

[INSERT COUNSEL'S LETTERHEAD]

NEW MEXICO FINANCE AUTHORITY

FINAL OPINION OF COUNSEL

To: New Mexico Finance Authority
207 Shelby Street
Santa Fe, New Mexico 87501

Re: Incorporated County of Los Alamos, New Mexico
\$2,020,000 Loan No. DW-6368

I am the Attorney for the Incorporated County of Los Alamos, New Mexico, with regard to the above-referenced Loan. I am licensed to practice law and in good standing in the State of New Mexico. I provide this opinion in my role as counsel to the Governmental Unit, the Incorporated County of Los Alamos (the "Governmental Unit"), understanding that the Lender, New Mexico Finance Authority (the "Finance Authority"), is relying on this opinion letter and, but for this opinion letter, the Loan would not be approved.

I hereby certify that I have examined:

- (1) The Incorporated County of Los Alamos Water Project, Drinking Water State Revolving Loan Fund Application, dated December 7, 2023, and the Finance Authority Board Approval, for Project No. DW-6368, for the Incorporated County of Los Alamos, dated January 25, 2024, relating to the project (herein the "Project"), as more specifically defined in the Loan Agreement dated July 12, 2024 (the "Loan Agreement");
- (2) The incorporation documents creating the Governmental Unit;
- (3) The most recent Annual Open Meetings Resolution (as well as the underlying proceedings) adopted by the Governmental Unit;
- (4) The proceedings of the County Council, the governing body of the Governmental Unit (including all agendas, minutes, resolutions, ordinances and publications) which authorize the Loan Application, the Project development, the budget for the Project, and existing contracts (if any) with Project professionals including but not limited to architects, engineers, planners and contractors, whose work will be paid from the proceeds of the Loan;
- (5) Relevant corporate proceedings of the Governmental Unit from at least December 7, 2023 to the date hereof, including, without limiting the generality of the foregoing, the corporate action of the Governmental Unit relating to (a) the election or appointment of its Chair, County Council, and County Clerk; (b) the adoption of ordinances and resolutions governing the operation of the Project; (c) cost estimates for the Project; (d) the proposed operating budget; (e) the proposal to finance the

Project, in part, with a loan made by the Finance Authority; (f) the Ordinance of the County Council dated May 28, 2024 (the “Ordinance”) authorizing the Chair and County Clerk to execute necessary documents to obtain the loan for the Project; and (g) all necessary approvals for the Project from state or local authorities;

- (6) The Loan Agreement and attachments or exhibits thereto setting up a procedure whereby all loan funds will be disbursed to the Governmental Unit on written authorization of the Governmental Unit’s Authorized Officers only after certification of completion of the work in a satisfactory manner by a licensed professional engineer, architect or other authorized representative contractually obligated to the Governmental Unit and only to pay eligible Project costs; and
- (7) The records and files of all offices in which there might be recorded, filed, or indexed, any liens of any nature whatsoever, affecting the title to any real or personal property upon which the Project will be constructed.

Based upon my examination of the foregoing, I am of the opinion that:

- A. The Governmental Unit is a duly organized and existing incorporated county under the laws of the State of New Mexico.
- B. The ordinances, resolutions, rules and regulations governing the operation of the Project have been duly adopted and are now in full force and effect.
- C. The officials and appointees of the Governmental Unit were duly and validly elected or appointed and are empowered to act for the Governmental Unit.
- D. The Governmental Unit has corporate power:
 - (1) to construct and install the Project proposed to be constructed and installed by the Governmental Unit;
 - (2) to execute and deliver Loan documents including, but not necessarily limited to, those identified above;
 - (3) to perform all acts required by such Loan documents to be done by it; and
 - (4) to own and operate and maintain the Project during its useful life.
- E. All proceedings of the Governmental Unit, its elected and appointed officers, and employees, required or necessary to be taken in connection with the authorization of the actions specified above have been duly taken and all such authorizations are presently in full force and effect.
- F. The Ordinance has been duly signed and adopted in accordance with all applicable laws and has not been repealed, rescinded, revoked, modified, amended or supplemented in any manner except as set forth in the Ordinance. The Ordinance constitutes valid and sufficient legal authority for the Governmental Unit to carry out and enforce the provisions of the

Loan Agreement. No referendum petition has been filed with respect to the Ordinance under the provisions of the laws, bylaws or regulations of the Governmental Unit or the State.

- G. The Ordinance is a valid and binding special limited obligation of the Governmental Unit enforceable in accordance with its terms and creates the pledge of the Net Revenues of the Governmental Unit, as described in the Loan Agreement (the “Pledged Revenues”) which it purports to create, and except as set forth in the Term Sheet the Governmental Unit has issued no additional obligations with a lien superior to the lien created by the Ordinance and the Loan Agreement.
- H. The Loan Agreement is a valid and binding special, limited obligation of the Governmental Unit, enforceable in accordance with its terms and provisions and the terms and provisions of the Ordinance.
- I. The Governmental Unit has no rules of procedure which would invalidate or make ineffective the Ordinance or other action taken by the Governmental Unit in connection with the Loan Agreement. Resolution No. 24-01 (the “Open Meetings Act Resolution”), as adopted and approved by the Governmental Unit on January 9, 2024, establishes notice standards as required by NMSA 1978, § 10-15-1, as amended. The Open Meetings Act Resolution has not been amended or repealed. All action of the Governmental Unit with respect to the Loan Agreement, and the Ordinance was taken at meetings held in compliance with the Open Meetings Act Resolution.
- J. To the best of my knowledge and belief after due investigation, no event will result from the execution and delivery of the Loan Agreement that constitutes a default or an event of default under either the Loan Agreement or the Ordinance, and no event of default and no default under the Loan Agreement or the Ordinance has occurred and is continuing on the date of this Certificate.
- K. The Governmental Unit has duly authorized and approved the consummation by it of all transactions, and has complied with all requirements and satisfied all conditions, which are required by the Loan Agreement to have been authorized, approved, performed or consummated by the Governmental Unit at or prior to the date of this Certificate. The Governmental Unit has full legal right, power and authority to carry out and consummate the transactions contemplated by the Ordinance and the Loan Agreement.
- L. All approvals, consents and orders of any governmental authority having jurisdiction in the matter which would constitute a condition precedent to the enforceability of the Loan Agreement or any of the actions required to be taken by the Ordinance or the Loan Agreement to the date of this Certificate have been obtained and are in full force and effect.
- M. All approvals, consents and orders of any governmental authority having jurisdiction in the matter which would constitute a condition precedent to the financing of the project have been obtained and are in full force and effect.
- N. Neither the Governmental Unit’s adoption of the Ordinance nor any action contemplated by or pursuant to the Ordinance or the Loan Agreement does or will conflict with, or

constitute a breach by the Governmental Unit of, or default by the Governmental Unit under any law, court decree or order, governmental regulation, rule or order, resolution, agreement, indenture, mortgage or other instrument to which the Governmental Unit is subject or by which it is bound.

- O. There is no actual or threatened action, suit, proceeding, inquiry or investigation against the Governmental Unit, at law or in equity, by or before any court, public board or body, nor to my knowledge is there any basis therefore, affecting the existence of the Governmental Unit or the titles of its officials to their respective offices, or seeking to prohibit, restrain or enjoin the pledge of revenues or assets of the Governmental Unit pledged or to be pledged to pay the principal, interest, and Administrative Fee on the Loan Agreement or in any way materially adversely affecting or questioning (a) the territorial jurisdiction of the Governmental Unit, (b) the use of the proceeds of the Loan Agreement for the Project and to pay certain costs of the Finance Authority associated with the administration of its drinking water state revolving fund loan program, (c) the validity or enforceability of the Loan Agreement or any proceedings of the Governmental Unit taken with respect to the Loan Agreement or the Ordinance, (d) the execution and delivery of the Loan Agreement, (e) the authority of the Governmental Unit to repay the amount of the loan or (f) the power of the Governmental Unit to carry out the transactions contemplated by the Loan Agreement or the Ordinance.
- P. To the best of my knowledge and belief after due investigation, there are no recorded liens of any nature whatsoever affecting the title to any real or personal property that will be acquired with the proceeds of the Loan Agreement.
- Q. No legal proceedings have been instituted or are pending, and to the best of my knowledge none are threatened, whether or not the Governmental Unit is named as a party in such proceedings, which would affect the Governmental Unit's interest in the property upon which the Project will be located, and there are no judgments against the Governmental Unit and no liens against any of the real or personal property of the Governmental Unit or other entity on which the Project will be located.
- R. The Governmental Unit has acquired all of the necessary land rights, easements and rights-of-way for the Project and the Governmental Unit now has sufficient, adequate and continuous rights-of-way to permit the construction, installation, operation and maintenance of the Project.
- S. The Governmental Unit has complied with all of the requirements of the New Mexico Procurement Code, NMSA 1978, §§ 13-1-28 through 13-1-199, as amended, or its local procurement ordinances and regulations, as applicable to the Project on or prior to the date of this opinion letter.

Dated this 12th day of July, 2024.

J. Alvin Leaphart IV, County Attorney
for the Incorporated County of Los Alamos

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