SANTA FE COUNTY
PROFESSIONAL SERVICES AGREEMENT
WITH RBC CAPITAL MARKETS CORPORATION
TO PROVIDE FINANCIAL ADVISOR SERVICES

THIS AGREEMENT is made and entered into this 28th day of October, 2009 by and between Santa Fe County, hereinafter referred to as "the County", and RBC Capital Markets Corporation, a foreign corporation with its principal address of, One Liberty Plaza, 165 Broadway, New York, 10006, hereinafter referred to as "the Contractor".

WHEREAS, pursuant to §13-1-112 and §13-1-117 NMSA 1978, competitive, sealed proposals were solicited via a formal request for proposals, RFP No. 29-0143 FI/TRV, for the provision of the Financial Advisor ; and

WHEREAS, based upon the evaluation criteria established within the request for proposals for the purposes of determining the most qualified Offeror, the County has determined Contractor as the most responsive and highest rated offeror; and

WHEREAS, the County is in need of financial advisor services to assist County Officials and bond counsel to provide information appropriate to bond rating agency services, and conduct a survey of the financial resources of the County to determine the extent of its capacity to authorize, issue, and service debt; and

WHEREAS, the County requires these services and the Contractor is willing to provide these services and both parties wish to enter into this Agreement.

NOW THEREFORE, in consideration of the premises and mutual obligations herein, the parties hereto do mutually agree as follows:

1. SCOPE OF WORK

The Contractor shall:

A. Assessment of Financial Resources and Recommendation Plan of Financing:

(i) Conduct a survey of the financial resources of the County to determine the extent of its capacity to authorize, issue and service debt. The survey will include an analysis of existing debt structure as compared with the existing and projected sources of revenues which may be pledged to secure payment of debt service and, where appropriate, will include a study of the trend of the assessed valuation, taxing power (including both property taxes and sales/excise taxes) and present and future tax requirements of the County.

(ii) The Contractor shall include in its survey analysis of specific outstanding bond transactions identified by the County (e.g., adult detention center debt, special taxing district debt) and recommendations for addressing disadvantaged features of such outstanding transactions.

(iii) Based on the information of the survey, the Contractor shall submit to the County recommendations on current and future debt instruments under consideration including such elements as current bond market conditions, forth coming bond issues, and other general information and economic data which might normally be expected to influence interest rates or

bidding conditions so that the date of sale of the debt instruments may be set at a time which will be favorable to the County.

(iv) The Contractor shall recommend the method or methods of sale of debt instruments which are most advantageous of the County and shall proceed with such as directed by the County.

B. Cooperation with External Agencies: Contractor shall cooperate with legal counsel and bond counsel for the County in the preparation and adoption of all necessary ordinances, resolutions, notices, certificates and the publishing of all legal notices and the occurrence of any other events required for the successful sale, issuance, and delivery of bonds. Contractor shall coordinate with state authorized agencies in obtaining any necessary agency approval(s) for the issuance of the bonds.

C. Ratings and Credit Enhancement: Contractor shall work with County officials and Bond Counsel to provide information to bond rating agencies necessary or requested to obtain bond ratings. Contractor shall assist in preparation of materials as may be required. The Contractor may be requested to accompany appropriate officials to meetings with rating agencies and credit enhancement companies. Contractor shall take appropriate actions to assist the County in maintaining or improving the credit rating of the County.

D. Preparation of Sale of Bonds:

(i) In a competitive sale situation, the Contractor will work closely with the County in preparation for bidding revenue bonds, advising on the most advantageous timing of bidding and evaluating bids, and the award of the winning bid to the underwriter(s).

(ii) In a negotiation sale situation, the Contractor shall assist the County in planning for the optimal timing of the purchase transaction and subsequent marketing of the bonds. The Contractor shall assist the County as required in identification of potential underwriters from those identified as proposers under point (i) above, or as otherwise selected by the County for consideration.

(iii) At the sale of the bonds, Contractor shall provide experienced personnel whose services will be available to the County in the tabulation and compensation of bids. The Contractor shall be knowledgeable about electronic bidding formats for competitive bond sales. The Contractor shall coordinate the activities of the successful bidder and all parties toward payment and delivery of bonds.

(iv) If requested, the Contractor shall advise the County in the selection of a paying agent/ registrar for the debt instruments and shall assist in the preparation of agreements pertinent to these services and fees incident thereto.

(v) After the closing of the sale and delivery of the debt instruments, the Contractor shall deliver a schedule of annual debt service requirements on the debt instruments. In coordination with bond counsel, the Contractor shall assure that the paying agent/ registrar has been provided with a copy of the authorizing ordinance, order or resolution.

E. Official Statement and Related Documents:

(i) With assistance from bond counsel for the County, the Contractor shall prepare for review and approval by the County, a preliminary and final official statement relating to any bonds to be offered for sale to prospective buyers of the bonds. The Contractor shall arrange for the distribution of documents to a comprehensive list of prospective brokers, underwriters, banks, and financial institutions. The Contractor shall prepare bid forms that conform to the

municipal securities standards for all securities upon which bids will be solicited. In advance of the proposed sale, the Contractor shall consult with and advise the County concerning advertising information to prospective brokers, underwriters, purchasers and buyers, the provision of information to broaden the interest in the bonds to be sold. The Contractor shall recommend meetings with proposed purchasers of bonds as necessary.

(ii) The Contractor shall recommend structuring and timing of any bond campaign and the persons to be involved.

(iii) The Contractor shall furnish the County with a reasonable supply of disclosure materials and provide a set of the same to prospective buyers of the bonds.

(iv) The Contractor shall, on an on-going basis, assist the County in complying with reporting requirements under Securities and Exchange Commission Rule, 17 CFR 240,15c2-12, as amended.

F. Meetings of the County: The Contractor shall attend meetings of the County and be available to the County staff and legal counsel whenever requested. Contractor shall be available to assist in the preparation and review of possible legislation affecting the County and project financing and to testify, if required, at legislative committee meetings regarding proposed legislation.

G. Contractor shall not propose to be underwriter. During the term of the Contract, the Contractor shall not underwrite negotiated transactions for or on behalf of the County.

H. Mr. Kevin Powers shall be the agent assigned to service the County pursuant to this Agreement.

2. ADDITIONAL SERVICES

A. The parties agree that all tasks set forth in Section 1. "SCOPE OF WORK," of this Agreement shall be completed in full, to the satisfaction of the County, in accordance with industry standards and the aforementioned statutes, for the amount set forth in Section 3. "COMPENSATION, INVOICING" of this Agreement, and for no other cost, amount, fee or expense.

B. The County may from time to time request changes in the scope of work to be performed hereunder. Such changes, including any increase or decrease in the amount of the Contractor's compensation, which are mutually agreed upon by and between the County and the Contractor, shall be incorporated in written amendments to this Agreement.

3. COMPENSATION AND INVOICING

A. In consideration of its obligations under this Agreement the Contractor shall be compensated as follows:

The County shall pay to the Contractor for services performed in accordance with Santa Fe County Fee Schedule attached hereto as "Exhibit A."

B. The Contractor shall submit a written request for payment to the County whenever

payment is due under this Agreement. Upon the County's receipt of the written request, the County shall issue a written certification of complete or partial acceptance or rejection of the contractual items or services for which payment is sought.

The Contractor acknowledges and agrees that the County may not make any payment hereunder unless and until it has issued a written certification accepting the contractual items or services. Within thirty (30) days of the issuance of a written certification accepting the contractual items or services, the County shall tender payment for the accepted items or services. In the event the County fails to tender payment within thirty (30) days of the written certification accepting the items or services, the County shall pay late payment charges of one and one-half percent (1.5%) per month, until the amount due is paid in full.

C. In the event the Contractor breaches this Agreement, the County may, without penalty, withhold any payments due the Contractor for the purpose of set-off until such time as the County determines the exact amount of damages it suffered as a result of the breach.

D. Payment under this Agreement shall not foreclose the right of the County to recover excessive or illegal payment.

4. EFFECTIVE DATE AND TERM

This Agreement shall, upon due execution by all parties, become effective as of the date first written above and shall terminate on 28th day, of October, 2013, unless earlier terminated pursuant to Section 5. "TERMINATION", of this Agreement.

5. TERMINATION

A. Termination of Agreement for Cause. Either party may terminate the Agreement based upon any material breach of this Agreement 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, during which time the breaching party shall have the right to cure the breach. If, however, the breach cannot with due diligence be cured within thirty (30) days, the breaching party shall have a reasonable time to cure the breach, provided that, within thirty (30) days of its receipt of the written notice of termination, the breaching party began to cure the breach and advised the non-breaching party in writing that it intended to cure.

B. Termination for Convenience of the County. The County may, in its discretion, terminate this Agreement at any time for any reason by giving the Contractor written notice of termination. The notice shall specify the effective date of termination, which shall not be less than fifteen (15) days from the Contractor's receipt of the notice. The County shall pay the Contractor for acceptable work, determined in accordance with the specifications and standards set forth in this Agreement, performed before the effective date of termination but shall not be liable for any work performed after the effective date

of termination.

6. INDEPENDENT CONTRACTOR

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

7. PERSONNEL

A. All work performed under this Agreement shall be performed by the Contractor or under its supervision.

B. The Contractor represents that it has, or will secure at its own expense, all personnel required to discharge its obligations under this Agreement. Such personnel (i) shall not be employees of nor have any contractual relationships with the County and (ii) shall be fully qualified and licensed or otherwise authorized or permitted under federal, state, and local law to perform such work.

8. ASSIGNMENT

The Contractor shall not assign or transfer any interest in this Agreement or assign any claims for money due or to become due under this Agreement without the advance written approval of the County. Any attempted assignment or transfer without the County's advance written approval shall be null and void and without any legal effect.

9. SUBCONTRACTING

The Contractor shall not subcontract or delegate any portion of the services to be performed under this Agreement without the advance written approval of the County. Any attempted subcontracting or delegating without the County's advance written approval shall be null and void and without any legal effect.

10. INDEMNITY

A. The Contractor shall defend, indemnify, and hold harmless the County and its Elected 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 Contractor's performance or non-performance of its obligations under this Agreement, including but not limited to the Contractor's breach of any representation or warranty made herein.

B. The Contractor agrees 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 that such suit will not be settled without the County's consent, such consent not to be unreasonably withheld. If a conflict exists between the interests of the County and the Contractor in such demand, suit, or cause of action, counsel shall be retained to represent the County's interest.

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

11. RECORDS AND INSPECTIONS

A. To the extent its books and records relate to (i) its performance of this Agreement or any subcontract entered into pursuant to it or (ii) cost or pricing data (if any) set forth in this Agreement or that was required to be submitted to the County as part of the procurement process, the Contractor agrees to (i) maintain such books and records during the term of this Agreement and for a period of six (6) years from the date of final payment under this Agreement; (ii) allow the County or its designee to audit such books and records at reasonable times and upon reasonable notice; and (iii) to keep such books and records in accordance with generally accepted accounting principles ("GAAP").

B. To the extent its books and records relate to (i) its performance of this Agreement or any subcontract entered into pursuant to it or (ii) cost or pricing data (if any) set forth in this Agreement or that was required to be submitted to County as part of the procurement process, the Contractor also agrees to require any subcontractor it may hire to perform its obligations under this Agreement to (i) maintain such books and records during the term of this Agreement and for a period of six (6) years from the date of final payment under the subcontract; (ii) to allow the County or its designee to audit such books and records at reasonable times and upon reasonable notice; and (iii) to keep such books and records in accordance with GAAP.

12. 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 the 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 County to the Contractor. Such termination shall be without penalty to the County, and the County shall have no duty to reimburse the Contractor for expenditures made in the performance of this Agreement. The County is expressly not committed to expenditure of any funds until such time as they are programmed, budgeted, encumbered and approved for expenditure by the County. The County'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 Contractor in any way or forum, including a lawsuit.

13. PERMITS, FEES, AND LICENSES

The Contractor shall procure all permits and licenses, pay all charges, fees, and royalties, and give all notices necessary and incidental to the due and lawful performance of its obligations hereunder.

14. RELEASE

Upon its receipt of all payments due under this Agreement, the Contractor releases the County, its Elected Officials, officers, agents and employees from all liabilities, claims, and obligations whatsoever arising from or under or relating to this Agreement.

15. CONFIDENTIALITY

Any confidential information provided to or developed by the Contractor in the performance of this Agreement shall be kept confidential and shall not be made available to any individual or organization by the Contractor without prior written approval of the County.

16. PUBLICATION, REPRODUCTION, AND USE OF MATERIAL; COPYRIGHTS

A. The County has the unrestricted right to publish, disclose, distribute and otherwise use, in whole or in part, any reports, data, or other material prepared under or pursuant to this Agreement.

B. The Contractor acknowledges and agrees that any material produced in whole or in part under or pursuant to this Agreement is a work made for hire. Accordingly, to the extent that any such material is copyrightable in the United States or in any other country, the County shall own any such copyright.

17. CONFLICT OF INTEREST

The Contractor represents that it has no and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with the performance of its obligations under this Agreement.

18. NO ORAL MODIFICATIONS; WRITTEN AMENDMENTS REQUIRED

This Agreement may not be modified, altered, changed, or amended orally but, rather, only by an instrument in writing executed by the parties hereto. The Contractor specifically acknowledges and agrees that the County shall not be responsible for any changes to Section 1, "SCOPE OF WORK", of this Agreement unless such changes are set forth in a duly executed written amendment to this Agreement.

19. ENTIRE AGREEMENT; INTEGRATION

This Agreement incorporates all the agreements, covenants, and understandings between the parties hereto concerning the subject matter hereof, and all such agreements, covenants and understandings have been merged into this written Agreement. No prior or contemporaneous agreement, covenant or understandings, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Agreement.

20. EQUAL OPPORTUNITY COMPLIANCE

A. The Contractor agrees to abide by all Federal, State, and local laws, ordinances, and rules and regulations pertaining to equal opportunity and unlawful discrimination. Without in any way limiting the foregoing general obligation, the Contractor specifically agrees not to discriminate against any person with regard to employment with the Contractor or participation in any program or activity offered pursuant to this Agreement on the grounds of race, age, religion, color, national origin, ancestry, sex, physical or mental handicap, serious medical condition, spousal affiliation, sexual orientation, or gender identity.

B. The Contractor acknowledges and agrees that failure to comply with this Section shall constitute a material breach of this Agreement.

21. SEVERABILITY

If any term or condition of this Agreement shall be held invalid or non-enforceable by any court of competent jurisdiction, the remainder of this Agreement shall not be affected and shall be valid and enforceable to the fullest extent of the law.

22. COMPLIANCE WITH APPLICABLE LAW; CHOICE OF LAW

A. In performing its obligation hereunder, the Contractor shall comply with all applicable laws, ordinances, and obligations.

B. This Agreement shall be construed in accordance with the substantive laws of the State of New Mexico. The Contractor and the County agree that the exclusive forum for any litigation between them arising out of or related to this Agreement shall be the federal and state district courts of New Mexico, located in Santa Fe County.

23. NOTICE OF PENALTIES

The Procurement Code, NMSA 1978, Section 13-1-28 through 13-1-199, imposes civil and criminal penalties for its violation. In addition, New Mexico criminal statutes impose felony penalties for bribes, gratuities, and kickbacks.

24. NO THIRD-PARTY BENEFICIARIES

This Agreement was not intended to and does not create any rights in any persons not a party hereto.

25. FACSIMILE SIGNATURES

The parties hereto agree that a facsimile signature has the same force and effect as an original for all purposes.

26. LIMITATION OF LIABILITY

The County's liability to the Contractor for any breach of this Agreement by the County shall be limited to direct damages and shall not exceed the maximum amount of potential compensation specified in Section 3, "COMPENSATION AND INVOICING", of this Agreement. In no event shall the County be liable to the Contractor for special or consequential damages, even if the County was advised of the possibility of such damages prior to entering into this Agreement.

27. NEW MEXICO TORT CLAIMS ACT

No provision of this Agreement modifies or waives any sovereign immunity or limitation of liability enjoyed by the County or its "public employees" at common law or under the New Mexico Tort Claims Act, NMSA 1978, § 41-4-1, et seq.

28. INSURANCE

A. General Conditions. The Contractor shall submit evidence of insurance as is required herein. Policies of insurance shall be written by companies authorized to write such insurance in New Mexico.

B. General Liability Insurance, Including Automobile. The Contractor 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 for the County by the Contractor; coverage for the use of all owned, non-owned, hired automobiles, vehicles and other equipment, both on and off work; and contractual liability coverage under which this Agreement is an insured contract. The County of Santa Fe shall be a named additional insured on the policy.

C. Workers' Compensation Insurance. The Contractor shall comply with the 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 Contractor shall increase the maximum limits of any insurance required herein.

E. Malpractice/Errors and Omissions Insurance. Contractor shall procure and maintain during the life of this Agreement professional liability or errors and omissions insurance in amounts of $1,000,000 per occurrence.

29. CONTRACTOR'S REPRESENTATIONS AND WARRANTIES

The Contractor hereby represents and warrants that:

A. It is a foreign corporation duly organized and in good standing under the laws of the

State of Minnesota.

B. This Agreement has been duly authorized by the Contractor, the person executing this Agreement has authority to do so, and, once executed by the Contractor, this Agreement shall constitute a binding obligation of the Contractor.

C. This Agreement and the Contractor's obligations hereunder do not conflict with the Contractor's articles of incorporation or by-laws or any corporate resolution adopted by the Contractor.

D. The Contractor hereby irrevocably appoints Corporation Service Company, located at 125 Lincoln Avenue, Suite 223, Santa Fe NM 87501, as its agent for acceptance of services upon whom process and writes in any action or proceeding arising out of or related to this Agreement may be served. The Contractor acknowledges and agrees that service upon its designated agent shall have the same effect as thought he Contractor were actually and personally served within the state of New Mexico.

30. CAMPAIGN CONTRIBUTION DISCLOSURE FORM

The Contractor agrees to compute and submit simultaneous with execution of this Agreement a Campaign Contribution Disclosure Form approved by the County.

31. NOTICES

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

Santa Fe County
Attn: Teresa Martinez, Santa Fe County Finance Director
CC: Santa Fe County Legal Department
102 Grant Avenue / P.O. Box 276
Santa Fe, NM 87504-0276

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

RBC Capital Markets Corporation
One Liberty Plaza
165 Broadway
New York, NY 10006

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

SANTA FE COUNTY

Michael Anaya, Chairman
Santa Fe County Board of Commissioners

ATTEST

Valerie Espinoza, Clerk

Date

APPROVED AS TO FORM

Stephen C. Ross
Santa Fe County Attorney

9-15-09
Date

FINANCE DEPARTMENT APPROVAL

Teresa C. Martinez
Santa Fe County Finance Director

9/17/09
Date

RBC CAPITAL MARKETS CORPORATION

By:

10/28/09
Date

Print Name and Title: Kevin F. Powers
Director

FEDERAL IDENTIFICATION NUMBER: 02358081000

EXHIBIT

A

SANTA FE COUNTY

FEE SCHEDULE

In consideration for the services rendered by RBC Capital Markets, the Issuer agrees that our fee for each issue of Obligations will be as follows (subject to negotiation in the event of special circumstances such as delay in financing or completion of the transaction):

Fees for advance refunding Obligations and/or other Obligations involving escrow Agreements, will be the fee schedule set out above plus 10 percent, and, in addition to our Financial Advisory fee, we will charge a structuring fee to be negotiated on a case-by-case basis. The additional fees will not exceed 25% of the fee set out in the schedule above.

1. **Financial Advisory Services.** As consideration for the services rendered by us and as a reimbursement for the expenses we are to incur, it is agreed that Santa Fe County will pay, and we are to accept, a fee based upon the following schedule, depending upon the amount of the bond issue or loan agreement involved.

*If the amount of an Obligation entered into by Santa Fe County is:

More than	And Not More Than	Financial Advisory Fee
$ 0	$ 2,500,000	$ 10,500 plus $2.25 per $1,000. over $1,000,000
2,500,000	5,000,000	16,125 plus $1.15 per $1,000 over $ 2,500,000
5,000,000	10,000,000	18,500 plus $1.00 per $1,000 over 5,000,000
10,000,000	20,000, 000	23,500 plus $0.70 per $1,000 over 10,000,000
20,000,000	No Limit	30,000 plus $0.65 per $1,000 over 20,000,000

RBC CM will bill the Issuer at Closing for each issue of Obligations a net amount which will include a fee calculated on the above schedule as well as any out-of-pocket expenses incurred on behalf of the Issuer.

2. **Reimbursable Expenses.** In addition to the Financial Advisory fees above, out-of-pocket travel expenses and mileage expenses will be reimbursed by Santa Fe County at cost. Due to corporate policy, reimbursable expenses cannot be paid by RBC Capital Markets. However, all expenses incurred during the issuance of bonds will be reviewed by RBC Capital Markets for accuracy and forwarded to Santa Fe County for payment from bond proceeds when the bonds are issued. This provides additional savings in Gross Receipts Tax to the Santa Fe County.

3. **Investment of Proceeds.** The Santa Fe County may elect to utilize RBC CM as Financial Advisor for the investment of bond proceeds. A separate fee would be charged of 0.2 percent of the amount invested with a minimum fee of $3,000 and a maximum fee of $30,000. At no time would it exceed the IRS Safe Harbor Rules.

4. **Interest Rate Derivatives.** If you decide to consider the use of interest rate derivative products as part of the financing plan for Obligations covered by this Agreement, we will be pleased to provide our assistance upon request. The nature of our assistance will be set forth in an amendment to this Agreement or in another separate document.

5. **Continuing Disclosure Undertaking.** For obligations that require continuing disclosure, the issuer must provide a written undertaking commitment agreeing to disclose annual financial information and the timely reporting of eleven material events. This commitment is referred to as the Continuing Disclosure

Undertaking. RBC CM will assist the Santa Fe County in fulfilling their continuing disclosure responsibilities upon the agreement and receipt of a signed contract which details our scope of services and compensation arrangement. Annual fee will range from $750.00 to $1,500.00 plus New Mexico Gross Receipts Tax. This fee may be waived if a transaction is under contract by RBC CM or if a transaction is expected to be completed by RBC CM within three months of the disclosure due date.

6. Hourly Rates for Other Services

Hourly rates would be charged for additional advice and services based on the following schedule:

Managing Director	$200.00/hour
Director	$200.00/hour
Association VP / Associates	$150.00/hour