SANTA FE COUNTY NEW HIRES FOR THE MONTH OF SEPTEMBER 2013

LAST NAME	FIRST NAME		DEPARTMENT	POSITION	EMP STATUS	HIRE DATE
ROYBAL	KATHLEEN	M	COMMUNITY SERVICES DEPARTMENT	ACTIVITY PROGRAM COORDINATOR	PB	9/10/2013
ROMERO	CHRISANN	N	GROWTH MANAGEMENT DEPARTMENT	ADMINISTRATIVE ASSISTANT	PB	9/23/2013
LOHMANN	MARIA	E	GROWTH MANAGEMENT DEPARTMENT	COMMUNITY PLANNER	PB	9/25/2013
MARTINEZ	ISAAC	R	PUBLIC WORKS DEPARTMENT	CUSTODIAN	PB	9/9/2013
BAUMAN	TIMOTHY	J	PUBLIC SAFETY DEPARTMENT	EMERGENCY COMM SPEC TRAINEE	PB	9/30/2013
VOIGT	RAYMOND	W	PUBLIC SAFETY DEPARTMENT	EMERGENCY COMM SPEC TRAINEE	PB	9/30/2013
SANCHEZ	DANIEL	P	ADMINISTRATIVE SERVICES DEPARTMENT	IT DIVISION DIRECTOR	PB	9/3/2013
DULING	ERIC	W	COUNTY SHERIFF'S OFFICE	SHERIFF DEPUTY CADET	PB	9/23/2013
GUTIERREZ	ANTONIO	J	COUNTY SHERIFF'S OFFICE	SHERIFF DEPUTY II	PB	9/23/2013
ORDONEZ	JOHN	A	COUNTY SHERIFF'S OFFICE	SHERIFF DEPUTY II	PB	9/23/2013
ROMERO	TONY	L	COUNTY SHERIFF'S OFFICE	SHERIFF DEPUTY II	PB	9/23/2013
TALACHE	JOSE	A	COUNTY SHERIFF'S OFFICE	SHERIFF DEPUTY II	PB	9/23/2013
GONZALES	JOSEPH	R	PUBLIC WORKS DEPARTMENT	SOLID WASTE MAINTENANCE WORKER	T	9/19/2013
N	LEO	L	COMMUNITY SERVICES DEPARTMENT	TRANSPORTATION COORDINATOR	PB	9/30/2013

Daniel "Danny" Mayfield
Commissioner, District 1

Miguel M. Chavez
Commissioner, District 2

Robert A. Anaya
Commissioner, District 3

Kathy Holian
Commissioner, District 4

Liz Stefanics
Commissioner, District 5

Katherine Miller
County Manager

MEMORANDUM

DATE: October 9, 2013

TO: Board of County Commissioners

VIA: Katherine Miller, County Manager

FROM: Kathy Holian, Santa Fe County Commissioner, District 4

RE: **A Presentation Recognizing The Santa Fe County 2013 Fire Academy Graduates (Commissioner Holian)**

Issue:
On the October 29th agenda, under Proclamations and Presentations:

A Presentation Recognizing Career and Volunteer Fire Academy (VFA) Graduates.

1) **Career Academy –** all cadets are brought into the Academy with their Emergency Medical Technician license and Firefighter I certification. They then attend an Academy which lasts approximately 7 weeks. During the course of that academy they attend classes in Vehicle Extrication, Wildland Fire Behavior Refresher, EMS Refresher and Firefighter II.

   Graduates Are:

   A. Rachel Martinez: Agua Fria District volunteer, VFA graduate, 2 years on the YCC/SFCFD wildland crew
   B. Jared Martinez: VFA graduate, regional volunteer, son of Robert Martinez
   C. Carlos Martinez: Rio Arriba County volunteer, came over from Espanola Fire Department
   D. Ralph Lunnebourg: former County Sheriff Deputy
   E. Michael Judge: Agua Fria District volunteer, VFA graduate
   F. Manuel Gallegos: Pojoaque District volunteer, VFA graduate
   G. Scott Barlow: Regional volunteer, VFA graduate, 2 years on the YCC/SFCFD wildland crew

2) **Volunteer Fire Academy (VFA)** – This academy was held on Monday and Wednesday evenings from 6:30 to 9:30 pm and every Saturday for 15 weeks for a total of more than 190 hours. Classes include an Orientation, Firefighter First Aid & CPR, Wildland Fire Behavior (S130/190), Hazardous Materials Awareness & Operations, and Firefighter I.

   Graduates Are:

   A. Erick Avila – Agua Fria Fire District
   B. Dane' Bandoni – Edgewood Fire District
   C. Brian Bergen – Tesuque Fire District
   D. Mari Galang – La Cienega Fire District
   E. Alan Gonzales – Agua Fria Fire District
   F. Anna Hamilton – Glorieta Pass Fire District
   G. Tiffany Herrera – Tesuque Fire District
   H. Victoria Jenkins – Edgewood Fire District
   I. David Keppel – La Cienega Fire District
   J. Jeffery Maestas – Agua Fria Fire District
   K. Julian Martinez – Agua Fria Fire District
   L. Justin Sena - La Cienega Fire District
   M. Dorothy Van Ark – Galisteo Fire District
   N. Kim Van Damme – Regional Volunteer
   O. Frederico Velazquez – La Cienega Fire District

Request Action:

This is an information agenda item only and no action is required.

Government Finance Officers Association
203 North LaSalle Street, Suite 2700
Chicago, Illinois 60601-1210
312.977.9700 *fax:* 312.977.4806

August 13, 2013

Ms. Carole Jaramillo
Budget Administrator
County of Santa Fe
102 Grant Avenue
Santa Fe, NM 87501

Dear Ms. Jaramillo:

A Panel of independent reviewers has completed its examination of your budget document. We are pleased to inform you that the panel has voted to award your budget document the Distinguished Budget Presentation Award for the current fiscal period. This award is the highest form of recognition in governmental budgeting. Its attainment represents a significant achievement by your organization.

The Distinguished Budget Presentation Award is valid for one year. To continue your participation in the program, it will be necessary to submit your next annual budget document to GFOA within 90 days of the proposed budget's submission to the legislature or within 90 days of the budget's final adoption. Enclosed is an application form to facilitate a timely submission. This form should be submitted with four copies of your budget accompanied by the appropriate fee.

Each program participant is provided with confidential comments and suggestions for possible improvements to the budget document. Your comments are enclosed. We urge you to carefully consider the suggestions offered by our reviewers as you prepare your next budget.

When a Distinguished Budget Presentation Award is granted to an entity, a Certificate of Recognition for Budget presentation is also presented to the individual or department designated as being primarily responsible for its having achieved the award. Enclosed is a Certificate of Recognition for Budget Preparation for:

Budget Office, Finance Division

Your award plaque will be mailed separately and should arrive within eight to ten weeks. Enclosed is a camera-ready reproduction of the award for inclusion in your next budget. If you reproduce the camera-ready in your next budget, it should be accompanied by a statement indicating continued compliance with program criteria.

The following standardized text should be used:

MEMORANDUM

DATE: October 21, 2013

TO: Board of County Commissioners

VIA: Katherine Miller, County Manager

FROM: Julia Valdez, Constituent Services Liaison, Manager's Office

RE: A Proclamation Honoring Don and Nancy Dayton (Commissioner Stefanics)

BACKGROUND

Long time Eldorado residents, Don and Nancy Dayton have made many contributions to Santa Fe County. They each have served on many committees including various County committees.

The next chapter of their lives led them to move to Carlsbad, NM. This proclamation honors the work they have done for Eldorado and Santa Fe County.

THE BOARD OF COUNTY COMMISSIONERS
OF SANTA FE COUNTY

A PROCLAMATION HONORING

DON AND NANCY DAYTON

WHEREAS, Don and Nancy Dayton were married in 1962 and raised three children:

WHEREAS, they moved to Eldorado in October 1980 as Don's last duty assignment in capping out a 36 year career with National Park Service. He served as superintendent of four National Park areas including White Sands and Carlsbad Caverns. After nine years as Southwest Deputy Regional Director, he retired in 1989:

WHEREAS, for many years, Don and Nancy volunteered on the Eldorado Volunteer Fire Brigade and later the Eldorado Volunteer Fire and Rescue. Nancy was a volunteer EMT as well:

WHEREAS, Don served on the Santa Fe County Mine Plan Review Board and was a founding member of the Jemez y Sangre de Cristo Regional Water Planning Council:

WHEREAS, for at least 15 years Don and Nancy were State Advocacy volunteers at the New Mexico office of the AARP, American Association of Retired Persons. They each served as Subcommittee Chairs on the Consumer Committee for the last 10 years – Don on Water and Nancy on Elections and Ethics. Both worked long weeks attending Legislative Committee meetings and providing testimony. The scarcity of water as a resource gained public awareness thanks to Don's work and Nancy played an essential role in forging practical compromise. It's because of their leadership that water issues remain a high priority and are now considered part of the national priority:

WHEREAS, they were instrumental in all aspects of the conception and creation of the Ken and Patty Adam Senior Center, from passing legislation to fund construction, to providing quality control oversight of the building, to organizing volunteers to set up programs for seniors and have remained active members:

WHEREAS, Nancy has held the office of Secretary for the Friends of the Ken and Patty Adam Senior Center since its inception:

WHEREAS, in 1999 they were honored as one of the *Ten Who Made a Difference* for their involvement with Santa Fe Search and Rescue and the Eldorado community:

WHEREAS, for nearly ten years Don served as a member of the CDRC, County Development Review Committee and was the Vice Chair for six of those years and most recently served on the County's Audit Committee:

WHEREAS, Nancy served as an Early Voting Presiding Judge for Santa Fe County elections: and

WHEREAS, their dedication is a true example to their fellow advocacy volunteers.

NOW THEREFORE, BE IT RESOLVED, by the Board of Santa Fe County Commissioners by this proclamation to recognize the many contributions to Santa Fe County by **DON and NANCY DAYTON.**

APPROVED, ADOPTED AND PASSED ON THIS 29th DAY OF OCTOBER, 2013

Kathy Holian
Chair, Commissioner, District 4

Daniel "Danny" Mayfield
Vice-Chair, Commissioner, District 1

Miguel M. Chavez
Commissioner, District 2

Robert A. Anaya
Commissioner, District 3

Liz Stefanics
Commissioner, District 5

Katherine Miller
County Manager

Approved to Form by Attorney Stephen Ross:

Attest by Clerk Geraldine Salazar:

NO PACKET MATERIAL FOR THIS ITEM

NO PACKET MATERIAL FOR THIS ITEM

NO PACKET MATERIAL FOR THIS ITEM

Santa Fe County Treasurer's 2nd half Report

Santa Fe County Treasurer's Challenges

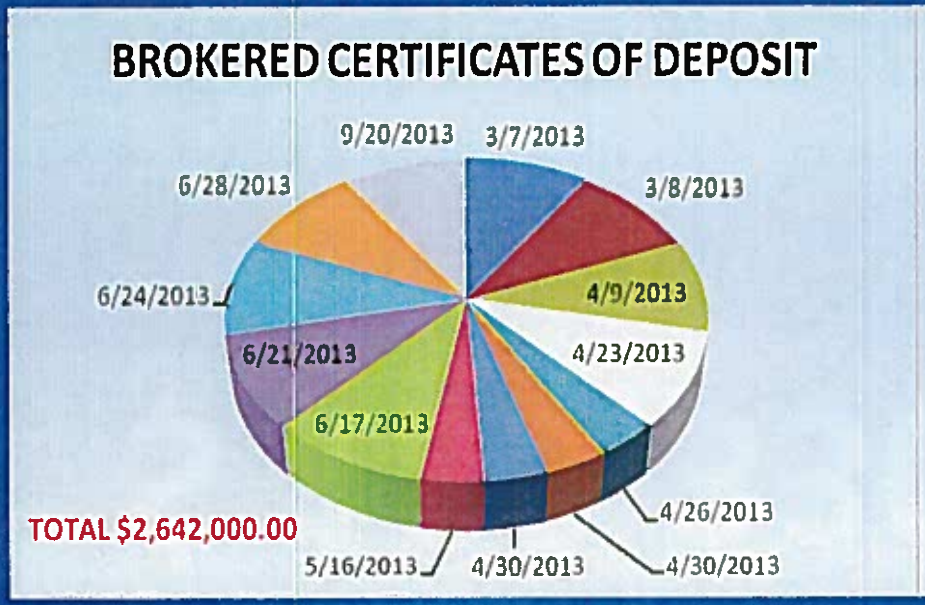
- Volatile market
- Dropping Bank Interest Rates
- Existing agencies that have turned into bullets

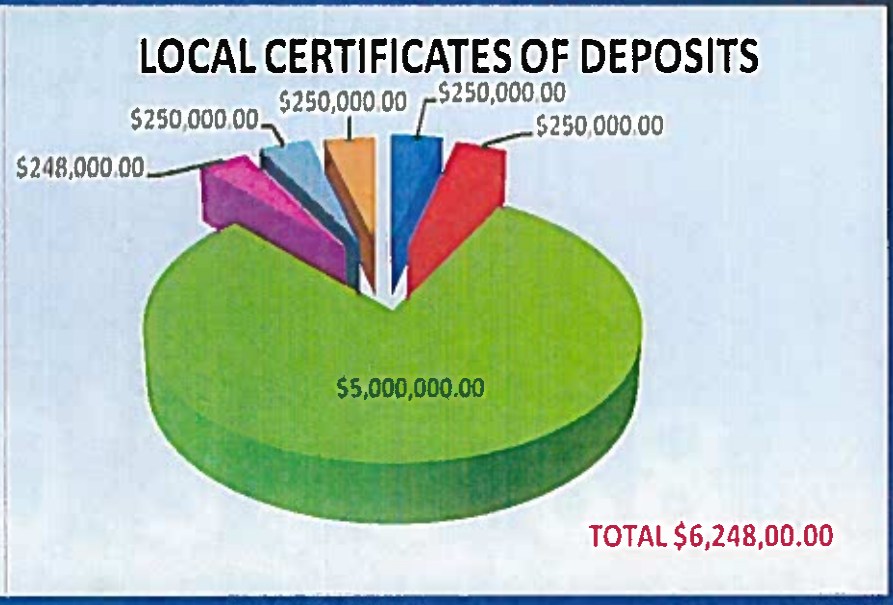
Total Account Balances

as of September 30, 2013

$ 183,330,310.88

CD Balances





Recent Mat. 9/20/13 $ 248,000.00

5M Maturing from FNSF

GRAND TOTAL $ 8,890,000.00

Liquidity Cushion

First National Bank of Santa Fe
$3,011,196.59

Earning 50bps
November dropping to 15bps

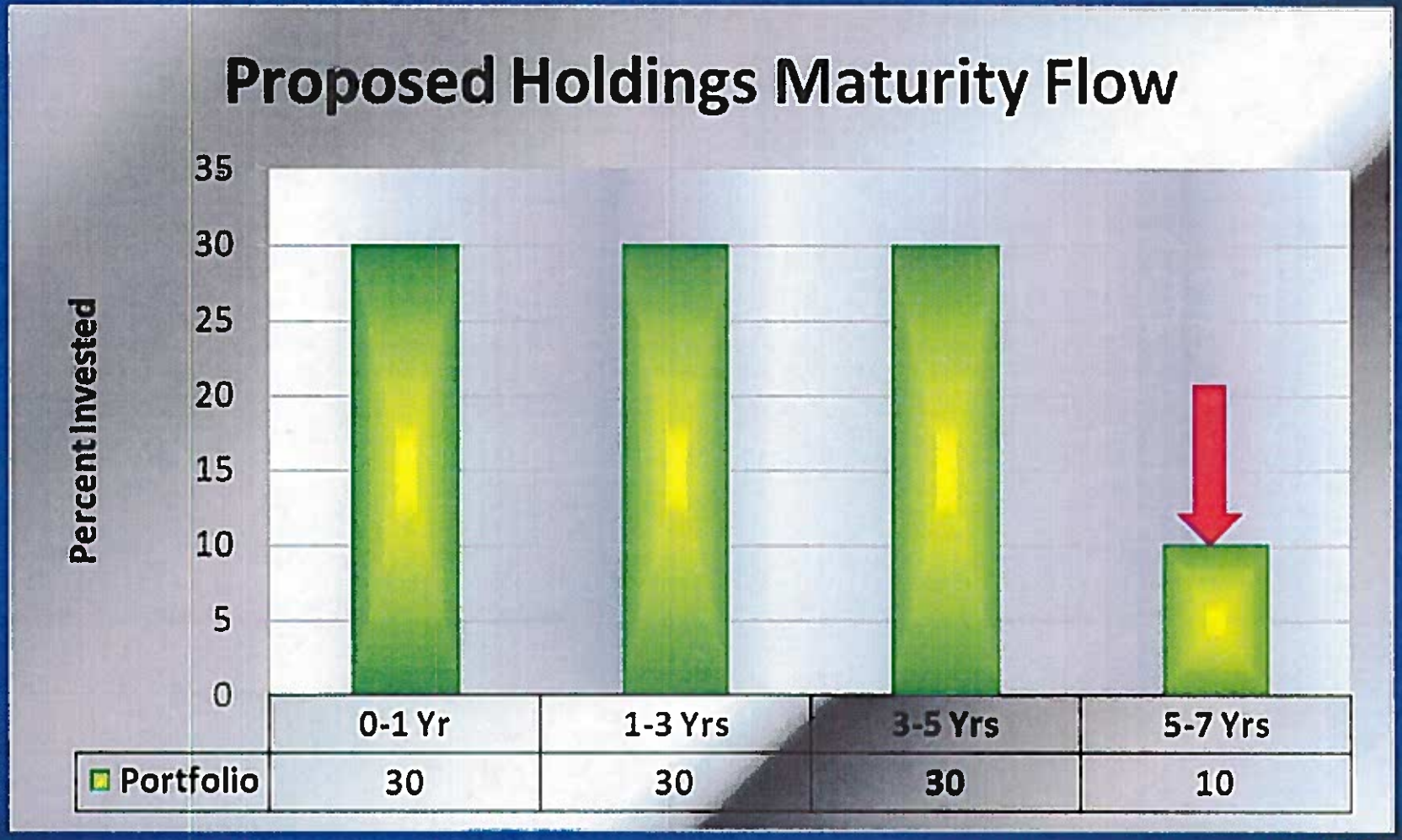
Charles Schwab
$8,000,000.00

Earning 01bps

Current Holdings to Maturity

	0-1 Yr	1-3 Yrs	3-5 Yrs	5-7 Yrs	7-10 Yrs	10+ Yrs
Portfolio	60.29	1.04	8.19	6.05	10.35	14.07

Proposed Cash Flow Maturity



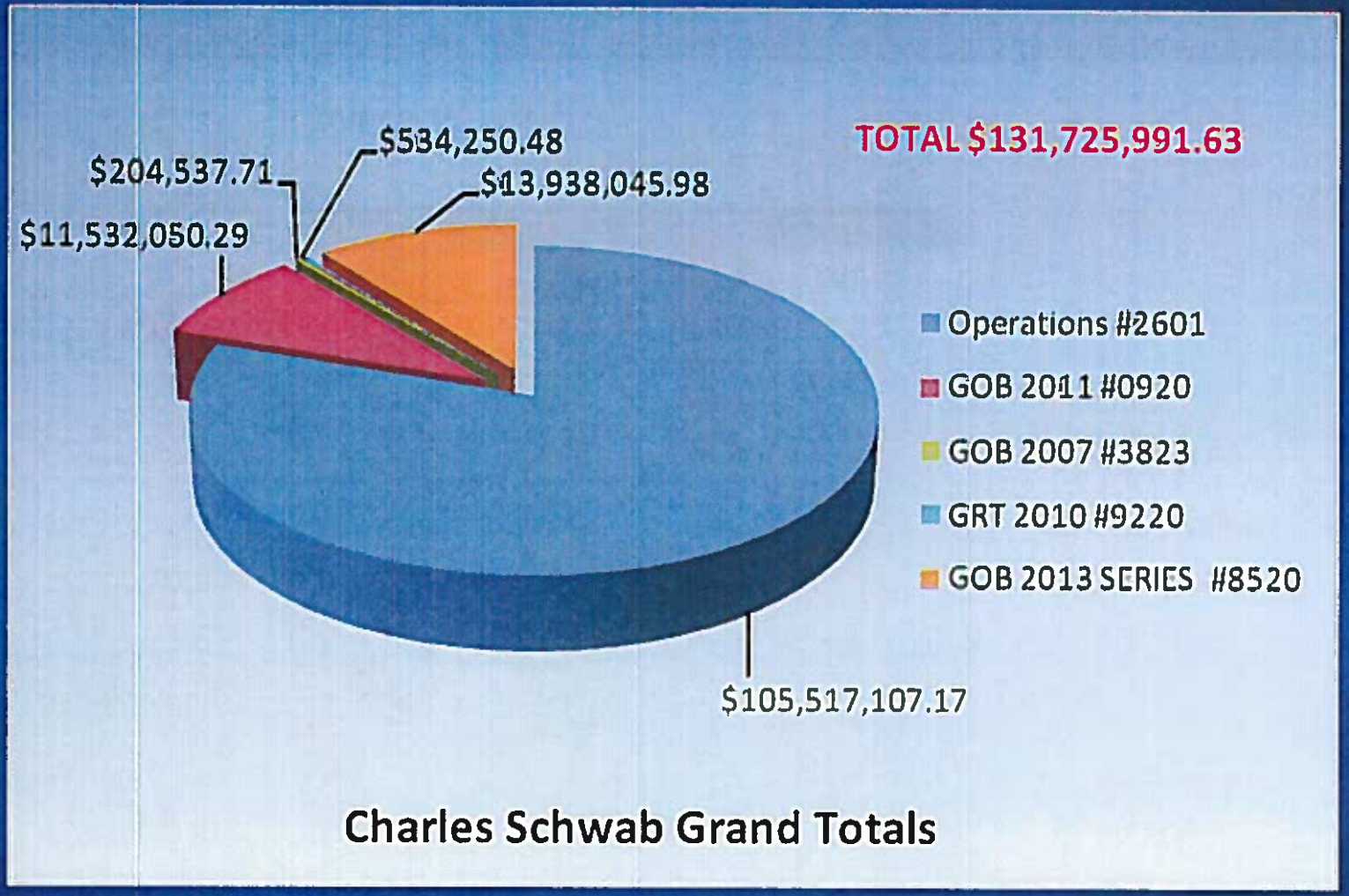
6 Month Investment Plan

- Investing in short term Treasury Bills & Notes
- Investing in short term Bullet Government Agencies
- Maintaining a liquidity cushion

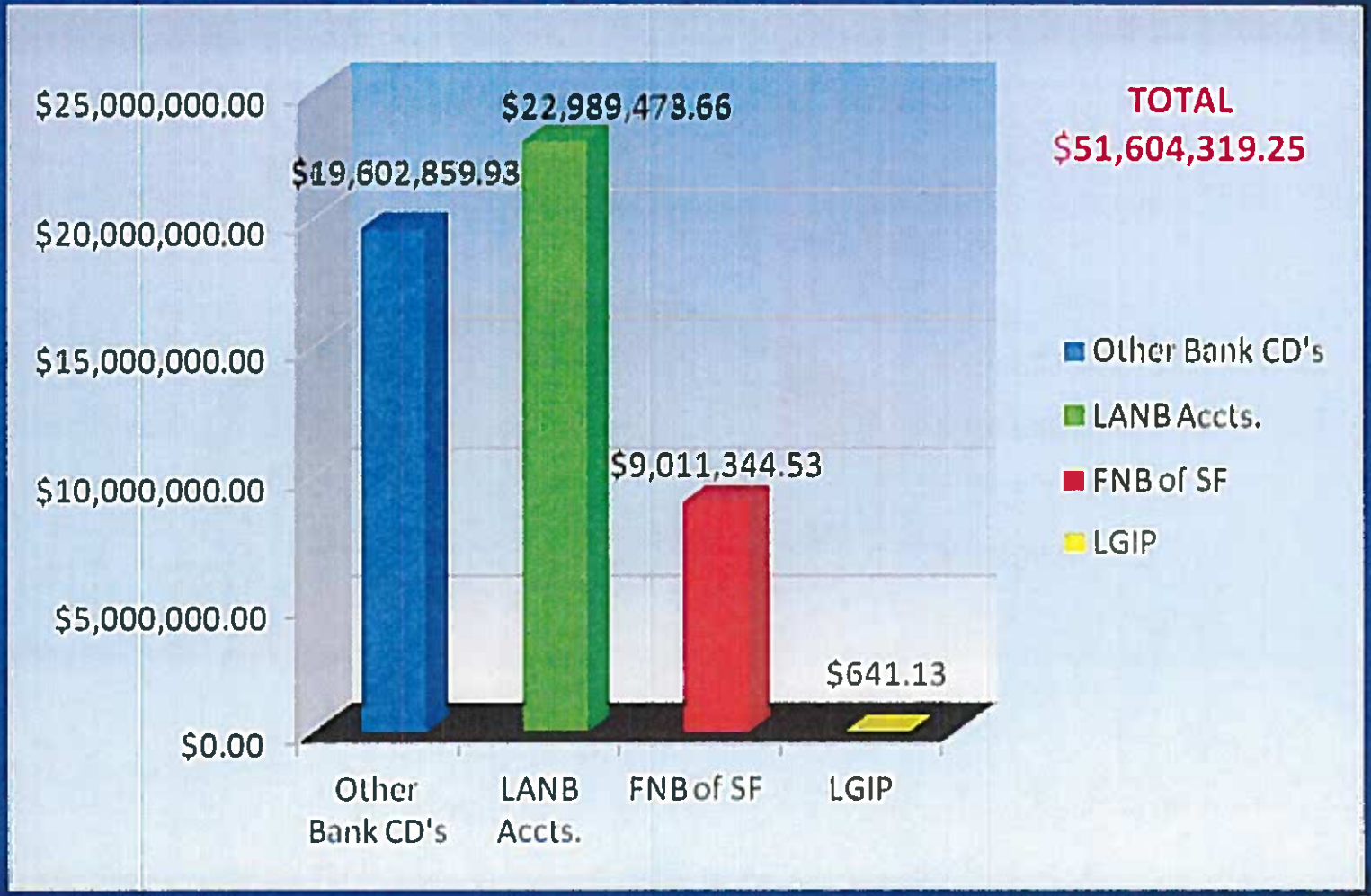
All maturities will be into 2014

Additional moneys will be invested for 2015.

Investments



Investments and Account Balances



Delinquent Collections

For this half, the Treasurer's Office had two people working on delinquent collections for the first 3 months now we are down to one.

2619 Total accounts were worked.

$ 4,003,048.09

"RED TAGGING" Project

Delinquent Mobile Home Tax

Mobile Home "Red Tagging"

- 30 out of 34 Mobile Home Parks worked.
- 1400 Mobile home liens in place.
- 249 Mobile home accounts were collected
- 160 Mobile homes were un-locatable
- High number of un-locatables because of new process

Mobile Home "Red Tagging"

$78,647.74 Collected from March 4 – April 30, 2013.

$60,032.34 Additional Revenue Collected from May 1 – September 30, 2013

TOTAL $138,680.08

$118,826.90 Loss on the 110 accounts that were un-locatable

Un-locatable mobile homes will be removed from the tax roll pursuant to NMSA 7-38-77 sec. C

Total Delinquent Collections Including Red Tagging

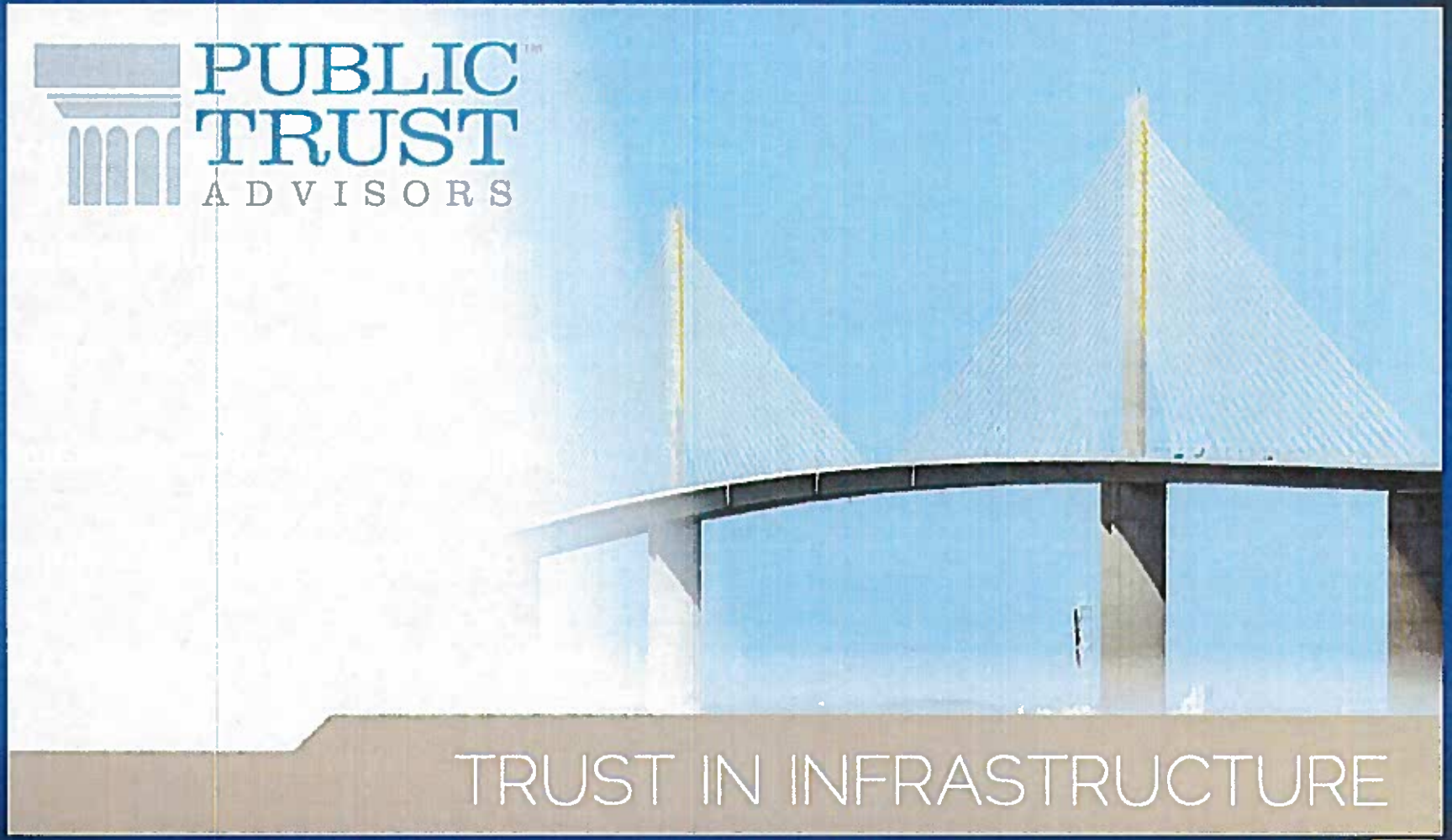
$ 8,471,535.56 YTD

Treasurer's Short Term Goals

- Use of internet services
  - Printable Tax Bills
  - Self Serve Kiosk
  - Use internet to purchase refuse permits

- November Tax Site Collections
  - Visit one site each day of the week
    Chimayo, El Rancho, Eldorado, Glorieta, Edgewood

PUBLIC TRUST ADVISORS



TRUST IN INFRASTRUCTURE

Santa Fe County

SOW For SF County Treasurer's Office

- Set initial benchmarks
- Best Practices for County's Investment Policy
- Review of organizational structure
- Review and provide a detailed analysis of the SF County Treasurer's portfolio
- Review SF County financial reports, statutes, rules, etc…
- Complete investment analysis
- Recommendations for future investments
- Review of custodial and depository operations

THANK YOU

PUBLIC TRUST ADVISORS

Investment Review and Report
Santa Fe County, New Mexico

Public Trust Advisors, LLC
October 15, 2013

Christopher DeBow
Managing Director

Sheila A. Duffy
Director

PUBLIC TRUST ADVISORS

Table of Contents

Investment Report

Appendix

Appendix A – Investment Policy Review

Appendix B – Relevant State Statutes

Appendix C – Collateral Requirements

Appendix D – Sample Reports

SANTA FE COUNTY INVESTMENT ADVISOR SERVICES, PROJECT NUMBER 2013-0293-TR/BT

PUBLIC TRUST ADVISORS, LLC

Public Trust was founded by a team of seasoned investment professionals with the single goal of providing relationship-focused asset management services to our clients. Our team has significant experience providing all aspects of treasury and investment management services for the institutional and public funds marketplace. Public Trust's executives and senior staff believe the way to best fulfill our mission is to serve as "auxiliary staff" for our clients; to align our goals with our client's expectations and to build the type of relationships that provide for trust and true partnership.

Our mission is to provide a safety-first, fixed income only investment program to our clients, utilizing an optimal combination of experienced investment professionals and the most advanced technology for portfolio management and reporting capabilities. The net result is a custom tailored strategy. As of September 30, 2013, Public Trust manages over $7 billion in assets, exclusively for public sector clients.

ACCOUNT MANAGERS SIGNIFICANT PUBLIC FUNDS EXPERIENCE

The Public Trust team has extensive public funds experience, including considerable experience working in New Mexico. Sheila Duffy, based in Albuquerque, New Mexico, has worked within and complied with extensive oversight and the governing bodies responsible for that oversight, when managing funds for the New Mexico State Treasurer. Ms. Duffy, upon her appointment as Chief Investment Officer for the State Treasurer in 2009, led the effort to update the investment policy, after the market lessons of 2008, and successfully presented the updated policy to the State Board of Finance for approval. In her different career capacities, Ms. Duffy has experience presenting to various NM governing bodies and associations including:

- NM Legislative Finance Committee
- NM State Board of Finance
- NM Public Education Commission
- NM DFA, Local Government Division
- New Mexico Finance Authority
- New Mexico Municipal League
- New Mexico Association of Counties
- NM Government Finance Officers Assn. (GFOA)
- Albuquerque City Council
- Bernalillo County Commissioners

The engagement team assigned to Santa Fe County, Sheila Duffy and Chris DeBow, has more than 20 years of investment experience in assisting public entities with their investment needs. Mr. DeBow has been providing treasury management and investment and financial advisory services nationwide to a vast array of local governments, state agencies, special districts, hospital districts, school districts, transportation authorities, and other public entities. He spent more than a decade representing over $12 billion in public funds, currently and in his previous roles with RBC Global Asset Management U.S., Inc.

AN INDEPENDENT REGISTERED INVESTMENT ADVISOR

Public Trust is an independent investment manager registered with the Securities and Exchange Commission under the Investment Adviser's Act of 1940. We have no soft dollar arrangements and all compensation is based solely on client-managed assets. Unlike other firms within the industry, we do not transfer revenues or profits from our asset management firm to other joint ventures, subsidiaries or owner-owned companies affiliated under a parent company structure. There is no conflict of interest in the management of our clients' accounts because we are dedicated to *one business line* only; advising on the management of public funds. Our investment professionals have no financial interest in any other services provided to our clients, such as underwriting, trading or banking.

Engagement Managers	
Sheila Duffy, Director	Chris DeBow, Managing Director
sheila.duffy@publictrustadvisors.com	chris.debow@publictrustadvisors.com
501 Laguna Boulevard, SW	7754 Camargo Road, Suite 23
Albuquerque, NM 87104	Madeira, Ohio 45243
505-263-1453	513.252.3830

SHEILA DUFFY, *DIRECTOR* - PRIMARY, LOCAL RELATIONSHIP MANAGER FOR THE COUNTY

- Ms. Duffy serves as the primary contact, serving New Mexico clients.
- Prior to joining Public Trust, Ms. Duffy served the New Mexico State Treasurer as Chief Investment Officer, where she was responsible for investing the general funds, bond proceeds and Local Government Investment Pool (LGIP) for the State of New Mexico, overseeing total assets under management of $3.5 billion.
- The State of New Mexico Collateral Manager reported to Ms. Duffy in her role with the State Treasurer and she oversaw compliance with NM collateral requirements as outlined in administrative code, NMAC 2.60.4.
- Ms. Duffy graduated with a Bachelor in Arts from Colby College and holds Master of Business Administration from New York University's Stern School of Business.

CHRIS DEBOW, *MANAGING DIRECTOR* - RELATIONSHIP LEADER FOR THE COUNTY

- More than 15 years of experience providing investment advisory services to local governments.
- In his current and previous roles, Mr. DeBow served as primary relationship manager for more than $7 billion in separately managed assets including general funds, bond proceeds, pension funds, reserve funds.
- Significant experience in investing public funds for New Mexico public entities.
- Served as head of business development for a top fixed income investment firm for 5 years.
- Frequent speaker and committee member for several chapters of the GFOA.

COUNTY OF SANTA FE

INVESTMENT POLICY REVIEW AND RECOMMENDATIONS

The citizens or constituents of any public entity place a tremendous amount of trust and reliance in their public officials to always do what is in the best interest of the community. In managing the finances of a public entity, the board of finance and investment officer are held to the very high standard of *fiduciary duty* as they carry out the daily investment and management of the public funds.

What is fiduciary duty?

> *A fiduciary relationship is generally viewed as the highest standard of customer care available under law.*
>
> *Fiduciary duty includes both a duty of care and a duty of loyalty. Collectively, and generally speaking, these duties require a fiduciary to act in the best interest of the customer, and to provide full and fair disclosure of material facts and conflicts of interest.*
> ~ **Securities Industry and Financial Markets Association (SIFMA)**[1]

The *highest standard of care*... Clearly, the investment officer and members of the governing body (board of finance) carry a heavy responsibility, to prudently manage the public funds entrusted to them for safekeeping and always do what is in the best interest of the citizens. Therefore, it is important to have a document (Investment Policy) that all board of finance members agree to, that outlines the prudent investment practices, including allowable investments under law and also processes necessary for safekeeping of the public funds.

A well-defined investment policy is vital to governing the investment and safekeeping of public funds. Importantly, the policy should cover allowable investments, risk parameters, and processes for mitigating investment risk. It should also cover processes and procedures necessary to protect the funds, while effectively managing them. A thorough policy will include: an outline of statutory and constitutional constraints on investments; a clear investment objective; roles and responsibilities of all those involved with managing money; all forms of risk mitigation and safekeeping including collateral requirements and custodial services; proper management of outside services (advisors, broker and dealers, etc.); standards of accountability such as benchmarks; and record keeping and reporting. It should be reviewed and approved by the governing board or board of finance at least annually.

In reviewing the investment policy of the County of Santa Fe, Public Trust believes that the policy should be updated and rewritten to better reflect the current size and complexity of the County and its operations and also reflect general investment market changes that have occurred over the past few years. Public Trust's suggested changes are outlined in Appendix A of this report. Appendix A contains a summary of Public Trust's recommendations for change with a detailed description of each recommendation. This review and the

[1] SIFMA Fiduciary Standard Resource Center, https://www.sifma.org/issues/private-client/fiduciary-standard/overview/

associated recommendations are based upon nationally recognized best practices, as published by the Government Finance Officers Association (GFOA).

Santa Fe County has grown to a size at which their investments are more diversified as a Class A County and require policy and organizational changes to support prudent investment and safekeeping functions necessary to fulfill fiduciary duty. The policy, as presently written, devotes too much attention to bank deposit relationships and not enough to prudent portfolio management practices and safekeeping issues involved with holding securities. While bank deposit relationships should and will be covered in a revised policy, the policy should also address the following:

Permissible investments by law:

NM State Statutes Governing Investment of Public Funds

Highlights Chapter 6 (Public Finance), Article 10 (Public Money), NMSA 1978:

6-10-8	County boards of finance
6-10-9	Boards of finance for various public and educational institutions
6-10-10	**Deposit and Investment of Funds**
6-10-10.1	**Participating Government Investment Fund**
6-10-15	Surety for deposits (approved depositories)
6-10-16 and 6-10-16.1	Security for deposits of public money (collateral)
6-10-17	Amount of security to be deposited
6-10-30	Interest rates set by state board of finance
6-10-31	Interest on time deposits (geographic restrictions)
6-10-36	Public money deposits of certain governmental units; distribution; interest
6-10-44	Temporary Investment of Excess Funds (beyond what can be divided equitably and ratably among qualified depositories)
6-14-10.1	Investment of Proceeds; compliance with IRS of 1986

As well as Article VIII, Section 4 of the New Mexico Constitution, which outlines eligible banks in which deposits may be held.

N.M. Const. Art VIII

Sec. 4. [Misuse and deposit of public money.]

Any public officer making any profit out of public money or using the same for any purpose not authorized by law, shall be deemed guilty of a felony and shall be punished as provided by law and shall be disqualified to hold public office. All public money not invested in interest-bearing securities shall be deposited in national banks in this state, in banks or trust companies incorporated under the laws of the state, in federal savings and loan associations in this state, in savings and loan associations incorporated under the laws of this state whose deposits are insured by an agency of the United States and in credit unions incorporated under the laws of this state or the United States to the extent that such deposits of public money in credit unions are insured by an agency of the United States, and the interest derived therefrom shall be applied in the manner prescribed by law. The conditions of such deposits shall be provided by law. (As amended November 3, 1914, November 7, 1967 and November 4, 1986.)

NM STATUTES ANNOTATED 1978, Chapter 6, Article 10

Recommendation: Add language covering permissible investments either in the scope or authority section of the policy.
Sample language: The scope of investment authority of the county treasurer is defined by the applicable investment statutes and constitutional provisions, principally Sections 6-10-10, 6-10-44 and 6-14-10.1, NMSA 1978, as well as Article VIII, Section 4 of the New Mexico Constitution, specifying particular types of investments that may be made by the county treasurer, which establish certain prerequisites, limitations and other requirements relating to those investments.

Investment Policy

A well-defined investment policy is vital to governing the investment and safekeeping of public funds and should include sections, such as:

General investment rules:
- Statutory and constitutional constraints
- Roles and responsibilities of staff/board
- Standard of care: fiduciary duty
- Investment objectives
- Allowable investments

Governance:
- Define investment committee
- Governing board
- Adoption of policy by formal action
- Annual review of policy

All forms of risk mitigation and safekeeping:
- Diversification
- Maximum maturities
- Collateral requirements
- Custodial services
- Selection and management of outside services (advisors, broker and dealers, etc.)

Reporting and accountability standards:
- Benchmarks
- Reporting requirements and frequency
- Record keeping

Diversification of Investment Holdings:

Diversification of investment holdings works to reduce risk in the portfolio by making sure that only a certain amount of the funds are exposed to certain types of securities and/or sectors. Generally speaking, the lower the risk inherent in a specific type of security, the higher the percentage of funds can be invested in such a security. For instance, if a portfolio has 50-100% of funds in one bank and that bank has a financial problems or is taken over by the Federal Deposit Insurance Corporation (FDIC), those funds are exposed to either liquidity risk (time it takes to resolve the issue) and/or potential loss (depending upon collateral level).

Recommendation: Add a section outlining diversification requirements, including:

- Per institution limit on bank deposits of 25%.
- Limit the amount of public funds to 25% of the bank's deposits and/or four times equity capital.
- Limit repurchase agreement exposure to 25% for any one counterparty.
- Sector concentration limit on municipal holdings of 15%, with preference given to securities issued by municipalities in New Mexico.
- Within the municipal holdings, limit exposure to any one municipality to 5%.
- Any security backed by the full faith and credit of the United States government combined can reach 100%.

Deposit limits per bank are based upon that bank's equity and total deposits and is modeled after 6-10-24.1, NMSA 1978, which limits the amount of state funds a bank can hold. We are using this statute as an example of best practices for diversification and risk management for the County.

Investment Maturity Parameters:

Limiting the maximum maturity of a portfolio guards against liquidity crises. Generally speaking, one wants to match investment maturities with the need for cash so that the funds are available to fulfill the need. Therefore, operating funds will have a shorter maturity parameter than bond funds, generally speaking.

Recommendation: The County should divide investable funds into three "buckets": (1) Liquidity Portfolio (pooled funds); (2) Core Portfolio (pooled funds); and (3) Non-pooled investments, for which investment maturities are matched to cash needs.

1. Liquid Portfolio – Funds used to pay ongoing operations.
2. Core Portfolio – Reserve balances and any other funds not needed to meet immediate cash needs for the County.
3. Non-Pooled Investments – These investments should match cash flow needs of a specific fund type.

Requiring cash flow analysis in the policy ensures that the investment portfolio is matched to cash needs in the future. The County should have a monthly cash flow analysis for operating funds so that the investment officer is aware of normal trends throughout the year and can tailor the investment maturity schedule to match cash needs.

The County finance department has monthly cash flow spreadsheets that reflect flow of funds. The policy should outline a process for the Treasurer's office to work with the finance department on cash flow analysis and planning.

Proper Trading Practices:

All security purchases and sales should be competitively bid to make sure the funds are invested and/or positions are sold at the most beneficial price. At least three broker/dealers should be solicited to bid on each trade and the best price should be chosen with no preferential treatment granted to any one broker/dealer. Exceptions to the 3 bid policy are if the County is buying a new issue from primary dealer.

Recommendation: Prudent trading practices should be outlined in the policy. Electronic trading is preferred for best solicitation, execution and record keeping. Absent access to electronic trading, minimum requirements of competitive bidding and supporting documentation should be clearly outlined.

Safekeeping and Custody for Securities:

It is important that all investments are held in safekeeping with a custodial bank.

Recommendation: The County should issue two separate RFPs for fiscal agent services and custodial bank services. These two relationships should be independent of one another.

Benchmarks:

Benchmarks are used to assess performance and create a measure of accountability for the investment officer. The benchmark chosen should be one that contains a comparable basket of investments to what is allowed in the County's investment policy. The benchmarks should be highly transparent and easily tracked.

Recommendation: Choose an appropriate benchmark, specifically for each investment "bucket". The benchmarks should be reviewed at least annually to make sure they are appropriate and relevant measures. Depending on the ultimate investment strategy that is implemented, Public Trust can assist with the selection of appropriate benchmarks.

Approving and Managing Broker/Dealer Relationships:

It is important to work with brokers/dealers that have no conflict of interest, no record of violations, and who have read and understand the County's Investment Policy and have signed a letter acknowledging so.

Recommendation: Create a process for managing a list of approved brokers including clearing the names through the State Regulation and Licensing Department/Securities Division, checking their FINRA records to make sure there is no history of violations and documenting that the broker/dealer has read and understands the County investment policy. The approved broker/dealer list should be reviewed at least annually to update paperwork and FINRA background checks.

Collateral Policy:

Bank deposits should be collateralized to add a layer of protection against loss. Allowable types of collateral should be defined, including U.S. Treasury securities, U.S. Government Agency securities and any other safe and liquid security that can be pledged. The student lending market has changed and student loan backed securities should not be an allowable form of collateral. All pledged collateral should be held in the name of the County.

Recommendation: Include a collateral policy within the investment policy, which states what types of collateral are acceptable and how/where that collateral should be maintained. Decide on a standard for what level of collateral will be required whether it is 102% for all banks or if the County Treasurer chooses to track the risk assessments done by the State Treasurer's Office.

Ethic and conflicts of interest:

Certain state statutes cover ethics and conflicts of interest, but the County should have their own rules and good training for staff so that everyone knows why these rules exist and are aware of some of the abuses that can happen when they are absent or silent.

Recommendation: Include a section in the policy to clearly and concisely define and regulate ethics and conflicts of interest. Refer to statute (the Campaign Reporting Act, §§ 1-19-25 NMSA 1978 *et seq.*; the Governmental Conduct Act, §§ 10-16-1 NMSA 1978 et seq.; the Gift Act, §§10-168-1, NMSA 1978 *et seq.*; and the Procurement Code, §§ 13-

1-28 NMSA 1978 *et seq.*) and rules adopted by the County Ethics Board (Ordinance No. 2011-9) and follow the County of Santa Fe Code of Conduct (Ordinance No. 2010-12).

Other:

There are also several items that the County may elect to add into an office policy and procedure manual, but do not belong in the investment policy, such as:

1. Bank Risk Assessment:
   Recommendation: Strike this section from the investment policy and develop an office procedure manual to cover it in-house. The investment policy can refer to the collateral policy to cover this issue.
2. Insurance and Security Requirements:
   Recommendation: Absorb into the safekeeping section.
3. Third Party Custodian for Collateral:
   Recommendation: Absorb into the collateral policy.

Finally, there are changes needed to the policy to bring it up to date and to include the full scope of allowable investments.

Repurchase Agreements (REPO) are allowable investments for a Class A county.

Recommendation: Per 6-10-10(H), local public bodies can invest in repurchase agreements. Repurchase agreements in the policy should have clearly stated parameters of allowable length of agreement (0-7 days) and collateral requirements.

Debt securities issued by municipalities (Muni) are allowable investments for a Class A county.

Recommendation: Per 6-10-10 (F)1., NMSA 1978, bonds or negotiable securities of the state or a county, municipality or school district that has a taxable valuation of real property for the last preceding year of at least one million dollars $1,000,000.

Agencies of the United States Government in which investments are allowed should be listed.

Recommendation: Explicitly list allowable agency securities.
Sample language: These securities include Federal Farm Credit Bank "FFCB", Federal Home Loan Bank " FHLB", Federal Home Loan Mortgage Association "FHLMC", Federal National Mortgage Association "FNMA" and Government National Mortgage Association "GNMA".

The investment committee should be diverse with members from both the public and private sector who have specific expertise or knowledge about finance and investments.

Recommendation: Add one or two finance experts from the private sector to the investment committee. Clearly state what skills, experience and knowledge are required to serve on this committee.

Clean-up updates:

Recommendation: Update FDIC and NCUA insurance amounts to $250,000 from $100,000.
Recommendation: Any reference to NASD should be changed to FINRA.

INVESTMENT FUNCTION ORGANIZATIONAL REVIEW AND RECOMMENDATIONS

Statutory Authority: 6-10-8

New Mexico Statutes Annotated (NMSA) 1978

6-10-8. County boards of finance.

The board of county commissioners in each county in the state shall, ex officio and without additional compensation, constitute a county board of finance and as such shall, subject to the limitations of this act, have supervision over the determination of the qualifications and selection of banks, savings and loan associations and credit unions, whose deposits are insured by an agency of the United States, to receive the public money of their respective counties and of independent rural school districts, rural school districts and municipal school districts of municipalities having less than twenty-five thousand population according to the next preceding United States census and of any special or other districts in their respective counties for which the respective county treasurers of such counties act as ex-officio tax collectors. The county clerk in each county shall, ex officio and without additional compensation, act as clerk of such county board of finance. Every county board of finance shall hold meetings whenever necessary for the discharge of its duties, and the chairman shall convene such board whenever necessity therefor exists or when requested so to do by two of its members or at any time when the county treasurer shall advise the chairman that he has in his custody public money in excess of the aggregate amount which depositories qualified by law are entitled to hold. A majority of the board shall constitute a quorum for the transaction of business.

The county treasurer of each county in the state shall have supervision of the deposit and safekeeping of the public money of his county and all the money which may at any time come into or be in his possession as county treasurer and ex-officio tax collector for the use and benefit of the state or of any county, municipality or district or of any subdivision of any county or of any state or public institution and by and with the advice and consent of the respective boards of finance having jurisdiction over the respective funds shall designate banks, savings and loan associations and credit unions, whose deposits are insured by an agency of the United States, to receive on deposit all moneys entrusted in his care.

***History:** Laws 1933, ch. 175, § 1; 1941 Comp., § 7-204; 1953 Comp., § 11-2-4; Laws 1968, ch. 18, § 2; 1981, ch. 332, § 1; 1987, ch. 79, § 4.*

Board of Finance:

The board of finance is currently a committee of the Board of County Commissioners (BCC). It consists of all five County Commissioners and convenes when the Santa Fe County Treasurer gives a quarterly report on investments. Generally speaking, boards of finance in the state serve for governance and oversight of anyone handling public funds.

Investment Committee is Defined by the Investment Policy

The investment Committee is defined in the investment policy (section VI of the current policy as seen below). There are no recommended changes to the structure. However, processes and procedures for coordinating with the Finance Department should be strengthened. Also, language should be added to the investment policy that defines qualifications required for the public sector members.

SANTA FE COUNTY INVESTMENT POLICY (RESOLUTION NO. 2012-146):
VI. COUNTY INVESTMENT COMMITTEE

A. *Statement of Purpose. Prudent investing requires that the Board of Finance and Treasurer, among other people, work closely together on an on-going basis. For instance, the Board of Finance, the County Investment Committee and the Treasurer must have an accurate assessment of the County's current and future cash flow needs from the Finance Department. Likewise, the County Attorney's Office must be closely involved with investment decisions so as to stay apprised offend answer any legal issues that may arise. The County Investment Committee created by this Section shall have primary responsibility for ensuring the on-going, interdepartmental coordination that is a prerequisite for the prudent investment of County funds.*

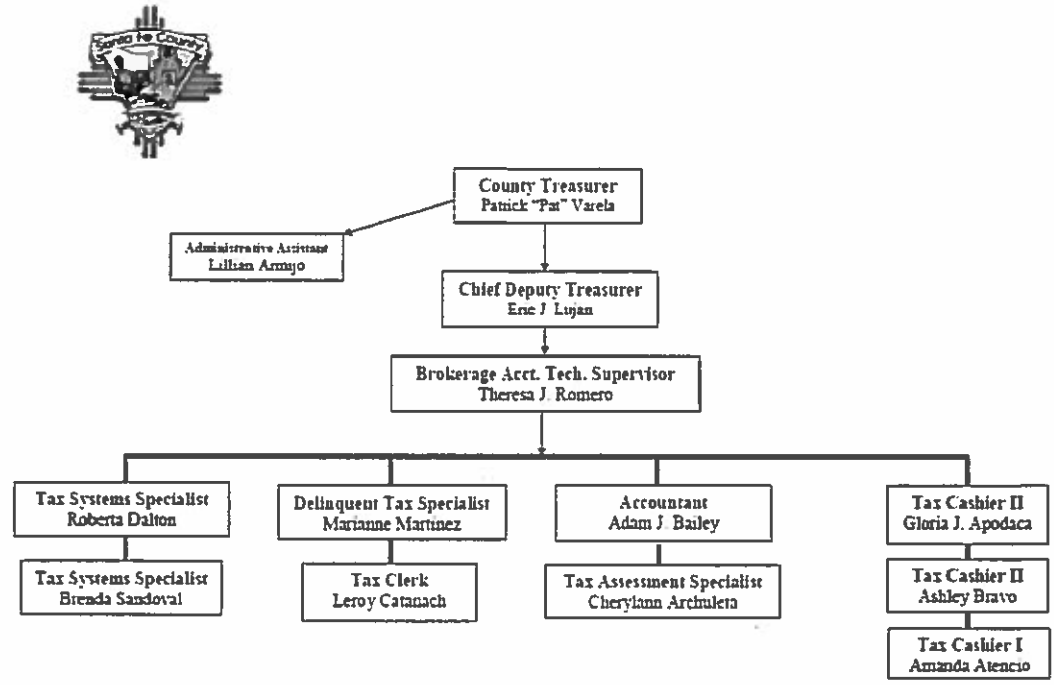
B. *County Investment Committee Members. The members of the County Investment Committee shall be:*

    1. *The Chair of the Board of Finance or a designee who is also a member of the Board of Finance;*
    2. *The Vice Chair of the Board of Finance or a designee who is also a member of the Board of Finance;*
    3. *The County Manager or designee;*
    4. *The Treasurer or a designee who is an employee of the County Treasurer's Office;*
    5. *The Finance Director or a designee from the Finance Department;*
    6. *The County Attorney or a designee/lawyer from the Legal Department; and*
    7. *A non-County employee nominated by the Treasurer and appointed by the Investment Committee.*

County Treasurer's Duties:

While the Board of Finance opines and approves policy and adequacy of banks, the County Treasurer is in charge of carrying out investment duties, "supervision of the deposit and safekeeping of the public money of his County..."

Santa Fe County Treasurer's Office



As of 4/16/2013

Historically, the Treasurer's office worked independently of other County finance staff to invest the funds of the County. The Treasurer implemented trades and the Brokerage Account Technical Supervisor kept the records of trades and holdings. There was no effort to reconcile balances with the records of the County finance department general ledger records. Also, there was no staffing to carry out the detailed work of selecting banks and equitably depositing funds in those banks (per sections VIII and IX of the current investment policy, SANTA FE BCC RESOLUTION NO. 2012-146). The County has grown tremendously in size and complexity since much of the language in the current policy language was drafted. Therefore, the policy should be updated and there should be proper allocation of resources (personnel and otherwise) to prudently implement policy directives.

Recommendations:

Public Trust has several recommendations for the County Treasurer's office to put in place process and resources to carry out these statutory duties.

1. Redraft and update the County's investment policy (see Investment Policy Review in Appendix Aof this report for recommendations).
2. Create internal processes and procedures for the Treasurer's Office to coordinate and reconcile with County Finance Department in order to best implement strategy and maintain consistent records.
3. Rebid outside service contracts, particularly the Fiscal Agent Bank contract (which is due for a request for proposals (RFP) in the Fall of 2013). Custodial services should be stripped out of the Fiscal Agent Bank contract and separated into it's own contract.

Definition of 'Fiscal Agent'

An organization, such as a bank or trust company, that acts on behalf of another party performing various financial duties. A fiscal agent may assist in the redemption of bonds or coupons, handle tax issues, replace lost or damaged securities and perform various other finance-related tasks.[2]

4. Seek proposals for Custodial Bank Services with an eye toward compliance with statutes that outline requirements for safekeeping. (6-10-15, NMSA 1978; 6-10-16, NMSA 1978; and 6-10-17, NMSA 1978)

Definition of 'Custodian'

A financial institution that holds customers' securities for safekeeping so as to minimize the risk of their theft or loss. A custodian holds securities and other assets in electronic or physical form. Since they are responsible for the safety of assets and securities that may be worth hundreds of millions or even billions of dollars, custodians generally tend to be large and reputable firms.[3]

5. Given the small size of the Treasurer's office, resources should be bolstered through the use of outside services. The following relationships should be managed and budgeted for on an ongoing basis.
   - Fiscal Agent Banking Services (see above)
   - Custodial Banking Services (see above)
   - Broker/Dealer Relationship and Approved List (see investment policy section of this report)
   - Investment Advisory Services

[2] Investopedia, http://www.investopedia.com/terms/f/fiscalagent.asp, October 9, 2013.

[3] Investopedia, http://www.investopedia.com/terms/c/custodian.asp, October 9, 2013.

Investment Analysis

The County utilizes a pooled and non-pooled approach to investing the County's funds. This is a common practice among local governments. Essentially the County "pools" or aggregates balances of various fund types for investment purposes. Some fund types, such as bond proceeds or other indentured funds are unsuitable for pooling purposes due to various indentures or covenants. These fund types are labeled "non-pooled". Figure 1.0 details the various fund types for the County.

Figure 1.0

Fund Description	Pooled	Non-Pooled
General Fund	X	X
Capital Outlay – Gross Receipts Tax	X	
GOB Debt Service	X	
Fire Operations	X	
Water Enterprise	X	
Fire District	X	
Treasurer's Agency Fund (Taxes)	X	
Housing Assistance/Home Sales	X	
Economic Development – R.D.C. Grant	X	
Law Enforcement Operations Fund	X	
EMS – Health Hospital	X	
Road Maintenance Fund	X	
Indigent Fund	X	
Fire Tax ¼% Fund	X	
Emergency Communications Operations	X	
Indigent Services Fund	X	
EMS Health Care Grant	X	
Lodgers Tax Advertising	X	
Valuation Fund	X	
Fire Impact Fees	X	
Lodgers Tax Facility	X	
Housing Enterprise	X	X
Correctional – GRT	X	
County Clerk Filing Fees	X	
Housing Section 8 Voucher Program	X	X
Road Project	X	X
Detox Program Funds	X	
Regional Planning Authority	X	
Alcohol Program Funds	X	
Federal Forfeiture	X	
Environmental Gross Receipts	X	
NMFA Equipment Loan Debt Service	X	
EMS District Funds	X	
Gross Tax Revenue Bond	X	X
Water Trust Board Loan	X	
GOB Series 2005 Roads	X	X
State Special Appropriations	X	X
Linkages (Housing Related)	X	
COLPAC	X	
Law Enforcement Protection	X	

Corrections Fund	X	
Recreation Fund	X	
Farm & Range Fund	X	
Corrections Facility Debt Service	X	X
Community Development Block Grant	X	
Fire Tax Revenue – Debt Service	X	
GOB Series 2013		X
Capital Outlay GRT Bonds 2009		X
Open Space Bond Proceeds		X
GOB Series 2008		X
NMFA Equipment Loan Proceeds	X	X
Housing CIAP	X	X
GOB Series 2007B	X	X
Fire Tax Revenue Bond Proceeds	X	X
GOB Series 2009	X	X
GOB Series 2001	X	X
Development Fees Fund	X	X
Sheriffs Facility Construction Fund	X	X
GOB Series 2007A, Judicial	X	X
GOB Series 2011 – Refunding	X	X
Corrections Operations Fund	X	X
Capital Outlay GRT Bonds 2010B	X	X
GRT Revenue Bond, 2008 (Judicial)	X	X

While funds are pooled or non-pooled for investment purposes, the County, via its general ledger tracks each individual fund type separately. This approach allows the County to accurately balance each individual fund type at any point in time. This pooling approach may also allow for enhanced investment returns over time due to economies of scale when making investment decisions. While the pooled funds are comprised of many different fund types, it is appropriate to model the cash flows on an aggregate basis.

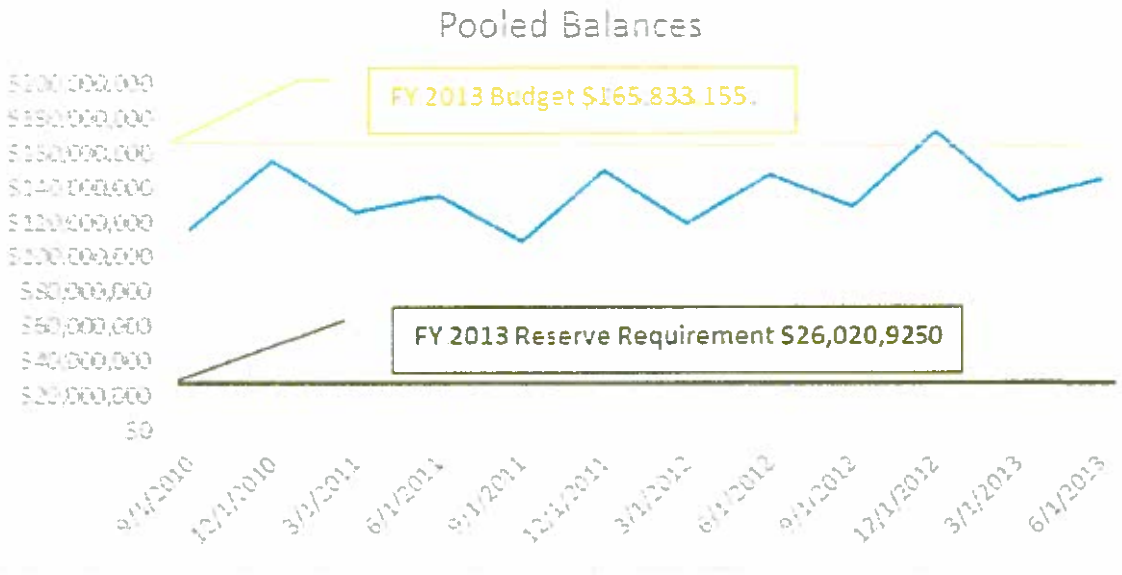
Non-pooled funds are typically restricted funds from the sense that they cannot either contractually or for tax-purposes, be comingled with other fund types. While these non-pooled assets are typically more customized, from an investment perspective, they may lack the benefit of any economies of scale.

Cash Flow Analysis –Historical Balance Approach

Since the County utilizes a pooled and non-pooled investment approach for investment purposes, we have reviewed historical balances on the respective portfolios individually.

The pooled investments are aggregated in Figure 1.1. In addition to reviewing the historical balances for the pooled investment account, we have listed the Fiscal Year budget total for the pooled funds. Furthermore, the County also maintains a reserve requirement for each fund type of the pooled funds. The total reserve requirement is highlighted here as well. Please note that all pooled funds maintain a reserve requirement of 8.33% except the General Fund (Fund 101), which maintains a reserve requirement of $18,302,243 or 25%. This number is also highlighted in Figure 1.1.

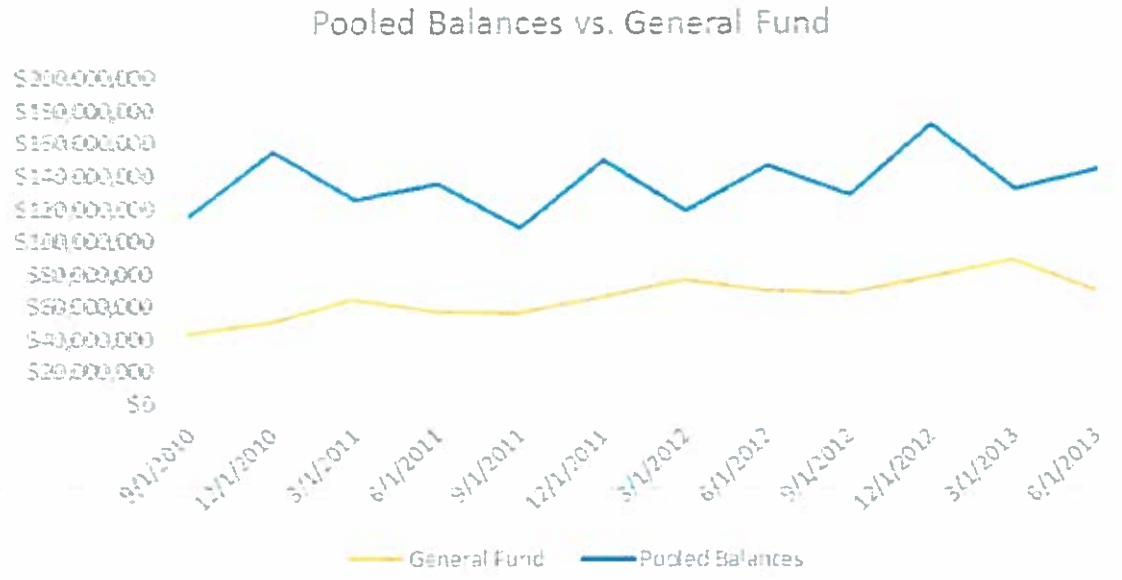
Figure 1.1



Source: County Financial Reports Dated 6/30/13, DFA Bank Recon 6/30/13. Reserve Requirements FY 2013.

While the Pooled Balances encompasses nearly 30 different fund types, the General Fund makes up nearly 45% of the total Pooled Balances. We have graphed the growth of the County's General Fund below in Figure 1.2.

Figure 1.2



Source: County Financial Reports Dated 6/30/13, DFA Bank Recon 6/30/13.

Non-Pooled Investments – Cash Flow Review

The non-pooled investments are primarily composed of the following fund types:

1. Bond Proceeds – Capital funds or debt service.
2. State, Federal or Other Restricted Funds
3. Others

The corpus of the non-pooled funds is bond proceeds and debt service funds. These funds are restricted so the County can accurately monitor the interest income for I.R.S. Regulations. This is not an I.R.S. requirement. Some public entities will commingle their debt service funds into a parity debt service reserve fund for investment purposes. This may enhance the overall effectiveness from an investment perspective, but may create additional expenses for advanced arbitrage rebate monitoring. Please consult with your Financial Advisor and Bond Counsel prior to considering any changes to your debt service funds.

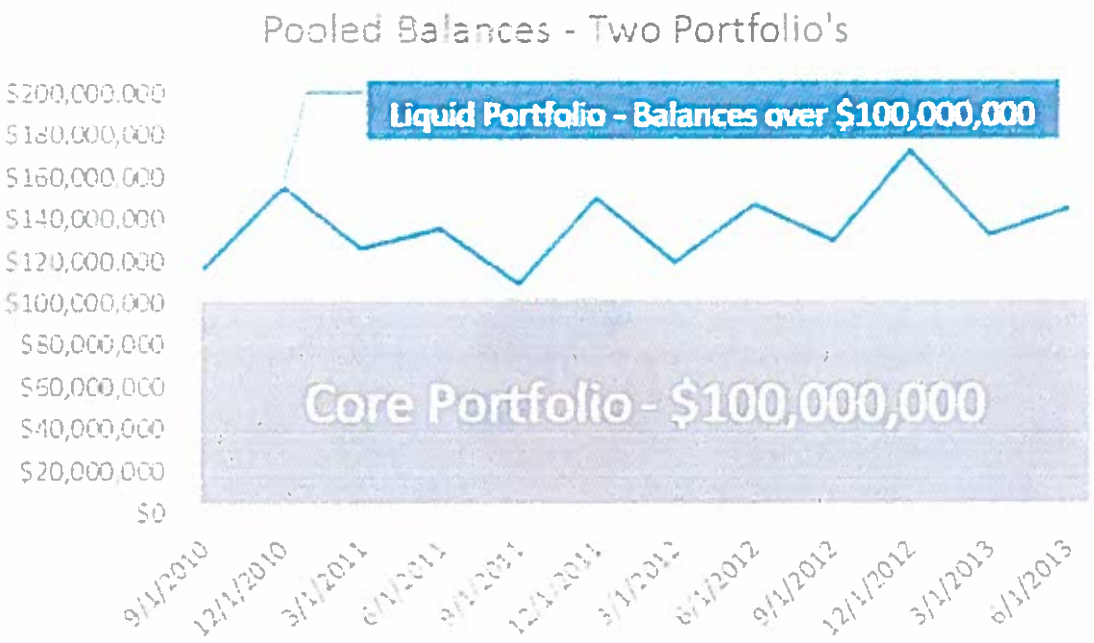
Bond proceeds are typically intended to fund future capital expenditures. As with any project, most cash flows are unique to the project and are provided by the project manager or other professional. Most investment strategies call for an immunization strategy whereby the County would match eligible investment with known future liabilities.

Debt service funds essentially serve as a sinking fund to make principal and interest payments to service the debt. Cash flows will typically leave the fund twice a year for debt service payments.

Recommendations and Key Considerations – Pooled and Non-Pooled

1. FY 2013 Budget – FY 2013 Budget assumes that the County maintains its current investments and holds them to maturity. However, on an annual basis, the County must mark to market all investment positions, which, if the portfolio incurred any unrealized losses, these losses may affect the County's budget. If interest rates increase dramatically, these increases will affect the value of the portfolio and therefore future budgets. We will highlight the portfolio's sensitivities to interest rates later in the report on Interest Rate Risk.
2. Interest Income Allocation – Allocating interest income across various general ledger fund accounts can be tedious and time consuming. However, if dollars are being invested via a pooling method, then interest income should be allocated to each pooled fund type on a pro rata amount. Most entities will utilize historical cost or general ledger balances for determining the appropriate allocation for a pro rata interest income allocation.
3. Discuss with Financial Advisor and Bond Counsel the potential for creating a commingled parity debt service fund. This may help enhance the effectiveness of the investment management strategy.
4. Create at Least Two Separate Investment Strategies for Pooled Funds
    i. **Liquid Portfolio** – These funds should be available to pay the County's immediate operations and provide a buffer, should revenue decrease.
    ii. **Core Portfolio** – The core portfolio should be funds that are not needed for the foreseeable future to fund operations. These funds are the core balances within the Pooled Funds.

Figure 1.3



Source: County Financial Reports Dated 6/30/13, DFA Bank Recon 6/30/13.

Current Portfolio Review

The County of Santa Fe has significant balances of investable funds in both pooled and non-pooled investment strategies. We have highlighted their asset allocations below in Figures 2.1 and 2.2, and aggregated in Figures 2.3 and 2.4. (All data is derived from the 6.30.13 DFA Bank Reconciliation Report)

Figure 2.1

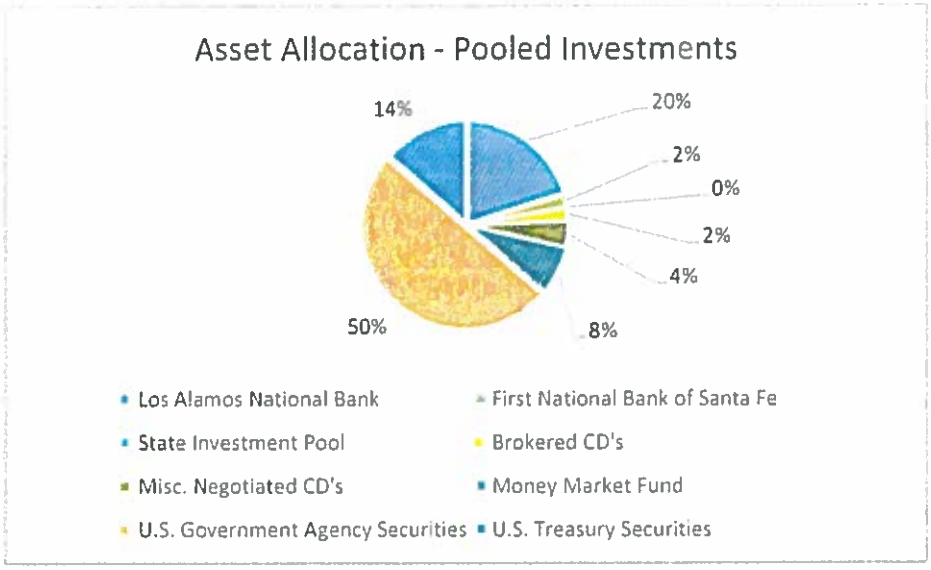


Figure 2.2

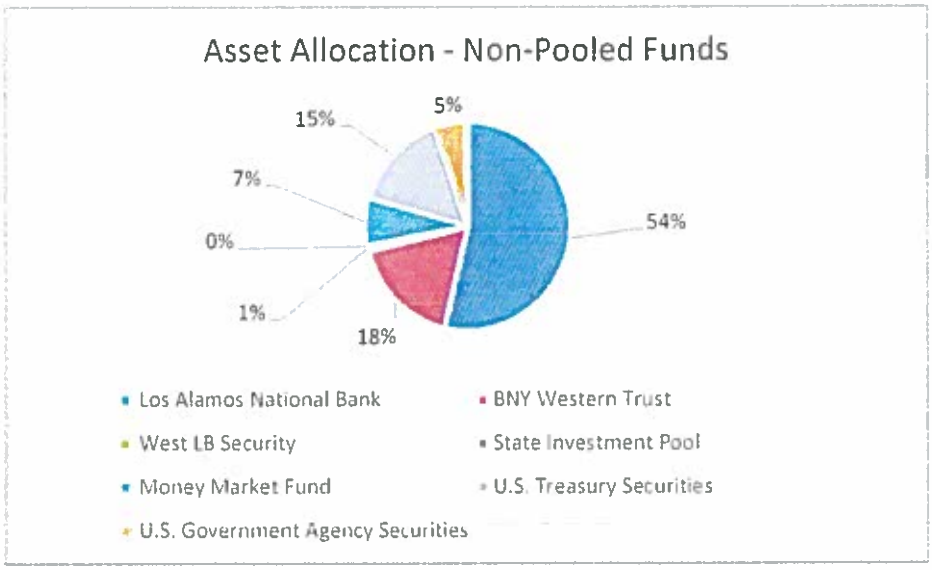


Figure 2.3

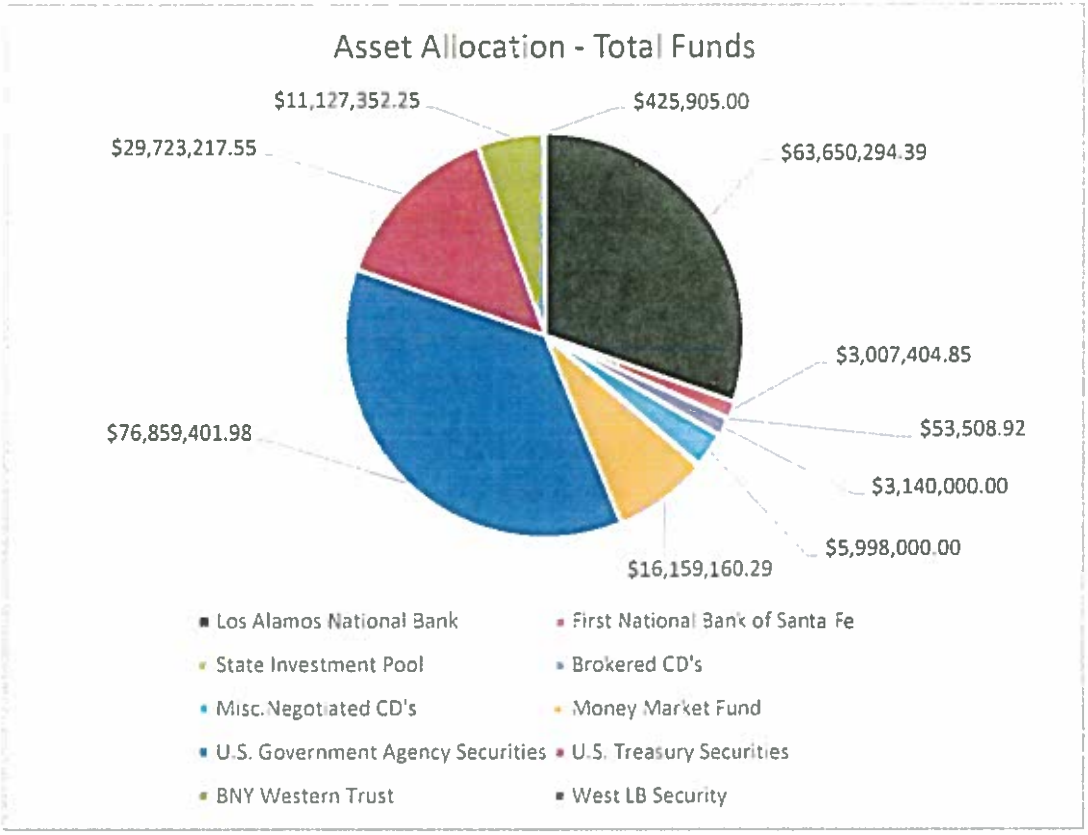


Figure 2.4

U.S. Government Agency Securities	$76,859,402	36.57%
Los Alamos National Bank	$63,650,294	30.29%
U.S. Treasury Securities	$29,723,218	14.14%
Money Market Fund	$16,159,160	7.69%
BNY Western Trust	$11,127,352	5.30%
Misc.Negotiated CD's	$5,998,000	2.85%
Brokered CD's	$3,140,000	1.49%
First National Bank of Santa Fe	$3,007,405	1.43%
West LB Security	$425,905	0.20%
State Investment Pool	$53,509	0.03%
	$210,144,245	100.00%

Review of Credit Risk

Credit Risk is defined as, the risk that the investor will not receive the principal or interest back from an investment. A public fund investor is typically exposed to credit risk via a default of a security whereby the underlying issuer fails to pay timely, either interest and/or principal.

The County maintains a high quality investment portfolio comprised primarily of U.S Government Agency Securities, U.S. Treasuries or various certificates of deposit. We have tabulated the various credit risks below by asset class.

1. **U.S. Treasuries** – These securities are backed by the full faith and credit of the United States. Even with the pending budget sequestration and debt ceiling discussions, it is highly unlikely that the U.S. Government will default on their debt.
2. **U.S. Government Agencies** – There are a wide number of U.S. Government Agencies who regularly issue debt within the fixed income marketplace. Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac) and the Federal Home Loan Banks are the 3 largest issuers of U.S. Government Agency debt. In fact, these 3 issuers make up nearly 90% of all U.S. Government Agency debt that is currently outstanding. All of the U.S. Government Agency Securities held by the County are senior debentures and are rated in the top 2 categories by Standard and Poor's (S&P) and Moody's Investor Service (Moody's)
3. **Bank Deposits** – The bank deposits are collateralized as follows:
    a. For individual securities, i.e. brokered securities or small, negotiated securities; these instruments are insured by the full faith and credit of the Federal Deposit Insurance Corporation (FDIC) up to $250,000. If the principal value of the individual security is $250,000 and the bank fails, the County risks losing any interest accrued that has yet to be dispersed.
    b. Larger Bank Deposits over $250,000 – These deposits are collateralized with specific collateral in accordance 6-10-16, NMSA 1978, which defines what types are collateral are acceptable, and 6-10-17, NMSA 1978, which establishes the minimum collateral amount. While minimum collateral amount established by statute is 50%, the County has elected to follow the practices of the State Treasurer's Office and assign collateral levels based upon risk assessments of individual banks. The risk assessment methodology can be found in NMAC 2.60.4 and the monthly report, listing banks and collateral levels can be found on the State Treasurer's website. A sample list is provided in Appendix C. The County is exposed to bank credit risk for any deposit balance not covered by collateral.

For example, currently, the County has a sizeable concentration of deposits at Los Alamos National Bank (LANB). County funds on deposit with this bank comprise 30.29% of total investments held by the County. Per the County's current collateral practices, these funds are 75% collateralized. Therefore, the credit risk exposure to this bank is $15.9 million.

Total Deposits	$63,650,294
Less FDIC Insured	$ 250,000
Deposits to be Collateralized	$63,400,294
Collateral Required (75%)	$47,550,221
LANB Credit Risk Exposure	**$15,850,074**

In order to mitigate credit risk, the County should limit exposure to any one institution. See the investment policy review recommendation, which suggests a 25% exposure limit to any one institution. Additionally, the County could elect to follow the deposit limit rules set for the state in 6-10-24.1, NMSA 1978. That statute outlines limits on banks deposits as a percent of the bank's total deposits and its equity level. The statute explicitly excludes County Treasurers from the requirement, but at the time it was last updated (1987), no county in the state would have been sizable enough to bump up against the limits. Now, however, the County of Santa Fe has grown to a size where it should be cognizant of becoming too dependent on one institution *or* on having that institution become too dependent on County funds. Therefore, the limits outlined in 6-10-24.1 could be viewed as a best practice for the County's risk management procedures.

4. **State Investment Pool (6-10-10.1, NMSA 1978)** – There are some residual investment dollars still remaining in the State Treasurer's Investment Pool. The County elects to keep a very small balance in the LGIP until all issues related to the 2008 financial market collapse are resolved.

Review of Liquidity Risk

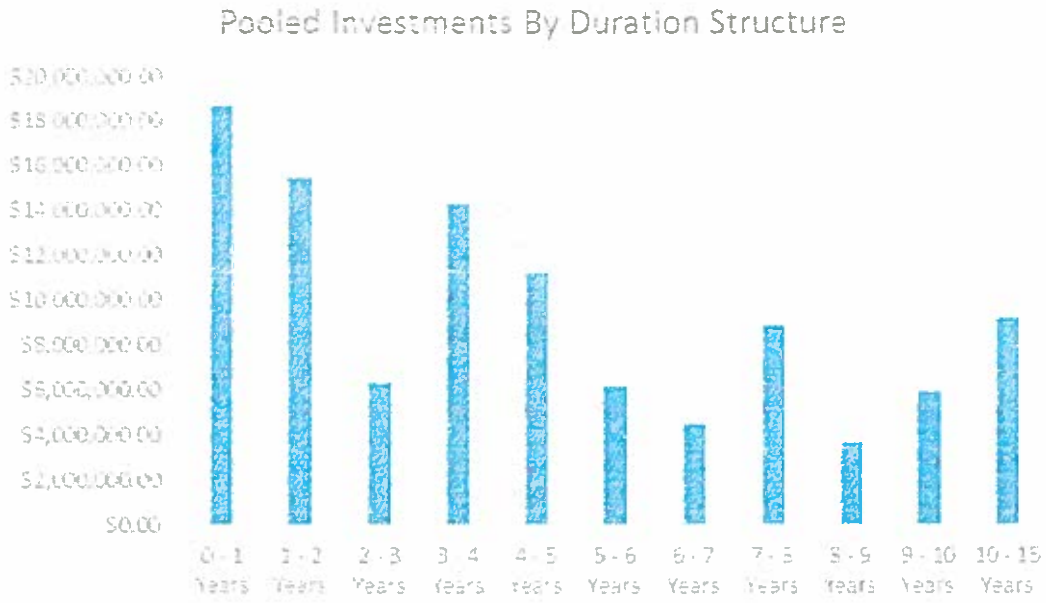
Liquidity risk can generally be defined as the risk that a security or investment cannot be traded or converted quickly enough in the marketplace to avoid a loss on principal.

The County maintains high balances in both money market accounts and deposit accounts with various financial institutions. While the County has significant balances in these highly liquid accounts (nearly $S0,000,000 at any one time), the County does have some liquidity risk in some of the longer term investments.

It is very important to note, that even though there may be liquidity risk in the investment portfolio, the County has ample cash equivalents to pay all of its on-going operations for the foreseeable future. A problem could occur, in the future, if the revenues of the County decreased dramatically for some unforeseen reason. We have highlighted the County's liquidity risk below:

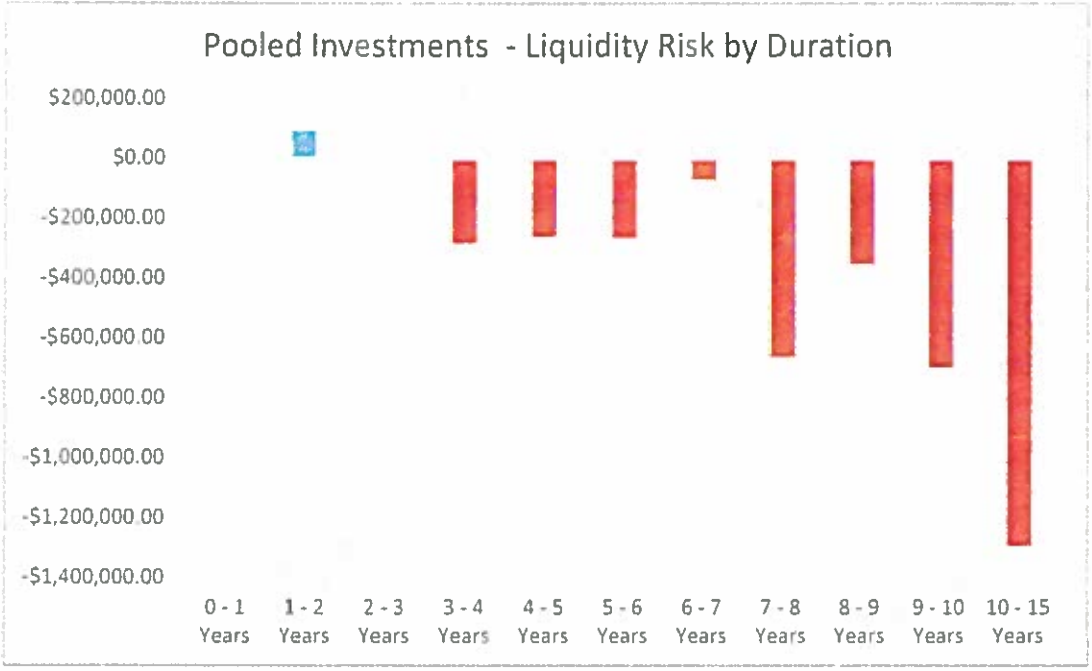
Duration is generally defined as the sensitivity of the price of a fixed income security to changes in interest rates. In Figure 3.1 we have highlighted the County's duration exposure for the Pooled Investment Accounts. Please note that the County maintains additional cash equivalents in deposits that are not in Figure 3.1. (Figures as of 9.30.13)

Figure 3.1



When determining the amount of liquidity risk within the County's investment portfolio, we can review the amount of unrealized gains/losses. Again, any liquidity risk would only come to fruition if the County experienced a reduction in future revenues whereby the County would be forced to sell securities prior to maturity.

Figure 3.2



Recommendations and Discussions for Liquidity Risk

1. The County may discuss limiting the amount of funds that may be invested beyond the 5 year time horizon. The majority of public entities in the United States limit their eligible investments to a maximum of a five-year maturity. The primary rational for implementing this limitation stems from the fact that most governmental entities only do five-year budget forecasts. If you only have known cash flows and budgets for the next five years, it may not be prudent to invest beyond these known forecasted amounts. At the end of the day, even if you have five-year forecasts for your budget, unless the County is highly confident in past, current and future budgets, investing beyond five years may be deemed imprudent.
2. The County may also consider implementing diversification parameters among the depository banks. In the unlikely event of a material disruption with a banking counterparty, the County may be forced to convert other investments in an untimely manner. For example, if the County has 30% of its assets at a local financial institution, and those funds at the institution become temporarily unavailable, the County may have liquidity risk in converting other assets to cover current cash needs.
3. The County may also consider implementing an overcollateralization policy for all deposits in excess of the FDIC amounts. While the County has decided to follow the State Treasurer's procedures for determining collateral allocations, the County could be better protected by requiring all funds over $250,000 to be collateralized at 102% and held in the name of the County at a third party custodian. This would enable the County to have direct claims and likely quicker access to their funds in the unlikely event of a financial institution failure. The majority of other States require public entities to have over-collateralized deposits with their financial institutions. Requiring a third-party to hold the collateral provides a higher level of protection. Please note, that higher collateralization rates may reduce the amount of interest income on any given deposit.

Review of Interest Rate Risk

Interest Rate Risk is defined as the sensitivity of a bond's price relative to changes in interest rates. Bond prices and interest rate movements are inversely correlated, meaning, if interest rates decrease, the price of a bond should increase. The opposite is also true. If interest rates increase, then the prices of bonds will decrease. The longer the maturity structure of a portfolio, the more sensitive the portfolio will be to changes in interest rates.

Duration as a measure of risk: Earlier, we defined duration as the sensitivity of the price of a fixed income security to changes in interest rate. This same application can be utilized to review an entire portfolio. Essentially, duration is how interest rate risk is measured. For example, if a portfolio had a duration of 5 years, for every increase or decrease in interest rates, the value of the portfolio should rise or fall by 5%. Please see Figure 4.1 below for a sample analysis of how increasing duration increases the portfolios sensitivity to changes in interest rates.

Figure 4.1

Interest Rate Movement	Duration of 1 Year	Duration of 5 Years	Duration of 10 Years	
3.00%	-3.00%	-15.00%	-30.00%	Portfolio Decrease in Value
2.00%	-2.00%	-10.00%	-20.00%	Portfolio Decrease in Value
1.00%	-1.00%	-5.00%	-10.00%	Portfolio Decrease in Value
0	0.00%	0	0.00%	Unchanged
-1.00%	1.00%	5.00%	10.00%	Portfolio Increase in Value
-2.00%	2.00%	10.00%	20.00%	Portfolio Increase in Value
-3.00%	3.00%	15.00%	30.00%	Portfolio Increase in Value

The County's Pooled investment portfolio (excluding bank deposits) has the following portfolio metrics:

Portfolio Value - $103,807,941.97
Duration – 4.36 Years
Yield To Maturity – 1.74%
Book Yield – 1.51%

Interest Rate Shock is a method whereby interest rate simulations are performed to determine the change in portfolio value of fixed income investments for various changes in interest rates. These shocks are valuable tools for understanding the "what if's". Please note, that most basic interest rate shocks assume parallel shifts in the interest rate curve. This essentially means that rates on one year investments and rates on thirty year investments move perfectly in harmony. This assumption is probably unrealistic, because, interest rates rarely move in perfect unison across multiple maturities. Nevertheless, a parallel shift in interest rates provides a good illustration of interest rate risk and serves as an appropriate benchmark for a portfolio's sensitivity to changes in interest rates. It is also important to note that interest rates rarely move in an instantaneous fashion. Interest rates will often change, over time, not instantaneously.

Interest Rate Shock on County's Pooled Investments

Figure 4.2

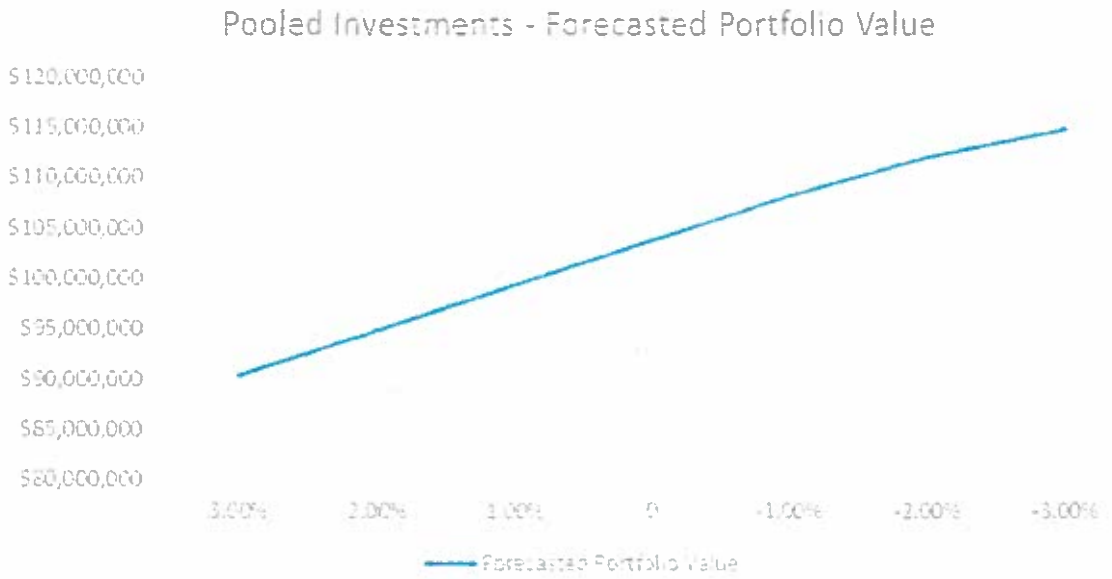


Figure 4.3

Interest Rate Movement	Forecasted Portfolio Value	Forecasted % Change
3.00%	$90,229,794	-13.08%
2.00%	$94,761,099	-8.71%
1.00%	$99,287,148	-4.35%
0	$103,807,942	0.00%
-1.00%	$108,161,660	4.19%
-2.00%	$111,974,386	7.87%
-3.00%	$114,790,913	10.58%

After reviewing the interest rate shock analysis on the County's Pooled investment portfolio, we can determine that the County has significant sensitivity to changes in interest rates. Interestingly enough, the County also has an asymmetric risk to increases in interest rates. Essentially, because interest rates are still near historical lows, at some parts in the interest rate environment, rates cannot go down 3% because that would push rates below zero. This is an important factor. There is limited opportunity for rates to decrease, yet technically, unlimited risk to the upside. While it is impossible to predict if and when interest rates will increase; one might recall from the early 1970's, interest rates were nearly 20% for short term investments.

Key Recommendations and Discussions – Interest Rate Risk

1. John Maynard Keynes once said "that markets can remain irrational a lot longer that one can remain solvent". It's impossible to know the timing, direction and magnitude of future changes in interest rates. However, every public fund investor should only purchase securities that they can reasonably expect to hold to maturity. If the County only has a five-year budget, then it is difficult to ascertain whether or not the County may need funds from its investment portfolio in the future. If the County's

revenues decreased in the future or if the County decides to use some of its cash reserves to fund capital expenditures, it may not be able to liquidate certain investments without taking a loss. Therefore, the County should consider limiting future investment maturities to five years or less. While it may be impossible now to reallocate some of the current holdings that have maturities in excess of five years, the County should consider not allocating any additional funds to longer maturities.

2. The County should consider the impact of rising interest rates on its investment portfolio and consider if and how this may affect the annual budgeting process. For example, if interest rates increase dramatically, fund balances across all Pooled funds will technically decrease. These unrealized losses may temporarily limit the County's ability to budget effectively.

Summary

The County of Santa Fe has a broad investment program. This program and its complexity have continued to expand as the County has grown. Public Trust Advisors has reviewed all aspects of the investment process for the County and finds, overall, that the County has a very sound investment program. However, there are significant risks in the County's investment program that should be discussed and mitigated, if possible. The main risks in the portfolio are:

1. Concentration of Deposits – Nearly 30% of the County's funds are on deposit with one financial institution. As previously mentioned, the County should consider diversifying counterparties, increasing the collateralization level to 102% and use an independent 3rd party custodian.
2. Limit Investment Maturities – The County should consider reducing the final maturity of any future investments to no more than five years unless the investment is tied to a specific future liability and is board approved. If the County had the ability to develop a highly accurate budget forecast that extended beyond five years, then the County could consider maturities beyond this date. However, we are still near historic lows in the interest rate environment and when the economy eventually improves, rates will go higher. It is impossible to know when this will occur. However, when rates move significantly higher, the County will be exposed to interest rate risk and liquidity risk long term.
3. Brokered Certificates of Deposit (Brokered CD's) – The County is holding a little under $3 million of various Brokered CD's with various banks outside of New Mexico. Per State Statute and Constitution, deposits with banks outside of the State ineligible investments. Public Trust has consulted with the current Treasurer and many of these CD's cannot be sold prior to maturity without incurring a loss. In lieu of taking realized losses in the current market, the County may consider holding the remaining CD's until maturity. Please note that all CD's are backed by the full faith and credit of the FDIC up to $250,000. The credit risk on these deposits is negligible, but the CD's are ineligible because the banking institutions do not have an office located in New Mexico. It is also important to note that these CD's were purchased by the previous Treasurer and not the current Treasurer of the County.

Appendix A

County of Santa Fe, NM
Review of Investment Policy

September 2013

PUBLIC TRUST ADVISORS

Policy Section #	Section Title	Page	Comment	Recommendation	Y/N
I.	SCOPE	1	None	No change	
II.	STATUTORY RESPONSIBILITY	1			
II.A.	BCC		None	No change	
II.B.	Treasurer		None	No change	
II.C.	Board of Finance		None	No change	
II.D.	County Clerk		None	No change	
III.	INVESTMENT OBJECTIVE	2			
III.A.	Investment Objective		Check ref to section VII if make changes.	No change	
III.B.	Prudent Investing		Check ref to section VI if make changes. See section XII - repeats	No change	
IV	DEFINITIONS	2	None	No change	
IV.A.	BCC		None	No change	
IV.B.	CD		None	No change	
IV.C.1.	Collateral - US Treas/Agencies		None	No change	
IV.C.2.	Collateral - State of NM		None	No change	
IV.C.3.	Collateral - Student loans		Student lending has changed since the federal gov't stepped in.	STRIKE	
IV.C.4.	Collateral - Revenue bonds BAA or higher		NASD changed to FINRA. Questionable collateral	STRIKE. What about MBS? Replace with MBS.	
IV.C.5.	Collateral - FHLB LOC		None	No change	
IV.D.	County		None	No change	
IV.E.	Board of Finance		None	No change	
IV.F.	County Clerk		None	No change	
IV.G.	Custodial Bank		Check section XI if make changes.		
IV.H.	Deposity Fin'l Institution		None	No change	

County of Santa Fe, NM
Review of Investment Policy

September 2013

PUBLIC TRUST ADVISORS

Policy Section #	Section Title	Page	Comment	Recommendation	Y/N
IV.I.	Equitable Distribution		No need for this if depository/collateral policy changed, section VIII.		
IV.J.	FDIC		None	No change	
IV.K.	Federal Insurance		clean up language to say Federal Deposit Insurance, per FDIC website definition. Separate definition for NCUA.		
IV.L.	Finance Director		None	No change	
IV.M.	Financial Institution		Broaden to State of NM, rather than SF County? Non compliant now		
IV.N.	County Investment Committee		Check Section VI	No change	
IV.O.	Local Gov't Investment Pool (LGIP)		None	No change	
IV.P.	NCUA		None	No change	
IV.Q.	Risk Assessment		Change process because right now, no one is doing what is set forth in this policy.		
IV.R.1	Risk Classification - CLASS A		Change process because right now, no one is doing what is set forth in this policy.		
IV.R.2	Risk Classification - CLASS B		Change process because right now, no one is doing what is set forth in this policy.		
IV.R.3	Risk Classification - CLASS C		Change process because right now, no one is doing what is set forth in this policy.		
IV.R.4	Risk Classification - CLASS D		Change process because right now, no one is doing what is set forth in this policy.		
IV.S.	Surety Bond		Section X.C. - does county use these?		
IV.T.	Treasurer		None	No change	

County of Santa Fe, NM
Review of Investment Policy

September 2013

PUBLIC TRUST ADVISORS

Policy Section #	Section Title	Page	Comment	Recommendation	Y/N
V.	BOARD OF FINANCE MEETINGS AND REQUIRED RECORD KEEPING	5			
V.A.	Board of Finance Meetings		None	No change	
V.B.	Investment Oversight		No change, but need to implement fully		
V.C.	Deposity Fin'l Institution and Custodial Bank Oversight		No one does this. Need to change policy to what is possible, given staffing. Do you follow STO risk assessment of banks? Custodial bank needs to be split out in separate section and policy should address conflicts of interest.	STRIKE - repeat of section IX	
V.D.	Required Records		Need to cover trade compliance in here and required records on all trades, who was BD, etc. EXAMPLE OF WHAT WE TRACKED AT STO FOR BD DUE DILIGENCE.	STRIKE. REPLACE WITH TRADING PROCEDURES AND SELECTION OF BROKERS/DEALERS. See below in sections to add	
VI.	COUNTY INVESTMENT COMMITTEE	7			
VI.A.	Statement of Purpose		None	No change	
VI.B.	County Investment Committee Members		Need statement of qualifications and conflict of interest clause for "non-County employee nominated by the Treasurer" VI.B.7	REVIEW. WANT ONE MORE OUTSIDE MEMBER?	
VI.C.	County Investment Committee Meetings		None	No change	
VII	PERMITTED INVESTMENTS	8			
VII.A.	Permitted Investments		Review - add munis? Look at 6-10-10	MUNIS?	
VII.B.	Board of Finance Authorized investments		Hold until maturity language?	REWRITE	

PUBLIC TRUST ADVISORS

Policy Section #	Section Title	Page	Comment	Recommendation	Y/N
VIII	EQUITABLE DISTRIBUTION OF INTEREST BEARING DEPOSITS		This is not being implemented, so should be stricken from policy and replaced with collateral policy and deposit policy. Pages 8-12 of the policy. NMSTO has a full time staff person to do all this and they work with FID of License and Reg. Dept to confirm compliance of allowed depositories. The STO list is published every month and the County could use that. Also, Arsenio Garduno is always very helpful in sharing info	STRIKE	
IX	DEPOSITORY FINANCIAL INSTITUTIONS		Pages 12-15. Same comments as above	STRIKE	

Policy Section #	Section Title	Page	Comment	Recommendation	Y/N
X	INSURANCE AND SECURITY REQUIREMENT		This is all about credit unions. Should replace with policy on credit union deposits (can't go over $250k, because that the NCUA ins. limit and they don't provide collateral) and a collateral policy taken from GFOA best practices, STO and NMAC 6.20.4 (see STO website). Need to cite statute and rule (NMSA and NMAC). More restrictive list of collateral here than in section IV (above), which covers banks. Should have one collateral policy. [Ask Arsenio why credit unions don't provide collateral]. Also repeat risk classification here, which can be taken from STO.	STRIKE and REPLACE WITH COLLATERAL POLICY. MOVE RELEVANT CREDIT UNION CONTENT TO SECTION V. See below in sections to add	

PUBLIC TRUST ADVISORS

Policy Section #	Section Title	Page	Comment	Recommendation	Y/N
XI	CUSTODIAL BANKS		None of this is being done currently. Seems to be all about third party custodian (keeper of collateral) rather than custodial bank for investments. Can use FHLB as third party custodian (they'll set up a separate account for the County, if that's what we want to suggest) Simplify and review content and compare to best practices. Make sure to include language about conflict of interest. Banks must be approved by NM Reg and Licensing Dept. That's who does risk assessment and STO does quarterly monitoring, which is published on their website and can be used by local gov'ts.	TAKE RELEVANT CONTENT OUT OF SECTION V AND MOVE HERE.	
XII	MISCELLANEOUS PROVISIONS				
XII.A.	Minimum interest rates				
XII.B.	Early withdrawal				
XII.C.	Bonding of Treas and Dep Treas				
XII.D.	Reservation of rights and duties				
XII.E.	Use of brokers and fin'l advisors				
XII.F.	Prudent investor standard		See STO policy VI.B.		
XII.G.	Conflict of interest: bribery statutes				
XII.H.	Notice of bribery statutes				
XII.I.	Previous investment policies rescinded				

PUBLIC TRUST ADVISORS

Policy Section #	Section Title	Page	Comment	Recommendation	Y/N
XII.J.	Previous resolutions establishing investment committee rescinded				
XII.K.	Status of County's Fiscal Agent unaffected				
			SECTIONS TO BE ADDED		
	Collateral Policy			NMAC 2.60.4	
	Custodial Bank Selection		Fiscal Agent bank selection is not part of the investment function and should be separate from the custodial bank.	There is no discussion about a custodial bank for holding investments. This policy talks about a custodian for collateral.	
STO POLICY VI.Q.	Broker/Dealer List - criteria for approval and management of approved list			Not addressed.	
STO POLICY VI.D.	Internal controls				
STO POLICY VI.E.	Ethics and Conflicts of Interest				
STO POLICY VI.H.	Diversification				
STO POLICY VI.K.	Competitive Selection (Bidding)				
STO POLICY VI.L.	Trading				
STO POLICY VI.M.	Safekeeping and Custody of Investments				
STO POLICY VI.P.	Benchmarks				
STO POLICY VI.J.	Cash Flow/Bond Proceeds				

Appendix B

6-10-8. County boards of finance.

The board of county commissioners in each county in the state shall, ex officio and without additional compensation, constitute a county board of finance and as such shall, subject to the limitations of this act, have supervision over the determination of the qualifications and selection of banks, savings and loan associations and credit unions, whose deposits are insured by an agency of the United States, to receive the public money of their respective counties and of independent rural school districts, rural school districts and municipal school districts of municipalities having less than twenty-five thousand population according to the next preceding United States census and of any special or other districts in their respective counties for which the respective county treasurers of such counties act as ex-officio tax collectors. The county clerk in each county shall, ex officio and without additional compensation, act as clerk of such county board of finance. Every county board of finance shall hold meetings whenever necessary for the discharge of its duties, and the chairman shall convene such board whenever necessity therefor exists or when requested so to do by two of its members or at any time when the county treasurer shall advise the chairman that he has in his custody public money in excess of the aggregate amount which depositories qualified by law are entitled to hold. A majority of the board shall constitute a quorum for the transaction of business.

The county treasurer of each county in the state shall have supervision of the deposit and safekeeping of the public money of his county and all the money which may at any time come into or be in his possession as county treasurer and ex-officio tax collector for the use and benefit of the state or of any county, municipality or district or of any subdivision of any county or of any state or public institution and by and with the advice and consent of the respective boards of finance having jurisdiction over the respective funds shall designate banks, savings and loan associations and credit unions, whose deposits are insured by an agency of the United States, to receive on deposit all moneys entrusted in his care.

History: Laws 1933, ch. 175, § 1; 1941 Comp., § 7-204; 1953 Comp., § 11-2-4; Laws 1968, ch. 18, § 2; 1981, ch. 332, § 1; 1987, ch. 79, § 4.

6-10-10. Deposit and investment of funds.

A. Upon the certification or designation of a bank, savings and loan association or credit union whose deposits are insured by an agency of the United States to receive public money on deposit, the state treasurer and county or municipal treasurers who have on hand any public money by virtue of their offices shall make deposit of that money in banks and savings and loan associations and may make deposit of that money in credit unions whose deposits are insured by an agency of the United States, designated by the authority authorized by law to so designate to receive the deposits of all money thereafter received or collected by the treasurers.

B. County or municipal treasurers may deposit money in one or more accounts with any such bank, savings and loan association or credit union located in their respective counties, subject to limitation on credit union accounts.

C. The state treasurer may deposit money in one or more accounts with any such bank, savings and loan association or credit union, subject to the limitation on credit union accounts.

D. Duplicate receipts or deposit slips shall be taken for each deposit made pursuant to Subsection A, B or C of this section. When deposits are made by the state treasurer, one copy of the receipt or deposit slip shall be retained by the state treasurer and the other copy shall be filed monthly on the first day of each month with the financial control division of the department. When deposits are made by the treasurer or any other authorized person making the deposits for a board of finance of a public or educational institution, one copy of the receipt or deposit slip shall be retained by the treasurer or authorized person making the deposit and the other copy shall be filed monthly on the first day of each month with that board of finance. When deposits are made by a county or municipal treasurer, one of the duplicate receipts or deposit slips shall be retained by the treasurer making the deposit and the other copy shall be filed monthly on the first day of each month with the secretary of the board of finance of the county or municipality for which that treasurer is acting.

E. "Deposit", as used in this section, means either investment or deposit and includes share, share certificate and share draft.

F. County or municipal treasurers, with the advice and consent of their respective boards of finance charged with the supervision and control of the respective funds, may invest all sinking funds or money remaining unexpended from the proceeds of any issue of bonds or other negotiable securities of any county, municipality or school district that is entrusted to their care and custody and all money not immediately necessary for the public uses of the counties, municipalities or school districts not invested or deposited in banks, savings and loan associations or credit unions in:

(1) bonds or negotiable securities of the United States, the state or a county, municipality or school district that has a taxable valuation of real property for the last preceding year of at least one million dollars ($1,000,000) and that has not defaulted in the payment of any interest or sinking fund obligation or failed to meet any bonds at maturity at any time within five years last preceding; or

(2) securities that are issued and backed by the full faith and credit of the United States government or issued by its agencies or instrumentalities.

G. The treasurer of a class A county or the treasurer of a municipality having a population of more than sixty-five thousand according to the most recent federal decennial census and located within a class A county, with the advice and consent of the boards of finance charged with the supervision and control of the funds, may invest all sinking funds or money remaining unexpended from the proceeds of any issue of bonds or other negotiable securities of the county or municipality that is entrusted to the treasurer's care and custody and all money not immediately necessary for the public uses of the county or municipality not invested or deposited in banks, savings and loan associations or credit unions in:

(1) shares of a diversified investment company registered pursuant to the federal Investment

Company Act of 1940 that invests in fixed-income securities or debt instruments that are listed in a nationally recognized, broad-market, fixed-income-securities market index; provided that the investment company or manager has total assets under management of at least one hundred million dollars ($100,000,000) and provided that the board of finance of the county or municipality may allow reasonable administrative and investment expenses to be paid directly from the income or assets of these investments;

(2) individual, common or collective trust funds of banks or trust companies that invest in fixed-income securities or debt instruments that are listed in a nationally recognized, broad-market, fixed-income-securities market index; provided that the investment company or manager has total assets under management of at least one hundred million dollars ($100,000,000) and provided that the board of finance of the county or municipality may allow reasonable administrative and investment expenses to be paid directly from the income or assets of these investments; or

(3) shares of pooled investment funds managed by the state investment officer, as provided in Subsection E of Section 6-8-7 NMSA 1978; provided that the board of finance of the county or municipality may allow reasonable administrative and investment expenses to be paid directly from the income or assets of these investments.

H. A local public body, with the advice and consent of the body charged with the supervision and control of the local public body's respective funds, may invest all sinking funds or money remaining unexpended from the proceeds of any issue of bonds or other negotiable securities of the investor that is entrusted to the local public body's care and custody and all money not immediately necessary for the public uses of the investor and not otherwise invested or deposited in banks, savings and loan associations or credit unions in contracts with banks, savings and loan associations or credit unions for the present purchase and resale at a specified time in the future of specific securities at specified prices at a price differential representing the interest income to be earned by the investor. The contract shall be fully secured by obligations of the United States or other securities backed by the United States having a market value of at least one hundred two percent of the contract. The collateral required for investment in the contracts provided for in this subsection shall be shown on the books of the financial institution as being the property of the investor and the designation shall be contemporaneous with the investment. As used in this subsection, "local public body" includes all political subdivisions of the state and agencies, instrumentalities and institutions thereof; provided that home rule municipalities that prior to July 1, 1994 had enacted ordinances authorizing the investment of repurchase agreements may continue investment in repurchase agreements pursuant to those ordinances.

I. The state treasurer, with the advice and consent of the state board of finance, may invest money held in demand deposits and not immediately needed for the operation of state government and money held in the local government investment pool, except as provided in Section 6-10-10.1 NMSA 1978. The investments may be made in securities that are issued and backed by the full faith and credit of the United States government or issued by its agencies or instrumentalities.

J. The state treasurer, with the advice and consent of the state board of finance, may also invest in contracts for the present purchase and resale at a specified time in the future, not to exceed one year or, in the case of bond proceeds, not to exceed three years, of specific securities at specified prices at a price differential representing the interest income to be earned by the state. Such contract shall not be invested in unless the contract is fully secured by obligations of the United States or its agencies or instrumentalities or by other securities backed by the United States or its agencies or instrumentalities having a market value of at least one hundred two percent of the amount of the contract. The securities required as collateral under this subsection shall be delivered to a third-party custodian bank pursuant to a contract with the state and the counterparty or to the fiscal agent of New Mexico or its designee. Delivery shall be made simultaneously with the transfer of funds or as soon as practicable, but no later than the same day that the funds are transferred.

K. The state treasurer, with the advice and consent of the state board of finance, may also invest in contracts for the temporary exchange of state-owned securities for the use of broker-dealers, banks or other

recognized institutional investors in securities, for periods not to exceed one year for a specified fee rate. Such contract shall not be invested in unless the contract is fully secured by exchange of an irrevocable letter of credit running to the state, cash or equivalent collateral of at least one hundred two percent of the market value of the securities plus accrued interest temporarily exchanged. The collateral required by this subsection shall be delivered to the state of New Mexico or its designee simultaneously with the transfer of funds or as soon as practicable, but no later than the same day that the state-owned securities are transferred.

L. Neither of the contracts in Subsection J or K of this section shall be invested in unless the contracting bank, brokerage firm or recognized institutional investor has a net worth in excess of five hundred million dollars ($500,000,000).

M. The state treasurer, with the advice and consent of the state board of finance, may also invest in any of the following investments in an amount not to exceed forty percent of any fund that the state treasurer invests:

(1) commercial paper rated "prime" quality by a national rating service, issued by corporations organized and operating within the United States;

(2) medium-term notes and corporate notes with a maturity not exceeding five years that are rated A or its equivalent or better by a nationally recognized rating service and that are issued by a corporation organized and operating in the United States; or

(3) an asset-backed obligation with a maturity not exceeding five years that is rated AAA or its equivalent by a nationally recognized rating service.

N. The state treasurer, with the advice and consent of the state board of finance, may also invest in:

(1) shares of an open-ended diversified investment company that:

(a) is registered with the United States securities and exchange commission;

(b) complies with the diversification, quality and maturity requirements of Rule 2a-7, or any successor rule, of the United States securities and exchange commission applicable to money market mutual funds; and

(c) assesses no fees pursuant to Rule 12b-1, or any successor rule, of the United States securities and exchange commission, no sales load on the purchase of shares and no contingent deferred sales charge or other similar charges, however designated, provided that the state shall not, at any time, own more than five percent of a money market mutual fund's assets;

(2) individual, common or collective trust funds of banks or trust companies that invest in United States fixed-income securities or debt instruments authorized pursuant to Subsections I, J and M of this section, provided that the investment manager has assets under management of at least one billion dollars ($1,000,000,000) and the investments made by the state treasurer pursuant to this paragraph are less than five percent of the assets of the individual, common or collective trust fund;

(3) the local government investment pool managed by the office of the state treasurer. Investments made pursuant to this paragraph shall, in aggregate, be no more than thirty-five percent of the total assets of the local government investment pool;

(4) securities issued by the state of New Mexico, its agencies, institutions, counties, municipalities, school districts, community college districts or other subdivisions of the state, or as otherwise provided by law; or

(5) securities issued by states other than New Mexico or governmental entities in states other than New Mexico.

O. Public funds to be invested in negotiable securities or loans to financial institutions fully secured by negotiable securities at current market value shall not be paid out unless there is a contemporaneous transfer of the securities at the earliest time industry practice permits, but in all cases, settlement shall be on a same-day basis either by physical delivery or, in the case of uncertificated securities, by appropriate book entry on

the books of the issuer, to the purchaser or to a reputable safekeeping financial institution acting as agent or trustee for the purchaser, which agent or trustee shall furnish timely confirmation to the purchaser.

History: Laws 1933, ch. 175, § 4; 1941 Comp., § 7-207; 1953 Comp., § 11-2-7; Laws 1968, ch. 18, § 3; 1975, ch. 157, § 1; 1979, ch. 262, § 1; 1981, ch. 332, § 3; 1983, ch. 24, § 1; 1987, ch. 79, § 5; 1987, ch. 230, § 1; 1988, ch. 61, § 1; 1989, ch. 39, § 1; 1991, ch. 247, § 1; 1994, ch. 71, § 1; 1997, ch. 128, § 1; 1999, ch. 233, § 1; 2002, ch. 39, § 1; 2003, ch. 271, § 1; 2005, ch. 238, § 1; 2005, ch. 239, § 1; 2006, ch. 80, § 1; 2008, ch. 23, § 2; 2013, ch. 65, § 2.

6-10-10.1. Local government investment pool created; distribution of earnings; report of investments.

A. There is created in the state treasury the "local government investment pool". The fund shall consist of all deposits from participating governments, including revenues dedicated to repaying bonds, that are placed in the custody of the state treasurer for investment purposes pursuant to this section. The state treasurer shall maintain one or more separate accounts for each participating government having deposits in the local government investment pool and may divide the fund into two or more subfunds, as the state treasurer deems appropriate, for short-term and medium-term investment purposes, including one or more subfunds for bond proceeds deposited by participating governments.

B. If an eligible governing body is unable to receive payment on public money at the rate of interest as set forth in Section 6-10-36 NMSA 1978 from financial institutions within the geographic boundaries of the eligible governing body, or if the eligible governing body is not bound by the terms of Section 6-10-36 NMSA 1978, the finance officer having control of the money of that eligible governing body not required for current expenditure may, with the consent of the board of finance of the eligible governing body if consent is required by the laws or rules of the eligible governing body, remit some or all of the money to the state treasurer for deposit for the purpose of investment as allowed by this section.

C. Before funds are invested or reinvested pursuant to this section, a finance officer shall notify and make the funds available for investment to banks, savings and loan associations and credit unions located within the geographical boundaries of the participating government or the eligible governing body, subject to the limitation on credit union accounts. To be eligible for deposit of the government funds, the financial institution shall pay to the participating government or eligible governing body the rate established by the state treasurer pursuant to a policy adopted by the state board of finance for the investments.

D. A finance officer shall specify the length of time a deposit shall be in the local government investment pool. The state treasurer through the use of the state fiscal agent shall separately track each deposit and shall make information regarding the deposit available to the public upon written request.

E. The state treasurer shall invest the local government investment pool as provided in Section 6-10-10 NMSA 1978 regarding the investment of state funds in investments with a maturity at the time of purchase that does not exceed three years. The state treasurer may elect to have the local government investment pool consolidated for investment purposes with the state funds under the control of the state treasurer; provided that accurate and detailed accounting records are maintained for the account of each participating government and that a proportionate amount of interest earned is credited to each of the separate accounts of a participating government. The fund shall be invested to achieve its objective, which is to realize the maximum return consistent with safe and prudent management.

F. At the end of each month, all net investment income or losses from investment of the local government investment pool shall be distributed by the state treasurer to the accounts of participating governments in amounts directly proportionate to the respective amounts deposited by them in the local government investment pool and the length of time the amounts in each account were invested.

G. The state treasurer shall charge participating governments reasonable audit, administrative and investment expenses and shall deduct those expenses directly from the net investment income for the investment and administrative services provided pursuant to this subsection. The amount of the charges, the manner of the use by the state treasurer and the nature of bond-related services to be offered shall be established in rules adopted and promulgated by the state treasurer subject to approval by the state board of finance.

H. Subject to appropriation by the legislature, amounts deducted from the accounts of participating governments for charges permitted pursuant to this section shall be expended by the state treasurer in fiscal year 2008 and in subsequent fiscal years for the administration and management of the local government investment pool, services provided to participating governments related to investment of their money in that fund and other services authorized by this section. Balances remaining at the end of a fiscal year from the

amounts deducted pursuant to this section shall revert to the general fund. Balances in the state treasurer's operating account resulting from deductions taken pursuant to this section in excess of the amount required to provide administration, management and related services required by this subsection or other services authorized by this section shall be offset by reductions in the charges made by the state treasurer to the accounts of participating governments in subsequent deductions from participating governments' accounts.

I. Each fiscal year, the state treasurer shall cause to have the short-term investment portion of the local government investment pool rated by a nationally recognized statistical rating organization. If the rating received by the short-term investment portion of the fund is lower than "AA", the state treasurer shall immediately submit a plan to the state board of finance detailing the steps that will be taken to obtain an "AA" or higher rating.

J. The state treasurer may offer to provide to participating governments services related to requirements of the federal income tax laws applicable to the investment of bond proceeds.

K. A tribe or quasi-governmental body created pursuant to New Mexico statute may become a participating government only if the governing authority of the tribe or quasi-governmental body has adopted a resolution authorizing the tribe or quasi-governmental body to remit money to the state treasurer for investment in the local government investment pool.

L. Deposits by the state treasurer on behalf of the general fund and bond proceeds investment pools shall, in aggregate, be no more than thirty-five percent of the total amount in the local government investment pool at any time.

History: 1978 Comp., § 6-10-10.1, enacted by Laws 1988, ch. 61, § 2; 1991, ch. 239, § 1; 1991, ch. 258, § 1; 1992, ch. 61, § 32; 1994, ch. 71, § 2; 1995, ch. 64, § 1; 2001, ch. 241, § 1; 2003, ch. 399, § 1; 2006, ch. 80, § 2; 2008, ch. 23, § 3; 2011, ch. 158, § 1; 2013, ch. 65, § 3.

6-10-16. Security for deposits of public money.

A. Deposits of public money shall be secured by:

(1) securities of the United States, its agencies or instrumentalities;

(2) securities of the state of New Mexico, its agencies, instrumentalities, counties, municipalities or other subdivisions;

(3) securities, including student loans, that are guaranteed by the United States or the state of New Mexico;

(4) revenue bonds that are underwritten by a member of the financial industry regulatory authority, known as FINRA, and are rated "BAA" or above by a nationally recognized bond rating service; or

(5) letters of credit issued by a federal home loan bank.

B. No security is required for the deposit of public money that is insured by the federal deposit insurance corporation or the national credit union administration.

C. All securities shall be accepted as security at market value. The restrictions of Subsection A of this section apply to all securities subject to this subsection.

History: 1953 Comp., § 11-2-18.1, enacted by Laws 1969, ch. 243, § 1; 1981, ch. 332, § 5; 1987, ch. 79, § 6; 1987, ch. 307, § 1; 2000, ch. 47, § 1; 2013, ch. 65, § 4.

6-10-17. Amount of security to be deposited.

Any bank or savings and loan association designated as a depository of public money shall deliver securities of the kind specified in Section 6-10-16 NMSA 1978 to a custodial bank described in Section 6-10-21 NMSA 1978 and shall then deliver a joint safekeeping receipt issued by the custodial bank to the public official from whom or the public board from which the public money is received for deposit. The securities delivered shall have an aggregate value equal to one-half the amount of public money to be received in accordance with Subsection B of Section 6-10-16 NMSA 1978. However, any such bank or savings and loan association may deliver a depository bond executed by a surety company as provided in Section 6-10-15 NMSA 1978 as security for any portion of a deposit of public money.

History: 1953 Comp., § 11-2-18.2, enacted by Laws 1969, ch. 243, § 2; 1971, ch. 31, § 1; 1981, ch. 332, § 6; 1991, ch. 31, § 1.

6-10-24.1. State funds; limitation.

A. No person depositing or investing state funds in banks or savings and loan associations in New Mexico shall deposit or invest any funds if that deposit or investment when added to state funds already in that bank or savings and loan association would be in excess of four hundred percent of equity capital of the bank or four hundred percent of net worth of the savings and loan association or more than twenty-five percent of the total of that financial institution's deposits, whichever is less, as shown by the most recent quarterly statement of financial condition required by federal or state financial authorities as certified by an authorized officer of that institution. The funds held by the state fiscal agent bank as such fiscal agent bank and demand deposits held by a state checking depository bank shall not be considered in construing these limits. The twenty-five percent of total deposits limitation shall not apply to a newly chartered bank or savings and loan association in the first year of its operation.

B. No person depositing state funds in credit unions in New Mexico shall deposit any funds in excess of that which is insured by an agency of the United States.

C. For the purpose of this section, "state funds" means money in the custody of the state treasurer or deposited or invested by him or by any state agency, department or instrumentality in New Mexico banks, savings and loan associations or credit unions and does not include local funds, which include funds deposited by institutions enumerated in Article 12, Section 11 of the constitution of New Mexico.

D. In the event a bank or savings and loan association exceeds the limitation set forth in Subsection A of this section, any person charged with responsibility for investing or depositing state funds shall not deposit additional new funds, but may renew any maturing certificate of deposit at the interest rate applicable for new state fund deposits and may provide for the staged withdrawal of the amount of funds which exceeds such limitation from the bank or savings and loan association over a reasonable period of time in order to avoid causing the failure of the institution. If, however, withdrawal of the state funds is necessary to prevent loss of such funds, they shall be removed.

History: Laws 1982, ch. 9, § 1; 1987, ch. 79, § 8; 1987, ch. 266, § 1.

6-10-44. Temporary investment of excess funds; federal bonds or treasury certificates eligible.

If at any time the state treasurer, or the treasurer of any county, incorporated municipality or board in control has on hand more money than can be divided equitably and ratably among qualified depositories, such treasurer may, with the approval of the proper board of finance, temporarily invest such excess funds in United States bonds or treasury certificates under such rules and regulations as may be prescribed by the state board of finance.

History: Laws 1923, ch. 76, § 26; 1925, ch. 123, § 10; C.S. 1929, § 112-126; 1941 Comp., § 7-238; 1953 Comp., § 11-2-41; Laws 1975, ch. 211, § 4.

6-14-10.1. Investment of proceeds; compliance with Internal Revenue Code of 1986.

Notwithstanding any other provision of law to the contrary, and in addition to any other investments which may be authorized by the laws of New Mexico, a public body may invest the proceeds of public securities, and of any other securities now or hereafter authorized to be issued by any public body pursuant to the provisions of any general or special law enacted by the legislature or pursuant to the home rule powers of any public body in obligations the interest on which is excluded from gross income of the recipient for federal income tax purposes and in any other instrument which does not constitute "investment property" under Section 148 of the Internal Revenue Code of 1986. Any such obligation or instrument shall be rated in any of the three highest major rating categories, without regard to any modification of the rating by the addition of a plus or minus sign or numerical designation to show relative standing within a major rating category, by one or more nationally recognized rating agencies. Income from any such investments may be used to meet rebate, penalty, interest and other obligations of the public body under the code. As used in this section the term "proceeds" includes all amounts treated as proceeds or gross proceeds as defined in Section 148 of the Internal Revenue Code of 1986, as amended, including any regulations applicable thereunder of tax exempt bonds as defined in Section 150 of that code.

History: 1978 Comp., § 6-14-10.1, enacted by Laws 1988, ch. 45, § 2.

Sec. 4. [Misuse and deposit of public money.]

Any public officer making any profit out of public money or using the same for any purpose not authorized by law, shall be deemed guilty of a felony and shall be punished as provided by law and shall be disqualified to hold public office. All public money not invested in interest-bearing securities shall be deposited in national banks in this state, in banks or trust companies incorporated under the laws of the state, in federal savings and loan associations in this state, in savings and loan associations incorporated under the laws of this state whose deposits are insured by an agency of the United States and in credit unions incorporated under the laws of this state or the United States to the extent that such deposits of public money in credit unions are insured by an agency of the United States, and the interest derived therefrom shall be applied in the manner prescribed by law. The conditions of such deposits shall be provided by law. (As amended November 3, 1914, November 7, 1967 and November 4, 1986.)

Appendix C

TITLE 2 PUBLIC FINANCE
CHAPTER 60 INVESTMENT AND DEPOSITS OF PUBLIC FUNDS
PART 4 DEPOSITORY BANK REQUIREMENTS, COLLATERAL LEVEL REQUIREMENTS, AND CUSTODIAL BANK REQUIREMENTS

2.60.4.1 ISSUING AGENCY: State Board of Finance, 181 Bataan Memorial Building, Santa Fe, NM 87501.
[4-30-97; 2.60.4.1 NMAC - Rn, 2 NMAC 60.4.1, 11-15-2001; A, 12-1-2009]

2.60.4.2 SCOPE: State treasurer and financial institutions holding deposits of public money or collateral pledged to secure those deposits under the state board of finance authority.
[4-30-97; 2.60.4.2 NMAC - Rn, 2 NMAC 60.4.2, 11-15-2001; A, 2-1-2007]

2.60.4.3 STATUTORY AUTHORITY:

A. Section 6-1-1 Part E NMSA 1978 states that the state board of finance has general supervision of the fiscal affairs of the state and of the safekeeping and depositing of all money and securities belonging to or in custody of the state.

B. Section 6-10-10 Part C NMSA 1978 provides that the state treasurer may deposit money in one or more accounts with any bank, savings and loan association, or credit union whose deposits are insured by an agency of the United States to receive public money or deposits.

C. Sections 6-10-16 and 6-10-16.1 NMSA 1978 provide for the type of securities of the United States and the state of New Mexico, including surety bonds as provided in Section 6-10-15, to be used as collateral for deposits of public funds.

D. Section 6-10-17 NMSA 1978 provides that any financial institution designated as a depository of public money shall deliver securities having an aggregate value of at least one-half the amount of public money to be deposited to a custodial bank and shall deliver a joint safekeeping receipt issued by the custodial bank to the public official from whom the public money is received for deposit.

E. Section 6-10-17.1 NMSA 1978 provides that when a depository bank has not maintained qualifying securities as collateral for deposits of public money, the state treasurer or board shall request the depository bank to provide additional qualifying securities to meet those requirements within ten (10) calendar days. If the depository bank does not comply, the board or state treasurer shall withdraw all deposits of public money within the next ten (10) calendar days without penalty to the public depositor.

F. Section 6-10-18 NMSA 1978, requires any financial institution designated as a depository of public money to enter into a written agreement to assure that collateral it pledges as security remains secure throughout the term of the designation.

G. Section 6-10-20 NMSA 1978 provides that the board may at any time within its discretion require any depository financial institution to furnish additional security for deposit of the kind specified in Section 6-10-16 NMSA 1978.

H. Section 6-10-21 NMSA 1978, authorizes and directs the board to regulate the safekeeping of securities pledged as collateral by depository banks and requires the board to designate the third-party custodial banks charged with safekeeping that collateral pursuant to contracts between the two financial institutions and the state.

I. Section 6-10-24.1 NMSA 1978, bars the state treasurer from depositing public money in a financial institution in an amount that exceeds 400 percent of the total equity capital in the case of banks or 400 percent of the net worth in case of savings and loan associations, or 25 percent of the total of the financial institution's deposits, whichever is less.

[4-30-97; 2.60.4.3 NMAC - Rn & A, 2 NMAC 60.4.3, 11-15-2001; A, 8-1-2006; A, 2-1-2007; A, 12-1-2009]

2.60.4.4 DURATION: Permanent.
[4-30-97; 2.60.4.4 NMAC - Rn, 2 NMAC 60.4.4, 11-15-2001]

2.60.4.5 EFFECTIVE DATE: April 30, 1998, unless a later date is cited at the end of a section.
[4-30-97, 4-30-98; 2.60.4.5 NMAC - Rn & A, 2 NMAC 60.4.5, 11-15-2001]

2.60.4.6 OBJECTIVE: This rule provides general guidance regarding the financial and legal requirements to be followed by the state treasurer to minimize risks to existing and future deposits of public money under the authority of the board.
[4-30-97; 2.60.4.6 NMAC - Rn & A, 2 NMAC 60.4.6, 11-15-2001; A, 12-1-2009]

2.60.4.7 DEFINITIONS:

A. "Board" means state board of finance.

B. "Custodial bank" means a federal reserve bank or branch thereof or any bank designated by the board as described in this rule.

C. "Deposit" means the amount of state funds held by the financial institution in an account owned by the state, or any funds deposited (including CD deposits) by the state with that financial institution. For purposes of computing the deposit ratio or the amount of collateral to be posted, the amount insured by the federal deposit insurance company, the federal savings and loan insurance corporation or the national credit union administration shall not be included.

D. "Deposit ratio" means the amount of state funds on deposit or invested with a financial institution divided by the total amount of deposits at the financial institution, excluding, however, funds held by the fiscal agent bank, as the state's fiscal agent bank, and demand deposits held by state checking depository banks when determining the amount of state funds.

E. "Depository bank" means a financial institution certified or designated by the state treasurer to hold deposits of public money.

F. "Equity ratio" means the amount of state funds on deposit or invested with a financial institution divided by the total equity capital of the financial institution, excluding, however, funds held by the fiscal agent bank, as the state's fiscal agent bank, and demand deposits held by state checking depository banks when determining the amount of state funds.

G. "FDIC" means federal deposit insurance corporation.

H. "Financial institution" means any bank, savings and loan association or credit union whose deposits are insured by an agency of the United States.

I. "Letters of credit" means those letters of credit that are eligible to be pledged to the state to secure state funds pursuant to Section 6-10-16, NMSA 1978, as it may be amended from time to time.

J. "Non-performing loans" means loans that are at least 90 days past due and accruing or non-accruing.

K. "Securities" means those securities eligible as collateral for public funds under Section 6-10-16 NMSA 1978.

L. "Surety bond" means a bond substantially in the form prescribed in 6-10-15 NMSA 1978, issued by a surety company that is continually rated in the highest category by at least one nationally recognized statistical rating agency and licensed to do business in New Mexico.
[2.60.4.7 NMAC - N, 11-15-2001; A, 2-1-2007; A, 12-1-2009]

2.60.4.8 DESIGNATION AS A DEPOSITORY BANK:

A. A financial institution requesting to become a depository bank must submit the following information to the state treasurer:

(1) a letter from the financial institution requesting to become a depository bank;

(2) copy of FDIC certification or the national credit union administration certification;

(3) financial reports for the preceding four quarters; a newly chartered financial institution must provide its most recent financial report; and

(4) other public information requested by the state treasurer.

B. Initial and continued appointment of financial institutions to serve as depository banks for the state of New Mexico is determined by the financial institution's risk assessment ratios and required collateral levels as specified in 2.60.4.9 below, and entry into and maintenance of a depository agreement consistent with Section 6-10-18 NMSA 1978.
[4-30-97, 4-30-98; 2.60.4.8 NMAC - Rn & A, 2NMAC 60.4.8, 11-15-2001; A, 8-1-2006; A, 2-1-2007; A, 12-1-2009]

2.60.4.9 COLLATERAL REQUIREMENTS FOR DEPOSITORY BANK SERVICES AND RISK ASSESSMENT RATIOS:

A. The board directs the state treasurer to conduct risk assessment analysis of depository banks holding deposits of public money under the board's authority. The risk assessment will include a determination of each depository bank's primary capital-to-asset ratio, net operating income to total average asset ratio and non-performing loans to primary capital ratio for the past four (4) consecutive quarters. These risk assessment ratios will determine collateral level requirements for financial institutions holding deposits of public money as listed below.

(1) If a depository bank's primary capital-to-asset ratio [~~(~~] as defined by the FDIC is:

(a) 6.1 percent or greater, the depository bank shall be required to maintain collateral with an aggregate market value equal to 50 percent of the amount of the deposit;

(b) 5.0 percent to 6.0 percent, the depository bank shall be required to maintain collateral with an aggregate market value equal to 75 percent of the amount of the deposit;

(c) less than 5.0 percent, the depository bank shall be required to maintain collateral with an aggregate market value equal to 102 percent of the amount of the deposit.

(2) If the ratio of a depository bank's net operating income after taxes to its total average assets is:

(a) .61 percent or greater, the depository bank shall be required to maintain collateral with an aggregate market value equal to 50 percent of the amount of the deposit;

(b) .51 percent to .60 percent, the depository bank shall be required to maintain collateral with an aggregate market value equal to 75 percent of the amount of the deposit;

(c) less than .51 percent, the depository bank shall be required to maintain collateral with an aggregate market value equal to 102 percent of the amount of the deposit;

(d) a newly chartered depository bank is exempt from this ratio requirement for its first year of its operation; for its second year of operations, the depository bank shall annualize its net operating income beginning with the first quarter of the second year; if this ratio is less than .61 percent, the state treasurer shall review the depository bank's financial condition and may request additional collateral.

(3) If the depository bank's non-performing loans to primary capital ratio; is:

(a) 34.9 percent or less, the depository bank shall be required to maintain collateral with an aggregate market value equal to 50 percent of the amount of the deposit;

(b) 35.0 percent to 49.9 percent, the depository bank shall be required to maintain collateral with an aggregate market value equal to 75 percent of the amount of the deposit;

(c) greater than 49.9 percent, the depository bank shall be required to maintain collateral with an aggregate market value equal to102 percent of the amount of the deposit.

(4) If a depository bank's deposit ratio is:

(a) less than 10 percent, the depository bank shall be required to maintain collateral with an aggregate market value equal to 50 percent of the amount of the deposit;

(b) 10 percent or greater, the depository bank shall be required to maintain collateral with an aggregate market value equal to 102 percent of the amount of the deposit.

(5) If a depository bank's equity ratio is:

(a) less than 200 percent, the depository bank shall be required to maintain collateral with an aggregate market value equal to 50 percent of the amount of the deposit;

(b) 200 percent or greater, the depository bank shall be required to maintain collateral with an aggregate market value equal to 102 percent of the amount of the deposit.

B. Should the risk assessment ratios established in this section result in different levels of collateral for a depository bank, the state treasurer shall request the highest collateral level required by any ratio.

C. Collateral levels shall be required until the risk assessment ratios of the depository bank return to a level which allows collateral to be kept at a lower level or at statutory minimum level as appropriate.

D. State funds shall not be deposited or invested in a depository bank in an amount that, when added to state funds already on deposit in that depository bank, exceeds 200 percent of the total equity capital in case of banks or 200 percent of the net worth in the case of savings and loan associations or 10 percent of the total of the bank's or the saving and loan association's deposits, whichever is less, unless and until the bank or savings and loan association has pledged and maintains collateral with an aggregate market value equal to 102 percent of the aggregate amount on deposit. In no event shall state funds be deposited or invested in any amount that, when added to state funds already on deposit and invested in that depository bank, exceeds 400 percent of the total equity capital in case of banks or 400 percent of the depository bank's net worth in case of savings and loan associations or 25 percent of the total of the bank's or the savings and loan association's deposits, whichever is less, provided, however, the 25 percent of total deposits limitation shall not apply during the first year of operation of a newly chartered bank or savings and loan association. In the event state funds in a bank or savings and loan association exceed the 400 percent/25 percent limitations set out herein, the state treasurer shall not renew any maturing

certificates of deposit and shall provide for the staged withdrawal of the amount in excess of these limitations over a reasonable period of time to avoid causing failure of the depository bank unless immediate withdrawal is necessary to prevent loss of funds pursuant to 2.60.4.12 NMAC. Further, the state treasurer shall not deposit state funds in credit unions in excess of the amount insured by an agency of the United States. The amount of state funds deposited and invested as described above shall exclude funds held by the state's fiscal agent bank, as the fiscal agent bank, and demand deposits held by state checking depository banks.
[4-30-97, 4-30-98; 2.60.4.9 NMAC - Rn & A, 2 NMAC 60.4.8, 11-15-2001; A, 8-1-2006; A, 2-1-2007; A, 12-1-2009]

2.60.4.10 REQUIRED TYPES OF COLLATERAL:

A. Deposits of public money shall be secured by the following.

(1) Securities of the United States, its agencies or instrumentalities which shall be accepted at market value.

(2) Securities of the state of New Mexico, its agencies, instrumentalities, counties, municipalities or other subdivisions, which shall be accepted at par value.

(3) Securities, including student loans, guaranteed by the United States or the state of New Mexico which shall be accepted at market value.

(4) Revenue bonds that are underwritten by a member of the national association of securities dealers, known as "N.A.S.D.", and are rated "BAA" or above by a nationally recognized bond rating service, which shall be accepted as security at market value.

(5) Bonds of the New Mexico mortgage finance authority, a state instrumentality.

(6) Farmers' home administration loans, which are fully guaranteed by the federal government.

(7) Letters of credit issued by a federal home loan bank in the same amount that would be required if securities were being posted as collateral pursuant to Subsection A of 2.60.4.9 NMAC ,which shall be accepted at par value.

(8) Surety bonds in the same amount that would be required if securities were being posted as collateral pursuant to Subsection A of 2.60.4.9 NMAC, which shall be accepted at par value. Additionally, each surety bond must receive prior approval from the board and a district judge of the first judicial district.

B. Mutual funds may not be pledged as collateral for deposits of public funds.
[2.60.4.10 NMAC - N, 11-15-2001; A, 2-1-2007; A, 12-1-2009]

2.60.4.11 DEPOSITORY BANK REPORTING TO THE STATE TREASURER:

A. The figures to be used by the state treasurer in completing the risk assessment analysis for a depository bank shall be calculated from the quarterly call statements, thrift reports, or national credit union administration reports of the financial institution and on the state treasurer's generated report "New Mexico financial institution quarterly report". Both reports shall be furnished by the financial institution to the state treasurer no later than on the tenth day of the second month following the end of each calendar quarter. If the tenth day falls on a weekend or a legal holiday, the figures shall be submitted on the next business day.

B. By the tenth day, a depository bank shall submit a monthly collateral (including surety bonds and letters of credit) level report to the state treasurer on the state treasurer's generated form "state treasurer collateral compliance monthly report". If the tenth falls on a weekend or a legal holiday, the figures shall be submitted on the next business day.

C. The reports provided to the state treasurer by the depository bank shall be certified in writing by the president, an executive officer, or a person authorized by a corporate resolution certifying the information of the financial institution.

D. The state treasurer may, at any time between quarterly reporting periods, request any additional certified public information from the depository bank as needed to assess its risk level.

E. The state treasurer is directed to require each depository bank to provide a copy of any regulatory enforcement decisions or orders issued by a state or federal regulatory agency having authority to issue such enforcement decisions or orders that have a material impact on the depository bank or on financial ratios required of it by its respective regulatory agencies or this rule to the state treasurer within ten (10) business days of any such document becoming public.
[2.60.4.11 NMAC - N, 11-15-2001; A, 8-1-2006; A, 2-1-2007; A, 12-1-2009]

2.60.4.12 COLLATERAL LEVEL NON-COMPLIANCE AND APPROPRIATE ADJUSTMENTS:

A. If a depository bank is unable to meet the risk assessment qualifications for a minimum level of collateral required, the state treasurer is directed to cease making any additional deposits of public money into the depository bank and to withdraw deposits in the order they would otherwise mature to an amount which can be collateralized at an appropriate level of collateral in accordance with the risk assessment ratios.

B. If a depository bank has not maintained qualifying securities as collateral, the state treasurer shall request the depository bank to substitute or provide additional qualifying securities to meet collateral requirements within ten (10) calendar days. If the depository bank does not comply with the request within ten (10) calendar days, the state treasurer shall withdraw from that depository bank within the next ten (10) calendar days all deposits of public money under the state treasurer's control without penalty.

C. Upon receipt of notice by a depository bank of an adverse event or final administrative enforcement action imposed upon it.

(1) If the state treasurer believes such action indicates a high level of risk in maintaining public deposits in that depository bank, the state treasurer shall report to the board and the board shall decide whether additional collateral shall be required.

(2) The state treasurer may require the pledging of additional collateral or make an emergency withdrawal of state deposits prior to maturity and prior to obtaining board direction when such action is necessary in the state treasurer's judgment in the exercise of reasonable care to protect state funds.

(3) If the depository bank believes that exceptional circumstances exist which indicate that it is or was not appropriate for the state treasurer to take any action pursuant to this subsection:

(a) the depository bank shall appear at the next regularly scheduled board meeting and present its position;

(b) the board shall determine what action should be taken or if deposits should be reinstated.

(4) If a surety company that has issued the surety bond ceases to be rated in the highest rating category by at least one nationally recognized statistical rating agency, the surety bond issued by the company shall no longer be valid for use as collateral for state deposits and alternative collateral must be pledged immediately.

D. The withdrawal of state deposits from a depository bank shall not be subject to the assessment of a penalty for early withdrawal except to the extent required to be imposed by federal law and in that event, only the minimum penalty required to be imposed shall be imposed by the depository bank.

E. Nothing herein shall restrict the state treasurer or the board from the lawful exercise of rights and duties conferred upon them by law.

[2.60.4.12 NMAC - N, 11-15-2001; A, 8-1-2006; A, 2-1-2007; A, 12-1-2009]

2.60.4.13 REQUIREMENTS TO PROVIDE CUSTODIAL BANK SERVICES:

A. A financial institution requesting to become a custodial bank must submit the following information to the state treasurer:

(1) a letter from the federal reserve bank or branch thereof or any bank qualified to perform custodial functions in the state of New Mexico requesting to become a custodial bank;

(2) copy of FDIC certification;

(3) financial reports for the preceding four quarters; newly chartered financial institutions must provide their most recent financial report;

(4) for banks that are not federal reserve banks or branches thereof, information and documentation demonstrating their qualifications to perform custodial functions in the state; and

(5) other public information requested by the state treasurer.

B. Initial and continued appointment for a financial institution to serve as a custodial bank for the state of New Mexico is determined by the risk assessment ratios of the financial institution. A qualified financial institution requesting initial and continued appointment as a custodial bank must certify that the financial institution has continuously maintained a primary capital-to-asset ratio of greater than 6.0 percent, a net operating income-to-total average asset ratio of .61 percent or higher, and non-performing loans-to-primary capital ratio of 34.9 percent or lower for the preceding four quarters. A newly chartered financial institution, at the time of appointment, must certify that it has maintained a primary capital-to-asset ratio of greater than 6.0 percent, a net operating income-to-total average asset ratio of .61 percent or higher, and non-performing loans-to-primary capital ratio of 34.9 percent or lower for the current quarter.

C. No custodial bank shall be a member of the same holding company as the financial institution whose securities the custodial bank is holding as the state's agent. In addition, any financial institution that owns 5 percent or more of another financial institution may not hold collateral for that financial institution.

D. If the state treasurer seeks and cannot find an adequate number of financial institutions that meet all of the requirements in Subsection B of 2.60.4.13 NMAC to act as custodial banks, the state treasurer may, with the approval of the state treasurer's investment committee, lower any one of, but only one of, the requirements to qualify as a custodial bank to: a primary capital-to-asset ratio of greater than 5.0 percent, a net operating income-to-total average asset ratio of .51 percent or higher, or non-performing loans-to-primary capital ratio of 49.9 percent or lower. The lower requirements would only be honored for a period not to exceed one quarter, and such exception can be revoked at anytime by the state treasurer, at the state treasurer's discretion. After this period, the custodial bank would have to meet the regular requirements set out in 2.60.4.13 NMAC to remain a custodial bank or will become disqualified as a custodial bank.
[2.60.4.13 NMAC - N, 11-15-2001; A, 2-1-2007; A, 12-1-2009]

2.60.4.14 CUSTODIAL BANK REPORTING TO THE STATE TREASURER:

A. The figures to be used by the state treasurer in completing the risk assessment analysis for a custodial bank shall be calculated from the quarterly call statements of the custodial bank and from the treasurer's generated report "New Mexico financial institution quarterly report". Both reports shall be furnished by the custodial bank to the state treasurer no later than on the tenth day of the second month following the end of the calendar quarter. If the tenth day falls on a weekend or a legal holiday, the figures shall be submitted on the next business day.

B. A custodial bank shall report monthly to the state treasurer the collateral amounts held for each depository bank for which it holds collateral.

C. The figures provided to the state treasurer by the custodial bank shall be certified in writing by the president, an executive officer, or a person authorized by a corporate resolution certifying the information of the custodial bank.

D. The state treasurer is directed to require each custodial bank to provide a copy of any regulatory enforcement decisions or orders issued by a state or federal regulatory agency having authority to issue such enforcement decisions or orders that have a material impact on the custodial bank or on financial ratios required of it by its respective regulatory agencies or this rule to the state treasurer within ten (10) business days of any such document becoming public.

E. The state treasurer may, at any time between quarterly reporting periods, request any additional public certified information from a custodial bank as needed to assess its risk level.[2.60.4.14 NMAC - N, 11-15-2001; A, 2-1-2007; A, 12-1-2009]

2.60.4.15 CUSTODIAL BANK NON-COMPLIANCE:

A. Unless a waiver is granted by the state treasurer pursuant to Subsection D of 2.60.4.13.NMAC, a financial institution will be disqualified from serving as custodial bank for state deposits when any one of the following three conditions occur:

(1) any one of the following risk assessment ratio conditions occur for three consecutive quarters:
  (a) primary capital-to-asset ratio falls below 6.1 percent;
  (b) net operating income-to-total average asset ratio falls below .61 percent; or
  (c) the non-performing loans-to-primary capital ratio rises above 34.9 percent;

(2) any two of the following risk assessment ratio conditions occur for two consecutive quarters:
  (a) primary capital-to-asset ratio falls below 6.1 percent;
  (b) net operating income-to-total average assets ratio falls below .61 percent; or
  (c) the non-performing loan-to-primary capital ratio rises above 34.9 percent; or

(3) any one of the following risk assessment ratio conditions occur for more than one quarter:
  (a) primary capital-to-asset ratio falls below 5.0 percent;
  (b) net operating income-to-total average asset ratio falls below .51 percent; or
  (c) the non-performing loans-to-primary capital ratio rises above 49.9 percent.

B. The state treasurer shall notify the custodial bank in writing of revocation of its designation as custodial bank stating the reason for revocation. The financial institution shall notify depository banks of termination of the custodial agreement within three (3) business days and shall cooperate in the expeditious and orderly transfer of collateral.
[2.60.4.15 NMAC - N, 11-15-2001; A, 12-1-2009]

HISTORY OF 2.60.4 NMAC:

Pre-NMAC History: The material in this part was derived from that previously filed with the State Records and Archives Center under:
Directive 86-6, State Board of Finance Collateral Policy-Savings and Loans, filed 9-17-86,
Directive 86-7, State Board of Finance Collateral Policy-Banks, filed 9-17-86.

History of Repealed Material: [RESERVED]

Office of the Treasurer
Collateral Review
Accumulated Total by Institution
August 31, 2013

FINANCIAL INSTITUTION	%	TOTAL DEPOSITS	FDIC / NCUA INSURANCE	LESS INSURANCE COVERAGE	SUBJECT TO BE COLLATERALIZED	COLLATERAL PLEDGED	EXCESS (UNDER)
First National - Alamogordo	50%	573,771	250,000	323,771	161,886	252,338	90,45
Western - Alamogordo	75%	3,600,000	250,000	3,350,000	2,512,500	3,457,988	945,48
Bank of America	50%	1,241,427	1,290,909	-49,482	-24,741	4,108,818	4,133,55
Bank of the West	50%	120,376,306	250,585	120,125,721	60,062,860	127,319,831	67,256,97
BBVA Compass	102%	2,603,797	2,078,339	525,458	535,968	4,881,882	4,345,91
US Bank	50%	31,240,557	378,104	30,862,453	15,431,227	35,000,000	19,568,77
Wells Fargo	50%	82,921,221	12,877,198	70,044,023	35,022,011	82,281,265	47,259,25
First American	50%	113,717	113,717	0	0	0	0
My Bank	102%	210,049	210,049	0	0	0	0
Carlsbad National	50%	800	800	0	0	0	0
Western Commerce	50%	4,086,094	290,178	3,795,916	1,897,958	2,154,257	256,29
Farmers & Stockmen	50%	6,081,086	266,971	5,814,116	2,907,058	3,207,581	300,52
First National - Clayton	50%	4,398,643	250,000	4,148,643	2,074,321	2,089,250	14,92
Bank of Clovis	50%	571,457	250,000	321,457	160,728	571,457	410,72
Citizens - Clovis	50%	127,192	127,192	0	0	0	0
NM Bank & Trust	50%	171,654	171,654	0	0	265,353	265,35
Western - Clovis	50%	3,100,000	250,000	2,850,000	1,425,000	1,948,541	523,54
Valley National	102%	500	500	0	0	0	0
Pinnacle	50%	0	0	0	0	0	0
Grants State	50%	88,362	88,362	0	0	0	0
Lea County State	50%	131,623	131,623	0	0	100,000	100,00
Citizens - Las Cruses	50%	3,594	3,594	0	0	0	0
Southwest Capital	50%	710,730	278,923	431,807	215,904	738,568	522,66
Community 1st - Las Vegas	50%	269,475	269,475	0	0	653,996	653,996
Western - Lordsburg	50%	108,515	108,515	0	0	0	0
Los Alamos National	75%	36,053	36,053	0	0	0	0
James Polk Stone Communi	50%	398,765	398,765	0	0	160,457	160,457
International	50%	95,218	95,218	0	0	0	0
Bank of the Southwest	50%	426,347	255,718	170,629	85,314	243,734	158,420
Valley Commerce	50%	77,759	77,759	0	0	0	0
Century	50%	24,636,041	500,000	24,136,041	12,068,021	15,498,521	3,430,501
Community	102%	197,605	197,605	0	0	0	0
First National - Santa Fe	50%	15,000,000	15,000,000	0	0	7,628,700	7,628,700
First State	50%	79,160	79,160	0	0	0	0
AM	50%	23,301	23,301	0	0	0	0
Centinel	50%	80,638	80,638	0	0	0	0
Peoples	75%	19,655	19,655	0	0	0	0
BANK'34	102%	2,500,913	2,500,913	0	0	2,330,951	2,330,951
Union Savings	50%	4,000,000	4,000,000	0	0	3,785,316	3,785,316
Guadalupe Credit	50%	250,000	250,000	0	0	0	0
		310,552,026	43,701,473	266,850,552	134,536,015	298,678,801	164,142

Appendix D

PUBLIC TRUST ADVISORS

Investment Report for Period Ended June 30, 2013

SAMPLE STATEMENT FOR ILLUSTRATION PURPOSES ONLY

Sample Statement
123 Street
City, State Zip

Public Trust Advisors LLC
4767 New Broad Street
Orlando, Florida 32814

PUBLIC TRUST ADVISORS

Sample Statement Summary

Investment Management Portfolio Review	Page
Investment Portfolio Summary Comparison	3
Total Return Performance Summary	4
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Investment Portfolio Security Distribution	7
Portfolio Holding Details	8

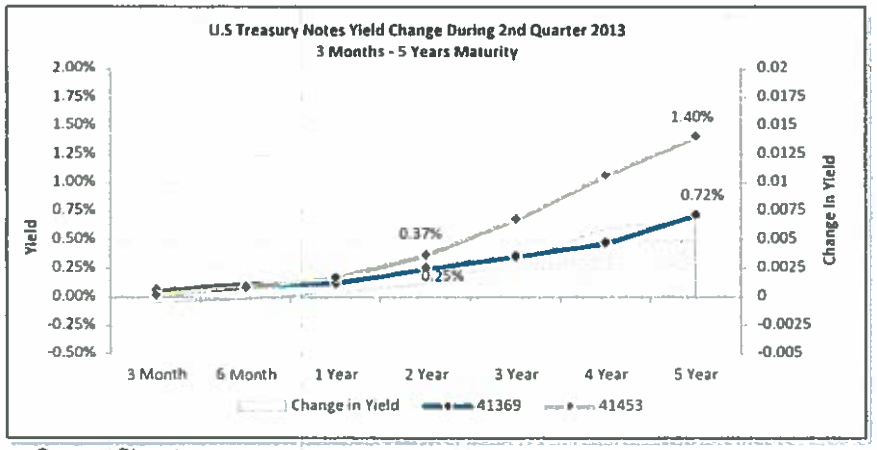
Sample Statement Summary Comparison for the period June 1, 2013 to June 30, 2013

Sample Statement	June 1, 2013 Beginning Balance	June 30, 2013 Ending Balance
Book Value	$ 126,301,219.06	$ 141,272,398.31
Payables for Pending Trades[1]	0.00	0.00
Accrued Interest	243,368.77	279,873.54
Book Value Plus Accrued	**$ 126,544,587.83**	**$ 141,552,271.85**
Net Unrealized Gain/Loss	21,000.94	(566,503.31)
Market Value Plus Accrued	**$ 126,565,588.77**	**$ 140,985,768.54**

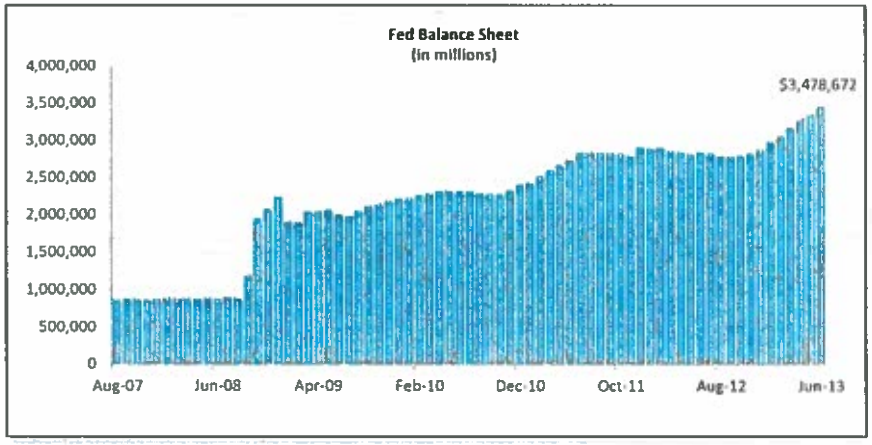
Sample Statement	Beginning Net Income	Ending Net Income
Interest Income	$ 378,780.27	$ 455,468.33
Net Amortization/Accretion	(57,481.87)	(66,190.07)
Net Realized Gain/Loss	58,450.76	58,450.76
Net Income	**$ 379,749.15**	**$ 447,729.01**

Portfolio Characteristic	June 1, 2013 Beginning Balance	June 30, 2013 Ending Balance
Book Yield Gross	**0.66%**	**0.64%**
Book Yield Net	**0.66%**	**0.64%**
Market Yield Gross	**0.52%**	**0.66%**
Market Yield Net	**0.52%**	**0.66%**
Weighted Average Coupon	**0.72%**	**0.67%**
Duration	**1.83 Years**	**2.10 Years**
Weighted Effective Maturity	**1.91 Years**	**2.06 Years**
Weighted Final Maturity	**2.43 Years**	**2.37 Years**

Portfolio Compliance		Compliant
Security Distribution		**YES**
Maturity Distribution		**YES**
Rating Distribution		**YES**



Source: Bloomberg



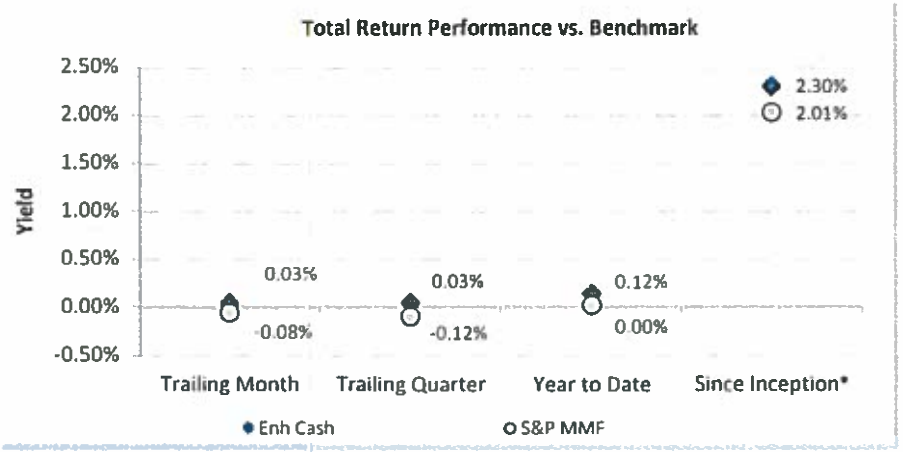
Source: Bloomberg

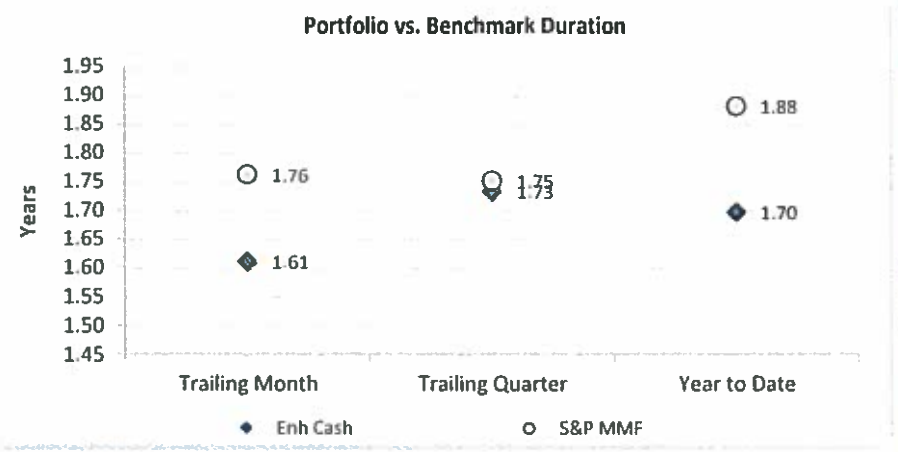
(1) Payables represent amounts due to settle security transactions that have been executed but have not settled as of period end. The funds used to settle these trades may come from a variety of sources including cash within the portfolio, proceeds from future security transactions including maturities and sales, or other sources including money market funds.

Sample Statement Total Return June 1, 2013 to June 30, 2013

Total Return Performance	Trailing Month		Trailing Quarter		Year to Date		Since Inception*	
	Periodic	Annualized	Periodic	Annualized	Periodic	Annualized	Periodic	Annualized
Sample Statement	0.03%	0.37%	0.03%	0.12%	0.12%	0.24%	12.05%	2.30%
BofA Merrill Lynch 1-3 Year UST/Agy	(0.08%)	(0.91%)	(0.12%)	(0.47%)	0.00%	0.00%	10.49%	2.01%

Duration	December 2012	March 2013	June 2013
Sample Statement	1.611	1.733	1.696
BofA Merrill Lynch 1-3 Year UST/Agy	1.760	1.750	1.880



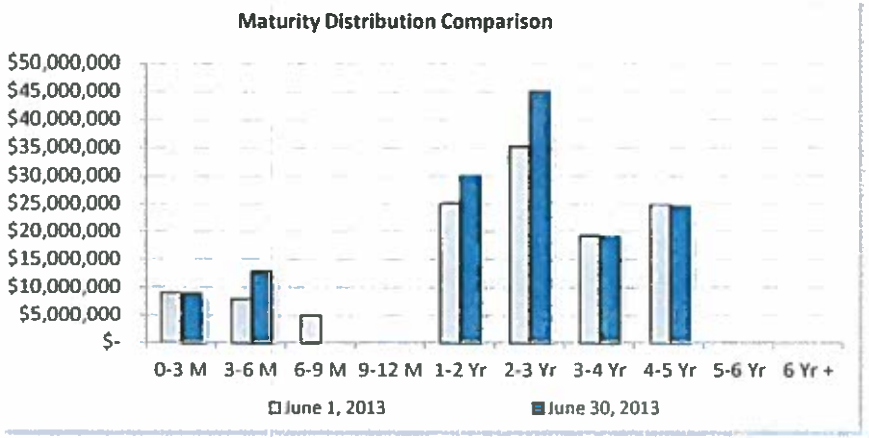


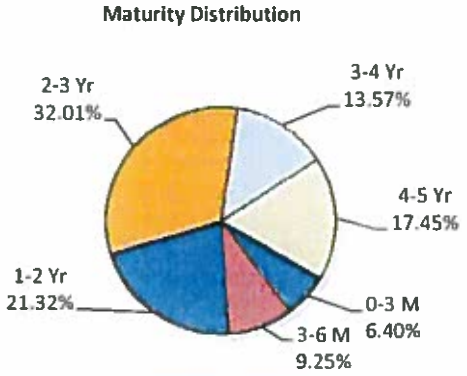
*Since Inception Date: July 1, 2008 - Return figures for the Sample Statement are for illustration purposes

PUBLIC TRUST

Sample Statement Maturity Distribution June 1, 2013 to June 30, 2013

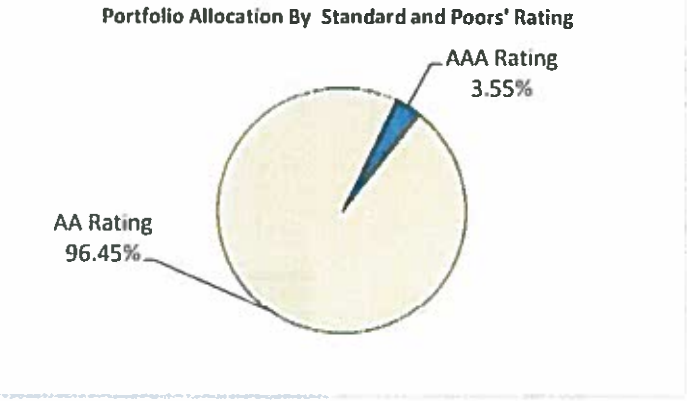
Maturity Distribution	June 1, 2013 Beginning Balance	June 30, 2013 Ending Balance	Portfolio Allocation	Distribution Change
0-3 Months	$ 9,017,285.15	$ 9,018,663.89	6.40%	-0.73%
3-6 Months	8,017,755.66	13,037,078.22	9.25%	2.91%
6-9 Months	5,034,507.69	-	0.00%	-3.98%
9-12 Months	-	-	0.00%	0.00%
1-2 Years	25,102,722.94	30,064,841.48	21.32%	1.49%
2-3 Years	35,254,320.15	45,133,927.49	32.01%	4.16%
3-4 Years	19,233,250.26	19,126,386.80	13.57%	-1.63%
4-5 Years	24,905,746.90	24,604,870.67	17.45%	-2.23%
5-6 Years	-	-	0.00%	0.00%
6 Years +	-	-	0.00%	0.00%
Total Portfolio	**$ 126,565,588.77**	**$ 140,985,768.54**	**100.00%**	



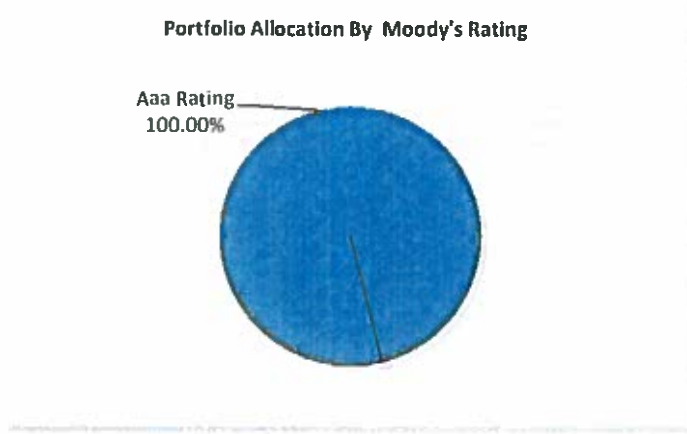


Sample Statement Rating Distribution Jun 1, 2013 to Jun 30, 2013

S&P Rating Distribution	June 30, 2013 Ending Balance	Portfolio Allocation
Short Term Rating Distribution		
A-1+	$ -	0.00%
A-1	-	0.00%
Total Short Term Ratings	$ -	0.00%
Long Term Rating Distribution		
AAA Rating	$ 5,009,375.00	3.55%
AA Rating	135,976,393.54	96.45%
A Rating	-	0.00%
Below A or Not Rated	-	0.00%
Total Long Term Rating	**$ 140,985,768.54**	100.00%
Total Portfolio	**$ 140,985,768.54**	**100.00%**

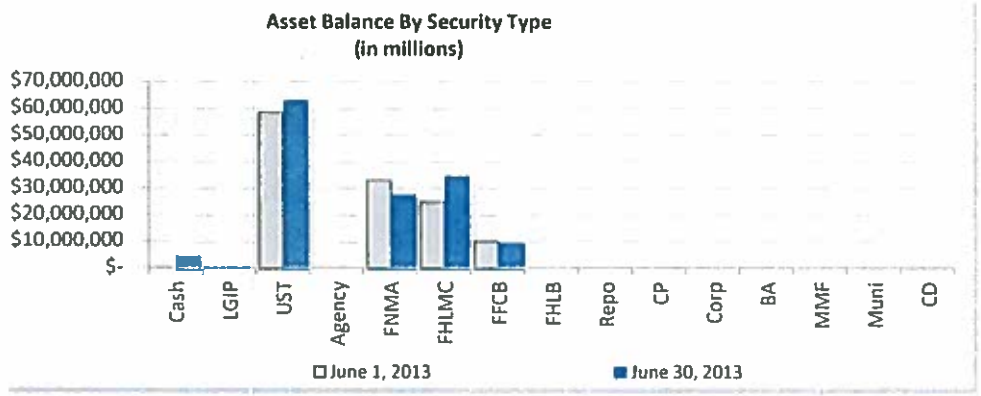


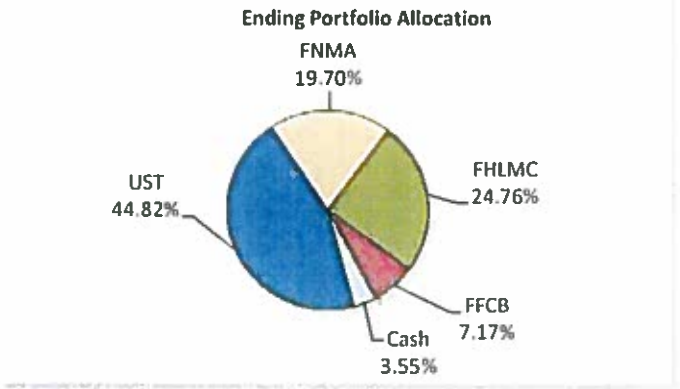
Moody's Rating Distribution	June 30, 2013 Ending Balance	Portfolio Allocation
Short Term Rating Distribution		
P-1	$ -	0.00%
P-2	-	0.00%
Total Short Term Ratings	$ -	0.00%
Long Term Rating Distribution		
Aaa Rating	$ 140,985,768.54	100.00%
Aa Rating	-	0.00%
A Rating	-	0.00%
Below A or Not Rated	-	0.00%
Total Long Term Rating	**$ 140,985,768.54**	100.00%
Total Portfolio	**$ 140,985,768.54**	**100.00%**



Sample Statement Security Distribution June 1, 2013 to June 30, 2013

Security Distribution	June 1, 2013 Beginning Balance	Portfolio Allocation	June 30, 2013 Ending Balance	Portfolio Allocation	Change in Allocation	Permitted by Policy*	Compliant
Cash	$ -	0.00%	$ 5,009,375.00	3.55%	3.55%	100.00%	YES
LGIP	-	0.00%	-	0.00%	0.00%	100.00%	YES
U.S. Treasury Notes	58,401,543.35	46.14%	63,188,542.02	44.82%	-1.32%	100.00%	YES
U.S. Agency Notes	-	0.00%	-	0.00%	0.00%	100.00%	YES
FNMA	32,986,591.94	26.06%	27,768,274.44	19.70%	-6.37%	100.00%	YES
FHLMC	25,034,943.75	19.78%	34,914,400.69	24.76%	4.98%	100.00%	YES
FFCB	10,142,509.72	8.01%	10,105,176.39	7.17%	-0.85%	100.00%	YES
FHLB	-	0.00%	-	0.00%	0.00%	100.00%	YES
Repurchase Agreement	-	0.00%	-	0.00%	0.00%	100.00%	YES
Commercial Paper	-	0.00%	-	0.00%	0.00%	100.00%	YES
Corporate Notes	-	0.00%	-	0.00%	0.00%	100.00%	YES
Bankers Acceptances	-	0.00%	-	0.00%	0.00%	100.00%	YES
Money Market Funds	-	0.00%	-	0.00%	0.00%	100.00%	YES
Municipal Bonds	-	0.00%	-	0.00%	0.00%	100.00%	YES
Certificates of Deposit	-	0.00%	-	0.00%	100.00%	100.00%	YES
Total Portfolio	**$ 126,565,588.77**	**100.00%**	**$ 140,985,768.54**	**100.00%**			





*Permitted allocation based on aggregate assets as defined within the investment policy.

Sample Statement Detail

Portfolio Holdings

Portfolio Income

Portfolio Transactions

Issuer Concentration

Security Concentration

Month End Report Detail

SAMPLE REPORT

Month End (M6 Y2013)

06/01/2013 - 06/30/2013

Dated: 08/11/2013

Locked Down

PUBLIC TRUST ADVISORS

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Dated: 08/11/2013

Holdings Report (Sample (26467))	1
Income Detail Report (Sample (26467))	3
Transactions Realized G/L Report (Sample (26467))	5
Issuer Concentration/GASB 40 Report (Sample (26467))	6
Security Type GASB 40 (Sample (26467))	9

Holdings Report

As of 06/30/2013

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Sample (26467)

Dated: 08/11/2013

Description, Identifier, Security Type, Coupon	Effective Maturity, Final Maturity, Callable, Next Call Date	Original Cost, Current Units, Market Price	Trade Date, Settle Date	Moodys Rating, S&P Rating, Fitch Rating	Book Value, Net Unrealized Gain/Loss	Market Value, Accrued Balance	Market Value + Accrued
US TREASURY N/B 912828UU2 US GOV 0.75	03/31/2018 03/31/2018 N —	4,989,257.81 5,000,000.00 97.289	05/10/2013 05/13/2013	Aaa AA+ AAA	4,989,549.30 -125,099.30	4,864,450.00 9,426.23	4,873,876.23
FANNIE MAE 3136G1GS2 AGCY BOND 0.50	03/27/2018 03/27/2018 Y 09/27/2013	5,000,000.00 5,000,000.00 97.199	03/04/2013 03/27/2013	Aaa AA+ AAA	5,000,000.00 -140,050.00	4,859,950.00 6,527.78	4,866,477.78
FANNIE MAE 3136G0J77 AGCY BOND 0.60	10/17/2017 10/17/2017 Y 10/17/2013	4,999,000.00 5,000,000.00 98.583	09/21/2012 10/17/2012	Aaa AA+ AAA	5,020,328.24 -91,178.24	4,929,150.00 6,166.67	4,935,316.67
FREDDIE MAC 3134G3ZH6 AGCY BOND 1.00	07/25/2014 07/25/2017 Y 07/25/2014	5,009,800.00 5,000,000.00 98.468	07/30/2012 07/31/2012	Aaa AA+ AAA	5,005,290.79 -81,890.79	4,923,400.00 21,666.67	4,945,066.67
FANNIE MAE 3135G0MK6 AGCY BOND 1.20	07/17/2013 07/17/2017 Y 07/17/2013	5,020,600.00 5,000,000.00 99.136	07/25/2012 07/26/2012	Aaa AA+ AAA	5,000,935.68 -44,135.68	4,956,800.00 27,333.33	4,984,133.33
FANNIE MAE 3135G0UY7 AGCY BOND 1.00	02/27/2015 02/27/2017 Y 02/27/2015	4,041,780.00 4,000,000.00 99.287	04/17/2013 04/18/2013	Aaa AA+ AAA	4,037,245.99 -65,765.99	3,971,480.00 13,777.78	3,985,257.78
US TREASURY N/B 912828RU6 US GOV 0.875	11/30/2016 11/30/2016 N —	5,059,960.90 5,000,000.00 100.039	12/18/2012 12/19/2012	Aaa AA+ AAA	5,051,952.08 -50,002.08	5,001,950.00 3,705.60	5,005,655.60
FEDERAL FARM CREDIT BANK 3133EAJ33 AGCY BOND 0.73	08/15/2016 08/15/2016 Y 08/15/2013	4,986,250.00 5,000,000.00 99.449	08/15/2012 08/16/2012	Aaa AA+ AAA	4,989,216.18 -16,766.18	4,972,450.00 13,788.89	4,986,238.89
US TREASURY N/B 912828QX1 US GOV 1.50	07/31/2016 07/31/2016 N —	5,136,718.75 5,000,000.00 102.359	08/10/2011 08/11/2011	Aaa AA+ AAA	5,085,548.51 32,401.49	5,117,950.00 31,284.53	5,149,234.53
US TREASURY N/B 912828VG2 US GOV 0.50	06/15/2016 06/15/2016 N —	4,981,054.65 5,000,000.00 99.563	06/20/2013 06/21/2013	Aaa AA+ AAA	4,981,226.82 -3,076.82	4,978,150.00 1,092.90	4,979,242.90
US TREASURY N/B 912828VC1 US GOV 0.25	05/15/2016 05/15/2016 N —	4,968,945.31 5,000,000.00 98.922	05/28/2013 05/29/2013	Aaa AA+ AAA	4,969,880.17 -23,780.17	4,946,100.00 1,596.47	4,947,696.47
FREDDIE MAC 3134G3L40 AGCY BOND 0.60	04/04/2016 04/04/2016 Y 10/04/2013	5,000,000.00 5,000,000.00 99.793	09/13/2012 10/04/2012	Aaa AA+ AAA	5,000,000.00 -10,350.00	4,989,650.00 7,250.00	4,996,900.00
FANNIE MAE 3135G0UQ4 AGCY BOND 0.60	03/04/2016 03/04/2016 Y 09/04/2013	5,000,000.00 5,000,000.00 99.561	02/05/2013 03/04/2013	Aaa AA+ AAA	5,000,000.00 -21,950.00	4,978,050.00 9,750.00	4,987,800.00
FREDDIE MAC 3134G3Y20 AGCY BOND 0.50	11/27/2015 11/27/2015 Y 11/27/2013	4,993,950.00 5,000,000.00 99.423	06/12/2013 06/13/2013	Aaa AA+ AAA	4,994,070.43 -22,920.43	4,971,150.00 2,361.11	4,973,511.11
FREDDIE MAC 3134G3Y20 AGCY BOND 0.50	11/27/2015 11/27/2015 Y 11/27/2013	4,999,000.00 5,000,000.00 99.423	01/28/2013 01/29/2013	Aaa AA+ AAA	4,999,151.72 -28,001.72	4,971,150.00 2,361.11	4,973,511.11
US TREASURY N/B 912828TT7 US GOV 0.25	10/15/2015 10/15/2015 N —	4,976,757.80 5,000,000.00 99.531	10/19/2012 10/22/2012	Aaa AA+ AAA	4,982,123.05 -5,573.05	4,976,550.00 2,629.78	4,979,179.78
US TREASURY N/B 912828NP1 US GOV 1.75	07/31/2015 07/31/2015 N —	5,223,828.13 5,000,000.00 102.813	08/10/2011 08/11/2011	Aaa AA+ AAA	5,118,096.49 22,553.51	5,140,650.00 36,498.62	5,177,148.62

Holdings Report

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Sample (26467)

Dated: 08/11/2013

Description, Identifier, Security Type, Coupon	Effective Maturity, Final Maturity, Callable, Next Call Date	Original Cost, Current Units, Market Price	Trade Date, Settle Date	Moodys Rating, S&P Rating, Fitch Rating	Book Value, Net Unrealized Gain/Loss	Market Value, Accrued Balance	Market Value + Accrued
FEDERAL FARM CREDIT BANK 31331KSA9 AGCY BOND 1.35	07/20/2015 07/20/2015 N ---	5,043,850.00 5,000,000.00 101.775	08/02/2011 08/03/2011	Aaa AA+ AAA	5,022,950.18 65,799.82	5,088,750.00 30,187.50	5,118,937.50
FREDDIE MAC 3134G4A40 AGCY BOND 0.40	06/19/2015 06/19/2015 Y 12/19/2013	5,000,000.00 5,000,000.00 99.875	06/04/2013 06/19/2013	Aaa AA+ AAA	5,000,000.00 -6,250.00	4,993,750.00 666.67	4,994,416.67
US TREASURY N/B 912828VD9 US GOV 0.25	05/31/2015 05/31/2015 N ---	4,995,507.80 5,000,000.00 99.813	06/04/2013 06/05/2013	Aaa AA+ AAA	4,995,668.12 -5,018.12	4,990,650.00 1,058.74	4,991,708.74
FREDDIE MAC 3137EADD8 AGCY BOND 0.50	04/17/2015 04/17/2015 N ---	5,008,400.00 5,000,000.00 100.125	08/09/2012 08/10/2012	Aaa AA+ AAA	5,005,626.21 623.79	5,006,250.00 5,138.89	5,011,388.89
US TREASURY N/B 912828RG7 US GOV 0.25	09/15/2014 09/15/2014 N ---	4,983,593.75 5,000,000.00 100.035	09/15/2011 09/16/2011	Aaa AA+ AAA	4,993,375.11 8,374.89	5,001,750.00 3,668.48	5,005,418.48
US TREASURY N/B 912828RB8 US GOV 0.50	08/15/2014 08/15/2014 N ---	5,026,171.88 5,000,000.00 100.324	08/12/2011 08/15/2011	Aaa AA+ AAA	5,009,837.61 6,362.39	5,016,200.00 9,392.27	5,025,592.27
US TREASURY N/B 912828QU7 US GOV 0.625	07/15/2014 07/15/2014 N ---	5,040,234.40 5,000,000.00 100.438	08/23/2011 08/24/2011	Aaa AA+ AAA	5,014,500.41 7,399.59	5,021,900.00 14,416.44	5,036,316.44
US TREASURY N/B 912828PL8 US GOV 0.75	12/15/2013 12/15/2013 N ---	4,963,281.25 5,000,000.00 100.293	12/09/2010 12/15/2010	Aaa AA+ AAA	4,994,345.47 20,304.53	5,014,650.00 1,639.34	5,016,289.34
FREDDIE MAC 3137EACL1 AGCY BOND 0.875	10/28/2013 10/28/2013 N ---	5,031,350.00 5,000,000.00 100.239	10/22/2010 10/25/2010	Aaa AA+ AAA	5,003,419.46 8,530.54	5,011,950.00 7,656.25	5,019,606.25
US TREASURY N/B 912828RK8 US GOV 0.125	09/30/2013 09/30/2013 N ---	2,992,031.25 3,000,000.00 100.008	09/30/2011 10/03/2011	Aaa AA+ AAA	2,999,003.36 1,236.64	3,000,240.00 942.62	3,001,182.62
FANNIE MAE 3135G0BR3 AGCY BOND 0.50	08/09/2013 08/09/2013 N ---	3,994,040.00 4,000,000.00 100.035	07/28/2011 07/29/2011	Aaa AA+ AAA	3,999,681.94 1,718.06	4,001,400.00 7,888.89	4,009,288.89
Receivable CCYUSD CASH 0.00	06/30/2013 06/30/2013 N ---	5,009,375.00 5,009,375.00 1.00	--- ---	Aaa AAA AAA	5,009,375.00 0.00	5,009,375.00 0.00	5,009,375.00
	--- --- --- ---	**141,474,738.68 141,009,375.00 ---**	**--- ---**	**Aaa AA+ AAA**	**141,272,398.31 -566,503.31**	**140,705,895.00 279,873.54**	**140,985,768.54**

* Weighted By: Market Value + Accrued

Income Detail Report

Sample (26467)

06/01/2013 - 06/30/2013

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Dated: 08/11/2013

Identifier, Description	Final Maturity	Current Units	Earned Interest Income	Realized Gain, Realized Loss	Accretion Income	Amortization Expense	Net Earned Income	Interest Payment Received, Ending Interest Due
38141W265 GOLDMAN SACHS FIN SQ GOVT-AD	06/30/2013	0.00	0.00	0.00 0.00	0.00	0.00	0.00	0.00 0.00
912828RA0 US TREASURY N/B	06/30/2013	0.00	1,502.07	0.00 0.00	411.04	0.00	1,913.11	0.00 9,375.00
CCYUSD Receivable	06/30/2013	5,009,375.00	0.00	0.00 0.00	0.00	0.00	0.00	0.00 0.00
3135G0BR3 FANNIE MAE	08/09/2013	4,000,000.00	1,666.67	0.00 0.00	244.66	0.00	1,911.33	0.00 0.00
912828RK8 US TREASURY N/B	09/30/2013	3,000,000.00	307.38	0.00 0.00	328.56	0.00	635.94	0.00 0.00
3137EACL1 FREDDIE MAC	10/28/2013	5,000,000.00	3,645.83	0.00 0.00	0.00	-862.05	2,783.78	0.00 0.00
912828PL8 US TREASURY N/B	12/15/2013	5,000,000.00	3,081.65	0.00 0.00	1,016.02	0.00	4,097.67	18,750.00 0.00
912828QU7 US TREASURY N/B	07/15/2014	5,000,000.00	2,589.78	0.00 0.00	0.00	-1,154.07	1,435.71	0.00 0.00
912828RB8 US TREASURY N/B	08/15/2014	5,000,000.00	2,071.82	0.00 0.00	0.00	-723.56	1,348.26	0.00 0.00
912828RG7 US TREASURY N/B	09/15/2014	5,000,000.00	1,019.02	0.00 0.00	446.63	0.00	1,465.65	0.00 0.00
3135G0LL5 FANNIE MAE	12/04/2014	0.00	229.17	0.00 -0.00	0.00	0.00	229.16	13,750.00 0.00
3137EADD8 FREDDIE MAC	04/17/2015	5,000,000.00	2,083.33	0.00 0.00	0.00	-255.97	1,827.36	0.00 0.00
912828VD9 US TREASURY N/B	05/31/2015	5,000,000.00	887.98	0.00 0.00	160.31	0.00	1,048.29	0.00 0.00
3134G4A40 FREDDIE MAC	06/19/2015	5,000,000.00	666.67	0.00 0.00	0.00	0.00	666.67	0.00 0.00
31331KSA9 FEDERAL FARM CREDIT BANK	07/20/2015	5,000,000.00	5,625.00	0.00 0.00	0.00	-914.08	4,710.92	0.00 0.00
912828NP1 US TREASURY N/B	07/31/2015	5,000,000.00	7,251.38	0.00 0.00	0.00	-4,664.71	2,586.67	0.00 0.00
912828TT7 US TREASURY N/B	10/15/2015	5,000,000.00	1,024.59	0.00 0.00	637.15	0.00	1,661.74	0.00 0.00
3134G3Y20 FREDDIE MAC	11/27/2015	5,000,000.00	1,250.00	0.00 0.00	120.44	0.00	1,370.44	0.00 0.00
3134G3Y20 FREDDIE MAC	11/27/2015	5,000,000.00	2,083.33	0.00 0.00	28.60	0.00	2,111.94	0.00 0.00
3135G0UQ4 FANNIE MAE	03/04/2016	5,000,000.00	2,500.00	0.00 0.00	0.00	0.00	2,500.00	0.00 0.00
3134G3L40 FREDDIE MAC	04/04/2016	5,000,000.00	2,500.00	0.00 0.00	0.00	0.00	2,500.00	0.00 0.00
912828VC1 US TREASURY N/B	05/15/2016	5,000,000.00	1,019.02	0.00 0.00	849.88	0.00	1,868.90	0.00 0.00
912828VG2 US TREASURY N/B	06/15/2016	5,000,000.00	683.06	0.00 0.00	172.16	0.00	855.22	0.00 0.00
912828QX1 US TREASURY N/B	07/31/2016	5,000,000.00	6,215.47	0.00 0.00	0.00	-2,263.35	3,952.12	0.00 0.00
3133EAJ33 FEDERAL FARM CREDIT BANK	08/15/2016	5,000,000.00	3,041.67	0.00 0.00	282.22	0.00	3,323.89	0.00 0.00
912828RU6 US TREASURY N/B	11/30/2016	5,000,000.00	3,586.07	0.00 0.00	0.00	-1,236.02	2,350.05	0.00 0.00
3135G0UY7 FANNIE MAE	02/27/2017	4,000,000.00	3,333.33	0.00 0.00	0.00	-1,838.12	1,495.22	0.00 0.00
3135G0MK6 FANNIE MAE	07/17/2017	5,000,000.00	5,000.00	0.00 0.00	0.00	-1,754.41	3,245.59	0.00 0.00
3134G3ZH6 FREDDIE MAC	07/25/2017	5,000,000.00	4,166.67	0.00 0.00	0.00	-408.61	3,758.06	0.00 0.00
3136G0J77 FANNIE MAE	10/17/2017	5,000,000.00	2,500.00	0.00 0.00	2,490.60	0.00	4,990.60	0.00 0.00

Income Detail Report

Sample (26467)

06/01/2013 - 06/30/2013

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Dated: 08/11/2013

Identifier, Description	Final Maturity	Current Units	Earned Interest Income	Realized Gain, Realized Loss	Accretion Income	Amortization Expense	Net Earned Income	Interest Payment Received, Ending Interest Due
3136G1GS2 FANNIE MAE	03/27/2018	5,000,000.00	2,083.33	0.00 0.00	0.00	0.00	2,083.33	0.00 0.00
912828UU2 US TREASURY N/B	03/31/2018	5,000,000.00	3,073.77	0.00 0.00	178.46	0.00	3,252.23	0.00 0.00
-- --	**11/13/2015**	**141,009,375.00**	**76,688.06**	**0.00 -0.00**	**7,366.73**	**-16,074.94**	**67,979.86**	**32,500.00 9,375.00**

* Weighted By: Market Value + Accrued.

Transactions Realized G/L Report

Sample (26467)

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Dated: 08/11/2013

Identifier, Description	Current Units	Type	Settle Date	Price	Principal	Realized Gain/Loss	Amount
CCYUSD US Dollar	4,995,678.58	Cash Transfer	06/04/2013	---	0.00	0.00	4,995,678.58
CCYUSD US Dollar	-5,013,750.00	Cash Transfer	06/04/2013	---	0.00	0.00	-5,013,750.00
CCYUSD US Dollar	-0.01	Cash Transfer	06/04/2013	---	0.00	0.00	-0.01
3135G0LL5 FANNIE MAE	0.00	Coupon	06/04/2013	---	0.00	0.00	13,750.00
3135G0LL5 FANNIE MAE	-5,000,000.00	Call Redemption	06/04/2013	100.00	-5,000,000.00	-0.00	5,000,000.00
912828VD9 US TREASURY N/B	5,000,000.00	Buy	06/05/2013	99.91	4,995,507.80	0.00	-4,995,678.57
CCYUSD US Dollar	4,995,061.11	Cash Transfer	06/13/2013	---	0.00	0.00	4,995,061.11
3134G3Y20 FREDDIE MAC	5,000,000.00	Buy	06/13/2013	99.879	4,993,950.00	0.00	-4,995,061.11
CCYUSD US Dollar	-18,750.00	Cash Transfer	06/15/2013	---	0.00	0.00	-18,750.00
912828PL8 US TREASURY N/B	0.00	Coupon	06/15/2013	---	0.00	0.00	18,750.00
3134G4A40 FREDDIE MAC	5,000,000.00	Buy	06/19/2013	100.00	5,000,000.00	0.00	-5,000,000.00
CCYUSD US Dollar	5,000,000.00	Cash Transfer	06/19/2013	---	0.00	0.00	5,000,000.00
912828VG2 US TREASURY N/B	5,000,000.00	Buy	06/21/2013	99.621	4,981,054.65	0.00	-4,981,464.49
CCYUSD US Dollar	-0.04	Cash Transfer	06/21/2013	---	0.00	0.00	-0.04
CCYUSD US Dollar	4,981,464.53	Cash Transfer	06/21/2013	---	0.00	0.00	4,981,464.53
912828RA0 US TREASURY N/B	0.00	Coupon	06/30/2013	---	0.00	0.00	9,375.00
912828RA0 US TREASURY N/B	-5,000,000.00	Maturity	06/30/2013	100.00	-5,000,000.00	0.00	5,000,000.00
--- ---	**24,939,704.17**	---	---	---	**9,970,512.46**	**-0.00**	**5,009,375.00**

* Filtered By: Type = Buy or Type = Sell or Type = Redemption or Type = Call Redemption or Type = Put Redemption or Type = Corporate Action Sell or Type = Cash Transfer or Type = Maturity or Type = Coupon or Type = Principal Paydown or Type = Money Market Funds.

Issuer Concentration/GASB 40 Report

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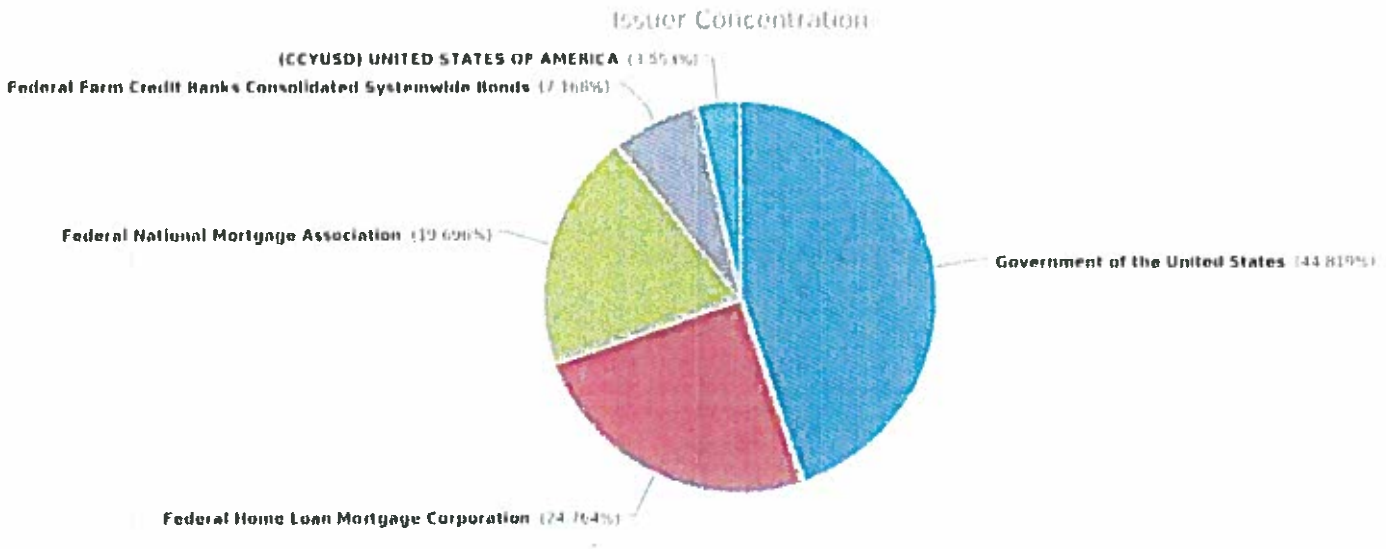

Government of the United States

Description	Security Type	Issuer Concentration	Book Yield	Effective Maturity, Final Maturity	Current Units	Market Value + Accrued
US TREASURY N/B	US GOV	Government of the United States	0.628	06/15/2016 06/15/2016	5,000,000.00	4,979,242.90
US TREASURY N/B	US GOV	Government of the United States	0.567	11/30/2016 11/30/2016	5,000,000.00	5,005,655.60
US TREASURY N/B	US GOV	Government of the United States	0.461	05/15/2016 05/15/2016	5,000,000.00	4,947,696.47
US TREASURY N/B	US GOV	Government of the United States	0.325	08/15/2014 08/15/2014	5,000,000.00	5,025,592.27
US TREASURY N/B	US GOV	Government of the United States	0.407	10/15/2015 10/15/2015	5,000,000.00	4,979,179.78
US TREASURY N/B	US GOV	Government of the United States	0.259	09/30/2013 09/30/2013	3,000,000.00	3,001,182.62
US TREASURY N/B	US GOV	Government of the United States	0.999	12/15/2013 12/15/2013	5,000,000.00	5,016,289.34
US TREASURY N/B	US GOV	Government of the United States	0.36	09/15/2014 09/15/2014	5,000,000.00	5,005,418.48
US TREASURY N/B	US GOV	Government of the United States	0.345	07/15/2014 07/15/2014	5,000,000.00	5,036,316.44
US TREASURY N/B	US GOV	Government of the United States	0.607	07/31/2015 07/31/2015	5,000,000.00	5,177,148.62
US TREASURY N/B	US GOV	Government of the United States	0.795	03/31/2018 03/31/2018	5,000,000.00	4,873,876.23
US TREASURY N/B	US GOV	Government of the United States	0.295	05/31/2015 05/31/2015	5,000,000.00	4,991,708.74
US TREASURY N/B	US GOV	Government of the United States	0.936	07/31/2016 07/31/2016	5,000,000.00	5,149,234.53

Issuer Concentration/GASB 40 Report

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Description	Security Type	Issuer Concentration	Book Yield	Effective Maturity, Final Maturity	Current Units	Market Value + Accrued
US TREASURY N/B	**US GOV**	**Government of the United States**	**0.547**	**08/30/2015 08/30/2015**	**63,000,000.00**	**63,188,542.02**

Federal National Mortgage Association

Description	Security Type	Issuer Concentration	Book Yield	Effective Maturity, Final Maturity	Current Units	Market Value + Accrued
FANNIE MAE	AGCY BOND	Federal National Mortgage Association	0.435	02/27/2015 02/27/2017	4,000,000.00	3,985,257.78
FANNIE MAE	AGCY BOND	Federal National Mortgage Association	0.574	08/09/2013 08/09/2013	4,000,000.00	4,009,288.89
FANNIE MAE	AGCY BOND	Federal National Mortgage Association	1.285	03/27/2018 03/27/2018	5,000,000.00	4,866,477.78
FANNIE MAE	AGCY BOND	Federal National Mortgage Association	0.775	07/17/2013 07/17/2017	5,000,000.00	4,984,133.33
FANNIE MAE	AGCY BOND	Federal National Mortgage Association	1.204	10/17/2017 10/17/2017	5,000,000.00	4,935,316.67
FANNIE MAE	AGCY BOND	Federal National Mortgage Association	0.60	03/04/2016 03/04/2016	5,000,000.00	4,987,800.00
FANNIE MAE	**AGCY BOND**	**Federal National Mortgage Association**	**0.831**	**11/01/2015 11/02/2016**	**28,000,000.00**	**27,768,274.44**

Federal Home Loan Mortgage Corporation

Description	Security Type	Issuer Concentration	Book Yield	Effective Maturity, Final Maturity	Current Units	Market Value + Accrued
FREDDIE MAC	AGCY BOND	Federal Home Loan Mortgage Corporation	0.664	10/28/2013 10/28/2013	5,000,000.00	5,019,606.25
FREDDIE MAC	AGCY BOND	Federal Home Loan Mortgage Corporation	0.90	07/25/2014 07/25/2017	5,000,000.00	4,945,066.67
FREDDIE MAC	AGCY BOND	Federal Home Loan Mortgage Corporation	0.40	06/19/2015 06/19/2015	5,000,000.00	4,994,416.67
FREDDIE MAC	AGCY BOND	Federal Home Loan Mortgage Corporation	0.60	04/04/2016 04/04/2016	5,000,000.00	4,996,900.00
FREDDIE MAC	AGCY BOND	Federal Home Loan Mortgage Corporation	0.437	04/17/2015 04/17/2015	5,000,000.00	5,011,388.89
FREDDIE MAC	AGCY BOND	Federal Home Loan Mortgage Corporation	0.55	11/27/2015 11/27/2015	5,000,000.00	4,973,511.11
FREDDIE MAC	AGCY BOND	Federal Home Loan Mortgage Corporation	0.507	11/27/2015 11/27/2015	5,000,000.00	4,973,511.11
FREDDIE MAC	**AGCY BOND**	**Federal Home Loan Mortgage Corporation**	**0.579**	**04/26/2015 09/28/2015**	**35,000,000.00**	**34,914,400.69**

Federal Farm Credit Banks Consolidated Systemwide Bonds

Description	Security Type	Issuer Concentration	Book Yield	Effective Maturity, Final Maturity	Current Units	Market Value + Accrued
FEDERAL FARM CREDIT BANK	AGCY BOND	Federal Farm Credit Banks Consolidated Systemwide Bonds	0.80	08/15/2016 08/15/2016	5,000,000.00	4,986,238.89
FEDERAL FARM CREDIT BANK	AGCY BOND	Federal Farm Credit Banks Consolidated Systemwide Bonds	1.123	07/20/2015 07/20/2015	5,000,000.00	5,118,937.50
FEDERAL FARM CREDIT BANK	**AGCY BOND**	**Federal Farm Credit Banks Consolidated Systemwide Bonds**	**0.964**	**01/29/2016 01/29/2016**	**10,000,000.00**	**10,105,176.39**

(CCYUSD) UNITED STATES OF AMERICA

Issuer Concentration/GASB 40 Report

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Description	Security Type	Issuer Concentration	Book Yield	Effective Maturity, Final Maturity	Current Units	Market Value + Accrued
Receivable	CASH	(CCYUSD) UNITED STATES OF AMERICA	---	06/30/2013 06/30/2013	5,009,375.00	5,009,375.00
Receivable	**CASH**	**(CCYUSD) UNITED STATES OF AMERICA**	**---**	**06/30/2013 06/30/2013**	**5,009,375.00**	**5,009,375.00**

Summary

Description	Security Type	Issuer Concentration	Book Yield	Effective Maturity, Final Maturity	Current Units	Market Value + Accrued
---	---	---	**0.644**	**07/25/2015 11/13/2015**	**141,009,375.00**	**140,985,768.54**

* Grouped By: Issuer Concentration. * Groups Sorted By: Issuer Concentration. * Weighted By: Market Value + Accrued.

Security Type GASB 40

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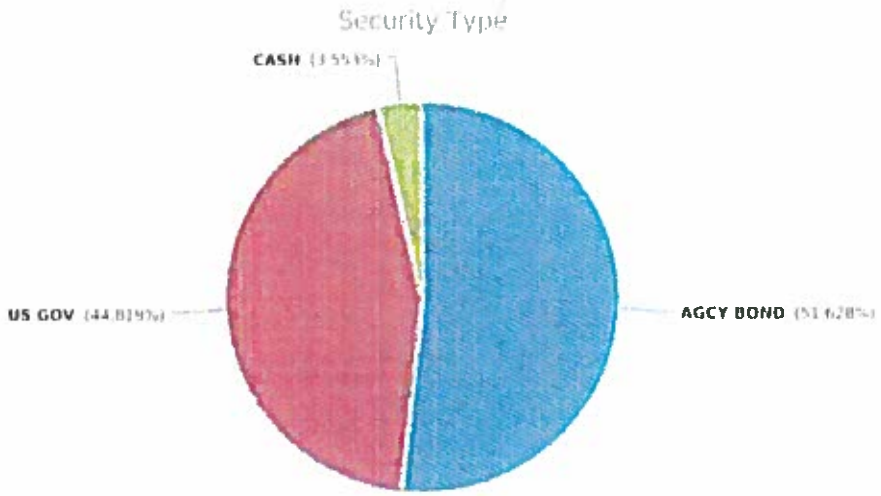

AGCY BOND

Identifier, Description, Security Type	Current Units	Effective Maturity, Final Maturity	Book Yield	Book Value	Accrued Balance	Market Value + Accrued
3135G0BR3 FANNIE MAE AGCY BOND	4,000,000.00	08/09/2013 08/09/2013	0.574	3,999,681.94	7,888.89	4,009,288.89
3137EACL1 FREDDIE MAC AGCY BOND	5,000,000.00	10/28/2013 10/28/2013	0.664	5,003,419.46	7,656.25	5,019,606.25
3137EADD8 FREDDIE MAC AGCY BOND	5,000,000.00	04/17/2015 04/17/2015	0.437	5,005,626.21	5,138.89	5,011,388.89
3134G4A40 FREDDIE MAC AGCY BOND	5,000,000.00	06/19/2015 06/19/2015	0.40	5,000,000.00	666.67	4,994,416.67
31331KSA9 FEDERAL FARM CREDIT BANK AGCY BOND	5,000,000.00	07/20/2015 07/20/2015	1.123	5,022,950.18	30,187.50	5,118,937.50
3134G3Y20 FREDDIE MAC AGCY BOND	5,000,000.00	11/27/2015 11/27/2015	0.55	4,994,070.43	2,361.11	4,973,511.11
3134G3Y20 FREDDIE MAC AGCY BOND	5,000,000.00	11/27/2015 11/27/2015	0.507	4,999,151.72	2,361.11	4,973,511.11
3135G0UQ4 FANNIE MAE AGCY BOND	5,000,000.00	03/04/2016 03/04/2016	0.60	5,000,000.00	9,750.00	4,987,800.00
3134G3L40 FREDDIE MAC AGCY BOND	5,000,000.00	04/04/2016 04/04/2016	0.60	5,000,000.00	7,250.00	4,996,900.00

Security Type GASB 40

As of 06/30/2013

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Identifier, Description, Security Type	Current Units	Effective Maturity, Final Maturity	Book Yield	Book Value	Accrued Balance	Market Value + Accrued
3133EAJ33 FEDERAL FARM CREDIT BANK AGCY BOND	5,000,000.00	08/15/2016 08/15/2016	0.80	4,989,216.18	13,788.89	4,986,238.89
3135G0UY7 FANNIE MAE AGCY BOND	4,000,000.00	02/27/2015 02/27/2017	0.435	4,037,245.99	13,777.78	3,985,257.78
3135G0MK6 FANNIE MAE AGCY BOND	5,000,000.00	07/17/2013 07/17/2017	0.775	5,000,935.68	27,333.33	4,984,133.33
3134G3ZH6 FREDDIE MAC AGCY BOND	5,000,000.00	07/25/2014 07/25/2017	0.90	5,005,290.79	21,666.67	4,945,066.67
3136G0J77 FANNIE MAE AGCY BOND	5,000,000.00	10/17/2017 10/17/2017	1.204	5,020,328.24	6,166.67	4,935,316.67
3136G1GS2 FANNIE MAE AGCY BOND	5,000,000.00	03/27/2018 03/27/2018	1.285	5,000,000.00	6,527.78	4,866,477.78
--- --- AGCY BOND	**73,000,000.00**	**08/15/2015 03/16/2016**	**0.729**	**73,077,916.81**	**162,521.53**	**72,787,851.53**

US GOV

Identifier, Description, Security Type	Current Units	Effective Maturity, Final Maturity	Book Yield	Book Value	Accrued Balance	Market Value + Accrued
912828RK8 US TREASURY N/B US GOV	3,000,000.00	09/30/2013 09/30/2013	0.259	2,999,003.36	942.62	3,001,182.62
912828PL8 US TREASURY N/B US GOV	5,000,000.00	12/15/2013 12/15/2013	0.999	4,994,345.47	1,639.34	5,016,289.34
912828QU7 US TREASURY N/B US GOV	5,000,000.00	07/15/2014 07/15/2014	0.345	5,014,500.41	14,416.44	5,036,316.44
912828RB8 US TREASURY N/B US GOV	5,000,000.00	08/15/2014 08/15/2014	0.325	5,009,837.61	9,392.27	5,025,592.27
912828RG7 US TREASURY N/B US GOV	5,000,000.00	09/15/2014 09/15/2014	0.36	4,993,375.11	3,668.48	5,005,418.48
912828VD9 US TREASURY N/B US GOV	5,000,000.00	05/31/2015 05/31/2015	0.295	4,995,668.12	1,058.74	4,991,708.74
912828NP1 US TREASURY N/B US GOV	5,000,000.00	07/31/2015 07/31/2015	0.607	5,118,096.49	36,498.62	5,177,148.62
912828TT7 US TREASURY N/B US GOV	5,000,000.00	10/15/2015 10/15/2015	0.407	4,982,123.05	2,629.78	4,979,179.78
912828VC1 US TREASURY N/B US GOV	5,000,000.00	05/15/2016 05/15/2016	0.461	4,969,880.17	1,596.47	4,947,696.47
912828VG2 US TREASURY N/B US GOV	5,000,000.00	06/15/2016 06/15/2016	0.628	4,981,226.82	1,092.90	4,979,242.90
912828QX1 US TREASURY N/B US GOV	5,000,000.00	07/31/2016 07/31/2016	0.936	5,085,548.51	31,284.53	5,149,234.53
912828RU6 US TREASURY N/B US GOV	5,000,000.00	11/30/2016 11/30/2016	0.567	5,051,952.08	3,705.60	5,005,655.60

Security Type GASB 40

Sample (26467)

As of 06/30/2013

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Dated: 08/11/2013

Identifier, Description, Security Type	Current Units	Effective Maturity, Final Maturity	Book Yield	Book Value	Accrued Balance	Market Value + Accrued
912828UU2 US TREASURY N/B US GOV	5,000,000.00	03/31/2018 03/31/2018	0.795	4,989,549.30	9,426.23	4,873,876.23
— **US TREASURY N/B** **US GOV**	63,000,000.00	08/30/2015 08/30/2015	0.547	63,185,106.50	117,352.02	63,188,542.02

CASH

Identifier, Description, Security Type	Current Units	Effective Maturity, Final Maturity	Book Yield	Book Value	Accrued Balance	Market Value + Accrued
CCYUSD Receivable CASH	5,009,375.00	06/30/2013 06/30/2013	—	5,009,375.00	0.00	5,009,375.00
CCYUSD **Receivable** **CASH**	5,009,375.00	06/30/2013 06/30/2013	—	5,009,375.00	0.00	5,009,375.00

Summary

Identifier, Description, Security Type	Current Units	Effective Maturity, Final Maturity	Book Yield	Book Value	Accrued Balance	Market Value + Accrued
— — —	141,009,375.00	07/25/2015 11/13/2015	0.644	141,272,398.31	279,873.54	140,985,768.54

* Grouped By: Security Type. * Groups Sorted By: Market Value + Accrued. * Weighted By: Market Value + Accrued.

Daniel "Danny" Mayfield
Commissioner, District 1

Miguel Chavez
Commissioner, District 2

Robert A. Anaya
Commissioner, District 3

Kathy Holian
Commissioner, District 4

Liz Stefanics
Commissioner, District 5

Katherine Miller
County Manager

DATE: **October 15th, 2013**

TO: **Board of County Commissioners**

FROM: **Katherine Miller, County Manager**

VIA: **Penny Ellis-Green, Growth Management Director** PEG .

Re: Appointment of Planning Manager Robert Griego to serve on the Santa Fe City and County Advisory Council on Food Policy

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Background

The Santa Fe City and County Advisory Council on Food Policy was established by the City and County by Resolutions of the governing bodies in 2008. Resolution 2008-5 identifies the Council membership as thirteen members, which consists of two employees from the City of Santa Fe and two from Santa Fe County.

Issue

Elisabeth Salinas from the Planning Division previously served as one of the County appointments and has subsequently left the County which has created a vacancy on the Council. The Planning Division has worked extensively with the Food Policy Council and has requested a continued role for Planning. Planning Manager Robert Griego has been involved with the Food Policy Council on issues related to agriculture and has worked with the land use subcommittee of the committee along with other issues related to agriculture in the County.

Recommendation

Approval of appointment of Robert Griego to serve on the Santa Fe City and County Advisory Council of Food Policy to service the remainder of the term left vacant by Elisabeth Salinas which will expire in January 2016.

Attachment

Resolution 2008-5

SFC CLERK RECORDED 03/25/2008

CITY OF SANTA FE, NEW MEXICO

RESOLUTION NO. 2008-26

COUNTY OF SANTA FE, NEW MEXICO

RESOLUTION NO. 2008-5

INTRODUCED BY:

A JOINT RESOLUTION

ESTABLISHING A FOOD POLICY FOR THE CITY OF SANTA FE AND SANTA FE COUNTY; AND CREATING THE SANTA FE CITY AND COUNTY ADVISORY COUNCIL ON FOOD POLICY.

WHEREAS, Santa Fe is a responsive community; and

WHEREAS, affordable and nutritious food, provided in a respectful manner, should be available to all people; and

WHEREAS, the Governing Body of the City of Santa Fe and the Board of County Commissioners wish to ensure that a wide variety of safe and nutritious food is available to city and county residents; and

WHEREAS, the Governing Body of the City of Santa Fe and the Board of County Commissioners wish to ensure that access to safe and nutritious food is not limited by economic status, location, or other factors beyond a resident's control; and

WHEREAS, the Governing Body of the City of Santa Fe and the Board of County Commissioners wish to ensure that the price of food in the city and county remains reasonably

SFC CLERK RECORDED 03/25/2008

close to the average price existing in the balance of the region; and

WHEREAS, the Governing Body of the City of Santa Fe and the Board of County Commissioners wish to ensure that the region maintains the natural resources, land base, infrastructure and skill sets that are necessary to produce food; and

WHEREAS, the Governing Body of the City of Santa Fe and the Board of County Commissioners wish to ensure that all reasonable efforts are taken to improve the incomes and decrease the needs of those who are most susceptible to food insecurity.

NOW, THEREFORE BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF SANTA FE AND THE BOARD OF COUNTY COMMISSIONERS OF SANTA FE COUNTY that it is the policy of the City and County of Santa Fe to improve the availability of food to persons in need within the city and county and to reduce poverty as a barrier to obtaining a healthy diet for all residents.

AND BE IT FURTHER RESOLVED that the Santa Fe City and County Advisory Council on Food Policy is established as follows:

A. NAME. The Council shall be called the Santa Fe City and County Advisory Council on Food Policy (the Council).

B. PURPOSE. The purpose of the Council is to integrate all departments of the City and County as well as non-profit organizations and food and farming businesses in a common effort to improve the availability of safe and nutritious food at reasonable prices for all residents, particularly those in need.

C. DUTIES AND RESPONSIBILITIES.

1. The Council may:

a. Monitor the availability, price and quality of food throughout Santa Fe County;

b. Collect data on the food security and nutritional status of city

SFC CLERK RECORDED 03/25/2008

and county residents;

c. Through the issuance of reports and other communication, inform City and County policy makers, administrators, and the public-at-large about the status of the region's food system and food security;

d. Monitor and analyze the administration of City and County food and nutrition programs;

e. Explore new means for City and County governments to improve the food economy, the availability, accessibility and quality of food and assist the City and County governments in the coordination of their efforts;

f. Recommend to the City and County administrations adoption of measures that will improve existing and add new programs, projects, regulations, or services;

g. Recommend food policies for City and County governments to adopt and implement related to:

(1) Transportation;

(2) Direct service of food;

(3) Land and building use;

(4) Lobbying and advocacy before state and federal legislatures and agencies;

(5) Referrals to social services;

(6). Education;

(7) Business development;

(8) Direct and indirect purchase of food;

(9) Support of private efforts;

(10) Emergency food supplies; and

(11) Monitoring and communicating data.

2. Council members will:

a. Prioritize issues for Council action;

b. Serve on the Council's subcommittees;

c. Assume a leadership role within the community related to food issues;

d. Bring areas of concern to the Council;

e. Serve as the eyes and ears of the Council in the broader community;

f. Attend meetings and public events as necessary;

g. Participate in special Council activities and events;

h. Identify opportunities for promoting food programs and other efforts intended to reach the goals of the food policy; and

i. Identify and recommend leaders in the community for appointment to the Council.

3. The Council will report to the Governing Body and the Board of County Commissioners on at least an annual basis.

D. MEMBERSHIP; OFFICERS.

1. The Council shall consist of thirteen members. Nine shall be from the private sector, two employees of the City of Santa Fe and two employees of the County of Santa Fe. Of the nine from the private sector, five members shall be appointed by the mayor with approval of the City Council and four members shall be appointed by the Board of County Commissioners.

2. Members shall reside in the state of New Mexico and shall have expertise in relevant fields, and to the extent possible, represent the diversity of the

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community in aspects such as culture, gender, age, and geography.

3. The City and County employee members shall be:

a. The City Manager and County Manager or his/her designee; and

b. One member from the department with the largest involvement in food-related issues and services or as otherwise appointed.

4. Of the nine private sector members, all should be actively engaged in at least one program, service, or business related to hunger and food insecurity, the production, processing and distribution of food, including representatives from the food industry, consumers, educators and dieticians. From among these nine, at least one should represent emergency food programs, one should represent agriculture, one should represent food or nutrition education, and one should represent the for-profit food industry. Representation from related state, federal and local governments should be encouraged including: (but not limited to) the women, infants and children (WIC) Program administered by the New Mexico Department of Health, the food stamp program administered by the Income Support Division of the New Mexico Human Services Department, the county extension office administered by the New Mexico Department of Agriculture and the Santa Fe School District.

5. The Council shall elect a chairperson and vice chairperson. The chairperson may appoint sub-committees and sub-committee chairpersons as needed. Subcommittees may also include non-Council members from the public or private sectors. The Council may request representatives from those government agencies listed in paragraph 4. above as appropriate for subcommittees.

E. TERMS. Of the initial appointments, six of the members shall be appointed for two year terms and seven shall be appointed for three year terms. Subsequent terms shall be for three years to maintain staggering of terms. There shall be no limitation to the number

SFC CLERK RECORDED 03/25/2008

of consecutive terms a member may serve. The chairperson shall serve for a two year term. After three consecutive unexcused absences a Council member shall be automatically removed and notified thereof by the chairperson. Vacancies shall be filled in the same manner as initial appointments and shall be for the remainder of the unexpired term. Members may be removed by the Mayor with the approval of the City Council or by the Board of County Commissioners as originally appointed, with or without cause.

F. MEETINGS. A quorum shall be at least seven members. The Council will meet as needed and shall conduct all meetings in accordance with the New Mexico Open Meetings Act and adopted City and County policies and procedures.

G. STAFF. The County health and human services department will serve as the primary liaison to the Council and the City will provide stenographic services; however, the City and County Managers may agree to rotate, on an annual basis, the primary liaison and stenographic services responsibilities. Depending upon the issue, other City or County staff may also be required to assist the Council. The Council may also use donated assistance from the state or federal governments or the private sector. The Council may request assistance from all departments in the City and County in the performance of its duties in order that the established food policies of the City and the County may be realized.

PASSED, APPROVED, and ADOPTED by the Governing Body of the City of Santa Fe this 27th day of February, 2008

DAVID COSS, MAYOR

SFC CLERK RECORDED 03/25/2008

COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss
BCC RESOLUTIONS
PAGES: 7

I Hereby Certify That This Instrument Was Filed for Record On The 25TH Day Of March, A D., 2008 at 15:44 And Was Duly Recorded as Instrument # 1519828 Of The Records Of Santa Fe County

Witness My Hand And Seal Of Office
Valerie Espinoza
Deputy _____ County Clerk, Santa Fe, NM

ATTEST:

YOLANDA Y. VIGIL, CITY CLERK

APPROVED AS TO FORM:

FRANK D. KATZ, CITY ATTORNEY

PASSED, APPROVED and ADOPTED this 29 day of January, 2008, by the Santa Fe Board of County Commissioners.

SANTA FE BOARD OF COUNTY COMMISSIONERS

By: _____
JACK SULLIVAN, CHAIR

ATTEST:

VALERIE ESPINOZA, COUNTY CLERK

APPROVED AS TO FORM:

STEPHEN C. ROSS, COUNTY ATTORNEY

Daniel "Danny" Mayfield
Commissioner, District 1

Miguel M. Chavez
Commissioner, District 2

Robert A. Anaya
Commissioner, District 3

Kathy Holian
Commissioner, District 4

Liz Stefanics
Commissioner, District 5

Katherine Miller
County Manager

CDRC CASE # V/Z/PDP 13-5080 WINDMILL WATER VARIANCE, MASTER PLAN ZONING & PRELIMINARY DEVELOPMENT PLAN.

DIANA & LEON RICTER, APPLICANTS

ORDER

THIS MATTER came before the Board of County Commissioners (hereinafter referred to as "the BCC") for hearing on September 10, 2013, on the Application of Diana & Leon Ricter (hereinafter referred to as "the Applicants") for approval of a variance of Article VII, Section 6.4.1.d, Requirements for Water Availability Assessments, Master Plan Zoning & Preliminary Development Plan approval to allow a small scale commercial use consisting of a domestic water supply service. The BCC, having reviewed the Application and supplemental materials, staff reports and having conducted a public hearing on the request, finds that the Application is well-taken and should be granted, and makes the following findings of fact and conclusions of law:

1. The Applicants request Master Plan Zoning & Preliminary Development Plan approval to allow a small scale commercial use consisting of a domestic water supply service. This request includes a variance of Article VII, Section 6.4.1.d Requirements for Water Availability Assessments. The Applicants also request that the Final Development Plan be approved administratively.
2. The property is located at 2042 Old U.S. 66, near the Town of Edgewood, within Section 34, Township 10 North, Range 7 East, (Commission District 3)

3. On June 20, 2013, the County Development Review Committee (CDRC) met and acted on this case. The decision of the CDRC was to recommend approval of the Applicants request for a variance of the requirement to demonstrate a 100 year water supply, Master Plan Zoning, Phase I and II Preliminary Development Plan and to allow the Final Development Plan, for Phase I and II to be reviewed and approved administratively.
4. Article III, § 4.2.2.b.1.b (Traditional Community Districts) states: "commercial or light industrial zoning may be approved in the Traditional Community provided that the re-zoning to be approved is similar in type and scale to those uses suggested for neighborhood or small scale districts by Article III, Section 4.3.2".
5. Article V, § 5.2.1.b states: "a master plan is comprehensive in establishing the scope of a project, yet is less detailed than a development plan. It provides a means for the County Development Review Committee and the Board to review projects and the sub-divider to obtain concept approval for proposed development without the necessity of expending large sums of money for the submittals required for a preliminary and final plat approval".
6. Article V, § 7.1.3.a (Preliminary Development Plans) states: "a Preliminary Development Plan may be only a phase or portion of the area covered by an approved Master Plan, so long as the Preliminary Development Plan substantially conforms to the approved Master Plan".
7. Article VII § 6.4.1.d. (Requirements for Water Availability Assessments) states: "for developments where the source of water will be individual

domestic wells or shared wells permitted pursuant to Section 72-12-1, the applicant shall demonstrate a one hundred (100) year supply and shall submit a geo-hydrologic report in accordance with Section 6.4.5, or a reconnaissance water availability assessment in accordance with Section 6.4.6, if applicable".

8. Article II, § 3 (Variances) states: "Where in the case of proposed development, it can be shown that strict compliance with the requirements of the Code would result in extraordinary hardship to the applicant because of unusual topography or other such non-self-inflicted conditions or that these conditions would result in inhibiting the achievement of the purposes of the Code, an applicant may file a written request for a variance. A Development Review Committee may recommend to the Board and the Board may vary, modify or waive the requirements of the Code and upon adequate proof that compliance with Code provision at issue will result in an arbitrary and unreasonable taking or property or exact hardship, and proof that a variance from the Code will not result in conditions injurious to health or safety. In arriving at its determination, the Development Review Committee and the Board shall carefully consider the opinions of any agency requested to review and comment on the variance request. In no event shall a variance, modification or waiver be recommended by a Development Review Committee, nor granted by the Board if by doing so the purpose of the Code would be nullified".

9. The granting of the requested variance of Article VII, Section 6.4.1.d, Requirements for Water Availability Assessments, is a minimal easing of the

Code. The Applicants have 1.78 acre feet of water rights recognized and permitted through the Office of the State Engineer for the onsite commercial well,

10. In light of the historic use of the water rights and their permitting through the Office of the State Engineer and the likely increased water use by area residents if water is not available from Applicants, granting the variance of the requirement to demonstrate a 100 year water supply will not nullify the purpose of the Code.
11. The Application for Master Plan Zoning is comprehensive in establishing the scope of the project
12. The proposed Preliminary Development Plan substantially conforms to the proposed Master Plan
13. The Application satisfies the submittal requirements set forth in the Land Development Code, with the exception of the water availability element of the request.
14. The review comments from State Agencies and County staff have established that this Application, for Master Plan and Preliminary Development Plan, is in compliance with State requirements, Article III, § 4.4, Development and Design Standards, Article V, § 5, Master Plan Procedures of the Land Development Code.
15. Jim Siebert, on behalf of the Applicants, submitted material and testified in support of the Variance, Master Plan Zoning & Preliminary Development Plan.

16. The Applicants, Diana & Leon Ricter, submitted material and testified in support of the Variance, Master Plan Zoning & Preliminary Development Plan.

17. Staff recommended the following conditions for approval of the Application:

    a) The Applicant shall comply with all review agency comments and conditions as per **Article V, § 7.1.3.c.**

    b) Master Plan with appropriate signatures, shall be recorded with the County Clerk as per **Article V, § 5.2.5.**

    c) Final Development Plan for Phase I shall be submitted within a timely manner, meeting all criteria set forth in **Article V, § 7,** to be reviewed and approved administratively.

18. After conducting a public hearing on the request and having heard from the Applicants and the public, the Board of County Commissioners hereby finds that the Application for a variance of Article VII, Section 6.4.1.d, Requirements for Water Availability Assessments, Master Plan Zoning, Phase I & II Preliminary Development Plan to allow a small scale commercial use consisting of a domestic water supply service should be approved conditioned on the Applicants complying with Staff conditions. The Board of County Commissioners also finds that the Application to allow for administrative approval of Phase I & II Final Development Plan should be approved.

IT IS THEREFORE ORDERED that the Applicants are granted a variance of Article VII, Section 6.4.1.d, Requirements of the Water

Availability Assessment & Master Plan Zoning & Preliminary Development Plan to allow a small scale commercial use are approved subject to the conditions set forth in paragraph 17 above. It is further ordered that Phase I & II Final Development Plan be approved administratively.

IT IS SO ORDERED.

This Order was approved by the Board of County Commissioners of Santa Fe County on this _____day of _____ 2013.

The Board of County Commissioners of Santa Fe County

By: _____
BCC Chairperson

Attest:

_____
Geraldine Salazar, County Clerk

Approved as to form:

_____
Stephen C. Ross, County Attorney

COMMISSIONER MAYFIELD: And staff – a question for staff now, please. Based on the diagram all the infrastructure is already there for the water utility hookups?

MR. LARRAÑAGA: Madam Chair, Commissioner Mayfield, they will have to extend some of the waterlines and of course improve the extended roads and the roadways, but yes, the infrastructure is already in, and there are some fire hydrants in please.

COMMISSIONER MAYFIELD: Okay. And there's no issues with low water pressure or anything else with that system out there?

MR. LARRAÑAGA: Madam Chair, Commissioner Mayfield, not that I am aware of.

COMMISSIONER MAYFIELD: Okay. Thank you. That's all I have, Madam Chair.

CHAIR HOLIAN: Are there any further questions? What are the wishes of the Board? Commissioner Chavez.

COMMISSIONER STEFANICS: Madam Chair.

CHAIR HOLIAN: Yes.

COMMISSIONER STEFANICS: I'll move for approval with staff conditions.

COMMISSIONER CHAVEZ: Second.

CHAIR HOLIAN: Okay. I have a motion and a second for approval of CDRC Case Z/S 12-5450, Cielo Colorado Subdivision with staff conditions.

The motion passed by unanimous [5-0] voice vote.

COMMISSIONER CHAVEZ: I have a follow-up question, Madam Chair, for staff.

CHAIR HOLIAN: Yes.

COMMISSIONER CHAVEZ: For staff. Are these conditions of approval, are they recorded anywhere on the plat or how are they documented, Mr. Larrañaga?

MR. LARRAÑAGA: Madam Chair, Commissioner Chavez, they are documented on the final order, of course which is the final decision and then the follow-up would be getting the master plan recorded with the proper signatures and so on.

COMMISSIONER CHAVEZ: Got it. Okay. That was really more for my clarification but I wanted just to be sure that we were tracking that. Thank you, Madam Chair.

XVIII. B. 3. **<u>CDRC Case # V/Z/PDP 13-5080 Windmill Water Variance, Master Plan & Preliminary Development Plan</u>. Diana & Leon Ricter, Applicants, Jim Siebert, Agent, Request Master Plan Zoning & Preliminary Development Plan Approval to Allow a Small Scale Commercial Use Consisting of a Domestic Water Supply Service. This Request Includes a Variance of Article Vii, Section 6.4.1d (Requirements for Water Availability Assessments). The Applicant Also Requests That Final Development Plan Be Approved Administratively. The**

Property is Located at 2042 Old U.S. 66, Near the Town of Edgewood, within Section 34, Township 10 North, Range 7 East, (Commission District 3)

MR. LARRAÑAGA: Thank you, Madam Chair. On June 20, 2013, the County Development Review Committee met and acted on this case. The decision of the CDRC was to recommend approval of the Applicants' request for a variance of the requirement to demonstrate a 100-year water supply, Master Plan Zoning, Phase I and II Preliminary Development Plan and to allow the Final Development Plan, for Phase I and II to be reviewed and approved administratively.

The Applicants request Master Plan Zoning approval to allow a small-scale commercial use consisting of a domestic water supply service to be completed in two phases. The request also includes Preliminary Development Plan approval for Phase I and II. Phase I consists of a 2,200 square foot residence, a 1,064 square foot garage, a 100 square foot shed, a 1,188 square foot bottling plant, a 224 square foot office, a 5,000 gallon storage tank, a 50 square foot self-serve dispenser structure, a domestic well and a well registered with State Engineer as a commercial well. Phase II will consist of a 1,200 square foot addition to the existing dwelling to be utilized as an office. The site is located within the Edgewood Traditional Community where commercial zoning may be approved anywhere provided the performance standards and criteria set forth by the code are met. The Applicants' request includes that the Final Development Plan, for Phase I and II, be reviewed and approved administratively.

Windmill Water is currently operating under a Home Occupation Business License issued by Santa Fe County in 1995. The property is within the proposed infill annexation of the Town of Edgewood where Santa Fe County currently maintains regulatory jurisdiction.

On December 21, 1995, the Land Use Administrator approved a home occupation business license, subject to conditions, for Windmill Water. On March 2, 2010, a notice of violation was issued to Windmill Water for exceeding the home occupation business license criteria. On May 6, 2010, Leon and Diana Ricter submitted a letter of intent and documents requesting a modification of the existing home occupation business license. On May 18, 2010, the LUA denied the request by Windmill Water for modification of the existing home occupation as it no longer met the criteria for a home occupation as set forth in code. In a letter, dated May 26, 2010, the agent on behalf of Windmill Water requested an appeal of the LUA decision to the CDRC. On May 19, 2011 the CDRC denied the Applicants' request.

Windmill Water operates as a bottling and distribution domestic water supply service. The Applicants currently reside on the property. The request for Master Plan and Preliminary Development Plan includes a use list which is consistent with the guidelines for types of permitted uses within a small scale commercial district.

The Applicants are also requesting a variance of the requirement to demonstrate a 100-year water supply as per Article VII, Section 6.4.1.d. The well utilized for this development is registered with the State Engineer as a commercial well. The variance requested by the Applicant applies to a domestic well. Although the property is currently zoned residential, the State Engineer allowed a commercial well to be utilized for the business. The Land Development code does not address the use of an existing

commercial well on a residential parcel of land. Staff has determined that the use of water for this non-residential development is essentially a community water system because it is being distributed to the community for consumption and water quality may impact the community. Therefore, the well being utilized for this development is subject to the requirements of Article VII, Section 6, Table 7.4 and Article VII, Section 6.4.2 which require a water availability assessment. Nevertheless, whether you consider staff's determination or the request made by the Applicant under a different code provision both would require proof of water availability, and a variance would be needed.

The Applicants state the following reasons to allow the variance: cost of preparing a geo-hydrological report; the property will be annexed to the Town of Edgewood and compliance with County Code is not required; business is borderline eligible for a Home Occupation Business; the well could not be used for several days during the hydrologic testing, which jeopardizes the viability of the business; the well has a 1.78 acre foot water right associated with it and can be increased up to three acre-feet.

Staff Response: monetary constraints are not considered a hardship by the code; Santa Fe County currently maintains regulatory jurisdiction of this site; it has been established by the CDRC that this business exceeds the Home Occupation criteria; the Applicants shall demonstrate a one hundred-year supply to support the use of 1.78 acre feet water per annum.

Building and Development Services staff has reviewed the Applicants' request for a variance of Article VII, Section 6.4.1.d. for compliance with pertinent code requirements and has found that the following facts presented do not support the request: a geo-hydrologic report is required to demonstrate that groundwater sufficient to meet the maximum annual water requirements of the development is physically available and can be practically recovered to sustain the development for a continuous period of one hundred years; the Applicants shall demonstrate a one hundred-year supply to support the use of 1.78 acre foot water per year; a variation or modification of this section of the Code may be considered more than a minimum easing of the requirements.

Building and Development Services staff has reviewed this project for compliance with pertinent code requirements and has found that the following facts presented support the request for Master Plan and Preliminary Development Plan: the Application is comprehensive in establishing the scope of the project; the proposed Preliminary Development Plan substantially conforms to the proposed Master Plan; the Application satisfies the submittal requirements set forth in the Land Development Code, with the exception of the water availability element of the request.

The review comments from State Agencies and County staff have established that this Application, for Master Plan and Preliminary Development Plan, is in compliance with State requirements, Article III, Section 4.4, Development and Design Standards, Article V, Section 5, Master Plan Procedures, but is not in compliance with Article V, Section 7 Development Plan Requirements of the Land Development Code regarding Section 7.1.2.y, Water Supply Plan-Water Systems.

Staff recommends denial of the Applicants' request for a variance of Article VII, Section 6.4.1.d. Requirements for Water Availability Assessments. Staff has determined that without proof of adequate water availability, staff cannot support the request for Master Plan Zoning and Phase I and II Preliminary Development Plan.

If the decision of the BCC is to approve the variance request and approve the request for Master Plan Zoning and Phase I and II, Preliminary Development Plan, to allow a small-scale commercial use, consisting of a bottling and distribution domestic water supply service on 2.84 acres and Phase I and II Final Development Plan to be reviewed and approved administratively, staff recommends the following conditions be imposed. Madam Chair, may I enter these conditions into the record?

[The conditions are as follows:]

1. The Applicant shall comply with all review agency comments and conditions as per Article V, § 7.1.3.c.
2. Master Plan with appropriate signatures, shall be recorded with the County Clerk as per Article V, § 5.2.5.
3. Final Development Plan for Phase I shall be submitted within a timely manner, meeting all criteria set forth in Article V, § 7, to be reviewed and approved administratively.

MR. LARRAÑAGA: Madam Chair, I stand for any questions.

CHAIR HOLIAN: Are there any questions for staff? Commissioner Stefanics.

COMMISSIONER STEFANICS: Thank you, Madam Chair and thank you, Mr. Larrañaga. Have you been the staff on this case along or did you pick this up in the second cycle?

MR. LARRAÑAGA: Madam Chair, Commissioner Stefanics, I've been the case manager on this case.

COMMISSIONER STEFANICS: For years.

MR. LARRAÑAGA: Well, not in 1995, but yes, when they got the notice of violation.

COMMISSIONER STEFANICS: Okay. Madam Chair, Mr. Larrañaga, could you comment on why the CDRC found in favor of the applicants?

MR. LARRAÑAGA: Madam Chair, Commissioner Stefanics, I believe the finding of the CDRC was that they didn't – it wasn't required that they prove water availability since they had, I believe proscriptive rights to the water, to 1.78 acre-feet from the State Engineer.

COMMISSIONER STEFANICS: So Madam Chair and Jose, if – in the new code, would this be approved? Or would this still be a big question?

MR. LARRAÑAGA: Madam Chair, Commissioner Stefanics, I believe either Steve Ross or Penny could answer that a lot better than I could.

COMMISSIONER STEFANICS: Okay. Penny, do you want to cover?

PENNY ELLIS-GREEN (Growth Management Director): Madam Chair, Commissioners, I have not reviewed the new code to see whether or not – or seen this project to see whether or not it would allow this and Steve may –

COMMISSIONER STEFANICS: Mr. Ross, do you know anything about it?

MR. ROSS: Madam Chair, Commissioner Stefanics, maybe I should run up there and get it. My memory is the whole community water system concept has not been perpetuated in the new code so there's obviously commercial uses, residential uses, as long as you establish that you have enough water in SDA 2 and 3 you're okay. But

maybe I should go up there and grab it because I can do that in a minute and you can proceed.

COMMISSIONER STEFANICS: Okay. Well, let me just go on with a couple other questions. So, Madam Chair, Jose or Karen, whoever wants to comment on this, it's because there was not a 100-year study done?

MR. LARRAÑAGA: Madam Chair, Commissioner Stefanics, yes. In the table under Section 7 any commercial development that comes in has to come in under a quarter acre-foot or prove water – have a water availability assessment done to prove the – to support the water use that they're proposing for 100 years.

COMMISSIONER STEFANICS: So what's the division, Madam Chair, between 100-year study and a 40-year study? Who qualifies for which one?

MR. LARRAÑAGA: Madam Chair, maybe Karen might have the answer to that one.

COMMISSIONER STEFANICS: Karen or Penny? Somebody.

KAREN TORRES (County Hydrologist): Madam Chair, Commissioner Stefanics, your question was the difference between a 40-year plan and a 100-year plan or 40-year availability of water?

COMMISSIONER STEFANICS: Availability. Who needs a 40-year? Who needs 100-year?

MS. TORRES: Okay. So for our code, 100-year supply is standard for folks that were outside of what used to be called the metropolitan area of the county. So really close to the city in certain areas required a 40-year water availability horizon. Outside of that it was 100 years, unless they were – the source of supply was a municipal water system, which required just a letter saying they were ready, willing, and able, and then a community water system, there is several different steps for water availability. It's not necessarily a 100-year supply in the first step. It's a demonstration of storage, water rights, those types of things.

COMMISSIONER STEFANICS: So, Madam Chair and Ms. Torres, except for the 100-year water availability, did the applicant meet other water requirements? In terms of storage and sustainability, etc.?

MS. TORRES: Well, the applicant didn't submit any information on the amount of storage that they have. This is a slightly unique situation where it is a commercial operation and many of the criteria associated with a community water system is really geared towards your standard of going to serve residences and commercial and have storage for fire and all those types of things. This is self-contained so they don't necessarily require fire protection for the bottling purposes. They may not have to have a water supply that meets a certain pressure and those types of things.

They do have sufficient water rights for what they are proposing. My review was primarily looking at that and they do have a water right that has been permitted exactly for this purpose for this business and it is in place and ready to go. Many times with different developments they have water rights. Maybe they own them. They don't necessarily have them permitted right there ready to go. So these are actually – this is a little bit unique because they are onsite, permitted, recognized by the state with a beneficial use.

COMMISSIONER STEFANICS: Thank you, Madam Chair. I might have questions later.

CHAIR HOLIAN: Any further questions for staff?
COMMISSIONER MAYFIELD: Madam Chair.
CHAIR HOLIAN: Commissioner Mayfield.
COMMISSIONER MAYFIELD: Madam Chair and staff, Mr. Larrañaga, in your presentation and you're summary, I'm going to go to, I guess, the second page of your summary. I'm going to go to the fifth paragraph down, as far as this well being registered as a commercial well, a 72-12-3 well with the State Engineer's Office. I know our attorney's out looking for something. But our code is currently not addressing I guess a commercial well through our variance process, as I understand it. But help me understand, I guess, this applicant. They're serving the community need though. Who's stopping by and getting water from them?

MR. LARRAÑAGA: Madam Chair, Commissioner Mayfield, where they do sell the water, they do have a self-serve where people drive up and pay, I guess, by coin, to their credit card, whatever, to get water. The code doesn't necessarily not address commercial wells. It's usually the projects – most of the projects that I take forward are using a well. Once it's residential and they zone it commercial then they will register it as a commercial well with the State Engineer. So this is rather unusual because it was already approved by the State Engineer as a commercial well.

COMMISSIONER MAYFIELD: So how did the applicant obtain the commercial well status?

MR. LARRAÑAGA: Madam Chair, Commissioner Mayfield, I believe he just went to – he didn't come to our department. He went straight to the State Engineer to register this well as a commercial well.

COMMISSIONER MAYFIELD: So then I would ask the applicant that question.

COMMISSIONER MAYFIELD: Mr. Siebert, I believe you've already been sworn in, so I think you can proceed.

MR. SIEBERT: All right. Madam Chair, I'll just put my name in for the record. Jim Siebert, 915 Mercer. I'm sorry. The question was –

COMMISSIONER MAYFIELD: Well, the applicant has a 72-12-3 well, a commercial well on this, on a residential piece of property. So did they go and ask for that from the State Engineer's Office or how did they get that permit?

MR. SIEBERT: It was something that they proved a beneficial use over a period of time with the State Engineer's Office and the State Engineer allocated 1.7 8 acre-feet of water. And as they continue, if they go beyond that they continue to apply for additional beneficial use from the State Engineer.

COMMISSIONER MAYFIELD: Thank you. So, Madam Chair, I guess for our County Attorney – well, I'll ask staff another question. Thank you. So back to staff. So again – or maybe this is for our applicant. So they're serving a community need, I take it the community residents out there stopping by, or who's stopping by to obtain water?

MR. LARRAÑAGA: Madam Chair, Commissioner Mayfield, yes, it's the community, people who want to buy potable or use their water are stopping by to buy the water.

COMMISSIONER MAYFIELD: Okay. So then can I assume maybe then other community residents aren't using their own water that they're entitled to at their residents, if they getting potable water from these individuals, the applicants?

MR. LARRAÑAGA: Madam Chair, Commissioner Mayfield, I don't know the answer to that. Maybe they just want to buy this bottled water just for drinking water.

COMMISSIONER MAYFIELD: Okay. Santa Fe County would have the closest water delivery system down on Highway 14 by I guess our Public Service – by our County jail? Would that be our closest water system to them? Santa Fe County, I guess there might be another water system by another provider closer, but Santa Fe County, if the residents from that area wanted water they would have to come there to get water?

MR. LARRAÑAGA: Madam Chair, Commissioner Mayfield, I believe you're correct, yes. Out on 14. It wouldn't be bottled, treated water, it would just be the water that we –

COMMISSIONER MAYFIELD: Okay. Let me ask a question for the County Attorney. Madam Chair, Mr. Ross, if an applicant goes to obtain a permit from the OSE, we don't know if they're obtaining a commercial well permit or a domestic well permit, regardless if they have, I guess, a home use business license from us? Would that be before they acquired that business license from us or subsequent to acquiring that business license from us?

MR. ROSS: Madam Chair, Commissioner Mayfield, you mean when they acquire the right from the OSE?

COMMISSIONER MAYFIELD: Yes, because in our new code – maybe that's what you went in to obtain, but what we're going through now is our home business license permitting. And again, we're doing all this with this bottled water, but we're going to have to address maybe how wells are being used also now that the subject's coming up. So if somebody goes and says, look, I have a home occupation license and I would like to obtain maybe a commercial well use, because I have a home occupation license from Santa Fe County, will the OSE recognize that this is maybe a commercial use and give them a commercial well permit?

MR. ROSS: Madam Chair, Commissioner Mayfield, yes, for what I call light commercial, the State Engineer readily gives permits for those rights of use.

COMMISSIONER MAYFIELD: And would that increase the .25 that Santa Fe County has put the limitations on?

MR. ROSS: Well, it takes it out of the residential context and into the commercial context. I think that's what you're asking.

COMMISSIONER MAYFIELD: So then we at Santa Fe County would just have to recognize that, that greater water consumption.

MR. ROSS: Well, Madam Chair, I don't know what the – the current code is very weak on the whole commercial zoning issue. So I don't know if it differentiates. Probably Penny would know the answer to that better than I would. I don't know that the current code differentiates between commercial and residential uses as well as it could. But for a commercial use, obviously a business like this whose actual business is water it wouldn't make any sense to have a quarter acre-foot limitation.

COMMISSIONER MAYFIELD: Right. And again, I know this is getting off the subject but that might be something else we have to address in our code now. That's all I have, Madam Chair. Thank you.

COMMISSIONER MAYFIELD: Okay. Jose, I have a question. My understanding is it's quite likely that this property might be incorporated into the Town of Edgewood in the future?

MR. LARRAÑAGA: Madam Chair, I believe that – maybe Steve can answer that, but there was the infill annexation that was appealed and was going to be heard and I don't know what the latest legal issue is with the infill annexation. I know Rachel, the Assistant County Attorney had kept up with this.

CHAIR HOLIAN: Steve?

MR. ROSS: Madam Chair, I think it's up on appeal, but if this is in that area I think the town intends to annex it. It's just a matter of doing it right so the courts are satisfied with it.

CHAIR HOLIAN: And if this property were annexed into the Town of Edgewood, the requirement for proving a 100-year water supply would not exist?

MR. ROSS: I guess there's a timing question there. If it got permitted as the application hopes it would go into the Town of Edgewood with those vested rights, and if it weren't permitted by that time they would have an opportunity to meet a wholly different set of requirements that would be under the Edgewood Town code. So it's a timing issue.

CHAIR HOLIAN: Okay. Thank you. Is there applicant here? Mr. Siebert. I believe you've been sworn in. Do you have a presentation for us?

MR. SIEBERT: Yes. Let me just state that if you take a look at the Sustainable Growth Management Plan today, one of the foundations of that plan is the exact business that you're considering tonight. This is a husband and wife, Diana and Leon Ricter, that began this business in 1995 and have grown it over the last 18 years. There was a question from Commissioner Mayfield as who do they serve? Well, they serve – and the Ricters will discuss this in their presentation, but they serve a pretty broad segment of the population there, and the reason is that there is a community water system provided by Edgewood, but the quality of that water is so bad that people don't drink it for domestic purposes. And they provide that kind of a product that's excellent drinking water to the community.

I'll let them discuss that some more. But Commissioner Stefanics was asking why did the Planning Commission approve this with this need for a variance. And the response is that one of the Commissioners, who is Frank Katz, who is an attorney and was City Attorney for several years, his understanding of the County code is that with a commercial water right, this is totally distinct from the 72-12-1 domestic well, a right granted by the State Engineer's Office, the variance really wasn't needed. And if you take a look at the minutes – I don't know if it's in the minutes but his opinion was that if it isn't granted, just to be on the safe side, but his opinion is it was really not warranted in the first place.

So I think that's the answer of how the commission decided on this particular case. I'm going to give you a little background, and hopefully somebody is in side that cubicle. The Ricters have prepared a power point that we have sent to the County and they were going to play it tonight. Last time I looked I didn't see anybody in that cubicle.

COMMISSIONER MAYFIELD: They're there.

MR. SIEBERT: Right. Let me give you a little background and they the Ricters are going to do a presentation. This is State Road 333, the old Route 66. None of these areas have been annexed currently and so for those of you who may not have the background on this whole annexation issue is that they were included in the infill annexation. Under the town's regulations they would have been a permitted use. That would have been the end of it. They wouldn't have had to spend the thousands of dollars that they've had to spend to get this point today.

Some of the activities that are surrounding them, this is a sand and gravel operation here, commercial – various commercial uses along the highway. Duke's raspberry farm here. That's not too different, it's kind of a mom and pop operation. Self-storage units. So then they're surrounded pretty much by vacant land.

They are located off the road. They're bottling operation takes place here. The do distribution by truck and van to the various clients within the community. And I think I'll let the – maybe we could start the power point presentation now. I'll let the Ricters do that. Thank you.

CHAIR HOLIAN: Okay. Mr. and Ms. Ricter, would you like to come forward? And I believe you need to be sworn in. And state your name for the record. Our County Clerk is here. I believe she does the swearing in.

MS. SALAZAR: Thank you. We had a medical emergency with one of my staff, so excuse me. Please state your name for the record.

[Duly sworn, Diana Ricter testified as follows:]

DIANA RICTER: Greetings to all County Commissioners and County staff. Thank you for your support and attention. The business you are dealing with tonight is our livelihood and sole means of support and has been since we started business 18 years ago. Leon and I started Windmill Water in 1995 and our sample bottles hit the streets in October of 1996. We began by canvassing homes door to door in Albuquerque by leaving our half-gallon returnable bottle with a brochure at each doorstep. Two days later we'd return to pick up the bottle and hopefully a new customer order, and so began the process of establishing our delivery routes.

Our children were in second grade and kindergarten when we started the business. They're first question off the school bus most days was do we have to bottle today? Every Saturday was spent doing bottle drops. Their days off school were spent in a delivery truck with us. We worked this way until the tragedy of 9/11. Then people were afraid to drink something left on their doorstep. So Leon began canvassing with a free case offer, knocking on doors and offering to leave a trial case for two weeks. This continued until our delivery routes were established.

We have always proposed to do everything right and to comply with all regulations. It was not and is not our intent to avoid complying with Santa Fe County. However, we've been between a rock and a hard place. The County of Santa Fe and being annexed into the Town of Edgewood, and making the best decisions in these very tough economic times when business is decreasing and attempting to conserve the few dollars a small business has. We just have a little presentation to show you our business and what we do.

[Previously sworn, Leon Ricter testified as follows:]

LEON RICTER: Our family then – we started – you can see the kids sleeping in the route truck. The truck is full of half-gallon case water. And then we could place in the state fair trades about 1997 as a young family. This is our family today – a daughter at school at A & M in Corpus this December, and a son and family and wife in up in Williston, North Dakota, visiting our bottling plant recently.

Our products consist of our five-gallon bottles, no-spill water guard, three-gallon, and then our signature half-gallon cases, all purified by reverse osmosis.

This is the day our bottles hit the streets in Albuquerque, October of 1996, dropping sample bottles. That's the first truck we had then too. This is the inside of our bottling plant where that machine there is a 1954 milk filler from Wisconsin where I'm from originally, and it fills our half-gallon bottles and caps them. My son and myself getting new customers. This was a way of life, starting our business on Saturdays. A little progress – we bought an old Frito-Lay potato chip truck and the late Ross Wood added our graphics to his truck. And that was our first big delivery truck, if you want to call it big.

The topics of myself and my daughter Leanne are working with myself and Collin with us on the bottom there. That's our self-serve water machine where people come up 24 hours a day, seven days a week. It was a grand opening where, like Mr. Siebert explained, the water in the area is not is not so favorable, and so we have a purified bottled water plant where the water is purified and then people can drink, reverse osmosis the native water.

Here is our first – the lease of used equipment allowed us to load by forklift, not back lift and to load racks of three- and five-gallon bottles. We purchased a used delivery truck. That picture on the bottom there is our first delivery truck that we used. A little participation in community events. We favor that Bikes Across America, honoring 9/11 victims and with activities that we got to participate in, were invited at on the left side.

We try to employ local high school students as a grooming for life, and that's one thing I really enjoy doing because I see a lot of myself there. If I can help high school kids get a little bit of work ethic, a lot of great joy for us. We recycle and reuse all cardboard, plastics and aluminum. We reuse all half-gallon, three-gallon and five-gallon bottles [[sanitized and reused. The rinse water in the half-gallon and five-gallon bottlers is saved and reused for the next wash cycle.

This is our home we purchased in 1992. That's our current bottling on the upper left. Our current self-serve on the upper right. Our office on the lower right, and then our water delivery truck on the lower left.

Here's a few quotes from our customers. Our hardworking professionals who regularly give back to our community, both of them left well paying jobs to start this small business. Our community has benefited in several ways by having their business here. Not only is the water a benefit but the service, their involvement in the community, and the honesty are all benefits. These are hardworking folks with good morals, ethics, strong values that the parents, Leon and Diana, have passed on to their children. They have been fine citizens, neighbors, good stewards of the land and their property. Leon and Diana have been neighbors for 18+ years. They are conscientious business owners and operators. They are fair, ethical and a credit to our community. Their operations have never imposed any hardship on our neighborhood. It is a quiet, clean business. Over the

years I have not observed an increase in activities, so if they qualify for a home business occupation use permit from Santa Fe County they should still be classified that way.

Quotes from our employees: In this world of corrupt, dishonest, unethical and shoddy business practices, it is truly heartwarming to know that one business that holds to the highest of ethics practices honesty on a daily basis. I never had to wonder if what I was asked to do was dishonest, illegal, or unethical. This is a business run by honest, moral people. And the last – thank you guys for everything you have done for me, for giving me my first job. Thanks for helping me mature and grow into the high school graduate that I am today.

Why are we here today? We operated since inception in 1995 under home occupation and business license. We were annexed into the Town of Edgewood as a part of infill annexation. With the town's legal battle with the Municipal Boundaries Commission currently at the Supreme County. Santa Fe County master plan zoning versus variance to operate as we have been. And we're all familiar with the in and outs of the annexation, with the infill project that is going on currently.

The last, we've got three choices in life: Give up, give in, or give it all you've got, and that's why we are here. Thank you.

CHAIR HOLIAN: Thank you, Mr. and Mrs. Ricter. Are there any questions for the applicant? Okay. This is a public hearing. Is there anyone here who would like to speak on this case, either in favor or in opposition? Seeing none, the public hearing is closed. Are there any more questions for staff or the applicant? Commissioner Anaya.

COMMISSIONER ANAYA: Madam Chair, I appreciate the presentation. There's definitely a supply-demand associated with the business. I don't believe that the Ricters or anybody else should have to apologize for being successful. I think they've worked hard with their home occupation, they've evolved and they're doing well. I think that's something that needs to be clearly stated. They're doing well, and that's a good thing. Product, professionalism, service, supply and demand. All those boxes get checked off. A lot of other additional ones that deal with family and perseverance and hard work and other lessons, but I think those speak for themselves. I would move for approval with staff conditions.

COMMISSIONER MAYFIELD: Second, Madam Chair.

CHAIR HOLIAN: Okay. I have a motion and a second for approval of CDRC Case V/Z/PDP 13-5080, Windmill Water Variance Master Plan and Preliminary Development Plan. Is there any further discussion. With staff conditions.

The motion passed by unanimous [5-0] voice vote.

CHAIR HOLIAN: Thank you, Mr. and Mrs. Ricter, and thank you for all you do for your community. Clearly it's very valued.

COMMISSIONER STEFANICS: Madam Chair.

CHAIR HOLIAN: Commissioner Stefanics.

COMMISSIONER STEFANICS: I'd like to make a generalized comment, and this is about the code coming up. I hope we will have a distinction in there about commercial versus domestic, because I think that is where my decision fell on that issue. Thank you very much.

Daniel "Danny" Mayfield
Commissioner, District 1

Miguel M. Chavez
Commissioner, District 2

Robert A. Anaya
Commissioner, District 3

Kathy Holian
Commissioner, District 4

Liz Stefanics
Commissioner, District 5

Katherine Miller
County Manager

CDRC CASE# Z/S 12-5450 CIELO COLORADO SUBDIVISION
CIELO COLORADO, LLC, APPLICANT

ORDER

THIS MATTER came before the Board of County Commissioners (hereinafter referred to as "the BCC") for hearing on September 10, 2013, on the Application of Cielo Colorado, LLC (hereinafter referred to as "the Applicant") for Master Plan Zoning approval for a 24-lot residential subdivision on 246.30 acres ± within Tract 15A-2 of the Eldorado at Santa Fe Subdivision. The BCC, having reviewed the Application and supplemental materials, staff report and having conducted a public hearing on the request, finds that the Application is well-taken and should be granted, and makes the following findings of fact and conclusions of law:

1. The Applicant requests Master Plan Zoning to allow a 24-lot residential subdivision on 246.30 acres ± within Tract 15A-2 of the Eldorado at Santa Fe Subdivision.

2. The property is located on the east side of US 285, off Camino Acote, within Sections 21 & 22, Township 15 North, Range 10 East, Commission District 4.

3. On July 18, 2013, the County Development Review Committee (CDRC) met and acted on this case. The decision of the CDRC was to recommend approval of the Applicant's request for Master Plan Zoning for a 24-lot residential subdivision. The CDRC also approved two cul-de-sacs (Dead End Roads) to exceed 500 feet in length.

4. Tract 15 A-2 was created as part of the Eldorado at Santa Fe Subdivision. A Master Plan for Cielo Colorado was approved by the Board of County Commissioners in 1995. The Master Plan included 91 lots with an average density of 3.79 acres on 344.58 acres, 25 of the 91 proposed lots were platted in 1995. An amended Master Plan, recorded in 2000, eliminated 4 lots totaling 12.5 acres. In 2002, the Master Plan was vacated to allow the platting of larger lots at the east end of Tract 15A-2. This Application for Master Plan includes the remainder of the property that has not been platted within Tract 15A-2.

5. The Applicant requested Master Plan Zoning pursuant to Article V, § 5.2.1.b which states: "a Master Plan is comprehensive in establishing the scope of a project, yet is less detailed than a Development Plan. It provides a means for the County Development Review Committee and the Board to review projects and the sub-divider to obtain concept approval for proposed development without the necessity of expending large sums of money for the submittals required for a Preliminary and Final Plat approval".

6. The Application is comprehensive in establishing the scope of the project.

7. The review comments from State Agencies and County staff establish that this Master Plan Application is in compliance with State requirements, Ordinance No. 2005-8 (US 285 South Highway Corridor Zoning District) and Article V, § 5, Master Plan Procedures of the Land Development Code.

8. Jim Seibert Agent for the Applicant testified in support of the Application.

9. No members of the public testified in opposition to the Application.

10. Staff recommended the following conditions for approval of the Application:

a) Master Plan with appropriate signatures, shall be recorded with the County Clerk, per Article V, § 5.2.5.

b) The Applicant shall address the requirement for all weather access on Camino Acote with the Preliminary Development Plan.

c) A detailed water budget and water restrictive covenants shall be submitted prior to Preliminary Development Plan.

d) An analysis of appropriate liquid waste disposal setback shall be required for the first sustainable phase of this development prior to Preliminary Development Plan.

11. After conducting a public hearing on the request and having heard from the Applicant and the public, the Board of County Commissioners hereby finds that the Application for Master Plan Zoning to allow a 24-lot residential subdivision on 246.30 acres should be approved conditioned on the Applicant complying with Staff conditions.

IT IS THEREFORE ORDERED that the Application is approved, and the Applicant is granted Master Plan Zoning to allow a 24-lot residential subdivision on 246.30 acres within Tract 15A-2 of the Eldorado at Santa Fe Subdivision, subject to the conditions set forth in paragraph 10 above.

I certify that the Application was approved by the Board of County Commissioners on this

_____ day of _____, 2013.

The Board of County Commissioners of Santa Fe County

By: _____
Kathy Holian, Chairperson

Attest:

_____
Geraldine Salazar, County Clerk

Approved As To Form:

_____
Stephen C. Ross, County Attorney

XVIII. B. 2. <u>CDRC Case # Z/S 12-5450 Cielo Colorado Subdivision</u>. Cielo Colorado, LLC, Applicant, Jim Siebert, Agent, Requests Master Plan Zoning Approval for a 24-Lot Residential Subdivision on 246.30 Acres + within Tract 15A-2 of the Eldorado at Santa Fe Subdivision. The Property is Located on the East Side of US 285, Off Camino Acote, within Sections 21 & 22, Township 15 North, Range 10 East (Commission District 4)

JOSE E. LARRAÑAGA (Case Manager): Thank you, Madam Chair. On February 21, 2013, the County Development Review Committee met and acted on this case. The decision of the CDRC was to table this case so that the Applicant could have further conversations with the community. The Applicant has had several meetings with the community and as a result has amended the Master Plan submittal to accommodate the concerns of the adjoining property owners.

On July 18, 2013, the County Development Review Committee met and acted on this case. The decision of the CDRC was to recommend approval of the Applicant's request for Master Plan Zoning for a 24-lot residential subdivision. The CDRC also approved two cul-de-sacs to exceed 500 feet in length.

In the original Master Plan Zoning Application the Applicant requested a 67-lot residential subdivision with the lot sizes ranging between 2.50 and 7.29 acres on 257.16 acres. The proposed subdivision would have been developed in nine phases over a nine-year period with an anticipated start date of 2015.

The Applicant is now requesting Master Plan Zoning for a 24-lot residential subdivision with the lot size ranging in size between 2.54 and 16.16 acres on 246.30 acres. The proposed subdivision will be developed in four phases over an eight-year period with an anticipated start date of 2014.

Tract 15 A-2 was created as part of the Eldorado at Santa Fe Subdivision. A Master Plan for Cielo Colorado was approved by the Board of County Commissioners in 1995. The Master Plan included 91 lots with an average density of 3.79 acres on 344.58 acres. 25 of the 91 proposed lots were platted in 1995. An amended Master Plan, recorded in 2000, eliminated four lots totaling 12.5 acres. In 2002, the Master Plan was vacated to allow the platting of larger lots at the east end of Tract 15A-2. This Application for Master Plan includes the remainder of the property that has not been platted within Tract 15A-2.

Building and Development Services staff has reviewed this project for compliance with pertinent Code requirements and has found that the following facts presented support the request for Master Plan Zoning: the Application is comprehensive in establishing the scope of the project; the review comments from State Agencies and County staff has established that this Application for Master Plan, is in compliance with State requirements, Ordinance No. 2005-8 and Article V, Section 5, Master Plan Procedures, of the Land Development Code.

Staff recommendation is for approval for Master Plan Zoning for a 24-lot residential subdivision on ±246.30 Acres within Tract 15A-2 of the Eldorado at Santa Fe Subdivision subject to the following conditions. Madam Chair, may I enter these conditions into the record?

[The conditions are as follows:]

1. Master Plan with appropriate signatures shall be recorded with the County Clerk, as per Article V, § 5.2.5.
2. The Applicant shall address the requirement for all weather access on Camino Acote with the Prelirninary Development Plan.
3. A detailed water budget and water restrictive covenants shall be submitted prior to Prelirninary Development Plan.
4. An analysis of appropriate liquid waste disposal setback shall be required for the first sustainable phase of this development prior to Preliminary Development Plan.

MR. LARRAÑAGA: Madam Chair, I stand for any questions.

CHAIR HOLIAN: Are there any questions for staff? Seeing none, is the applicant here? Will you please be sworn in?

[Duly sworn, Jim Siebert testified as follows:]

JIM SIEBERT: Madam Chair, my name is Jim Siebert. My address is 915 Mercer. Let me first say that we began with 67 lots and faced a considerable amount of neighborhood opposition and what you have before you tonight is really kind of the culmination of about six different neighborhood meetings that we've worked on this project.

But let me give you a little background on this. This is Lot 15 in the Eldorado Subdivision which is this kind of area here. The area outlined in black is the area that we're proposing for the subdivision. The area in red is actually the area that has a paved road and utilities in it. This area right here is the first subdivision that took place within Lot 15. There are 25 2 ½-acre lots and all utilities including Eldorado water are already within the area outlined in the red.

This is the subdivision. The entry off 285 – we've met with the neighbors here to make sure that they're in agreement with the lot layout. We had originally 14 lots at the entry that didn't seem to fly. We're down to two now, and a large area that will remain as common open space for the entire development. There is very little new construction that needs to take place. The distance from the road to the end of the cul-de-sac here will be new construction. This cul-de-sac here would be new construction and the lots as laid out can be served off the existing roadways and existing utilities.

In all, we're in agreement with conditions as stated by staff and I'll answer any questions you may have.

CHAIR HOLIAN: Thank you, Mr. Siebert. Are there any questions for Mr. Siebert? Seeing none, this is a public hearing. Is there anyone here from the public who would like to speak about this case, either in favor or in opposition? Seeing none, the public hearing is closed. Are there any questions for either the staff or Mr. Siebert?

COMMISSIONER MAYFIELD: Madam Chair.

CHAIR HOLIAN: Yes, Commissioner Mayfield.

COMMISSIONER MAYFIELD: Madam Chair, Mr. Siebert, I do have a question now on the archaeological zone. So as far as water and it will be serviced by the Eldorado water utility?

MR. SIEBERT: That's correct.

COMMISSIONER MAYFIELD: And staff – a question for staff now, please. Based on the diagram all the infrastructure is already there for the water utility hookups?

MR. LARRAÑAGA: Madam Chair, Commissioner Mayfield, they will have to extend some of the waterlines and of course improve the extended roads and the roadways, but yes, the infrastructure is already in, and there are some fire hydrants in please.

COMMISSIONER MAYFIELD: Okay. And there's no issues with low water pressure or anything else with that system out there?

MR. LARRAÑAGA: Madam Chair, Commissioner Mayfield, not that I am aware of.

COMMISSIONER MAYFIELD: Okay. Thank you. That's all I have, Madam Chair.

CHAIR HOLIAN: Are there any further questions? What are the wishes of the Board? Commissioner Chavez.

COMMISSIONER STEFANICS: Madam Chair.

CHAIR HOLIAN: Yes.

COMMISSIONER STEFANICS: I'll move for approval with staff conditions.

COMMISSIONER CHAVEZ: Second.

CHAIR HOLIAN: Okay. I have a motion and a second for approval of CDRC Case Z/S 12-5450, Cielo Colorado Subdivision with staff conditions.

The motion passed by unanimous [5-0] voice vote.

COMMISSIONER CHAVEZ: I have a follow-up question, Madam Chair, for staff.

CHAIR HOLIAN: Yes.

COMMISSIONER CHAVEZ: For staff. Are these conditions of approval, are they recorded anywhere on the plat or how are they documented, Mr. Larrañaga?

MR. LARRAÑAGA: Madam Chair, Commissioner Chavez, they are documented on the final order, of course which is the final decision and then the follow-up would be getting the master plan recorded with the proper signatures and so on.

COMMISSIONER CHAVEZ: Got it. Okay. That was really more for my clarification but I wanted just to be sure that we were tracking that. Thank you, Madam Chair.

XVIII. B. 3. **CDRC Case # V/Z/PDP 13-5080 Windmill Water Variance, Master Plan & Preliminary Development Plan. Diana & Leon Ricter, Applicants, Jim Siebert, Agent, Request Master Plan Zoning & Preliminary Development Plan Approval to Allow a Small Scale Commercial Use Consisting of a Domestic Water Supply Service. This Request Includes a Variance of Article Vii, Section 6.4.1d (Requirements for Water Availability Assessments). The Applicant Also Requests That Final Development Plan Be Approved Administratively. The**

Daniel "Danny" Mayfield
Commissioner, District 1

Miguel Chavez
Commissioner, District 2

Robert A. Anaya
Commissioner, District 3

Kathy Holian
Commissioner, District 4

Liz Stefanics
Commissioner, District 5

Katherine Miller
County Manager

MEMORANDUM

To: Santa Fe County Board of County Commissioners

From: Teresa C. Martinez, Finance Division Director

Via: Katherine Miller, County Manager

Date: October 15, 2013

Re: **Request Authorization Of The Use Of District 4 Capital Funds, Per Capital Outlay Policy, Allocating Up To $10,000 For Infrastructure Improvements to Canoncito At Apache Canyon Mutual Domestic Water Consumers Association. (Finance/Teresa Martinez)**

BACKGROUND

The Board of County Commissioners previously reviewed and approved the Capital Improvement Plan. The Plan allocated $200,000 to each commission district to be used for capital projects within each respective district.

ISSUE

In FY 2014, the funds were directly budgeted into a unique cost center for each commission district. The budget established includes the annual allocation of $200,000 and the carryover of any unspent funds from the previous fiscal year. The Finance Division will continue to maintain a separate spreadsheet that details each capital project by commission district.

SUMMARY

The finance division requests BCC approval for the use of up to $10,000 for well improvements to the Canoncito at Apache Canyon Mutual Domestic Water Consumers Association. The recommended use of $10,000 is in conformance with the County's Resolution 2012-58, which articulates county policy regarding funding requests from private, quasi-private, quasi-public, or public water and waste water systems.

Daniel "Danny" Mayfield
Commissioner, District 1

Miguel Chavez
Commissioner, District 2

Robert A. Anaya
Commissioner, District 3

Kathy Holian
Commissioner, District 4

Liz Stefanics
Commissioner, District 5

Katherine Miller
County Manager

MEMORANDUM

To: Santa Fe County Board of County Commissioners

From: Teresa C. Martinez, Finance Division Director

Via: Katherine Miller, County Manager

Date: October 15, 2013

Re: **Request Authorization Of The Use Of District 4 Capital Funds, Per Capital Outlay Policy, Allocating Up To $10,000 For An Assessment And Preliminary Schematic Of A Proposed Animal Holding And Care Facility. (Finance/Teresa Martinez)**

BACKGROUND

The Board of County Commissioners previously reviewed and approved the Capital Improvement Plan. The Plan allocated $200,000 to each commission district to be used for capital projects within each respective district.

ISSUE

The Public Works Department in cooperation with the Sheriff's Office and Public Safety Department are exploring the feasibility and cost versus benefit of constructing an animal holding/care facility and operating it as a therapeutic and vocational program for inmates at the Adult Detention Facility. Animals impounded by the Sheriff's Animal Control Division as well as those held in animal hoarding cases would be housed in the proposed facility. Inmates from the Adult Detention Facility would be exposed to and trained in the area of animal handling and care. The facility that currently provides animal holding and care services has stated they are no longer able to care for animals held in animal hoarding cases, thus Santa Fe County must consider this option.

In FY 2014, the funds were directly budgeted into a unique cost center for each commission district. The budget established includes the annual allocation of $200,000 and the carryover of any unspent funds from the previous fiscal year. The Finance Division will continue to maintain a separate spreadsheet that details each capital project by commission district.

SUMMARY

The finance division requests BCC approval for the use of up to $10,000 from District 4 capital funds for an assessment and preliminary schematic of a proposed animal holding and care facility.

Daniel "Danny" Mayfield
Commissioner, District 1

Miguel Chavez
Commissioner, District 2

Robert A. Anaya
Commissioner, District 3

Kathy Holian
Commissioner, District 4

Liz Stefanics
Commissioner, District 5

Katherine Miller
County Manager

MEMORANDUM

To: Santa Fe County Board of County Commissioners

From: Teresa C. Martinez, Finance Division Director

Via: Katherine Miller, County Manager

Date: October 15, 2013

Re: **Request Authorization Of The Use Of District 4 Capital Funds, Per Capital Outlay Policy, Allocating $260,000 To Extend The Design Services For The Old Santa Fe Trail Multimodal Project From Mt. Cloud Zen To Zia Road Within The City Limits. (Finance/Teresa Martinez)**

BACKGROUND

The Board of County Commissioners previously reviewed and approved the Capital Improvement Plan. The Plan allocated $200,000 to each commission district to be used for capital projects within each respective district.

ISSUE

In FY 2014, the funds were directly budgeted into a unique cost center for each commission district. The budget established includes the annual allocation of $200,000 and the carryover of any unspent funds from the previous fiscal year. The Finance Division will continue to maintain a separate spreadsheet that details each capital project by commission district.

SUMMARY

Santa Fe County has hired a contractor to design multimodal access along Old Santa Fe Trail from Mt. Cloud Zen to the intersection of El Gancho Way and Old Las Vegas Highway. The project is currently .82 miles in length and is 95% complete. The City of Santa Fe has expressed interest in extending the multimodal lane from where the County project ends at Mt. Cloud Zen northward to Zia Road within the city limits. This is approximately an additional 1.1 miles in length. To extend the scope of the design is estimated to cost $260,000.

Daniel "Danny" Mayfield
Commissioner, District 1

Miguel M. Chavez
Commissioner, District 2

Robert A. Anaya
Commissioner, District 3

Kathy Holian
Commissioner, District 4

Liz Stefanics
Commissioner, District 5

Katherine Miller
County Manager

MEMORANDUM

DATE: *October 15, 2013*

TO: *Board of County Commissioners*

FROM: *Adam Leigland, Public Works Department Director*

VIA: *Katherine Miller, County Manager*

ITEM AND ISSUE: *BCC Meeting October 29, 2013*

REQUEST APPROVAL TO LEASE THE "OLD" EDGEWOOD FIRE STATION NUMBER 1 EASTERN BUILDINGS TO THE TOWN OF EDGEWOOD FOR TOWN POLICE CHIEF, ANIMAL CONTROL AND STAFF USE IN THE AMOUNT OF ONE DOLLAR PER YEAR ($1.00/YR) AND GRANTING AUTHORITY TO THE SANTA FE COUNTY MANAGER TO SIGN AND EXECUTE SAID LEASE CONTINGENT UPON COMPLIANCE AND COMPLETION TO LEGAL FORM OF THE LEASE DOCUMENT.

Issue:

The Santa Fe County Public Works Department and the Town of Edgewood are interested in entering into a two (2) year lease agreement for the recently vacated Old Edgewood Fire Station Number 1 located at 25 East Frontage Road in Edgewood, NM.

Background:

Santa Fe County and The Public Works Department recently completed the construction of the new Santa Fe County Edgewood Fire Station Number 1 at 1 Municipal Way in the Town of Edgewood. Completion of this new fire station results in the vacancy of the "old" Edgewood Fire Station Number 1. The Town of Edgewood has identified a need and use of the Fire Station for their Police Department and Animal Control Division. There is currently no identified use for the facility by the County and it would be in the best interest for the County to have the building occupied in order to limit any liabilities and/or risks associated with a vacant building.

Currently the lease document will require additional language to address certain restrictions associated with the Property Deed and is not yet completed.

Action Requested:

Public Works Department together with the Purchasing Division requests the Board of County Commissioner's approval to lease the two eastern buildings of the Old Edgewood Fire Station Number 1 at 25 East Frontage Road to the Town of Edgewood and to grant authorization to the County Manager to execute the lease agreement with the Town of Edgewood once the lease document is completed.

Daniel "Danny" Mayfield
Commissioner, District 1

Virginia Vigil
Commissioner, District 2

Robert A. Anaya
Commissioner, District 3

Kathy Holian
Commissioner, District 4

Liz Stefanics
Commissioner, District 5

Katherine Miller
County Manager

MEMORANDUM

DATE: *October 15, 2013*

TO: *Board of County Commissioners*

FROM: *Adam Leigland, Public Works Department Director*

VIA: *Katherine Miller, County Manager*

ITEM AND ISSUE: *BCC Meeting October 29, 2013*
REQUEST APPROVAL OF AMENDMENT NO. 2 TO SFC LEASE AGREEMENT #2010-0174-CSD/MS WITH S&G LAND & CATTLE COMPANY FOR AGRICULTURAL FARM LEASE IN THE AMOUNT OF $90,000.00

Issue:

The Projects Facilities & Open Space Division request approval of Amendment No. 2 to the Lease Agreement with S&G Land and Cattle Company for an Agriculture Farm Lease for the Top of the World Farm.

Background:

In March 2010, Santa Fe County solicited for the first half of the Top of the World Agriculture Lease under RFP #2010-0174-CSD/MS. This lease consisted of 1,700 acres that contained six (6) pivotal irrigated fields that were planted with organic alfalfa hay. The irrigated fields totaled approximately 720 acres and the other remaining 980 acres consist of dry-land pasture. An independent appraisal valued this portion of the property at $87,500.00 per year. The current lease is with S&G Land and Cattle for an annual rent of $90,000.00 with an expiration of December 31, 2013, and allowed for two, one-year extensions. This lease cannot be extended beyond December 31, 2015.

Action Requested:

The Procurement Division requests authorization to enter into Amendment No. 2 of the Agriculture Lease for Top of the World Farm #2010-0174-CSD/MS with S&G Land and Cattle for a yearly lease amount of $90,000.

AMENDMENT NO. 2
TO LEASE AGREEMENT
BETWEEN SANTA FE COUNTY AND
S & G LAND & CATTLE COMPANY
FOR AGRICULTURAL LEASE

THIS AMENDMENT is made and entered into as of this ___ day of _____, 2013 by and between **Santa Fe County**, a political subdivision of the State of New Mexico (hereinafter "Lessor"), and **S & G Land & Cattle Company**, Ronnie C. Salazar, sole proprietor (hereinafter "Lessee"), whose address is 58 County Road 11, Espanola, New Mexico 87532.

WHEREAS, in May 2010, Lessor entered into Lease Agreement No. 2010-0174-CSD/MS (hereinafter "Lease Agreement") with Lessee for the purpose of Lessee's lease of a farm belonging to the Lessor Santa Fe County, to operate an agricultural farm known as the "Top of the World Farm;"

WHEREAS, under the Lease Agreement the Lessee agreed to occupy and use for agricultural farming and other agricultural purposes approximately 1,700 acres of land owned by Lessor located in Taos County, New Mexico, which includes 6 center pivot irrigated fields planted in organic alfalfa and/or grass hay with the irrigated fields totaling approximately 720 acres and approximately 980 acres of dry-land pasture;

WHEREAS, the Lease Agreement was approved by Lessor on May 21, 2010 and the term of the Lease Agreement is two (2) years and nine (9) months;

WHEREAS, the Lease Agreement expires December 31, 2012;

WHEREAS, by Amendment No. 1 approved by the Lessor on November 27, 2012, the term of the Lease Agreement was extended for one (1) year to December 31, 2013 and a provision requiring the Lessee to prevent depredation by wildlife was added to the Agreement;

WHEREAS, Paragraph 2.C (added by Amendment No. 1) of the Lease Agreement permits the Lessee and Lessor to extend the term of the Lease Agreement prior to the expiration of the Lease Term;

WHEREAS, the Lessee has made a timely request for an extension and the parties desire amend the Lease to extend the term of the Lease for one (1) year to December 31, 2014.

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. Paragraph 2 (General Requirements), subparagraph "C" (added by Amendment No. 1) is amended by inserting a subparagraph "1" to read as follows:

   1. Pursuant to Amendment No. 2, the term of this Lease Agreement is extended to December 31, 2014. Lessee shall submit evidence of insurance for the period of this term extension. Lessee has one (1) remaining one-year

extension available to extend the term of this Lease Agreement, such extension not-to-exceed beyond December 31, 2015.

2. Paragraph 2 (General Requirements), subparagraph "B. Amendments" through "U. Prevention of wildlife depredation" are re-designated as subparagraphs "D" through "W."

3. All other provisions of Lease Agreement No. 2010-0174-CSD/MS (as amended by Amendment No. 1), not amended or modified by this Amendment No. 2, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Amendment No. 2 as of the date first written above.

SANTA FE COUNTY BOARD OF COUNTY COMMISSIONERS

_____ _____
Kathleen S. Holian, Chair Date

ATTEST:

_____ _____
Geraldine Salazar, Santa Fe County Clerk Date

APPROVED AS TO FORM:

_____ 10/1/13
Stephen C. Ross Date
Santa Fe County Attorney

FINANCE DEPARTMENT APPROVAL:

_____ _____
Teresa C. Martinez Date
Santa Fe County Finance Director

S & G Land and Cattle Company

Ronnie C. Salazar 10/15/13
Ronnie C. Salazar, President Date

LEASE AGREEMENT
WITH S&G LAND AND CATTLE COMPANY FOR
AGRICULTURAL FARM LEASE

THIS LEASE AGREEMENT, hereinafter referred to as "the Agreement," is made and entered into on this 21st day of May, 2010 by and between Santa Fe County, New Mexico, a political subdivision of the State of New Mexico, hereinafter referred to as the "Lessor" and S&G Land & Cattle Company, Ronnie C. Salazar, sole proprietor whose address is 58 County Road 111, Espanola, NM 87532, hereinafter referred to as the "Lessee".

1. Property Description

The Lessor hereby leases to the Lessee, to occupy and use for agricultural farming and /or other bona fide agricultural uses, certain property owned by Santa Fe County, totaling approximately 1,700 acres, as described on Exhibit "A" attached hereto, located in Taos County, New Mexico, including six (6) center pivot irrigated fields currently planted in organic alfalfa and/or grass hay; with the irrigated fields totaling approximately 720 acres and approximately 980 acres of dry-land pasture; hereinafter referred to as "the Property."

2. General Requirements.

A. Term. Subject to Section 13 hereof, this Agreement shall, become effective upon the date approved by the Lessor and shall be in effect for two (2) years and nine (9) months beginning on the date of signature of a completed Agreement by Lessor and provision of required insurance certificates by Lessee. The first term of the agreement is for a pro-rated term of nine months ending December 31, 2010. Subsequent years will include a full 12 months and incorporate the full annualized rent. The Lessee may request Lessor extend it for three (3) additional years, in one (1) year increments; provided, such extension shall be at the discretion of the Lessor. Lessee must request any extension of this Agreement in writing no less than ninety days before the Agreement expires. This Agreement may be terminated by Lessor at anytime upon thirty (30) days written notice from Lessor to Lessee on account of a breach by Lessee of an obligation or condition of this Agreement that is not timely cured to the satisfaction of the Lessor.

This Agreement may also be terminated by Lessor at any time and without cause upon thirty (30) days written notice from Lessor to Lessee if Lessor determines in its discretion that it requires the Property or water wells used for irrigation purposes, or both, and in that event an adjustment in any paid rent shall be made and Lessor shall pay Lessee the fair market value of any then un-harvested growing crops located on irrigated fields and planted by Lessee during the current growing year only and upon such payment such un-harvested crops shall become the property of the Lessor.

B. Amendments. Amendments or alterations to this Agreement shall be in writing and shall be signed by both the Lessor and the Lessee. All amendments shall be submitted to the Board of Finance for approval.

C. No partnership intended. This Agreement shall not be deemed to be, nor intended to give rise to, a partnership relationship.

D. Right of entry. The Lessor, as well as its agents, officials and employees, shall have the right to enter the Property at any reasonable time to consult with the Lessee and make repairs, improvements, and inspections.

E. No right to sublease. The Lessee does not have permission to lease or sublet any part of the Property or to assign the Agreement to any person or persons whomever. Any sublease or assignment of the Agreement made without the consent of the Lessor shall be null and void and of no effect.

F. Binding on heirs. The provisions of this Agreement shall be binding upon the heirs, executors, administrators, and successors of both Lessor and Lessee in like manner as upon the original parties, except as provided by mutual written agreement.

G. Lessor's lien for rent and performance. The Lessor's lien provided by law on crops grown or growing shall, in addition to other remedies available to Lessor, serve as security for the rent herein specified and for the faithful performance of the terms of the Agreement. If the Lessee fails to pay the rent due or fails to perform the conditions of this Agreement, all costs and attorney fees of the Lessor in enforcing collection or performance shall be added to and become a part of the obligations payable by the Lessee hereunder.

H. As-is condition. The Lessee agrees to accept the Property for agricultural use in an "as is" condition. Any brush, stumps, debris, or depressions existing on the Property which may impede crop production or the Lessee's use of the Property shall be removed or repaired at Lessee's sole expense. The Lessor agrees to conduct an inspection of Lessor's existing mechanical equipment with the Lessee upon initial start-up of said equipment to determine any repairs or maintenance required from prior use. Lessor agrees to provide preventive maintenance, replacement or repair of any defective equipment mutually identified at initial start-up as promptly as possible. Lessee shall thereafter be responsible for maintenance of Lessor's equipment in accordance with Sections 3.C and 4.A of this Agreement.

I. Removal requirements. The Lessee shall be solely responsible for all harvesting operations and all costs associated therewith and for removal of all crops and livestock introduced on the Property pursuant to this Agreement upon expiration or termination of this Agreement.

J. Compliance with rules and regulations. The Lessee shall comply with all U.S.D.A and/or New Mexico Agriculture Department (N.M.A.D.) rules and regulations for the type of agricultural activities it conducts on the Property pursuant to the Agreement. Further, the Lessee shall comply with all N.M.A.D., N.M.E.D., and E.P.A. pesticide application laws, regulations, and requirements.

K. Water pumping. Lessee shall be responsible for pumping all irrigation water necessary for activities under this Agreement and all expenses associated therewith as authorized by this Agreement.

L. No interference with Lessor's activities. All Lessees' activities pursuant to this Agreement shall be performed in such manner as not to interfere with any activity which may be prescribed by the Lessor for the Property.

M. Equipment security and storage. Lessee shall be solely responsible for the safety and security of any and all equipment, including Lessor's equipment kept on the Property. The Lessor may designate an area within its property for use by the Lessee for equipment storage.

Storage of Lessee's equipment shall be at the Lessee's own risk and the Lessor does not warrant any care or security for said equipment nor shall Lessor be responsible for any loss or damage sustained by Lessee to its equipment.

N. Hazardous Waste. Lessee's activities shall not violate any federal, state or local environmental protection laws governing dumping or disposal of hazardous materials or wastes on the Property.

O. No warranty. Lessee shall provide no warranty or guarantee on behalf of the Lessor for any purposes as to quality or quantity of crops produced pursuant to this Agreement.

P. Licenses and Taxes. Lessee shall pay all license fees, taxes, and any other governmental charge required to comply with the terms of this Agreement.

Q. No hunting. Lessee shall have no hunting rights, nor shall Lessee allow any hunting, trapping, or recreational shooting of any type on the Property at any time.

R. Farm plan. Lessee shall provide to Lessor a written farm management plan and a list of any partners or proposed contractors for Lessor's approval no less than sixty (60) days prior to the start of farming operations each year this Agreement remains in effect

S. No trespass. Lessee shall secure the Property from unlawful trespass by third parties and shall maintain a physical presence on the Property at all times.

T. Improvements and maintenance. Lessee may make improvements to buildings, fences, or water systems Lessee deems necessary for its operations but at Lessee's own expense; provided, Lessor consents to such improvements; and provided further, such improvements shall not be removed from the Property upon termination or expiration of the Agreement. Lessee shall be responsible for providing all materials, labor and equipment necessary to make repairs and to maintain buildings, fences, water systems, and other facilities or equipment required as a result of ordinary wear and tear or damage resulting from Lessee's use, its employees, livestock or equipment. No expense shall be incurred on account of Lessor without first obtaining Lessor's written permission. The Lessee agrees not to take any action that might cause a mechanic's or other lien to be imposed upon the Property and agrees to indemnify the Lessor if actions taken by Lessee cause such a lien to be imposed.

3. Land Use

A. Allowed crops. Lessor shall cultivate organic alfalfa and/or grass hay on the approximately 720 acres described above. Lessor may utilize the leased property for grazing of livestock in numbers determined in accordance with accepted agricultural practices. If Lessee wishes to make an adjustment in the allowed crop, or to utilize the property for livestock grazing, then Lessee shall notify Lessor through the farm management plan described in Section 2.R. of this Agreement and obtain Lessor's written approval prior to implementation.

B. Use of accepted practices. Lessor shall till, fertilize, plant, irrigate, cultivate, harvest, or otherwise utilize the property in accordance with commonly accepted farming practices, in an acceptable agricultural-like manner which will not cause damage to, and will reasonably conserve the value and future use of, the Property.

C. Protection and maintenance. Lessee shall protect and maintain all utilities, irrigation systems, canals, fences, cross fences, corner stakes or line markers, rights-of-ways and improvements on the Property.

D. Crop residue. On the expiration or termination of the Agreement, Lessee shall transfer or remove any litter or debris created as a result of the Agreement and deliver possession of the Property to Lessor, in as good, or better, condition as when received, exclusive of acts of God.

E. Harvest and removal. Lessee shall harvest and remove all crop(s) in a timely manner, and if not harvested, Lessee shall use or plow-under all crop residues.

F. Prohibited crops and planting. Lessee shall not plant or attempt to produce any illegal or prohibited crops, nor shall Lessee plant trees or crops that will extend beyond one (1) growing season, excepting hay or forage crops. As a condition of the Agreement, Lessor reserves the right to disapprove certain types of agricultural crop production, or other proposed use, that may have a negative effect on public health or safety or will have a long term negative effects on the soil of the Property.

G. Care of existing plantings. Lessee shall take proper care of all permanent existing plantings such as trees, vines, and shrubs, and prevent injury to the same.

H. Garbage. Lessee shall keep the Property neat and orderly and remove any garbage or refuse generated by any items not involved in current farming operations.

I. Waste/loss. Lessee shall prevent all unnecessary waste, loss, or damage to the Property.

J. Pollution control. Lessee shall comply with all local, state and federal pollution control and environmental protection requirements and implement soil erosion control practices to comply with the soil loss standards mandated by local, state, and federal agencies.

K. Chemicals. Lessee shall use prudence and care in transporting, storing, handling, and applying all fertilizers, pesticides, herbicides, and other chemicals and similar substances; shall follow label instructions for the use of such materials in order to avoid injury or damages to persons or property or both on the Property and adjoining areas; and shall comply with state pesticide training, licensing, storage, and usage. Furthermore, Lessee shall not apply chemicals for weed or insect control or other use, when used, at levels exceeding the manufacturer's recommend for soil types and vegetation involved.

L. Report on chemical use. Lessee shall annually provide to the Lessor a written report indicating the product name, amount, date of application and location of application of all pesticides and fertilizers used on the farm along with original invoices signed by the Lessee's chemical and fertilizer vendor. The amounts which appear on the invoices must correspond to the amounts on the written reports.

M. Battery disposal. Lessee shall dispose of tractor, car, equipment, and truck batteries properly. No batteries shall be stored on the Property for more than four (4) months, and removed from the Property at the end of the Agreement.

N. Tire disposal. Lessee shall dispose of used tires properly. No used tires will be stored on the farm for more than four (4) months. And all shall be removed from the Property at the end of the Agreement.

O. NRCS and Farm Service Agency. The Lessee agrees to follow Natural Resource Conservation Service and Farm Service Agency recommendations and to maintain all other requirements necessary to qualify current and future operators on the Property to participate in federal farm programs.

P. Insurance. Lessee shall furnish the Lessor with a certificate of insurance coverage showing insurance in the amounts specified by Section 8 of this Agreement and shall give immediate notice of any cancellation or termination of coverage. For the term of the Agreement, Lessee agrees that all applicable insurance policies shall name the Lessor as an additional insured entitled to receive notice of any cancellation or termination of coverage. Lessee shall maintain insurance with a carrier acceptable to the Lessor that insures Lessee's actions under this Agreement.

4. Operation and Maintenance

A. The Lessee agrees:

1. General maintenance. To provide the labor and materials necessary to maintain the Property and its improvements during the rental period to assure that upon expiration or termination of the Agreement the Property is in as good a condition as it was at the beginning. Damage from causes beyond the Lessee's control are accepted.

2. Land Uses. Not to: a) plow, pasture or meadowland, or b) cut live trees for sale or personal use unless approved in advance by Lessor..

3. Noxious Weeds. To use diligence to prevent noxious weeds from going to seed on the Property. Treatment of any noxious weed infestation and cost thereof shall be handled as the Lessee deems appropriate, subject to approval by Lessor.

4. Addition of Improvements. Unless previously approved by Lessor in writing, not to a) erect or permit to be erected on the Property any non-removable structure or building or incur any expense to the Lessor for such purpose.

5. Conservation. Control soil erosion according to a conservation plan; keep in good repair all terraces, open ditches, inlets and outlets of tile drains; preserve all established watercourses or ditches including grassed waterways; and refrain from any operation or practice that will injure such structures.

6. Damage. When vacating the Property, to pay Lessor compensation for any damage to the Property for which the Lessee is responsible.

7. Costs of Operation. To pay all costs of Lessee's operations on the Property during the term of this Agreement which may include, but not be limited to: fuel, fertilizer, lubricants, additional equipment, normal equipment maintenance and repair (both Lessor's and Lessee's), labor, insurance, clothing, electrical, gas and telephone utilities, security, harvesting, winterizing Lessor's equipment, and marketing.

8. Prior agreements involving the Property. To comply with all conditions of any pre-existing agreement(s) entered into by Lessor with a third party that pertains to the Property and which may require compliance by Lessee.

B. The Lessor agrees:

1. Loss Replacement. To replace or repair as promptly as possible the well or sprinkler regularly used by the Lessee if it is destroyed or damaged by fire, flood, or other cause beyond the control of the Lessee, or to make rental adjustments in lieu of repair or replacement, at Lessor's discretion.

2. Materials or Repairs. All materials for normal maintenance and repair shall be provided by the Lessee at the Lessee's sole expense.

3. Removable Improvements. Allow Lessee to make minor improvements of a temporary or removable nature, which do not mar the condition or appearance of the Property at the Lessee's expense which are not considered "fixtures." The Lessee may remove such temporary improvements at any time this Agreement is in effect, provided the Lessee leaves in good condition that part of the Property from which such improvements are removed. The Lessee shall have no right to compensation for improvements that are not removed, except as otherwise may be mutually agreed.

C. Lessor and Lessee agree:

1. Not to obligate the other Party. Neither party hereto shall pledge the credit of the other party hereto for any purpose whatsoever without the consent of the other party.

2. Mineral Rights. Nothing in this Agreement shall confer upon the Lessee any right to minerals underlying the Property and the same are hereby reserved by the Lessor, together with full right to enter upon the Property and to bore, search, and excavate for same, to work and remove same, and to deposit excavated rubbish, and with full liberty to pass over the Property with vehicles and to lay down and work any railroad track or tracks, tanks, pipelines, power lines, and structures as may be necessary or convenient for the above purpose. The Lessor agrees to reimburse the Lessee for any actual damage suffered for crops destroyed by these activities and to release the Lessee from obligation to continue farming when development of mineral resources interferes materially with the Lessee's opportunity to make a satisfactory return.

5. Rent

The Lessee shall pay to Lessor an annualized rent for use of the Property the amount of ninety thousand dollars ($90,000.00). The first rent payment of seventy thousand dollars ($70,000.00) shall be due as follows: thirty-five thousand dollars ($35,000.00) upon approval of the Agreement by the Lessor and thirty-five thousand dollars ($35,000.00) due on or before July 31, 2010. The subsequent years annual rent payment of ninety thousand dollars ($90,000.00) per year shall be due on or before the first day of January of the remaining term of the lease. Lessee's rent payment for any year for which the Agreement may be extended shall be due thirty (30) days on or before commencement of the extended term. Lessee's failure to timely pay rents shall be sufficient grounds for Lessor to terminate the Agreement.

6. Indemnity

A. The Lessee shall defend, indemnify, and hold harmless the Lessor and its officials, agents, and employees from any losses, liabilities, damages, demands, suits, causes of action, judgments, costs or expenses (including but not limited to court costs and attorneys' fees) resulting from or directly or indirectly arising out of the Lessee's occupation, activities and use of the Property under this Agreement, including but not limited to , the Lessee's breach of any of its obligations under this Agreement.

B. The Lessee agrees that the Lessor shall have the right to control and participate in the defense of any such demand, suit, or cause of action concerning matters that relate to the Lessor and that such suit will not be settled without the Lessor's consent, such consent not to be unreasonably withheld. If a conflict exists between the interests of the Lessor and the Lessee in such demand, suit, or cause of action, counsel shall be retained by Lessee to represent the Lessor's interest.

C. The Lessee's obligations under this section shall not be limited by the provisions of any insurance policy the Lessee is required to maintain under this Agreement.

7. New Mexico Tort Claims Act

No provision of this Agreement modifies or waives any sovereign immunity or limitation of liability enjoyed by the Lessor or its "public employees" at common law or under the New Mexico Tort Claims Act, NMSA 1978, Section 41-1-1, et seq.

8. Insurance

A. General Conditions. The Lessee shall submit proof of insurance to Lessor required herein. Policies of insurance shall be written by companies authorized to write such insurance in New Mexico. For the term of the Agreement, Lessee agrees that all insurance policies shall name the Lessor as an additional insured and that Lessor shall receive notice of expiration or termination of any insurance coverage.

B. General Liability Insurance, Including Automobile. The Lessor shall procure and maintain during the life of this Agreement a comprehensive general liability and automobile insurance policy with liability limits in amounts not less than $1,050,000 combined single limits of liability for bodily injury, including death, and property damage for any one occurrence. Said policies of insurance shall include coverage for all operations performed by the Lessee; coverage for the use of all owned, non-owned, hired automobiles, vehicles and other equipment, both on and off the Property; and contractual liability coverage under which this Agreement is an insured contract. The Lessor shall be named an additional insured on the policy.

C. Workers' Compensation Insurance. The Lessee shall comply with all applicable provisions of the Workers' compensation Act.

D. Increased Limits. If, during the life of this Agreement, the Legislature of the State of New Mexico increases the maximum limits of liability under the Tort Claims Act (NMSA 1978, Sections 41-4-1 through 41-4-29, as amended) the Lessee shall increase the maximum limits of any insurance required herein.

9. Independent Entity

The Lessee and its agents and employees are independent entities and are not employees or agents of the Lessor. Accordingly, the Lessee and its agents and employees shall not accrue leave, participate in retirement plans, insurance plans, or liability bonding, use the Lessor's vehicles, or participate in any other benefits afforded to employees of Lessor. Except as may be expressly authorized elsewhere in this Agreement, the Lessee has no authority to bind, represent, or otherwise act on behalf of the Lessor and agrees not to do so.

10. Appropriations and Authorizations

This Agreement is contingent upon sufficient appropriations and authorizations being made for performance of this Agreement by the Board of County Commissioners of Santa Fe County and/or, if state funds are involved, the Legislature of the State of New Mexico. If sufficient appropriations and authorizations are not made in this or future fiscal years, this Agreement shall terminate upon written notice by the Lessor to the Lessee. Such termination shall be without penalty to the Lessor and the Lessor shall have no duty to reimburse the Lessee for expenditures made under this Agreement. The Lessor is expressly not committed to expenditure of any funds until such time as they are programmed, budgeted, encumbered and approved for expenditure by Santa Fe County. The Lessor's decision as to whether sufficient appropriations and authorizations have been made for the fulfillment of this Agreement shall be final and not subject to challenge by the Lessee in any way or forum, including a lawsuit.

11. Release

Upon the expiration or termination of this Agreement, the Lessee releases the Lessor, its Elected Officials, officers, agents and employees from all liabilities, claims, and obligations whatsoever arising from or under or relating to this Agreement.

12. Notices

All notices required to be given to the Lessor under this Agreement shall be mailed (pre-postage paid) to:

Santa Fe County
County Attorney's Office
102 Grant Ave.
PO Box 276
Santa Fe, NM 87504-0276

All notice required to be given to the Lessee under this Agreement shall be mailed (pre-postage paid) to:

S&G Land & Cattle Company
Attn: Ronnie C. Salazar, President
58 County Road 111
Espanola, NM 87532

13. State Approval.

This lease shall not be binding or effective until approved by the New Mexico State Board of Finance.

THIS SPACE INTENIONALLY LEFT BLANK

IN WITNESS WHEREOF, the parties have executed this Lease Agreement as of the date first written above.

SANTA FE COUNTY

Roman A. Abeyta, County Manager
Santa Fe County

ATTEST:

Valerie Espinoza
Santa Fe County Clerk

5-14-10
Date

APPROVED AS TO FORM:

Stephen C. Ross
Santa Fe County Attorney

5-14-10
Date

FINANCE DEPARTMENT APPROVAL:

Teresa Martinez
Santa Fe County Finance Director

5/14/10
Date

CONTRACTOR:
S&G Land & Cattle Company

Ronnie C. Salazar, President

5/17/10
Date

FEDERAL TAX I.D. NUMBER: 03-183991-00-6

APPROVED:

NEW MEXICO STATE BOARD OF FINANCE

_____

DATE: 5/21/10

APPENDIX A

PROPERTY DESCRIPTION
LEASE TRACT WITHIN TOP OF THE WORLD FARM

A certain tract of land in Taos County, New Mexico; within the Sangre de Cristo Grant; located within projected Sections 22, 23, 25, 26, 27, 35 and 36, Township 31 Range 12 East, NMPM; also within Sections 2, 3, 11, 12, and 13, Township 2 South, Range 74 West In the Colorado System and more particularly described by metes and bounds as follows;

BEGINNING the SE comer of this tract, a 1/2 in. rebar set on the south boundary of the Sangre de Cristo Grant, from whence the 8-1/2 MM, a 1943 USGLO brass cap monument found, bears; S 55° 33' 03" E, 2004.46 ft. distant, thence along said boundary;

N 55° 33' 03" W, 5915.77 ft. to the re-established position of the 7MM, a 1/2 in. rebar set, thence;
N 55° 34' 03" W, 5279.72 ft. to the re-established position of the 6MM, a 1/2 in. rebar set, thence;
N 55° 35' 03" W, 2639.53 ft. to the 5-1/2 MM, a 1943 USGLO brass cap monument found, thence;
N 55° 35' 36" W, 993.13 to the SW comer, a 1/2 in. rebar set previously, thence leaving said grant boundary;
N 00° 08' 51" E, 3651.38 ft. to a 1/2 in. rebar found, thence;
S 89° 51' 37" E, 7462 ft. 1/2 in. to the west line of County road B-050, thence;
S 00° 04' 57" E, 5267 ft. to a 5/8 in. rebar found, thence;
N 89° 57' 47" E, 5279.20 ft. to PK nail set in concrete, thence;
S 00° 15' 33" E, 2638.39 ft. to a 1/2 in. rebar found, thence;
S 00° 02' 01" E, 3959.01 ft. to a 1/2 in. rebar found, thence;
S 00° 20' 59" W, 36.20 ft. to a 1/2 in. rebar set, thence;
N 55° 33' 03" W, 385.89 ft. to a 1/2 in. rebar set, thence;
S 34° 26' 57" W, 414.03 ft. to the point of beginning.

This tract contains 1,700 acres, more or less; being part of a tract of land shown on a survey plat entitled "Wrangler Properties II, LLC to Grande de Rio Grande, Ltd.", RGSS survey no. L1193, by Scott B. Crowl, NMLS no. 12441, dated 04/01/99, revised 06/22/99

TAOS TITLE, INC.
FILE 60110013 10

WARRANTY DEED

TAOS COUNTY
ELAINE S. MONTANO, CLERK
000314971
Book 532 Page 823
1 of 7
02/03/2006 02:28:45 PM
BY MARYJEAN

MACHO GRANDE DE[L] RIO GRANDE, LTD., a British Virgin Islands company, for consideration paid, grants to **COUNTY OF SANTA FE**, a New Mexico county whose address is P.O. Box 276, Santa Fe, New Mexico 87504-0276, the following described realty:

the 3,166.649-acre Top of World Farm realty described in Exhibit A,

TOGETHER WITH: improvements thereon; grantor's 1,188.2 acres of the 2,088.2 acres of irrigation water rights adjudicated (U.S. District Court no. 9780-Civ.) thereto (state engineer file nos. RG-1441-S through RG-1441-S-9); and grantor's assignment hereby of its lessor's interest in its 2/15/04 crop-share/cash farm lease of three 120-acre pivot sprinkler circles (southeastern portion of the farm) with Smith Land and Cattle Co., lessee, attached as Exhibit B,

SUBJECT TO: those land matters of record and those survey matters stated in Exhibit C; and the following water rights matters: a) move-from locations of the Stallings/Oberg 600 acres of water rights as established in those 9/19/99 cross-quitclaims between Stallings/Oberg and Macho Grande; and b) move-from locations of the Ditto/Farrell 150 acres of water rights as established by various documents such as severance of 110 acres of said 150 acres and the foregoing cross-quitclaims,

with warranty covenants.

DATED: February 3, 2006

MACHO GRANDE DE[L] RIO GRANDE, LTD.

By: _____
Kimberly Goodyear
President

ACKNOWLEDGEMENT

STATE OF NEW MEXICO)
) ss.
COUNTY OF TAOS)

This deed was acknowledged before me this February 3, 2006 by Kimberly Goodyear, president of Macho Grande de[l] Rio Grande, Ltd., a British Virgin Islands Company, on behalf of said company.

_____
Notary Public

My commission expires:

OFFICIAL SEAL
Mary J. Burke
NOTARY PUBLIC
STATE OF NEW MEXICO
My Commission Expires: 1-4-10

AMENDMENT NO. 1
TO LEASE AGREEMENT
BETWEEN SANTA FE COUNTY AND
S&G LAND & CATTLE COMPANY
FOR AGRICULTURAL LEASE

THIS AMENDMENT is made and entered into as of this 27th day of November 2012, by and between **Santa Fe County**, a political subdivision of the State of New Mexico (hereinafter "Lessor"), and **S & G Land & Cattle Company**, Ronnie C. Salazar, sole proprietor (hereinafter "Lessee"), whose address is 58 County Road 11, Espanola, New Mexico 87532.

WHEREAS, in May 2010, Lessor entered into Lease Agreement No. 2010-0174-CSD/MS (hereinafter "Lease Agreement") with Lessee for the purpose of Lessee's operation of an agricultural farm;

WHEREAS, under the Lease Agreement the Lessee agreed to occupy and use for agricultural farming and other agricultural purposes approximately 1,700 acres of land owned by Lessor located in Otero County, New Mexico, which includes 6 center pivot irrigated fields planted in organic alfalfa and/or grass hay with the irrigated fields totaling approximately 720 acres and approximately 980 acres of day-land pasture;

WHEREAS, the Lease Agreement was approved by Lessor on May 21, 2010 and the term of the Lease Agreement is two (2) years and nine (9) months;

WHEREAS, the Lease Agreement expires December 31, 2012;

WHEREAS, Paragraph 2 of the Lease Agreement permits the Lessee and Lessor to extend the term of the Lease Agreement prior to the expiration of the Lease Agreement;

WHEREAS, Paragraph 2.B of the Lease Agreement permits the Lessee and Lessor to amend the Lease Agreement by an instrument in writing;

WHEREAS, the Lessee has made a timely request for an extension and the parties desire amend the Lease to extend the term of the Lease for one (1) year and provide for an additional obligation upon Lessee to protect the leased premises from damage and depredation by wildlife.

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. Paragraph 2 (General Requirements) is amended by deleting subparagraph A in its entirety and replacing it with:

> A. Term. Subject to Section 13 hereof, the term of this Lease Agreement is from the date approved by the Lessor to December 31, 2012. Lessee may request Lessor to extend the term for three (3) years in one (1) year increments; provided such extension shall be at the discretion of the Lessor. Lessee must request any extension of this Lease Agreement in

writing no less than ninety (90) days before expiration of the Lease Agreement or any extension thereof.

B. This Lease Agreement may be terminated by Lessor at any time upon thirty (30) days written notice from Lessor to Lessee on account of a breach by Lessee of an obligation or condition of this Lease Agreement which is not timely cured to the satisfaction of Lessor. This Agreement may also be terminated by Lessor at any time and without cause upon thirty (30) days written notice from Lessor to Lessee if Lessor determines in its discretion that it requires the Property or water wells used for irrigation purposes, or both and in that event an adjustment in any paid rent shall be made and Lessor shall pay Lessee the fair market value of any then unharvested growing crops located on irrigated fields and planted by Lessee during the current growing year only and upon such payment such unharvested crops shall become the property of Lessor.

C. Pursuant to Amendment No. 1, the term of this Lease Agreement is extended to December 31, 2013. Lessee has two (2) remaining one-year extensions available to extend the term of this Lease Agreement, such extensions not-to-exceed beyond December 31, 2015.

2. Paragraph 2 (General Requirements) is amended by inserting a subparagraph U that states:

U. Prevention of wildlife depredation. Lessee shall protect the Property and facilities from damage or depredation by wildlife. Lessee shall coordinate required activities with the New Mexico Department of Game and Fish and cooperate to protect the Property and facilities from damage or depredation by wildlife.

3. All other provisions of Lease Agreement No. 2010-0174-CS/MS not amended, replaced or superseded by this Amendment No. 1 remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Amendment No. 1 as of the date first written above.

SANTA FE COUNTY

Katherine Miller, County Manager

APPROVED AS TO FORM:

Stephen C. Ross
Santa Fe County Attorney

November 14, 2012
Date

FINANCE DEPARTMENT APPROVAL:

Teresa C. Martinez
Santa Fe County Finance Director

11/20/12
Date

S & G Land and Cattle Company

Ronnie C. Salazar, President

11/21/12
Date

Daniel "Danny" Mayfield
Commissioner, District 1

Virginia Vigil
Commissioner, District 2

Robert A. Anaya
Commissioner, District 3

Kathy Holian
Commissioner, District 4

Liz Stefanics
Commissioner, District 5

Katherine Miller
County Manager

MEMORANDUM

DATE: *October 15, 2013*

TO: *Board of County Commissioners*

FROM: *Adam Leigland, Public Works Department Director*

VIA: *Katherine Miller, County Manager*

ITEM AND ISSUE: *BCC Meeting October 29, 2013*
REQUEST APPROVAL OF AMENDMENT NO. 1 TO SFC LEASE AGREEMENT #2012-0104-CSD/MS WITH S&G LAND & CATTLE COMPANY FOR AGRICULTURAL FARM LEASE IN THE AMOUNT OF $4,500.00

Issue:

The Projects Facilities & Open Space Division request approval of Amendment No. 1 to the Lease Agreement with S&G Land and Cattle Company for an Agriculture Farm Lease for the Top of the World Farm.

In December 2012 the Procurement Division solicited a Request for Proposal #2012-0104-CSD/MS Top of the World Agriculture Lease. The solicitation was advertised in three (3) newspapers, posted on the County website, and e-mailed to two (2) companies on December 27, 2011. A Site Visit was held on January 5, 2012 and two companies were present. The County received one (1) proposal from S&G Land and Cattle. The other interested offeror failed to submit a proposal after the site visit. The proposal received by S&G Land and Cattle was deemed responsive. An independent appraisal valued the dry-land pasture portion of the property at $2.55 per acre per year; this lease is valued at $3.16 per acre per year.

Background:

In March 2012, Santa Fe County leased the portion of the Top of World which consists of a certain property owned by Santa Fe County, totaling approximately 1,466 acres, including 23 acres of public road easements, 1,423 acres of native grass dry-land pasture, and certain agricultural storage facilities, buildings and/or out buildings. This portion of the property does not have access to water and therefore has less value than the original 1,700 acres with the six irrigated fields. The current lease is with S&G Land and Cattle for an annual rent of $4,500.00 with an expiration of December 31, 2013, and allows for two, one-year extensions. This lease cannot be extended beyond December 31, 2015.

Action Requested:

The Procurement Division requests authorization to enter into Amendment No. 1 of the Agriculture Lease for Top of the World Farm 2012-0104-CSD/MS with S&G Land and Cattle for a yearly lease amount of $4,500.

AMENDMENT NO. 1
TO LEASE AGREEMENT
BETWEEN SANTA FE COUNTY AND
S & G LAND & CATTLE COMPANY
FOR AGRICULTURAL LEASE

THIS AMENDMENT is made and entered into as of this ___ day of _____, 2013, by and between **Santa Fe County**, a political subdivision of the State of New Mexico (hereinafter "Lessor"), and **S & G Land & Cattle Company**, Ronnie C. Salazar, sole proprietor (hereinafter "Lessee"), whose address is 58 County Road 111, Espanola, New Mexico 87532.

WHEREAS, on March 27, 2012, Lessor entered into Lease Agreement No. 2012-0104-CSD/MS (hereinafter "Lease Agreement") with Lessee for the purpose of Lessee's lease of a land belonging to Lessor Santa Fe County, to operate an agricultural farm known as the "Top of the World Farm;"

WHEREAS, under the Lease Agreement the Lessee agreed to occupy and use for agricultural farming and other agricultural purposes approximately 1,466 acres, including 23 acres of public road easements, owned by Lessor located in Taos County, New Mexico;

WHEREAS, the term of the Lease Agreement expires December 31, 2013;

WHEREAS, Paragraph 2.A, third paragraph, of the Lease Agreement permits the Lessee and Lessor to extend the term of the Lease Agreement upon a ninety day written request from the Lessee;

WHEREAS, the Lessee has made a timely request for an extension and the parties desire amend the Lease to extend the term of the Lease for one (1) year to December 31, 2014.

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. Paragraph 2 (General Requirements), subparagraph "A" is amended by inserting a subparagraph "A.1" between the third and fourth subparagraphs of subparagraph "A" to read as follows:

   1. Pursuant to Amendment No. 1, the term of this Lease Agreement is extended to December 31, 2014. Lessee shall submit evidence of insurance for the period of this term extension. This Amendment exercises the Lessee's first request for an extension. This Lease Agreement, including all extensions, shall not be extended beyond December 31, 2015.

2. All other provisions of Lease Agreement No. 2012-0104-CSD/MS, not amended or modified by this Amendment No. 1, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Amendment No. 1 as of the date first written above.

SANTA FE COUNTY BOARD OF COUNTY COMMISSIONERS

_____ _____
Kathleen S. Holian, Chair Date

ATTEST:

_____ _____
Geraldine Salazar, Santa Fe County Clerk Date

APPROVED AS TO FORM:

_____ 10/1/13
Stephen C. Ross Date
Santa Fe County Attorney

FINANCE DEPARTMENT APPROVAL:

_____ _____
Teresa C. Martinez Date
Santa Fe County Finance Director

S & G Land and Cattle Company

Ronnie C Salazar 10/15/13
Ronnie C. Salazar, President Date

FEDERAL TAX ID. NUMBER _____

LEASE AGREEMENT
WITH S&G LAND AND CATTLE COMPANY
FOR AGRICULTURAL FARM LEASE

THIS LEASE AGREEMENT, hereinafter referred to as "the Lease," is made and entered into on this 27th day of March, 2012 by and between Santa Fe County, New Mexico, a political subdivision of the State of New Mexico, hereinafter referred to as the "Lessor" and S&G Land and Cattle Company, sole proprietor whose address is 58 Country Road, Espanola, NM 87532, hereinafter referred to as the "Lessee."

1. Property Description

The Lessor hereby leases to the Lessee, to occupy and use for agricultural farming and /or other bona fide agricultural uses, certain property owned by Santa Fe County, totaling approximately 1,466 acres, including 23 acres of public road easements, as described on Exhibit "A" attached hereto, located in Taos County, New Mexico hereinafter referred to as "the Property."

2. General Requirements

A. Effective Date and Term. The effective date of this Lease shall be the date this Lease is approved and executed by the Lessor and the Lessee's submission of an insurance certificate approved by the Lessor. The Lease term shall expire December 31, 2013.

Lessee shall make the first lease payment in accordance with and in the amount specified in Paragraph 5 (Rent). After the payment of the first lease payment, the annual lease payment shall be due to Lessor no later than April 1.

Lessee must request any extension of this Lease in writing in no less than ninety (90) days before the term expires.

This Lease Agreement may be terminated by Lessor at anytime upon thirty (30) days written notice from Lessor to Lessee on account of a breach by Lessee of an obligation or condition of this Agreement that is not timely cured to the satisfaction of the Lessor. This Agreement may also be terminated by Lessor at any time and without cause upon thirty (30) days written notice from Lessor to Lessee if Lessor determines in its discretion that it requires the Property for public purposes. In such event an adjustment in any paid rent shall be made and Lessor shall pay Lessee the fair market value of any then un-harvested growing crops located on the fields and planted by Lessee during the current growing year only, and upon such payment such un-harvested crops shall become the property of the Lessor.

B. Amendments. Amendments or alterations to this Lease shall be in writing and shall be signed by both the Lessor and the Lessee.

C. No partnership intended. This Lease shall not be deemed to be, nor intended to give

rise to, a partnership relationship between Lessor and Lessee.

D. Right of entry. The Lessor, as well as its agents, officials and employees, shall have the right to enter the Property at any reasonable time to consult with the Lessee and make repairs, improvements, and inspections.

E. No right to sublease. The Lessee does not have permission to lease or sublet any part of the Property or to assign the Lease to any person or persons whomever without the advance written consent of the Lessor. Any sublease or assignment of the Lease without the prior written consent of the Lessor shall be null and void and of no effect.

F. Lessor's lien for rent and performance. The Lessor's lien provided by law on crops grown or growing shall, in addition to other remedies available to Lessor, serve as security for the rent herein specified and for the faithful performance of the terms of this Lease. If Lessee fails to pay the rent due or fails to perform the conditions of this Lease, all costs and attorney fees of the Lessor in enforcing collection or performance shall be added to and become a part of the obligations due and payable by the Lessee.

G. As-is condition. The Lessee agrees to accept the Property for agricultural use "as is." Any brush, stumps, debris, or depressions existing on the Property which may impede crop production or the Lessee's use of the Property shall be removed or repaired at Lessee's sole expense.

H. Removal requirements. The Lessee shall be solely responsible for all harvesting operations and all costs associated therewith and for removal of all crops and livestock introduced on the Property pursuant to this Lease upon expiration or termination of this Lease.

I. Compliance with rules and regulations. The Lessee shall comply with all United States Department of Agriculture (USDA) and/or New Mexico Agriculture Department (NMAD) rules and regulations for the type of agricultural activities it conducts on the Property pursuant to the Agreement. Further, the Lessee shall comply with all NMAD, New Mexico Environment Department (NMED) and the United States Environmental Protection Agency (EPA) pesticide application laws, regulations, and requirements.

J. Water pumping. The property does not have water for any purpose and the property is not provided with irrigation water from existing wells on Lessor's adjacent property. Lessee shall be responsible to bring in any water needed by Lessee on the property.

K. No interference with Lessor's activities. All Lessee's activities pursuant to this Lease shall be performed in such manner as not to interfere with any activity which may be prescribed by the Lessor for the Property.

L. Equipment security and storage. Lessee shall be solely responsible for the safety and security of any and all equipment, including Lessor's equipment kept on the Property.

The Lessor may designate an area within the property for use by the Lessee for equipment storage.

Storage of Lessee's equipment shall be at the Lessee's own risk and the Lessor does not warrant any care or security for said equipment nor shall Lessor be responsible for any loss or damage sustained by Lessee.

M. Hazardous waste. Lessee's activities shall not violate any federal state or local environmental protection laws governing dumping or disposal of hazardous materials or waste on the Property.

N. No warranty. Lessee shall provide no warranty or guarantee on behalf of the Lessor for any purposes as to quality or quantity of crops produced pursuant to this Lease.

O. Licenses and taxes. Lessee shall pay all license fees, taxes, and any other governmental charge required to comply with the terms of this Lease.

P. No hunting. Lessee shall have no hunting rights, nor shall Lessee allow any hunting, trapping, or recreational shooting of any type on the Property at any time. Lessee shall protect the property and facilities from damage or depredation by wildlife. Lessee shall coordinate required activities with the New Mexico Department of Game and Fish and cooperate in protecting the property and facilities from damage or depredation by wildlife.

Q. Farm plan. Lessee shall provide to Lessor a written farm management plan and a list of any partners or proposed contractors for Lessor's approval no less than sixty (60) days prior to the start of farming operations each year this Agreement remains in effect.

R. No trespass. Lessee shall secure the Property from unlawful trespass by third parties and shall maintain a physical presence on the Property at all times.

S. Improvements and maintenance. Lessee may make improvements to buildings, fences, or water systems Lessee deems necessary for its operations but at Lessee's own expense provided Lessor consents to such improvements and that such improvements shall not be removed from the Property upon termination or expiration of the Lease. Lessee shall be responsible for providing all materials, labor and equipment necessary to make repairs and to maintain buildings, fences, water systems, and other facilities or equipment required as a result of ordinary wear and tear or damage resulting from Lessee's use, its employees, livestock or equipment. No expense shall be incurred on account of Lessor without first obtaining Lessor's written permission. The Lessee agrees not to take any action that might cause a mechanic's or other lien to be imposed upon the Property and agrees to indemnify the Lessor if actions taken by Lessee cause such a lien to be imposed.

3. Land Use

A. The Property shall be used for agricultural farming, livestock grazing, and/or other bona fide agricultural uses. Lessee shall provide a written farm management plan detailing its proposed use of the property to the Lessor for approval prior to the start of operations under the Lease. As a condition of the Lease, the Lessor reserves the right to disapprove certain types of agricultural crop production, or other proposed use that may have a negative effect on the public health or safety.

Lessor may utilize the Property for grazing of livestock in numbers determined in accordance with accepted agricultural practices. If Lessee wishes to change or alter the approved use, it shall be requested through the farm management plan described in Section 2.Q. of this Lease and obtain Lessor's written approval prior to implementation.

B. Use of accepted practices. Lessee shall till, fertilize, plant, irrigate, cultivate, harvest, or otherwise utilize the Property in accordance with commonly accepted farming practices, in an acceptable agricultural-like manner which will not cause damage to, and will reasonably conserve the value and future use of the Property.

C. Protection and maintenance. Lessee shall protect and maintain all utilities, irrigation systems, canals, fences, cross fences, corner stakes or line markers, rights-of-ways and improvements on the Property.

D. Crop residue. On the expiration or termination of the Agreement, Lessee shall transfer or remove any litter or debris and deliver possession of the Property to Lessor, in as good, or better, condition as when received, exclusive of acts of God.

E. Harvest and removal. Lessee shall harvest and remove all crop(s) in a timely manner, and if not harvested, Lessee shall use or plow-under all crop residues.

F. Prohibited crops and planting. Lessee shall not plant or attempt to produce any illegal or prohibited crops, nor shall Lessee plant trees or crops that will extend beyond one (1) growing season, excepting hay or forage crops. Lessor reserves the right to disapprove certain types of agricultural crop production, or other proposed use that may have a negative effect on public health or safety or will have a long term negative effects on the soil of the Property.

G. Care of existing plantings and shrubs. Lessee shall take proper care of all permanent existing plantings such as trees, vines, and shrubs, and prevent injury to the same.

H. Garbage. Lessee shall keep the Property neat and orderly and remove any garbage or refuse generated by any activities no related to ongoing farming operations.

I. Waste/loss. Lessee shall prevent all unnecessary waste, loss, or damage to the Property.

J. Pollution control. Lessee shall comply with all local, state and federal pollution control and environmental protection requirements and implement soil erosion control practices to comply with the soil loss standards mandated by local, state, and federal agencies.

K. Chemicals. Lessee shall use prudence and care in transporting, storing, handling, and applying all fertilizers, pesticides, herbicides, and other chemicals and similar substances; follow label instructions for the use of such materials in order to avoid injury or damages to persons and/or property on the Property and adjoining areas; and shall comply with state pesticide training, licensing, storage, and usage. Furthermore, Lessee shall not apply chemicals for weed or insect control or other use, when used, at levels exceeding the manufacturer's recommend for soil types and vegetation involved.

L. Report on chemical use. Lessee shall annually provide to the Lessor a written report indicating the product name, amount, date of application of all pesticides and fertilizers used on the Property along with the original invoices signed by the Lessee's chemical and fertilizer vendor. The amounts which appear on invoices must correspond to the to the amounts on the written reports.

M. Battery disposal. Lessee shall dispose of tractor, car, equipment, and truck batteries properly. No batteries shall be stored on the Property for more than four (4) months, and removed from the Property at the end of this Lease.

N. Tire disposal. Lessee shall dispose of used tires properly. No used tires will be stored on the farm for more than four (4) months. And all shall be removed from the Property at the end of this Lease.

0. Natural Resource Conservation Services (NRCS) and Farm Service Agency. The Lessee agrees to follow NRCS and Farm Service Agency recommendations and to maintain all other requirements necessary to qualify current and future operators on the Property to participate in federal farm programs.

P. Insurance. Lessee shall furnish the Lessor with a certificate of insurance coverage showing insurance in the amounts specified by Section 8 of this Agreement and shall give immediate notice of any cancellation or termination of the policy. For the term of the Lease, Lessee agrees that all applicable insurance policies shall name the Lessor as an additional insured and Lessor shall be entitled to receive notice of any cancellation or termination of insurance coverage. Lessee shall maintain insurance with a carrier acceptable to the Lessor that insures Lessee's activities under this Lease.

4. Operation and Maintenance

A. The Lessee agrees:

1. General maintenance. To provide the labor and materials necessary to maintain the Property and its improvements during the rental period to assure that upon expiration or termination of this Lease the Property is in as good a condition as it was at the beginning of this Lease. Damage from causes beyond the Lessee's control are expected.

2. Land Uses. Lessee shall not plow permanent pasture or cut live trees for sale or personal use, unless approved in advance by Lessor.

3. Noxious weeds. To use diligence to prevent noxious weeds from going to seed on the Property. Treatment of any noxious weed infestation and cost thereof shall be handled as the Lessee deems appropriate, subject to approval by Lessor.

4. Addition of improvements. Lessee shall not erect or permit to be erected on the Property any non-removable permanent structure or building, or incur any expense to the Lessor for such purpose.

5. Conservation. Control soil erosion according to a conservation plan; keep in good repair all terraces, open ditches, inlets and outlets of tile drains; preserve all established watercourses or ditches including grassed waterways: and refrain from any operation or practice that will injure such structures.

7. Costs of Operation. To pay all costs of Lessee's operations on the Property during the term of this Lease which may include, but not be limited to: fuel, fertilizer, lubricants, additional equipment, normal equipment maintenance and repair (of both Lessor's and Lessee's) equipment, labor, insurance, clothing, electrical, gas and telephone utilities, security, harvesting, winterizing Lessor's equipment, and marketing.

8. Prior agreements involving the Property. To comply with all conditions of any pre- existing agreement(s) entered into by Lessor with a third party that pertains to the Property and which may require compliance by Lessee.

9. Materials or Repairs. All materials for normal maintenance and repair shall be provided by the Lessee at the Lessee's sole expense.

B. The Lessor agrees:

1. Removable Improvements. Allow Lessee to make minor improvements of a temporary or removable nature, which do not mar the condition or appearance of the Property at the Lessee's expense and which are not considered "fixtures." The Lessee may remove such temporary improvements at any time this Agreement is in effect, provided the Lessee leaves in good condition that part of the Property from which such improvements are removed. The Lessee shall have no right to compensation for improvements that are not removed, except as otherwise may be mutually agreed.

C. Lessor and Lessee agree:

1. Not to obligate the other Party. Neither party hereto shall pledge the credit of the other party hereto for any purpose whatsoever without the consent of the other party.

2. Mineral Rights. Nothing in this Lease shall confer upon the Lessee any right to minerals underlying the Property and the same are hereby reserved by the Lessor, together with full right to enter upon the Property and to bore, search, and excavate for same, to work and remove same, and to deposit excavated rubbish, and with full liberty to pass over the Property with vehicles and to lay down and work any railroad track or tracks, tanks, pipelines, power lines, and structures as may be necessary or convenient for the above purpose. The Lessor agrees to reimburse the Lessee for any actual damage suffered for crops destroyed by these activities and to release the Lessee from obligation to continue farming when development of mineral resources interferes materially with the Lessee's opportunity to make a satisfactory return.

5. Lease Payment

Lessee's annual lease payment for the premises is based on a 12-month calendar year. The annual lease payment shall be **Four Thousand Five Hundred ($4,500.00) dollars**. Lessee shall pay the initial lease payment in the amount of **Three Thousand Seven Hundred Fifty ($3,750.00) dollars** no later than April 1, 2012. Thereafter, Lessee shall pay to Lessor an annual lease payment of $4,500.00 no later than April 1 of each year, including any extensions of this Lease approved by Lessor.

In the event Lessee terminates this Lease after making an annual lease payment on April 1 and before December 31, no further lease payment will be due. In the event the termination is effective after December 31 and before April 1, a prorated lease payment shall be made prior to the date of termination.

Lessee may request an extension of the term of this Lease in one (1) year increments not to exceed December 31, 2015. A request for extension shall be made in writing in no less than ninety (90) days before the lease term expires. Lessee's failure to timely pay the lease payment shall be sufficient grounds for Lessor to terminate this Agreement.

6. Indemnity

A. The Lessee shall defend, indemnify, and hold harmless the Lessor and its officials, agents, and employees from any losses, liabilities, damages, demands, suits, causes of action, judgments, costs or expenses (including but not limited to court costs and attorneys' fees) resulting from or directly or indirectly arising out of the Lessee's occupation, activities and use of the Property under this Lease, including but not limited to, the Lessee's breach of any of its obligations under this Lease.

B. The Lessee agrees that the Lessor shall have the right to control and participate in the defense of any such demand, suit, or cause of action concerning matters that relate to the Lessor and that such suit will not be settled without the Lessor's consent, such consent not to be unreasonably withheld. If a conflict exists between the interests of the Lessor and the Lessee in such demand, suit, or cause of action, counsel shall be retained by Lessee to represent the Lessor's interest. In such conflict situation, County shall approve any legal counsel retained by Lessee to represent the County's interest.

C. The Lessee's obligations under this section shall not be limited by the provisions of any insurance policy the Lessee is required to maintain under this Lease.

7. New Mexico Tort Claims Act

No provision of this Agreement modifies or waives any sovereign immunity or limitation of liability enjoyed by the Lessor or its "public employees" at common law or under the New Mexico Tort Claims Act, NMSA 1978, Section 41-1-1, et seq.

8. Insurance

A. General Conditions. The Lessee shall submit proof of insurance to Lessor required herein. Policies of insurance shall be written by companies authorized to write such insurance in New Mexico. For the term of the Agreement, Lessee agrees that all insurance policies shall name the Lessor as an additional insured and that Lessor shall receive notice of expiration or termination of any insurance policy.

B. General Liability Insurance, Including Automobile. The Lessor shall procure and maintain during the life of this Agreement a comprehensive general liability and automobile insurance policy with liability limits in amounts not less than $1,050,000 combined single limits of liability for bodily injury, including death, and property damage for any one occurrence. Said policies of insurance shall include coverage for all operations performed by the Lessee; coverage for the use of all owned, non-owned,

hired automobiles, vehicles and other equipment, both on and off the Property; and contractual liability coverage under which this Lease is an insured contract. The Lessor shall be named an additional insured on the policy.

C. Worker's Compensation Insurance. The Lessee shall comply with all applicable provisions of the Worker's Compensation Act.

D. Increased Limits. If, during the life of this Agreement, the Legislature of the State of New Mexico increases the maximum limits of liability under the Tort Claims Act (NMSA 1978, Sections 41-4-1 through 41-4-29, as amended) the Lessee shall increase the maximum limits of any insurance required herein.

9. Independent Entity

The Lessee and its agents and employees are independent entities and are not employees or agents of the Lessor. Accordingly, the Lessee and its agents and employees shall not accrue leave, participate in retirement plans, insurance plans, or liability bonding, use the Lessor's vehicles, or participate in any other benefits afforded to employees of Lessor. Except as may be expressly authorized elsewhere in this Agreement, the Lessee has no authority to bind, represent, or otherwise act on behalf of the Lessor and agrees not to do so.

10. Appropriations and Authorizations

This Agreement is contingent upon sufficient appropriations and authorizations being made for performance of this Agreement by the Board of County Commissioners of Santa Fe County and/or, if state funds are involved, the Legislature of the State of New Mexico. If sufficient appropriations and authorizations are not made in this or future fiscal years, this Agreement shall terminate upon written notice by the Lessor to the Lessee. Such termination shall be without penalty to the Lessor and the Lessor shall have no duty to reimburse the Lessee for expenditures made under this Agreement. The Lessor is expressly not committed to expenditure of any funds until such time as they are programmed, budgeted, encumbered and approved for expenditure by Santa Fe County. The Lessor's decision as to whether sufficient appropriations and authorizations have been made for the fulfillment of this Lease shall be final and not subject to challenge by the Lessee in any way or forum, including a lawsuit.

11. Release

Upon the expiration or termination of this Lease, the Lessee releases the Lessor, its Elected Officials, officers, agents and employees from all liabilities, claims, and obligations whatsoever arising from or under or relating to this Lease.

12. Notices

All notices required to be given to the Lessor under this Lease shall be mailed (pre-postage paid) to:

Santa Fe County
County Attorney's Office
102 Grant Ave. PO Box 276
Santa Fe, NM 87504-0276

All notice required to be given to the Lessee under this Lease shall be mailed (pre-postage paid) to:

S&G Land & Cattle Company
Attn: Ronnie C. Salazar, Presiden
58 County Road 111
Espanola, NM 87532

IN WITNESS WHEREOF, the parties have executed this Lease as of the date first written above.

SANTA FE COUNTY:

Liz Stefanics, Chair
Board of County Commissioners

3/27/12
Date

Attest:

Valerie Espinoza
Santa Fe County Clerk

3/27/12
Date

Approved as to Form:

Stephen C. Ross
Santa Fe County Attorney

February 2, 2012
Date

Finance Department Approval:

Teresa Martinez
Santa Fe County Finance Director

2/13/2012
Date

CONTRACTOR:

(Signature)

2/15/12
Date

By: Ronnie C. Salazar
(Print Name)

Its: President
(Print Title)

FEDERAL TAX I.D. NUMBER: _____

APPENDIX A

PROPERTY DESCRIPTION
TOP OF THE WORLD FARM LEASE PARCEL #2

A certain tract of land north of the Sunshine area, Taos County, New Mexico; within the Sangre de Cristo Grant; located within projected Sections 2, 3, 10, 11, 14, 15, 22 and 23 Township 31 Range 12 East, NMPM; as shown on a private survey for the Costilla Estates Development Co.; and more particularly described by metes and bounds as follows;

From the 8-1/2 MM, a 1943 USGLO brass cap monument, proceed S 55° 33' 03" E, 2004.46 ft. to a 1/2 in. rebar set on the south boundary of the Sangre de Cristo Grant, thence along said boundary; N 55° 33' 03" W, 5915.77 ft. to the re-established position of the 7MM, a 1/2 in. rebar set, thence; N 55° 34' 03" W, 5279.72 ft. to the re-established position of the 6MM, a 1/2 in. rebar set, thence; N 55° 35' 03" W, 2639.53 ft. to the 5-1/2 MM, a 1943 USGLO brass cap monument found, thence; N 55° 35' 36" W, 993.13 to a 1/2 in. rebar set previously, thence leaving said grant boundary; N 00° 08' 51" E, 3651.38 ft. to a 1/2 in. rebar found, thence; S 89° 51' 37" E, 3513.68 ft. to a 1/2 in. rebar, the Point of Beginning and the SW corner of the parcel herein described.

From said POB proceed;

N 00° 04' 08" E, 10,560.29 to a 1/2 in. rebar found, thence;
N 00° 04' 18" E, 5284.22 ft. to the NW corner of the herein described parcel, a 1-1/2 in. iron pipe found, thence;
N 89° 50' 04" E, 2980.21 ft. to a 1/2 in. rebar found, thence;
N 00° 01' 36" E, 984.95 ft. to a 1/2 in. rebar set, thence;
S 89° 53' 30" E, 968.18 ft. the NE corner of the herein described parcel, a 1/2 In. rebar set, thence;
S 00° 02' 05" W, 6273.72 ft. along the east line of County Road B-050 to a 1/2 in. rebar set, thence, continue along the east line of County Road B-050;
S 00° 08' 49" W, 5282.50 to a 1/2 in. rebar set,
thence continue along the east line of County Road B-050, S 00° 04' 57" E, 5293.24 ft., thence leaving said east line of County Road B-050, N 89° 51' 37" W, 3949.32 ft. to the Point of Beginning.

This tract contains 1,466 acres, more or less; being part of a tract of land shown on a survey plat entitled "Wrangler Properties II, LLC to Grande de Rio Grande, Ltd.", RGSS survey no. L1193, by Scott B. Crowl, NMLS no. 12441, dated 04/01/99, revised 06/22/99. Subject to all rights of way and easements of record.

Daniel "Danny" Mayfield
Commissioner, District 1

Miguel Chavez
Commissioner, District 2

Robert A. Anaya
Commissioner, District 3

Kathy Holian
Commissioner, District 4

Liz Stefanics
Commissioner, District 5

Katherine Miller
County Manager

MEMORANDUM

DATE: *October 15, 213*

TO: *Board of County Commissioners*

FROM: *Adam Leigland, Public Works Department Director*

VIA: *Katherine Miller, County Manager*

ITEM AND ISSUE: *BCC Meeting October 29, 2013*
REQUEST APPROVAL OF LEASE AGREEMENT BETWEEN SANTA FE COUNTY AND JULIE MEDINA FOR PROPERTY LOCATED AT 205 B1 JUAN MEDINA RD IN EXCHANGE FOR IN KIND CARETAKER SERVICES. (PUBLIC WORKS\ADAM LEIGLAND\AGNES LEYBA-CRUZ)

BACKGROUND AND SUMMARY

Santa Fe County owns property at 205 B1 Juan Medina Rd in Santa Fe County. The property has a County facility formerly used by Presbyterian to provide head start services in the northern part of the County. Presbyterian has moved out of the facility and currently the facility is vacant. Julie Medina currently has a Lease Agreement with the County which will expire at the end of October 2013.

In exchange for the space provided, the caretaker services required are the location of a mobile or manufactured home upon the property, full-time residency at the property for security purposes, trash removal, and periodic inspections of the property and inspections report to be submitted monthly to the Public Works Department.

ACTION REQUESTED

Approval of the Lease Agreement between Santa Fe County and Julie Medina for space located at 205 B1 Juan Medina Rd in exchange for caretaker services.

SANTA FE COUNTY
LEASE AGREEMENT WITH
JULIE C. MEDINA

This **Lease Agreement** is made and entered into this _____day of _____2013, by and between **Santa Fe County**, a political subdivision of the State of New Mexico herein referred to as the "County" or "Lessor," and **Julie C. Medina** herein referred to as the "Lessee".

WHEREAS, the County owns property at 205 B1 Medina Road, Chimayo, New Mexico (the "Property");

WHEREAS, the County desires to have a full-time resident at the Property to provide caretaking duties described herein;

WHEREAS, the County is willing to allow Lessee to use the Property in exchange for Lessee's location of a mobile or manufactured home upon the Property, Lessee's full time occupation of the home and Lessee's provision of in kind caretaking services;

WHEREAS, the Lessee is willing to reside on the Property and perform the required caretaking duties under the terms of this Lease Agreement.

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, the County and Lessee agree as follows:

1. **Lease of Premises**

The County agrees to allow Lessee to park one manufactured or mobile home ("Home") on a portion of the Property designated by the County ("Premises") in accordance with the conditions set forth in this Agreement.

2. **Use of Premises and Property**

A. Lessee's residential occupancy of the Home and Premises is limited to Lessee and Lessee's family, which includes Lessee's spouse or significant other, and any related children;
B. Lessee may not keep animals of any kind in the Home or on the Premises without the prior written consent of the County;
C. The Premises shall be used by the Lessee solely for residential, single family use by placement of the Home on the Premises. Lessee acknowledges and agrees that the County reserves the right to use the non-Premises portion of the Property in any lawful manner, including for, but not limited to, such uses as the County, in its sole discretion, deems appropriate;

D. The Lessee agrees to pay residential utilities resulting from Lessee's occupation of the Home on the Premises.

3. **Lease Term**

This Lease shall, upon due execution by all parties, become effective on the date written above. The term of this Lease shall be four (4) years from October 31, 2013 to October 31, 2017, unless earlier terminated pursuant to Section 7 (Termination) of this Lease.

4. **Obligations of Lessee**

In consideration for the County allowing Lessee the residential use of the Premises for the Home without the payment of rent, the Lessee agrees to perform the following obligations:

A. The costs of installation of the Home shall be the solely the responsibility of the Lessee. The Home shall be installed only on the location designated by the County (the Premises), in a manner that meets or exceeds all applicable federal, state and local codes. Within five (5) days of the installation of the Home, the Lessee shall furnish the County proof, acceptable to the County, that the utility hookups and foundation work for the Home comply with all applicable codes;
B. Within five (5) days of installation of the Home, Lessee shall furnish the County written notification of the Vehicle Identification Number and the name and address of any entity having a secure interest in the Home;
C. Lessee shall not make alterations, attach fixtures, erect additions, structures or signs on the Premises or Property without the prior written approval from the County, including any alterations or additions necessary for the installation of the Home. All improvements and alterations shall be completed to the satisfaction of the County and shall, at the termination of this Lease, become the property of the County; provided, however, that the County may, in its sole discretion, require the Lessee, at the Lessee's sole expense, to remove any such improvements or alterations and return the Premises to the condition the Premises were in at the time the Lessee entered into the original Lease Agreement or the most recent date of the County's written approval of any alternations or additions to the Premises, whichever is later;
D. Lessee shall maintain homeowners insurance in the amount of $1,000,000 for personal liability and $1,000,000 for property damage coverage and shall name Santa Fe County as an additional insured and shall prohibit the insurance company from terminating the policy without first providing the County with written notice of the termination ten (10) days in advance of said termination at the address set forth in Section 11 (Notice). Prior to

occupying the Home on the Premises, Lessee shall provide a copy of said insurance policy to the County;

E. Lessee shall keep the Premises and Property, including any established trails, paths and roadways, free of debris, weeds, trash and other litter;
F. Lessee shall neither cause nor permit any hazardous material to be bought upon, kept or used in the Home, Premises or Property. As used herein, "hazardous materials" means a substance the release of which could necessitate an environmental response action under any federal, state, County or municipal law, whether now in effect or enacted in the future;
G. Lessee shall not create or allow a nuisance to exist at the Home or on the Premises or Property;
H. Lessee shall make detailed periodic inspections of the Property, including all structures, grounds and equipment. Lessee shall submit a monthly inspection report with the County describing the condition of the Property.
I. Lessee shall report to the County any incidents of damage or vandalism on or involving the Premises or the Property as soon as possible, but in no event shall any incident be reported more than twenty-four (24) hours after the time the incident occurs or is discovered. Lessee shall not act as a security guard, law enforcement officer or in any other manner that may endanger the safety of the Lessee;
J. Neither the Lessee nor any member of Lessee's family shall acquire an ownership interest in the Premises or Property by reason of the Lessee's of Lessee's family's use of the Premises or Property;
K. Lessee shall be liable for and shall reimburse the County for any damage to the Premises or Property beyond normal wear and tear;
L. Lessee acknowledges and agrees that, in the event Lessee fails to perform any of its obligations hereunder, the County shall have the right, but not the duty, to perform such obligations, in which event Lessee shall be responsible for reimbursing the County for the cost of performing Lessee's obligations. The County has the right to enter the Premises at reasonable hours (or in an emergency, at any hour) to inspect, clean or repair the Premises as the County deems necessary;
M. Lessee agrees to pay all other costs that are not covered under this Lease that result from Lessee's occupation of the Home and use of the Premises.

5. **Obligations of the County**

In consideration for the Lessee's agreement to lease the Premises from the County, the County agrees to the following:

A. The County reserves the right, upon reasonable notice, at the County's expense, carry out management activities on the Property and construct improvements on the Property as the County in its discretion deems advisable;

B. Except in an emergency, the County agrees to notify Lessee at least seven (7) days in advance of any work on the Property involving construction vehicles and to use reasonable efforts to minimize activities that might conflict with or interfere with the Lessee's use of the Premises;
C. The County shall make periodic inspections of the Property and will provide the Lessee with written reports of any such inspections. If necessary, the reports will identify any issues that need to be addressed by the Lessee to comply with this Agreement;
D. The County shall provide Lessee with access to the Premises over a route or routes of the County's choosing. The County may change the routes that Lessee may use to access the Premises at any time, for any reason, by giving Lessee written notice of such change.

6. Rent

In lieu of monetary rent, the Lessee agrees to fulfill its responsibilities and obligations under Section 4 (Obligations of Lessee) of this Lease. Lessee shall be responsible for all utilities, telephone, cable, internet or other fees and costs related to Lessee's occupation and maintenance of the Home.

7. Termination

A. Termination for Cause
Either party may terminate this lease based upon any material breach of this Lease by the other party. The non-breaching party shall give the breaching party written notice of termination specifying the grounds for the termination. The termination shall be effective thirty (30) days from the breaching party's receipt of the notice of termination. Lessee must vacate the Home within thirty (30) days of receipt of the notice of breach; in such instance, the Lessee must remove the Home from the Premises within sixty (60) days of receipt of the notice of breach. If Lessee fails to timely remove the Home, the County will have the Home removed and such costs of removal and storage of the Home will be the responsibility of the Lessee.
B. Termination for Convenience of the County
The County may, in its sole discretion, terminate this Agreement at any time for any reason by giving Lessee advance written notice of termination. The notice shall specify the effective date of termination, which shall not be less than sixty (60) days from Lessee's receipt of the notice. Within sixty (60) days from Lessee's receipt of the notice of termination, Lessee must remove Home from the Premises. If Lessee fails to timely remove the Home, the County will have the Home removed and such costs of removal and storage will be the responsibility of the Lessee.
C. Termination for Convenience of the Lessee
The Lessee may terminate this Agreement at any time for any reason by giving the County thirty (30) days advance written notice of termination.

The notice shall specify the effective date of termination, which shall be not less than thirty (30) days from the County's receipt of the notice. Within thirty (30) days from Lessee's delivery of the notice of termination to the County, Lessee must remove the Home from the Premises. If Lessee fails to timely remove the Home, the County will have the Home removed and such costs of removal and storage of the Home will be the responsibility of the Lessee.

D. County's Liability for Termination of Lease
In no event shall the County be liable to Lessee for any damages allegedly suffered by Lessee as a result of the County's termination of this Lease. If Lessee fails to remove the Home at the termination of this Lease, the County may have the Home removed and such costs of removal and storage of the Home will be the responsibility of the Lessee.

8. **Surrender Upon Termination**

At the expiration of the term of this Lease or upon termination pursuant to Section 7 (Termination) of the Lease, Lessee must remove the Home from the Premises and surrender the Premises to the County in as good a condition as the Property and Premises were in at the time the Lessee entered into the original Lease Agreement, or the most recent date of the County's written approval of any alternations or additions to the Premises, whichever is later, reasonable use and wear excepted. If Lessee fails to remove the Home at the termination of this Lease, the County may have the Home removed and such costs of removal and storage of the Home will be the responsibility of the Lessee.

9. **Exculpatory Clause: Indemnity**

The County shall not be liable for, and the Lessee agrees to indemnify and hold the County and its Elected Officials, agents, and employees harmless against any losses, liabilities, damages, demands, suits, causes of action, judgments, costs or expenses (including, but not limited to, court costs and attorney's fees) resulting from or directly or indirectly arising out of Lessee's lease of the Premises, including, but not limited to, any and all claims for injury or damage to persons or property occurring during the term of this Lease either (i) within the Premises or (ii) outside the Premises if due to the Lessee's acts or failures to act or due to the acts of any animals kept at the Premises by the Lessee in violation of the terms of this Lease.

The County shall have the right to approve any counsel retained by Lessee to defend any demand, suit, or cause of action in which the County is named; such approval shall not be unreasonably withheld. Lessee agrees (i) that the County shall have the right to control and participate in the defense of any such demand, suit or cause of action concerning matters that relate to the County; and (ii) that such suit will not be settled without the County's consent, such consent shall not

be unreasonably withheld. If, in the County's judgment, a conflict exists between the interest of the County and Lessee in such demand, suit or cause of action, the County may retain its own counsel, whose fees shall be paid by Lessee. Lessee's obligations under this Section shall not be limited by the provisions of any insurance policy Lessee is required to maintain under this Lease Agreement.

10. **New Mexico Tort Claims Act**

No provision of this Agreement modifies or waives any sovereign immunity or limitation of liability enjoyed by County of its "public employees" at common law or under the New Mexico Tort Claims Act, NMSA 1978, Section 41-4-1, *et seq.*

11. **Notice**

Any and all notices provided for hereunder shall be in writing and shall be deemed delivered, given and received when (i) personally delivered, or (ii) five (5) days after the same are deposited in the United States mail, postage prepaid, addressed to the applicable party at the address indicated below for such party, or at such other address as may be designated by either party in a written notice to the other party:

To the County: Santa Fe County
P.O. Box 276
Santa Fe, NM 87504

To the Lessee: Julie C. Medina
P.O. Box 384
Chimayo, NM 87522

12. **Captions**

Any captions to or headings of the paragraph of this Lease are solely for the convenience of the parties, are not part of this Lease and shall not be used for the interpretation or determination of validity of this Lease or any provision hereof.

13. **Severability**

In case any one or more of the provisions contained in this Lease or any application thereof shall be invalid, illegal or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions contained herein and any other application thereof shall not in any way be affected or impaired thereby.

14. **Applicable Law**

This Lease shall be construed, enforced and interpreted in accordance with and governed by the laws of the State of New Mexico. The County and Lessee agree

that the exclusive forum for any litigation between them arising out of or related to this Agreement shall be the First Judicial District Court of New Mexico, located in Santa Fe County.

15. **No Assignment or Sublet; Abandonment**

A. The Lessee shall not sublet, transfer or assign, in whole or in part, any rights, duties or obligations under this Lease Agreement or in the Premises. The Lessee shall not assign this Lease Agreement or sublet all or any part of the Premises. Any attempted transfer, assignment, or subletting by Lessee shall be null and void.

B. Upon the execution of this Lease Agreement, the Lessee shall provide the name and address of the Lessee's place of employment, a family member or emergency contact, and a "contact person" as that term is defined at § 47-8-34.2 NMSA 1978, of the Uniform Owner-Resident Relations Act.

C. Lessee shall provide no less than fifteen (15) days written notice to the Lessor of Lessee's absence from the Home for one full rental period or a period in excess of seven (7) consecutive days, whichever is less. If Lessee fails to notify the Lessor as provided herein, Lessor may consider the Home and Premises abandoned and pursue any remedy available under the Uniform Owner-Resident Relations Act, § 47-8-1 et seq., NMSA 1978.

16. **No Waiver**

No waiver of a breach of any of the covenants contained in this Lease shall be construed to be a waiver of any succeeding breach of the same or any other covenant.

17. **Amendment**

This Lease shall not be altered, changed or amended except by an instrument in writing executed by the parties hereto.

18. **Force Majeure**

The County shall have no liability to the Lessee, nor shall the Lessee have any claim for constructive eviction, because of the County's failure to perform any of its obligations in the Lease if the failure is due to reasons beyond the County's reasonable control, including without limitation, strikes or other labor difficulties, war, riot, civil insurrection, accidents, acts of God and government preemption in connection with a national emergency.

19. **Entire Lease**

The foregoing constitutes the entire agreement between the County and the Lessee, represents their entire understanding and defines all of their respective rights, title and interest as well as all of their duties, responsibilities and obligations. Any and all prior agreements and understandings between the parties are merged here.

IN WITNESS WHEREOF, the parties have executed this Lease Agreement as of the date first written above.

LESSOR SANTA FE COUNTY

Kathleen S. Holian, Chair
Board of County Commissioners

Date

ATTEST

Geraldine Salazar
Santa Fe County Clerk

Date

APPROVED AS TO FORM

Stephen C. Ross
Santa Fe County Attorney

9/18/13
Date

FINANCE DEPARTMENT

Teresa C. Martinez
Santa Fe County Finance Director

9/23/13
Date

LESSEE JULIE C. MEDINA

(Signature)

9/27/13
Date

Julie C. Medina
(Print Name)

Addendum to Lease Agreement

Name and address of Lessee's place of employment:
Los Alamos Medical Center

Name and address of Lessee's family member or emergency contact: LeRoy Medina (505) 351-1593

Name and address of Lessee's "contact person:"
LeRoy Medina (505) 351-1593

The Uniform Owner-Resident Relations Act, § 47-8-34.2 NMSA 1978 defines "contact person" as the person designated by the resident in writing as the person to contact and release property to in the event of the resident's death.

Daniel "Danny" Mayfield
Commissioner, District 1

Miguel Chavez
Commissioner, District 2

Robert A. Anaya
Commissioner, District 3

Kathy Holian
Commissioner, District 4

Liz Stefanics
Commissioner, District 5

Katherine Miller
County Manager

MEMORANDUM

DATE: *October 15, 213*

TO: *Board of County Commissioners*

FROM: *Adam Leigland, Public Works Department Director* AL 10/15/13

VIA: *Katherine Miller, County Manager* KM

ITEM AND ISSUE: *BCC Meeting October 29, 2013*
REQUEST APPROVAL OF LEASE AGREEMENT BETWEEN SANTA FE COUNTY AND EDWARD WEBB FOR PROPERTY LOCATED AT #2 AGUA FRIA PARK ROAD IN EXCHANGE FOR IN KIND CARETAKER SERVICES. (PUBLIC WORKS\ADAM LEIGLAND\AGNES LEYBA-CRUZ)

BACKGROUND AND SUMMARY

Santa Fe County owns property at #2 Agua Fria Park Road Street in Santa Fe County. The property serves as a park for the community, Romero Park, a Fire Station, and a maintenance yard used by the Open Space and Trails staff for storage of equipment and materials. Edward Webb currently has a Lease Agreement which will expire at the end of October 2013.

In exchange for the space provided, the caretaker services required are the location of a mobile or manufactured home upon the property, full-time residency at the property for security purposes, trash removal, and periodic inspections of the property and inspections report to be submitted monthly to the Public Works Department.

ACTION REQUESTED

Approval of the Lease Agreement between Santa Fe County and Edward Webb for space located at #2 Agua Fria Park Road in exchange for caretaker services.

SANTA FE COUNTY
LEASE AGREEMENT WITH
EDWARD WEBB

This **Lease Agreement** is made and entered into this _____day of _____2013, by and between **Santa Fe County**, a political subdivision of the State of New Mexico herein referred to as the "County" or "Lessor," and **Edward Webb** herein referred to as the "Lessee".

WHEREAS, the County owns property at #2 Agua Fria Park Road, Santa Fe, New Mexico (the "Property");

WHEREAS, the County desires to have a full-time resident at the Property to provide caretaking duties described herein;

WHEREAS, the County is willing to allow Lessee to use the Property in exchange for Lessee's location of a mobile or manufactured home upon the Property, Lessee's full time occupation of the home and Lessee's provision of in kind caretaking services;

WHEREAS, the Lessee is willing to reside on the Property and perform the required caretaking duties under the terms of this Lease Agreement.

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, the County and Lessee agree as follows:

1. **Lease of Premises**

The County agrees to allow Lessee to park one manufactured or mobile home ("Home") on a portion of the Property designated by the County ("Premises") in accordance with the conditions set forth in this Agreement.

2. **Use of Premises and Property**

A. Lessee's residential occupancy of the Home and Premises is limited to Lessee and Lessee's family, which includes Lessee's spouse or significant other, and any related children;
B. Lessee may not keep animals of any kind in the Home or on the Premises without the prior written consent of the County;
C. The Premises shall be used by the Lessee solely for residential, single family use by placement of the Home on the Premises. Lessee acknowledges and agrees that the County reserves the right to use the non-Premises portion of the Property in any lawful manner, including for, but not limited to, such uses as the County, in its sole discretion, deems appropriate;

D. The Lessee agrees to pay residential utilities resulting from Lessee's occupation of the Home on the Premises.

3. **Lease Term**

This Lease shall, upon due execution by all parties, become effective on the date written above. The term of this Lease shall be four (4) years from October 31, 2013 to October 31, 2017, unless earlier terminated pursuant to Section 7 (Termination) of this Lease.

4. **Obligations of Lessee**

In consideration for the County allowing Lessee the residential use of the Premises for the Home without the payment of rent, the Lessee agrees to perform the following obligations:

A. The costs of installation of the Home shall be the solely the responsibility of the Lessee. The Home shall be installed only on the location designated by the County (the Premises), in a manner that meets or exceeds all applicable federal, state and local codes. Within five (5) days of the installation of the Home, the Lessee shall furnish the County proof, acceptable to the County, that the utility hookups and foundation work for the Home comply with all applicable codes;
B. Within five (5) days of installation of the Home, Lessee shall furnish the County written notification of the Vehicle Identification Number and the name and address of any entity having a secure interest in the Home;
C. Lessee shall not make alterations, attach fixtures, erect additions, structures or signs on the Premises or Property without the prior written approval from the County, including any alterations or additions necessary for the installation of the Home. All improvements and alterations shall be completed to the satisfaction of the County and shall, at the termination of this Lease, become the property of the County; provided, however, that the County may, in its sole discretion, require the Lessee, at the Lessee's sole expense, to remove any such improvements or alterations and return the Premises to the condition the Premises were in at the time the Lessee entered into the original Lease Agreement or the most recent date of the County's written approval of any alternations or additions to the Premises, whichever is later;
D. Lessee shall maintain homeowners insurance in the amount of $1,000,000 for personal liability and $1,000,000 for property damage coverage and shall name Santa Fe County as an additional insured and shall prohibit the insurance company from terminating the policy without first providing the County with written notice of the termination ten (10) days in advance of said termination at the address set forth in Section 11 (Notice). Prior to

occupying the Home on the Premises, Lessee shall provide a copy of said insurance policy to the County;

E. Lessee shall keep the Premises and Property, including any established trails, paths and roadways, free of debris, weeds, trash and other litter;
F. Lessee shall neither cause nor permit any hazardous material to be bought upon, kept or used in the Home, Premises or Property. As used herein, "hazardous materials" means a substance the release of which could necessitate an environmental response action under any federal, state, County or municipal law, whether now in effect or enacted in the future;
G. Lessee shall not create or allow a nuisance to exist at the Home or on the Premises or Property;
H. Lessee shall make detailed periodic inspections of the Property, including all structures, grounds and equipment. Lessee shall submit a monthly inspection report with the County describing the condition of the Property.
I. Lessee shall report to the County any incidents of damage or vandalism on or involving the Premises or the Property as soon as possible, but in no event shall any incident be reported more than twenty-four (24) hours after the time the incident occurs or is discovered. Lessee shall not act as a security guard, law enforcement officer or in any other manner that may endanger the safety of the Lessee;
J. Neither the Lessee nor any member of Lessee's family shall acquire an ownership interest in the Premises or Property by reason of the Lessee's of Lessee's family's use of the Premises or Property;
K. Lessee shall be liable for and shall reimburse the County for any damage to the Premises or Property beyond normal wear and tear;
L. Lessee acknowledges and agrees that, in the event Lessee fails to perform any of its obligations hereunder, the County shall have the right, but not the duty, to perform such obligations, in which event Lessee shall be responsible for reimbursing the County for the cost of performing Lessee's obligations. The County has the right to enter the Premises at reasonable hours (or in an emergency, at any hour) to inspect, clean or repair the Premises as the County deems necessary;
M. Lessee agrees to pay all other costs that are not covered under this Lease that result from Lessee's occupation of the Home and use of the Premises.

5. **Obligations of the County**

In consideration for the Lessee's agreement to lease the Premises from the County, the County agrees to the following:

A. The County reserves the right, upon reasonable notice, at the County's expense, carry out management activities on the Property and construct improvements on the Property as the County in its discretion deems advisable;

B. Except in an emergency, the County agrees to notify Lessee at least seven (7) days in advance of any work on the Property involving construction vehicles and to use reasonable efforts to minimize activities that might conflict with or interfere with the Lessee's use of the Premises;
C. The County shall make periodic inspections of the Property and will provide the Lessee with written reports of any such inspections. If necessary, the reports will identify any issues that need to be addressed by the Lessee to comply with this Agreement;
D. The County shall provide Lessee with access to the Premises over a route or routes of the County's choosing. The County may change the routes that Lessee may use to access the Premises at any time, for any reason, by giving Lessee written notice of such change.

6. **Rent**

In lieu of monetary rent, the Lessee agrees to fulfill its responsibilities and obligations under Section 4 (Obligations of Lessee) of this Lease. Lessee shall be responsible for all utilities, telephone, cable, internet or other fees and costs related to Lessee's occupation and maintenance of the Home.

7. **Termination**

A. Termination for Cause
Either party may terminate this lease based upon any material breach of this Lease by the other party. The non-breaching party shall give the breaching party written notice of termination specifying the grounds for the termination. The termination shall be effective thirty (30) days from the breaching party's receipt of the notice of termination. Lessee must vacate the Home within thirty (30) days of receipt of the notice of breach; in such instance, the Lessee must remove the Home from the Premises within sixty (60) days of receipt of the notice of breach. If Lessee fails to timely remove the Home, the County will have the Home removed and such costs of removal and storage of the Home will be the responsibility of the Lessee.
B. Termination for Convenience of the County
The County may, in its sole discretion, terminate this Agreement at any time for any reason by giving Lessee advance written notice of termination. The notice shall specify the effective date of termination, which shall not be less than sixty (60) days from Lessee's receipt of the notice. Within sixty (60) days from Lessee's receipt of the notice of termination, Lessee must remove Home from the Premises. If Lessee fails to timely remove the Home, the County will have the Home removed and such costs of removal and storage will be the responsibility of the Lessee.
C. Termination for Convenience of the Lessee
The Lessee may terminate this Agreement at any time for any reason by giving the County thirty (30) days advance written notice of termination.

The notice shall specify the effective date of termination, which shall be not less than thirty (30) days from the County's receipt of the notice. Within thirty (30) days from Lessee's delivery of the notice of termination to the County, Lessee must remove the Home from the Premises. If Lessee fails to timely remove the Home, the County will have the Home removed and such costs of removal and storage of the Home will be the responsibility of the Lessee.

D. County's Liability for Termination of Lease

In no event shall the County be liable to Lessee for any damages allegedly suffered by Lessee as a result of the County's termination of this Lease. If Lessee fails to remove the Home at the termination of this Lease, the County may have the Home removed and such costs of removal and storage of the Home will be the responsibility of the Lessee.

8. **Surrender Upon Termination**

At the expiration of the term of this Lease or upon termination pursuant to Section 7 (Termination) of the Lease, Lessee must remove the Home from the Premises and surrender the Premises to the County in as good a condition as the Property and Premises were in at the time the Lessee entered into the original Lease Agreement, or the most recent date of the County's written approval of any alternations or additions to the Premises, whichever is later, reasonable use and wear excepted. If Lessee fails to remove the Home at the termination of this Lease, the County may have the Home removed and such costs of removal and storage of the Home will be the responsibility of the Lessee.

9. **Exculpatory Clause: Indemnity**

The County shall not be liable for, and the Lessee agrees to indemnify and hold the County and its Elected Officials, agents, and employees harmless against any losses, liabilities, damages, demands, suits, causes of action, judgments, costs or expenses (including, but not limited to, court costs and attorney's fees) resulting from or directly or indirectly arising out of Lessee's lease of the Premises, including, but not limited to, any and all claims for injury or damage to persons or property occurring during the term of this Lease either (i) within the Premises or (ii) outside the Premises if due to the Lessee's acts or failures to act or due to the acts of any animals kept at the Premises by the Lessee in violation of the terms of this Lease.

The County shall have the right to approve any counsel retained by Lessee to defend any demand, suit, or cause of action in which the County is named; such approval shall not be unreasonably withheld. Lessee agrees (i) that the County shall have the right to control and participate in the defense of any such demand, suit or cause of action concerning matters that relate to the County; and (ii) that such suit will not be settled without the County's consent, such consent shall not

be unreasonably withheld. If, in the County's judgment, a conflict exists between the interest of the County and Lessee in such demand, suit or cause of action, the County may retain its own counsel, whose fees shall be paid by Lessee. Lessee's obligations under this Section shall not be limited by the provisions of any insurance policy Lessee is required to maintain under this Lease Agreement.

10. **New Mexico Tort Claims Act**

No provision of this Agreement modifies or waives any sovereign immunity or limitation of liability enjoyed by County of its "public employees" at common law or under the New Mexico Tort Claims Act, NMSA 1978, Section 41-4-1, *et seq.*

11. **Notice**

Any and all notices provided for hereunder shall be in writing and shall be deemed delivered, given and received when (i) personally delivered, or (ii) five (5) days after the same are deposited in the United States mail, postage prepaid, addressed to the applicable party at the address indicated below for such party, or at such other address as may be designated by either party in a written notice to the other party:

To the County: Santa Fe County
P.O. Box 276
Santa Fe, NM 87504

To the Lessee: Edward Webb
#2 Agua Fria Park Road
Santa Fe, NM 87501

12. **Captions**

Any captions to or headings of the paragraph of this Lease are solely for the convenience of the parties, are not part of this Lease and shall not be used for the interpretation or determination of validity of this Lease or any provision hereof.

13. **Severability**

In case any one or more of the provisions contained in this Lease or any application thereof shall be invalid, illegal or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions contained herein and any other application thereof shall not in any way be affected or impaired thereby.

14. **Applicable Law**

This Lease shall be construed, enforced and interpreted in accordance with and governed by the laws of the State of New Mexico. The County and Lessee agree

that the exclusive forum for any litigation between them arising out of or related to this Agreement shall be the First Judicial District Court of New Mexico, located in Santa Fe County.

15. **No Assignment or Sublet; Abandonment**

A. The Lessee shall not sublet, transfer or assign, in whole or in part, any rights, duties or obligations under this Lease Agreement or in the Premises. The Lessee shall not assign this Lease Agreement or sublet all or any part of the Premises. Any attempted transfer, assignment, or subletting by Lessee shall be null and void.

B. Upon the execution of this Lease Agreement, the Lessee shall provide the name and address of the Lessee's place of employment, a family member or emergency contact, and a "contact person" as that term is defined at § 47-8-34.2 NMSA 1978, of the Uniform Owner-Resident Relations Act.

C. Lessee shall provide no less than fifteen (15) days written notice to the Lessor of Lessee's absence from the Home for one full rental period or a period in excess of seven (7) consecutive days, whichever is less. If Lessee fails to notify the Lessor as provided herein, Lessor may consider the Home and Premises abandoned and pursue any remedy available under the Uniform Owner-Resident Relations Act, § 47-8-1 et seq., NMSA 1978.

16. **No Waiver**

No waiver of a breach of any of the covenants contained in this Lease shall be construed to be a waiver of any succeeding breach of the same or any other covenant.

17. **Amendment**

This Lease shall not be altered, changed or amended except by an instrument in writing executed by the parties hereto.

18. **Force Majeure**

The County shall have no liability to the Lessee, nor shall the Lessee have any claim for constructive eviction, because of the County's failure to perform any of its obligations in the Lease if the failure is due to reasons beyond the County's reasonable control, including without limitation, strikes or other labor difficulties, war, riot, civil insurrection, accidents, acts of God and government preemption in connection with a national emergency.

19. **Entire Lease**

The foregoing constitutes the entire agreement between the County and the Lessee, represents their entire understanding and defines all of their respective rights, title and interest as well as all of their duties, responsibilities and obligations. Any and all prior agreements and understandings between the parties are merged here.

IN WITNESS WHEREOF, the parties have executed this Lease Agreement as of the date first written above.

LESSOR SANTA FE COUNTY

Kathleen S. Holian, Chair
Board of County Commissioners

Date

ATTEST

Geraldine Salazar
Santa Fe County Clerk

Date

APPROVED AS TO FORM

Stephen C. Ross
Santa Fe County Attorney

9/18/13
Date

FINANCE DEPARTMENT

Teresa C. Martinez
Santa Fe County Finance Director

9/23/13
Date

LESSEE EDWARD WEBB

(Signature)

7/25/13
Date

Edward G. Webb Jr
(Print Name)

Addendum to Lease Agreement

Name and address of Lessee's place of employment:

SANTA FE COUNTY SHERIFF'S OFFICE
35 CAMINO JUSTICIA.

Name and address of Lessee's family member or emergency contact: ANASTASIA MARTIN
#2 AGUA FRIA PARK ROAD
928-242-0926

Name and address of Lessee's "contact person:"

ANASTASIA MARTIN
#2 AGUA FRIA PARK
928-242-0926

The Uniform Owner-Resident Relations Act, § 47-8-34.2 NMSA 1978 defines "contact person" as the person designated by the resident in writing as the person to contact and release property to in the event of the resident's death.

Daniel "Danny" Mayfield
Commissioner, District 1

Miguel Chavez
Commissioner, District 2

Robert A. Anaya
Commissioner, District 3

Kathy Holian
Commissioner, District 4

Liz Stefanics
Commissioner, District 5

Katherine Miller
County Manager

MEMORANDUM

DATE: *October 15, 213*

TO: *Board of County Commissioners*

FROM: *Adam Leigland, Public Works Department Director* 10/15/13

VIA: *Katherine Miller, County Manager*

ITEM AND ISSUE: *BCC Meeting October 29, 2013*
REQUEST APPROVAL OF LEASE AGREEMENT BETWEEN SANTA FE COUNTY AND ALAN VIGIL FOR PROPERTY LOCATED AT 2600 GALISTEO STREET IN EXCHANGE FOR IN KIND CARETAKER SERVICES. (PUBLIC WORKS\ADAM LEIGLAND\AGNES LEYBA-CRUZ)

BACKGROUND AND SUMMARY

Santa Fe County owns property at 2600 Galisteo Street in Santa Fe County, previously used as a Public Works maintenance yard. Currently the property serves as office space for the Operations Division within the Public Works Department and storage for the Clerk's voting machines. Alan Vigil currently has a Lease Agreement which will expire at the end of October 2013.

In exchange for the space provided on the Galisteo site, the caretaker services required are trash removal, full-time residency at the property for security purposes, periodic inspections of the property and inspections report to be submitted monthly to the Public Works Department.

ACTION REQUESTED

Approval of the Lease Agreement between Santa Fe County and Alan Vigil for space located at 2600 Galisteo in exchange for caretaker services.

SANTA FE COUNTY
LEASE AGREEMENT WITH
ALAN VIGIL

This **Lease Agreement** is made and entered into this _____day of _____2013, by and between **Santa Fe County**, a political subdivision of the State of New Mexico herein referred to as the "County" or "Lessor," and **Alan Vigil** herein referred to as the "Lessee".

WHEREAS, the County owns property at 2600 Galisteo Street, Santa Fe, New Mexico (the "Property");

WHEREAS, the County desires to have a full-time resident at the Property to provide caretaking duties described herein;

WHEREAS, the County is willing to allow Lessee to use the Property in exchange for Lessee's location of a mobile or manufactured home upon the Property, Lessee's full time occupation of the home and Lessee's provision of in kind caretaking services;

WHEREAS, the Lessee is willing to reside on the Property and perform the required caretaking duties under the terms of this Lease Agreement.

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, the County and Lessee agree as follows:

1. **Lease of Premises**

The County agrees to allow Lessee to park one manufactured or mobile home ("Home") on a portion of the Property designated by the County ("Premises") in accordance with the conditions set forth in this Agreement.

2. **Use of Premises and Property**

A. Lessee's residential occupancy of the Home and Premises is limited to Lessee and Lessee's family, which includes Lessee's spouse or significant other, and any related children;
B. Lessee may not keep animals of any kind in the Home or on the Premises without the prior written consent of the County;
C. The Premises shall be used by the Lessee solely for residential, single family use by placement of the Home on the Premises. Lessee acknowledges and agrees that the County reserves the right to use the non-Premises portion of the Property in any lawful manner, including for, but not limited to, such uses as the County, in its sole discretion, deems appropriate;

D. The Lessee agrees to pay residential utilities resulting from Lessee's occupation of the Home on the Premises.

3. **Lease Term**

This Lease shall, upon due execution by all parties, become effective on the date written above. The term of this Lease shall be four (4) years from October 31, 2013 to October 31, 2017, unless earlier terminated pursuant to Section 7 (Termination) of this Lease.

4. **Obligations of Lessee**

In consideration for the County allowing Lessee the residential use of the Premises for the Home without the payment of rent, the Lessee agrees to perform the following obligations:

A. The costs of installation of the Home shall be the solely the responsibility of the Lessee. The Home shall be installed only on the location designated by the County (the Premises), in a manner that meets or exceeds all applicable federal, state and local codes. Within five (5) days of the installation of the Home, the Lessee shall furnish the County proof, acceptable to the County, that the utility hookups and foundation work for the Home comply with all applicable codes;

B. Within five (5) days of installation of the Home, Lessee shall furnish the County written notification of the Vehicle Identification Number and the name and address of any entity having a secure interest in the Home;

C. Lessee shall not make alterations, attach fixtures, erect additions, structures or signs on the Premises or Property without the prior written approval from the County, including any alterations or additions necessary for the installation of the Home. All improvements and alterations shall be completed to the satisfaction of the County and shall, at the termination of this Lease, become the property of the County; provided, however, that the County may, in its sole discretion, require the Lessee, at the Lessee's sole expense, to remove any such improvements or alterations and return the Premises to the condition the Premises were in at the time the Lessee entered into the original Lease Agreement or the most recent date of the County's written approval of any alternations or additions to the Premises, whichever is later;

D. Lessee shall maintain homeowners insurance in the amount of $1,000,000 for personal liability and $1,000,000 for property damage coverage and shall name Santa Fe County as an additional insured and shall prohibit the insurance company from terminating the policy without first providing the County with written notice of the termination ten (10) days in advance of said termination at the address set forth in Section 11 (Notice). Prior to

occupying the Home on the Premises, Lessee shall provide a copy of said insurance policy to the County;

E. Lessee shall keep the Premises and Property, including any established trails, paths and roadways, free of debris, weeds, trash and other litter;

F. Lessee shall neither cause nor permit any hazardous material to be bought upon, kept or used in the Home, Premises or Property. As used herein, "hazardous materials" means a substance the release of which could necessitate an environmental response action under any federal, state, County or municipal law, whether now in effect or enacted in the future;

G. Lessee shall not create or allow a nuisance to exist at the Home or on the Premises or Property;

H. Lessee shall make detailed periodic inspections of the Property, including all structures, grounds and equipment. Lessee shall submit a monthly inspection report with the County describing the condition of the Property.

I. Lessee shall report to the County any incidents of damage or vandalism on or involving the Premises or the Property as soon as possible, but in no event shall any incident be reported more than twenty-four (24) hours after the time the incident occurs or is discovered. Lessee shall not act as a security guard, law enforcement officer or in any other manner that may endanger the safety of the Lessee;

J. Neither the Lessee nor any member of Lessee's family shall acquire an ownership interest in the Premises or Property by reason of the Lessee's of Lessee's family's use of the Premises or Property;

K. Lessee shall be liable for and shall reimburse the County for any damage to the Premises or Property beyond normal wear and tear;

L. Lessee acknowledges and agrees that, in the event Lessee fails to perform any of its obligations hereunder, the County shall have the right, but not the duty, to perform such obligations, in which event Lessee shall be responsible for reimbursing the County for the cost of performing Lessee's obligations. The County has the right to enter the Premises at reasonable hours (or in an emergency, at any hour) to inspect, clean or repair the Premises as the County deems necessary;

M. Lessee agrees to pay all other costs that are not covered under this Lease that result from Lessee's occupation of the Home and use of the Premises.

5. **Obligations of the County**

In consideration for the Lessee's agreement to lease the Premises from the County, the County agrees to the following:

A. The County reserves the right, upon reasonable notice, at the County's expense, carry out management activities on the Property and construct improvements on the Property as the County in its discretion deems advisable;

B. Except in an emergency, the County agrees to notify Lessee at least seven (7) days in advance of any work on the Property involving construction vehicles and to use reasonable efforts to minimize activities that might conflict with or interfere with the Lessee's use of the Premises;
C. The County shall make periodic inspections of the Property and will provide the Lessee with written reports of any such inspections. If necessary, the reports will identify any issues that need to be addressed by the Lessee to comply with this Agreement;
D. The County shall provide Lessee with access to the Premises over a route or routes of the County's choosing. The County may change the routes that Lessee may use to access the Premises at any time, for any reason, by giving Lessee written notice of such change.

6. **Rent**

In lieu of monetary rent, the Lessee agrees to fulfill its responsibilities and obligations under Section 4 (Obligations of Lessee) of this Lease. Lessee shall be responsible for all utilities, telephone, cable, internet or other fees and costs related to Lessee's occupation and maintenance of the Home.

7. **Termination**

A. Termination for Cause
Either party may terminate this lease based upon any material breach of this Lease by the other party. The non-breaching party shall give the breaching party written notice of termination specifying the grounds for the termination. The termination shall be effective thirty (30) days from the breaching party's receipt of the notice of termination. Lessee must vacate the Home within thirty (30) days of receipt of the notice of breach; in such instance, the Lessee must remove the Home from the Premises within sixty (60) days of receipt of the notice of breach. If Lessee fails to timely remove the Home, the County will have the Home removed and such costs of removal and storage of the Home will be the responsibility of the Lessee.
B. Termination for Convenience of the County
The County may, in its sole discretion, terminate this Agreement at any time for any reason by giving Lessee advance written notice of termination. The notice shall specify the effective date of termination, which shall not be less than sixty (60) days from Lessee's receipt of the notice. Within sixty (60) days from Lessee's receipt of the notice of termination, Lessee must remove Home from the Premises. If Lessee fails to timely remove the Home, the County will have the Home removed and such costs of removal and storage will be the responsibility of the Lessee.
C. Termination for Convenience of the Lessee
The Lessee may terminate this Agreement at any time for any reason by giving the County thirty (30) days advance written notice of termination.

The notice shall specify the effective date of termination, which shall be not less than thirty (30) days from the County's receipt of the notice. Within thirty (30) days from Lessee's delivery of the notice of termination to the County, Lessee must remove the Home from the Premises. If Lessee fails to timely remove the Home, the County will have the Home removed and such costs of removal and storage of the Home will be the responsibility of the Lessee.

D. County's Liability for Termination of Lease

In no event shall the County be liable to Lessee for any damages allegedly suffered by Lessee as a result of the County's termination of this Lease. If Lessee fails to remove the Home at the termination of this Lease, the County may have the Home removed and such costs of removal and storage of the Home will be the responsibility of the Lessee.

8. **Surrender Upon Termination**

At the expiration of the term of this Lease or upon termination pursuant to Section 7 (Termination) of the Lease, Lessee must remove the Home from the Premises and surrender the Premises to the County in as good a condition as the Property and Premises were in at the time the Lessee entered into the original Lease Agreement, or the most recent date of the County's written approval of any alternations or additions to the Premises, whichever is later, reasonable use and wear excepted. If Lessee fails to remove the Home at the termination of this Lease, the County may have the Home removed and such costs of removal and storage of the Home will be the responsibility of the Lessee.

9. **Exculpatory Clause: Indemnity**

The County shall not be liable for, and the Lessee agrees to indemnify and hold the County and its Elected Officials, agents, and employees harmless against any losses, liabilities, damages, demands, suits, causes of action, judgments, costs or expenses (including, but not limited to, court costs and attorney's fees) resulting from or directly or indirectly arising out of Lessee's lease of the Premises, including, but not limited to, any and all claims for injury or damage to persons or property occurring during the term of this Lease either (i) within the Premises or (ii) outside the Premises if due to the Lessee's acts or failures to act or due to the acts of any animals kept at the Premises by the Lessee in violation of the terms of this Lease.

The County shall have the right to approve any counsel retained by Lessee to defend any demand, suit, or cause of action in which the County is named; such approval shall not be unreasonably withheld. Lessee agrees (i) that the County shall have the right to control and participate in the defense of any such demand, suit or cause of action concerning matters that relate to the County; and (ii) that such suit will not be settled without the County's consent, such consent shall not

be unreasonably withheld. If, in the County's judgment, a conflict exists between the interest of the County and Lessee in such demand, suit or cause of action, the County may retain its own counsel, whose fees shall be paid by Lessee. Lessee's obligations under this Section shall not be limited by the provisions of any insurance policy Lessee is required to maintain under this Lease Agreement.

10. **New Mexico Tort Claims Act**

No provision of this Agreement modifies or waives any sovereign immunity or limitation of liability enjoyed by County of its "public employees" at common law or under the New Mexico Tort Claims Act, NMSA 1978, Section 41-4-1, *et seq.*

11. **Notice**

Any and all notices provided for hereunder shall be in writing and shall be deemed delivered, given and received when (i) personally delivered, or (ii) five (5) days after the same are deposited in the United States mail, postage prepaid, addressed to the applicable party at the address indicated below for such party, or at such other address as may be designated by either party in a written notice to the other party:

To the County: Santa Fe County
P.O. Box 276
Santa Fe, NM 87504

To the Lessee: Alan Vigil
2600 Galisteo Street
Santa Fe, NM 87505

12. **Captions**

Any captions to or headings of the paragraph of this Lease are solely for the convenience of the parties, are not part of this Lease and shall not be used for the interpretation or determination of validity of this Lease or any provision hereof.

13. **Severability**

In case any one or more of the provisions contained in this Lease or any application thereof shall be invalid, illegal or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions contained herein and any other application thereof shall not in any way be affected or impaired thereby.

14. **Applicable Law**

This Lease shall be construed, enforced and interpreted in accordance with and governed by the laws of the State of New Mexico. The County and Lessee agree

that the exclusive forum for any litigation between them arising out of or related to this Agreement shall be the First Judicial District Court of New Mexico, located in Santa Fe County.

15. **No Assignment or Sublet; Abandonment**

A. The Lessee shall not sublet, transfer or assign, in whole or in part, any rights, duties or obligations under this Lease Agreement or in the Premises. The Lessee shall not assign this Lease Agreement or sublet all or any part of the Premises. Any attempted transfer, assignment, or subletting by Lessee shall be null and void.

B. Upon the execution of this Lease Agreement, the Lessee shall provide the name and address of the Lessee's place of employment, a family member or emergency contact, and a "contact person" as that term is defined at § 47-8-34.2 NMSA 1978, of the Uniform Owner-Resident Relations Act.

C. Lessee shall provide no less than fifteen (15) days written notice to the Lessor of Lessee's absence from the Home for one full rental period or a period in excess of seven (7) consecutive days, whichever is less. If Lessee fails to notify the Lessor as provided herein, Lessor may consider the Home and Premises abandoned and pursue any remedy available under the Uniform Owner-Resident Relations Act, § 47-8-1 et seq., NMSA 1978.

16. **No Waiver**

No waiver of a breach of any of the covenants contained in this Lease shall be construed to be a waiver of any succeeding breach of the same or any other covenant.

17. **Amendment**

This Lease shall not be altered, changed or amended except by an instrument in writing executed by the parties hereto.

18. **Force Majeure**

The County shall have no liability to the Lessee, nor shall the Lessee have any claim for constructive eviction, because of the County's failure to perform any of its obligations in the Lease if the failure is due to reasons beyond the County's reasonable control, including without limitation, strikes or other labor difficulties, war, riot, civil insurrection, accidents, acts of God and government preemption in connection with a national emergency.

19. **Entire Lease**

The foregoing constitutes the entire agreement between the County and the Lessee, represents their entire understanding and defines all of their respective rights, title and interest as well as all of their duties, responsibilities and obligations. Any and all prior agreements and understandings between the parties are merged here.

IN WITNESS WHEREOF, the parties have executed this Lease Agreement as of the date first written above.

LESSOR SANTA FE COUNTY

_____ _____
Kathleen S. Holian, Chair — Date
Board of County Commissioners

ATTEST

_____ _____
Geraldine Salazar — Date
Santa Fe County Clerk

APPROVED AS TO FORM

_____ 9/18/13
Stephen C. Ross — Date
Santa Fe County Attorney

FINANCE DEPARTMENT

_____ 9/23/13
Teresa C. Martinez — Date
Santa Fe County Finance Director

LESSEE ALAN VIGIL

_____ 09 25 13
(Signature) — Date

ALAN J VIGIL
(Print Name)

Addendum to Lease Agreement

Name and address of Lessee's place of employment:

SANTA FE COUNTY PUBLIC WORKS TRAFFIC ENG
#424 STATE ROAD #599 FRONTAGE ROAD

Name and address of Lessee's family member or emergency contact: Helen Hitt # 471-3581 #31 Calle Ventura

Name and address of Lessee's "contact person:"

Eligio Sandoval # 471-1813 Brother
#7411 State Highway #14

The Uniform Owner-Resident Relations Act, § 47-8-34.2 NMSA 1978 defines "contact person" as the person designated by the resident in writing as the person to contact and release property to in the event of the resident's death.

Daniel "Danny" Mayfield
Commissioner, District 1

Miguel Chavez
Commissioner, District 2

Robert A. Anaya
Commissioner, District 3

Kathy Holian
Commissioner, District 4

Liz Stefanics
Commissioner, District 5

Katherine Miller
County Manager

MEMORANDUM

DATE: *October 15, 2013*

TO: *Board of County Commissioners*

FROM: *Adam Leigland, Public Works Department Director* 10/15/13

VIA: *Katherine Miller, County Manager*

ITEM AND ISSUE: *BCC Meeting October 29, 2013*
REQUEST APPROVAL OF FIRST AMENDMENT TO COOPERATIVE GRANT PROJECT AGREEMENT WITH THE NEW MEXICO DEPARTMENT OF TRANSPORTATION TO INCREASE THE TRANSPORTATION ENHANCEMENTS (TPE) FUNDING FOR CONSTRUCTION OF A PORTION OF THE SANTA FE RAIL TRAIL

BACKGROUND AND SUMMARY:

The Santa Fe Rail Trail is a regional, multi-modal trail that runs along the historic Atchison, Topeka, Santa Fe Railway from the depot in Santa Fe, NM to Lamy, NM. Santa Fe County manages the portion of the trail from I-25 to NM 285. Currently the unimproved, two track, maintenance road for the railway serves as the trail. Santa Fe County hired Loris and Associates, Inc. to design improvements to the trail in order to 1) comply with federal setback requirements for a trail along an active railroad; 2) correct drainage and erosion problems along the trail corridor; and 3) make the trail more accessible to a wider range of users as primary multi-modal recreational trail. The County completed construction of the first segment of the trail from Rabbit Road to the Spur Trail in 2012.

On February 21, 2012, Santa Fe County entered into a Cooperative Agreement with the New Mexico Department of Transportation in order for the County to receive federal Transportation Enhancements (TPE) funds for the construction of the next segment of the trail from the Spur Trail to Avenida Vista Grande. In April 2013 the Statewide Transportation Improvement Plan was amended to allocate additional TPE funding to the project. The First Amendment to the Cooperative Project Agreement increases the TPE funds from $150,750 to $390,269. The 25% matching funds requirement of $130,089 under the cooperative project agreement will come from the County gross receipts tax revenues currently budgeted for the project in account 313-7707-481.

ACTION REQUESTED:

Staff recommends approval of the First Amendment to Cooperative Project Agreement with the New Mexico Department of Transportation to increase the Transportation Enhancements (TPE) funding for construction of the next segment of the Santa Fe Rail Trail.

Contract Number	D13725/1
Vendor Number	0000054297
Control Number	S100040

FIRST AMENDMENT TO COOPERATIVE PROJECT AGREEMENT

This Amendment is made and entered into this _____ day of _____, 2013, by and between the New Mexico Department of Transportation (Department) and the County of Santa Fe (County), collectively referred to as the "Parties."

RECITALS

Whereas, the Department and the County entered into a Cooperative Project Agreement on February 21, 2012, attached as Exhibit "A" and made part of this Amendment; and,

Whereas, page 11, Section Twenty Two, of the Agreement allows both parties to make alterations and revisions to the said Agreement; and,

Whereas, a STIP Amendment increased the TPE funding from $150,750 to $390,269 and the funding was moved in the STIP from FY 2012 to FY 2013; and,

Whereas, it has become necessary to amend the Agreement to reflect the STIP amendment and revise the termination date from September 30, 2016 to September 30, 2015; and,

Whereas, the Department and the County agree that the original Cooperative Project Agreement be amended.

In consideration of the covenants contained herein and pursuant to NMSA 1978, Section 67-3-28, the Parties agree as follows:

1. Page 1, Section Two, Paragraph 1, delete in its entirety and insert the following:

   1. The total funding for Project Control No. S100040, is Five Hundred Twenty Thousand Three Hundred Fifty Eight Dollars ($520,358) which will be shared by the Parties as follows:

A.	**2012/2013 Surface Transportation Enhancements (TPE) Funds** **Department's 75% share** Construction of a bike, pedestrian and equestrian multi-use trail intersecting with Spur Trail @ mp 11.5 to Avenida Vista Grande @ mp 6.5.	$390,269
B.	**County's matching 25% share** For the purpose stated above.	$130,089
C.	**The Total Project Funding**	**$520,358**

2. Page 10, Section Twenty, Paragraph 1, delete in its entirety and insert the following:

1. This Agreement shall terminate on **September 30, 2015**. Neither Party shall have any obligation after said date except as stated in Section Seven.

Except for the above amendments the original Cooperative Project Agreement shall remain in full force and effect unless expressly amended or modified by this First Amendment.

In witness whereof, the Parties have set their hands and seal the day and year set forth below.

NEW MEXICO DEPARTMENT OF TRANSPORTATION

By:_____ Date:_____
Kathryn E. Bender, Deputy Secretary
Programs & Infrastructure

REVIEWED AND APPROVED AS TO FORM AND LEGAL SUFFICIENCY BY THE DEPARTMENT'S OFFICE OF GENERAL COUNSEL

By: Cynthia A. Chant Date: 6-19-13
Assistant General Counsel

COUNTY OF SANTA FE

By:_____ Date:_____
Chairman of County Commission

ATTEST

By:_____ Date:_____
County Clerk

APPROVED AS TO FORM BY THE COUNTY ATTORNEY

By:_____ Date:_____
County Attorney

EXHIBIT A

Contract Number D13725
Vendor Number 0000054297
Control Number S100040

COOPERATIVE PROJECT AGREEMENT

This Agreement is made and entered into this 1st day of February, 2012, by and between the New Mexico Department of Transportation (Department) and the County of Santa Fe (County), collectively referred to as the "Parties."

In consideration of the covenants contained herein and pursuant to NMSA 1978, § 67-3-28, the Parties agree as follows:

SECTION ONE: PURPOSE

The purpose of this Agreement is to provide Federal Highway Administration (FHWA) funds to the County for a transportation project described in the County's Plans Specifications and Estimate Package (PS&E), the Project Identification Form (PIF) and the Statewide Transportation Improvement Program (STIP). This Project is referred to interchangeably as "Project" or "Project Control No. S100040." The Project is a joint and coordinated effort for which the Department and the County each have authority or jurisdiction.

SECTION TWO: FUNDING

1. The total funding for Project Control No. S100040, is Two Hundred One Thousand Dollars ($201,000) which will be shared by the Parties as follows:

A.	**2011/2012 Surface Transportation Enhancements (TPE) Funds** **Department's 75% share** Construction of a bike and pedestrian multi-use trail intersecting with Spur Trail @ mp 11.5 to Avenida Vista Grande @ mp 6.5.	$150,750
B.	**County's matching 25% share** For the purpose stated above.	$50,250
C.	**The Total Project Funding**	$201,000

2. The County shall pay all Project costs that exceed the total funding amount specified in this section.
3. FHWA's obligation of federal funds shall be supported by a certified cost estimate based on the County's Engineer's Estimate of Probable Cost. The engineer's estimate shall be submitted to the Department's Regional Division Manager or Designee prior to the PS&E Review pursuant to 23 CFR Part 630B.
4. After the project is advertised, bids shall be submitted to the Department's Regional Division Manager or Designee, who will review and determine if the amount of federal funds obligated by the FHWA requires adjustment pursuant to 23 CFR Part 630.106. The County's approved responsive low bid for the project, including approved alternates, will be compared to the amount obligated. The Department will allow a 15% increase over the base

bid and any approved alternates to cover Engineering and Contingencies and Gross Receipts Tax. If the difference between the FHWA's obligation amount and the responsive low bid plus the 15% is within $250,000, the amount of funds obligated will not change. If the difference between the obligation amount and the responsive low bid plus the 15% exceeds $250,000, the difference will be deducted reducing the amount of funds obligated.

5. The County shall abide with the conditions identified within 23 CFR 635.120 in entirety. If the County identifies additional work that may be justifiable in incorporating into the construction contract this work shall be reviewed and approved by the Department prior to commencing with the additional work.

SECTION THREE: METHOD OF PAYMENT--REIMBURSEMENT

The Department's District Office shall reimburse the County upon receipt of payment requests for the purposes stated in Section Two, with supporting documentation as determined and/or approved by the Department, certifying that costs have been incurred in compliance with this Agreement. Invoices shall be submitted monthly to the Department District Office. Payment requests shall be identified by the project control number and certified that the requests accurately reflect work completed, amount due and the remaining Agreement balance. All expenses must be actual, rather than estimated, and listed on the payment request as charged. Only those expenses that are properly documented and deemed eligible will be reimbursed. Incomplete submittals will be returned to the County for corrections. Reimbursements shall include the information contained in **Appendix J**.

The Department's District Office will not reimburse the County for costs incurred prior to the full execution of the Agreement and obligation of federal funding, after the expiration of the Agreement, or in excess of the maximum dollar amount of the Agreement. Costs incurred prior to FHWA authorization require additional justification pursuant to 23 CFR Part 1.9. Final payment requests shall be submitted to the Department's District Office within four months of completion of the project and prior to the termination date identified within Section Twenty.

SECTION FOUR: COUNTY SHALL

1. Be the lead agency for the Project.
2. Use the Project Control Number in all correspondence and submittals to the Department.
3. Pay all costs, perform all labor, and supply all material for the Project.
4. Identify a Project Manager who shall be the single point of contact to the Department.
5. Adopt a written resolution of support for the Project, including, as appropriate, an assumption of ownership, liability, maintenance, related amenities, and the availability of required matching funds.
6. Obtain approval from the Department's Regional Division Manager or Designee and the District Technical Support Engineer of PS&E Package which includes the following:
   a. Construction Plans;
   b. Engineer's Estimate/Engineer's Opinion of Probable Cost;
   c. Specifications; and,
   d. Contract Book.
7. Obtain written authorization from the Department prior to advertising the Project for bids or performing work with the County's personnel, equipment, and /or resources.

8. Advertise, let, and supervise the construction of Project Control No. S100040 using applicable federal, state or local requirements.
9. If the Project is to be put out for bid, prepare a final, detailed estimate of the work, indicating the bid items, the quantity in each item, the unit bid price, and cost of the items based on the bid price.
10. If the Project will be built with County resources, prepare a detailed report of equipment and labor, including a project schedule, for submission to the Department's District Office.
11. Obtain Department agreement in awarding the bid.
12. Register and enter all required data into B2Gnow and LCPtracker programs and contractually require the prime contractor and subcontractors to do the same.
13. Submit reimbursement requests monthly in the Department's federal aid format to include details of the quantities allowed on various items of work.
14. Agree that the Department has the option to terminate this Agreement if the County's Certification Package is not received by the Department's Regional Division Manager or Designee by August 15th of the year in which the project funds are programmed. The Certification Package shall remain in the County's project file for five years after project completion and shall contain, the following documents:
    a. Signed Certification of Pre-Construction Phase (**Appendix F-1**);
    b. Estimate of T/LGA Project Pay-Out (**Appendix F-2**);
    c. The PS&E assembly;
    d. Environmental clearance and certification documentation;
    e. The State Historic Preservation Officer's concurrence;
    f. Right of Way certification documentation;
    g. Utility certification documentation;
    h. Intelligent Transportation Systems (ITS) certification documentation; and,
    i. Railroad certification documentation.
15. Agree that if current federal fiscal year funding is not obligated by **September 30th**, this Agreement shall terminate. However, if prior federal fiscal year funding has been authorized, this Agreement will remain in effect. If the County cannot meet the federal fiscal year deadline, and the money is reprogrammed for the next fiscal year, this Agreement will remain in effect.
16. Be responsible for preliminary engineering, environmental documentation, right-of-way activities, project development, utility coordination, project construction, and construction management and testing.
    a. Construction management and inspection services may be eligible for reimbursement if the underlying procurement is consistent with federal aid funding and state procurement laws and regulations.
    b. The County's award of contracts for construction management or inspection services must be pre-approved by the Department's Regional Division Manager or Designee.
    c. If the County hires construction management or inspection services, County shall provide copies of any applicable task order, contract and supporting procurement documents to the Department's Regional Division Manager or Designee prior to the Project construction start date.
17. Be responsible for all applicable design, pre-construction and maintenance activity including, but not limited to the following:

a. utility coordination and relocation;
b. drainage and storm drain design;
c. geotechnical design;
d. pavement design;
e. traffic design;
f. structural design;
g. obtaining environmental and cultural resource clearances;
h. right-of-way mappings;
i. right-of-way acquisition;
j. submitting acceptable hazardous materials reports;
k. public involvement;
l. agency coordination;
m. permit application;
n. blading;
o. shaping;
p. snow removal;
q. gravel;
r. repair of washouts; and,
s. chip sealing.

18. Develop and execute the Project in accordance with the Department's current Tribal/Local Government Agency Handbook, Construction Procedures Handbook for Federal Aid Local Government Lead Projects, and the New Mexico Transportation Department's Office Procedures Manual.

19. Insure all designs comply with **Appendix A**, "Preliminary Engineering/Construction Engineering" to be performed under the direct supervision of a Registered New Mexico Professional Engineer and/or Registered New Mexico Architect, as required by NMSA 1978, §§ 61-23-21 and 61-15-1.

20. Design the Project in accordance with **Appendix C**, "Design Standards," which is hereby incorporated in this Agreement.

21. Comply with **Appendix D**, "Survey and Right of Way Acquisition Requirements," which is hereby incorporated in this Agreement.

22. Comply with **Appendix E**, "Construction Phase Duties and Obligations," which is hereby incorporated in this Agreement, for construction projects.

23. Submit all required environmental documents to the Department's Environmental Design Division. The Department shall coordinate all activities related to environmental certifications through the FHWA.

24. Warrant, covenant, and agree that the County will comply with conditions and terms contained in **Appendices A through F-2**. The County will perform any and all applicable obligations contained herein.

25. Complete the environmental process as described in the Department's Tribal/Local Government Agency Handbook and in accordance with state and federal guidelines and regulations including the National Environmental Policy Act (NEPA), FHWA Technical Advisory T 6640.8, 23 CFR Part 771, and guidance for preparing environmental documents. This effort includes, but will not be limited to:
    a. A Location Corridor Study (if applicable) as described in **Appendix B**. Initiate and cause to be prepared, an Initial Corridor Analysis Report "Phase A Report," a

Location Study Report "Phase B Report," and the appropriate level of environmental documentation "Phase C";

b. Submittal of a scope of work to the Department's Environmental Design Division to determine the level of effort needed for completing the environmental certification process;

c. Conducting a cultural resources survey if required, and submitting the cultural resources survey report to the Department's Environmental Design Division for review and submittal to SHPO. The survey will be conducted and the report will be prepared in accordance with the Department's Guidelines for Cultural Resource Investigations;

d. Conducting and documenting hazardous materials investigations according to the Department's Environmental Geology Bureau's Hazardous Materials Assessment Handbook. The appropriate environmental documents will be prepared by a qualified environmental professional, as defined in 40 CFR Part 312, and submitted to the Department's Environmental Geology Bureau for review;

e. Conducting and documenting the appropriate public notifications and public involvement activities;

f. Submittal of appropriate and acceptable NEPA documents prepared by a qualified environmental professional to the Department's Environmental Design Division for review and certification. "Acceptable" means documents that meet the criteria specified in the Department's Tribal/Local Government Agency Handbook; and,

g. Produce and distribute to regulatory agencies and interested parties the appropriate number of copies of environmental documents.

26. Comply with **Appendix H-1** if the Project involves lighting and/or highway lighting.
27. Comply with **Appendix H-2** if the Project involves signal(s) and/or highway signal(s).
28. Shall register with www.ccr.gov and DUNS and provide such information to the Department as well as the total compensation and names of the County's top five executives to comply with the Federal Funding Accountability and Transparency Act of 2006.
29. If the County has received a combined $500k in Federal Funding, which under OMB Circular A-133 requires the County to have a single audit performed, the County must provide the Department a copy of the most recent completed audit report before the start of work.
30. Ensure that Project inspection and material testing records are certified and sealed by a professional engineer. The records shall remain in the County's project file for five years after project completion.

SECTION FIVE: DEPARTMENT SHALL

1. Assign a representative to provide technical assistance to develop, monitor and oversee the project.
2. Provide copies of environmental guidelines, Location Corridor Study Procedures, laws, and regulations, as requested.
3. Review NEPA and related environmental documentation for appropriate level of effort and acceptability.
4. Transmit NEPA documents to the FHWA for review and approval.
5. Review cultural resource technical reports and coordinate consultation between FHWA and the State Historic Preservation Officer.

6. Review hazardous material investigation deliverables to ensure they are ASTM- and NMDOT-compliant.
7. Review required certification documents for completion prior to requesting obligation of federal funding. Review of documents by the Department does not relieve the County or its consultants of their responsibility for errors and omissions.

SECTION SIX: BOTH PARTIES AGREE

Upon termination of this Agreement, the County shall account for any remaining property, materials or equipment that belongs to the Department, and dispose of it as directed by the Department.

SECTION SEVEN: PROJECT RESPONSIBILITY

The County is solely responsible for ensuring that the Project is carried out to completion. The improvements and services required under this Agreement shall remain the full responsibility of the County, unless stated otherwise in **Appendices H-1 and H-2.**

SECTION EIGHT: COUNTY SOLE JURISDICTION

The Department is not incorporating this Project into the State Highway System. After the completion of this Agreement, ownership of the project shall remain with the County.

SECTION NINE: LEGAL COMPLIANCE

The County shall comply with all applicable federal, state and local laws and regulations, and applicable Department policies in the performance of this Agreement. These laws include, but are not limited to: FHWA memorandums; Authorization to proceed and project monitoring at 23 CFR Part 630.106; Agreement provisions at 23 CFR Part 630.112; Project approval and oversight at 23 U.S.C. § 106 [as amended by SAFETEA-LU section 1904]; Single Audit Act Amendments of 1996 (P.L. 104-156)/OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations; Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments, 49 CFR Part 18; Titles VI and VII of the Civil Rights Act of 1964 and related statutes; Disadvantaged Business Enterprise Program, 49 CFR Part 26; External Equal Opportunity/Contractor Compliance Program, including On-the-Job training requirements, 23 CFR Part 230; the Americans with Disabilities Act, 42 §§ 12101-12213 and 28 CFR Parts 35 and 36; the Federal Funding Accountability and Transparency Act of 2006 (Pub. L. 109–282), as amended by section 6202 of Public Law 110–252; 2 CFR Part 170; and 2 CFR Part 25.

Additionally, the County shall comply with all applicable federal, state and local laws and regulations governing environmental issues, workplace safety, employer-employee relations and all other laws and regulations governing operation of the workplace. The County shall ensure that the requirements of this compliance are made a part of each contract and subcontract on this Project at all tiers.

SECTION TEN: FEDERAL GRANT REPORTING REQUIREMENTS

Under the Federal Funding Accountability and Transparency Act, the DEPARTMENT is required to report on projects or activities, which are awarded federal grants of $25,000 or more. This information will be made available to the public on www.USASpending.gov .

The type of information the DEPARTMENT is required to report includes:

1. Name of SUBGRANTEE receiving the award;
2. Amount of Award;
3. Funding Agency;
4. NAICS code for contracts or the Catalog of Federal Domestic Assistance program number for grants;
5. Program source;
6. Award title descriptive of the purpose of the funding action;
7. Location of the SUBGRANTEE, which includes the Congressional District;
8. Place of performance of the program or activity, which includes the Congressional District;
9. Unique identifier – DUNS -- of the SUBGRANTEE and its parent organization, if one exists; and,
10. Total compensation and names of the top five executives of the SUBGRANTEE. This information is required, if the SUBGRANTEE in the preceding year received eighty (80) percent or more of its annual gross revenues in federal awards, which exceeds $25 million annually, and the public has no access to this information under the Securities Exchange Act or the Internal Revenue Code.

The DEPARTMENT will extract as much information as possible from the SUBGRANTEE'S grant application and standard reports. As specified in Section Four, Paragraph 28, the SUBGRANTEE will be required to provide the total compensation and names of the SUBGRANTEE'S top five executives, if applicable, and shall register with www.ccr.gov and DUNS and provide that information to the DEPARTMENT.

More information on the Transparency Act may be located via the following links: http://edocket.access.gpo.gov/2010/pdf/2010-22705.pdf; and, http://edocket.access.gpo.gov/2010/pdf/2010-22706.pdf.

SECTION ELEVEN: DISADVANTAGED BUSINESS ENTERPRISE (DBE) PROGRAM OBLIGATIONS

1. DBE Goal Setting – In accordance with 49 CFR Part 26, The Department establishes an overall state DBE goal tri-annually. In the event the Department assigns a project specific DBE goal, the County is required to meet that goal through its contractors or demonstrate good faith efforts. The County shall ensure that DBE provisions and goals are included in its invitations to bid and resulting contracts. DBE payment and utilization information shall be tracked through the B2Gnow software.
2. Record Keeping Responsibilities – The County shall appoint a DBE liaison officer and assure that its officer completes and submits required Program forms and information to the Department's Office of Equal Opportunity Programs (OEOP). The OEOP can be contacted as follows:

New Mexico Department of Transportation
OEOP
Aspen Plaza, Suite 107
1596 Pacheco Street
Santa Fe, New Mexico 87505

Phone: 1-800-544-0936 or 505-827-1774
Fax: 505-827-1779

3. Sanctions – Compliance with the DBE provisions is mandatory. Failure to comply will be treated as a violation of this Agreement. Furthermore, if the County fails to comply with the DBE provisions, the Department may impose sanctions as provided in 49 CFR Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. § 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. §§ 3801, et seq.).

SECTION TWELVE: ON-THE-JOB TRAINING (OJT) PROGRAM OBLIGATIONS

1. OJT Goal Setting – In the event the Department assigns a project specific OJT goal, the County is required to meet that goal through its contractors. If a project specific goal is assigned, the County shall include the Department's Apprentice/Trainee Special Provisions (May 13, 2009) in the County's Invitation to Bid and resulting contracts. The County shall also ensure that an OJT Plan and Training Schedule is provided to the Department at the pre-construction conference.
2. Record Keeping Responsibilities – The County is responsible to appoint or have its prime contractor appoint an OJT liaison officer who is responsible for ensuring compliance with the OJT goal, plan and training schedule. OJT compliance efforts will be reported to the Department's Project Manager and tracked through the LCPtracker software.
3. Sanctions – Compliance with the OJT provisions is mandatory. Failure to comply with the OJT provisions shall be treated as a violation of this Agreement. Further, if the County fails to comply with the OJT provisions, the Department may impose sanctions and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. § 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. §§ 3801, et seq.).

SECTION THIRTEEN: EQUAL EMPLOYMENT OPPORTUNITY (EEO) AND TITLE VI PROGRAM OBLIGATIONS

1. County Assurances – Each contract the County enters into with a construction contractor, design consultant, other consultant or recipient on a project assisted by the United States Department of Transportation (DOT), and any subcontract thereto, shall include the assurances contained in **Appendix G, G-1, G-2 and G-3**:
2. The County shall sign and submit the attached **Appendix G** (Equal Employment Opportunity (EEO) and Title VI Program Recipient Assurances) to the Department's Office of Equal Opportunity Programs as identified within the Appendix. By signing **Appendix G**, ASSURANCE is given in consideration of and for the purpose of obtaining any and all federal grants, loans, contracts, property, discounts or other federal financial assistance extended after the date hereof to the County.
3. The County shall require recipients to sign and submit the attached **Appendix G** (Equal Employment Opportunity (EEO) and Title VI Program Recipient Assurances) to the Department's Office of Equal Opportunity Programs as identified within the Appendix for each contract the County enters into with a construction contractor, design consultant, other consultant or recipient on a DOT-assisted project, and any subcontract thereto.

SECTION FOURTEEN: THIRD PARTY BENEFICIARY CLAUSE

No provision of this Agreement creates in the public, or any member thereof, a third-party beneficiary nor authorizes anyone not a party to the Agreement to maintain a suit for wrongful death, bodily and/or personal injury to person, damage to property, and/or any other claim(s) whatsoever pursuant to the provisions of this Agreement.

SECTION FIFTEEN: NEW MEXICO TORT CLAIMS ACT

No provision of this Agreement establishes any waiver of immunity from liability for alleged tortious conduct of any employee of the Department or the County arising from the performance of this Agreement apart from that set forth in the New Mexico Tort Claims Act, NMSA 1978, §§ 41-4-1, et seq.

SECTION SIXTEEN: OFFICE OF INSPECTOR GENERAL REVIEWS

The County shall provide to all bidders the reporting and oversight requirements that they are bound to from the time of bid submission. The following provisions must be included in all prime contracts, subcontracts, and other contracts for services for a federally-funded project.

a. Inspector General Reviews. Any Inspector General of a federal department or executive agency shall review, as appropriate, any concerns raised by the public about specific investments using federal funds. Any findings of such reviews not related to an ongoing criminal proceeding shall be relayed immediately to the head of the department or agency concerned.

b. Access of Offices of Inspector General to Certain Records and Employees. With respect to each contract or grant awarded using federal funds, any representative of an appropriate Inspector General appointed under the Inspector General Act of 1978, 5 U.S.C. App. §§ 3 or 8G, is authorized to examine any records of the contractor or grantee, any of its subcontractors or sub-grantees, or any state or local agency administering such contract, that pertain to, and involve transactions relating to, the contract, subcontract, grant, or sub-grant; and to interview any officer or employee of the contractor, grantee, sub-grantee, or agency regarding such transactions.

   i. Allow access by the Government Accountability Office Comptroller General and his representatives to examine any records of the contractor or any of contractor's subcontractors, or any state or local agency administering such contract that directly pertain to, and involve transactions relating to, the contract or subcontract.

   ii. Allow the Comptroller General and his representatives to interview any officer or employee of the contractor or any of contractor's subcontractors, or of any state or local government agency administering the contract, regarding such transactions.

   iii. Nothing in this section shall be interpreted to limit or restrict in any way any existing authority of an Inspector General.

c. New Mexico Department of Transportation/Office of Inspector General as specified in New Mexico State Transportation Commission Policy Number 30 (CP-30), dated June 2006, has the authority to carry out all duties required. The duties are the same as those specified in Federal Law: Office of Inspector General, 23 U.S.C. §302 (the capability to carry out the duties required by law); 23 U.S.C. §112 (contracting for

engineering and design services); the review of Federal-aid construction contracts references; 23 U.S.C. § 106 (project approval); 23 U.S.C. § 112 (letting of contracts); 23 U.S.C. § 113 (prevailing rate of wage); 23 U.S.C. § 114 (construction); 23 CFR Parts 635 and 636 (design build); 23 CFR Part 637 (construction inspection approval); the State Departments of Transportation are responsible for ensuring that all federal-aid projects are carried out in accordance with federal requirements. This responsibility was specifically clarified in 23 U.S.C. § 106, as amended by Section 1904(a) of the Safe, Accountable, Flexible, and Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU, Public Law 109-59).

SECTION SEVENTEEN: ACCOUNTABILITY OF RECEIPTS AND DISBURSEMENTS

There shall be strict accountability for all receipts and disbursements. The County shall maintain all records and documents relative to the Project for five years after completion. Project files should be kept in accordance with the Department's "Office Procedures Manual (December 2009 Edition)." The County shall furnish the Department, State Auditor, or appropriate Federal Auditors, upon demand, any and all records relevant to this Agreement for auditing purposes. If an audit determines that a specific expense was inappropriate or not related to the Project, the County shall reimburse that portion to the Department within thirty days of written notification. If documentation is insufficient to support an audit by customarily accepted accounting practices, the expense identified shall be reimbursed to the Department within thirty days of written notification.

SECTION EIGHTEEN: APPROPRIATION

The terms of this Agreement are contingent upon sufficient appropriations and authorizations being made by the State Legislature, or the Congress of the United States, if federal funds are involved. If sufficient appropriations and authorizations are not made, this Agreement shall terminate upon written notice given by the Department to the County. The Department is expressly not committed to expenditure of any funds until such time as they are programmed, budgeted, obligated by FHWA, encumbered, and approved for expenditure by the Department. The Department's decision as to whether its funds are sufficient for fulfillment of this Agreement shall be final.

SECTION NINETEEN: TERMS OF THIS AGREEMENT

This Agreement constitutes the entire Agreement between the Parties. Any claimed covenant, term, condition, warranty or promise of performance not expressly included in this document or its amendments, is not part of this Agreement and not enforceable pursuant to this Agreement. Performance of all duties and obligations herein shall conform with and shall not contravene any state, local, or federal statutes, regulations, rules, or ordinances.

SECTION TWENTY: TERMINATION

1. This Agreement shall terminate on **September 30, 2016.** Neither party shall have any obligation after said date except as stated in Section Seven.
2. The Department may terminate this Agreement if the funds identified in Section Two have not been contractually committed between the County and a contractor within one year from the date the funds have been authorized by the FHWA.

3. The Department will review inactive projects on a quarterly basis. An inactive project is a project for which no expenditures have been charged against federal funds for the past 12 months.
4. If the Department determines a project to be inactive, the Department may, as directed by FHWA, redirect the unexpended balance pursuant to 23 CFR Part 630.106.
5. The Department may, at its option, terminate this Agreement if the County fails to comply with any provision of this Agreement. By such termination, neither party may nullify obligations already incurred for performance or failure to perform prior to termination of the Agreement.

SECTION TWENTY ONE: SEVERABILITY

In the event that any portion of this Agreement is determined to be void, unconstitutional, or otherwise unenforceable, the remainder of this Agreement shall remain in full force and effect.

SECTION TWENTY TWO: AMENDMENT

This Agreement shall not be altered, modified, supplemented, or amended except by an instrument in writing and executed by the Parties.

In witness whereof, the Parties have set their hands and seal the day and year set forth below.

NEW MEXICO DEPARTMENT OF TRANSPORTATION

By: Kathryn Bender
Deputy Secretary

Date: 2/21/12
Rec'd 2/17/12

REVIEWED AND APPROVED AS TO FORM AND LEGAL SUFFICIENCY BY THE DEPARTMENT'S OFFICE OF GENERAL COUNSEL

By: Cynthia A. Chavez
Assistant General Counsel

Date: 11-18-11

COUNTY OF SANTA FE

By: Liz Stefanics
Chairman of County Commission

Date: 1/31/12

ATTEST

By: Valerie Espinoza by VT Date: 2-1-12
County Clerk

COUNTY CLERK SANTA FE COUNTY NEW MEXICO

APPROVED AS TO FORM BY THE COUNTY ATTORNEY

By: Ana Marie Ch for Steve Ross Date: 1/11/12
County Attorney
Teresa C Martinez 1/17/12

APPENDIX A

Preliminary Engineering/Construction Engineering

1. The County may select design consultants for studies and preliminary engineering and construction engineering. Preliminary Engineering/Construction Engineering, consultant selection procedures shall be in accordance with 23 CFR Part 172 and the State Procurement Code, NMSA 1978, §§ Chapter 13-1-1 et. seq. If the County is a Home Rule City, their Procurement Code shall be followed.
2. Costs incurred for Preliminary Engineering/Construction Engineering may be reimbursed if funding for design is stipulated in Section Two of the Project Agreement, programmed into the Statewide Transportation Improvement Program (STIP), authorized and obligated under the design phase, and comply with applicable provisions listed in paragraph 1 above.
3. On occasion, state funds are used for the design of a federal aid construction project. Stand-alone projects funded with these monies, such as Municipal Arterial Program, Severance Tax, or General Fund are normally certification projects that require minimal oversight by the Department. If state funds are used for preliminary engineering for a federal aid construction project, the associated Request for Proposals and Architectural/Engineering Contracts must follow the same procedures as if federal funds were being used.
4. Engineering consultants shall prepare a final fee estimate of any work to be performed, indicating each element or task with estimated personnel-hours and associated unit costs. The County shall keep this on file for five years.
5. Requests for Proposals (RFP) for federally funded professional engineering services shall be reviewed and approved by the Department's Regional Division Manager or Designee before it is advertised. After approval, the County can advertise the RFP and can enter into a contract with the consultant pursuant to the Department's Consultant Services Procedures Manual or their own procedures that comply with 23 CFR Part 172. After the contract is in place the FHWA will authorize the federal funds. If the County uses their own funds for design or construction engineering, no approvals for the consultant selection or process are required.
6. Reimbursements to the County for preliminary engineering or construction engineering will be made in accordance with reimbursement provisions of this Agreement, and based upon appropriate, timely submittals by the County of Appendix F-1, and compliance with applicable provisions listed in Appendix A of this Agreement. Costs incurred prior to FHWA authorization require additional justification pursuant to 23 CFR Part 1.9.
7. The County's Project Manager shall keep the Department's Regional Division Manager and Assistant District Engineer or their respective Designees apprised of the Project's progress and important issues as well as forward to them all pertinent correspondence in a timely manner.
8. The County shall invite the FHWA Area Engineer, Department's Regional Division Manager, Assistant District Engineer, and Construction Liaison Engineer to participate in any design reviews, pre-construction conference and any pre-paving and partnering meetings.

APPENDIX B

Location Corridor Study Guidelines
The County shall:

1. Be responsible for the Location Corridor Study, preliminary design, environmental documentation, and preliminary right of way activities.
2. Agree to comply with the Department's Location Study Procedures, Phases A, B, and C.
   a. **PHASE A – INITIAL CORRIDOR STUDY**
   Determine the need for the project, define the full range of viable alternates, identify social, economic, environmental constraints, and select the most practical alignments for further study.
   b. **PHASE B – DETAILED ALTERNATE EVALUATION**
   Refine alternate alignments and generate feasible designs for each alternate at a conceptual level and provide adequate detailed information to serve as a basis for the preparation of the environmental documentation and the selection of the final alternate.
   c. **PHASE C – ENVIRONMENTAL DOCUMENTATION**
   Complete the environmental documentation process, subsequent circulation and public hearing procedures in accordance with the action plan and federal requirements.
3. Initiate and ensure the reports detailed in Number 2 above are prepared.
4. Require its Engineering Consultant to prepare a final fee estimate of the work to be performed, indicating each element or task with estimated personnel-hours and associated unit costs. The County shall keep this on file for a minimum of five years.
5. Secure the Department's approval of the reports detailed in Number 2 above. The Department shall coordinate all related activities through the FHWA.

APPENDIX C

Design Standards

I. Roadway Projects (paving, landscaping, parking lots, etc.)

1. Project design shall comply with all federal and state laws and regulations, including but not limited to the Americans with Disabilities Act, New Mexico Department of Transportation-Pedestrian Access Details and NMSA 1978 §§ 67-3-62 67-3-64.
2. New construction or reconstruction of pavement shall have, at a minimum, a 20-year-life. Rehabilitation of pavement shall have, at a minimum, a 10-year-life.
3. The Department's Standard Specifications for Highway and Bridge Construction, 2007 edition "Orange Book," shall be used for projects on the State Highway System and the National Highway System and on supplemental specifications.
4. The following documents shall be used as a minimum, in the design of this Project and for projects on the State Highway System or the National Highway System. Current New Mexico American Public Works Association (APWA) or the County standards may be used on County facilities. Asterisk (*) items shall be used on all roadway projects:
   - *a. FHWA Manual on Uniform Traffic Control Devices, 2009 edition;
   - b. AASHTO A Policy on Geometric Design of Highways and Streets, 2004 edition "Green Book;"
   - c. AASHTO Guide for the Development of Bicycle Facilities, 1991 edition;
   - d. Department's Regulations for Driveway and Median Openings on Non-Access Controlled Highways, 2001;
   - e. Department's Urban Drainage Design Criteria;
   - f. Department's Geotechnical Manual, September 1990;
   - *g. Department's Tribal/Local Government Agency Handbook, latest edition;
   - h. Department's Hazardous Materials Assessment Handbook, latest edition;
   - *i. Department's Location Study Procedures, August 2000;
   - *j. Department's Right of Way Handbooks, May 2005;
   - *k. Department's Right of Way Mapping Development Procedures, latest edition;
   - *l. AASHTO Guide to Design of Pavement Structures, latest edition;
   - *m. Department's Pedestrian Access Details (NMDOT-PAD), latest edition; and,
   - *n. Department's New Mexico State Access Management Manual (SAMM), 2001.

APPENDIX C

II. Architectural Projects (Transportation Related Buildings, etc.)

1. Project design shall comply with all federal and state laws and regulations, including but not limited to the Americans with Disabilities Act, the Americans with Disabilities Accessibility Guidelines, and NMSA 1978 §§ 67-3-62 67-3-64.
2. New construction or reconstruction of structure(s) or artwork shall have, at a minimum, a 20-year-life. Rehabilitation of structure(s) or artwork shall have, at a minimum, a 10-year-life.
3. The Local International Building Code, electrical code, plumbing code or federal or state codes shall be used, as applicable, for design, construction or rehabilitation project(s).
4. The following documents shall be used, as a minimum, in the design of this Project and for projects **on the State Highway System or the National Highway System.** Current New Mexico APWA or the County standards may be used on County facilities. Asterisk (*) items shall be used on **all** architectural projects:
   - *a. FHWA Manual on Uniform Traffic Control Devices, 2009 edition;
   - b. American Association of State Highway and Transportation Officials (AASHTO) A Policy on Geometric Design of Highways and Streets, 2004 edition "Green Book;"
   - c. AASHTO Guide for the Development of Bicycle Facilities, 1991 edition;
   - d. Department's Regulations for Driveway and Median Openings on Non-Access Controlled Highways, 2001;
   - e. Department's Urban Drainage Design Criteria;
   - f. Department's Geotechnical Manual, September 1990;
   - g. Department's Hazardous Materials Assessment Handbook, latest edition;
   - *h. Department's Location Study Procedures, August 2000;
   - *i. Department's Right of Way Handbooks, May 2005;
   - j. Department's Right of Way Mapping Development Procedures, latest edition;
   - k. AASHTO Guide to Design of Pavement Structures, latest edition;
   - *l. 2006 New Mexico Commercial Building Code;
   - *m. 2006 New Mexico Plumbing Code;
   - *n. 2006 New Mexico Mechanical Code;
   - *o. 2008 New Mexico Electrical Code;
   - p. U. S. Department of Interior, National Park Service Preservation Assistance Division, Standards for Rehabilitation and Guidelines for Rehabilitation Historic Buildings, 1983 edition;
   - *q. Department's Pedestrian Access Details (NMDOT-PAD), latest edition; and,
   - *r. Department's New Mexico State Access Management Manual (SAMM), 2001.

APPENDIX D

Survey and Right of Way Acquisition Requirements

1. All Department Right of Way Handbooks, particularly Volume VII Tribal/Local Government Agency (T/LGA), shall be adhered to for all right of way operations, including title search, property survey, right of way mapping, appraisal, appraisal review, acquisition (including donations), relocation, and right of way certification. *Only qualified personnel may undertake right of way functions.* The County's staff or consultants may not perform any right of way functions unless the following conditions are first met:
   a. The County submits to the Department's Right of Way Bureau a listing of persons proposed to perform the individual right of way functions, along with their qualifications reflecting right of way experience and training.
   b. The County submits the name of a contact person for right of way functions and submits a progress schedule for said activities.

   Upon written request from the County, the Right of Way Bureau will supply the names of the right of way contractors currently doing business with the Department. Right of way functions performed prior to making the above submittals will jeopardize federal funding for this Project.
2. All right of way surveying, mapping, and monumentation shall be performed by a licensed professional surveyor experienced in right of way projects and shall conform with the Minimum Standards for Surveying in New Mexico adopted by the New Mexico State Board of Registration for Professional Engineers and Surveyors in February, 1994, as provided in NMSA 1978, Sections 61-23-1 to 61-23-32, as amended.
3. Right of way surveying, mapping, and monumentation shall be performed in accordance with the Department's Surveying Manual, the Right of Way Mapping Development Procedures, latest edition, and subsequent Department guidelines, policies, and procedures. Right of way maps and documents must be 100% complete prior to review by the Department's Lands Engineering Section. Information, additional guidance, and early assistance can be obtained from the Lands Engineering Section Supervisor at (505) 827-5420. Early contact is recommended in order to facilitate and expedite the right of way acquisition process.
4. Title reports shall be obtained and prepared to meet Department format and standards for all affected right of way parcels. Title reports shall be submitted to the Lands Abstracting Unit of the Right of Way Bureau for review prior to the final right of way map submittal according to the Right of Way Acceptance Plan (Volume VII) Tribal/Local Government Agency. Non-compliance with the state and/or federal requirements may result in loss of project funds.
5. Appraisals shall not begin until the Department approves the right of way maps. The County or contracted (fee) appraisers shall not be used prior to making the submittals in paragraph one above.
6. All real property appraisals shall be developed and reported in accordance with the right of way regulations, policies, and procedures of the Department, and the Uniform Standards of Professional Appraisal Practice (USPAP) and where federal funds are involved, 49 CFR Parts 103 and 104. All appraisal and appraisal review actions are subject to Department and FHWA review (see Right of Way Acceptance Plan). Non-compliance with state, federal and/or USPAP requirements may result in loss of project funds.
7. Before the initiation of negotiations, the County shall, through a proper appraisal, establish an amount which it believes is just compensation for the real property to be acquired. The

County shall not utilize the same individual/firm to conduct both the appraisals and the appraisal reviews. Upon the completion of the acquisition function, the County shall inform the Acquisition Unit Supervisor and schedule an on-site review of the work. The Department will review the work to render an opinion as to the apparent conformance of the County's work with federal and state statutes and regulations (see Right of Way Acceptance Plan). In the event that a significant amount of the work is found to be unacceptable, no approval of the right of way function will be issued for the Project until the Department is satisfied that the work meets the requirements.

8. The County shall maintain all records and documents relating to the right of way acquisition for a minimum of five years and shall record all transfer of ownership documents with the County Clerk. Department and FHWA personnel shall be provided access to project right of way files upon reasonable notice.
9. The County shall furnish the Department with a written certification (Right of Way Certification) stating that the right of way acquisition (and relocations, if applicable) has been performed in compliance with federal and state laws and regulations.
10. The County shall be responsible for certifying to the Department that all right of way work has been performed according to the required federal and state statutes and regulations.

APPENDIX E

Construction Phase Duties and Obligations

1. The County shall be responsible for all construction engineering; including project supervision, surveying, inspection, and testing. The County shall comply with the Department's Construction Procedures Handbook for Federal-Aid Local Government Projects, the New Mexico Transportation Departments Office Procedures Manual, and Chapter 7 of the Department's Tribal/Local Government Agency Handbook. www.nmshtd.state.nm.us/main.asp?secid=11187
2. The County's general conditions, standard drawings, and specifications may be used if approved by the Department prior to initiating the procurement process.
3. Mix designs, price reduction guidelines, daily production, and test reports shall be pursuant to the Department's or the County's established procedures as approved by the Department, depending on the governing specifications. The American Standard Testing Method equivalents of the American Association of State Highway and Transportation Officials test methods are acceptable. Technician and Training Certification Program (TTCP) procedures are acceptable.
4. The Department's Minimum Acceptance Testing requirements, as identified in the Department's Construction Procedures Handbook for Federal Aid Local Government Projects shall be adhered to, as directed by District lab personnel (Compliance), and as per the following:
   a. The County's lab personnel or consultant may perform project acceptance testing of materials in accordance with the County's procedures and requirements, if approved by the Department. All test reports shall be available for review by the Department and FHWA (if applicable).
   b. Independent assurance testing is required and is the sole responsibility of the County and shall be done by an independent lab not responsible for acceptance testing. Periodic independent assurance testing may be conducted by the Department's District personnel to ensure material and construction compliance.
   c. The Department's District lab personnel shall inspect the County's lab, or the consultant's lab if a consultant is used for project acceptance testing, independent assurance testing, aggregate source acceptance, and concrete mix designs, relative to equipment and procedures used by the County and/or their consultant.
   d. The County's Engineer shall certify that all materials incorporated into the project meet or exceed the specification requirements. The Department's District Engineer, in turn, shall certify projects to FHWA (if applicable) based on the County's certification.
   e. Upon request, the Department's Assistant District Engineer or representative shall furnish copies of the Minimum Acceptance Requirements for federal aid projects to the County for guidance at the pre-construction conference.
   f. All personnel doing sampling and testing for Acceptance/Independent Assurance on federally funded projects shall be certified by the Technical Training and Certificate Program pursuant to the TTCP Manual.
5. The County Engineer shall certify with each reimbursement request that the Certificates of Compliance are on file with the County Engineer's Office, for products and materials incorporated into the Project and for the quantities shown on the progress payment estimate. The Department may periodically conduct an audit of the Certificates of Compliance pursuant to Section 106.4 of the Department's Standard Specifications. Department

personnel may occasionally check the County's procedures for handling of all Certificates of Compliance.

6. The County Engineer shall certify with each reimbursement request that the items shown on the estimate have been completed in accordance with the contract requirements.

7. The Department may periodically audit the County's source documents for each project. The Department's established guidelines shall be used to prepare the Source Document Books. Department or FHWA (if applicable) personnel may periodically review the County's procedures for documentation.

8. Change Orders:
   a. Changes to conform to the field conditions may be warranted; however, these changes shall be discussed with and approved by the Department prior to implementation, in accordance with the Department's Change Order Procedures. The change order shall be submitted soon thereafter to the Project Manager. All decreases/increases shall be documented on factor sheets, which may be obtained from the Department and attached to the change order. No payment shall be made for additional quantities until the Department approves the change orders.
   b. "Extra Work" for which there is no unit bid price shall be negotiated and the price shall be supported by a cost breakdown, the Department's average unit bid price, or the County's average unit price list on comparable projects. "Extra Work" shall not be performed unless approved by the Department and approved by FHWA, if participation is requested. If, "Extra Work" cannot be negotiated by the preceding manner, then the contractor may be required to do similar work on a "Force Account" basis as per the Department's specifications.
   c. Change orders for non-participating work shall be submitted to the Department for review and approval. If the work impacts the scope of work, contract time in excess of pro-rated time, and/or additional contracted funds, it shall require Department approval.

9. The Department shall assign personnel to assist the County in complying with the procedures and stipulations contained herein.

10. The County shall identify a Project Manager to the Department as the single point of contact and shall be in charge of the Project.

11. The County's Project Manager shall keep the Department's Assistant District Engineer or Designee routinely apprised of the Project's progress and important issues concerning the Project, and send copies of all pertinent correspondence to the Department's Assistant District Engineer on a monthly basis.

APPENDIX F-1

Certification of Pre-Construction Phase

Control No. S100040

I, _____, in my capacity as _____ of _____ do hereby certify with reference to the aforementioned Project Control Number as follows:

1. That the County has complied with all applicable terms, conditions and certification requirements of this Agreement.
2. That the County has completed environmental coordination and obtained Department and FHWA approval of the Environmental, Right of Way, Utility, Railroad, and ITS documents and completed the consultation process with the State Historic Preservation Officer as required by law. Furthermore, the County has complied with Section Four of the Agreement.

COUNTY OF SANTA FE

By: _____ Date: _____
Chairman of County Commission or designee

When complete, please send APPENDIX F-1 and F-2 to:

Kevin Mentz, North Region Manager
NMDOT North Regional Division
P.O. Box 1149 Room 203
Santa Fe, NM 87504-1149

APPENDIX F-2

New Mexico Department of Transportation
Estimate of T/LGA Project Pay-Out

Project Control Number S100040

Project Termini SANTA FE RAIL TRAIL

Total Project Cost (Funded under this Project Agreement) $ **
(Including gross receipts tax)

Month & Year	Monthly Pay-Out
** TOTAL -> -> ->	$

APPENDIX G

Title VI Nondiscrimination Assurances For FHWA Recipients

The (Title of Recipient) (hereinafter referred to as the "Recipient") HEREBY AGREES THAT as a condition to receiving any Federal financial assistance from the Department of Transportation (the Federal Highway Administration), it will comply with Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 U.S.C. 2000d-42 U.S.C. 2000d-4 (hereinafter referred to as the Act), and all requirements imposed by or pursuant to Title 49, Code of Federal Regulations (CFR), Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, Title 23 Code of Federal Regulations, Part 200, Title VI Program and Related Statutes – Implementation and Review Procedures (hereinafter referred to as the Regulations) and other pertinent nondiscrimination authorities and directives, to the end that in accordance with the Act, Regulations, and other pertinent nondiscrimination authorities and directives, no person in the United States shall, on the grounds of race color, or national origin, sex (23 USC 324), age (42 USC 6101), disability/handicap (29 USC 790) and low income (Executive Order 12898) be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the Recipient receives Federal financial assistance from the Department of Transportation, including the Federal Highway Administration, and HEREBY GIVES ASSURANCE THAT it will promptly take any measures necessary to effectuate this Agreement. This assurance is required by Title 49 Code of Federal Regulations, subsection 21.7(a)(1) and Title 23 Code of Federal Regulations, section 200.9(a) (1) of the Regulations, copies of which are attached.

More specifically and without limiting the above general assurance, the Recipient hereby gives the following specific assurances with respect to its (Name of Appropriate Program):

1. That the Recipient agrees that each "program" and each "facility as defined in 49 CFR subsections 21.23(e) and (b) and 23 CFR 200.5(k) and (g) of the Regulations, will be (with regard to a "program") conducted, or will be (with regard to a "facility") operated in compliance with all requirements imposed by, or pursuant to, the Regulations.

2. That the Recipient shall insert the following notification in all solicitations for bids for work or material subject to the Regulations and made in connection with all (Name of Appropriate Program) and, in adapted form in all proposals for negotiated agreements:

   The (Recipient), in accordance with Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 U.S.C 2000d to 2000d-4 and Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office the Secretary, Part 21, Nondiscrimination in Federally - assisted programs of the Department of Transportation and Title 23 Code of Federal Regulations, Part 200, Title VI Program and Related Statutes, issued pursuant to such Acts, hereby notifies all bidders that it will affirmatively insure that in any contact entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, national origin, sex, age, disability/handicap and low income in consideration for an award.

3. That the Recipient shall insert the clauses of Appendix A of this assurance in every contract subject to the Acts and the Regulations.

4. That the Recipient shall insert the clauses of Appendix B of this assurance, 'as a covenant running with the land, in any deed from the United States effecting a transfer of real property, structures, or improvements thereon, or interest therein.

5. That where the Recipient receives Federal financial assistance to construct a facility, or part of a facility, the assurance shall extend to the entire facility and facilities operated in connection therewith.

6. That where the Recipient receives Federal financial assistance in the form, or for the acquisition of real property or an interest in real property, the assurance shall extend to rights to space on, over or under such property.

7. That the Recipient shall include the appropriate clauses set forth in Appendix G-3 of this assurance, as a covenant running with the land, in any future deeds, leases, permits, licenses, and similar agreements entered into by the Recipient with other parties: (a) for the subsequent transfer of real property acquired or improved under (Name of Appropriate Program); and (b) for the construction or use of or access to space on, over or under real property acquired, or improved under (Name of Appropriate Program).

8. That this assurance obligates the Recipient for the period during which Federal financial assistance is extended to the program, except where the Federal financial assistance is to provide, or is in the form of, personal property, or real property or interest therein or structures or improvements thereon, in which case the assurance obligates the Recipient or any transferee for the longer of the following periods: (a) the period during which the property is used for a purpose for which the Federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits; or (b) the period during which the Recipient retains ownership or possession of the property.

9. The Recipient shall provide for such methods of administration for the program as are found by the Secretary of Transportation or the official to whom he delegates specific authority to give reasonable guarantee that it, other recipients, subgrantees, contractors, subcontractors, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the Act, the Regulations and this assurance.

10. The Recipient agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the Act, the Regulations, and this assurance.

THIS ASSURANCE is given in consideration of and for the purpose of obtaining any and all Federal grants, loans, contracts, property, discounts or other Federal financial assistance extended after the date hereof to the Recipient Department of Transportation under the (Name of Appropriate Program) and is binding on it, other recipients, subgrantees, contractors, subcontractors, transferees, successors in interest and other participants in the (Name of Appropriate Program). The

person or persons whose signatures appear below are authorized to sign this assurance on behalf of the Recipient.

Date: _____ Project Control Number: S100040

Recipient Name: County of Santa Fe _____

Signature of Authorized Official: _____

Print Name: _____ Title: _____

Phone: _____ E-mail: _____

Appendix G should be signed and mailed to the following:

New Mexico Department of Transportation
OEOP
Aspen Plaza, Suite 107
1596 Pacheco Street
Santa Fe, New Mexico 87505
Phone: 1-800-544-0936 or 505-827-1774
Fax: 505-827-1779

APPENDIX G-1

During the performance of this contract, the contractor, for itself, its assignees and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

1. **Compliance with Regulations:** The contractor shall comply with the Regulation relative to nondiscrimination in Federally-assisted programs of the Department of Transportation (hereinafter, "DOT") Title 49, Code of Federal Regulations, Part 21, and the Federal Highway Administration (hereinafter "FHWA") Title 23, Code of Federal Regulations, Part 200 as they may be amended from time to time, (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.

2. **Nondiscrimination:** The Contractor, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, or national origin, sex, age, and disability/handicap and low income in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor shall not participate either directly or indirectly in the discrimination prohibited by 49 CFR, section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Regulations.

3. **Solicitations for Subcontractors, Including Procurements of Materials and Equipment:** In all solicitations either by competitive bidding or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the contractor of the contractor's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin, sex, age, and disability/handicap and low income.

4. **Information and Reports:** The contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the (Recipient) or the FHWA to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish this information the contractor shall so certify to the (Recipient), or the FHWA as appropriate, and shall set forth what efforts it has made to obtain the information.

5. **Sanctions for Noncompliance:** In the event of the contractor's noncompliance with the nondiscrimination provisions of this contract, the (Recipient) shall impose such contract sanctions as it or the FHWA may determine to be appropriate, including, but not limited to:

    a. withholding of payments to the contractor under the contract until the contractor complies, and/or
    b. cancellation, termination or suspension of the contract, in whole or in part.

6. **Incorporation of Provisions:** The contractor shall include the provisions of paragraphs (1) through (6) in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations, or directives issued pursuant thereto.

The contractor shall take such action with respect to any subcontract or procurement as the (Recipient) or the FHWA may direct as a means of enforcing such provisions including sanctions for non-compliance: Provided, however, that, in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the contractor may request the (Recipient) to enter into such litigation to protect the interests of the (Recipient), and, in addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

APPENDIX G-2

The following clauses shall be included in any and all deeds effecting or recording the transfer of real property, structures or improvements thereon, or interest therein from the United States.

(GRANTING CLAUSE)
NOW, THEREFORE, the Department of Transportation, as authorized by law, and upon the condition that the (Name of Recipient) will accept title to the lands and maintain the project constructed thereon, in accordance with (Name of Appropriate Legislative Authority), the Regulations for the Administration of (Name of Appropriate Program) and the policies and procedures prescribed by FHWA,also in accordance with and in compliance with all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation and Title 23 Code of Federal Regulations, Part 200, Title VI Program and Related Statutes (hereinafter referred to as the Regulations) pertaining to and effectuating the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252; 42 U.S.C. 2000d to 2000d-4), does hereby remise, release, quitclaim and convey unto the (Name of Recipient) all the right, title and interest of the Department of Transportation in and to said lands described in Exhibit "G" attached hereto and made a part hereof.

(HABENDUM CLAUSE)
TO HAVE AND TO HOLD said lands and interests therein unto (Name of Recipient) and its successors forever, subject, however, to the covenants, conditions, restrictions and reservations herein contained as follows, which will remain in effect for the period during which the real property or structures are used for a purpose for which Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits and shall be binding on the (Name of Recipient), its successors and assigns.

The (Name of Recipient), in consideration or the conveyance of said lands and interests in lands, does hereby covenant and agree as a covenant running with the land for itself, its successors and assigns, that (1) no person shall on the grounds of race, color, or national origin, sex, age, and disability/handicap, and low income be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination with regard to any facility located wholly or in part on over or under such lands hereby conveyed [and]* (2) that the (Name of Recipient) shall use the lands and interests in lands so conveyed, in compliance with all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, Title 23 Code of Federal Regulations, Part 200, Title VI Program and Related Statutes – Implementation and Review Procedures, and as said Regulations may be amended and (3) that in the event of breach of any of the above-mentioned nondiscrimination conditions, the Department shall have a right to re-enter said lands and facilities on said land, and the above described land and facilities shall thereon revert to and vest in and become the absolute property of the Department of Transportation and its assigns as such interest existed prior to this instruction. *

* Reverter clause and related language to be used only when it is determined that such a clause is necessary in order to effectuate the purposes of Title VI of the Civil Rights Act of 1964.

The following clauses shall be included in all deeds, licenses, leases, permits, or similar instruments entered into by the (Name of Recipient) pursuant to the provisions of Assurance 7(a).

The (grantee, licensee, lessee, permitee, etc., as appropriate) for himself, his heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree [in the case of deeds and leases add "as a covenant running with the land"] that in the event facilities are constructed, maintained, or otherwise operated on the said property described in this (deed, license, lease, permit, etc.) for a purpose for which a Department of Transportation program or activity is extended or for another purpose involving the provision of similar services or benefits, the (grantee, licensee, lessee, permitee, etc.) shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of-Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, Title 23 Code of Federal Regulations, Part 200, Title VI Program and Related Statutes – Implementation and Review Procedures, and as said Regulations may be amended.

[Include in licenses, leases, permits, etc.]*

That in the event of breach of any of the above nondiscrimination covenants, (Name of Recipient) shall have the right to terminate the [license, lease, permit, etc.] and to re-enter and repossess said land and the facilities thereon, and hold the same as if said [licenses, lease, permit, etc.] had never been made or issued.

[Include in deed.]*

That in the event of breach of any of the above nondiscrimination covenants, (Name of Recipient) shall have the right to re-enter said lands and facilities thereon, and the above described lands and facilities shall thereupon revert to and vest in and become the absolute property of (Name of Recipient) and its assigns.

The following shall be included in all deeds, licenses, leases, permits, or similar agreements entered into by (Name of Recipient) pursuant to the provisions of Assurance 7(b).

The (grantee, licensee, lessee, permitee, etc., as appropriate) for himself, his personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree (in the case of deeds, and leases add "as a covenant running with the land") that (1) no person on the ground of race, color,. or national origin sex, age, disability/handicap, and low income shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over or under such land and the furnishing of services thereon, no person on the ground of, race, color, or national origin sex, age, disability/handicap, and low income shall be excluded from participation in, denied the benefits of, or be otherwise be subjected to discrimination, (3) that the (grantee, licensee, lessee, permitee, etc.) shall use the premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal

* Reverter clause and related language to be used only when it is determined that such a clause is necessary in order to effectuate the purposes of Title VI of the Civil Rights Act of 1964.

Regulations. Department of Transportation, Subtitle A, Office of the Secretary. Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, Title 23 Code of Federal Regulations, Part 200, Title VI Program and Related Statutes – Implementation and Review Procedures, and as said Regulations may be amended.

[Include in licenses, leases, permits, etc.]*

That in the event of breach of any of the above nondiscrimination covenants, (Name of Recipient) shall have the right to terminate the [license, lease, permit, etc.] and to re-enter and repossess said land and the facilities thereon, and hold the same as if said [license, lease, permit, etc.] had never been made or issued.

[Include in deeds]*

That in the event of breach of any of the above nondiscrimination covenants, (Name of Recipient) shall have the right to re-enter said land and facilities thereon, and the above described lands and facilities shall thereupon revert to and vest in and become the absolute property of (Name of Recipient) and its assigns.

* Reverter clause and related language to be used only when it is determined that such a clause is necessary in order to effectuate the purposes of Title VI of the Civil Rights Act of 1954.

Lighting and/or Highway Lighting

If the Project involves lighting and/or highway lighting, the County shall:

1. Provide at its own expense, all electrical energy, routine maintenance such as bulb and/or luminaire replacement, and in case of accidental damage to poles or fixtures, replace them with the same brand or equivalent for continued satisfactory operation of said subject lighting system.
2. Make ample future provisions in its budget each year for the cost of maintaining and providing energy to the subject lighting system.
3. Service and maintain the lighting system with its own funds.

If the project involves highway lighting, the lighting improvements and services required to be provided under this Agreement shall remain the full responsibility of the County. The roadway shall remain part of the State Highway System. The Department shall maintain ownership over the state or federal route and shall maintain the route with its own funds.

APPENDIX H-2

Signal(s) and/or Highway Signal(s)

If the Project involves signal(s) and/or highway signal(s), the County shall:

1. Make provisions for and provide, at its own expense, all electrical energy, routine maintenance such as lamp replacement, emergency shutdown in case of accidental damage or equipment failure and make any repairs necessary due to accidental damage to, or equipment failure of, the signal head and poles.
2. In the event that accidental damage or equipment failure should occur, provide for equipment shut down/or emergency traffic control as needed. In addition, should the accidental damage or equipment failure involve the controller (and cabinet) or the loop detection system, promptly notify the Traffic Services Section of the Department.
3. In the event that the traffic signal should be rendered completely inoperable as a result of accidental damage, secure the intersection with stop signs at all approach legs until such time as the traffic signal is made operable.
4. Make ample future provisions in its budget each year for the cost of maintaining and providing energy to the traffic signals and telephone service to the signal system and intersection lighting.
5. At its own expense, maintain the signal controller and control equipment (the "controller") including maintenance of the machine vision vehicle detection system with cameras and emergency vehicle pre-empt system and repair or replace the controller in the event the controller and/or cabinet is damaged or there is an equipment failure.
6. After the installation of the roadway signal system, if any, provide any and all utilities, maintenance, and such other items as may be necessary of continued satisfactory operation of said subject signal system.
7. Make all timing adjustments to the signal control equipment and review the signal system(s) for efficient and satisfactory operation.
8. Obtain approval from the Department for all signal equipment prior to installation.
9. Require the construction contractor to name the Department and the County as an additional insured in the construction contractor's general liability policy.
10. Signal improvements and services required under this Agreement shall remain the full responsibility of the County.
11. Maintain the signal system and all facilities constructed with its own funds.

If the project involves highway signals, the signal system, improvements and services required to be provided under this Agreement shall remain the full responsibility of the County. The roadway shall remain part of the State Highway System. The Department shall maintain ownership over the state or federal route and shall maintain the route with its own funds.

APPENDIX I

CERTIFICATION OF COOPERATIVE AGREEMENT COMPLIANCE/COMPLETION

I, _____, in my capacity as _____ of

_____ do hereby certify as follows:

That the County has complied with all the terms and conditions in the Agreement for

Control Number: S100040

By: _____ Date: _____

Chairman of County Commission or designee

When Completed, please send Certification to:

David Quintana, TSE
New Mexico Department of Transportation
District 5
P.O. Box 4127
Santa Fe, NM 87592-4127

APPENDIX J

CHECK LIST FOR PAYMENTS AND FOR AUDITS

The following items are needed for DISBUSEMENT, PROGRESS, or FINAL PAYMENTS:

NOTE: Please have "PROJECT AND CONTROL NUMBERS" on all documentation submitted for disbursement and reimbursement

- Newspaper bid (advertisement), copy of ad **(BEFORE DISBURSEMENT OR THE FIRST REIMBURSEMENT REQUEST)**
- Bidder's list at bid opening-Company(s) and quotation sheet(s) **(BEFORE DISBURSEMENT OR THE FIRST REIMBURSEMENT REQUEST)**
- Copy of Contract Between Entity and Contractor **(BEFORE DISBURSEMENT OR THE FIRST REIMBURSEMENT REQUEST)**
- Award Letter "NOTICE OF AWARD" and "NOTICE TO PROCEED" forms are required. **(BEFORE DISBURSEMENT OR THE FIRST REIMBURSEMENT REQUEST)**
- Environmental and Cultural Clearances **(BEFORE DISBURSEMENT OR THE FIRST REIMBURSEMENT REQUEST)**
- Construction Notices required **(THROUGHOUT PROJECT)** – start, suspend, resume and completion
- All invoicing (copies) and copies of cancelled checks-for contactor, vendors, suppliers **(EVERY REIMBURSEMENT)**
- Haul tickets (copies) if applicable **(EVERY REIMBURSEMENT)**
- Force account documentation – labor and equipment **(EVERY REIMBURSEMENT)**
- Engineer certification **(EVERY REIMBURSEMENT)** that certifies all materials incorporated into the project to date meet or exceed specification requirements – stamped/sealed – required for all Agreements in excess of $100,000.00
- Tabulation of quantities (cover letter) itemized expenditure if requesting for reimbursement **(EVERY REIMBURSEMENT)**
- Tabulation of estimated quantities (cover letter) expenditure if requesting for disbursement
- Status Reports **(MONTHLY)** are required for all Federal/ARRA projects and are due at the 1st of each month
- Status Reports are required with each reimbursement request for Non-Federal projects

Final Project Certification from Entity **(FINAL REIMBURSEMENT)**

Daniel "Danny" Mayfield
Commissioner, District 1

Miguel Chavez
Commissioner, District 2

Robert A. Anaya
Commissioner, District 3

Kathy Holian
Commissioner, District 4

Liz Stefanics
Commissioner, District 5

Katherine Miller
County Manager

MEMORANDUM

DATE: *October 11, 2013*

TO: *Board of County Commissioners*

FROM: *Adam Leigland, Public Works Department Director*

VIA: *Katherine Miller, County Manager*

ITEM AND ISSUE: ***BCC Meeting October 29, 2013***
REQUEST AUTHORIZATION OF THE USE OF GOB SERIES 2013 FUNDS TO PLANAND DESIGN IMPROVEMENTS TO COUNTY ROAD 89 (FEATHER CATCHER ROAD) AND 89C (CAMINO CATALINA) IN THE AMOUNT OF $80,000.

Issue

The Public Works Department would like to address drainage issues along CR 89 (Feather Catcher Road) and CR 89C (Camino Catalina). The two roads connect at the intersection of CR 89 and the western beginning of CR 89C. Drainage from hills west of CR 89 is causing drainage/erosion problems along CR 89 and causing drainage problems on CR 89C. Additionally, there are ROW issues along CR 89 at the northern end of the road. The funds will be used for an engineering study to design solutions, provide Right of Way/Title verification and solutions for both roads.

Background

These funds are currently budgeted in the FY 2014 budget and identified as funds earmarked for Northern Santa Fe County area.

Requested Action

The Public Works Department requests authorization of the use of funds for the design improvements to CR 89 and 89C in the amount of $80,000.

REGION III DRUG ENFORCEMENT TASK FORCE

Law Enforcement Working Together to Serve Santa Fe, Los Alamos, Rio Arriba and Taos Counties in New Mexico

P. O. Box 23118
Santa Fe, NM 87502
(505) 471-1715 or (800) 662-6660

BOARD OF DIRECTORS

Captain Juan Martinez
Chairman
NM State Police
Division

Deputy Chief William Johnson
Vice-Chairman
City of Santa Fe Police
Department

Sheriff Robert A. Garcia
Secretary-Treasurer
Santa Fe County
Sheriff's Department

MEMORANDUM

DATE: October 02, 2013

TO: Board of County Commissioners

Cc: Katherine Miller, County Manager

FROM: Ralph Lopez, Region III
Program Manager

VIA: Robert Garcia, Santa Fe County Sheriff

SUBJECT: Resolution 2013 - A Resolution Requesting Approval for a Budget Increase to the Law Enforcement Operations Fund (246) to increase The JAG Grant Budget to Reflect the Supplemental Funding Award to Region III / $20,000.00 (CMO/Finance /Teresa Martinez)

BACKGROUND:

This fiscal year 2014, Region III was awarded $129,094 from the JAG Grant through the Department of Public Safety. On September 23, the DEAC; (Drug Enforcement Advisory Committee) Budget and Funding Subcommittee approved supplemental funding in the amount of $20,000.00 to Santa Fe County on behalf of the Region III Multi-Jurisdictional Drug Task Force.

RECOMMENDATION:

Region III is requesting approval to increase the existing budget for the current fiscal year by $20,000.00.

SANTA FE COUNTY

RESOLUTION 2013 - _____

A RESOLUTION REQUESTING AUTHORIZATION TO MAKE THE BUDGET ADJUSTMENT DETAILED ON THIS FORM

Whereas, the Board of County Commissioners meeting in regular session on October 29, 2013 did request the following budget adjustment:

Department / Division: **SHERIFF / REGION III** Fund Name: **LAW ENFORCEMENT OPERATIONS FUND (246)**

Budget Adjustment Type: **BUDGET INCREASE** Fiscal Year: **2014 (July 1, 2013 - June 30, 2014)**

BUDGETED REVENUES: (use continuation sheet, if necessary)

FUND CODE XXX	DEPARTMENT/ DIVISION XXXX	ACTIVITY BASIC/SUB XXX	ELEMENT/ OBJECT XXXX	REVENUE NAME	INCREASE AMOUNT	DECREASE AMOUNT
246	1204	372	0800	Federal Grant Award / Edward Byrne Memorial Justice Assistance Grant (JAG) through the Dept. of Public Safety Fiscal Year 2014.	20,000.00	
TOTAL (if SUBTOTAL, check here ____)					20,000.00	

BUDGETED EXPENDITURES: (use continuation sheet, if necessary)

FUND CODE XXX	DEPARTMENT/ DIVISION XXXX	ACTIVITY BASIC/SUB XXX	ELEMENT/ OBJECT XXXX	CATEGORY / LINE ITEM NAME	INCREASE AMOUNT	DECREASE AMOUNT
246	1204	425	10-26	Term Employee	7,544.00	
246	1204	425	20-01	FICA/Employers Share	467.74	
246	1204	425	20-02	FICA/Medicare	109.39	
246	1204	425	20-03	PERA/Employers Share	1,969.80	
246	1204	425	20-05	Healthcare	594.00	
246	1204	425	20-06	Retiree Health	150.88	
246	1204	425	20-08	Workers Comp	4.40	
246	1204	425	73-02	Sheriff's Expense	9,159.79	
TOTAL (if SUBTOTAL, check here ____)					20,000.00	

Requesting Department Approval: _____ **Title:** Captain **Date:** 10.8.13

Finance Department Approval: _____ **Date:** 10/15/13 **Entered by:** _____ **Date:** _____

County Manager Approval: _____ **Date:** 10.18.13 **Updated by:** _____ **Date:** _____

SANTA FE COUNTY

RESOLUTION 2013 - _____

ATTACH ADDITIONAL SHEETS IF NECESSARY.

DEPARTMENT CONTACT: **Name:** Ralph Lopez / Program Manager **Dept/Div:** Region III / Sheriff **Phone No.:** 473-7021

DETAILED JUSTIFICATION FOR REQUESTING BUDGET ADJUSTMENT (If applicable, cite the following authority: State Statute, grant name and award date, other laws, regulations, etc.):

- 1) Please summarize the request and its purpose. This request is the result of Supplemental Funding awarded to Region III from the Department of Public Safety, through the Grants Management Bureau for the current Fiscal Year.

a) Employee Actions

Line Item	Action (Add/Delete Position, Reclass, Overtime)	Position Type (permanent, term)	Position Title
10-26	Budget Increase	Term	Program Mgr. / Adm. Assistant
10-21	Budget Increase; to Benefits	Term	Program Mgr. / Adm. Assistant

b) Professional Services (50-xx) and Capital Category (80-xx) detail:

Line Item	Detail (what specific things, contracts, or services are being added or deleted)	Amount

- 2) Is the budget action for RECURRING expense XX or for NON-RECURRING (one-time only) expense _____

SANTA FE COUNTY

RESOLUTION 2013 - _____

ATTACH ADDITIONAL SHEETS IF NECESSARY.

DEPARTMENT CONTACT:

Name: Ralph Lopez / Program Manager **Dept/Div:** Region III / Sheriff **Phone No.:** 473-7021

DETAILED JUSTIFICATION FOR REQUESTING BUDGET ADJUSTMENT (If applicable, cite the following authority: State Statute, grant name and award date, other laws, regulations, etc.):

- 3) Does this request impact a revenue source? If so, please identify (i.e. General Fund, state funds, federal funds, etc.), and address the following:
  - a) If this is a state special appropriation, YES _____ NO XX
    If YES, cite statute and attach a copy.

  - b) Does this include state or federal funds? YES XX NO _____
    If YES, please cite and attach a copy of statute, if a special appropriation, or include grant name, number, award date and amount, and attach a copy of a award letter and proposed budget. The sub-Grant Agreement for JAG in the amount of$129,094.00 for this fiscal year has been signed and approved. The additional funding of $20,000.00 is supplemental monies through the Department of Public Safety, Grants Management Bureau to be used for the current Fiscal Year.

  - c) Is this request is a result of Commission action? YES _____ NO XX
    If YES, please cite and attach a copy of supporting documentation (i.e. Minutes, Resolution, Ordinance, etc.).

  - d) Please identify other funding sources used to match this request.

SANTA FE COUNTY

RESOLUTION 2013 - _____

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Santa Fe County that the Local Government Division of the Department of Finance and Administration is hereby requested to grant authority to adjust budgets as detailed above.

Approved, Adopted, and Passed This 29th Day of October, 2013.

Santa Fe Board of County Commissioners

_____
Kathy Holian, Chairperson

ATTEST:

_____
Geraldine Salazar, County Clerk

Robert A. Garcia
Sheriff
986-2455
ragarcia@santafecounty.org

SANTA FE COUNTY SHERIFF'S OFFICE

Ron E. Madrid
Undersheriff
986-2455
rmadrid@santafecounty.org

35 Camino Justicia – Santa Fe, New Mexico 87508

MEMORANDUM

To: **Board of County Commissioners**

Fr: **Undersheriff Ron Madrid**

Date: **September 5, 2013**

Re: **Resolution 2013 – A Resolution Requesting A Budget Increase To The Law Enforcement Protection Fund (211) To Budget A Carryover Grant Balance From Fiscal Year 2013 Awarded Through The State Of New Mexico / $369.05**

Issue:
The Santa Fe County Sheriff's Office is requesting to carryover the remaining balance from Fiscal Year 2013 to use in Fiscal Year 2014.

Background:
Law Enforcement Protection Fund is to provide the equitable distribution of funds to municipal police, university police, county sheriff and tribal police departments for use in maintaining and improving those departments in order to enhance the efficiency and effectiveness of law enforcement services.

Action Requested:
The Santa Fe County Sheriff's Office requests approval to increase the budget of the remaining grant balance from Fiscal Year 2013 in the amount of $369.05 awarded by the State of New Mexico. This program is focused on law enforcement and we would like to use the funds for this fiscal year for operational supplies for the deputies.

SANTA FE COUNTY

RESOLUTION 2013 - _____

A RESOLUTION REQUESTING AUTHORIZATION TO MAKE THE BUDGET ADJUSTMENT DETAILED ON THIS FORM

Whereas, the Board of County Commissioners meeting in regular session on October 29, 2013, **did request the following budget adjustment:**

Department / Division: Sheriff's Office

Fund Name: Law Enforcement Protection Fund (LEPF)

Budget Adjustment Type: Budget Increase

Fiscal Year: 2014 (July 1, 2013 - June 30, 2014)

BUDGETED REVENUES: (use continuation sheet, if necessary)

FUND CODE XXX	DEPARTMENT/ DIVISION XXXX	ACTIVITY BASIC/SUB XXX	ELEMENT/ OBJECT XXXX	REVENUE NAME	INCREASE AMOUNT	DECREASE AMOUNT
211	0000	385	0200	Revenue: Budgeted Cash	$369.05	
TOTAL (if SUBTOTAL, check here _____)					$369.05	

BUDGETED EXPENDITURES: (use continuation sheet, if necessary)

FUND CODE XXX	DEPARTMENT/ DIVISION XXXX	ACTIVITY BASIC/SUB XXX	ELEMENT/ OBJECT XXXX	CATEGORY / LINE ITEM NAME	INCREASE AMOUNT	DECREASE AMOUNT
211	1210	425	6007	Operational Supplies	$369.05	
TOTAL (if SUBTOTAL, check here _____)					$369.05	

Requesting Department Approval: _____ **Title:** _____ **Date:** 9-11-13

Finance Department Approval: Teresa C. Martinez **Date:** 10/15/13 **Entered by:** _____ **Date:** _____

County Manager Approval: Katherine J. Miller **Date:** 10/18/13 **Updated by:** _____ **Date:** _____

SANTA FE COUNTY

RESOLUTION 2013 - _____

ATTACH ADDITIONAL SHEETS IF NECESSARY.

DEPARTMENT CONTACT: **Name:** Undersheriff Ron Madrid **Dept/Div:** Sheriff's Office **Phone No.:** 505-986-2457

DETAILED JUSTIFICATION FOR REQUESTING BUDGET ADJUSTMENT (If applicable, cite the following authority: State Statute, grant name and award date, other laws, regulations, etc.):

- 1) Please summarize the request and its purpose.

  The Sheriff's Office would like to carryover the Fiscal Year 2013 remaining balance of $369.05 to the current fiscal year. This money wasn't used from the previous fiscal year and could use this for operational supplies for the Sheriff's Office. The Department of Finance & Administration / Local Government Division has approved the carryover balance, enclosed is our approval.

a) Employee Actions

Line Item	Action (Add/Delete Position, Reclass, Overtime)	Position Type (permanent, term)	Position Title

b) Professional Services (50-xx) and Capital Category (80-xx) detail:

Line Item	Detail (what specific things, contracts, or services are being added or deleted)	Amount

- 2) Is the budget action for RECURRING expense _____ or for NON-RECURRING (one-time only) expense X

SANTA FE COUNTY

RESOLUTION 2013 - _____

ATTACH ADDITIONAL SHEETS IF NECESSARY.

DEPARTMENT CONTACT:

Name: Undersheriff Ron Madrid **Dept/Div:** Sheriff's Office **Phone No.:** 505-986-2457

DETAILED JUSTIFICATION FOR REQUESTING BUDGET ADJUSTMENT (If applicable, cite the following authority: State Statute, grant name and award date, other laws, regulations, etc.):

- 3) Does this request impact a revenue source? If so, please identify (i.e. General Fund, state funds, federal funds, etc.), and address the following:
  - a) If this is a state special appropriation, YES _____ NO __X__
    If YES, cite statute and attach a copy.

  - b) Does this include state or federal funds? YES __X__ NO _____
    If YES, please cite and attach a copy of statute, if a special appropriation, or include grant name, number, award date and amount, and attach a copy of a award letter and proposed budget.

    Law Enforcement Protection Fund
    - $369.05
    - Funds for Municipalities, Counties and Universities Pursuant to Chapter 29, Article 13 NMSA 1978
    - Carryover Balance for Fiscal Year 2014 (July 1, 2013 – June 30, 2014)

  - c) Is this request is a result of Commission action? YES _____ NO __X__
    If YES, please cite and attach a copy of supporting documentation (i.e. Minutes, Resolution, Ordinance, etc.).

  - d) Please identify other funding sources used to match this request.

SANTA FE COUNTY

RESOLUTION 2013 - _____

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Santa Fe County that the Local Government Division of the Department of Finance and Administration is hereby requested to grant authority to adjust budgets as detailed above.

Approved, Adopted, and Passed This 29th **Day of** October**, 2013.**

Santa Fe Board of County Commissioners

_____
Kathy Holian, Chairperson

ATTEST:

_____
Geraldine Salazar, County Clerk

Robert A. Garcia
Sheriff
986-2455
ragarcia@santafecounty.org

SANTA FE COUNTY SHERIFF'S OFFICE

Ron E. Madrid
Undersheriff
986-2455
rmadrid@santafecounty.org

35 Camino Justicia – Santa Fe, New Mexico 87508

MEMORANDUM

Date: October 2, 2013

To: Board of County Commissioners

From: Undersheriff Ron Madrid

Subject: **Resolution 2013 – A resolution requesting a budget increase to the Law Enforcement Operations Fund (246) to budget one (1) grant awarded through the United States Marshals Services for fugitive apprehension / $1,000.00**

Issue:
The Santa Fe County Sheriff's Office has been awarded funding from the United States Marshals Service (USMS) for overtime in the amount of $1,000.00.

Background:
The purpose of this Grant is for overtime during operations in support of fugitive apprehension.

Action Requested:
The Santa Fe County Sheriff's Office requests approval to budget funding from the grant listed above in the amount of $1,000.00 awarded by the United States Marshals Services. Funding from this program is focused on operations in support of fugitive apprehension.

Your consideration on this matter is greatly appreciated.

SANTA FE COUNTY

RESOLUTION 2013 - _____

A RESOLUTION REQUESTING AUTHORIZATION TO MAKE THE BUDGET ADJUSTMENT DETAILED ON THIS FORM

Whereas, the Board of County Commissioners meeting in regular session on October 29, 2013, **did request the following budget adjustment:**

Department / Division: Sheriff's Office

Fund Name: Law Enforcement Operating Fund (LEOF)

Budget Adjustment Type: Budget Increase

Fiscal Year: 2014 (July 1, 2013 - June 30, 2014)

BUDGETED REVENUES: (use continuation sheet, if necessary)

FUND CODE XXX	DEPARTMENT/ DIVISION XXXX	ACTIVITY BASIC/SUB XXX	ELEMENT/ OBJECT XXXX	REVENUE NAME	INCREASE AMOUNT	DECREASE AMOUNT
246	1232	381	0300	Joint Law Enforcement Operations (JLEO)	$1,000.00	
TOTAL (if SUBTOTAL, check here ____)					$1,000.00	

BUDGETED EXPENDITURES: (use continuation sheet, if necessary)

FUND CODE XXX	DEPARTMENT/ DIVISION XXXX	ACTIVITY BASIC/SUB XXX	ELEMENT/ OBJECT XXXX	CATEGORY / LINE ITEM NAME	INCREASE AMOUNT	DECREASE AMOUNT
246	1232	424	10.25	Salary & Wages / Overtime	$985.50	
246	1232	424	20.02	Employee Benefits / FICA Medicare	$14.50	
TOTAL (if SUBTOTAL, check here ____)					$1,000.00	

Requesting Department Approval: _____ **Title:** Chief Sheriff **Date:** 10/2/13

Finance Department Approval: Teresa C Martinez **Date:** 10/15/13 **Entered by:** _____ **Date:** _____

County Manager Approval: _____ **Date:** 10-18-13 **Updated by:** _____ **Date:** _____

SANTA FE COUNTY

RESOLUTION 2013 - _____

ATTACH ADDITIONAL SHEETS IF NECESSARY.

DEPARTMENT CONTACT: **Name:** Undersheriff Ron Madrid **Dept/Div:** Sheriff's Office **Phone No.:** 505-986-2455

DETAILED JUSTIFICATION FOR REQUESTING BUDGET ADJUSTMENT (If applicable, cite the following authority: State Statute, grant name and award date, other laws, regulations, etc.):

- 1) Please summarize the request and its purpose.

  The United States Marshals has granted the Santa Fe Sheriff's Office a grant during Fiscal Year 2013 in the amount of $6,000.00 to use for overtime reimbursement in support of the Joint Law Enforcement Operations (JLEO) program. During FY13, the Sheriff's Office used $5,000.00 and would like to use the remaining balance of $1,000.00 during FY14. JLEO funding is the source of overtime reimbursement made to Santa Fe County Sheriff's Office by United States Marshals Service (USMS) for operations in support of fugitive apprehension.

a) Employee Actions

Line Item	Action (Add/Delete Position, Reclass, Overtime)	Position Type (permanent, term)	Position Title
10.25	Overtime	Full-Time / Permanent	Deputy / Patrol

b) Professional Services (50-xx) and Capital Category (80-xx) detail:

Line Item	Detail (what specific things, contracts, or services are being added or deleted)	Amount

- 2) Is the budget action for RECURRING expense X or for NON-RECURRING (one-time only) expense _____

SANTA FE COUNTY

RESOLUTION 2013 - _____

ATTACH ADDITIONAL SHEETS IF NECESSARY.

DEPARTMENT CONTACT:

Name: Undersheriff Ron Madrid **Dept/Div:** Sheriff's Office **Phone No.:** 505-986-2455

DETAILED JUSTIFICATION FOR REQUESTING BUDGET ADJUSTMENT (If applicable, cite the following authority: State Statute, grant name and award date, other laws, regulations, etc.):

- 3) Does this request impact a revenue source? If so, please identify (i.e. General Fund, state funds, federal funds, etc.), and address the following:
  - a) If this is a state special appropriation, YES _____ NO __X__
    If YES, cite statute and attach a copy.

  - b) Does this include state or federal funds? YES __X__ NO _____
    If YES, please cite and attach a copy of statute, if a special appropriation, or include grant name, number, award date and amount, and attach a copy of a award letter and proposed budget.

    Title: **Joint Law Enforcement Operations (JLEO) Program**
    Project#: **JLEOTFS4 (Fund# AFF-B-OP-1)**
    Award Amt: **$1,000.00 (FY14)**
    Award Period: **October 9, 2012 thru September 30, 2013**

  - c) Is this request is a result of Commission action? YES _____ NO __X__
    If YES, please cite and attach a copy of supporting documentation (i.e. Minutes, Resolution, Ordinance, etc.).

  - d) Please identify other funding sources used to match this request.

    N/A

SANTA FE COUNTY

RESOLUTION 2013 - ____

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Santa Fe County that the Local Government Division of the Department of Finance and Administration is hereby requested to grant authority to adjust budgets as detailed above.

Approved, Adopted, and Passed This 29th **Day of** October **, 2013.**

Santa Fe Board of County Commissioners

_____

Kathy Holian, Chairperson

ATTEST:

_____

Geraldine Salazar, County Clerk

Memorandum

To: Santa Fe Board of County Commissioners

From: Donna Morris, Fire Department

Thru: David Sperling, Fire Chief
Pablo Sedillo, Public Safety Director
Katherine Miller, County Manager

Date: October 15, 2013

Re: Resolution 2013 - A resolution requesting a budget increase to the Fire Operations Fund (244) / Hondo Fire District to Budget a Grant Award from the NM Department of Health Trauma Fund in the amount of $12,267. (Public Safety/Fire)

BACKGROUND:

The Santa Fe County Fire Department Hondo Fire District has been awarded a grant through the NM Department of Health Trauma Fund to purchase a Stryker Power-Pro XT gurney for their Med Unit. The grant was awarded in the amount of $12,267. The Hondo Fire District will utilize their State EMS Fund Act disbursement for any cost that exceeds $12,267 for the purchase of a Stryker Power-Pro XT gurney.

SUMMARY:

Please approve this request for a budget increase to the Fire Operations Fund (244) / Hondo Fire District for a grant awarded by the NM Department of Health Trauma Fund in the amount of $12,267.

SANTA FE COUNTY

RESOLUTION 2013 - _____

A RESOLUTION REQUESTING AUTHORIZATION TO MAKE THE BUDGET ADJUSTMENT DETAILED ON THIS FORM

Whereas, the Board of County Commissioners meeting in regular session on October 29, 2013, did request the following budget adjustment:

Department / Division: Fire Department/Fire Administration Fund Name: Hondo Fire District Revenue Fund (244)

Budget Adjustment Type: Budget Increase Fiscal Year: 2014 (July 1, 2013 - June 30, 2014)

BUDGETED REVENUES: (use continuation sheet, if necessary)

FUND CODE XXX	DEPARTMENT/ DIVISION XXXX	ACTIVITY BASIC/SUB XXX	ELEMENT/ OBJECT XXXX	REVENUE NAME	INCREASE AMOUNT	DECREASE AMOUNT
244	0834	371	05-00	State Grant/DOH	12,267	
					12,267	

BUDGETED EXPENDITURES: (use continuation sheet, if necessary)

FUND CODE XXX	DEPARTMENT/ DIVISION XXXX	ACTIVITY BASIC/SUB XXX	ELEMENT/ OBJECT XXXX	CATEGORY / LINE ITEM NAME	INCREASE AMOUNT	DECREASE AMOUNT
244	0834	422	80-17	Capital Purchases/Medical Equipment	12,267	
					12,267	

Requesting Department Approval: _____ **Title:** Fire Chief **Date:** 10-15-13

Finance Department Approval: _____ **Date:** 10/16/13 **Entered by:** _____ **Date:** _____

County Manager Approval: _____ **Date:** 10-18-13 **Updated by:** _____ **Date:** _____

SANTA FE COUNTY

RESOLUTION 2013 - _____

ATTACH ADDITIONAL SHEETS IF NECESSARY.

DEPARTMENT CONTACT: **Name:** Donna Morris **Dept/Div:** Fire Department/Administration **Phone No.:** 992-3082

DETAILED JUSTIFICATION FOR REQUESTING BUDGET ADJUSTMENT (If applicable, cite the following authority: State Statute, grant name and award date, other laws, regulations, etc.):

- 1) Please summarize the request and its purpose.

  Requesting BCC approval for a budget increase to budget a NM Department of Health Grant awarded to the Hondo Fire District in the amount of $12,267. This grant was awarded to the Hondo fire district for the purchase of a Stryker Power Pro XT stretcher and supplies.

  a) Employee Actions

Line Item	Action (Add/Delete Position, Reclass, Overtime)	Position Type (permanent, term)	Position Title

b) Professional Services (50-xx) and Capital Category (80-xx) detail:

Line Item	Detail (what specific things, contracts, or services are being added or deleted)	Amount
80-17	Stryker Power Gurney	12,267

- 2) Is the budget action for RECURRING expense _____ or for NON-RECURRING (one-time only) expense X

SANTA FE COUNTY

RESOLUTION 2013 - _____

ATTACH ADDITIONAL SHEETS IF NECESSARY.

DEPARTMENT CONTACT:

Name: Donna Morris **Dept/Div:** Fire Department/Administration **Phone No.:** 992-3082

DETAILED JUSTIFICATION FOR REQUESTING BUDGET ADJUSTMENT (If applicable, cite the following authority: State Statute, grant name and award date, other laws, regulations, etc.):

- 3) Does this request impact a revenue source? If so, please identify (i.e. General Fund, state funds, federal funds, etc.), and address the following:
  - a) If this is a state special appropriation, YES _____ NO __X__

  - b) Does this include state or federal funds? YES __X__ NO _____
    If YES, please cite and attach a copy of statute, if a special appropriation, or include grant name, number, award date and amount, and attach a copy of a award letter and proposed budget. **NM Department of Health Trauma System Fund**

    c) Is this request is a result of Commission action? YES _____ NO __X__
    If YES, please cite and attach a copy of supporting documentation (i.e. Minutes, Resolution, Ordinance, etc.).

  - d) Please identify other funding sources used to match this request. **Hondo State EMS Fund Act**

SANTA FE COUNTY

RESOLUTION 2013 - _____

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Santa Fe County that the Local Government Division of the Department of Finance and Administration is hereby requested to grant authority to adjust budgets as detailed above.

Approved, Adopted, and Passed This 29th Day of October, 2013.

Santa Fe Board of County Commissioners

_____
Kathy Holian, Madam Chair

ATTEST:

_____
Geraldine Salazar, County Clerk

Memorandum

To: Santa Fe Board of County Commissioners

From: Donna Morris, Fire Department

Thru: David Sperling, Fire Chief
Pablo Sedillo, Public Safety Director
Katherine Miller, County Manager

Date: October 15, 2013

Re: Resolution 2013 - A resolution requesting a budget increase to the Fire Operations Fund (244) / Chimayo Fire District to Budget a Grant Award from the NM Fire Protection Grant Council in the amount of $55,000. (Public Safety/Fire)

BACKGROUND:

The Santa Fe County Fire Department Chimayo Fire District was awarded a Fire Protection Grant for the purchase of a Brush Truck fire apparatus. The grant was awarded in the FY-2013 grant cycle, however, due to limited funds available to distribute, $25,000 was awarded in FY-2013 and this is the balance of $55,000 awarded in FY-2014. The Chimayo Fire District will provide the match of 20% utilizing their annual Fire Fund Distribution.

SUMMARY:

Please approve this request for a budget increase to the Fire Operations Fund (244) / Chimayo Fire District for a grant awarded by the NM Fire Protection Grant Council in the amount of $55,000.

SANTA FE COUNTY

RESOLUTION 2013 - _____

A RESOLUTION REQUESTING AUTHORIZATION TO MAKE THE BUDGET ADJUSTMENT DETAILED ON THIS FORM

Whereas, the Board of County Commissioners meeting in regular session on October 29, 2013 , did request the following budget adjustment:

Department / Division: Fire Department/Fire Administration Fund Name: Chimayo Fire District Revenue Fund (244)

Budget Adjustment Type: Budget Increase Fiscal Year: 2014 (July 1, 2013 - June 30, 2014)

BUDGETED REVENUES: (use continuation sheet, if necessary)

FUND CODE XXX	DEPARTMENT/ DIVISION XXXX	ACTIVITY BASIC/SUB XXX	ELEMENT/ OBJECT XXXX	REVENUE NAME	INCREASE AMOUNT	DECREASE AMOUNT
244	0831	371	05-00	State Grant/Fire Protection	55,000	
					55,000	

BUDGETED EXPENDITURES: (use continuation sheet, if necessary)

FUND CODE XXX	DEPARTMENT/ DIVISION XXXX	ACTIVITY BASIC/SUB XXX	ELEMENT/ OBJECT XXXX	CATEGORY / LINE ITEM NAME	INCREASE AMOUNT	DECREASE AMOUNT
244	0831	422	80-09	Capital Purchases/Vehicles	55,000	
					55,000	

Requesting Department Approval: _____ **Title:** Fire Chief **Date:** 10 15 13

Finance Department Approval: _____ **Date:** 10/16/13 **Entered by:** _____ **Date:** _____

County Manager Approval: _____ **Date:** 10-18-13 **Updated by:** _____ **Date:** _____

SANTA FE COUNTY

RESOLUTION 2013 - _____

ATTACH ADDITIONAL SHEETS IF NECESSARY.

DEPARTMENT CONTACT: **Name:** Donna Morris **Dept/Div:** Fire Department/Administration **Phone No.:** 992-3082

DETAILED JUSTIFICATION FOR REQUESTING BUDGET ADJUSTMENT (If applicable, cite the following authority: State Statute, grant name and award date, other laws, regulations, etc.):

- 1) Please summarize the request and its purpose.

  Requesting BCC approval for a budget increase to budget a NM Fire Protection Grant awarded to the Chimayo Fire District in the amount of $55,000. This grant was awarded to the Chimayo fire district for the purchase of a new Brush Truck fire apparatus..

  a) Employee Actions

Line Item	Action (Add/Delete Position, Reclass, Overtime)	Position Type (permanent, term)	Position Title

  b) Professional Services (50-xx) and Capital Category (80-xx) detail:

Line Item	Detail (what specific things, contracts, or services are being added or deleted)	Amount
80-09	Fire apparatus – Brush Truck	55,000

- 2) Is the budget action for RECURRING expense ____ or for NON-RECURRING (one-time only) expense X

SANTA FE COUNTY

RESOLUTION 2013 - _____

ATTACH ADDITIONAL SHEETS IF NECESSARY.

DEPARTMENT CONTACT:

Name: Donna Morris **Dept/Div:** Fire Department/Administration **Phone No.:** 992-3082

DETAILED JUSTIFICATION FOR REQUESTING BUDGET ADJUSTMENT (If applicable, cite the following authority: State Statute, grant name and award date, other laws, regulations, etc.):

- 3) Does this request impact a revenue source? If so, please identify (i.e. General Fund, state funds, federal funds, etc.), and address the following:
  - a) If this is a state special appropriation, YES _____ NO X
  - b) Does this include state or federal funds? YES X NO _____
    If YES, please cite and attach a copy of statute, if a special appropriation, or include grant name, number, award date and amount, and attach a copy of a award letter and proposed budget. **NM Fire Protection Grant Council.**

    c) Is this request is a result of Commission action? YES _____ NO X
    If YES, please cite and attach a copy of supporting documentation (i.e. Minutes, Resolution, Ordinance, etc.).
  - d) Please identify other funding sources used to match this request. Chimayo Annual Fire Fund Distribution.

SANTA FE COUNTY

RESOLUTION 2013 - _____

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Santa Fe County that the Local Government Division of the Department of Finance and Administration is hereby requested to grant authority to adjust budgets as detailed above.

Approved, Adopted, and Passed This 29th Day of October, 2013.

Santa Fe Board of County Commissioners

_____
Kathy Holian, Madam Chair

ATTEST:

_____
Geraldine Salazar, County Clerk

Memorandum

To: Santa Fe Board of County Commissioners

From: Donna Morris, Fire Department

Thru: David Sperling, Fire Chief
Pablo Sedillo, Public Safety Director
Katherine Miller, County Manager

Date: October 15, 2013

Re: Resolution 2013 - A resolution requesting a budget increase to the Fire Operations Fund (244)/ Forest Restoration Program to budget Cash Carryover from Title III Appropriation Funds in the amount $22,374. (Public Safety/Fire)

BACKGROUND:

The Santa Fe County Fire Department received Title III appropriation funding to be utilized by our Wildland Urban Interface Specialist employees who carry out Firewise activities, develop wildfire protection plans and perform emergency responses on fires as listed under section 302 of the Title III County Funds. This money will be obligated towards salaries and benefit expenditures as of July 1, 2013.

SUMMARY:

Please approve this request for a budget increase to the Forest Restoration Program in the amount of $22,374.

SANTA FE COUNTY

RESOLUTION 2013 - _____

A RESOLUTION REQUESTING AUTHORIZATION TO MAKE THE BUDGET ADJUSTMENT DETAILED ON THIS FORM

Whereas, the Board of County Commissioners meeting in regular session on October 29, 2013, did request the following budget adjustment:

Department / Division: Fire Department/Fire Administration Fund Name: Fire Operations Fund (244)

Budget Adjustment Type: Budget Increase Fiscal Year: 2014 (July 1, 2013 - June 30, 2014)

BUDGETED REVENUES: (use continuation sheet, if necessary)

FUND CODE XXX	DEPARTMENT/ DIVISION XXXX	ACTIVITY BASIC/SUB XXX	ELEMENT/ OBJECT XXXX	REVENUE NAME	INCREASE AMOUNT	DECREASE AMOUNT
244	0809	385	03-00	Budgeted Cash/Title III Appropriation	22,374	
					22,374	

BUDGETED EXPENDITURES: (use continuation sheet, if necessary)

FUND CODE XXX	DEPARTMENT/ DIVISION XXXX	ACTIVITY BASIC/SUB XXX	ELEMENT/ OBJECT XXXX	CATEGORY / LINE ITEM NAME	INCREASE AMOUNT	DECREASE AMOUNT
244	0809	422	20-24	Salary & Wages/Temporary Employees	10,631	
244	0809	422	20-01	Employee Benefits/FICA Regular	1,387	
244	0809	422	20-02	Employee Benefits/FICA M/Care	324	
244	0809	422	20-03	Employee Benefits/Ret. Contributions	6,567	
244	0809	422	20-05	Employee Benefits/Health Care	3,000	
244	0809	422	20-06	Employee Benefits/Retirement Health Care	465	
					22,374	

Requesting Department Approval: _____ Title: Fire Chief Date: 10-15-13

Finance Department Approval: _____ Date: 10/16/13 Entered by: _____ Date: _____

County Manager Approval: _____ Date: 10-18-13 Updated by: _____ Date: _____

SANTA FE COUNTY

RESOLUTION 2013 - _____

ATTACH ADDITIONAL SHEETS IF NECESSARY.

DEPARTMENT CONTACT: **Name:** Donna Morris **Dept/Div:** Fire Department/Administration **Phone No.:** 992-3082

DETAILED JUSTIFICATION FOR REQUESTING BUDGET ADJUSTMENT (If applicable, cite the following authority: State Statute, grant name and award date, other laws, regulations, etc.):

- 1) Please summarize the request and its purpose.

  Requesting BCC approval for a budget increase to budget Title III appropriation money obligated towards the salaries and benefits utilized for the Wildland Urban Interface Specialist employees to carry out Firewise activities, develop wildfire protection plans and emergency responses on fires. This money will be applied towards salary and benefit expenditures as of July 1, 2013.

  a) Employee Actions

Line Item	Action (Add/Delete Position, Reclass, Overtime)	Position Type (permanent, term)	Position Title

  b) Professional Services (50-xx) and Capital Category (80-xx) detail:

Line Item	Detail (what specific things, contracts, or services are being added or deleted)	Amount
80-01		

- 2) Is the budget action for RECURRING expense _____ or for NON-RECURRING (one-time only) expense X

SANTA FE COUNTY

RESOLUTION 2013 - _____

ATTACH ADDITIONAL SHEETS IF NECESSARY.

DEPARTMENT CONTACT:

Name: Donna Morris **Dept/Div:** Fire Department/Administration **Phone No.:** 992-3082

DETAILED JUSTIFICATION FOR REQUESTING BUDGET ADJUSTMENT (If applicable, cite the following authority: State Statute, grant name and award date, other laws, regulations, etc.):

- 3) Does this request impact a revenue source? If so, please identify (i.e. General Fund, state funds, federal funds, etc.), and address the following:
  - a) If this is a state special appropriation, YES X NO _____ Title III

  - b) Does this include state or federal funds? YES X NO _____
    If YES, please cite and attach a copy of statute, if a special appropriation, or include grant name, number, award date and amount, and attach a copy of a award letter and proposed budget.

    c) Is this request is a result of Commission action? YES _____ NO X
    If YES, please cite and attach a copy of supporting documentation (i.e. Minutes, Resolution, Ordinance, etc.).

  - d) Please identify other funding sources used to match this request. *N/A*

SANTA FE COUNTY

RESOLUTION 2013 - _____

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Santa Fe County that the Local Government Division of the Department of Finance and Administration is hereby requested to grant authority to adjust budgets as detailed above.

Approved, Adopted, and Passed This 29th Day of October, 2013.

Santa Fe Board of County Commissioners

_____
Kathy Holian, Madam Chair

ATTEST:

_____
Geraldine Salazar, County Clerk

Memorandum

To: Santa Fe Board of County Commissioners

From: Donna Morris, Fire Department

Thru: David Sperling, Fire Chief
Pablo Sedillo, Public Safety Director
Katherine Miller, County Manager

Date: October 15, 2013

Re: Resolution 2013 - A resolution requesting a budget increase to the Forest Restoration Fund (244) / NM State Forestry Reimbursement in the amount of $26,788. (Public Safety/Fire)

BACKGROUND:

The Santa Fe County Fire Department has received a reimbursement from NM State Forestry Division for personnel and equipment that was deployed for the 608 Fire in July 2013. This reimbursement will be utilized for the salaries of the SFC Fire Department Wildland Urban Interface Specialist employees and to purchase needed wildland equipment. This revenue will be expended in FY-2014

SUMMARY:

Please approve this request for a budget increase to the Forest Restoration Fund (244) / for a reimbursement from State Forestry for the deployment of personnel/equipment on the 608 Fire in the amount of $26,788.

SANTA FE COUNTY

RESOLUTION 2013 - _____

A RESOLUTION REQUESTING AUTHORIZATION TO MAKE THE BUDGET ADJUSTMENT DETAILED ON THIS FORM

Whereas, the Board of County Commissioners meeting in regular session on October 29, 2013, did request the following budget adjustment:

Department / Division: Fire Department/Fire Administration Fund Name: Forest Restoration Fund (244)

Budget Adjustment Type: Budget Increase Fiscal Year: 2014 (July 1, 2013 - June 30, 2014)

BUDGETED REVENUES: (use continuation sheet, if necessary)

FUND CODE XXX	DEPARTMENT/ DIVISION XXXX	ACTIVITY BASIC/SUB XXX	ELEMENT/ OBJECT XXXX	REVENUE NAME	INCREASE AMOUNT	DECREASE AMOUNT
244	0809	360	09-02	Revenue/State Forestry	26,788	
					26,788	

BUDGETED EXPENDITURES: (use continuation sheet, if necessary)

FUND CODE XXX	DEPARTMENT/ DIVISION XXXX	ACTIVITY BASIC/SUB XXX	ELEMENT/ OBJECT XXXX	CATEGORY / LINE ITEM NAME	INCREASE AMOUNT	DECREASE AMOUNT
244	0809	422	20-26	Salary & Wages/Term Employees	15,091	
244	0809	422	60-01	Supplies/Non-Consumable Supplies	495	
244	0809	422	60-02	Supplies/Safety Supplies	11,202	
					26,788	

Requesting Department Approval: _____ **Title:** Fire Chief **Date:** 10 15 13

Finance Department Approval: _____ **Date:** 10/16/13 **Entered by:** _____ **Date:** _____

County Manager Approval: _____ **Date:** 10-18-13 **Updated by:** _____ **Date:** _____

SANTA FE COUNTY

RESOLUTION 2013 - _____

ATTACH ADDITIONAL SHEETS IF NECESSARY.

DEPARTMENT CONTACT: **Name:** Donna Morris **Dept/Div:** Fire Department/Administration **Phone No.:** 992-3082

DETAILED JUSTIFICATION FOR REQUESTING BUDGET ADJUSTMENT (If applicable, cite the following authority: State Statute, grant name and award date, other laws, regulations, etc.):

- 1) Please summarize the request and its purpose.

  Requesting BCC approval for a budget increase to Forest Restoration Fund (244) to budget a forestry reimbursement received for personnel and equipment that was deployed to the 608 Fire. This reimbursement will be utilized for the salaries of the Wildland Urban Interface Specialist employees and to purchase needed wildland equipment. This revenue will be expended in FY-2014

  a) Employee Actions

Line Item	Action (Add/Delete Position, Reclass, Overtime)	Position Type (permanent, term)	Position Title

b) Professional Services (50-xx) and Capital Category (80-xx) detail:

Line Item	Detail (what specific things, contracts, or services are being added or deleted)	Amount

- 2) Is the budget action for RECURRING expense _____ or for NON-RECURRING (one-time only) expense X

SANTA FE COUNTY

RESOLUTION 2013 - _____

ATTACH ADDITIONAL SHEETS IF NECESSARY.

DEPARTMENT CONTACT:

Name: Donna Morris **Dept/Div:** Fire Department/Administration **Phone No.:** 992-3082

DETAILED JUSTIFICATION FOR REQUESTING BUDGET ADJUSTMENT (If applicable, cite the following authority: State Statute, grant name and award date, other laws, regulations, etc.):

- 3) Does this request impact a revenue source? If so, please identify (i.e. General Fund, state funds, federal funds, etc.), and address the following:
  - a) If this is a state special appropriation, YES _____ NO __X__

  - b) Does this include state or federal funds? YES __X__ NO _____
    If YES, please cite and attach a copy of statute, if a special appropriation, or include grant name, number, award date and amount, and attach a copy of a award letter and proposed budget. **State of NM Forestry Division.**

    c) Is this request is a result of Commission action? YES _____ NO __X__
    If YES, please cite and attach a copy of supporting documentation (i.e. Minutes, Resolution, Ordinance, etc.).

  - d) Please identify other funding sources used to match this request. *N/A*

SANTA FE COUNTY

RESOLUTION 2013 - _____

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Santa Fe County that the Local Government Division of the Department of Finance and Administration is hereby requested to grant authority to adjust budgets as detailed above.

Approved, Adopted, and Passed This 29th Day of October, 2013.

Santa Fe Board of County Commissioners

_____
Kathy Holian, Madam Chair

ATTEST:

_____
Geraldine Salazar, County Clerk

Daniel "Danny" Mayfield
Commissioner, District 1

Miguel Chavez
Commissioner, District 2

Robert A. Anaya
Commissioner, District 3

Kathy Holian
Commissioner, District 4

Liz Stefanics
Commissioner, District 5

Katherine Miller
County Manager

MEMORANDUM

DATE: *October 11, 2013*

TO: *Board of County Commissioners*

FROM: *Adam Leigland, Public Works Department Director* 10/15/13

VIA: *Katherine Miller, County Manager*

ITEM AND ISSUE: *BCC Meeting October 29, 2013*
RESOLUTION 2013-____, A RESOLUTION OF SUPPORT FOR COUNTY PARTICIPATION IN THE NEW MEXICO DEPARTMENT OF TRANSPORTATION (NMDOT) 2013/2014 LOCAL GOVERNMENT ROAD IMPROVEMENTS FUND (LGRF) GRANT COOPERATIVE AGREEMENT NO. SB-7806(103)14, FOR PAVEMENT REHABILITATION/IMPROVEMENTS ON CR58B (ARROYO HONDO TRAIL), EL GANCHO WAY, TWO TRAILS RD, AND LA JOYA RD IN SANTA FE COUNTY, NEW MEXICO.

BACKGROUND AND SUMMARY

Public Works was approved for funding through the Local Government Road Improvement Fund Program (LGRF) SB Funding for pavement rehabilitation/improvements of various County roads in Santa Fe County, New Mexico. Santa Fe County is required to provide 25% in matching funds in the amount of $26,156 with the Department's share of 75% in the amount of $78,468 for a total project cost of $104,624. The funds will be used to do improvements on CR58B (Arroyo Hondo Trail), El Gancho Way, Two Trails Rd, and La Joya Rd (all in District 4) in Santa Fe County.

ACTION REQUESTED

The Public Works Department requests approval of the resolution in support of participation in Year 2013/2014 NMDOT LGRF Program.

THE BOARD OF COUNTY COMMISSIONERS

OF SANTA FE COUNTY

RESOLUTION NO. 2013_____

A RESOLUTION OF SUPPORT FOR COUNTY PARTICIPATION IN THE NEW MEXICO DEPARTMENT OF TRANSPORTATION (NMDOT) 2013/2014 LOCAL GOVERNMENT ROAD IMPROVEMENT FUND (LGRF), GRANT COOPERATIVE AGREEMENT NO. SB-7806(103)14, FOR PAVEMENT REHABILITATION/IMPROVEMENTS ON CR58B (ARROYO HONDO TRAIL), EL GANCHO WAY, TWO TRAILS RD AND LA JOYA RD IN SANTA FE COUNTY, NEW MEXICO.

WHEREAS, pursuant to NMSA 1978, Section 67-3-28.2, assistance for local road construction and repair is available through the New Mexico Department of Transportation's ("NMDOT") Local Government Road Improvement Fund ("LGRF");

WHEREAS, the County applied for grant funding from the NMDOT's LGRF for pavement rehabilitation/improvements on the roads designated on Exhibit A, attached hereto and made a part hereof by reference (the "Project");

WHEREAS, the County of Santa Fe has agreed with the State of New Mexico to utilize awarded grant funds from the LGRF for pavement/rehabilitation of the roads designated on Exhibit A;

WHEREAS, to obtain funds from the LGRF, a local government must agree to provide matching funds pursuant to NMSA 1978, Section 67-3-32;

WHEREAS, the Board of County Commissioners of Santa Fe County supports the Project and agrees to provide 25% of the funds for the Project; and

WHEREAS, the total Project cost (including 25% of County participation) is $104,624.

NOW THEREFORE BE IT RESOLVED that the Santa Fe County Board of County Commissioners agree to execute the NMDOT LGRF Cooperative Project Agreement which will provide for the County's use of grant funds for Pavement Rehabilitation/Improvements of Various County Roads in Santa Fe County, as designated on Exhibit A. The Santa Fe Board of County Commissioners also supports the Pavement Rehabilitation/Improvements of Various County Roads in Santa Fe County and will provide matching funds for this Project in the amount of $26,156.

APPROVED, ADOPTED AND PASSED THIS 29th day of October, 2013.

BOARD OF COUNTY COMMISSIONERS

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Kathleen S. Holian, Chair

ATTEST:

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Geraldine Salazar, Santa Fe County Clerk

APPROVED AS TO FORM:

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Stephen C. Ross, Santa Fe County Attorney

FINANCE APPROVAL:

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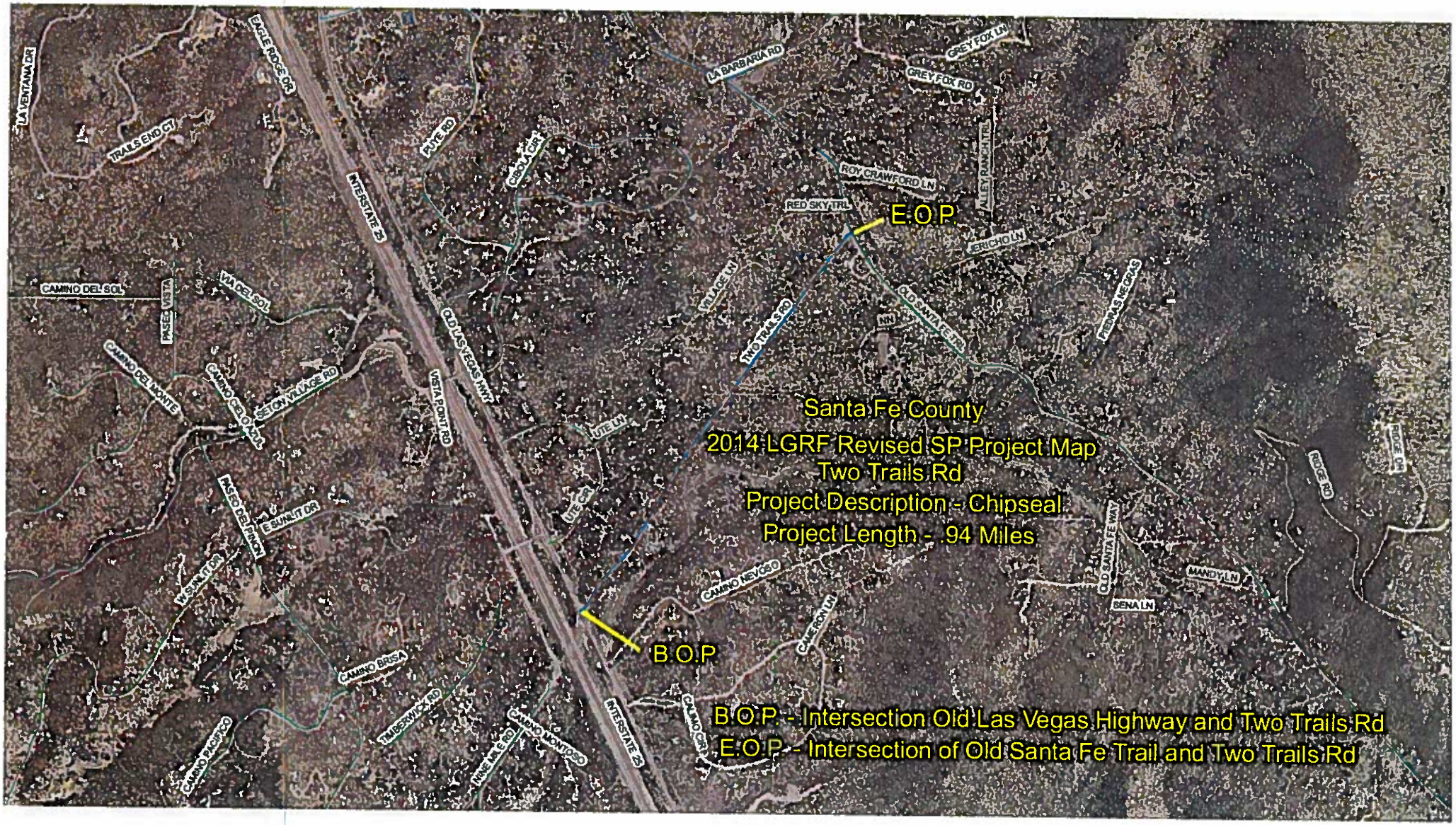
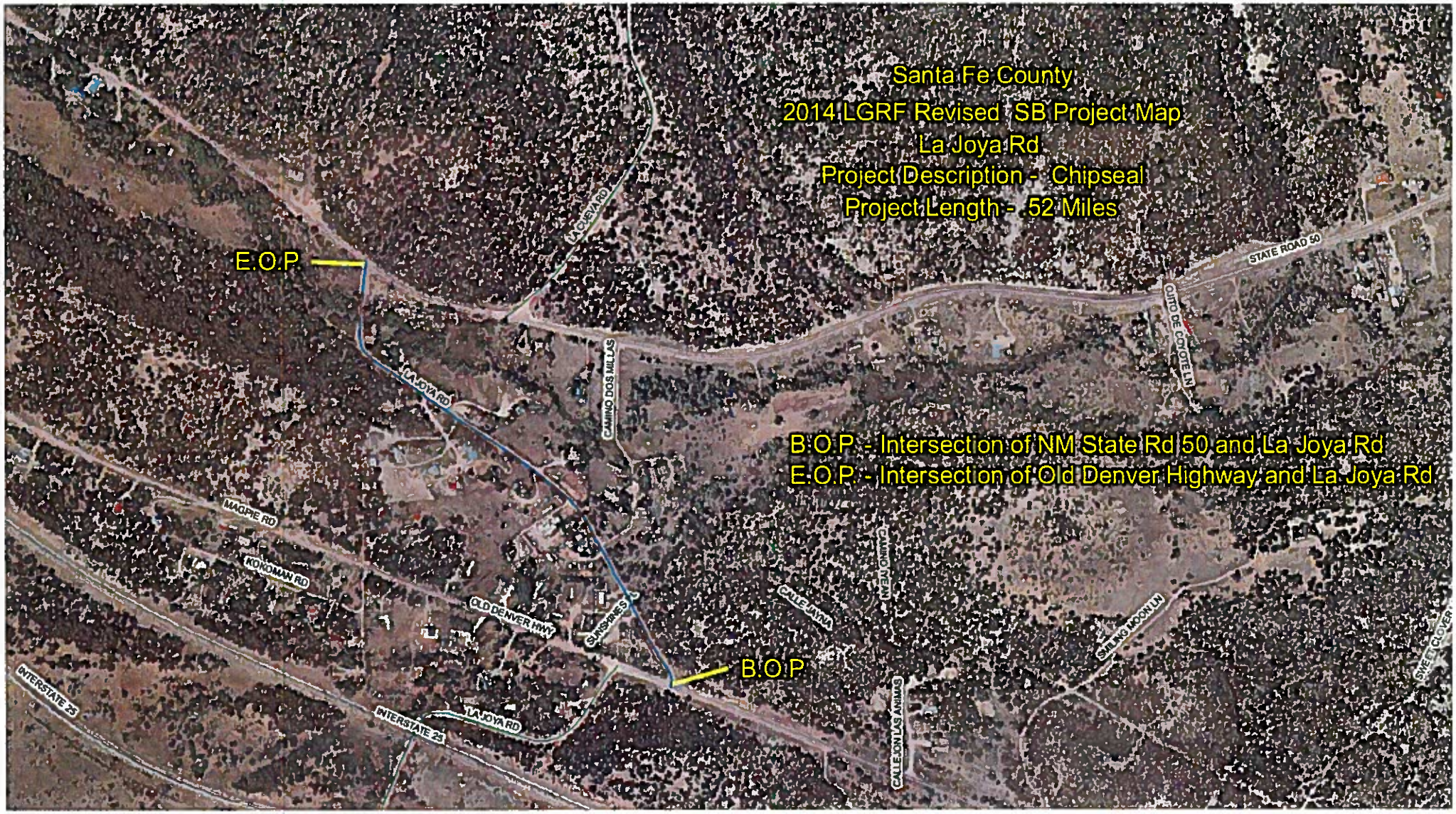
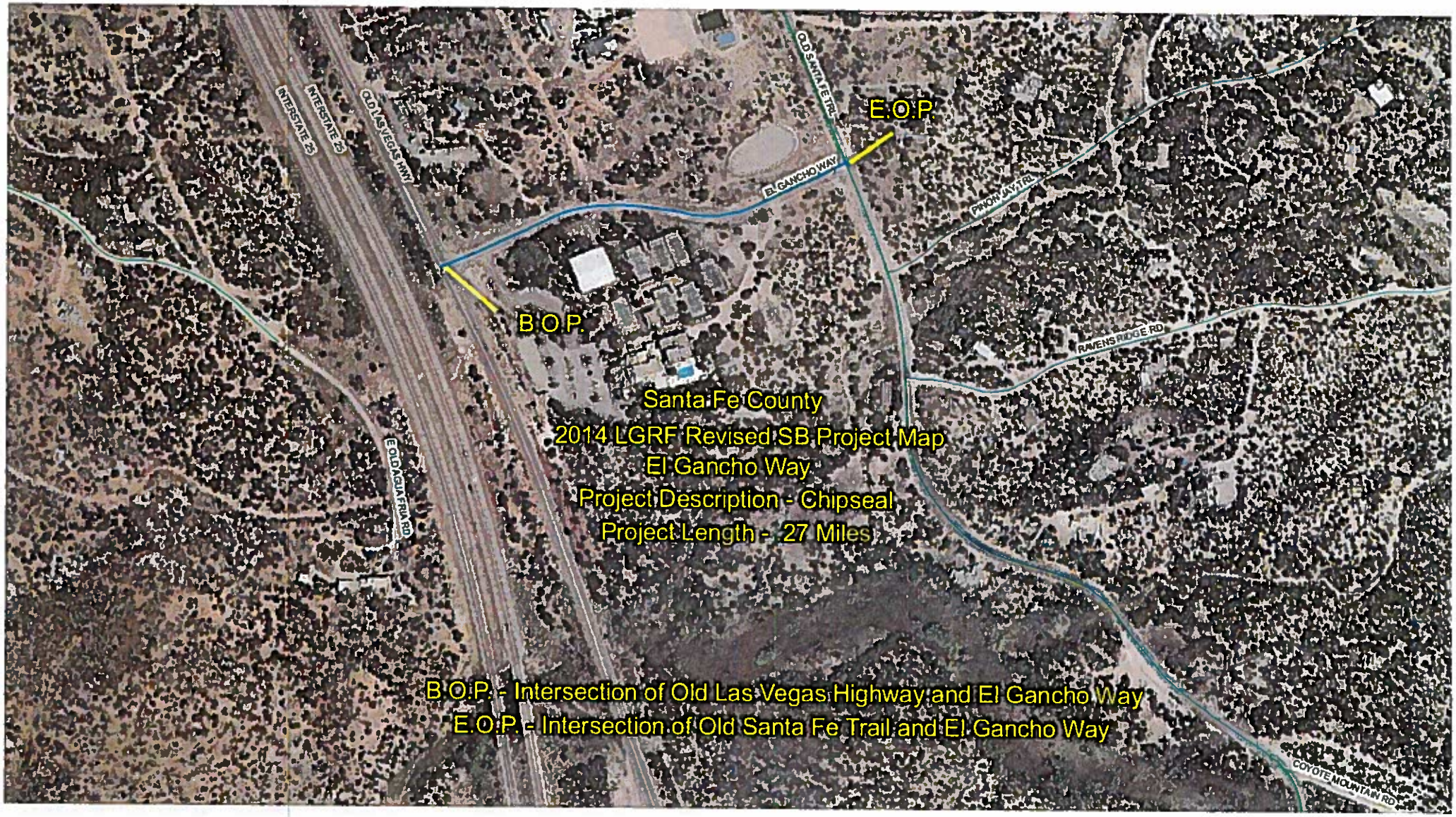
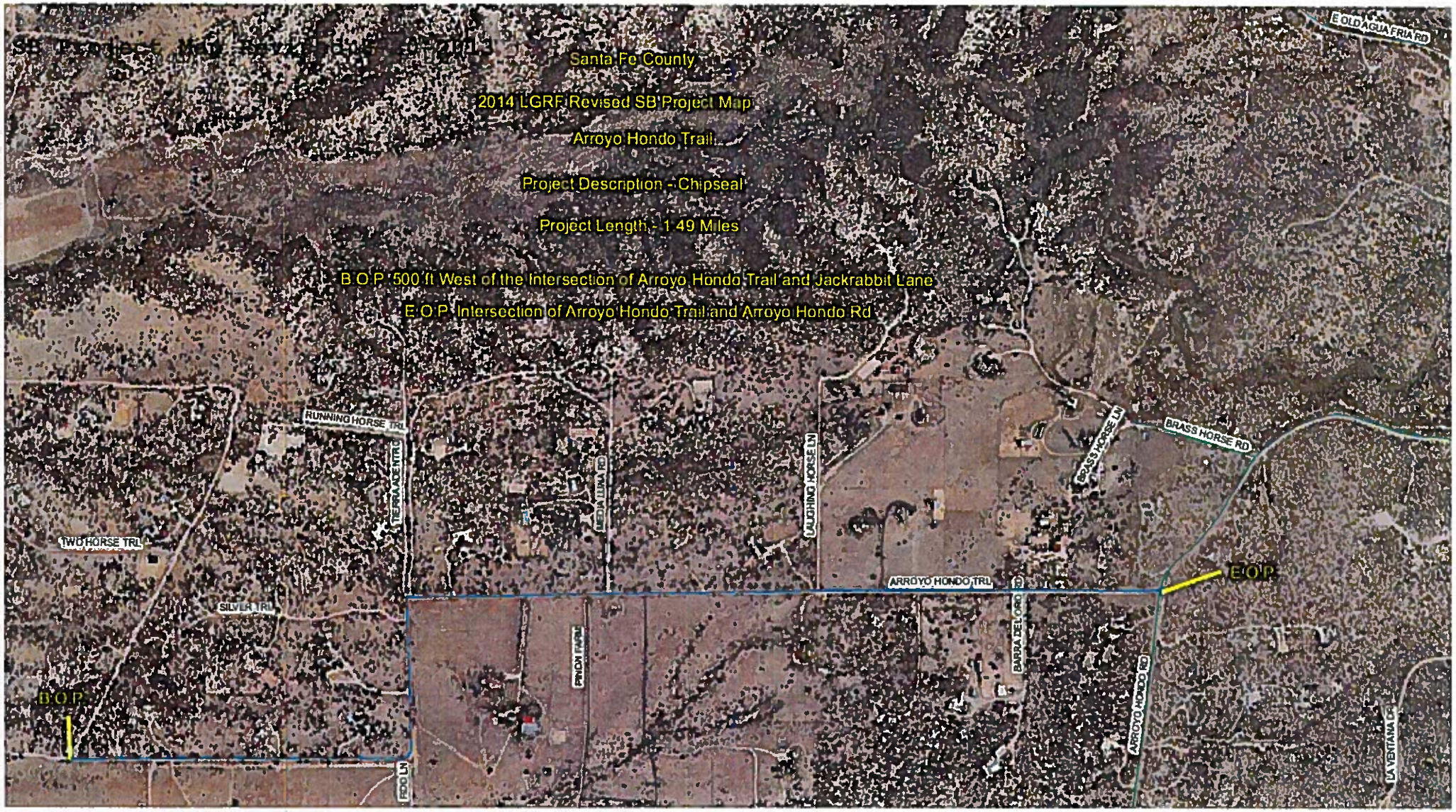
Teresa C. Martinez, Santa Fe County Finance Director


Santa Fe County
2014 LGRF Revised SP Project Map
Two Trails Rd
Project Description - Chipseal
Project Length - .94 Miles
E.O.P
B.O.P
B.O.P - Intersection Old Las Vegas Highway and Two Trails Rd
E.O.P - Intersection of Old Santa Fe Trail and Two Trails Rd
LA VENTANA DR
TRAILS END CT
EAGLE RIDGE DR
INTERSTATE 25
PUYE RD
CIBOLA CIR
LA BARBARIA RD
GREY FOX LN
GREY FOX RD
ROY CRAWFORD LN
RED SKY TRL
ALLEY RANCH TRL
JERICHO LN
CAMINO DEL SOL
PASEO VISTA
VIA DEL SOL
OLD LAS VEGAS HWY
VILLAGE LN
TWO TRAILS RD
OLD SANTA FE TRL
PIEDRAS NEGRAS
CAMINO DEL MONTE
CAMINO CIELO AZUL
SETON VILLAGE RD
VISTA POINT RD
UTE LN
UTE CIR
RIDGE RD
RIDGE CIR
PASEO DEL PINON
E SUNLIT DR
W SUNLIT DR
CAMINO NEVOSO
OLD SANTA FE WAY
MANDY LN
SENA LN
CALLE RON LN
CAMINO BRISA
TIMBERWICK RD
CAMINO PACIFICO
NINE MILE RD
CAMINO MONTOSO
CALIMO CIR


Santa Fe County
2014 LGRF Revised SB Project Map
La Joya Rd
Project Description - Chipseal
Project Length - .52 Miles
E.O.P
B.O.P
B.O.P. - Intersection of NM State Rd 50 and La Joya Rd
E.O.P. - Intersect on of Old Denver Highway and La Joya Rd
LA JOYA RD
CAMINO DOS MILLAS
STATE ROAD 50
CUITO DE COYOTE LN
MAGPIE RD
KOKOMAN RD
OLD DENVER HWY
SUNSPIRES
CALLE JUANA
CAMINO NEAN
SMILING MOON LN
CALLE DON LAS ANIMAS
INTERSTATE 25
INTERSTATE 25
LA JOYA RD


E.O.P.
B.O.P.
Santa Fe County
2014 LGRF Revised SB Project Map
El Gancho Way
Project Description - Chipseal
Project Length - .27 Miles
B.O.P. - Intersection of Old Las Vegas Highway and El Gancho Way
E.O.P. - Intersection of Old Santa Fe Trail and El Gancho Way
INTERSTATE 25
OLD LAS VEGAS HWY
OLD SANTA FE TRL
EL GANCHO WAY
PINON JAY TRL
RAVENS RIDGE RD
EL DAGUA TRL RD
COYOTE MOUNTAIN RD


Santa Fe County
2014 LGRF Revised SB Project Map
Arroyo Hondo Trail
Project Description - Chipseal
Project Length - 1 49 Miles
B O P 500 ft West of the Intersection of Arroyo Hondo Trail and Jackrabbit Lane
E O P Intersection of Arroyo Hondo Trail and Arroyo Hondo Rd
E OLD AGUA FRIA RD
BRASS HORSE RD
BRASS HORSE LN
RUNNING HORSE TRL
TERRACE TRL
MESA TUNA RD
MUCHINO HORSE LN
TWO HORSE TRL
SILVER TRL
ARROYO HONDO TRL
E O P
PINON TRAIL
BARRA DEL ORO
ARROYO HONDO RD
LA VENTANA DR
B O P
FOO LN

Daniel "Danny" Mayfield
Commissioner, District 1

Miguel Chavez
Commissioner, District 2

Robert A. Anaya
Commissioner, District 3

Kathy Holian
Commissioner, District 4

Liz Stefanics
Commissioner, District 5

Katherine Miller
County Manager

MEMORANDUM

DATE: *October 10, 2013*

TO: *Board of County Commissioners*

FROM: *Adam Leigland, Public Works Department Director* 10/15/13

VIA: *Katherine Miller, County Manager*

ITEM AND ISSUE: *BCC Meeting October 29, 2013*
RESOLUTION 2013-____, A RESOLUTION REQUESTING AN EXTENSION OF THE (NMDOT) YEAR 2012/2013 LOCAL GOVERNMENT ROAD IMPROVEMENT FUND PROGRAM (LGRF) COOPERATIVE GRANT PROJECT AGREEMENT, PROJECT NO. SP-5-13(184) DUE TO EMERGENCY FLOODING IN SANTA FE COUNTY.

Issue
Santa Fe County received funding in the amount of $83,045 through the NMDOT 2012/2013 Local Government Road Improvement Fund Program to make improvements to Dinkle Road. The grant agreement is a one year agreement and expires on December 31, 2013.

In August and September of 2013, Santa Fe County experienced an unusual amount of rainfall in the county causing staff to redirect their efforts to repairing and rebuilding roads that been damaged by the rainfall. Santa Fe County Public Works Staff has started on the roads however will not be able to finish the project by December 31, 2013 due to the emergency situation.

The grant agreement requires that a resolution supported by the County Commission be passed in order to request the extension.

Requested Action
The Public Works Department requests approval of the resolution authorizing staff to request an extension for the 2012/2013 LGRF Grant SP-5-13(184) for an additional 12 months.

THE BOARD OF COUNTY COMMISSIONERS

OF SANTA FE COUNTY

RESOLUTION NO. 2013_____

A RESOLUTION REQUESTING AN EXTENSION OF THE (NMDOT) YEAR 2012/2013 LOCAL GOVERNMENT ROAD IMPROVEMENT FUND PROGRAM (LGRF) COOPERATIVE GRANT PROJECT AGREEMENT, PROJECT NO. SP-5-13(184), DUE TO EMERGENCY FLOODING IN SANTA FE COUNTY.

WHEREAS, pursuant to NMSA 1978, Section 67-3-28-2, assistance for local road construction and repair is available through the New Mexico Department of Transportation from the Local Government Road Improvements Fund ("LGRF");

WHEREAS, the County of Santa Fe applied for funding from the New Mexico Department of Transportation LGRF for pavement rehabilitation/improvements on the roads designated on Exhibit A, attached hereto and made a part hereof by reference (the "Project");

WHEREAS, the County was approved for $62,284 in NMDOT funding and a County match of $20,761 for a total of $83,045;

WHEREAS, the County and NMDOT entered into Cooperative Agreement No. D14024 for Project SP-5-13(184);

WHEREAS, Santa Fe County has experienced extreme rainfall conditions causing an emergency clean-up initiative for roads effected in Santa Fe County;

WHEREAS, the Cooperative Agreement requires that the Project be completed by December 31, 2013 or the funding will revert;

WHEREAS, the Board of County Commissioners of Santa Fe County supports the request for additional time to complete the road Project; and

NOW THEREFORE BE IT RESOLVED that the Santa Fe County Board of County Commissioners requests a 12 month extension of the completion date as stated in the Cooperative Agreement, and to amend the completion date of the road Project from December 31, 2013 to December 31, 2014.

APPROVED, ADOPTED AND PASSED THIS 29th day of October 2013.

SANTA FE COUNTY BOARD OF COUNTY COMMISSIONERS

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Kathleen S. Holian, Chairperson

ATTEST:

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Geraldine Salazar, Santa Fe County Clerk

APPROVED AS TO FORM:

_____

Stephen C. Ross, Santa Fe County Attorney

FINANCE APPROVAL:

_____

Teresa C. Martinez, Santa Fe County Finance Director