

CITY OF SANTA FE, NEW MEXICO

RESOLUTION NO. 2008-33

A RESOLUTION AUTHORIZING PUBLICATION OF A NOTICE OF SALE OF \$20,000,000 CITY OF SANTA FE, NEW MEXICO GENERAL OBLIGATION BONDS, SERIES 2008, AND AUTHORIZING THE CITY COUNCIL, CITY OFFICERS AND CITY EMPLOYEES TO TAKE FURTHER ACTION NECESSARY IN CONNECTION WITH THE SALE OF THE BONDS.

WHEREAS, at a general obligation bond election duly called and held for the City of Santa Fe, New Mexico (the "City") on the 4th day of March, 2008, the electors of the City authorized the City Council to contract bonded indebtedness on behalf of the City and upon the credit thereof by issuing general obligation bonds of the City to secure funds for the following purpose in the following amount (the "Project"):

<u>Purpose</u>	<u>Amount Authorized At Election</u>	<u>Amount Previously Issued</u>	<u>Amount To be Issued</u>
To acquire land for, and to improve, public parks, trails and open space for recreational purposes	\$30,300,000	\$-0-	\$20,000,000

WHEREAS, the City Council has determined, and does hereby determine, that it is necessary and in the best interest of the City and the inhabitants thereof that a portion of the general obligation bonds authorized at the election (the "Bonds"), be issued at this time, provided, however, that a satisfactory price be obtained therefor upon a public sale; and

WHEREAS, as of the date hereof, there are no funds of the City that are, or are reasonably expected to be, allocated on a long-term basis, reserved or otherwise available pursuant to the budget of the City to finance the Project;

WHEREAS, after receipt of bids for purchase of the Bonds, the City Council will consider for adoption an ordinance authorizing issuance of the Bonds in accordance with law; and

WHEREAS, Section 3-17-3, NMSA 1978, requires that publication of the title and general summary of this subject matter of any proposed ordinance be made in a newspaper of general circulation within the City at least two weeks prior to the meeting of the City Council at which the ordinance is proposed for final passage;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF SANTA FE:

Section 1. The Mayor of the City and the City Clerk are hereby authorized and directed to have published once, at least one week prior to the date of sale, a notice of sale of the Bonds in the form set forth below in Section 2 in *The Santa Fe New Mexican*, a newspaper of general circulation in the City, and the Mayor of the City is hereby authorized and directed to give such other notice of the bond sale as he shall determine, including the publication of the notice in financial papers and periodicals and the distribution among investment bankers and others of a Preliminary Official Statement relating to the Bonds.

Section 2. The notice of sale of the Bonds shall be published in substantially the following form:

(Form of Notice for Publication)

NOTICE OF BOND SALE AND PUBLIC MEETING

PUBLIC NOTICE IS HEREBY GIVEN that the City of Santa Fe, New Mexico (the "City") will receive and publicly open bids at the offices of the City's Financial Advisor, First Southwest Company, 325 N. St. Paul Street, Suite 800, Dallas, Texas 75201 at the hour of 11: 00 a.m., prevailing Central Time, on the 30th day of April, 2008, for the purchase of City of Santa Fe, New Mexico General Obligation Bonds, Series 2008 (the "Bonds"). The City Council will meet in regular session at 7:00 p.m. on April 30, 2008 at 200 Lincoln Avenue in Santa Fe, New Mexico, to take action to award the Bonds.

The Bonds will be issued as fully registered Bonds in the principal amount of \$20,000,000 and will mature on July 15 of each year commencing on July 15, 2009, and ending no later than July 15, 2027, in amounts to be determined by the City.

The Bonds shall constitute the City's general obligation bonds and shall be payable solely out of general (ad valorem) taxes which shall be levied against all taxable property in the City without limitation as to rate or amount.

Each bidder must submit an unconditional, written and sealed or electronic transmission bid on the Official Bid Form for all of the Bonds, specifying the lowest rate or rates of interest and premium, if any, at or above par at which such bidder will purchase the Bonds. The maximum net effective interest rate is 10% per annum and the maximum stated interest rate permitted is 10% per annum. Further limitations and information concerning the interest rates which may be bid for the bonds and otherwise concerning bidding are set forth in the Official Notice of Bond Sale, of which this notice is a condensation. None of the Bonds will be sold at less than the principal amount thereof. Copies of the Official Notice of Bond Sale, Preliminary Official Statement and the Official Bid Form may be obtained from the City's Financial Advisor, First Southwest

Company, 325 N. St. Paul Street, Suite 800, Dallas, TX 75201, telephone (214) 953-8705. All bids must comply with the terms of the Official Notice of Bond Sale.

The validity and enforceability of the Bonds will be approved by Modrall, Sperling, Roehl, Harris & Sisk, P.A., 500 Fourth Street, NW, Albuquerque, New Mexico 87102, and a certified transcript of the legal proceedings will be furnished to the purchaser without charge.

DATED at Santa Fe, New Mexico this 9th day of April, 2008.

CITY OF SANTA FE, NEW MEXICO

By _____
Mayor

ATTEST:

City Clerk

(End of Form of Notice for Publication)

Section 3. The Official Notice of Bond Sale shall be in substantially the following form with such changes as are not inconsistent herewith and approved by the Mayor of the City:

OFFICIAL NOTICE OF BOND SALE

CITY OF SANTA FE, NEW MEXICO

\$20,000,000

GENERAL OBLIGATION BONDS, SERIES 2008

NOTICE IS GIVEN that the City of Santa Fe (the "City"), County of Santa Fe, State of New Mexico, will receive and publicly open sealed or electronic transmission (at the option of the bidder) bids at the offices of the City's Financial Advisor, First Southwest Company, 325 N. St. Paul Street, Suite 800, Dallas, Texas 75201, at the hour of 11:00 a.m., prevailing Central Time, on the 30th day of April, 2008, for the purchase of the City's General Obligation Bonds ("Bonds"). If submitted electronically, bids must be submitted via BIDCOMP/PARITY BIDDING SYSTEM ("i-Deal" f/k/a "Dalcomp" or the "Qualified Electronic Bid Provider") as further provided herein. The City will meet at 7:00 p.m. on April 30, 2008, at 200 Lincoln Avenue, Santa Fe, NM 87504-0909, to take action to award the Bonds.

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

DESCRIPTION OF ISSUE. The Bonds were authorized at a general obligation bond election held on March 4, 2008.

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 limitations 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 ratings from Moody's Investors Service, Inc., and Standard & Poor's Ratings Services.

MATURITY SCHEDULE. The Bonds will be issued in the aggregate amount of \$20,000,000, in denominations of \$5,000 or any integral multiple thereof, will be dated their date of issuance, and will be payable to the registered owner thereof as of the record date at his address as it appears on the registration books kept by the Wells Fargo Bank, N.A., as registrar and paying agent for the Bonds (the "Registrar/Paying Agent"). The Bonds will be issued in book-entry only form through the facilities of the Depository Trust Company, New York, New York. The Bonds will mature on July 15 of each year as follows:

<u>Amounts Maturing</u>	<u>Years Maturing (July 15)</u>
\$640,000	2009
750,000	2010
775,000	2011
805,000	2012
830,000	2013
865,000	2014
895,000	2015
930,000	2016
970,000	2017
1,015,000	2018
1,060,000	2019
1,105,000	2020
1,155,000	2021
1,210,000	2022
1,265,000	2023
1,330,000	2024
1,395,000	2025
1,465,000	2026
1,540,000	2027

The Bonds will be fully registered bonds in the denomination of \$5,000 each, or any integral multiple thereof. Interest on the Bonds will be payable on January 15, 2009 and semiannually thereafter on July 15 and January 15 of each year.

REDEMPTION. Bonds maturing on and after July 15, 2019, are subject to prior redemption prior to their maturity on or after July 15, 2018, at the option of the City, in whole or in part at any time, at par value.

ADJUSTMENT OF PRINCIPAL AMOUNTS, MODIFICATION OR CLARIFICATION PRIOR TO THE EXAMINATION OF BIDS. The City may, at the City's sole discretion and prior to the examination of bids, (i) adjust the aggregate principal amount set forth herein; (ii) adjust individual maturities; (iii) change the principal and interest payment dates and/or (iv) modify or clarify any other term hereof by issuing a notification of the adjusted amounts, modification or clarification via Thomson Municipal News ("TM3") and/or Bloomberg Financial Services no later than 8:30 a.m., prevailing Central Time, on the Bid Date.

RESCHEDULING OF BID DATE AND DEADLINE. The City Finance Director may, after consultation with the City's financial and bond advisors, in the City Finance Director's sole discretion on notice given at least twenty-four (24) hours prior to April 30, 2008 (the "Original Deadline"), reschedule the bid date and Original Deadline, and may, at that time or a subsequent time on at least twenty-four (24) hours prior notice, in each case via TM3 and/or Bloomberg Financial Services, establish a rescheduled bid date and rescheduled deadline and a place where electronic bids will be publicly examined.

For purposes of the written sealed bids, and bids received through the electronic bidding process, the time as maintained by PARITY shall constitute the official time.

BIDS DELIVERED TO THE CITY'S FINANCIAL ADVISOR. Sealed bids, plainly marked "Bid for Bonds," should be addressed and delivered to: City's Financial Advisor, First Southwest Company, 325 N. St. Paul Street, Suite 800, Dallas, Texas 75201, prior to 11:00 a.m., prevailing Central Time, on April 30, 2008, the date of the bid opening. Such bids must be submitted on the Official Bid Form, without alteration or interlineation or through the electronic bidding process described below.

ELECTRONIC BIDDING PROCEDURES. Any prospective bidder that intends to submit an electronic bid must submit its electronic bid through the facilities of PARITY. Subscription to i-Deal's BIDCOMP Competitive Bidding System is required in order to submit an electronic bid. The City will neither confirm any subscription nor be responsible for the failure of any prospective bidder to subscribe.

An electronic bid made through the facilities of PARITY shall be deemed an irrevocable offer to purchase the Bonds on the terms provided in this Official Notice of Bond Sale ("Notice"), and shall be binding upon the bidder as if made by a signed, sealed bid delivered to the City's Financial Advisor. The City and First Southwest Company ("City's Financial Advisor") shall not be responsible for any malfunction or mistake

made by or as a result of the use of the facilities of PARITY, the use of such facilities being the sole risk of the prospective bidder.

If any provisions of this Notice conflict with information provided by PARITY, as the approved provider of electronic bidding services, this Notice shall control. Further information about PARITY, including any fee charged, may be obtained from BIDCOMP/PARITY, 1359 Broadway, 2nd Floor, New York, New York 10018, i-Deal Prospectus:(212) 849-5024 or (212) 849-5025; BidComp/Parity: (212) 849-5021.

For information purposes only, bidders are requested to state in their electronic bids the true interest cost to the City's Financial Advisor, as described under "BASIS OF AWARD" below. All electronic bids shall be deemed to incorporate the provisions of this Notice and the Official Bid Form.

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, without interest to the purchaser) in immediately available funds at a depository designated by the City.

TYPE OF BIDS AND INTEREST RATES. The Bonds will be sold in one block on an "All or None" basis, at a price of not less than 100.80% par value, and not more than 105.00% of par value. Bidders are invited to name the rate(s) of interest to be borne by the Bonds, provided that each rate bid must be in a multiple of 1/8 of 1% or 1/100 of 1% and the net effective interest rate must not exceed 10%. The highest rate bid may not exceed the lowest rate bid by more than 2% in rate. For Bonds having stated maturities on and after July 15, 2018, no reoffering yield producing a dollar yield price less than 98.50 for any individual maturity will be accepted. The high bidder will be required to submit reoffering yields and dollar prices prior to award. No limitation is imposed upon bidders as to the number of rates or changes which may be used. All Bonds of one maturity must bear one and the same rate. No bids involving supplemental interest rates will be considered.

BASIS FOR AWARD. Subject to the City's right to reject any or all bids and to waive any irregularities except time of filing, the sale of the Bonds will be awarded to the bidder or syndicate account manager whose name first appears on the Official Bid Form (the "Purchaser") making a bid that conforms to the specifications herein and which produces the lowest True Interest Cost rate to the City. The True Interest Cost rate is that rate which, when used to compute the total present value as of the Dated Date of all debt service payments on the Bonds on the basis of semi-annual compounding, produces an amount equal to the sum of the par value of the Bonds plus any premium bid, if any (but not interest accrued from the Dated Date to the date of their delivery). In the event of a bidder's error in interest cost rate calculations, the interest rates, and premium, if any, set forth in the Official Bid Form will be considered as the intended bid.

INSURANCE. The City may apply for municipal bond insurance for payment of principal of and interest on the Bonds. If the Bonds are approved for municipal bond

insurance, the Bonds may be insured at the bidder's request and expense; and if the successful bidder desires that a legend be printed on the Bonds stating they are insured, the form of such legend and a written request that it be printed on the Bonds must be received by the City's Financial Advisor, identified under "Information" below, within 48 hours of the award of the Bonds to the successful bidder. At the delivery of the Bonds, the bidder is required to provide documentation to the City confirming that the premiums due the insurance company and any rating agency fees (other than the fees of Moody's Investors Service and Standard & Poor's Rating Services, which will be paid by the City) have been fully paid.

GOOD FAITH DEPOSIT. All bids shall be sealed, except bids received by electronic transmission, and, a good faith deposit of \$400,000 for the Bonds, representing 2% of the par amount (in the form of a financial security bond, cash, cashier's or treasurer's check or by certified check drawn on a solvent commercial bank or trust company in the United States of America and payable to the "City of Santa Fe, New Mexico") must accompany any bid or be submitted prior to the submission of such bid, except for any bid of the State of New Mexico, if one is received. If a financial security bond is used, it must be from an insurance company that is licensed to issue such a bond in the State of New Mexico and that has a long term rating by a nationally recognized rating agency of one of the two highest rating categories for long term obligations. The financial security bond must identify each bidder whose good faith deposit is guaranteed by such bond. If the Bonds are awarded to a bidder utilizing a financial security bond, then that successful bidder is required to submit the amount of the good faith deposit to the City in the form of a cashier's, treasurer's or certified check as provided in the first sentence of this paragraph (or wire transfer such amount as instructed by the City or its Financial Advisor) not later than 2:30 p.m., local time, on the next business day following the opening of the bids for the Bonds. If such good faith deposit is not received by that time, the financial security bond may be drawn upon by the City to satisfy the good faith deposit requirement. No interest on such good faith deposit will accrue to the successful bidder. If the financial security bond is drawn against or the winning bidder wire transfers to the City the amount of the good faith deposit, such cash deposit will be applied to the purchase price of the Bonds.

The good faith deposit shall be returned for all non-successful bids or if no bid is accepted. If the successful bidder fails or neglects to complete the purchase of the Bonds within forty-five (45) days following the acceptance of the bid or within ten (10) days after the Bonds are offered for delivery, whichever is later, the amount of the deposit shall be forfeited to the City as liquidated damages, and, in that event, the City may accept the bid of the one making the next best bid. If all bids are rejected, the City shall re-advertise the Bonds for sale in the same manner as herein provided for the original advertisement. If there are two or more equal bids and such bids are the best bids received, the City shall determine which bid shall be accepted.

TIME OF AWARD AND DELIVERY. The City will take action awarding the Bonds or rejecting all bids not later than 24 hours after the expiration of the time herein prescribed for the receipt of the bids. Delivery of the Bonds will be made to the successful bidder

through the facilities of The Depository Trust Company, New York, New York, within 60 days of the acceptance of the bid. If for any reason delivery cannot be made within 60 days, the successful bidder shall have the right to purchase the Bonds during the succeeding 30 days upon the same terms, or at the request of the successful bidder, during said succeeding 30 days, the good faith deposit will be returned, and such bidder shall be relieved of any further obligation. It is anticipated that the delivery of the Bonds will be on or about June 10, 2008.

FURTHER INFORMATION. Information concerning the Bonds, information regarding electronic bidding procedures, bid submission and other matters related to the Bonds, including printed copies of this Notice, the Official Bid Form, and the Preliminary Official Statement ("Preliminary Official Statement"), may be obtained from the City's Financial Advisor, First Southwest Company, 325 N. St. Paul Street, Suite 800, Dallas, Texas 75201. This Notice, the Official Bid Form and the Preliminary Official Statement is available for viewing in electronic format at www.i-dealprospectus.com. The City has prepared the accompanying Preliminary Official Statement for dissemination to potential purchasers of the Bonds, but will not prepare any other document or version for such purpose except as described below. In addition, any NASD registered broker-dealers or dealer banks with The Depository Trust Company clearing arrangements who bid on the Bonds are advised that they may either: (a) print out a copy of the Preliminary Official Statement on their own printer or (b) at any time prior to the sale date, elect to receive a photocopy of the Preliminary Official Statement in the mail by requesting it from the City's Financial Advisor. All bidders must review the Preliminary Official Statement, and by submitting a bid for the Bonds, each bidder certifies that such bidder has done so prior to participating in the bidding.

The City will agree in a separate agreement to provide certain periodic information and notices of material events in accordance with Securities and Exchange Commission Rule 15c2-12 ("Rule"), as described in the Preliminary Official Statement under "Continuing Disclosure of Information." The Preliminary Official Statement is deemed final by the City for purposes of Rule 15c2-12(b)(1) except for the omission of the following information: the offering price(s), interest rate(s), selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, any other terms or provisions required by an insurer of such securities to be specified in the winning bid, ratings, other terms of the securities depending on such matters, and the identity of the purchaser. The City will furnish to the successful bidder or bidders, acting through a designated senior representative, in accordance with instructions received from such successful bidder(s) in order to comply with the Rule, within seven (7) business days from the sale date an aggregate of 50 copies of the final Official Statement, reflecting interest rates and other terms relating to the initial reoffering of the Bonds. The cost of preparation of the Official Statement shall be borne by the City except for the cost of any final Official Statement in excess of the number specified shall be borne by the successful bidder(s).

TRANSCRIPT AND LEGAL OPINIONS. The legality of the Bonds will be approved by Modrall, Sperling, Roehl, Harris & Sisk, P.A., Albuquerque, New Mexico, whose

opinion approving the legality of the Bonds will be furnished to the successful bidder at no cost to the successful bidder. The opinion will state in substance that the issue of the Bonds is valid and legally binding upon the City, that all of the taxable property in the City is subject to the levy of a tax to pay the same and that interest on the Bonds is excludable from gross income for purposes of federal income tax. The successful bidder (without cost to such bidder) will also be furnished with a complete transcript of the legal proceedings, including a no-litigation certificate stating that to the knowledge of the signer or signers thereof, as of the date of the delivery of the Bonds, no litigation is pending affecting their validity or the levy or collection of such taxes for their payment.

BOOK-ENTRY ONLY OBLIGATIONS. The Bonds will be issued in book-entry only form through the facilities of the Depository Trust Company (see Preliminary Official Statement).

CUSIP NUMBERS. CUSIP identification numbers may be typed or printed on the Bonds, but neither the failure to provide such number on any Bond nor any error with respect thereto will constitute cause for failure or refusal by the purchaser thereof to accept delivery of and to pay for the Bonds in accordance with the terms hereof. All expenses in relation to the CUSIP Service charge for the assignment of said numbers will be the responsibility of and will be paid for by the purchaser.

BLUE SKY LAWS. The City has not investigated the eligibility of any institution or person to purchase or participate in the underwriting of the Bonds under any applicable legal investment, insurance, banking, or other laws.

By submitting a bid, the initial purchaser represents that the sale of the Bonds in states other than New Mexico will be made only under exemptions from registration, or, wherever necessary, the initial purchaser will register the Bonds in accordance with the securities laws of the state in which the Bonds are offered or sold. The City agrees to cooperate with the initial purchaser, at the initial purchaser's written request and expense, in registering the Bonds or obtaining an exemption from registration in any state where such action is necessary but will not consent to service of process in any such jurisdiction.

DATED this 9th day of April, 2008.

CITY OF SANTA FE, NEW MEXICO

[SEAL]

By: David Coss
Mayor

ATTEST:

Yolanda G. Nigam
City Clerk

Section 4. The City Council and the appropriate officers and employees of the City be, and they hereby are, authorized and directed to take all action necessary or appropriate to effectuate the provisions of this resolution, including, but not limited to, determining the exact maturity schedule for the Bonds and submitting an application for a policy of municipal bond insurance on the Bonds to an entity or entities experienced in insuring municipal bonds. In order to obtain and preserve the exemption from federal income tax of interest on the Bonds, the City Council further covenants it will take all actions that may be required of the City and the City Council, and will not take any actions which would adversely affect such exemption, under the provisions of any federal tax law that applies to the Bonds, whether presently in effect or enacted subsequent to the date of issuance of the Bonds, and the City Council hereby authorizes the Mayor of the City, the City Clerk, and other appropriate officers and employees to take such actions and give such certifications as may be appropriate for the purposes aforesaid.

Section 5. The Mayor of the City and City Clerk are hereby directed, in accordance with Section 3-17-3, NMSA 1978, as amended, to publish in *The Santa Fe New Mexican*, a newspaper of general circulation within the City, a title and general summary of the ordinance relating to and authorizing issuance of the Bonds at least two weeks prior to the meeting at which the City Council will consider such ordinance. The Mayor of the City and City Clerk may undertake such publication upon their own initiative and submittal of any necessary documents related to the proposed ordinance and may also post such notice of intent to adopt the ordinance in the places within the City and at the times deemed appropriate.

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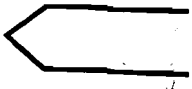
PASSED AND ADOPTED this 9th day of April, 2008.

CITY OF SANTA FE, NEW MEXICO

By David Coss
Mayor

[SEAL]
ATTEST:

Yolanda y. Nigro
City Clerk



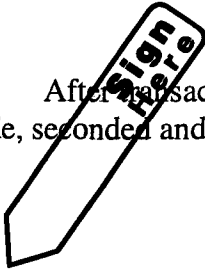
Councilor Carmichael Dominguez then seconded the adoption of the foregoing resolution introduced and moved for adoption by Councilor Chris Calvert. The motion to adopt the resolution upon being put to a vote was passed and adopted on the following recorded vote:

Those Voting Aye: Patti J. Bushee
Rosemary Romero
Chris Calvert
Carmichael Dominguez
Miguel E. Ortiz
Ronald Trujillo

Those Voting Nay: None

Those Absent: Rebecca Wurzberger
Miguel M. Chavez

After the transaction of other business not related to the bond issue, upon motion duly made, seconded and carried, the meeting was adjourned.



CITY OF SANTA FE, NEW MEXICO

By David Cross
Mayor

[SEAL]

ATTEST:

Yolanda J. Vigil
City Clerk



STATE OF NEW MEXICO)
COUNTY OF SANTA FE) ss.
CITY OF SANTA FE)

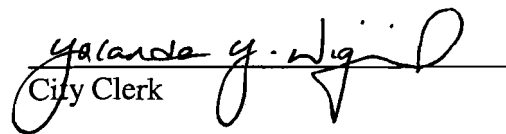
I, _____, the duly qualified and acting Clerk of the City of Santa Fe, (the "City"), State of New Mexico, do hereby certify:

1. The foregoing pages are a true, correct and complete copy of the record of the proceedings of the City Council of the City of Santa Fe (the "City Council"), constituting the governing board of the City had and taken at a duly called, regular, open meeting held at 200 Lincoln Avenue in Santa Fe, New Mexico, commencing on the 9th day of April, 2008, at the hour of 7:00 p.m., insofar as the same relate to the Resolution relating to the Notice of Bond Sale, a copy of which is therein set forth as recorded in the regular book of official records of the proceedings of said City kept in my office.

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

3. Notice of such meeting was given in accordance with the open meetings standards of the City presently in effect, i.e., City Resolution No. 2008-____, which is currently in effect.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of the City this _____ day of _____, 2008.


City Clerk

[SEAL]

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