



Meeting Date: May 23, 2018

Staff Contact: Stan Allred, Chief Financial Officer; Frank Roth, Senior Policy Manager

TITLE: O-18-5 – Authorizing the Execution and Delivery of a Loan and Subsidy Agreement (“Loan Agreement”) by and Between the Albuquerque Bernalillo County Water Utility Authority and the New Mexico Finance Authority for the Carnuel Phase 2b Project

ACTION: Recommend Approval

SUMMARY:

Ordinance O-18-5 authorizes the execution and delivery of a loan and subsidy agreement in the amount of \$1,000,000 between the New Mexico Finance Authority (NMFA) and the Water Authority for Phase 2b of the Carnuel Water System Improvements Project. This is a special limited obligation of the Water Authority to pay a principal amount of no more than \$250,000 together with interest, costs of issuance and administrative fees and to accept a loan subsidy (Grant) of no more than \$750,000.

FISCAL IMPACT:

This loan portion of the agreement is for 22 years with an effective interest rate of 0.25%. Gross Revenues, all income and revenues directly or indirectly derived by the Water Authority from the operation and use of the System, are pledged as security for these loans. The annual Debt Service for the loan portion of this agreement is \$12,831.

**ALBUQUERQUE BERNALILLO COUNTY
WATER UTILITY AUTHORITY**

BILL NO. 0-18-5

ORDINANCE

AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AND SUBSIDY AGREEMENT ("LOAN AGREEMENT") BY AND BETWEEN THE ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY AUTHORITY (THE "WATER AUTHORITY") AND THE NEW MEXICO FINANCE AUTHORITY, EVIDENCING A SPECIAL LIMITED OBLIGATION OF THE WATER AUTHORITY TO PAY A PRINCIPAL AMOUNT OF NO MORE THAN TWO HUNDRED FIFTY THOUSAND DOLLARS (\$250,000), TOGETHER WITH INTEREST, COSTS OF ISSUANCE AND ADMINISTRATIVE FEES THEREON, AND TO ACCEPT A LOAN SUBSIDY OF NO MORE THAN SEVEN HUNDRED FIFTY THOUSAND DOLLARS (\$750,000), FOR THE PURPOSE OF FINANCING THE COSTS OF EXTENDING AND IMPROVING THE WATER INFRASTRUCTURE SYSTEM TO THE CARNUEL COMMUNITY, INCLUDING, ACQUISITION AND INSTALLATION OF WATER DISTRIBUTION LINES; PROVIDING FOR THE PLEDGE AND PAYMENT OF THE PRINCIPAL, INTEREST AND ADMINISTRATIVE FEES DUE UNDER THE LOAN AGREEMENT SOLELY FROM NET REVENUES; SETTING A MAXIMUM INTEREST RATE FOR THE LOAN; APPROVING THE FORM OF AND OTHER DETAILS CONCERNING THE LOAN AGREEMENT; RATIFYING ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT WITH THIS ORDINANCE; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN AGREEMENT.

Capitalized terms used in the following preambles are defined in Section 1 of this Ordinance, unless the context requires otherwise.

1 WHEREAS, the Water Authority is a legally and regularly created,
2 established, organized and existing public body politic and corporate, separate and
3 apart from the City and the County, under the general laws of the State; and

4 WHEREAS, the Water Authority owns, operates and maintains the System as
5 a joint public utility water and sanitary sewer system; and

6 WHEREAS, the Water Authority is obligated on the following Senior
7 Obligations, payable from Net Revenues, Outstanding on the date of the adoption of
8 this Ordinance in the following principal amounts:

	Amount
<u>Senior Obligations</u>	<u>Outstanding</u>
Series 2009A-1 Bonds	\$ 31,925,000
Series 2013A&B Bonds	\$ 83,620,000
Series 2014A Bonds	\$ 88,270,000
Series 2015 Bonds	\$208,730,000
Series 2017 Bonds	\$ 87,970,000
Drinking Water State Revolving Fund Loan Agreement (2009)	\$ 766,470
Public Project Revolving Fund Loan Agreement (2011)	\$ 35,855,000
Drinking Water State Revolving Fund Loan Agreement (2018)	\$ 1,010,000

19 and

20 WHEREAS, the Water Authority is obligated on the following Subordinate
21 Obligations, payable from Net Revenues with a lien on the Net Revenues
22 subordinated to the Senior Obligations, and superior to the lien of the Super
23 Subordinate Obligations, Outstanding on the date of the adoption of this Ordinance
24 in the following principal amounts:

	Amount
<u>Subordinate Obligations</u>	<u>Outstanding</u>
Series 2014B Bonds	\$ 66,950,000
Drinking Water State Revolving Fund Loan Agreement (2008)	\$ 7,370,187

29 and

1 WHEREAS, the Water Authority currently has no Super Subordinate
2 Obligations outstanding payable from Net Revenues with a lien on the Net
3 Revenues subordinated to the Senior Obligations and Subordinate Obligations; and

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

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

10 WHEREAS, funds may be provided from the Drinking Water State Revolving
11 Loan Fund to finance infrastructure projects in the State; and

12 WHEREAS, the Board has determined that the Project may be financed with
13 amounts borrowed under the Loan Agreement and that it is in the best interest of the
14 Water Authority and its customers that the Loan Agreement be executed and
15 delivered and that the financing of the construction of the Project take place by
16 executing and delivering the Loan Agreement; and

17 WHEREAS, the Board has determined that it may lawfully pledge the Net
18 Revenues for repayment of the Loan Agreement; and

19 WHEREAS, the Water Authority intends to use a portion of the proceeds of
20 the Loan Agreement for the purpose of acquiring and installing additional System
21 assets and improving the System; and

22 WHEREAS, all required authorizations, consents and approvals in
23 connection with (i) the use and pledge of the Net Revenues to the Finance Authority
24 (or its assigns) for the payment of amounts due under the Loan Agreement, (ii) the
25 use of the proceeds of the Loan Agreement to finance the Project, and (iii) the
26 authorization, execution and delivery of the Loan Agreement, which are required to
27 have been obtained by the date of the Ordinance have been obtained or are
28 reasonably expected to be obtained prior to the Closing Date.

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

30 Section 1. DEFINITIONS AND RULES OF CONSTRUCTION.

31 (A) DEFINITIONS. As used in this Ordinance, the following terms

1 have the meanings specified, unless the context clearly requires otherwise:

2 ACT. The DWSRLF Act, and the general laws of the State, including
3 Section 72-1-10 NMSA 1978, Sections 3-31-1 through 3-31-12 NMSA 1978,
4 Sections 4-62-1 to 4-62-10 NMSA 1978, as amended, and enactments of the Board
5 relating to the Loan Agreement, including this Ordinance.

6 ADMINISTRATIVE FEE or ADMINISTRATIVE FEE COMPONENT.
7 The 0.25% annual fee payable to the Finance Authority as 0.125% of the Loan
8 Agreement Principal Amount then outstanding as a part of each Loan Agreement
9 Payment for the costs of originating and servicing the Loan.

10 AGGREGATE DISBURSEMENTS. At any time after the Closing Date,
11 the sum of all Disbursements.

12 AGGREGATE FORGIVEN DISBURSEMENTS. The amount of
13 Subsidy provided in the form of principal forgiveness, and shall at any time after the
14 Closing Date be equal to seventy-five percent (75%) of the Aggregate
15 Disbursements, up to a maximum of seven hundred fifty thousand dollars
16 (\$750,000).

17 AGGREGATE REPAYABLE DISBURSEMENTS. At any time after the
18 Closing Date, the Aggregate Disbursements less the Aggregate Forgiven
19 Disbursements.

20 APPROVED REQUISITION. A requisition in the form of Exhibit "C" to
21 the Loan Agreement, together with supporting documentation submitted to and
22 approved by the Finance Authority pursuant to Section 4.2 of the Loan Agreement.

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

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

28 CHAIR. The duly elected Chair of the Board or the Vice Chair of the
29 Board acting in the absence of the Chair.

30 CITY. The City of Albuquerque, in the County of Bernalillo and State
31 of New Mexico.

1 CLOSING DATE. The date of execution, delivery and funding of the
2 Loan Agreement authorized by this Ordinance.

3 COMPLETION DATE. The date of completion of the Project.

4 COUNTY. Bernalillo County, New Mexico.

5 CREDIT FACILITY. A letter of credit, line of credit, bond insurance
6 policy or reserve account surety bond, guaranty or similar agreement provided by a
7 Credit Source to provide support to pay the purchase price of, or the payment when
8 due of the principal of and interest on, System Obligations.

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

11 DEBT SERVICE ACCOUNT. The debt service account established in
12 the name of the Water Authority and administered by the Finance Authority to pay
13 principal and interest on the Loan Agreement as the same become due.

14 DEBT SERVICE FUND. The Debt Service Fund previously established
15 by the Water Authority and continued in Section 13 of this Ordinance.

16 DEBT SERVICE REQUIREMENTS. With respect to System
17 Obligations and for any given period, the sum of: (1) the amount required to pay the
18 interest, or to make reimbursements for payments of interest, becoming due on
19 System Obligations during that period, plus (2) the amount required to pay the
20 principal or to make reimbursements for the payment of principal becoming due on
21 System Obligations during that period, whether at maturity or upon mandatory
22 sinking fund redemption dates, plus (3) the periodic payments required to be made
23 by the Water Authority pursuant to a Qualified Exchange Agreement minus (4) the
24 periodic payments to be received by the Water Authority pursuant to a Qualified
25 Exchange Agreement. No payments required for any System Obligations which may
26 be tendered or otherwise presented for payment at the option or demand of the
27 owners of System Obligations, or which may occur because of the exercise of an
28 option by the Water Authority, or which may otherwise become due by reason of any
29 other circumstance or contingency, including acceleration or early termination
30 payments, which constitute other than regularly scheduled payments of principal,

1 interest or other regularly scheduled payments on System Obligations shall be
2 included in any computation of Debt Service Requirements for that period.

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

8 In any computation of Debt Service Requirements relating to the issuance of
9 additional System Obligations, there shall be excluded from the computation of the
10 Debt Service Requirements amounts and investments which are irrevocably
11 committed to make designated payments on System Obligations during the
12 applicable period, including, without limitation, money on deposit in any Debt Service
13 Account and amounts on deposit in an escrow account irrevocably committed to
14 make designated payments on System Obligations during the applicable period and
15 earnings on such investments which are payable and committed to the payment of
16 such System Obligations during the applicable period.

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

22 (1) During any historical period for which the actual variable
23 interest rate or rates are determinable, the actual variable interest rate shall be used.
24 During any historical period when the actual variable interest rate is not
25 determinable, the variable interest rate shall, for the purpose of determining Debt
26 Service Requirements, be deemed to be the higher of:

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

29 (b) a fixed annual rate equal to the prevailing rate on
30 the Variable Rate Obligations on the date of computation (which, for the purpose of
31 determining the Debt Service Requirements, shall be a date which is no more than

60 days prior to the date of issuance of the applicable System Obligations) as certified by the Water Authority's financial advisor, the underwriters of the System Obligations, an investment banker designated by the Water Authority from time to time or a counterparty with respect to a Qualified Exchange Agreement.

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

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

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

DISBURSEMENT. An amount caused to be paid by the Finance Authority for an Approved Requisition for costs of the Project, including the Expense Fund Component.

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

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

1 Authority 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 (2018). The loan agreement between the Finance Authority and the Water Authority
5 in the original principal amount of \$1,010,000, authorized and approved by Water
6 Authority Ordinance Enactment No. O-18-2 and Resolution Enactment No. R-18-7
7 constituting a senior lien on the Net Revenues.

8 DRINKING WATER STATE REVOLVING LOAN FUND. The drinking
9 water state revolving loan fund established by the DWSRLF Act.

10 DWSRLF ACT. The general laws of the State, particularly the Drinking
11 Water State Revolving Loan Fund Act, NMSA 1978 §§ 6-21A-1 through 6-21A-9, as
12 amended.

13 EXPENSE FUND. The expense fund hereby created to be held and
14 administered by the Finance Authority to pay Expenses.

15 EXPENSE FUND COMPONENT. An amount equal to one percent
16 (1%) of each Disbursement for the Project, minus any amount forgiven under the
17 Loan Agreement, simultaneously withdrawn and deposited in the Expense Fund to
18 pay Expenses.

19 EXPENSES. The reasonable and necessary fees, costs and
20 expenses incurred by the Water Authority and the Finance Authority with respect to
21 the execution and delivery of the Loan Agreement, including, without limitation,
22 attorneys' fees and costs, financial advisor's fees and costs, costs of advertising and
23 publication, and all reasonable and necessary fees and administrative costs of the
24 Water Authority and Finance Authority relating to the foregoing.

25 FINAL LOAN AGREEMENT PAYMENT SCHEDULE. The schedule of
26 Loan Agreement Payments due on the Loan Agreement following the Final
27 Requisition, as determined on the basis of the Aggregate Repayable Disbursements.

28 FINAL REQUISITION. The final requisition of moneys to be submitted
29 by the Water Authority, which shall be submitted by the Water Authority on or before
30 the date provided for in Section 4.1(b) of the Loan Agreement.

1 FINANCE AUTHORITY. The New Mexico Finance Authority, created
2 by the New Mexico Finance Authority Act, NMSA 1978, §§ 6-21-1 through 6-21-31,
3 as amended.

4 GROSS REVENUES. All income and revenues directly or indirectly
5 derived by the Water Authority from the operation and use of the System, or any part
6 of the System, and includes, without limitation, all revenues received by the Water
7 Authority, or any municipal corporation or agency succeeding to the rights of the
8 Water Authority, from the System and from the sale and use of water, water services
9 or facilities, sewer service or facilities or any other service, commodity or facility or
10 any combination thereof furnished to the inhabitants of the geographic area served
11 by the Water Authority by means of the System as the same may at any time exist to
12 serve customers outside the Water Authority's geographical limits as well as
13 customers within the Water Authority's geographical limits. Such term also includes:

14 (1) All income derived from the investment of any money in
15 the Joint Water and Sewer Fund, Debt Service Account, Program Account and Rate
16 Stabilization Fund and income derived from surplus Net Revenues;

17 (2) Money released from a rebate fund to the Water
18 Authority;

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

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

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

31 Gross Revenues do not include:

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

5 (2) condemnation proceeds or the proceeds of any
6 insurance policy, except any property insurance proceeds described above in clause
7 (4) of this definition or derived in respect of loss of use or business interruption.

8 INTEREST COMPONENT. The portion of each Loan Agreement
9 Payment paid as interest accruing on the Aggregate Repayable Disbursements then
10 outstanding, calculated from the date of each Disbursement.

11 INTEREST RATE. The rate of interest on the Loan Agreement as
12 shown on the Term Sheet.

13 JOINT WATER AND SEWER FUND. The "City of Albuquerque, New
14 Mexico, Joint Water and Sewer Fund" originally established in Section 16 of City
15 Ordinance No. 18-1984 and continued in Section 13 of this Ordinance as the
16 "Albuquerque Bernalillo County Water Utility Authority Joint Water and Sewer Fund."

17 LOAN. The funds to be loaned to the Water Authority by the Finance
18 Authority pursuant to the Loan Agreement, up to the Maximum Principal Amount.

19 LOAN AGREEMENT. The loan and subsidy agreement and any
20 amendments or supplements thereto, including the exhibits attached to the loan
21 agreement.

22 LOAN AGREEMENT PAYMENT. Collectively, the Principal
23 Component, the Interest Component, Expense Fund Component, and the
24 Administrative Fee Component to be paid by the Water Authority as payment on the
25 Aggregate Repayable Disbursements under the Loan Agreement, as shown on
26 Exhibit "B" thereto.

27 LOAN AGREEMENT PRINCIPAL AMOUNT. As of any date of
28 calculation, the Aggregate Repayable Disbursements (including the Expense Fund
29 Component) then outstanding.

30 MAXIMUM PRINCIPAL AMOUNT. One million dollars (\$1,000,000).

1 NMSA 1978. New Mexico Statutes Annotated, 1978 Compilation, as
2 amended and supplemented.

3 NET REVENUES. The Gross Revenues after deducting Operation
4 and Maintenance Expenses.

5 OPERATION AND MAINTENANCE EXPENSES. All reasonable and
6 necessary current expenses of the System, paid or accrued, related to operating,
7 maintaining and repairing the System including, without limiting the generality of the
8 foregoing:

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

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

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

17 (4) Expenses other than expenses paid from the proceeds of
18 System Obligations;

19 (5) the costs of audits of the books and accounts of the
20 Water Authority and the System;

21 (6) amounts required to be deposited in a rebate fund or
22 otherwise required to make rebate payments to the United States Government;

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

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

28 Operation and Maintenance Expenses do not include any allowance for
29 depreciation, payments in lieu of taxes, liabilities incurred by the Water Authority as
30 a result of its negligence or other misconduct in the operation of the System or any
31 charges or costs allocable to capital improvements or replacements. Operation and

1 Maintenance Expenses do not include any payment of or reimbursement for the
2 payment of Debt Service Requirements on the Loan Agreement.

3 ORDINANCE. This Ordinance, as amended or supplemented from
4 time to time.

5 OUTSTANDING. When used in reference to System Obligations, on
6 any particular date, the aggregate of all System Obligations issued and delivered
7 under the applicable Water Authority ordinance authorizing the issuance of, System
8 Obligations except:

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

11 (2) those which have been paid or are deemed to be paid in
12 accordance with the Water Authority ordinance or resolution authorizing the
13 issuance of the applicable System Obligations or otherwise relating thereto, provided
14 that the payment of insured Obligations with the proceeds of a bond insurance policy
15 shall not result in those insured obligations ceasing to be Outstanding;

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

18 (4) any System Obligation which has been refunded in
19 accordance with this Ordinance or other ordinances of the Water Authority
20 authorizing the defeasance of such designated System Obligations; and

21 (5) those in lieu of or in exchange or substitution for which
22 other System Obligations shall have been delivered, unless proof satisfactory to the
23 Water Authority and the paying agent for the applicable System Obligations is
24 presented that any System Obligation for which a new System Obligation was
25 issued or exchanged is held by a bona fide holder in due course.

26 PROGRAM ACCOUNT. The book account established by the Finance
27 Authority in the name of the Water Authority for purposes of tracking expenditure of
28 the Loan by the Water Authority to pay for the costs of the Project, as shown in the
29 Term Sheet, which account shall be kept separate and apart from all other accounts
30 of the Finance Authority.

1 PROJECT. Acquiring additional System assets, extending, repairing,
2 replacing and improving the Water Authority's System, including, acquisition and
3 installation of water distribution lines for the Carnuel, New Mexico community and
4 the payment of Expenses associated with the execution and delivery of the Loan
5 Agreement.

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

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

14 RATE COVENANT. The covenants in the Loan Agreement relating to
15 charging rates for use of the System to pay Debt Service Requirements.

16 RATE STABILIZATION FUND. The Rate Stabilization Fund for
17 System Obligations previously established by the Water Authority and continued in
18 Section 13 of this Ordinance.

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

28 SERIES 2009A-1 BONDS. The Senior Obligations designated as
29 "Albuquerque Bernalillo County Water Utility Authority Joint Water and Sewer
30 System Improvement Revenue Bonds, Series 2009A-1" in the original principal

1 amount of \$135,990,000, authorized and issued pursuant to Ordinance No. O-09-1
2 and Resolution No. R-09-7 constituting a senior lien on the Net Revenues.

3 SERIES 2013A&B BONDS. The Senior Obligations designated as the
4 “Albuquerque Bernalillo County Water Utility Authority Joint Water and Sewer
5 System Improvement Revenue Bonds, Series 2013A” and the “Albuquerque
6 Bernalillo County Water Utility Authority Joint Water and Sewer System Refunding
7 Revenue Bonds, Series 2013B” in the combined original principal amount of
8 \$118,215,000, authorized and issued pursuant to Ordinance No. O-13-2 and
9 Resolution R-13-13 constituting a senior lien on the Net Revenues.

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

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

21 SERIES 2015 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 2015” in the
24 original principal amount of \$211,940,000, authorized and issued pursuant to
25 Ordinance No. O-15-2 and Resolution F/S R-15-6 constituting a senior lien on the
26 Net Revenues.

27 SERIES 2017 BONDS. The Senior Obligations designated as the
28 “Albuquerque Bernalillo County Water Utility Authority Senior Lien Joint Water and
29 Sewer System Refunding and Improvement Revenue Bonds, Series 2017” in the
30 original principal amount of \$87,970,000, authorized and issued pursuant to

1 Ordinance No. WUA O-16-2 and Resolution WUA R-16-13 constituting a senior lien
2 on the Net Revenues.

3 STATE. The State of New Mexico.

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

9 SUBSIDY. The subsidy in the form of principal forgiveness for the
10 Water Authority, to be applied proportionally at the time of each disbursement of
11 moneys from the Program Account to the Water Authority, being fifty percent (50%)
12 of such disbursements.

13 SUPER SUBORDINATE OBLIGATIONS. All bonds and other
14 obligations of the Water Authority now or hereafter issued with a lien on the Net
15 Revenues subordinate to the liens of the Senior Obligations and the Subordinate
16 Obligations on the Net Revenues.

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

27 SYSTEM OBLIGATIONS. All bonds and other similar indebtedness
28 payable solely or primarily from Net Revenues, including, without limitation, the
29 Senior Obligations, the Subordinate Obligations and the Super Subordinate
30 Obligations.

31 TERM SHEET. Exhibit "A" to the Loan Agreement.

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 RULES OF CONSTRUCTION. For purposes of this Ordinance, unless
9 otherwise expressly provided or unless the context requires otherwise:

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

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

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

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

21 (5) The headings used in this Ordinance are for convenience
22 of reference only and shall not define or limit the provisions of this 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 Ordinance) by the Board and the officers of the Water
26 Authority, directed toward the authorization, pledge, collection and distribution of the
27 Net Revenues, the Project, and the authorization, execution and delivery of the Loan
28 Agreement 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 execution and delivery of the Loan

1 Agreement under the Act in the Maximum Principal Amount to finance the Project is
2 necessary and in the interest of the public health, safety and welfare of the residents
3 of the geographic area served by the Water Authority.

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

6 (C) It is economically feasible to accomplish the Project by the
7 execution and delivery of the Loan Agreement.

8 (D) The Net Revenues may lawfully be pledged to secure the
9 payment of amounts due under the Loan Agreement.

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

12 Section 5. LOAN AGREEMENT – AUTHORIZATION AND DETAIL.

13 (A) AUTHORIZATION. This Ordinance has been adopted by the
14 affirmative vote of at least a majority of all of the members of the Board. For the
15 purpose of protecting the public health, conserving the property, and protecting the
16 general welfare and prosperity of the public served by the Water Authority and
17 acquiring and constructing the Project, it is hereby declared necessary that the
18 Water Authority, pursuant to the Act, execute and deliver the Loan Agreement
19 evidencing a special limited obligation of the Water Authority to pay a principal
20 amount of two hundred fifty thousand dollars (\$250,000) and interest thereon, and to
21 accept a loan subsidy in the amount of seven hundred fifty thousand dollars
22 (\$750,000) and the execution and delivery of the Loan Agreement is hereby
23 authorized. The Water Authority shall use the proceeds of the Loan and Subsidy (i)
24 to finance the acquisition and construction of the Project and (ii) to pay Expenses.
25 The Project will be owned by the Water Authority.

26 (B) DETAIL. The Loan Agreement shall be in substantially the form
27 of the Loan Agreement presented at the meeting of the Board at which this
28 Ordinance was adopted. The Loan shall be in an amount not to exceed the
29 Maximum Principal Amount of one million dollars (\$1,000,000). The Loan
30 Agreement Principal Amount shall be payable in installments of principal due on May
31 1 of the years designated in the Final Loan Agreement Payment Schedule and bear

1 interest payable on May 1 and November 1 of each year, commencing on November
2 1, 2018, at the rates designated in the Loan Agreement, including Exhibit "A"
3 thereto, which rates include the Administrative Fee. Interest on Loan Agreement will
4 be computed on the basis of a 360-day year consisting of twelve 30-day months.

5 Section 6. AUTHORIZATION OF PROJECT AND EXPENSES.

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

7 (B) EXPENSES. The payment of Expenses is authorized and
8 approved.

9 (C) PROCEEDS. The proceeds of the Loan Agreement will be
10 used exclusively to finance the Project including the payment of Expenses.

11 Section 7. APPROVAL OF THE LOAN AGREEMENT. The form of the
12 Loan Agreement as presented at the meeting of the Board at which this Ordinance
13 was adopted is hereby approved. Authorized Officers are hereby individually
14 authorized to execute, acknowledge and deliver the Loan Agreement with such
15 changes, insertions and omissions as may be approved by such individual
16 Authorized Officers, and the Executive Director is hereby authorized to affix the seal
17 of the Water Authority on the Loan Agreement and attest the same. The execution
18 of the Loan Agreement by an Authorized Officer shall be conclusive evidence of
19 such approval.

20 Section 8. SPECIAL LIMITED OBLIGATIONS. The Loan Agreement shall
21 be secured by the pledge of the Net Revenues as set forth in the Loan Agreement
22 and shall be payable solely from the Net Revenues. The Loan Agreement, together
23 with interest thereon and other obligations of the Water Authority thereunder, shall
24 be a special, limited obligation of the Water Authority, payable solely from the Net
25 Revenues as provided in this Ordinance, and the Loan Agreement shall not
26 constitute a general obligation of the Water Authority, the City, the County, or the
27 State, and the holders of the Loan Agreement may not look to any general or other
28 fund of the Water Authority for payment of the obligations thereunder. Nothing
29 contained in this Ordinance nor in the Loan Agreement, nor any other instruments,
30 shall be construed as obligating the Water Authority (except with respect to the
31 application of the Net Revenues) or as imposing a pecuniary liability or a charge

1 upon the general credit of the Water Authority, nor shall a breach of any agreement
2 contained in this Ordinance, the Loan Agreement, or any other instrument impose
3 any pecuniary liability upon the Water Authority or any charge upon its general
4 credit. The Loan Agreement shall never constitute an indebtedness of the Water
5 Authority within the meaning of any State constitutional provision or statutory
6 limitation and shall never constitute or give rise to a pecuniary liability of the Water
7 Authority or a charge against its general credit. Nothing herein shall prevent the
8 Water Authority from applying other funds of the Water Authority legally available
9 therefor to payments required by the Loan Agreement, in its sole and absolute
10 discretion.

11 Section 9. DISPOSITION OF PROCEEDS; COMPLETION OF
12 ACQUISITION AND CONSTRUCTION OF THE PROJECT.

13 (A) ACCOUNTS. The Water Authority hereby consents to creation
14 of the Program Account, Expense Fund and Debt Service Account to be held and
15 maintained by the Finance Authority as provided in the Loan Agreement. The Water
16 Authority hereby approves of the deposit of a portion of the proceeds of the Loan
17 Agreement in the Program Account and Expense Fund. The proceeds derived from
18 the execution and delivery of the Loan Agreement shall be deposited promptly upon
19 receipt thereof in the Expense Fund and the Program Account, as provided in the
20 Loan Agreement. Until the Completion Date or the date of the Final Disbursement,
21 the money in the Program Account shall be used and paid out solely for the purpose
22 of acquiring and constructing the Project and to pay Expenses in compliance with
23 applicable law and the provisions of the Loan Agreement.

24 (B) PROMPT COMPLETION OF THE PROJECT. The Water
25 Authority will acquire, construct and complete the Project with all due diligence.
26 Upon the acquisition and completion of the Project, the Water Authority shall
27 execute and send to the Finance Authority a certificate stating that the completion of
28 and payment for the Project has been completed.

29 (C) FINANCE AUTHORITY NOT RESPONSIBLE FOR
30 APPLICATION OF LOAN PROCEEDS. The Finance Authority shall in no manner
31 be responsible for the application or disposal by the Water Authority or by its officers

1 of the net proceeds derived from the Loan Agreement.

2 Section 10. DEPOSIT OF NET REVENUES; DISTRIBUTIONS OF NET
3 REVENUES AND FLOW OF FUNDS.

4 (A) DEPOSIT OF NET REVENUES. Net Revenues shall be paid
5 directly by the Water Authority to the Finance Authority in an amount sufficient to pay
6 principal and interest due under the Loan Agreement, as provided in Section 5.2 of
7 the Loan Agreement.

8 (B) TERMINATION OF DEPOSITS TO MATURITY. No payment
9 shall be made into the Debt Service Account if the amount in the Debt Service
10 Account totals a sum at least equal to the entire aggregate amount of Loan
11 Agreement Payments to become due as to principal and interest due under the Loan
12 Agreement, in which case moneys in such account in an amount at least equal to
13 such principal and interest requirements shall be used solely to pay such obligations
14 as the same become due, and any moneys in excess thereof in such accounts shall
15 be transferred to the Water Authority and used as provided in Section 10(C) below.

16 (C) USE OF SURPLUS REVENUES. After making all the
17 payments hereinabove required to be made by this Section, any moneys remaining
18 in the Debt Service Account shall be transferred to the Water Authority on a timely
19 basis and applied to any other lawful purpose, including, but not limited to, the
20 payment of any Senior Obligations, Subordinate Obligations or Super Subordinate
21 Obligations, or purposes authorized by the Water Authority, the Constitution and
22 laws of the State, as the Water Authority may from time to time determine.

23 Section 11. LIEN ON NET REVENUES. The Loan Agreement shall be
24 issued with a lien on the Net Revenues on parity with the lien of the Senior
25 Obligations on the Net Revenues and a lien superior to the liens of the Subordinate
26 Obligations and the Super Subordinate Obligations on the Net Revenues. The Net
27 Revenues are hereby authorized to be pledged, and are hereby pledged, and the
28 Water Authority grants a security interest therein, for the payment of the principal
29 and interest due under the Loan Agreement, subject to the uses thereof permitted by
30 and the priorities set forth in this Ordinance and the Loan Agreement. The Loan
31 Agreement constitutes an irrevocable first lien, but not necessarily an exclusive first

1 lien, on the Net Revenues as set forth herein and therein, and the Water Authority
2 shall not create a lien on the Net Revenues superior to that of the Loan Agreement
3 without the express prior written approval of the Finance Authority.

4 Section 12. AUTHORIZED OFFICERS; DELEGATED POWERS.

5 Authorized Officers are hereby individually authorized and directed to execute and
6 deliver any and all papers, instruments, opinions, affidavits and other documents
7 and to do and cause to be done any and all acts and things necessary or proper for
8 carrying out this Ordinance, the Loan Agreement and all other transactions
9 contemplated hereby and thereby. Authorized Officers are hereby individually
10 authorized to do all acts and things required of them by this Ordinance and the Loan
11 Agreement for the full, punctual and complete performance of all the terms,
12 covenants and agreements contained in this Ordinance and the Loan Agreement
13 including, but not limited to, the execution and delivery of closing documents,
14 additional agreements and reports required in connection with the execution and
15 delivery of the Loan Agreement, and the publication of the summary of this
16 Ordinance set out in Section 19 of this Ordinance (with such changes, additions and
17 deletions as may be necessary).

18 Section 13. FUNDS AND ACCOUNTS.

19 (A) JOINT WATER AND SEWER FUND. The Water Authority shall
20 continue the Joint Water and Sewer Fund as a separate, distinct and segregated
21 fund. As long as the Loan Agreement is outstanding, all Gross Revenues shall
22 continue to be set aside and credited to the Joint Water and Sewer Fund.

23 (B) DEBT SERVICE FUND AND ACCOUNTS. The Water Authority
24 shall continue the Debt Service Fund as a separate, distinct and segregated fund for
25 the deposit of Net Revenues for the payment of System Obligations, including the
26 Loan Agreement. The Water Authority shall continue the Expense Account as part
27 of the Debt Service Fund. Money on deposit or credited to the Expense Account
28 shall be used for the purpose of payment of Expenses.

29 (C) RATE STABILIZATION FUND. The Water Authority shall
30 continue the Rate Stabilization Fund as a separate, distinct and segregated fund.

31 Section 14. AMENDMENT OF ORDINANCE. Prior to the Closing Date, the

1 provisions of this Ordinance may be supplemented or amended by ordinance of the
2 Board with respect to any changes which are not inconsistent with the substantive
3 provisions of this Ordinance. After the Closing Date, this Ordinance may be
4 amended without receipt by the Water Authority of any additional consideration, but
5 only with the prior written consent of the Finance Authority.

6 Section 15. LIMITATION OF RIGHTS. Nothing in this Ordinance expressed
7 or implied is intended or shall be construed to give to any person other than the
8 Water Authority, the Finance Authority and the parties to which such right, remedy or
9 claim is expressly granted by this Ordinance any legal or equitable right, remedy or
10 claim under or in respect to the Ordinance.

11 Section 16. ORDINANCE IRREPEALABLE. After the Closing Date, this
12 Ordinance shall be and remain irrevocable until all obligations due under the Loan
13 Agreement shall be fully paid, canceled and discharged, as herein provided.

14 Section 17. SEVERABILITY CLAUSE. If any section, paragraph, clause or
15 provision of this 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 Ordinance.

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

22 Section 19. GENERAL SUMMARY FOR PUBLICATION. The title and a
23 general summary of the subject matter contained in this 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 May 23, 2018, the Board of Albuquerque Bernalillo County
30 Water Utility Authority (the "Water Authority") adopted Water Authority Ordinance
31 No. O-18-_____, an ordinance which authorizes the execution and delivery of a loan

1 agreement with the New Mexico Finance Authority in an aggregate principal amount
2 of \$1,000,000 to make improvements to the Water Authority's Joint Water and
3 Sanitary Sewer System.

4 The title of the Ordinance is:

5 **ORDINANCE**

6 **AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN**
7 **AND SUBSIDY AGREEMENT ("LOAN AGREEMENT") BY AND BETWEEN THE**
8 **ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY AUTHORITY (THE**
9 **"WATER AUTHORITY") AND THE NEW MEXICO FINANCE AUTHORITY,**
10 **EVIDENCING A SPECIAL LIMITED OBLIGATION OF THE WATER AUTHORITY**
11 **TO PAY A PRINCIPAL AMOUNT OF NO MORE THAN TWO HUNDRED FIFTY**
12 **THOUSAND DOLLARS (\$250,000), TOGETHER WITH INTEREST, COSTS OF**
13 **ISSUANCE AND ADMINISTRATIVE FEES THEREON, AND TO ACCEPT A LOAN**
14 **SUBSIDY OF NO MORE THAN SEVEN HUNDRED FIFTY THOUSAND DOLLARS**
15 **(\$750,000), FOR THE PURPOSE OF FINANCING THE COSTS OF EXTENDING**
16 **AND IMPROVING THE WATER INFRASTRUCTURE SYSTEM TO THE CARNUEL**
17 **COMMUNITY, INCLUDING, ACQUISITION AND INSTALLATION OF WATER**
18 **DISTRIBUTION LINES; PROVIDING FOR THE PLEDGE AND PAYMENT OF THE**
19 **PRINCIPAL, INTEREST AND ADMINISTRATIVE FEES DUE UNDER THE LOAN**
20 **AGREEMENT SOLELY FROM NET REVENUES; SETTING A MAXIMUM**
21 **INTEREST RATE FOR THE LOAN; APPROVING THE FORM OF AND OTHER**
22 **DETAILS CONCERNING THE LOAN AGREEMENT; RATIFYING ACTIONS**
23 **HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT WITH THIS**
24 **ORDINANCE; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN**
25 **CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN**
26 **AGREEMENT.**

27 The title contains a general summary of the subject matter contained in the
28 Ordinance.

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

30 (End of Summary of Ordinance for Publication)

1 PASSED AND ADOPTED THIS 23rd DAY OF MAY, 2018.
2 BY A VOTE OF ____ FOR AND ____ AGAINST.

3

4

5

6

Chair

7 ATTEST:

8

9

10 Secretary

11

SOURCES AND USES OF FUNDS

Albuquerque Bernalillo County Water Utility Authority
4202-DW Carnuel Water System Improvements/4200-DW Albuquerque Advanced Meter Infrastructure Upgrade

Sources:	4202-DW Carnuel Water System Improvements Phase 2B	4200-DW Albuquerque Metro Area Advanced Meter Infrastructure Upgrade	Total
Bond Proceeds:			
Par Amount	250,000.00	505,000.00	755,000.00
Other Sources of Funds:			
DWSRLF Subsidy (75% Principal Forgiveness)	750,000.00		750,000.00
COI Subsidy (50% Forgiveness)		5,000.00	5,000.00
DWSRLF Subsidy (50% Principal Forgiveness)		500,000.00	500,000.00
	750,000.00	505,000.00	1,255,000.00
	1,000,000.00	1,010,000.00	2,010,000.00

Uses:	4202-DW Carnuel Water System Improvements Phase 2B	4200-DW Albuquerque Metro Area Advanced Meter Infrastructure Upgrade	Total
Project Fund Deposits:			
Project Fund	1,000,000.00	1,000,000.00	2,000,000.00
Delivery Date Expenses:			
Cost of Issuance		10,000.00	10,000.00
	1,000,000.00	1,010,000.00	2,010,000.00

BOND SUMMARY STATISTICS

Albuquerque Bernalillo County Water Utility Authority
4202-DW Carmuel Water System Improvements Phase 2B

Dated Date	06/01/2018
Delivery Date	06/01/2018
Last Maturity	05/01/2040
Arbitrage Yield	1.436653%
True Interest Cost (TIC)	0.250003%
Net Interest Cost (NIC)	0.250002%
All-In TIC	0.250003%
Average Coupon	0.250002%
Average Life (years)	12.500
Duration of Issue (years)	12.274
Par Amount	250,000.00
Bond Proceeds	250,000.00
Total Interest	7,812.38
Net Interest	7,812.38
Total Debt Service	257,812.38
Maximum Annual Debt Service	12,831.20
Average Annual Debt Service	11,763.30
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	

Total Underwriter's Discount

Bid Price 100.000000

Bond Component	Par Value	Price	Average Coupon	Average Life
Disadvantaged Loan Component	250,000.00	100.000	0.250%	12.500
	250,000.00			12.500

	TIC	All-In TIC	Arbitrage Yield
Par Value	250,000.00	250,000.00	250,000.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount			
- Cost of Issuance Expense			
- Other Amounts			
Target Value	250,000.00	250,000.00	250,000.00
Target Date	06/01/2018	06/01/2018	06/01/2018
Yield	0.250003%	0.250003%	1.436653%

BOND DEBT SERVICE BREAKDOWN

Albuquerque Bernalillo County Water Utility Authority
 4202-DW Carnuel Water System Improvements/4200-DW Albuquerque Advanced Meter Infrastructure Upgrade

Period Ending	4202-DW Carnuel Water System Improvements Phase 2B	4200-DW Albuquerque Metro Area Advanced Meter Infrastructure Upgrade	Total	Annual Total
11/01/2018	260.42	4,208.33	4,468.75	
05/01/2019	312.50	5,050.00	5,362.50	9,831.25
11/01/2019	312.50	5,050.00	5,362.50	
05/01/2020	312.50	5,050.00	5,362.50	10,725.00
11/01/2020	312.50	5,050.00	5,362.50	
05/01/2021	12,518.50	25,834.00	38,352.50	43,715.00
11/01/2021	297.24	4,842.16	5,139.40	
05/01/2022	12,533.24	26,042.16	38,575.40	43,714.80
11/01/2022	281.95	4,630.16	4,912.11	
05/01/2023	12,548.95	26,254.16	38,803.11	43,715.22
11/01/2023	266.61	4,413.92	4,680.53	
05/01/2024	12,563.61	26,469.92	39,033.53	43,714.06
11/01/2024	251.24	4,193.36	4,444.60	
05/01/2025	12,579.24	26,690.36	39,269.60	43,714.20
11/01/2025	235.83	3,968.39	4,204.22	
05/01/2026	12,594.83	26,915.39	39,510.22	43,714.44
11/01/2026	220.38	3,738.92	3,959.30	
05/01/2027	12,610.38	27,144.92	39,755.30	43,714.60
11/01/2027	204.90	3,504.86	3,709.76	
05/01/2028	12,625.90	27,378.86	40,004.76	43,714.52
11/01/2028	189.37	3,266.12	3,455.49	
05/01/2029	12,641.37	27,618.12	40,259.49	43,714.98
11/01/2029	173.81	3,022.60	3,196.41	
05/01/2030	12,656.81	27,861.60	40,518.41	43,714.82
11/01/2030	158.20	2,774.21	2,932.41	
05/01/2031	12,672.20	28,110.21	40,782.41	43,714.82
11/01/2031	142.56	2,520.85	2,663.41	
05/01/2032	12,688.56	28,363.85	41,052.41	43,715.82
11/01/2032	126.88	2,262.42	2,389.30	
05/01/2033	12,703.88	28,621.42	41,325.30	43,714.60
11/01/2033	111.16	1,998.83	2,109.99	
05/01/2034	12,719.16	28,885.83	41,604.99	43,714.98
11/01/2034	95.40	1,729.96	1,825.36	
05/01/2035	12,735.40	29,153.96	41,889.36	43,714.72
11/01/2035	79.60	1,455.72	1,535.32	
05/01/2036	12,751.60	29,428.72	42,180.32	43,715.64
11/01/2036	63.76	1,175.99	1,239.75	
05/01/2037	12,766.76	29,707.99	42,474.75	43,714.50
11/01/2037	47.88	890.67	938.55	
05/01/2038	12,782.88	29,993.67	42,776.55	43,715.10
11/01/2038	31.96	599.64	631.60	
05/01/2039	12,798.96	30,284.64	43,083.60	43,715.20
11/01/2039	16.00	302.79	318.79	
05/01/2040	12,815.00	30,581.79	43,396.79	43,715.58
	257,812.38	637,041.47	894,853.85	894,853.85

DETAILED BOND DEBT SERVICE

Albuquerque Bernalillo County Water Utility Authority
4202-DW Carnuel Water System Improvements Phase 2B

Disadvantaged Loan Component (DISADVANT)

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
11/01/2018			260.42	260.42	
05/01/2019			312.50	312.50	572.92
11/01/2019			312.50	312.50	
05/01/2020			312.50	312.50	625.00
11/01/2020			312.50	312.50	
05/01/2021	12,206	0.250%	312.50	12,518.50	12,831.00
11/01/2021			297.24	297.24	
05/01/2022	12,236	0.250%	297.24	12,533.24	12,830.48
11/01/2022			281.95	281.95	
05/01/2023	12,267	0.250%	281.95	12,548.95	12,830.90
11/01/2023			266.61	266.61	
05/01/2024	12,297	0.250%	266.61	12,563.61	12,830.22
11/01/2024			251.24	251.24	
05/01/2025	12,328	0.250%	251.24	12,579.24	12,830.48
11/01/2025			235.83	235.83	
05/01/2026	12,359	0.250%	235.83	12,594.83	12,830.66
11/01/2026			220.38	220.38	
05/01/2027	12,390	0.250%	220.38	12,610.38	12,830.76
11/01/2027			204.90	204.90	
05/01/2028	12,421	0.250%	204.90	12,625.90	12,830.80
11/01/2028			189.37	189.37	
05/01/2029	12,452	0.250%	189.37	12,641.37	12,830.74
11/01/2029			173.81	173.81	
05/01/2030	12,483	0.250%	173.81	12,656.81	12,830.62
11/01/2030			158.20	158.20	
05/01/2031	12,514	0.250%	158.20	12,672.20	12,830.40
11/01/2031			142.56	142.56	
05/01/2032	12,546	0.250%	142.56	12,688.56	12,831.12
11/01/2032			126.88	126.88	
05/01/2033	12,577	0.250%	126.88	12,703.88	12,830.76
11/01/2033			111.16	111.16	
05/01/2034	12,608	0.250%	111.16	12,719.16	12,830.32
11/01/2034			95.40	95.40	
05/01/2035	12,640	0.250%	95.40	12,735.40	12,830.80
11/01/2035			79.60	79.60	
05/01/2036	12,672	0.250%	79.60	12,751.60	12,831.20
11/01/2036			63.76	63.76	
05/01/2037	12,703	0.250%	63.76	12,766.76	12,830.52
11/01/2037			47.88	47.88	
05/01/2038	12,735	0.250%	47.88	12,782.88	12,830.76
11/01/2038			31.96	31.96	
05/01/2039	12,767	0.250%	31.96	12,798.96	12,830.92
11/01/2039			16.00	16.00	
05/01/2040	12,799	0.250%	16.00	12,815.00	12,831.00
	250,000		7,812.38	257,812.38	257,812.38

UNIVERSAL BOND SOLUTION

Albuquerque Bernalillo County Water Utility Authority
4202-DW Carnuel Water System Improvements/4200-DW Albuquerque Advanced Meter Infrastructure Upgrade
Universal Bond Solution Component

Period Ending	Proposed Principal	Proposed Debt Service	Existing Debt Service	Total Adj Debt Service	Revenue Constraints	Unused Revenues	Debt Serv Coverage
05/01/2019		9,831	85,371,699	85,381,530	118,399,994	33,018,464	138.67167%
05/01/2020		10,725	75,192,733	75,203,458	118,399,994	43,196,536	157.43956%
05/01/2021	32,990	43,715	75,199,808	75,243,523	118,399,994	43,156,471	157.35573%
05/01/2022	33,436	43,715	68,663,333	68,707,048	118,399,994	49,692,946	172.32584%
05/01/2023	33,891	43,715	68,657,944	68,701,660	118,399,994	49,698,335	172.33935%
05/01/2024	34,353	43,714	63,234,469	63,278,183	118,399,994	55,121,811	187.11029%
05/01/2025	34,825	43,714	57,629,746	57,673,460	118,399,994	60,726,534	205.29372%
05/01/2026	35,306	43,714	43,374,773	43,418,487	118,399,994	74,981,507	272.69488%
05/01/2027	35,796	43,715	32,704,852	32,748,566	118,399,994	85,651,428	361.54253%
05/01/2028	36,295	43,715	24,554,324	24,598,038	118,399,994	93,801,956	481.33917%
05/01/2029	36,804	43,715	24,561,469	24,605,184	118,399,994	93,794,810	481.19939%
05/01/2030	37,322	43,715	17,664,911	17,708,626	118,399,994	100,691,368	668.60069%
05/01/2031	37,850	43,715	17,005,859	17,049,574	118,399,994	101,350,420	694.44547%
05/01/2032	38,389	43,716	16,889,219	16,932,935	118,399,994	101,467,059	699.22903%
05/01/2033	38,936	43,715	16,883,968	16,927,682	118,399,994	101,472,312	699.44598%
05/01/2034	39,495	43,715	8,519,143	8,562,858	118,399,994	109,837,136	1382.71588%
05/01/2035	40,064	43,715	2,462,105	2,505,820	118,399,994	115,894,174	4725.00049%
05/01/2036	40,645	43,716	2,459,293	2,503,008	118,399,994	115,896,986	4730.30799%
05/01/2037	41,235	43,715	1,384,980	1,428,695	118,399,994	116,971,300	8287.28563%
05/01/2038	41,838	43,715	1,383,730	1,427,445	118,399,994	116,972,549	8294.53924%
05/01/2039	42,452	43,715		43,715	118,399,994	118,356,279	270843.995%
05/01/2040	43,078	43,716		43,716	118,399,994	118,356,278	270841.640%
	755,000	894,854	703,798,356	704,693,210	2,604,799,868	1,900,106,658	