunity to move SJCP water from EB to
6 another reservoir.

7 PROCESSING CALLS FOR RELEASE

8 3. a. The Water Authority's SJCP water in storage at EB Reservoir will be
9 delivered, for uses pursuant to the 1963 Repayment Contract, as requested by the Water
10 Authority.

11 b. Reclamation will consider that a request for release has been made by the
12 Water Authority when the Water Operations Group, Albuquerque Area Office, receives an email
13 or other acceptable communication directing such release and has been provided the following
14 information: 1) purpose of release; 2) quantity; 3) proposed rate of release; and 4) dates/times.

15 c. Requests for release made on behalf of a third party contractor will be executed
16 by Reclamation only as requested by the Water Authority.

17
18 WATER STORAGE CHARGES

19 4. a. The Water Authority shall be assessed a storage charge by the Contracting
20 Officer for the use of the EB Reservoir as a storage facility. Any maintenance or administrative
21 cost resulting from such storage of the Water Authority's water shall be determined on a
22 Calendar Year basis and no carryover of either costs or revenue credit shall be permitted.

CHARGES FOR DELINQUENT PAYMENTS

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3 8. (a) The Contractor shall be subject to interest, administrative, and penalty charges
4 on delinquent payments. If a payment is not received by the due date, the Contractor shall pay
5 an interest charge on the delinquent payment for each day the payment is delinquent beyond the
6 due date. If a payment becomes 60 days delinquent, the Contractor shall pay, in addition to the
7 interest charge, an administrative charge to cover additional costs of billing and processing the
8 delinquent payment. If a payment is delinquent 90 days or more, the Contractor shall pay, in
9 addition to the interest and administrative charges, a penalty charge for each day the payment is
10 delinquent beyond the due date, based on the remaining balance of the payment due at the rate of
11 6 percent per year. The Contractor shall also pay any fees incurred for debt collection services
12 associated with a delinquent payment.

13 (b) The interest rate charged shall be the greater of either the rate prescribed quarterly in
14 the Federal Register by the Department of the Treasury for application to overdue payments, or
15 the interest rate of 0.5 percent per month. The interest rate charged will be determined as of the
16 due date and remain fixed for the duration of the delinquent period.

17 (c) When a partial payment on a delinquent account is received, the amount received
18 shall be applied first to the penalty charges, second to the administrative charges, third to the
19 accrued interest, and finally to the overdue payment.

20
21 GENERAL OBLIGATION – BENEFITS CONDITIONED UPON PAYMENT
22

23 9. (a) The obligation of the Contractor to pay the United States as provided in this
24 contract is a general obligation of the Contractor notwithstanding the manner in which the

1 obligation may be distributed among the Contractor's water users and notwithstanding the default
2 of individual water users in their obligation to the Contractor.

3 (b) The payment of charges becoming due pursuant to this contract is a condition
4 precedent to receiving benefits under this contract. The United States shall not make water
5 available to the Contractor through (name of project) project facilities during any period in which
6 the Contractor is in arrears in the advance payment of [water rates] [any operation and
7 maintenance charges] due the United States [or in arrears for more than 12 months in the
8 payment of any construction charges due the United States]. The Contractor shall not deliver
9 water under the terms and conditions of this contract for lands or parties that are in arrears in the
10 advance payment of [water rates] [operation and maintenance charges] [or in arrears more than
11 12 months in the payment of construction charges] as levied or established by the Contractor.

12
13
14 NOTICES
15

16 10. Any notice, demand, or request authorized or required by this contract shall be
17 deemed to have been given, on behalf of the Contractor, when mailed, postage prepaid, or
18 delivered to the Regional Director, Upper Colorado Region, Bureau of Reclamation, 125 South
19 State Street, Room 6107, Salt Lake City, UT 84138-1147, and on behalf of the United States,
20 when mailed, postage prepaid, or delivered to the Executive Director, Albuquerque Bernalillo
21 County Water Utility Water Authority, One Civic Plaza NW, Room 5012, Albuquerque NM
22 87102. The designation of the addressee or the address may be changed by notice given in the
23 same manner as provided in this article for other notices.

CONTINGENT ON APPROPRIATION OR ALLOTMENT OF FUNDS

1
2
3 11. The expenditure or advance of any money or the performance of any obligation of
4 the United States under this contract shall be contingent upon appropriation or allotment of
5 funds. Absence of appropriation or allotment of funds shall not relieve the Contractor from any
6 obligations under this contract. No liability shall accrue to the United States in case funds are
7 not appropriated or allotted.

8
9 OFFICIALS NOT TO BENEFIT

10
11 12. No Member of or Delegate to the Congress, Resident Commissioner, or official of
12 the Contractor shall benefit from this contract other than as a water user or landowner in the
13 same manner as other water users or landowners.

14
15 CHANGES IN CONTRACTOR'S ORGANIZATION

16
17 13. While this Contract is in effect, no change may be made in the Contractor's
18 organization which may affect the respective rights, obligations, privileges, and duties of either
19 the United States or the Contractor under this Contract, including, but not limited to, dissolution,
20 consolidation, or merger, except upon the Contracting Officer's written consent. For purposes of
21 the Contract, the inclusion or exclusion of lands is not a change in the Contractor's organization
22 that is subject to this Article.

ASSIGNMENT LIMITED — SUCCESSORS AND ASSIGNS OBLIGATED

1
2
3 14. The provisions of this contract shall apply to and bind the successors and assigns
4 of the parties hereto, but no assignment or transfer of this contract or any right or interest therein
5 by either party shall be valid until approved in writing by the other party.

6
7 BOOKS, RECORDS, AND REPORTS
8

9 15. The Contractor shall establish and maintain accounts and other books and records
10 pertaining to administration of the terms and conditions of this contract, including the
11 Contractor's financial transactions; water supply data; water-use data; and other matters that the
12 Contracting Officer may require. Reports shall be furnished to the Contracting Officer in such
13 form and on such date or dates as the Contracting Officer may require. Subject to applicable
14 Federal laws and regulations, each party to this contract shall have the right during office hours
15 to examine and make copies of the other party's books and records relating to matters covered by
16 this contract.

17 RULES, REGULATIONS, AND DETERMINATIONS

18
19 16. (a) The parties agree that the release of water or the use of Federal facilities
20 pursuant to this contract is subject to Federal reclamation law, as amended and supplemented,
21 and the rules and regulations promulgated by the Secretary of the Interior under Federal
22 reclamation law.

23 (b) The Contracting Officer shall have the right to make determinations necessary
24 to administer this contract that are consistent with the expressed and implied provisions of this
25 contract, the laws of the United States and the State of New Mexico, and the rules and
26 regulations promulgated by the Secretary of the Interior. Such determinations shall be made in
27 consultant with the Contractor.

PROTECTION OF WATER AND AIR QUALITY

1
2
3
4 17. (a) Project facilities used to make available and deliver water to the Contractor
5 shall be operated and maintained in the most practical manner to maintain the quality of the
6 water at the highest level possible as determined by the Contracting Officer: *Provided, That* the
7 United States does not warrant the quality of the water delivered to the Contractor and is under
8 no obligation to furnish or construct water treatment facilities to maintain or improve the quality
9 of water delivered to the Contractor.

10 (b) The Contractor shall comply with all applicable water and air pollution laws
11 and regulations of the United States and the State of New Mexico; and shall obtain all required
12 permits or licenses from the appropriate Federal, State, or local authorities necessary for the
13 delivery of water by the Contractor; and shall be responsible for compliance with all Federal,
14 State, and local water quality standards applicable to surface and subsurface drainage and/or
15 discharges generated through the use of Federal or Contractor facilities or project water provided
16 by the Contractor within the Contractor’s Project Water Service Area.

17 (c) This article shall not affect or alter any legal obligations of the Secretary to
18 provide drainage or other discharge services.

19
20 EQUAL EMPLOYMENT OPPORTUNITY

21
22 18. During the performance of this contract, the Contractor agrees as follows:

23 (a) The Contractor will not discriminate against any employee or applicant for
24 employment because of race, color, religion, sex, disability, or national origin. The Contractor
25 will take affirmative action to ensure that applicants are employed, and that employees are
26 treated during employment, without regard to their race, color, religion, sex, disability, or
27

1 national origin. Such action shall include, but not be limited to the following: employment,
2 upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination;
3 rates of pay or other forms of compensation; and selection for training, including apprenticeship.

4 The Contractor agrees to post in conspicuous places, available to employees and applicants for
5 employment, notices to be provided by the Contracting Officer setting forth the provisions of this
6 nondiscrimination clause.

7 (b) The Contractor will, in all solicitations or advertisements for employees
8 placed by or on behalf of the Contractor, state that all qualified applicants will receive
9 consideration for employment without regard to race, color, religion, sex, disability, or national
10 origin.

11 (c) The Contractor will send to each labor union or representative of workers
12 with which it has a collective bargaining agreement or other contract or understanding, a notice,
13 to be provided by the Contracting Officer, advising the labor union or workers' representative of
14 the Contractor's commitments under section 202 of Executive Order 11246 of September 24,
15 1965 (EO 11246), and shall post copies of the notice in conspicuous places available to
16 employees and applicants for employment.

17 (d) The Contractor will comply with all provisions of EO 11246, and of the rules,
18 regulations, and relevant orders of the Secretary of Labor.

19 (e) The Contractor will furnish all information and reports required by EO 11246,
20 and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will
21 permit access to his books, records, and accounts by the Contracting Agency and the Secretary of
22 Labor for purposes of investigation to ascertain compliance with such rules, regulations, and
23 orders.

1 (f) In the event of the Contractor's noncompliance with the nondiscrimination
2 clauses of this contract or with any of such rules, regulations, or orders, this contract may be
3 canceled, terminated or suspended in whole or in part and the Contractor may be declared
4 ineligible for further Government contracts in accordance with procedures authorized in EO
5 11246, and such other sanctions may be imposed and remedies invoked as provided in EO 11246
6 or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

7 (g) The Contractor will include the provisions of paragraphs (1) through (7) in
8 every subcontract or purchase order unless exempted by the rules, regulations, or orders of the
9 Secretary of Labor issued pursuant to section 204 of EO 11246, so that such provisions will be
10 binding upon each subcontractor or vendor. The Contractor will take such action with respect to
11 any subcontract or purchase order as may be directed by the Secretary of Labor as a means of
12 enforcing such provisions, including sanctions for noncompliance: *Provided, however*, that in
13 the event the Contractor becomes involved in, or is threatened with, litigation with a
14 subcontractor or vendor as a result of such direction, the Contractor may request that the United
15 States enter into such litigation to protect the interests of the United States.

16
17 COMPLIANCE WITH CIVIL RIGHTS LAWS AND REGULATIONS
18

19 19. (a) The Contractor shall comply with Title VI of the Civil Rights Act of 1964
20 (Pub. L. 88-352; 42 U.S.C. § 2000d), the Rehabilitation Act of 1973 (Pub. L. 93-112, Title V, as
21 amended; 29 U.S.C. § 791, et seq.), the Age Discrimination Act of 1975 (Pub. L. 94-135,
22 Title III; 42 U.S.C. § 6101, et seq.), [Title II of the Americans with Disabilities Act of 1990
23 (Pub. L. 101-336; 42 U.S.C. § 12131, et seq.),] [Title III of the Americans with Disabilities
24 Act of 1990 (Pub. L. 101-336; 42 U.S.C. § 12181, et seq.),] and any other applicable civil rights

1 laws, and with the applicable implementing regulations and any guidelines imposed by the
2 U.S. Department of the Interior and/or Bureau of Reclamation.

3 (b) These statutes prohibit any person in the United States from being excluded
4 from participation in, being denied the benefits of, or being otherwise subjected to discrimination
5 under any program or activity receiving financial assistance from the Bureau of Reclamation on
6 the grounds of race, color, national origin, disability, or age. By executing this contract, the
7 Contractor agrees to immediately take any measures necessary to implement this obligation,
8 including permitting officials of the United States to inspect premises, programs, and documents.

9 (c) The Contractor makes this agreement in consideration of and for the purpose
10 of obtaining any and all Federal grants, loans, contracts, property discounts, or other Federal
11 financial assistance extended after the date hereof to the Contractor by the Bureau of
12 Reclamation, including installment payments after such date on account of arrangements for
13 Federal financial assistance which were approved before such date. The Contractor recognizes
14 and agrees that such Federal assistance will be extended in reliance on the representations and
15 agreements made in this article and that the United States reserves the right to seek judicial
16 enforcement thereof.

17 (d) Complaints of discrimination against the Contractor shall be investigated by
18 the Contracting Officer's Office of Civil Rights.

19
20 CERTIFICATION
21

22 21. (a) The United States certifies that the person executing the contract on its behalf
23 is duly authorized by the Secretary of the Interior to execute this contract.

24 (b) The Water Authority certifies, that as to it, the execution of this contract is
25 duly authorized by law; that all acts, conditions, and things required to exist precedent to this

1 contract, to render the same lawful and valid, have been properly done and happened and have
2 been performed in regular and due time as required by the Constitution and laws of the State of
3 New Mexico, and that this contract does not exceed any constitutional or statutory limitations.
4

5 CONSTRAINTS ON THE AVAILABILITY OF WATER
6

7 22. (a) In its operation of the Project, the Contracting Officer will use all reasonable
8 means to guard against a condition of shortage in the quantity of water to be made available to
9 the Contractor pursuant to this Contract. In the event the Contracting Officer determines that a
10 condition of shortage appears probable, the Contracting Officer will notify the Contractor of said
11 determination as soon as practicable.

12 (b) If there is a condition of shortage because of inaccurate runoff forecasting or other
13 similar operational errors affecting the Project; drought and other physical or natural causes
14 beyond the control of the Contracting Officer; or actions taken by the Contracting Officer to
15 meet current and future legal obligations, then no liability shall accrue against the United States
16 or any of its officers, agents, or employees for any damage, direct or indirect, arising therefrom.

17
18 CONTRACTING DRAFTING CONSIDERATIONS
19

20
21 23. Articles 1 through 23 of this Contract have been drafted, negotiated, and reviewed
22 by the parties hereto, each of whom is sophisticated in the matters to which this Contract
23 pertains, and no one party shall be considered to have drafted the stated articles.
24
25

