# CITY of ALBUQUERQUE
## TWENTY-FOURTH COUNCIL

COUNCIL BILL NO. F/S R-20-13 ENACTMENT NO. _____

SPONSORED BY: Diane G. Gibson, by request

**RESOLUTION**

**F/S Authorizing The Giving Of Notices For Bids For The Sale Of City Of Albuquerque, New Mexico General Obligation Bonds Consisting Of $67,830,000 General Obligation General Purpose Bonds, Series 2020A, $11,210,000 General Obligation Storm Sewer Bonds, Series 2020B And $57,430,000 General Obligation Refunding Bonds, Series 2020D (Gibson, by request)**

**AUTHORIZING THE GIVING OF NOTICES FOR BIDS FOR THE SALE OF CITY OF ALBUQUERQUE, NEW MEXICO GENERAL OBLIGATION BONDS CONSISTING OF $67,830,000 GENERAL OBLIGATION GENERAL PURPOSE BONDS, SERIES 2020A, $11,210,000 GENERAL OBLIGATION STORM SEWER BONDS, SERIES 2020B AND $57,430,000 GENERAL OBLIGATION REFUNDING BONDS, SERIES 2020D.**

WHEREAS, the City Council (the "Council") of the City of Albuquerque (the "City"), in the County of Bernalillo and State of New Mexico, at its municipal election of November 5, 2019, was given authority to issue general obligation bonds in the principal amounts stated in the schedule shown (the "Bond Schedule") below under the column entitled "Authorized at 2019 Election" (the "Authorized Bonds"); and

BOND SCHEDULE

| GENERAL PURPOSE BONDS | Authorized at 2019 Election | Series 2020 Financing |
|---|---|---|
| Public Safety | $8,590,000 | $7,250,000 |
| Citizens' Centers and Community Enhancement | 21,705,000 | 9,700,000 |
| Parks and Recreation | 16,830,000 | 7,350,000 |
| Facilities and Equipment | 10,420,000 | 6,460,000 |
| Library | 8,765,000 | 8,500,000 |
| Public Transportation | 3,130,000 | 3,100,000 |

| | | |
|---|---|---|
| Affordable Housing | 5,050,000 | -0- |
| Metropolitan Redevelopment | 8,080,000 | 3,000,000 |
| Streets | 32,930,000 | 28,200,000 |
| Museum and Cultural Facilities | 1,790,000 | 770,000 |
| SUBTOTAL | $117,290,000 | |
| $74,330,000 | | |
| Storm Sewer | 11,210,000 | 11,210,000 |
| TOTAL | $128,500,000 | $85,540,000 |

WHEREAS, the City wishes to refund, refinance and defease its outstanding General Obligation General Purpose Bonds, Series 2011, General Obligation General Purpose Bonds, Series 2012A and General Obligation Storm Sewer Bonds, Series 2012B on July 1, 2020; and

WHEREAS, the City wishes to issue and sell (i) by competitive bid in a public sale, bonds in three series, consisting of $67,830,000 General Obligation General Purpose Bonds, Series 2020A (the "Series 2020A Bonds"), $11,210,000 General Obligation Storm Sewer Bonds, Series 2020B (the "Series 2020B Bonds"), and $57,430,000 General Obligation Refunding Bonds, Series 2020D (the “Series 2020D Bonds” and, collectively with the Series 2020A Bonds and 2020B Bonds, the "Series 2020 Bonds"), and (ii) in a private sale to the State of New Mexico pursuant to Section 6-15-5 NMSA 1978 $6,500,000 Short Term General Obligation Bonds, Series 2020C (the “Series 2020C Bonds”); and

BE IT RESOLVED BY THE COUNCIL, THE GOVERNING BODY OF THE CITY OF ALBUQUERQUE:

Section 1. NOTICE FOR SERIES 2020A BONDS, SERIES 2020B BONDS AND SERIES 2020D BONDS. The City Clerk is authorized and directed to cause a “Notice of Bond Sale - Series 2020A Bonds, Series 2020B Bonds and Series 2020D Bonds” in the form set forth below to be published once in a daily newspaper having a local and general circulation in the City at least one week prior to the date of the sale. The City is authorized and directed to give such other notices of the bond sale as the Chief Financial Officer or Director of Finance and Administrative Services shall determine, including publication of the notice in financial newspapers and the distribution among investment bankers and others of a preliminary official statement relating to the Bonds. The notice of sale of the Bonds shall be published in substantially the following form:

[Form of Notice for Publication]

NOTICE OF BOND SALE

CITY OF ALBUQUERQUE, NEW MEXICO

$67,830,000

GENERAL OBLIGATION GENERAL PURPOSE BONDS, SERIES 2020A

$11,210,000

GENERAL OBLIGATION STORM SEWER BONDS, SERIES 2020B



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$57,430,000

GENERAL OBLIGATION REFUNDING BONDS, SERIES 2020D

NOTICE IS GIVEN THAT the City of Albuquerque (the “City”), State of New Mexico (the “State”), will receive unconditional bids on Tuesday, March 3, 2020, from 8:30 a.m. until the hour of 9:00 a.m., prevailing Mountain Time, submitted electronically through the facilities of GRANT STREET GROUP for the purchase of the City’s proposed general obligation bonds (collectively, the “Bonds” or the "Series 2020A Bonds, Series 2020B Bonds and Series 2020D Bonds") to be issued in three separate series in the aggregate principal amount of $136,470,000 described as follows:

1. City of Albuquerque, New Mexico, General Obligation General Purpose Bonds, Series 2020A, in the total principal amount of $67,830,000 (the “Series 2020A Bonds”);

2. City of Albuquerque, New Mexico, General Obligation Storm Sewer Bonds, Series 2020B, in the total principal amount of $11,210,000 (the “Series 2020B Bonds”); and

3. City of Albuquerque, New Mexico General Obligation Refunding Bonds, Series 2020D, in the total principal amount of $57,430,000.

The Bonds will be issued as fully registered bonds. The Series 2020A Bonds will mature on July 1 of each year, commencing on July 1, 2021, the Series 2020B Bonds will mature on July 1 of each year, commencing on July 1, 2032, and the Series 2020D Bonds will mature on July 1 of each year, commencing on July 1, 2021.

The Bonds will be the general obligation of the City payable from general (*ad valorem*) property taxes levied against all taxable property in the City, without limitation as to rate or amount, and the full faith and credit of the City will be pledged for the payment of the Bonds.

The maximum net effective interest rate on the Bonds shall not exceed ten percent (10%) per annum. Discounts shall not be permitted as part of the sale price of a series of the Bonds, in whole, although discounts may be offered on any single maturity of a series of Bonds. Interest on each Bond shall be evidenced until maturity by only one interest rate.

Interest on the Bonds will be payable on January 1 and July 1 in each year while the Bonds are outstanding, beginning July 1, 2020. The Bonds will bear interest until maturity from the most recent date to which interest has been paid or provided for or, if no interest has been paid or provided for, from the date of the Bonds.

Each bid shall be deemed an irrevocable offer to purchase the Bonds on the terms provided therein and in the Official Notice of Bond Sale. Each bidder is required to submit an unconditional electronic bid for the Series 2020A Bonds, Series 2020B Bonds and Series 2020D Bonds.

Each bid must be submitted electronically through the facilities of GRANT STREET GROUP. THE CITY WILL NOT ACCEPT TELEPHONE, FACSIMILE OR HAND-DELIVERED BIDS. The City shall not be

responsible for any malfunction or mistake made by, or as a result of the use of the facilities of, GRANT STREET GROUP, the use of such facilities being at the sole risk of the bidder.

*This Notice is not a disclosure document, and it is not the Official Notice of Bond Sale. Prior to submitting a bid to the City for the Bonds, a full review should be made of the Official Notice of Bond Sale and the entire Preliminary Official Statement ("Preliminary Official Statement") for the Bonds. The offering of Bonds to potential investors is made only by means of the Preliminary Official Statement.*

Copies of the Official Notice of Bond Sale, the Preliminary Official Statement and the Required Bid Form are available for viewing in electronic format at www.grantstreet.com <http://www.grantstreet.com> or may be obtained upon request from Cilia Aglialoro, City Treasurer, Albuquerque/Bernalillo County Government Center, One Civic Plaza, N.W., First Floor, Room 1080B, Albuquerque, New Mexico, 87102; telephone (505) 768-3309.

The Chief Financial Officer, Director of the Department of Finance and Administrative Services or the City Treasurer will award the Bonds on behalf of the City by 4:00 p.m. Prevailing Mountain Time, March 3, 2020, pursuant to the authority delegated to the Authorizing Officer by City Ordinance No. F/S O-20-1 adopted on February 19, 2020.

Further information relating to the City and the Bonds will be contained in the Preliminary Official Statement, which will be "deemed final" by the City at its date for purposes of Rule 15c2-12 promulgated by the Securities and Exchange Commission, except with respect to offering prices, interest rates, identity of the underwriter, selling compensation, delivery date, or other terms required to be specified in the bids, ratings, and other terms depending on such matters.

The validity and enforceability of the Bonds will be approved by Modrall Sperling Roehl Harris and Sisk, P.A., 500 Fourth Street NW, Suite 1000, Albuquerque, New Mexico 87102.

Dated as of February 19, 2020.

By_____

City Clerk

[End of Form of Notice for Publication For Bonds]

Section 2. OFFICIAL NOTICE OF BOND SALE - SERIES 2020A BONDS, SERIES 2020B BONDS AND SERIES 2020D BONDS. The Official Notice of the Bond Sale shall be in substantially the following form:

[Form of Official Notice of Bond Sale]

NOTICE OF BOND SALE

NOTICE OF BOND SALE

CITY OF ALBUQUERQUE, NEW MEXICO

$67,830,000

GENERAL OBLIGATION GENERAL PURPOSE BONDS, SERIES 2020A

$11,210,000

GENERAL OBLIGATION STORM SEWER BONDS, SERIES 2020B

$57,430,000



powered by Legistar™

GENERAL OBLIGATION REFUNDING BONDS, SERIES 2020D

NOTICE IS GIVEN THAT the City of Albuquerque (the “City”), County of Bernalillo, State of New Mexico (the “State”), will receive unconditional bids on Tuesday, March 3, 2020, until the hour of 9:00 a.m., prevailing Mountain Time, in the City Treasurer's Conference Room, Albuquerque/Bernalillo County Government Center, One Civic Plaza, N.W., 1st Floor, Albuquerque, New Mexico, as more particularly described below, for the purchase of the City's proposed Series 2020A Bonds, Series 2020B Bonds and Series 2020D Bonds (collectively, the “Bonds” or the "Series 2020A Bonds, Series 2020B Bonds and Series 2020D Bonds") in three separate series in the aggregate principal amount of $136,470 described as follows:

1. City of Albuquerque, New Mexico General Obligation General Purpose Bonds, Series 2020A, in the total principal amount of $67,830,000 (the “Series 2020A Bonds”);

2. City of Albuquerque, New Mexico General Obligation Storm Sewer Bonds, Series 2020B, in the total principal amount of $11,210,000 (the “Series 2020B Bonds”); and

3. City of Albuquerque, New Mexico General Obligation Refunding Bonds, Series 2020D, in the total principal amount of $57,430,000 (the “Series 2020D Bonds”).

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

**Bid Date: March 3, 2020**

**Bid Time: Between 10:30 a.m. and 11:00 a.m. Eastern Time**

**(Between 8:30 a.m. and 9:00 a.m. Mountain Time)**

**Submit Bid to: www.grantstreet.com**

**Information related to this auction can be obtained from Grant Street Group Auction Support at (412) 391-5555 (x-370), attention John Carver.**

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

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

**their bid will be submitted prior to the termination of the auction. All bids will be deemed to incorporate the provisions of this Official Notice of Bond Sale.**

The bids will be publicly examined immediately thereafter in the City Treasurer's Conference Room. Following verification, the Chief Financial Officer, Director of the Department of Finance and Administrative Services or the City Treasurer will award the Bonds on behalf of the City by 4:00 p.m. Prevailing Mountain Time, March 3, 2020, pursuant to the authority delegated to the Authorizing Officer by City Ordinance No. F/S O-20-1 adopted on February 19, 2020.

**The Preliminary Official Statement may be viewed and downloaded from www.grantstreet.com or a physical copy may be obtained by contacting Grant Street Group.**

The City will make available to the winning bidder, within seven business days after the award of the Bonds, the Final Official Statement which is to be downloaded from www.grantstreet.com. One physical copy of the Final Official Statement may also be provided to the winning bidder at that time; provided, however, the winning bidder must cooperate in providing the information required to complete the Final Official Statement. Additional copies of the Final Official Statement may be provided at the expense of the winning bidder.

ADJUSTMENT OF PRINCIPAL AMOUNTS, MODIFICATION
OR CLARIFICATION PRIOR TO EXAMINATION OF BIDS

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

ADJUSTMENTS TO PRINCIPAL AMOUNTS AFTER DETERMINATION OF BEST BID

The aggregate principal amount of the Bonds is subject to increase or reduction, and each scheduled maturity thereof is subject to increase or reduction, by the CFO after the determination of the Best Bid (defined below). Such adjustments will be made within no more than two (2) hours after the end of the time of bid examination and will be in the sole discretion of the City. To cooperate with any adjustment in the principal amounts, the Purchaser is required to indicate by email to the City Treasurer, Cilia Aglialoro at caglialoro@cabq.gov <mailto:caglialoro@cabq.gov> with a copy to the City's municipal advisor at erik.harrigan@rbccm.com <mailto:erik.harrigan@rbccm.com> or such other method as may be indicated by the CFO within one-half (1/2) hour after the end of the time of bid examination, the amount of any original issue discount or premium on any maturity of the Bonds, the initial offering price of each maturity, the cost of bond insurance, if any, and the amount received from the sale of the Bonds to the public that will be retained by the Purchaser as its compensation.

The CFO, in consultation with the City's financial and bond advisors, may change the dollar amount bid by the Purchaser if the aggregate principal amount of the Bonds is adjusted as described below, but the

interest rates specified by the Purchaser for all maturities will not change. The CFO, in consultation with the City's financial and bond advisors, will make every effort to ensure that the percentage net compensation to the Purchaser (i.e., the percentage resulting from dividing (i) the aggregate difference between the offering price of the Bonds to the public and the price to be paid to the City, less any bond insurance premium to be paid by the Purchaser, by (ii) the principal amount of the Bonds) does not increase or decrease from what it would have been if no adjustment was made to principal amounts shown in the maturity schedule. The City will notify the Purchaser of the final principal amounts and the resulting adjusted prices no later than 12:00 p.m. prevailing Mountain Time on the day of the sale and award of the Bonds. EXCEPT AS SPECIFICALLY PROVIDED IN THIS NOTICE OF BOND SALE, THE PURCHASER MAY NOT WITHDRAW OR MODIFY ITS BID ONCE SUBMITTED TO THE CITY FOR ANY REASON, INCLUDING, WITHOUT LIMITATION, AS A RESULT OF ANY INCREASE OR DECREASE IN THE FINAL PRINCIPAL AMOUNTS AND THE AGGREGATE PURCHASE PRICE OF THE BONDS.

BOND PROVISIONS

SECURITY: The Bonds will be general obligations of the City payable as to both principal and interest from property taxes levied against all taxable property within the City, without limitation as to rate or amount, and the full faith and credit of the City will be pledged for payment of the Bonds.

RATINGS: The City has applied and will pay for ratings from S&P Global Ratings and Fitch Ratings.

PAYING AGENT AND REGISTRAR: The registrar (the “Registrar”) and the paying agent (the “Paying Agent”) for the Bonds will be the Treasurer of the City.

GENERAL: The Bonds will be issued in three separate series, in fully registered form, dated the delivery date, numbered as determined by the Registrar, or as otherwise requested by the Purchaser, and issued in denominations of $1,000 or integral multiples of $1,000.

The Bonds will bear interest at the interest rate or rates stated in the Best Bid (described below). If a Bond is not paid at its maturity, the principal amount will continue to draw interest at the rate specified in the Bond until the principal amount is paid in full.

Interest on the Bonds will be payable on January 1 and July 1 in each year while the Bonds are outstanding, beginning July 1, 2020. The Bonds will bear interest until maturity from the most recent date to which interest has been paid or provided for or, if no interest has been paid or provided for, from the date of the Bonds. Unless adjustments are made, the Bonds will mature serially on July 1 in the following years and principal amounts:

| | **Series 2020A Bonds** | **Series 2020B Bonds** | **Series 2020D Bonds** |
|---|---|---|---|
| **Years** | **Principal** | **Principal** | **Principal** |
| **Maturing** | **Amount** | **Amount** | **Amount** |
| 2021 | $6,080,000 | -- | $15,575,000 |

| | | | |
|---|---|---|---|
| 2022 | 6,080,000 | -- | 15,650,000 |
| 2023 | 6,080,000 | -- | 15,795,000 |
| 2024 | 6,080,000 | -- | 5,070,000 |
| 2025 | 6,080,000 | -- | 5,340,000 |
| 2026 | 6,080,000 | -- | -- |
| 2027 | 6,080,000 | -- | -- |
| 2028 | 6,080,000 | -- | -- |
| 2029 | 6,080,000 | -- | -- |
| 2030 | 6,080,000 | -- | -- |
| 2031 | 6,080,000 | -- | -- |
| 2032 | 950,000 | $5,130,000 | -- |
| 2033 | -- | 6,080,000 | -- |

The Series 2020A Bonds and the Series 2020B Bonds maturing on and after July 1, 2029 are subject to redemption prior to maturity, in whole or in part, at any time on or after July 1, 2028, at par value. The Series 2020D Bonds are not subject to redemption prior to maturity.

INTEREST RATE, MINIMUM BID AND LIMITATIONS: The following matters and limitations regarding interest rates are applicable:

1. Interest on the Bonds will be payable on January 1 and July 1 in each year, beginning July 1, 2020, and will be computed on the basis of a 360-day year, consisting of twelve, 30-day months.

2. The maximum net effective interest rate on the Bonds shall not exceed ten percent (10%) per annum.

3. Each interest rate specified must not include fractions other than 1/8 or 1/20 and must be stated as a decimal.

4. All Bonds of a series having the same maturity shall bear the same rate of interest, but bonds of the same maturity of different series may bear different rates of interest. No Bond shall have more than one rate of interest. Neither coupons nor a zero rate of interest is permitted.

5. Each bid for Bonds must specify the expected reoffering price (the "Expected Reoffering Price") for each maturity of each series of the Bonds to the "Public." As used in this paragraph, "Public" does not include bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers.

6. A zero interest rate may not be specified, and the rate of interest on any Bond may not exceed the rate of interest on any other Bond by more than 3.0% per annum.

7. The maximum interest rate may not exceed 5%.

8. Discounts shall not be permitted as part of the sale price of the Series 2020A Bonds, the Series

2020B Bonds or the Series 2020D Bonds, in whole, although discounts may be offered on any single maturity of Series 2020A Bonds, Series 2020B Bonds or Series 2020D Bonds. Subject to the limitations stated above, it is permissible to bid a different interest rate for each maturity date and series of the Bonds without limitation as to the number of rates specified.

BOOK-ENTRY: It is anticipated that the Bonds will be issued in book-entry form and deposited with a securities depository company (the "Depository") selected by the City with no physical distribution of Bond certificates to the public. Transfers of beneficial ownership of the Bonds will be effected on the records of participants (the "Participants") of the Depository and other nominees of beneficial owners of Bonds (the "Beneficial Owners") maintaining a relationship with the Participants (the "Indirect Participants"). As a condition to delivery of the Bonds, the Purchaser will be required, immediately after acceptance of delivery, to deposit the Bond certificates with the Depository on the date the Bonds are delivered, registered in the name of the Depository or its nominee. Principal and interest will be paid to the Depository or its nominee as registered owner of the Bonds. The transfer of principal and interest payments to the Beneficial Owners will be the responsibility of Participants. The City will not be responsible or liable for maintaining, supervising or reviewing the records maintained by the Depository, Participants or Indirect Participants. If (i) the Bonds are not eligible for the Depository services, (ii) the Depository determines to discontinue providing its services with respect to the Bonds, or (iii) the City determines that a continuation of the system of the book-entry transfers through the Depository is not in the best interest of the Beneficial Owners or the City, the City will either identify another qualified securities depository or Bond certificates will be delivered to Beneficial Owners or their nominees.

CUSIP NUMBERS: It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print a CUSIP number on any Bond nor any error with respect to the numbers will constitute cause for failure or refusal by the Purchaser to accept delivery of and to pay for the Bonds in accordance with the terms of the bid and this Official Notice of Bond Sale. All expenses relating to placing the CUSIP numbers on the Bonds will be paid by the City, but the CUSIP Service Bureau charge for the assignment of those numbers will be the responsibility of and shall be paid by the Purchaser of the Bonds.

PAYMENT: Except as otherwise provided by the Depository, the principal of and premium, if any, on the Bonds will be payable upon presentation and surrender of the Bonds at the office of the Paying Agent on or after their respective maturity dates. Except as otherwise provided by the Depository, interest on the Bonds is payable by check or draft mailed to the registered owners of the Bonds, as shown on the registration books maintained by the Registrar at the address appearing in the registration books at the close of business on the 15$^{th}$ day of the calendar month next preceding each interest payment date (the "regular record date") or in such other manner as may be agreed upon by the Paying Agent and the registered owner. Any interest which is not timely paid or duly provided for will cease to be payable to the owners of the Bonds (or of one or more

predecessor Bonds) as of the regular record date, but will be payable to the owners of the Bonds (or of one or more predecessor Bonds) as shown on the registration books of the Registrar at the close of business on a special record date for the payment of that overdue interest. The special record date will be fixed by the Registrar and Paying Agent whenever money becomes available for payment of the overdue interest and notice of the special record date will be given to owners not less than ten (10) days prior thereto.

AUTHORIZATION: The Series 2020A Bonds and Series 2020B Bonds were authorized at the municipal election of the City held on November 5, 2019, pursuant to the Constitution and laws of the State and the City Charter. Each question on the ballot for which Bonds are being issued was approved by a majority of all electors of the City who voted on that question. The City is authorized by statute to issue the Series 2020D Bonds for the purpose of refunding outstanding general obligation bonds.

PURPOSES: The City purposes and the amounts for which the Series 2020A Bonds will be issued are as follows: $7,250,000 for public safety; $9,700,000 for citizens' centers; $7,350,000 for parks and recreation facilities; $6,460,000 for facilities and equipment; $8,500,000 for public libraries; $3,100,000 for public transportation facilities; $28,200,000 for streets; $770,000 for museums and cultural facilities; and $3,000,000 for metropolitan redevelopment. The City purpose and the amount for which the Series 2020B Bonds will be issued is $11,210,000 for storm sewer improvements. The City purpose and the amount for which the Series 2020D Bonds will be issued is $57,430,000 to refund, refinance and defease the City's outstanding General Obligation General Purpose Bonds, Series 2011, General Obligation General Purpose Bonds, Series 2012A and General Obligation Storm Sewer Bonds, Series 2012B. To the extent permitted by law, an authorized officer of the City may adjust the amounts attributable to particular purposes for which the Bonds will be issued by a certificate describing the adjustment executed prior to delivery of the Bonds, so long as any such adjustment does not result in a change in the principal amount of the Bonds unless otherwise permitted by law.

SUBMISSION OF BIDS: All bids must be submitted only by electronic bidding on Grant Street Group at www.grantstreet.com. No other provider of bidding services and no other means of delivery (i.e., telephone, telefax or physical delivery) will be accepted. Bidding for the Bonds will begin at 10:30 a.m., New York Time (8:30 a.m. Albuquerque, New Mexico Time) as indicated above. The receipt of bids will end promptly at 11:00 a.m., New York time (9:00 a.m., Albuquerque, New Mexico Time), unless the bidding period is extended through the procedure commonly known as the "Two Minute Rule," which will be utilized or in effect for this auction.

To bid, bidders must first visit the Grant Street Group website where, if they have never registered with Grant Street Group, they can register and then request admission to bid on the Bonds. Bidders will be notified prior to the scheduled bidding time of their eligibility to bid. Only FINRA registered broker-dealers and dealer banks with DTC clearing arrangements will be eligible to bid. Bidders who have previously registered with

Grant Street Group may call **(412) 391-5555, x 370, attention John Carver**, for their ID Number or password.

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

INFORMATION REGARDING BIDS: Bidders may change and submit bids as many times as they wish during the bidding, provided, however, that each bid submitted subsequent to a bidder's initial bid must result in a lower true interest cost ("TIC") with respect to a bid when compared to the immediately preceding bid of such bidder. During the bidding, no bidder will see any other bidder's bid, but each bidder will be able to see its own ranking (i.e., "leader," "cover," "3rd," etc.).

A bid made through the facilities of Grant Street Group shall be deemed an irrevocable offer to purchase the Bonds on the terms provided in this Notice of Bond Sale, and the bid shall be binding upon the bidder. The City shall not be responsible for any malfunction or mistake made by, or as a result of the use of the facilities of, Grant Street Group, the use of such facilities being the sole risk of the prospective bidder.

For information purposes only, bidders are requested to state in their electronic bids the true interest cost to the City. All electronic bids shall be deemed to incorporate the provisions of this Notice of Bond Sale and the Required Bid Form.

GOOD FAITH DEPOSIT: The Purchaser will be required to provide a deposit of $2,729,400, which is equal to two percent (2%) of the preliminary issue size (the "Good Faith Deposit"), in immediately available funds wired to the City not later than 2:00 p.m., prevailing Mountain Time, on March 3, 2020. Wire information will be provided to the Purchaser by the City or the City's financial advisor upon bid award. The Good Faith Deposit will be deposited by the City in an account of the City (without interest thereon to the Purchaser) and will be applied against the purchase price of the Bonds. The Good Faith Deposit will be returned if the City does not accept the bid. If the bid is accepted and the Purchaser does not complete the purchase of the Bonds within thirty (30) days following the acceptance of its bid by the Council or within ten (10) days after the Bonds are ready and are offered by the City for delivery, whichever is later, the Good Faith Deposit will be forfeited to the City for noncompliance with the bid. In that event, the Council may accept the bid of the bidder making the next best bid for the Bonds, if that bidder elects to purchase the Bonds on that basis or, in the event of any failed purchase, or if all bids for Bonds are rejected, the Council may reoffer the Bonds for public sale or may sell them privately.

SALE RESERVATIONS: The Council, in connection with the Bonds, reserves the privilege:

1. of waiving any irregularity or informality in any bid;

2. of rejecting any and all bids for the Bonds; and

3 of reoffering the Bonds for public sale or of selling the Bonds at private sale.

BASIS OF AWARD: The Bonds, subject to the sale reservations, will be sold to the responsible bidder making the Best Bid for the Bonds (the “Best Bid”). Subject to the right of the City to reject any and all bids, the Best Bid for the Bonds will be the bid which states the lowest true interest cost determined by discounting semi-annually all future payments of principal and interest on the Bonds to the date of the Bonds, and to the price paid, based upon a 360-day year, consisting of twelve, 30-day months. In the event of any error in interest cost calculation in a bid, the interest rate and any premium set forth in the bid form will be considered as determining the correct true interest cost.

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

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

RATIFICATION OF AWARD: The Chief Financial Officer, Director of the Department of Finance and Administrative Services or the City Treasurer will award the Bonds on behalf of the City by 4:00 p.m. Prevailing Mountain Time, March 3, 2020, pursuant to the authority delegated to the Authorizing Officer by City Ordinance No. F/S O-20-1 adopted on February 19, 2020.

MANNER AND TIME OF DELIVERY: The Purchaser will not be required to accept delivery of the Bonds if the Bonds are not tendered for delivery within sixty (60) days from the date stated for opening bids. If the Bonds are not tendered within that period of time, the Good Faith Deposit (without accruing interest thereon) will be returned to the Purchaser upon its request. The Bonds will be made available for delivery by the City to the Purchaser as soon as reasonably possible after the date of the sale. The City anticipates delivering the Bonds to The Depository Trust Company in New York, New York, on or about April 7, 2020. The Purchaser will be given seventy-two (72) hours' notice of the time fixed by the City for tendering Bonds for delivery. At such time any initiative or referendum available with respect to the Bonds will have lapsed.

CONTINUING DISCLOSURE: In connection with the issuance of the Bonds, the City will deliver a continuing disclosure undertaking for purposes of Rule 15c2-12 of the Securities Exchange Act of 1934, as amended (the "Rule"), as described in the Official Statement for the Bonds (the “Official Statement”). For

purposes of the Rule, the City is the only “obligated person” with respect to the Bonds and will agree, as described in the Official Statement, to provide or cause to be provided (i) certain annual financial information and operating data (the “Annual Information”) for the preceding fiscal year, (ii) the City’s audited financial statements, (iii) timely notice of the occurrence of certain material events with respect to the Bonds, and (iv) timely notice of any failure by the City to provide its Annual Information within the time specified in that agreement. See the more complete description of the agreement in the Preliminary Official Statement.

PAYMENT OF PURCHASE PRICE: The Purchaser will be required to make payment of the balance of the purchase price of the Bonds (after credit for the Purchaser's Good Faith Deposit) in immediately available funds at a bank or trust company in Albuquerque, New Mexico designated by the City, simultaneously with the delivery of the Bonds. The balance of the purchase price, including any premium, must be paid in the funds specified and not by any waiver of interest, nor by any other concession as a substitution for those funds.

ESTABLISHMENT OF ISSUE PRICE (HOLD-THE-OFFERING-PRICE RULE MAY APPLY IF COMPETITIVE SALE REQUIREMENTS ARE NOT SATISFIED): The winning bidder shall assist the City in establishing the issue price of the Bonds and shall execute and deliver to the City at closing an “issue price” or similar certificate, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the City and Bond Counsel. All actions to be taken by the City to establish the issue price of the Bonds may be taken on behalf of the City by the City’s municipal advisor identified herein and any notice or report to be provided to the City may be provided to the City’s municipal advisor.

(a) The City intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the “competitive sale requirements”) because:

(i) the City shall disseminate a Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;

(ii) all bidders shall have an equal opportunity to bid;

(iii) the City may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and

(iv) the City anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to the Notice of Sale shall be considered a firm offer for the purchase of the Bonds, as specified in the bid.

In the event that the competitive sale requirements described above in subparagraph (a) are not satisfied, the City shall so advise the winning bidder. The City may determine to treat (i) the first price at which 10% of each maturity of the Bonds is sold to the public as the issue price of that maturity and/or (ii) the initial offering price to the public as of the sale date of any maturity of the Bonds as the issue price of that

maturity (the "hold-the-offering-price rule"), in each case applied on a maturity-by-maturity basis. The winning bidder shall advise the City if any maturity of the Bonds satisfies the 10% test as of the date and time of the award of the Bonds. The City shall promptly advise the winning bidder, at or before the time of award of the Bonds, which maturities of the Bonds shall be subject to the 10% test or shall be subject to the hold-the-offering-price rule during the Holding Period, as defined in subparagraph (c)(ii) below. Bids will not be subject to cancellation in the event that the City determines to apply the hold-the-offering-price rule to any maturity of the Bonds.

(b) By submitting a bid, the winning bidder shall (i) confirm that the underwriters have offered or will offer the Bonds to the public on or before the date of award at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Bonds, that the underwriters will neither offer nor sell unsold Bonds of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the Holding Period, as defined in subparagraph (c)(ii) below.

(c) The following terms are defined below:

(i) Hold-the-Offering-Price Maturity means a maturity of the Bonds of which less than 10% has been sold to the Public on the Sale Date.

(ii) Holding Period means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (a) the close of the fifth business day after the Sale Date, or (b) the date on which the winning bidder sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Holding-the-Offering-Price Maturity.

(iii) Maturity means Bonds with the same credit and payment terms. Bond with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(iv) Public means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(v) Sale Date means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is expected to be April 3, 2020.

(vi) Underwriter means (i) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person

described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the to the Public).

LEGAL OPINION AND TRANSCRIPT: The validity and legality of the Bonds will be approved by the bond counsel to the City ("Bond Counsel"). A letter will be delivered by the disclosure counsel to the City ("Disclosure Counsel") addressed to the City and the Purchaser, to the effect that the firm has not independently verified the information contained in the Official Statement, but that during the course of the participation by said firm in the preparation of the Official Statement no information came to the attention of the firm to lead it to believe that the Official Statement (except the information concerning the Depository, any insurance, and the financial statements and other statistical and financial data contained in the Official Statement, as to which such firm will make no statement) as of the date of the delivery of the Bonds either contains an untrue statement of any material fact or omits to state a material fact necessary to make the statements made, in the light of the circumstances under which they were made, not misleading. The approving opinion of Bond Counsel, the letter of Disclosure Counsel, the Bonds and a complete transcript of the legal proceedings will be furnished to the Purchaser without charge.

TAX EXEMPT STATUS: Bond Counsel will also provide an opinion substantially in the form included in the Preliminary Official Statement to the effect that, under existing law, the interest on the Bonds (i) is excluded from gross income for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax imposed on individuals and corporations, and (ii) is exempt from State of New Mexico income taxation. Bond Counsel will express no opinion as to any other tax consequences regarding the Bonds.

UNDERWRITING PERIOD: At the time of or prior to delivery of the Bonds, the Purchaser will be required to terminate its underwriting period or periods (as defined in the Rule). In the event that the Purchaser advises the City that its underwriting period has not been terminated at the time of delivery of the Bonds, the Purchaser shall terminate its underwriting period not later than five (5) days after the date of delivery of the Bonds, unless the City agrees to a longer period. The City will consider seriously any good faith request by the Purchaser for a longer period during which to underwrite the Bonds.

RIGHT TO MODIFY OR AMEND NOTICE OF SALE: The City reserves the right to modify or amend this Official Notice of Bond Sale, prior to the bid date. If any modifications occur, supplemental information with respect to the Bonds will be communicated by posting on the Grant Street Group website not later than 3:00 p.m., Albuquerque, New Mexico time on the business day preceding the day on which proposals may be submitted, and bidders shall bid upon the Bonds based upon the terms set forth in this Official Notice of Bond Sale, as so modified by such supplemental information.

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

ADDITIONAL INFORMATION: Copies of this Official Notice of Bond Sale and the Preliminary Official Statement are available for viewing in electronic format at www.grantstreet.com or may be obtained upon request from Cilia Aglialoro, City Treasurer, Albuquerque/Bernalillo County Government Center, One Civic Plaza, N.W., First Floor, Room 1080B, Albuquerque, New Mexico 87102 or P.O. Box 1293, Albuquerque, New Mexico; Telephone (505) 768-3309, Fax (505) 768-3447.

Dated as of February 19, 2020.

By _____

City Clerk

[End of Form of Official Notice of Bond Sale - Series 2020A and 2020B Bonds]

Section 3. OTHER NOTICES. The Mayor, the Chief Financial Officer, Director of the Department of Finance and Administrative Services, the City Treasurer and the City Clerk are authorized and directed to give such other notices of the Series 2020 Bond sale and take such other actions not inconsistent with this Resolution as they shall individually or collectively determine, including but not limited to:

A. the publication of the notice in Section 2 of this Resolution or an excerpt of the notice in any financial newspaper or periodical in addition to the publication required by Section 1 of this Resolution;

B. the distribution among investment bankers and others of a Preliminary Official Statement and an Official Statement which include information relating to the Series 2020 Bonds, the City, the public projects to be financed with the proceeds of the Series 2020 Bonds and other required information and information deemed necessary or advisable by the City;

C. the posting of the Official Notice of Bond Sale from Section 2 of this Resolution, the Required Bid Form, the Preliminary Official Statement and Official Statement for viewing in electronic format at www.grantstreet.com, and the entering into of agreements to accomplish these matters;

D. based on cash flows and financial market and other relevant considerations, the adjustment of the maturity schedule or the principal amount of the Series 2020A Bonds, the Series 2020B Bonds or the Series 2020D Bonds;

E. the assembly of financial and other information concerning the City and the Series 2020 Bonds;

F. the execution and delivery by authorized officers of the City of an agreement to provide annual reports and notices of certain events to assist bidders in complying with Securities and Exchange Commission Rule 15c2-12; and

G. the making of electronic transmission and document viewing arrangements.

Section 4. SERIES 2020C BONDS. The Series 2020C Bonds will be sold to the State of New Mexico at private sale pursuant to Section 6-15-5 NMSA 1978. The terms and conditions of the Series 2020C Bonds shall be as set forth in an ordinance adopted by the City.

Section 5. RATIFICATION. All action previously taken by the Council and by the officers of the City on behalf of the Council directed toward the authorization, issuance or sale of the Series 2020 Bonds (including but not necessarily limited to any prior mailing of the Notice of Sale for the Series 2020 Bonds) is ratified, approved and confirmed by this Resolution.

Section 6. SEVERABILITY. If any section, paragraph, clause or provision of this Resolution is held to be invalid or unenforceable for any reason, the invalidity or unenforceability of that section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

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