

SUPPLEMENT
to
PRELIMINARY OFFICIAL STATEMENT DATED MAY 16,2019
relating to

\$12,500,000*
ALBUQUERQUE METROPOLITAN ARROYO
FLOOD CONTROL AUTHORITY
BERNALILLO, NEW MEXICO
General Obligation Bonds, Series 2019

This Supplement supplements the Preliminary Official Statement dated May 16, 2019 (the “Preliminary Official Statement”) of the Albuquerque Metropolitan Arroyo Flood Control authority, Bernalillo County, New Mexico (the “Authority”) relating to the above-captioned General Obligation Bonds, Series 2019 (the “Bonds”). This Supplement is considered a part of, and should be read together with, the Preliminary Official Statement.

The Preliminary Official Statement is hereby supplemented to replace the form of Continuing Disclosure Undertaking attached to the Preliminary Official Statement with the form of Continuing Disclosure Undertaking attached to this Supplement.

Supplement dated May 21, 2019

*Preliminary, subject to change.

FORM OF CONTINUING DISCLOSURE UNDERTAKING

Section 1. Recitals. This Continuing Disclosure Undertaking (the “Undertaking”) is executed and delivered by the Albuquerque Metropolitan Arroyo Flood Control Authority (“Authority”), in connection with the issuance of the \$12,500,000 Albuquerque Metropolitan Arroyo Flood Control Authority, New Mexico, General Obligation Bonds, Series 2019 (the “Bonds”). The Bonds are being issued pursuant to Resolutions of the Authority adopted on April 25, 2019 and May 23, 2019, respectively (collectively, the “Resolution”). Pursuant to the Resolution, to allow the underwriters of the Bonds to comply with the Rule (defined below), the Authority is required to make certain continuing disclosure undertakings for the benefit of owners (including beneficial owners) of the Bonds (the “Owners”). This Undertaking is intended to satisfy the requirements of the Rule.

Section 2. Definitions.

(a) “Annual Financial Information” means the financial information (which will be based on financial statements prepared in accordance with generally accepted accounting principles, as in effect from time to time (“GAAP”), for governmental units as prescribed by the Governmental Accounting Standards Board (“GASB”)) or operating data with respect to the Authority, delivered at least annually pursuant to Sections 3(a) and 3(b) of this Undertaking, consisting of information of the type included in the sections of the Official Statement entitled “DEBT AND OTHER FINANCIAL OBLIGATIONS,” “TAX BASE,” and “FINANCES OF THE AUTHORITY.” Annual Financial Information may, but is not required to, include Audited Financial Statements.

(b) “Audited Financial Statements” means the Authority's annual financial statements prepared in accordance with GAAP for governmental units as prescribed from time to time by GASB, which financial statements have been audited by such auditor as may then be required or permitted by the laws of the State.

(c) “EMMA” means the MSRB’s Electronic Municipal Market Access system located on the MSRB website at emma.msrb.org.

(d) “Event Information” means the information delivered pursuant to section 3(d) of this Undertaking.

(e) “Financial Obligation” shall mean a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (iii) guarantee of (i) or (ii). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB in compliance with Rule 15c2-12.

(f) “MSRB” means the Municipal Securities Rulemaking Board. The current address of the MSRB is 1300 I Street NW, Suite 1000, Washington, DC 20005, phone (202) 838-1500.

(g) “Official Statement” means the Official Statement delivered in connection with the original issue and sale of the Bonds.

(h) “Report Date” means March 31 of each year, beginning in 2020.

(i) “Rule” means Rule 15c2-12 promulgated by the SEC under the Securities Exchange Act of 1934, as amended (17 C.F.R. Part 240, § 240.15c2-12), as the same may be amended from time to time.

(j) “SEC” means the Securities and Exchange Commission.

(k) “State” means the State of New Mexico.

Section 3. Provision of Annual Financial Information and Reporting of Event Information.

(a) The Authority, or its designated agent, will provide the Annual Financial Information for the preceding fiscal year to EMMA on or before each Report Date while the Bonds are outstanding.

(b) If Audited Financial Statements are not provided as a part of the Annual Financial Information, the Authority, or its designated agent, will provide unaudited financial statements as part of the Annual Financial Information. In such cases, Audited Financial Statements will be provided to EMMA when and if available.

(c) The Authority, or its designated agent, may provide Annual Financial Information by specific reference to other documents, including information reports and official statements relating to other debt issues of the Authority, which have been submitted to EMMA or filed with the SEC; provided, however, that if the document so referenced is a “final official statement” within the meaning of the Rule, such final official statement must also be available from the MSRB.

(d) The Authority, or its designated agent, will provide, to EMMA, notice of any of the following events with respect to the Bonds in a timely manner not in excess of ten (10) business days after the occurrence of the event:

- (i) principal and interest payment delinquencies;
- (ii) non-payment related defaults;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;

- (v) substitution of credit or liquidity providers, or their failure to perform;
- (vi) adverse tax opinions or events affecting the tax-exempt status of the Bonds;
- (vii) modifications to rights of holders of the Bonds;
- (viii) bond calls or tender offers;
- (ix) defeasances;
- (x) release, substitution or sale of property securing repayment of the Bonds;
- (xi) rating changes;
- (xii) bankruptcy, insolvency, receivership or a similar event with respect to the Authority or an obligated person;
- (xiii) the consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (xiv) appointment of a successor or additional trustee, or a change of name of a trustee, if material;
- (xv) incurrence of a Financial Obligation of the obligated person, if material, or an agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material; and
- (xvi) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of an obligated person, any of which reflect financial difficulties.

Section 4. Method of Transmission. Unless otherwise required by law and subject to technical and economic feasibility, the Authority will employ such methods of electronic or physical information transmission as are requested or recommended from time to time by EMMA, the MSRB and the SEC.

Section 5. Enforcement. The obligations of the Authority under this Undertaking are for the benefit of the Owners. Each Owner is authorized to take action to seek specific performance by court order to compel the Authority to comply with its obligations under this Undertaking, which action will be the exclusive remedy available to it or any other Owner. The Authority's breach of its obligations under this Undertaking will not constitute an event of default under the Resolution, and none of the rights and remedies provided by such Resolution will be available to the Owners with respect to such a breach.

Section 6. Term. The Authority's obligations under this Undertaking will be in effect from and after the issuance and delivery of the Bonds and will extend to the earliest of (i) the date all principal and interest on the Bonds has been paid or legally defeased pursuant to the terms of the Resolution; (ii) the date on which the Authority is no longer an "obligated person" with respect to the Bonds within the meaning of the Rule; or (iii) the date on which those portions of the Rule which require this Undertaking are determined to be invalid or unenforceable by a court of competent jurisdiction in a non-appealable action, have been repealed retroactively or otherwise do not apply to the Bonds.

Section 7. Amendments. The Authority may amend this Undertaking from time to time, without the consent of any Owner, upon the Authority's receipt of an opinion of independent counsel experienced in federal securities laws to the effect that such amendment:

(a) is made in connection with a change in circumstances that arises from a change in legal requirements, a change in law, a change in the identity, nature or status of the Authority;

(b) this Undertaking, as amended, would have complied with the Rule at the time of the initial issue and sale of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any changes in circumstances; and

(c) the amendment does not materially impair the interests of the Owners.

Any Annual Financial Information containing amended operating data or financial information will explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided. If an amendment changes the accounting principles to be followed in preparing financial statements, the Annual Financial Information and Audited Financial Statements for the year in which the change is made will present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 8. Beneficiaries. This Undertaking binds and inures to the sole benefit of the Authority and the Owners and creates no rights in any other person or entity.

Section 9. Special Funds. This Undertaking shall be subject to availability of necessary funds from annual revenues of the Authority and shall not be deemed to create a general obligation indebtedness of the Authority.

Section 10. Governing Law. This Undertaking is governed by and is to be construed in accordance with the law of the State.

Date: June 27, 2019

ALBUQUERQUE METROPOLITAN ARROYO
FLOOD CONTROL AUTHORITY

By: /s/
Chair, Board of Directors

By: /s/
Secretary/Treasurer, Board of Directors