

Date: *April 15, 2009*

Santa Fe County, New Mexico
102 Grant Avenue
Santa Fe, New Mexico 87501
Attn: Mr. Roman Abeyta

05-06-09 11:17 RCVD

RE: FINANCIAL ADVISORY SERVICES AGREEMENT
POJOAQUE VALLEY WASTEWATER COLLECTION SYSTEM

Dear Mr. Abeyta:

This letter confirms and memorializes the agreement ("Agreement") between Santa Fe County (referred to herein as the "County") and HutchinsonShockeyErley&Co., an Illinois corporation (referred to herein as "HSE") and a member of the National Association of Securities Dealers, Inc., pursuant to which HSE agrees to provide Financial Advisory Services (as defined herein) to the County in connection with the 2009 proposed Pojoaque Valley Wastewater Collection System Project in accordance with the terms and conditions set forth herein. In consideration of good and valuable services provided and the mutual promises, representations, warranties and covenants of the parties contained herein, the parties agree as follows:

For purposes of this Agreement, "Financial Advisory Services" for the 2009 proposed Pojoaque Valley Wastewater Collection System Project is defined as HSE's:

1. Complete applications and attending meetings with the New Mexico State Legislative Body, New Mexico Finance Authority (NMFA), New Mexico Environment Department, USDA Rural Development or any other funding agencies to secure funding;

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Assist Bond and County counsel to properly close the proposed transaction(s);

3. Make all necessary arrangements for planning and implementing the proposed funding;
4. Complete the requests for County financial information, if requested, from the various funding sources and maintaining an ongoing information liaison with the various funding source officials on behalf of the County;
5. Maintaining and providing to the County updates of loan payment schedules and grant reimbursement schedules, if requested;

This Agreement shall have an initial term beginning on the date hereof and ending three years from the date hereof (the "Initial Term"). This Agreement will automatically renew for subsequent additional 60-day periods unless terminated by either party in writing 30 days prior to its initial or subsequent expiration date.

1. Financial Advisory Services: The County hereby engages HSE to perform the Financial Advisory Services. As compensation for the Financial Advisory Services to be provided by HSE during the Initial Term, the County shall pay a cash fee of 1% of the funding plus applicable New Mexico Gross Receipt Tax. The fee shall not exceed any limitations for services providing under a "Professional Services" Agreement.
2. Expenses: The County agrees to reimburse HSE for all of its reasonable and necessary out-of-pocket expenses incurred, which are related to the Financial Advisory Services. Invoices

for out-of-pocket expenses shall be supported by appropriate documentation. The County shall promptly reimburse expenses to HSE upon presentation of invoices to the County.

3. Compensation and Out-of-Pocket Expenses: The expenses for travel to meetings for the County will be reimbursed as accrued on an actual cost basis but in no event shall such costs exceed the per diem and mileage rates established in Section 10-8-4 NMSA, 1978 of the Per Diem and Mileage Acts.

All fees and expenses are due and payable upon the successful funding of the project(s). If no funding occurs, no fees or out-of-pocket expenses are due to HSE.

4. Consultation with HSE Representatives: HSE will make available, for consultation with officials, counsel, engineers and staff members of the County, at times and places mutually agreed upon, personnel qualified to advise the County.

5. Reasonable Cooperation: As needed by HSE in the performance of duties for the County, the County will make available the appropriate personnel for conferences and information meetings.

6. Liability for Fees and Expenses: Termination of this Agreement shall not release the County from responsibility with respect to the fees and expenses payable pursuant to this Agreement.

7. Other Services/Termination by HSE: The County has not engaged HSE as, and HSE has not agreed to act as, an underwriter or placement agent with respect to any offering of securities by the County. If at any time during this engagement the County requests HSE to perform services other than the Financial Advisory Services, including services as an underwriter or placement agreement, any compensation which HSE shall become entitled to receive from the County in connection with the performance of such services shall be set forth in a separate agreement between HSE and the County and shall be in addition to the compensation provided for in this Agreement. Neither the County nor HSE, however, will have any obligation to enter into any separate agreement. HSE may terminate this Agreement at any time to the extent HSE reasonably determines that such termination is necessary in order to comply with its obligations under the rules of the Municipal Securities Rulemaking Board.

8. Notices: All notices provided for by this Agreement shall be made in writing either: (i) by actual delivery of the notice into the hands of the parties thereto entitled, or by delivery via courier service to a person in the office of the person entitled to notice; or (ii) by the mailing of the notice in the United States mails to the address, as stated below (or at such other address as may be designated by written notice), of the party entitled thereto, by certified or registered mail, return receipt requested, postage prepaid. The notice shall be deemed to be received three (3) days after the date of deposit in the United States mails.

All communications hereunder, except as herein otherwise specifically provided, shall be in writing and, if sent to HSE, shall be mailed or delivered to HSE at its address first set forth above; if sent to the County, it shall be mailed or delivered to the County's principal address.

9. Construction: This Agreement shall be governed by, subject to and construed in accordance with the laws of New Mexico, and any dispute with respect to the subject matter hereof shall be litigated in the state or federal courts closest to HSE's central offices, to which jurisdiction and venue all parties consent.

10. Severability: If any portion of this Agreement is to be held invalid or unenforceable by a court of competent jurisdiction, then: (i) the remainder of this Agreement shall be considered valid and operative; and (ii) effect shall be given to the intent manifested by the portion held invalid or inoperative.

11. Modification or Amendment: This Agreement may not be modified or amended except by written agreement executed by all parties hereto.
12. Captions: The captions used in this Agreement are for convenience only and shall not be considered as part of this Agreement.

If this letter correctly sets forth the entire understanding between HSE and the County with respect to the foregoing, please so indicate by signing below, at which time this letter shall become a binding contract.

Sincerely,

HUTCHINSONSHOCKEYERLEY&CO

By: _____

Its: Senior Vice President and Manager

By: _____

Its: President

By: _____

Its: Chief Financial Officer

Santa Fe County, New Mexico

Agreed To By: _____


Mr. Roman Abeyta, County Manager

Date: _____

4/15/09

Approved as to form
Santa Fe County Attorney

By: _____

Date: _____

4-14-09