

SANTA FE COUNTY
RESOLUTION NO. 2017 - _____

**A RESOLUTION TO DISCUSS WITH THE SANTA FE CITY COUNCIL
MODIFICATIONS TO THE ANNEXATION SETTLEMENT AGREEMENT AND
PHASING AGREEMENTS**

WHEREAS, on May 29, 2008, the City of Santa Fe (City) and Santa Fe County (County) entered into a Settlement Agreement directing the City to annex certain lands in order to create a clear identifiable City boundary referred to as the Presumptive City Limits; and

WHEREAS, the City and County (Parties) executed a Phasing Agreement on February 10, 2009, dividing the annexation into three phases, encompassing 18 discrete areas; and

WHEREAS, Amendment No. 1 to the Annexation Phasing Agreement Between the City of Santa Fe and Santa Fe County, executed on May 20, 2013, altered the annexation, such that Area 18 was removed from annexation and will remain part of the County, and Area 1 was divided into two components, a portion of which was included in annexation Phase II and a portion of which is slated for annexation in Phase III; and

WHEREAS, the City adopted Ordinance 2009-51, which was recorded on November 10, 2009 and which annexed Phase I, including areas 3, 6, 8, 9, 10, 11, 13, 15, 16, 17 and the I-25 right-of-way from NM 599 to Old Pecos Trail and that portion of NM 14 from I-25 to the current City limits; and

WHEREAS, on June 10, 2013, the Parties entered into a Roadway Improvement MOU which required the County to improve certain roadways to bring them up to customary County maintenance standards before they were turned over to the City, and that the Parties share equally the cost of certain drainage improvements to that portion of Alameda Road between Camino Carlos Rael and a point .21 miles West of Siler Road; and

WHEREAS, on November 27, 2013, the City of Santa Fe recorded Ordinance 2013-36 annexing Phase 2 into the City, including a portion of Area 1, north of the right-of-way boundary of West Alameda Street to the existing City limits, and Areas 2, 4, 5, 7 and 12, along with the NM 599 right-of-way between I-25 and the city limits east of Camino La Tierra; and

WHEREAS, Phase III of annexation is scheduled to be completed by June 10, 2018, and will include the remainder of Area 1, North of Alameda and Area 14;

WHEREAS, the Parties held a joint meeting of the City Council and the Board of County Commissioners (BCC) on June 15, 2017, at which various aspects of annexation were discussed, including Commissioner Hansen's request to discuss removing the remainder of Area 1 from the Settlement Agreement so that it is not annexed into the City, the possibility of reinstating Area 18 into Phase III of the annexation, the need to

develop plans for completion of the drainage improvements to Alameda Road, and transfer of ownership of a park on South Meadows from the County to the City now that the park is within the Presumptive City Limits; and

WHEREAS, the BCC desires to continue discussions with the Santa Fe City Council regarding the annexation related matters raised during the June 15, 2017, meeting.

NOW, THEREFORE, BE IT RESOLVED that:

1. The BCC requests to discuss the following topics with the City:
 - a. Commissioner Hansen's request to discuss removing the remainder of Area 1 from the Settlement Agreement so that it is not annexed into the City;
 - b. Reinstatement of Area 18 into Phase III of the annexation;
 - c. Development of plans for completion of the drainage improvements to Alameda Road, including which party will take responsibility for planning, designing, and constructing the necessary drainage improvements; and
 - d. Transfer of ownership of a park on South Meadows from the County to the City.
2. The County Manager shall forward this Resolution to the Mayor and City Manager of Santa Fe with a request for proposed dates for a joint meeting at which the aforementioned topics will be discussed.

PASSED, APPROVED, AND ADOPTED THIS 14th DAY OF NOVEMBER, 2017.

BOARD OF COUNTY COMMISSIONERS

Henry P. Roybal, Chair

ATTESTATION:

Geraldine Salazar, Santa Fe County Clerk

APPROVED AS TO FORM:

Rachel Brown, Acting Santa Fe County Attorney

MEMORANDUM

DATE: June 14, 2017
TO: Participants in the Joint City County Meeting of June 14, 2017
FROM: Rachel Brown, Deputy County Attorney *RB*
RE: The History of Annexation and Tasks Remaining

History of Annexation: On May 29, 2008, the City of Santa Fe (City) and Santa Fe County (County) entered into a Settlement Agreement (attached hereto as Exhibit A) directing the City to annex certain lands, thereby creating a clear identifiable City boundary referred to as the Presumptive City Limits. An Annexation Phasing Agreement (attached hereto as Exhibit B) was executed on February 10, 2009, dividing the annexation into three phases encompassing 18 discrete areas.

The phases have been modified over time, through Amendment No 1 to the Annexation Phasing Agreement Between the City of Santa Fe and Santa Fe County. The parties ultimately agreed not to include Area 18 (property in the vicinity of Hyde Park Road) in the annexation plans. Additionally Area 1 was divided into two components, a portion of that area was annexed into the City in Phase II, and the remainder is slated for annexation in Phase III.

City Ordinance 2009-51 annexing Phase 1 into the City was recorded on November 10, 2009. Phase 1 annexed Areas 3, 6, 8, 9, 10, 11, 13, 15, 16, 17 and the I-25 right-of-way from NM 599 to Old Pecos Trail, and that portion of NM 14 from I-25 to the current city limits.

City Ordinance 2013-36 annexing Phase 2 into the City was recorded on November 27, 2013, and annexed a portion of Area 1 North of the right-of-way boundary of West Alameda Street, to the existing City limits, and Areas 2, 4, 5, 7, and 12 into the City, along with the NM599 right-of-way between I-25 and the city limits east of Camino La Tierra.

Phase 3 of the annexation is scheduled to be completed by June 10, 2018, and will include the remainder of Area 1, North of Alameda and Area 14.

Agreements regarding water, wastewater, solid waste, law enforcement and fire and emergency services: The City and County have successfully negotiated various agreements necessary to effectuate the annexation transition concerning water, wastewater, solid waste, law enforcement and fire and emergency services.

Water/Wastewater

On May 8, 2013, the City and the County entered into an Agreement Regarding Water, Wastewater and Solid Waste Required by the Settlement Agreement and Mutual Release of Claims (attached hereto as Exhibit C) pertaining to solid waste, water and wastewater.

The County committed to enact an ordinance establishing mandatory solid waste collection within the presumptive city limits. Santa Fe County Ordinance 2014-10 established a solid waste pick up program within certain portions of Santa Fe County. At this time the City of Santa Fe is not picking up solid waste outside annexed portions of the Presumptive City Limits.

According to the Settlement Agreement, water and wastewater services are to be provided by the entity in whose jurisdiction the property lies. Each party was to take over customers served by the other party outside their jurisdiction when service was available. The parties committed to the use of master meters to ensure that water customers were transferred from one party to the other.

The parties committed to exchanging water and wastewater infrastructure outside of their jurisdiction.

The City and County agreed to transfer water rights associated with customers who were being transferred from service by one party to service by the other party, if the water rights were supplied by the customer or a developer.

On December 15, 2016, the parties supplemented the 2013 Agreement with City of Santa Fe and Santa Fe County Agreement Regarding Water and Wastewater Service for Agua Fria, Hyde Park, High Summit, and Cloudstone (attached hereto as Exhibit D). Pursuant to that agreement, Hyde Park, High Summit and Cloudstone, all of which are in Area 18, remain customers of the City regardless of annexation of Area 18. However, the Agreement confirms that Hyde Park will become a County customer if the County acquires certain infrastructure necessary to serve that development. The City committed to serve the Agua Fria Traditional Historic Village in coordination with the Agua Fria Community Water System Association, and the County committed to serve new water and wastewater customers within the Historic Village of Agua Fria north of the Santa Fe River. The Historic Village remains part of the County despite the fact that it is surrounded by the City of Santa Fe.

Fire/EMS

On June 10, 2013, the City and County entered into County of Santa Fe and the City of Santa Fe Memorandum of Understanding for Fire Protection and EMS Service (2013 Agreement)(attached hereto as Exhibit E) regarding Fire and EMS services within the annexation area.

The County committed to maintain fire and EMS service in Phase II of the Annexation for a period of five years following the annexation of Phase II, which is in November of 2018.

The County committed to maintain the Agua Fria Fire Station 1 as the primary response hub for County fire response and activities during a transition period. The 2013 Agreement contemplated a sale, lease or other disposition of the station to the City as the City expanded its fire and emergency medical services.

In the 2013 Agreement, the County agreed to maintain fire and EMS service in Phase II until such time as the annexation of Phase III is complete.

The County committed to provide fire and EMS service in Area 1 North of Alameda following annexation through implementation of a mutual aid agreement.

The City agreed to maintain fire and EMS service in Area 18 for five years following annexation of Phase II, which is in November of 2018.

Roadway Improvements MOU

On June 10, 2013, the parties entered into a Roadway Improvements memorandum of Understanding Between the County of Santa Fe and the City of Santa Fe (attached hereto as Exhibit F) governing improvements of certain roadways within the presumptive city limits. Certain County-maintained roads within the Presumptive City Limits required improvements to bring them up to customary County maintenance standards before they were turned over to the City. Much of that work has been completed. The MOU called for drainage improvements to Alameda Road in Phase II of the Annexation, and required the parties to share the costs of such drainage improvements equally.

Law Enforcement

On December 15, 2016, the City and County entered into County of Santa Fe and The City of Santa Fe Mutual Aid Agreement for Law Enforcement Services (attached hereto as Exhibit G) addressing law enforcement services within the Presumptive City Limits for Phase II of the annexation.

The Agreement set forth a detailed transition plan for law enforcement in Phase II, and the City committed to assume and maintain law enforcement throughout Phase II of the annexation by July 1, 2016. The City is now responsible for law enforcement in that area.

Outstanding Issues Related to Annexation:

1. *Phase III.* Phase III of the annexation is scheduled to occur on or before June 10, 2018. Commissioner Hansen, of District 2, has expressed an interest in modifying the Settlement Agreement so that the remainder of Area 1 is withdrawn from the Settlement Agreement and is not annexed into the City. It is worthy of note that, due to the location of the Agua Fria Fire Station, the County may be better able to provide fire service in that area.
2. *Area 18.* The question has been raised whether the annexation of Area 18 should be reconsidered. Area 18 presents obstacles for Santa Fe County in terms of fire protection and law enforcement. Currently the City of Santa Fe is providing those services, however, that assistance is scheduled to terminate upon completion of the annexation of Phase III.
3. *Alameda Street.* The parties have committed to make drainage improvements to Alameda Road as part of Phase II annexation and to share those expenses equally. To date no concrete plans have been implemented to accomplish that objective. Ownership of the road has also been questioned.
4. *Santa Fe County Open Space in the City Limits.* Santa Fe County owns a park on South Meadows which was annexed into the City. Santa Fe County is prepared to turn over that park to the City, and has money allocated for park improvements which could be turned over to the City along with the park.

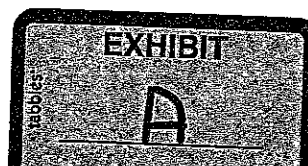
SETTLEMENT AGREEMENT
AND MUTUAL RELEASE OF CLAIMS

This Settlement Agreement is entered by and between the Governing Body of the City of Santa Fe, New Mexico, a municipal corporation organized and existing under the Laws of the State of New Mexico (hereinafter referred to as "the City"), the Board of County Commissioners of Santa Fe County, a political subdivision of the State of New Mexico (hereinafter referred to as "the County"), the Extraterritorial Zoning Authority and the Extraterritorial Zoning Commission, extraterritorial planning and zoning bodies created through a Joint Powers Agreements by and between the City and County (entities created by the 1991 Joint Powers Agreement of the City and County and hereinafter referred to as "the EZA" and "the EZC"), and the owners of land within Area 10, as defined herein, whose signatures are included at the end of this Agreement (hereinafter collectively referred to as "Las Soleras"), all collectively referred to herein as "the parties."

WHEREAS, a dispute has arisen among the parties hereto over the proposed annexation of the proposed development known as "Las Soleras" and the dispute resulted in the filing of six lawsuits in the federal and State courts in New Mexico;

WHEREAS, the dispute concerning the annexation of Las Soleras led to differences of opinion between the City and the County over the issue of annexation in general;

WHEREAS, part of the mandate of the Regional Planning Authority, a joint City and County Board devoted to regional planning and established by the Fifth Amended



and Restated Joint Powers Agreement for the Regional Planning Authority (hereinafter referred to as "the RPA"), is to address the annexation issue; but the controversy over Las Soleras' application to the EZC and EZA arose before the RPA could complete its work;

WHEREAS, the dispute outlined above and the lawsuits have significantly burdened the parties, affected City/County relations, impaired the reasonable development of the City, and has burdened the County with an area that is largely urban;

WHEREAS, the parties desire to resolve all the disputes and lawsuits in a comprehensive settlement that: (i) permits annexation of Las Soleras (portions of area 10, identified on Attachment A hereto), (ii) permits annexation of Areas 1, 2, 3, 4, 5, 6, 7, 8, 9, 11, 12, the unannexed portion of Area 13, Areas 15, 16, 17 and 18, identified on Attachment A, in a way that does not unreasonably impact the City, the County, or the citizens residing in those areas, (iii) resolves annexation issue for a period of no less than twenty years and enables the City and County to effectively plan in their respective jurisdictions; (iv) addresses the need to establish sensible water and wastewater utility service areas for the City and County and remedies existing inconsistencies in the service areas in a reasonable way; and (v) focuses City/County interactions on positive intergovernmental projects rather than lawsuits and controversy; and

WHEREAS, the parties hereto therefore desire to enter into a binding agreement to settle the remaining lawsuits and all issues related thereto.

NOW, THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

1. STIPULATED DISMISSAL OF ALL PENDING LITIGATION. Upon final execution of this Agreement by all of the parties hereto, the parties shall file a stipulation of dismissal of each of the following cases:

a. *Las Soleras Oeste Ltd. Co., Geronimo Partnership, the Crossing LLC, Crowne Santa Fe LLC, Randall Schmille, Tierra de la Amigos LLC, and Burttram Family Investments LLC v. City of Santa Fe*, First Judicial District Court Cause No. D-0101-CV-2006-02397; and

b. *City of Santa Fe v. Santa Fe Extraterritorial Zoning Authority, Santa Fe Extraterritorial Zoning Commission and Las Soleras Ltd., J. Harmon Burttram and Anne Janssen, Faye E. Gardner, and Building Services Co., as owners of the proposed Development Known as the Las Soleras Development*, First Judicial District Court Cause No. D-0101-CV-2006-01555.

2. ANNEXATION OF AREAS 1, 2, 3, 4, 5, 6, 7, 8, 9, 11, 12, THE UNANNEXED PORTION OF AREA 13, AREAS 15, 16, 17 AND 18.

a. The City shall annex Areas 1, 2, 3, 4, 5, 6, 7, 8, 9, 11, 12, the unannexed portion of Area 13, Areas 15, 16, 17 and 18, all as shown on Attachment A.¹

b. The annexations referred to in the previous paragraph shall be accomplished within the five year period commencing on the effective date of this Agreement. Annexations shall be accomplished through any of the means described in NMSA 1978, §§ 3-7-1 through 3-7-18 (1965)(as amended), but the petition method set forth in NMSA 1978, § 3-7-17.1 (2003) shall be preferred. In the event the Municipal Boundary Commission method set forth in NMSA 1978, §§ 3-7-11 through 3-7-16 (1965)(as amended) is used, or the petition method is used but all owners fail to sign the petition thus requiring action of the Extraterritorial Land Use Authority as set forth in

¹ The remaining portion of Area 10 will be annexed, but is addressed specially in Section 3 of this Agreement.

NMSA 1978, § 3-7-17.1(C) (2003), then the County shall fully cooperate with the City in the prosecution of the applications.

c. Area 1 and Area 12 shall be annexed but the rural residential zoning prevalent in the area shall be respected by the City following annexation and urban densities shall not be established within Area 1 or Area 12 during the term of this Agreement. Appropriate zoning shall be developed by the City for these areas prior to annexation.

d. Residents of Area 1 shall be permitted to submit a petition or petitions with the Board of County Commissioners to include portions of Area 1 in the Agua Fria Traditional Historic Community prior to annexation.

e. Area 7 shall be annexed concurrently or following annexation of Areas 2, 3, 4, and 5.

f. The City may annex Areas 1, 2, 3, 4, 5, 6, 8, 9, 11, 12, the unannexed portion of Area 13, 15, 16, 17 and 18,) immediately or, alternatively, may annex the areas sequentially over a period not to exceed five years. Specific target dates for filing of the appropriate petition with the Municipal Boundary Commission or the appropriate petition pursuant to the petition method shall be established by a separate written City-County Agreement. The City and the County immediately shall undertake a joint comprehensive survey of existing conditions within Areas 2, 4 and 5 to identify relevant public infrastructure in those areas that will be subject to the terms of this Agreement and to identify relevant public nuisances. The information gathered may be used to establish specific target dates for annexation and to plan annexation within those areas. Once agreed upon, the target dates may only be changed by subsequent written amendment.

g. Territory to be annexed pursuant to this Agreement shall be referred to herein as "Areas to be Annexed" and current city boundaries augmented by these Areas to be Annexed shall be referred to as within the "Presumptive City Limits." No areas outside the Presumptive City Limits shall be annexed for twenty years unless the City and the County specifically agree by separate written agreement. Area 14, the Rodeo Grounds and County Fair Grounds, shall remain unannexed.

h. The County approves the annexation of Areas 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, the unannexed portion of Area 13, Areas 15, 16, 17 and 18, and shall provide to the City such approvals in writing and in appropriate forums after due notice and opportunity to comment on annexations initiated by the petition method pursuant to NMSA 1978, § 3-7-17.1 (2003).

i. The Beatty annexation (a portion of area No. 10 described on Attachment C to this Agreement) shall be recorded immediately without objection by the County.

j. County roads lying within parcels to be annexed shall be annexed contemporaneously with the adjoining parcels, and any County road that serves as a boundary for annexed property shall be annexed contemporaneously to the right of way boundary opposite the parcel being annexed. Upon annexation of any road owned by the County as provided for in this paragraph, the City shall assume ownership and maintenance responsibilities, and the County thereafter shall have no responsibility for the road.

k. The County shall maintain existing county roads within the Areas to be Annexed to customary county maintenance standards until annexation by the City. This

Agreement shall not be construed to require the County to provide significant capital improvements to an existing road or construct a new road within the Areas to be Annexed in the absence of a separate written agreement by and between the City and County that provides a means for financing the capital improvements. No construction or other capital improvements to roads within the Presumptive City Limits shall be undertaken by the County after execution of this Agreement without first having obtained written approval from the City. Nothing in this Agreement shall absolve any person or entity from an obligation to complete roads as specified in any approved development plan the Areas to be Annexed.

l. The City shall not construct or maintain roads within the Areas to be Annexed except as provided in a separate written agreement of the City and the County.

m. The City shall provide water and wastewater service within the Presumptive City Limits and shall not provide water and wastewater service outside the Presumptive City Limits unless required by a current contract with a customer, decrees of a court, or applicable rulings of the Public Regulation Commission, unless otherwise agreed upon between the City and the County in a separate written agreement.

n. The water and wastewater utility service areas of the City and County shall coincide with the Presumptive City Limits; the City water and wastewater utility service area shall be within the Presumptive City Limits and the County utility service area shall be outside the Presumptive City Limits.

o. City water and wastewater customers outside the Presumptive City Limits will be transferred to the County when the County is able to provide service unless prohibited by a current contract with a customer, decrees of a court, or applicable rulings

of the Public Regulation Commission. Accordingly, upon consent or assignment, water and wastewater customers not in the City and outside of the Presumptive City Limits, such as those in the Aldea development, IAIA, and the Santa Fe Community College shall become County customers when the County is able to provide water and wastewater service. County water customers within the Presumptive City Limits shall be transferred to the City when the City is able to provide service unless prohibited by a current contract with a customer, decrees of a court, or applicable rulings of the Public Regulation Commission. Accordingly, upon consent or assignment, water customers within Area 7 shall become City customers when the City is able to provide service. The City and County Managers shall meet and confer and develop a plan to accomplish these transfers, and the plan shall be documented in a subsequent written amendment to this Agreement. The Plan shall include provisions for reimbursement of the City and County for the actual value of the infrastructure transferred as established by an appraisal prepared by an appraiser chosen by mutual agreement of the parties. If either party assumes a water delivery obligation for which the customer transferred water rights to the City or County, the City or County shall transfer those water rights, along with the customers, to the other party.

p. The County agrees to adopt an ordinance pursuant to NMSA 1978, § 7-2-14.3 (2003) to provide a partial property tax rebate for low-income taxpayers who have their principal place of residence in the County and, if deemed necessary by the Board of County Commissioners, to adopt a resolution to submit to the qualified electors of the County pursuant to NMSA 1978, §§ 7-2-14.4 (2001) and 7-2-14.5 (1994), the question whether to impose a property tax increase to fund the property tax rebate.

q. In addition to roads and water and wastewater service, discussed previously, the City shall provide municipal services within areas annexed pursuant to this Agreement, including but not limited to solid waste disposal, law enforcement and fire protection.

r. The County shall provide law enforcement and fire protection services to all areas outside of the Presumptive City Limits and to all Areas to be Annexed until annexation. In the area to be annexed that is most densely populated (between Airport Road and Agua Fria Road) and most in need of augmented law enforcement services, the County shall maintain its current level of law enforcement services until annexation and thereafter, by separate Joint Powers Agreement, for a period up to three years following annexation. The City shall immediately upon annexation match that level of law enforcement service provided by the County and over the three year period replace the County law enforcement services.

s. Nothing herein shall preclude interagency coordination of fire protection and law enforcement as set forth in other agreements or through informal means and the County shall continue to provide fire protection and law enforcement services at levels required by such agreements currently in force.

t. The City shall provide to the County, through electronic means if feasible, information concerning the boundaries of each annexation as soon as possible after the annexation is complete so that the City and County will each have the correct City limits on their respective books and records.

u. No further annexation except those specifically set forth in this Agreement will be permitted for twenty years from the effective date of this Agreement unless agreed to in writing specifically by the City and County.

v. Supplemental joint service agreements may be negotiated from time to time between the City and County whereby City services may be provided in advance of annexation, on terms agreeable to the parties.

w. The parties shall sign and record all documents necessary to accomplish the foregoing.

3. ANNEXATION, AREA 10.

a. Las Soleras (a portion of Area No. 10, Attachment A) shall be annexed via a landowner-initiated "Petition Method" application as set forth in NMSA 1978, §3-7-17 A (2) The application shall be submitted to the City of Santa Fe Governing Body immediately upon execution of this Agreement and shall consist of an (1) Annexation Petition, (2) General Plan Amendment and (3) Rezoning; all consistent with the map attached as Attachment B, which map includes the approvals granted by the Extraterritorial Zoning Authority in Case # Z/V 04-4592 (the "Presbyterian Project"). It is expressly understood and agreed that this Agreement does not constitute an approval of any portion of the Application or the map attached hereto as Attachment B.

b. Richards Avenue between Governor Miles and Interstate 25, together with its right of way, shall be annexed contemporaneously with Area 10 as described in paragraph 3(a). The County will consent in writing to the annexation, including the annexation of Richards Avenue. Upon annexation, the County shall provide a quitclaim deed to the City for Richards Avenue between Governor Miles and Interstate 25. The

City shall, upon annexation of Richards Avenue, assume ownership and maintenance and the County shall have no responsibility therefore.

c. The portion of Beckner Road owned by the County shall be annexed along with the annexation of Area 10 as described in paragraph 3(a). The County will consent in writing to the annexation of Beckner Road. Upon annexation, the County shall provide a quitclaim deed for the portion of Beckner Road that it owns. The City shall, upon annexation of Beckner Road, assume ownership and maintenance and the County shall have no responsibility therefore.

d. Any changes to the zoning of Area 10 after the Governing Body's approval of the Annexation Petition, General Plan Amendment, and Rezoning, as described in 3(a) above, shall require rezoning pursuant to City ordinances. Immediately following the Governing Body's approval of the Annexation Petition, General Plan Amendment and Rezoning described in 3(a) above, all additional approvals necessary for development of Area 10 including, but not limited to, preliminary and final development approval, shall be within the City of Santa Fe's jurisdiction.

e. The success of Area 10 is critical to the success of the annexation strategy set forth herein. Accordingly, the City shall in accordance with its applicable ordinances, regulations and rules, issue building permits and other necessary approvals when request by Las Soleras without unreasonable delay.

f. The parties shall sign and record all documents necessary to accomplish the foregoing, including documents, plans, plats and ordinances required.

g. As of the effective date of this Agreement, Las Soleras is within the water service area of the County. The parties acknowledge that Las Soleras has submitted

a Water Dedication and Acknowledgment form to the County in accordance with adopted County water policy in the amount of 36 acre-feet of valid pre-1907 consumptive use water rights (the "Water Rights") and is beginning the process of transferring the Water Rights to the County to provide for delivery of that amount of water to serve the proposed Presbyterian Project.

The Parties agree that after annexation to the City, the Water Rights shall be transferred by the County to the City and the entitlements to water service from the County will be accepted by the City after they have assumed ownership of the Water Rights. The City shall provide water service to the proposed Presbyterian Project or successor project in the amount of Water Rights transferred to it by the County and in accordance with its water transfer ordinance in effect at that time; provided however, that Las Soleras agrees that after the Water Rights are transferred the City, if the City requests that the transferred Water Rights be transferred to the Buckman well field, Las Soleras agrees to ensure that the point of diversion for use of the transferred Water Rights shall be the Buckman well field.

h. As of the effective date of this Agreement, Las Soleras is within the sewer service area of the County. The parties acknowledge and agree that upon application for annexation of Las Soleras in accordance with subsection a, above, the City shall issue a "can and will serve" letter to Las Soleras for sewer service in accordance with its rules and regulations.

4. THE EXTRATERRITORIAL ZONING AUTHORITY AND EXTRATERRITORIAL ZONING COMMISSION.

a. The City and County will execute a Joint Powers Agreement for the two mile extraterritorial zone and the five mile planning and platting jurisdiction to abolish the EZA and the EZC in their present form and to establish by ordinances an Extraterritorial Land Use Authority and Extraterritorial Land Use Commission pursuant to NMSA 1978 §3-21-3.2 (2003) exclusively for the following three purposes: (1) to delegate all authority possessed by the City over areas *outside* the Presumptive City limits to the County, including specifically the City's concurrent planning and platting and subdivision approval authority pursuant to NMSA 1978, § 3-20-5 (1965) and the City's concurrent zoning authority pursuant to NMSA 1978, § 3-21-2 (2003) which areas shall be zoned and platted by the County pursuant to its Land Development Code, including specifically the County's concurrent planning and platting authority pursuant to NMSA 1978, § 3-20-5 (1965) and the County's concurrent zoning authority pursuant to NMSA 1978, § 3-21-2 (2003); (2) to delegate planning, platting, subdivision approval and zoning jurisdiction over areas *inside* the Presumptive City Limits to the City, as set forth in this Agreement, which areas shall be zoned and platted based on the RPA Land Use Plan and other appropriate planning tools such as the Southwest Area Master Plan or subsequently-developed plans; upon annexation, property within the areas to be annexed shall receive, as preliminary zoning, the zoning in place prior to annexation; and (3) to address annexation petitions filed with the City pursuant to this Agreement and NMSA 1978, § 3-7-17.1 (2003).

5. RELEASE OF CLAIMS. In consideration of full performance of the terms recited herein, the parties hereby release and forever discharge each other, and their Elected Officials, officers, directors, employees, agents, adjusters, assigns, insurers,

underwriters and attorneys from any and all past, present, or future claims that can, may or should arise from any of the various lawsuits detailed above, or for any other injuries, losses or damages arising out of the lawsuits or disputes outlined above. In consideration of full performance of the terms recited herein, the parties hereby release and forever discharge each other, and their Elected Officials, members, officers, directors, employees, agents, adjusters, assigns, insurers, underwriters and attorneys, from any and all past, present or future claims for violations of ordinances, laws, statutes or property damage, economic loss, or any other claims, injuries, losses or damages which the parties have or claims to have arisen out of the lawsuits or disputes.

6. GOVERNING LAW. This Agreement shall be governed by and construed in accordance with the laws of the State of New Mexico. The parties have participated substantially in the negotiation and drafting of this Agreement and each Party hereby disclaims any defense or assertion in any litigation that any ambiguity herein should be construed against the draftsman.

7. ENTIRE AGREEMENT. This Agreement, including the Attachments hereto, and the documents delivered pursuant hereto, and excepting the subsequent amendments and agreements specifically mentioned herein that are required to effectuate the terms of this Agreement, constitute the entire agreement between the parties and supersede all prior and contemporaneous agreements, discussions, negotiations, representations, and understandings of the parties pertaining to the subject matter contained herein. No changes of, modifications of, or additions to this Agreement shall be valid unless the same shall be in writing and signed by all parties hereto.

8. SEVERABILITY. If any provision of this Agreement shall be determined to be contrary to law and unenforceable by any court, the remaining provisions shall be severable and enforceable in accordance with their terms. Failure of any party to insist upon strict conformance to the provisions of this Agreement shall not constitute a waiver of any of the provisions hereof.

9. COUNTERPARTS. This Agreement may be executed in several counterparts, each of which shall be deemed an original, but all of which counterparts collectively shall constitute one instrument representing the Agreement between the parties hereto.

10. ATTORNEYS FEES. The parties agree that should this matter be settled under the terms herein, each party will bear its own costs and attorneys fees, except that the City shall reimburse the County for one-half of the attorneys' fees the County expended defending the EZA and EZC, and their members, of the matters referred to in paragraph 1 of this Agreement.

11. REQUIRED APPROVALS. The parties acknowledge that this Settlement Agreement must be adopted by the Governing Body of the City of Santa Fe and the Board of County Commissioners of Santa Fe County to be of legal force and effect.

12. ADMISSIONS. Nothing in this Settlement Agreement shall constitute or be construed as an admission on behalf of any party as to the validity of any claims, defenses or allegations asserted in the litigation.

13. LEGAL COUNSEL. The parties represent and warrant that each has been represented by separate legal counsel of its own choosing throughout the negotiations; that each party has carefully and thoroughly reviewed this Settlement Agreement with its

counsel; that its counsel has approved it as to form; and that each party understands the terms herein. Each of the parties acknowledges that in executing this Settlement Agreement, it relies solely on its own judgment, belief and knowledge and on such advice as it has received from its own counsel.

14. AMENDMENTS. This Settlement Agreement can only be amended or modified by a written agreement duly executed by all of the parties.

15. EFFECTIVE DATE. This Settlement Agreement shall become effective as of the date of the last signature below.

16. TERM. The term of this agreement shall be twenty years.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date of last signature below.

THE BOARD OF COUNTY COMMISSIONERS
OF SANTA FE COUNTY

By: *Jack Sullivan* 5/14/08
Jack Sullivan, Chair Date

ATTEST:

Valerie Espinoza 5-15-08
Valerie Espinoza, County Clerk Date

Approved as to form:

Stephen C. Ross 5-5-08
Stephen C. Ross, County Attorney Date



THE GOVERNING BODY OF THE CITY OF SANTA FE

By: David Coss
David Coss, Mayor

5/19/08
Date

ATTEST:

Yolanda Y. Vigil
Yolanda Y. Vigil, City Clerk

5/19/08
Date

Approved as to form:

Frank D. Katz
Frank D. Katz, City Attorney

5/19/08
Date

a New Mexico Limited Liability Company

By:

By:

By:

a New Mexico Limited Liability Company

By:

1

153.

)



NOTARY PUBLIC - STATE OF NEW MEXICO

My Commission Expires

10-19-200

My Commission Expires: 10-19-2011

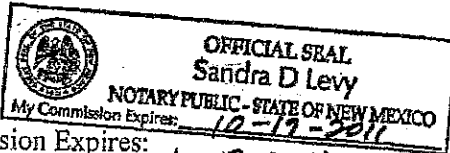
Notary Public

STATE OF NEW MEXICO)

COUNTY OF Bernalillo)

ss.

SUBSCRIBED, SWORN TO AND ACKNOWLEDGED before me on the 2nd day of May, 2008 by Gordon L. Skarsgard, Managing Member and John J. Mahoney, Managing Member of Las Soleras Community Design, LLC, a New Mexico limited liability company.



My Commission Expires: 10-19-2011

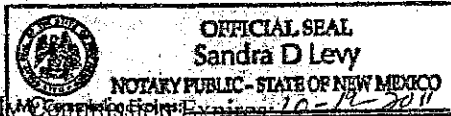
Sandra D. Levy
Notary Public

STATE OF NEW MEXICO)

COUNTY OF Bernalillo)

ss.

SUBSCRIBED, SWORN TO AND ACKNOWLEDGED before me on the 2nd day of May, 2008 by John J. Mahoney, Managing Operations member, and Gordon L. Skarsgard, Managing Operations Member, and Randall W. Eakin, Managing Oversight Member of Las Soleras Oeste, Ltd. Co., a New Mexico limited liability company.



My Commission Expires: 10-19-2011

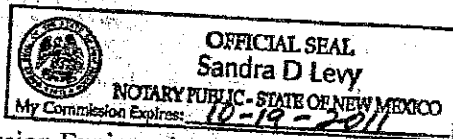
Sandra D. Levy
Notary Public

STATE OF NEW MEXICO)

COUNTY OF Bernalillo)

ss.

SUBSCRIBED, SWORN TO AND ACKNOWLEDGED before me on the 2nd day of May, 2008 by Gordon L. Skarsgard, Managing Operations Member, John J. Mahoney, Managing Operations Member of Las Soleras Del Sur, LLC, a New Mexico Limited Liability Company.



My Commission Expires: 10-19-2011

Sandra D. Levy
Notary Public

DATA SHEET

* Estimates based on Census 2000 Block Level data
Information excludes the Agua Fria traditional historic community.

☐ City Limit
☐ Extending City Water Line

Source

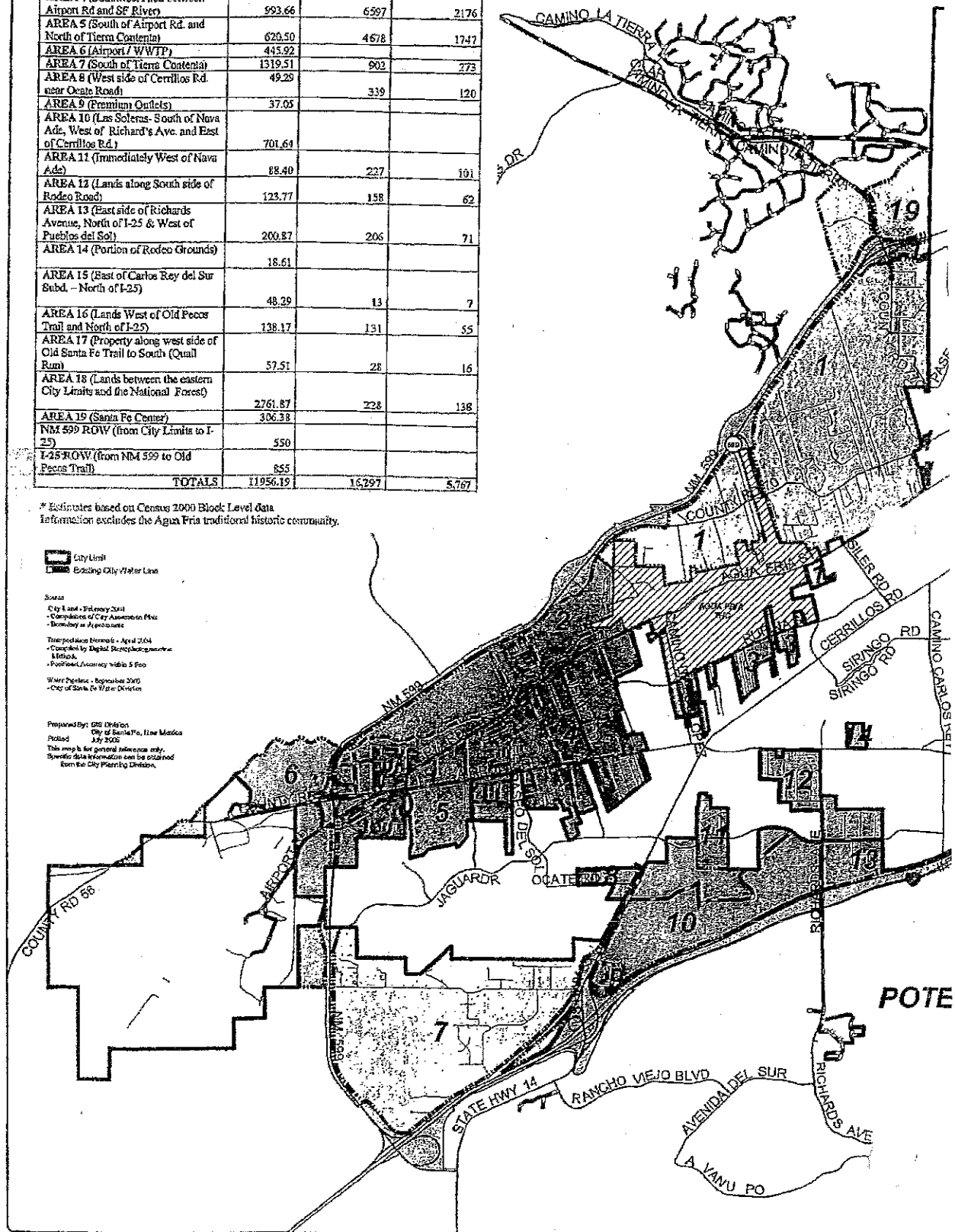
- City & Town - February 2011
- Compilation of City Association Files
- Documentary as a process

Time/Place/Means - April 2014

- Compiled by Digital Storytelling Institute
- Published/Accessed within 5 Days

Water Engineer - Regional Staff
- City of Santa Fe Water Division

Prepared By: GIS Division
City of Santa Fe, New Mexico
Picked July 2005
This map is for general information only.
Specific data information can be obtained
from the City Planning Division.



AUTO PARK

~~CONFIDENTIAL~~

HIGHWAY
DEPARTMENT

APPROVED
CONFIDENTIAL

OLIVER ROAD

APPROVED SIGNALIZED
INTERSECTION

FAL-MART

APPROVED SIGNALIZED
INTERSECTION

BLACKNER ROAD

INTERSTATE 80

INTERSTATE 24

$\frac{d^2x}{dt^2} = -\frac{g}{L} x$

2014-15-16-17-18-19-20-21-22-23-24-25-26-27-28-29-30-31-32-33-34-35-36-37-38-39-40-41-42-43-44-45-46-47-48-49-50-51-52-53-54-55-56-57-58-59-60-61-62-63-64-65-66-67-68-69-70-71-72-73-74-75-76-77-78-79-80-81-82-83-84-85-86-87-88-89-90-91-92-93-94-95-96-97-98-99-100-101-102-103-104-105-106-107-108-109-110-111-112-113-114-115-116-117-118-119-120-121-122-123-124-125-126-127-128-129-130-131-132-133-134-135-136-137-138-139-140-141-142-143-144-145-146-147-148-149-150-151-152-153-154-155-156-157-158-159-160-161-162-163-164-165-166-167-168-169-170-171-172-173-174-175-176-177-178-179-180-181-182-183-184-185-186-187-188-189-190-191-192-193-194-195-196-197-198-199-200-201-202-203-204-205-206-207-208-209-210-211-212-213-214-215-216-217-218-219-220-221-222-223-224-225-226-227-228-229-230-231-232-233-234-235-236-237-238-239-240-241-242-243-244-245-246-247-248-249-250-251-252-253-254-255-256-257-258-259-260-261-262-263-264-265-266-267-268-269-270-271-272-273-274-275-276-277-278-279-280-281-282-283-284-285-286-287-288-289-290-291-292-293-294-295-296-297-298-299-300-301-302-303-304-305-306-307-308-309-310-311-312-313-314-315-316-317-318-319-320-321-322-323-324-325-326-327-328-329-330-331-332-333-334-335-336-337-338-339-340-341-342-343-344-345-346-347-348-349-350-351-352-353-354-355-356-357-358-359-360-361-362-363-364-365-366-367-368-369-370-371-372-373-374-375-376-377-378-379-380-381-382-383-384-385-386-387-388-389-390-391-392-393-394-395-396-397-398-399-400-401-402-403-404-405-406-407-408-409-410-411-412-413-414-415-416-417-418-419-420-421-422-423-424-425-426-427-428-429-430-431-432-433-434-435-436-437-438-439-440-441-442-443-444-445-446-447-448-449-450-451-452-453-454-455-456-457-458-459-460-461-462-463-464-465-466-467-468-469-470-471-472-473-474-475-476-477-478-479-480-481-482-483-484-485-486-487-488-489-490-491-492-493-494-495-496-497-498-499-500-501-502-503-504-505-506-507-508-509-510-511-512-513-514-515-516-517-518-519-520-521-522-523-524-525-526-527-528-529-530-531-532-533-534-535-536-537-538-539-540-541-542-543-544-545-546-547-548-549-550-551-552-553-554-555-556-557-558-559-560-561-562-563-564-565-566-567-568-569-570-571-572-573-574-575-576-577-578-579-580-581-582-583-584-585-586-587-588-589-590-591-592-593-594-595-596-597-598-599-600-601-602-603-604-605-606-607-608-609-610-611-612-613-614-615-616-617-618-619-620-621-622-623-624-625-626-627-628-629-630-631-632-633-634-635-636-637-638-639-640-641-642-643-644-645-646-647-648-649-650-651-652-653-654-655-656-657-658-659-660-661-662-663-664-665-666-667-668-669-670-671-672-673-674-675-676-677-678-679-680-681-682-683-684-685-686-687-688-689-690-691-692-693-694-695-696-697-698-699-700-701-702-703-704-705-706-707-708-709-710-711-712-713-714-715-716-717-718-719-720-721-722-723-724-725-726-727-728-729-730-731-732-733-734-735-736-737-738-739-740-741-742-743-744-745-746-747-748-749-750-751-752-753-754-755-756-757-758-759-760-761-762-763-764-765-766-767-768-769-770-771-772-773-774-775-776-777-778-779-780-781-782-783-784-785-786-787-788-789-790-791-792-793-794-795-796-797-798-799-800-801-802-803-804-805-806-807-808-809-810-811-812-813-814-815-816-817-818-819-820-821-822-823-824-825-826-827-828-829-830-831-832-833-834-835-836-837-838-839-840-841-842-843-844-845-846-847-848-849-850-851-852-853-854-855-856-857-858-859-860-861-862-863-864-865-866-867-868-869-870-871-872-873-874-875-876-877-878-879-880-881-882-883-884-885-886-887-888-889-890-891-892-893-894-895-896-897-898-899-900-901-902-903-904-905-906-907-908-909-910-911-912-913-914-915-916-917-918-919-920-921-922-923-924-925-926-927-928-929-930-931-932-933-934-935-936-937-938-939-940-941-942-943-944-945-946-947-948-949-950-951-952-953-954-955-956-957-958-959-960-961-962-963-964-965-966-967-968-969-970-971-972-973-974-975-976-977-978-979-980-981-982-983-984-985-986-987-988-989-990-991-992-993-994-995-996-997-998-999-1000-1001-1002-1003-1004-1005-1006-1007-1008-1009-1010-1011-1012-1013-1014-1015-1016-1017-1018-1019-1020-1021-1022-1023-1024-1025-1026-1027-1028-1029-1030-1031-1032-1033-1034-1035-1036-1037-1038-1039-1040-1041-1042-1043-1044-1045-1046

**ANNEXATION PHASING AGREEMENT BETWEEN THE
CITY OF SANTA FE AND SANTA FE COUNTY**

This Agreement is entered by and between the Governing Body of the City of Santa Fe, New Mexico, a municipal corporation organized and existing under the Laws of the State of New Mexico (hereinafter referred to as "the City"), the Board of County Commissioners of Santa Fe County, a political subdivision of the State of New Mexico (hereinafter referred to as "the County").

WHEREAS, the City and County entered into a Settlement Agreement and Mutual Release of Claims dated May 19, 2008 (the "Agreement");

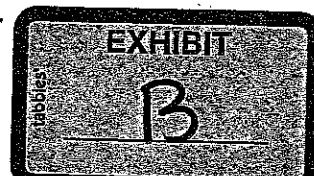
WHEREAS, the Agreement provided for the annexation over the succeeding five years of 17 areas of land currently within the County the phasing of which would be set by further agreement;

WHEREAS, the Agreement provides for Area 10 to be annexed by landowner-initiated petition and such petition has been file with the City;

WHEREAS, the Agreement calls for the replacement of the Extraterritorial Zoning Commission (EZC) and Extraterritorial Zoning Authority (EZA) with the Extraterritorial Land Use Commission (ELUC) and the Extraterritorial Land Use Authority (ELUA);

WHEREAS, the City and the County, by Ordinance, have established the ELUC and ELUA and have by Joint Powers Agreement abolished the EZA and EZC and specified the authorities and powers of the ELUC and ELUA; and

WHEREAS, the parties hereto now desire to specify target dates for the filing of appropriate petitions for annexations anticipated in the Agreement.



NOW, THEREFORE, THE CITY AND THE COUNTY AGREE AS FOLLOWS:

1. **LAS SOLERAS ANNEXATION.** The City will continue to process the annexation petition filed by the Las Soleras owners for a portion of Area 10.
2. **PHASE ONE OF ANNEXATION.** The City will file a petition for annexation of Areas 3, 6, 8, 9, the remaining portion of 10, 11, 13, 15, 16, 17 and the I-25 right-of-way from NM 599 to Old Pecos Trail and that portion of NM 14 (Cerrillos Road) from I-25 to the current city limit by the end of 2008.
3. **PHASE TWO OF ANNEXATION.** The City will file a petition for annexation of Areas 2, 4, 5, 7 and the NM 599 right-of-way from I-25 to the city limits east of Camino La Tierra by the end of 2011.
4. **PHASE THREE OF ANNEXATION.** The City will file a petition for annexation of Areas 1, 12, 18 and the NM 475 (Hyde Park Road) right-of-way from the current city limits to the Santa Fe National Forest boundary by the end of 2012.
5. **AMENDMENT.** This Annexation Phasing Agreement can be amended or modified only by a written agreement duly executed by all of the parties.
6. **EFFECTIVE DATE.** This Annexation Phasing Agreement shall become effective as of the date of the last signature below.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date of last signature below.

**THE BOARD OF COUNTY COMMISSIONERS
OF SANTA FE COUNTY**

By: Mike Anaya

Mike Anaya, Chairman


2/10/09
Date

ATTEST:

Valerie Espinoza
Valerie Espinoza, County Clerk

2/10/09
Date

Approved as to form:


Stephen C. Ross, County Attorney

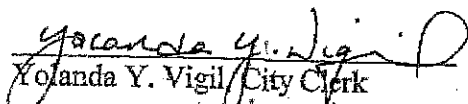
1-27-09
Date

THE GOVERNING BODY OF THE CITY OF SANTA FE

By: David Coss
David Coss, Mayor

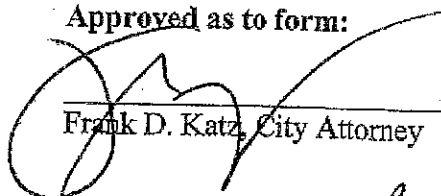
11/24/08
Date

ATTEST:

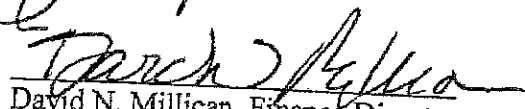

Yolanda Y. Vigil, City Clerk
contg 11/12/08

11-25-08
Date

Approved as to form:


Frank D. Katz, City Attorney

11/13/08
Date


David N. Millican, Finance Director

11/20/08
Date

AMENDMENT NO. 1 TO THE ANNEXATION PHASING AGREEMENT
BETWEEN THE
CITY OF SANTA FE AND SANTA FE COUNTY

This Amendment No. 1 to the Annexation Phasing Agreement is entered by and between the Governing Body of the City of Santa Fe, New Mexico, a home-rule municipality organized under the Laws of the State of New Mexico (hereinafter referred to as "the City"), and the Board of County Commissioners of Santa Fe County, a political subdivision of the State of New Mexico (hereinafter referred to as "the County").

WHEREAS, the City and County entered into the Settlement Agreement and Mutual Release of Claims dated May 19, 2008 (the "Settlement Agreement");

WHEREAS, the Settlement Agreement provided for annexation over a five year period of seventeen areas of land, and the timing of the annexation over the five year period was to be established by subsequent agreement of the parties;

WHEREAS, the Parties entered into the Annexation Phasing Agreement ("the Phasing Agreement") in February of 2009 to establish the timing of annexation;

WHEREAS, since May 2008, the parties hereto have accomplished many items necessary for satisfaction of the Settlement Agreement, but several important items remain, including two additional phases of annexation;

WHEREAS, contemporaneous with this amendment, the parties have approved and executed agreements implementing the water/wastewater items in the Settlement Agreement, including a law enforcement agreement, an agreement concerning fire and emergency services, and an agreement concerning roads within the Areas to be Annexed;

WHEREAS, the process of annexation has taken longer than anticipated, and additional time will be required to complete the items described; and

WHEREAS, the parties therefore desire to set forth herein new target dates for the completion of the various remaining tasks specified in the Settlement Agreement and amend the Phasing Agreement accordingly, and also to provide for release, satisfaction and waiver of items that the parties have agreed should be handled differently than as provided in the Settlement Agreement and the Phasing Agreement.

NOW, THEREFORE, THE PARTIES HERETO AGREE that the Phasing Agreement shall be and hereby is amended as set forth below:

1. Paragraph 3 of the Phasing Agreement shall be deleted in its entirety and replaced with the following paragraph:

"3. PHASE TWO OF ANNEXATION. The City will file a petition or petitions for annexation of Areas 2, 4, 5, 7, 12, the NM 599 right-of-way between I-25 to the city limits east of Camino La Tierra, and Area 1 between the north right-of-way boundary of West Alameda Street south to the existing City limits, no later than January 1, 2014."

2. Paragraph 4 of the Phasing Agreement shall be deleted in its entirety and replaced with the following paragraph:

"4. PHASE THREE OF ANNEXATION. Except for that portion of Area 1 described in the previous paragraph, annexation of Areas 1, North of Alameda, shall be completed within five years of the execution of this Amendment to the Phasing Agreement. The parties agree that the City shall not Annex area 18."

3. This Amendment No. 1 to the Phasing Agreement shall become effective as of the date of the last signature below.

4. In consideration of additional consideration, including the contemporaneously-signed agreements concerning water, wastewater and solid waste, law enforcement, and fire and emergency services, certain items in the Settlement Agreement will not be performed and those obligations are hereby released, satisfied and waived by the parties hereto. The provisions that are released, satisfied and waived pursuant to this amendment are: (i) the requirement stated in paragraph 2(h) of the Settlement Agreement to annex within Area 1 north of the northern right-of-way boundary to West Alameda (annexation of this area will be completed within five years of execution of the Amendment No. 1 to the Phasing Agreement; (ii) the requirement stated in paragraph 2(h) of the Settlement Agreement to annex Area 18 [(this area will not be annexed)]; (iii) the requirement stated in paragraph 2(o) of the Settlement Agreement that provides for reimbursement for the actual value of water and wastewater infrastructure transferred by either party to the other; (iv) the requirement stated in paragraph 2(r) of the Settlement Agreement that provides the County will maintain the present level of law enforcement in the Agua Fria Road and Airport Road vicinity for three years after annexation and that the City will immediately match that level and replace County law enforcement within three years, which requirements are handled differently in the contemporaneously-executed law enforcement agreement; and (v) the obligations to annex by dates certain set forth in paragraphs 3 and 4 of the Phasing Agreement. The additional consideration for the release, satisfaction and waiver stated herein includes, but is not limited to, additional work on roads to increase the quality of roads transferred during annexation; additional law enforcement services beyond that which was agreed upon in the Settlement Agreement, additional fire services beyond that which was agreed upon in the Settlement Agreement, forbearance from annexation of Area 1 north of West Alameda and Area 18

for a period of up to five years following execution of this Amendment to Phasing Agreement, and additional consideration in the form of advance provision of solid waste services in the Areas to Be Annexed prior to annexation.

5. Terms and phrases in this amendment and in the underlying Phasing Agreement shall have the same meaning as terms in the Settlement Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of
the date of last signature below.

**THE BOARD OF COUNTY COMMISSIONERS
OF SANTA FE COUNTY**

By: Kathleen Holian
Kathleen Holian, Chair

5-20-13
Date

ATTEST:

Geraldine Salazar by VT
Geraldine Salazar, County Clerk

5/21/13
Date

Approved as to form:

[Signature]
Stephen C. Ross, County Attorney

5-14-13
Date

THE CITY OF SANTA FE:

David Coss
David Coss, Mayor
City of Santa Fe

6-10-13
Date

Attest:

Yolanda Y. Vigil
Yolanda Y. Vigil, City Clerk *CONF 58-13*

6-10-13
Date

Approved as to Form:

Geno Zamora
Geno Zamora, City Attorney

6/6/13
Date

Marcos Tapia
Marcos Tapia, Finance Director

6/7/13
Date

ITEM # 13-0417

**AGREEMENT REGARDING WATER, WASTEWATER
AND SOLID WASTE REQUIRED BY
THE SETTLEMENT AGREEMENT AND MUTUAL RELEASE OF CLAIMS**

THIS AGREEMENT is made and entered into as of this 8th day of May, 2013, by and between the Board of County Commissioners of Santa Fe County, a political subdivision of the State of New Mexico (hereinafter referred to as "the County") and the City of Santa Fe, a municipal corporation organized and existing under the laws of the State of New Mexico (hereinafter referred to as "the City").

WHEREAS, the City and the County entered into a Settlement Agreement and Mutual Release of Claims (hereinafter referred to as "the Settlement Agreement") dated May 19, 2008 to resolve ongoing lawsuits concerning the proposed annexation of Las Soleras and annexation generally;

WHEREAS, the Settlement Agreement established the presumptive city limits for a twenty-year period ("Presumptive City Limits") and the coincident service areas of the City and County utilities;

WHEREAS, the Settlement Agreement at paragraph 2(o) specifies that "City water and wastewater customers outside the Presumptive City Limits will be transferred to the County when the County is able to provide service unless prohibited by a current contract with a customer, decrees of a court, or applicable rulings of the Public Regulation Commission";

WHEREAS, the Settlement Agreement at paragraph 2(o) also provides that "County water customers within the Presumptive City Limits shall be transferred to the City when the City is able to provide service unless prohibited by a current contract with a customer, decrees of a court, or applicable rulings of the Public Regulation Commission";

WHEREAS, paragraph 2(o) also provides that the City and County managers shall meet and confer and develop a plan to accomplish these transfers;

WHEREAS, the plan specified in Paragraph 2(o) was to include "provisions for reimbursement of the City and County for the actual value of the infrastructure transferred as established by an appraisal prepared by an appraiser chosen by mutual agreement of the parties";

WHEREAS, paragraph 2(o) also provides that "[i]f either party assumes a water delivery obligation for which the customer transferred water rights to the City or County, the City or County shall transfer those water rights along with the customers, to the other party";

EXHIBIT

C

WHEREAS, the parties desire to enter into a written agreement that sets forth how the duties described in paragraph 2(o) of the Settlement Agreement will be accomplished and describes a process of water and wastewater transfers of customers and infrastructure between the City and the County based on the Presumptive City Limits;

WHEREAS, the Settlement Agreement at paragraph 2(q) provides that "the City shall provide municipal services within areas annexed pursuant to this Agreement, including but not limited to solid waste disposal . . .";

WHEREAS, paragraph 2(v) of the Settlement Agreement provides that "[s]upplemental joint service agreements may be negotiated from time to time between the City and County whereby City services may be provided in advance of annexation, on terms agreeable to the parties;"

WHEREAS, the Annexation Phasing Agreement Between the City of Santa Fe and Santa Fe County (hereinafter referred to as "the Phasing Agreement"), dated February 10, 2009, has been partially satisfied to the extent that Areas 3, 6, 8, 9 and portions of 10, 11, 13, 15, 16, 17 and the I-25 right-of-way from NM 599 to Old Pecos Trail and that portion of NM 14 from I-25 to the current city limits have been annexed;

WHEREAS, plans for staffing and equipment sufficient to provide solid waste services in the areas designated for annexation must be implemented on July 1, 2013 to ensure a seamless transition; and

WHEREAS, the City desires to provide solid waste services within the Presumptive City July 1, 2013 and the County is presently revising its solid waste ordinance to provide for curbside collection and is willing to facilitate such an arrangement for the benefit of the City; and

WHEREAS, and the parties desire to address the solid waste issue herein, and realign the respective water and sewer infrastructure of the parties to be consistent with the Settlement Agreement and otherwise to set forth herein the respective agreements on these and other points in general furtherance of the goals expressed in the Settlement Agreement.

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

I. SOLID WASTE AND REFUSE SERVICE

A. The County shall enact an ordinance that establishes a mandatory system of solid waste collection within the Presumptive City Limits that includes curbside pickup of residential and commercial refuse, curbside pickup of recyclable materials. The ordinance shall prohibit refuse collection and collection of recyclable materials within the Presumptive City Limits (and other areas) by any hauler except from those designated specifically in the ordinance.

B. The ordinance referred to in the previous paragraph shall contain substantially similar conditions of service and provisions concerning penalties and enforcement as those found in the Santa Fe City Code.

C. Once the ordinance referred to in the previous paragraphs is enacted, the County shall delegate to the City responsibility for refuse collection within the Presumptive City Limits. The ordinance and the delegation shall be completed on or about July 1, 2013. The City shall be delegated responsibility to impose its usual and customary charges on solid waste customers within the Presumptive City Limits.

II. WATER AND WASTEWATER SERVICE

A. Pursuant to the Settlement Agreement, water and wastewater services shall be provided by the entity in whose jurisdiction the services are provided. Water and wastewater services within the Presumptive City Limits shall be provided by the City. Water and wastewater services outside of the City and outside of the Presumptive City Limits shall be provided by the County.

B. Water and wastewater services that are not consistent with the previous paragraph shall be made consistent by transferring the system and customers to the other party as specified in this Agreement.

C. The City and the County shall provide detailed information on those portions of their respective systems that are to be transferred to the other party pursuant to this Agreement, including, if available, as-built drawings, GIS-mapped lines, valve and meter locations, meter numbers, location of manholes, water quality data, water compliance documents, and other pertinent information.

D. The City and County managers shall appoint members to a technical transition team comprised of water and wastewater staff of the City and County, who will inventory all of the water and wastewater resources subject to this Agreement, determine the technical issues to be confronted in connection with this Agreement, develop schedules for transfer of assets and responsibilities, and deal with technical issues as they arise. Any issues which cannot be resolved by the technical transition team shall be resolved by the city and county managers and, as appropriate, by the City Council and the Board of County Commissioners.

E. Any infrastructure that is malfunctioning or in disrepair, which has routinely failed water quality compliance testing, or that has suffered from deferred maintenance, shall be repaired and brought into compliance before that infrastructure is transferred to the other party.

F. City water and wastewater customers outside the Presumptive City Limits will be transferred to the County when the County is able to provide service unless prohibited by a current contract with a customer, decrees of a court, or applicable rulings of the Public Regulation Commission. Accordingly, upon consent or assignment, water

and wastewater customers not in the City and outside of the Presumptive City Limits, such as those in the Aldea development, IAIA, and the Santa Fe Community College shall become County customers when the County is able to provide water and wastewater service. County water customers within the Presumptive City Limits shall be transferred to the City when the City is able to provide service unless prohibited by a current contract with a customer, decrees of a court, or applicable rulings of the Public Regulation Commission. Accordingly, upon consent or assignment, water customers within Area 7 shall become City customers when the City is able to provide service.

G. Annually, the County and the City will review billing information for the transferred area to verify meter accuracy and the extent to which unaccounted-for water passes each master meter.

H. Each party shall share data, information or reports that would be helpful, useful or necessary to achieve the goals and objectives of this Agreement upon request of the other party.

I. Any improvements made by a party to water or wastewater infrastructure originally provided by a real estate developer in connection with a real estate development, and that is not required for continuation of service, may be removed at the party's own expense prior to transfer of the infrastructure to the other party, but the removing party shall give the other party prior notice of the proposed removal through the technical transition team.

J. If, after technical analysis, it is determined by the utility directors of each party that it is technically impossible to serve a customer or group of customers who should be transferred to the other party under the terms of this Agreement without economic hardship, that customer or customers may continue to be served by the other notwithstanding the fact that the customer is outside of the jurisdiction of the party. In such cases, the parties shall document the facts leading to the finding of technical impossibility. In the event that it later becomes technically feasible to serve the customer or customers, the customers shall be transferred to the other party at that time.

K. City Water Infrastructure Transfers to County.

1. City Water customers outside of the Presumptive City Limits shall become County customers when the County is able to provide water and wastewater service. Appendix A to this MOU lists the infrastructure related to specific developments that the City shall be transferring to the County. Each development requires a master-meter between the City and the County, which the City agrees to add to the existing master-meters serving the county under the 2006 Water Resources Agreement.

2. The developments contemplated as part of the City transfers to the County are: 1) Campo Conejo; 2) Turquoise Trail; 3) Aldea; 4) Las Campanas; 5) La Mariposa; 6) La Tierra; 7) La Mirada; 8) Tessera. The City recognizes that more than one meter may be required to serve some of these developments.

3. Billing responsibility for City and County customers transferred to the other party pursuant to this section shall be transferred effective July 1, 2013 and necessary changes to the physical infrastructure (meters, valves, piping) shall be completed expeditiously thereafter.

L. County Water Infrastructure Transfers to City. County water customers within the Presumptive City Limits shall be transferred to the City when the City is able to provide service unless prohibited by a current contract with a customer, decrees of a court, or applicable rulings of the Public Regulation Commission. Appendix B to this MOU lists the infrastructure related to specific developments that the County shall be transferring to the City.

M. City Waste-Water Infrastructure Transfer to the County
City Wastewater customers outside of the Presumptive City Limits shall become County customers when the County is able to provide waste-water service.

N. Any easements or rights-of-way supporting water or wastewater infrastructure shall be transferred to the other party along with the infrastructure; if an easement is needed along a City street or County road, the easement shall be granted by the other party, as appropriate, or a blanket approval may be granted. Should any survey work be needed to identify or locate any infrastructure, real property, infrastructure, necessary easements, access, or other matters, the cost of that survey shall be borne by the party receiving the real property, infrastructure, easement, or access.

II. CUSTOMER INFORMATION, NOTICE

A. The City and the County shall exchange account information about water and wastewater customers being transferred between the parties. Account information shall include the name, address, telephone number, twelve months of account activity (e.g., notes, history, etc.), water meter size, bill item tables, sewer rate calculation, solid waste refuse and recycling rates and level of service, and any other information determined by either party to be relevant. The account information shall include any balances owed by customers and the basis for those balances. An unpaid balance shall not be transferred to the other party, but the parties may cooperate to ensure payment of the unpaid balance through techniques such as withdrawal of service to compel payment.

B. Account information shall be provided to the other party's utility director ninety (90) days prior to date of transfer of each area identified in this agreement to provide a seamless transition of billing and customer service to the customers.

C. Customers whose service will be transferred from one party to another shall receive a notice of the transfer in a utility bill stuffer for two (2) consecutive months prior to the transition. Utility bill stuffers shall provide links to City and County websites for additional information; the City and County websites shall provide detailed information

about the transition, the transfer of customers, this Agreement, changes in the rules of service, and any changes in billing structure.

III. AS-BUILT DRAWINGS AND MAINTENANCE RECORDS

A. Each party shall provide to the other party as-built drawings and maintenance records of all infrastructure transferred as a result of this Agreement ninety (90) days prior to date of transfer of the infrastructure. If a transferring party has digital data regarding the infrastructure, that data shall also be provided. Data to be transferred shall include, but not be limited to, as-built drawings, valve maps detailing location of valves based on known features, GIS shape files and scanned as-built drawings and valve maps in pdf format.

B. Each party shall provide the other party with maintenance records as well as video imaging, televised inspection tapes and DVDs of infrastructure transferred as a result of this Agreement. Maintenance records shall be provided ninety (90) days prior to date of transfer.

V. WATER RIGHTS

A. If either party assumes a water delivery obligation for which the customer transferred water rights to the City or County, the City or County shall transfer those water rights, along with the customers, to the other party.

B. If either party assumes a water delivery obligation that the party has met with water rights owned by the party as opposed to water rights supplied by a customer or developer, no water rights shall be transferred to the other party and the party making deliveries subsequent to transfer shall be responsible for providing water rights to support the subsequent deliveries.

C. If water rights that should be transferred to the other party pursuant to paragraph A of this Article VI cannot be transferred, are impractical to transfer, or carry a point of diversion that if transferred to a point of diversion chosen by the other party would result in a loss of the value of the water right, suitable equivalent water rights may be selected and transferred in lieu of water rights that would be transferred pursuant to Paragraph A of this Article V.

D. The technical transition team shall address all technical issues concerning the transfer of water rights, including technical issues about the transfer, the amount to be transferred, the method of transfer, the timeline of transfer, any issues related to the Buckman Direct Diversion project, and any issues arising from paragraph C of this section. Any issues which cannot be resolved by the technical transition team shall be resolved by the city and county managers and, as appropriate, by the City Council and the Board of County Commissioners. This paragraph shall not prevent the parties from choosing to mediate a dispute through a neutral mediator chosen by both the City and County.

VI. SERVICE CONNECTIONS

A. Water Service Connections

1. Each party shall provide the other party with reasonable access to water from the Buckman Direct Diversion through the party's water service infrastructure, utilizing master meters to meter the flow for purposes of billing and accountability. Each party may charge the other party a reasonable fee for wheeling water across its water infrastructure, as established through a cost of service study.

2. The party desiring a service connection shall be fully responsible for design and construction of any facilities necessary to take delivery of water at the delivery point, and such facilities shall be constructed in accordance with standards established by the other party.

3. The party requesting a service connection shall define a water budget and provide a demand scenario for a ten year period for each service connection and master meter. The water budgets and demand scenarios will provide information to the party to permit efficient water system operations.

4. The technical transition team shall address all technical issues concerning service connections and master meters, including those referred to in section II, paragraphs k and l. Any issues which cannot be resolved by the technical transition team shall be resolved by the city and county managers and, as appropriate, by the City Council and the Board of County Commissioners.

B. Wastewater Service Connections

1. The City may provide the County with access to its wastewater collection and treatment system to ensure that customers are served through a wastewater treatment plant rather than being served by septic systems or small wastewater treatment facilities.

2. Each party shall pay a collection and treatment charge for use of the other party's wastewater collection and treatment system in accordance with the usual and customary rates established through a cost of service study.

3. Each party requesting access to the other party's wastewater collection and treatment system shall pay all costs of connecting to the wastewater collection system and shall make all connections in accordance with the standards established by the party.

4. All wastewater service connections must comply with all relevant rules, regulations and practices of the party into whose system a wastewater service connection is being established. The party establishing a wastewater service connection

shall be responsible for all engineering, design, and construction costs related to such connection.

C. **Records.** Each party shall maintain records of all water and/or wastewater collection system customers who receive service from the party as a result of this Agreement, and shall provide the other party with copies of such those records when requested, during reasonable business hours and with reasonable notice. The records shall at a minimum contain customer location, customer class, connection size, industrial pretreatment compliance records and water meter readings.

D. **Metered Water Use.** Individual water consumption of each customer discharging wastewater through the system of the other party to this Agreement shall be metered to facilitate a determination of the usage of the wastewater system and to facilitate billing and system management.

VII. CONSISTENCY WITH SETTLEMENT AGREEMENT, INTERPRETATION, AND ADDITIONAL PROVISIONS

A. All questions concerning interpretation of this Agreement shall be consistent with the goals, objectives, and express language of the Settlement Agreement and Mutual Release of Claims, dated May 19, 2008.

B. **Term.** This Agreement shall terminate upon the transfer of all of the infrastructure described in the Exhibits, unless terminated earlier pursuant to Article 5. This Agreement may be extended by the mutual written agreement of the parties.

C. **Third Party Beneficiaries.** This Agreement does not create any third party beneficiaries.

D. **Appropriations.** This Agreement is contingent upon sufficient appropriations and authorization being made by the parties. If sufficient appropriations are not granted, this Agreement shall terminate upon written notice.

E. **Amendment.** The parties may amend this Agreement by mutual written amendment.

F. **Conflict of Interest.** No elected official, officer, employee or agent of the City or County shall have any personal financial interest in this Agreement unless such financial interest is disclosed in advance to the City and County and neither party objects to that person's involvement in the Agreement. Neither party shall employ, in the performance of this Agreement, a person having a conflict of interest. This paragraph shall not unreasonably impede the parties desire to provide maximum opportunity for employment of local residents.

G. **New Mexico Tort Claims Act.** By entering into this Agreement, neither party shall be responsible for liability incurred as a result of the other party's acts or

omissions in connection with this Agreement. Neither the City nor the County waives any defense or limitation of liability under New Mexico law or the New Mexico Tort Claims Act.

H. Dispute Resolution. In the event of any dispute between the parties regarding the enforcement or interpretation of this Agreement, the parties agree to first mediate before a neutral mediator mutually agreed to and paid for by the parties.

I. Applicable Law. This Agreement shall be governed by the laws of the State of New Mexico.

J. Jurisdiction over water facilities. This agreement does not affect the City's jurisdiction over the City's water facilities as specified in NMSA 1978, Section 3-27-3, on City-owned or leased property outside of the City limits.

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

THE BOARD OF COUNTY COMMISSIONERS OF
SANTA FE COUNTY

By Kathleen S. Holian
Kathleen S. Holian, Chair

5-20-13
Date

ATTEST:

Geraldine Salazar *ly vt*
Geraldine Salazar, Santa Fe County Clerk

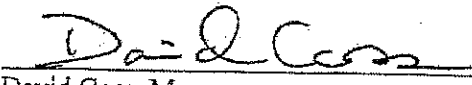
5/21/13
Date

APPROVED AS TO FORM:

Stephen C. Ross
Stephen C. Ross
Santa Fe County Attorney

5-14-13
Date

CITY OF SANTA FE:


David Coss, Mayor
City Manager

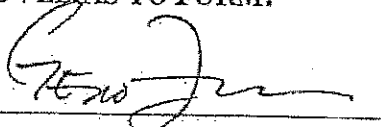
6-10-13
Date

Attest:


Yolanda Y. Vigil, City Clerk *copy 5813*

6-10-13
Date

APPROVED AS TO FORM:


Geno Zamora,
Santa Fe City Attorney

6/6/13
Date

APPROVED:


City of Santa Fe Finance Director

6/7/13
Date

Appendix A

CITY-COUNTY WATER INFRASTRUCTURE EXCHANGE Water Infrastructure Transfer from City to County Summary Revision Date: February 12, 2013

Campo Conejo

Service Area Description:

A. Service area is generally located in Santa Fe County's Section 12, T16N, R9E in Santa Fe County and is more accurately described in the subdivision plat filed of record with the County Clerk at Plat Book 425 pages 11-15 and Plat Book 454 pages 37-44.

B. Water Infrastructure is shown in As-built Construction Drawing Number 83/1999.

C. Water Infrastructure consists of approximately 1,300 linear feet of 4-inch and 9,570 linear feet of 8-inch water mains with individual 5/8-inch water meters for each customer connected to the public water system.

D. There are 75 total approved lots with 69 lots developed and 6 lots undeveloped.

E. Water Infrastructure to be transferred from City to County.

Service Area Costs:

A. Original Construction Cost: \$534,608.04.

B. Book Value with depreciation (as of 2012): \$375,279.04.

Water Budget:

A. Based on actual usage of the existing 69 developed lots, the 2011 water budget is 14.51 acre-feet.

B. Based on the projected usage for the 6 undeveloped lots, the total build-out water budget is 15.53 acre-feet.

Turquoise Trail South

Service Area Description:

A. Service area includes properties between I-25, NM599 and its projection to the east across NM14, with contour elevation 6400 feet representing the east area boundary. This service area includes existing developments such as Blsbee Court, Thornburg development and Longford Homes and is recorded in the records with the County Clerk at Plat Book 620 pages 26-36, Plat Book 371 page 1, Plat Book 159 page 23, Plat Book 170 page 8, Plat Book 705 page 45, Plat Book 307 page 45, Plat Book 274, page 34 and Plat Book 305 page 25.

B. Water Infrastructure is shown in As-built Construction Drawing Numbers 36/1997, 40/2005, 56/2005, 2/2006, 50/2006, 6/2007 and 29/2007.

C. Water Infrastructure consists of approximately 1,500 linear feet of 4-inch, 6,245 linear feet of 6-inch, 13,377 linear feet of 8-inch and 10,3454 linear feet of 10-inch water mains with individual water meters for each customer connected to the public water system.

D. There are 222 total approved lots with 168 lots developed and 54 lots undeveloped.

E. Water Infrastructure to be transferred from City to County.

Service Area Costs:

A. Original Construction Cost: \$1,264,372.00.

B. Book Value with depreciation (as of 2012): \$1,205,451.00.

Water Budget:

A. Based on actual usage of the existing 168 developed lots, the 2011 water budget is 33.2 acre-feet.

B. Based on the projected usage for the 54 undeveloped lots, the total build-out water budget is 41.3 acre-feet.

Santa Fe Community College

A. Service area includes the Santa Fe Community College campus generally located in Santa Fe County's Section 21, T16N R9E, on Richards Avenue and is recorded in the records with the County Clerk at Plat Book 677 pages 45-46.

B. Water Infrastructure is shown in As-built Construction Drawing Numbers 26/1987 and 48/1991.

C. Water Infrastructure consists of approximately 17 linear feet of 6-inch, 1,784 linear feet of 8-inch, 70 linear feet of 10-inch and 265 linear feet of 12-inch water mains with individual water meters for each building connected to the public water system.

D. The approved development plan has been completed.

E. Water Infrastructure to be transferred from City to County.

Service Area Costs:

A. Original Construction Cost: \$63,613.54.

B. Book Value with depreciation (as of 2012): \$33,902.93.

Water Budget:

A. Based on actual usage of the existing development the 2011 water budget is 37.45 acre-feet.

Las Campanas Estates I and II

Service Area Description:

A. Service area is generally described as Las Campanas Estates 1 and 2, generally located in Santa Fe County's Sections 7, 8, 9, 16, 17 and 18 T17N, R9E, outside the service area of Las Campanas Cooperative recorded in the records with the County Clerk at Plat Book 223 pages 30-32, Plat Book 228 pages 20-22 and Plat Book 232 pages 9-11.

B. Water Infrastructure is shown in As-built Construction Drawing Numbers 3/1992 and 3/1993.

C. Water Infrastructure consists of approximately 7,194 linear feet of 4-inch, 19,163 linear feet of 6-inch, 18,112 linear feet of 8-inch water mains with individual water meters for each customer connected to the public water system.

D. There are 520 total approved lots with 355 lots developed and 165 lots undeveloped.

E. Water Infrastructure to be transferred from City to County.

Service Area Costs:

A. Original Construction Cost: \$951,364.30.

B. Book Value with depreciation (as of 2012): \$532,122.50.

Water Budget:

A. Based on actual usage of the existing 355 developed lots, the 2011 water budget is 103.59 acre-feet.

B. Based on the projected usage for the 165 undeveloped lots, the total build-out water budget is 131.64 acre-feet.

Aldea de Santa Fe

Service Area Description:

- A. Service area is generally located in Santa Fe County's Section 20 T17N, R9E as recorded in the records with the County Clerk at Plat Book 459 page 6.
- B. Water Infrastructure is shown in As-built Construction Drawing Numbers 16/2000, 49/2002, 34/2004, 20/2005, 59/2005, 6/2006, 7/2006, 8/2006, 9/2006 and 35/2006.
- C. Water Infrastructure consists of approximately 3,513 linear feet of 4-inch, 856 linear feet of 6-inch, 21,253 linear feet of 8-inch and 2,012 linear feet of 10-inch water mains with individual water meters for each customer connected to the public water system.
- D. There are 538 total approved lots with 373 lots developed and 165 lots undeveloped.
- E. Water Infrastructure to be transferred from City to County.

Service Area Costs:

- A. Original Construction Cost: \$1,255,173.
- B. Book Value with depreciation (as of 2012): \$1,033,551.

Water Budget:

- A. Based on actual usage of the existing 373 developed lots, the 2011 water budget is 42 acre-feet.
- B. Based on the projected usage for the 165 undeveloped lots, the total build-out water budget is 70.05 acre-feet.

La Mirada

Service Area Description:

- A. Service area is generally located in Santa Fe County's Section 19 T17N, R9E as recorded in the records with the County Clerk at Plat Book 411 pages 14-15.
- B. Water Infrastructure is shown in As-built Construction Drawing Number 71/1999.
- C. Water Infrastructure consists of approximately 219 linear feet of 4-inch and 5,569 linear feet of 8-inch water mains with individual water meters for each customer connected to the public water system.
- D. There are 46 total approved lots with 26 lots developed and 20 lots undeveloped.
- E. Water Infrastructure to be transferred from City to County.

Service Area Costs:

- A. Original Construction Cost: \$126,821.78.
- B. Book Value with depreciation (as of 2012): \$89,025.14.

Water Budget:

- A. Based on actual usage of the existing 26 developed lots, the 2011 water budget is 4.5 acre-feet.
- B. Based on the projected usage for the 20 undeveloped lots, the total build-out water budget is 7.9 acre-feet.

Tessera

Service Area Description:

- A. Service area is generally located in Santa Fe County's Sections 17 and 20 T17N, R9E as recorded in the records with the County Clerk at Plat Book 651 pages 5-14.
- B. Water Infrastructure is shown in As-built Construction Drawing Number 74/2005.

C. Water Infrastructure consists of approximately 1,737 linear feet of 4-inch, 172 linear feet of 6-inch and 11,526 linear feet of 8-inch water mains with individual water meters for each customer connected to the public water system.

D. There are 88 total approved lots with 4 lots developed and 84 lots undeveloped.

E. Water Infrastructure to be transferred from City to County.

Service Area Costs:

A. Original Construction Cost: \$368,456.41.

B. Book Value with depreciation (as of 2012): \$325,348.83.

Water Budget:

A. Based on actual usage of the existing 4 developed lots, the 2011 water budget is 0.68 acre-feet.

B. Based on the projected usage for the 84 undeveloped lots, the total build-out water budget is 14.96 acre-feet.

La Mariposa

Service Area Description:

A. Service area is generally located in Santa Fe County's Section 9 T17N, R9E as recorded in the records with the County Clerk at Plat Book 198 page 1.

B. Water Infrastructure is shown in As-built Construction Drawing Numbers 8/1988 and 1/1989.

C. Water Infrastructure consists of approximately 783 linear feet of 4-inch, 2,335 linear feet of 6-inch and 11,590 linear feet of 8-inch water mains with individual water meters for each customer connected to the public water system.

D. There are 73 total approved lots with 67 lots developed and 6 lots undeveloped.

E. Water Infrastructure to be transferred from City to County.

Service Area Costs:

A. Original Construction Cost: \$357,947.50.

B. Book Value with depreciation (as of 2012): \$183,851.45.

Water Budget:

A. Based on actual usage of the existing 73 developed lots, the 2011 water budget is 15.04 acre-feet.

B. Based on the projected usage for the 6 undeveloped lots, the total build-out water budget is 16.06 acre-feet.

La Tierra

Service Area Description:

A. Service area is generally located in Santa Fe County's Section 6 T17N, R9E and Sections 31 and 32 T18N, R9E as recorded in the records with the County Clerk at Plat Book 42 pages 20-24, Plat Book 45 page 8 and Plat Book 58 page 17.

B. Water Infrastructure is shown in As-built Construction Drawing Number 30/1981.

C. Water Infrastructure consists of approximately 2,077 linear feet of 4-inch, 14,897 linear feet of 6-inch, 10,364 linear feet of 8-inch, 1,840 linear feet of 12-inch and 14,061 of 16" water mains with individual water meters for each customer connected to the public water system.

D. There are 166 total approved lots with 118 lots developed and 48 lots undeveloped.

E. Water Infrastructure to be transferred from City to County.

Service Area Costs:

A. Original Construction Cost: \$1,559,470.30.

B. Book Value with depreciation (as of 2012): \$578,079.51.

Water Budget:

A. Based on actual usage of the existing 118 developed lots, the 2010 water budget is 15.49 acre-feet.

B. Based on the projected usage for the 48 undeveloped lots, the total build-out water budget is 23.65 acre-feet.

Santa Maria de La Paz and Santa Nino

Service Area Description:

A. Service area includes the Santa Maria de La Paz and Santa Nino campus generally located in Santa Fe County's Section 20, T16N R9E, on Richards Avenue and is recorded in the records with the County Clerk at Plat Book 378 page 19.

B. Water Infrastructure is shown in As-built Construction Drawing Numbers 16/1993, 2/2002 and 48/2005.

C. Water Infrastructure consists of approximately 15 linear feet of 4-inch, 75 linear feet of 6-inch, 430 linear feet of 8-inch and 768 linear feet of 10-inch water mains with individual water meters for each building connected to the public water system.

D. The approved development plan has been completed.

E. Water Infrastructure to be transferred from City to County.

Service Area Costs:

A. Original Construction Cost: \$76,909.43.

B. Book Value with depreciation (as of 2012): \$54,416.89.

Water Budget:

A. Based on actual usage of the existing development the 2010 water budget is 3.88 acre-feet.

**CITY OF SANTA FE AND SANTA FE COUNTY AGREEMENT REGARDING
WATER AND WASTEWATER SERVICE
FOR AGUA FRIA, HYDE PARK, HIGH SUMMIT, AND CLOUDSTONE**

THIS AGREEMENT is made and entered into as of the day it is duly executed by both parties by and between **Santa Fe County**, a political subdivision of the State of New Mexico (hereinafter referred to as "the County") and the **City of Santa Fe**, a municipal corporation organized and existing under the laws of the State of New Mexico (hereinafter referred to as "the City") pursuant to that certain *Settlement Agreement and Mutual Release of Claims* between the parties, dated May 19, 2008 ("Settlement Agreement").

RECITALS

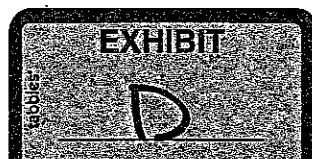
WHEREAS, the City and the County entered into the Settlement Agreement to resolve ongoing lawsuits concerning the proposed annexation of Las Soleras and annexation generally; and

WHEREAS, the Settlement Agreement established the presumptive city limits for a twenty-year period ("Presumptive City Limits") and the coincident service areas of the City and County utilities; and

WHEREAS, the Settlement Agreement at Paragraph 2(m) states that the "City shall provide water and wastewater service within the Presumptive City Limits and shall not provide water and wastewater service outside the Presumptive City Limits unless required by a current contract with a customer, decrees of a court, or applicable rulings of the Public Regulation Commission, unless otherwise agreed upon between the City and County in a separate written agreement"; and

WHEREAS, the County and City have agreed that the City shall provide water and wastewater service in certain areas outside the Presumptive City Limits, and desire to memorialize those agreements in this Agreement, in compliance with Paragraph 2(m) of the Settlement Agreement; and

WHEREAS, the County and City have reached agreements regarding the County's provision of water and wastewater service in certain areas outside the Presumptive City Limits, which they also desire to memorialize in this Agreement.



A handwritten signature in dark ink, located in the bottom right corner of the page.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, it is agreed as follows:

I. WATER & WASTEWATER SERVICE IN THE AGUA FRIA TRADITIONAL HISTORIC VILLAGE

A. The City agrees to coordinate with the Agua Fria Community Water System Association to serve new water and wastewater customers within the Agua Fria Traditional Historic Village ("Historic Village") south of the Santa Fe River. Consistent with the foregoing, the City shall provide water and wastewater service to the property owned by the Stacy Community Property Trust, which is the subject of that certain Memorandum of Understanding between the City of Santa Fe and Santa Fe County for the Stacy Community Property Trust Allowing Discharge into the County Wastewater Collection System and Then Into City Wastewater Collection and Treatment System, County Contract No. 2015-0270-UT/PL and City Clerk No. 15-1038 (the "Stacy MOU").

B. With regard to existing customers of the County within the Historic Village south of the Santa Fe River:

1. The Vista Aurora subdivision shall remain water and wastewater customers of the County until such time as the County replaces the existing lift-station with a gravity line built to City specifications, at which time these customers and water and wastewater infrastructure shall be transferred to the City;

2. The County will continue to provide water service to the Agua Fria Community Water System Association; and

3. The County will transfer to the City all of its customers located on the campus of the old Aqua Fria School and related infrastructure (if any).

C. The County agrees to serve new water and wastewater customers within the Historic Village north of the Santa Fe River. In order to provide wastewater service within the Historic Village north of the Santa Fe River, the City agrees to allow the County to connect to the City's public sewer system; provided, however, the City will not be obligated to construct any wastewater infrastructure. Such connections shall be approved by the City's Public Utilities Director based upon the construction plans and specifications for the point of connection with the City's public sewer system. The City shall charge the County for wastewater discharged into the City's Public sewer system at the applicable Wholesale Rate for Santa Fe County. The County shall require its wastewater customers within the Historic Village north of the Santa Fe River to comply with applicable City wastewater ordinances regarding local discharge limits, utility expansion charges, pretreatment, industrial user permits, and information gathering. The County shall notify the City's Public Utilities Director before providing service to any new customer within the Historic Village north of the Santa Fe River.

D. Notwithstanding this Agreement, the Historic Village will remain outside of the municipal boundaries; consequently, land-use control, roads, and other jurisdictional issues or regulations will be the responsibility of the County.

E. The City will work with the County in preparing the Utility Master Plan for the Historic Village.

II. HYDE PARK ESTATES, THE HIGH SUMMIT SUBDIVISION, AND CLOUDSTONE

A. Hyde Park Estates. The Hyde Park Estates Cooperative Domestic Water Association ("Hyde Park Water Association") is currently a customer with the City. The City will retain the Hyde Park Water Association as a water customer unless and until the County acquires the assets of the Hyde Park Water Association. At such time as the County acquires those assets, the City agrees to add the existing meter servicing the Hyde Park Water Association to the County's list of master meters as an approved point of delivery under the Amended and Restated Water Resources Agreement between the parties. The City agrees that the existing meter serving the Hyde Park Water Association shall also be adequate to meter deliveries of water to the County when and if it acquires the assets of the Hyde Park Water Association.

B. The High Summit Subdivision. Present and future water and wastewater customers of the High Summit subdivision shall remain customers of the City.

C. Cloudstone. The City will continue to serve customers in Cloudstone.

III. CONSISTENCY WITH SETTLEMENT AGREEMENT, INTERPRETATION, AND ADDITIONAL PROVISIONS

A. All questions concerning interpretation of this Agreement shall be consistent with the goals, objectives, and express language of the Settlement Agreement and that certain Agreement Regarding Water, Wastewater and Solid Waste Required by the Settlement Agreement and Mutual Release of Claims, dated as of May 8, 2013.

B. Third Party Beneficiaries. This Agreement does not create any third party beneficiaries.

C. Appropriations. This Agreement is contingent upon the respective governing bodies of the City and County making sufficient appropriations, if necessary to meet the purpose of this agreement. If sufficient appropriations are not made, the parties may terminate the Agreement.

D. Amendment. The parties may amend this Agreement by mutual written amendment.

E. Conflict of Interest. No elected official, officer, employee or agent of the City or County shall have any personal financial interest in this Agreement unless such financial interest is disclosed in advance to the City and County and neither party objects to that person's involvement in the Agreement. Neither party shall employ, in the performance of this Agreement, a person having a conflict of interest. This paragraph shall not unreasonably impede the parties desire to provide maximum opportunity for employment of local residents.

F. New Mexico Tort Claims Act. By entering into this Agreement, neither party shall be responsible for liability incurred as a result of the other party's acts or omissions in connection with this Agreement. Neither the City nor the County waives any defense or limitation of liability under New Mexico law or the New Mexico Tort Claims Act.

G. Dispute Resolution. In the event of any dispute between the parties regarding the enforcement or interpretation of this Agreement, the parties agree to first mediate before a neutral mediator mutually agreed to and paid for by the parties.

H. Applicable Law. This Agreement shall be governed by the laws of the State of New Mexico.

I. Jurisdiction over water facilities. This agreement does not affect the City's jurisdiction over the City's water facilities as specified in NMSA 1978, Section 3-27-3, on City-owned or leased property outside of the City limits.

J. Term. The term of this agreement shall begin upon the date that it is duly executed by both parties and shall be perpetual, unless terminated pursuant to Paragraph III(C) or by written agreement of the parties.

K. Successors and Assigns. This agreement shall be binding upon the heirs, successors, and assigns of the parties hereto.

L. Discharge and Substitution of Stacy MOU. Given the parties' agreement with respect to serving the Historic Village south of the Santa Fe River, the Stacy MOU is no longer necessary or advisable. The parties therefore hereby agree that the obligations for the Stacy MOU are hereby discharged. The obligation to provide water and waste-water service to the Stacy Community Property Trust will be satisfied by the City of Santa Fe consistent with Article 1A above.

M. Paragraph 2(m) of the Settlement Agreement Satisfied. The parties acknowledge and agree that this agreement satisfies the "separate written agreement" requirement of Paragraph 2(m) of the Settlement Agreement and that no further agreement between the County and City is required under Paragraph

2(m) of the Settlement Agreement or SFCC § 25-1.11 or § 25-1.11 of the City Code to effect the connections and service areas contemplated hereunder.

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates set forth below.

**THE BOARD OF COUNTY COMMISSIONERS OF
SANTA FE COUNTY**

By Miguel M. Chavez
Miguel M. Chavez, Chair

12/13/16
Date

ATTEST:

Geraldine Salazar
Geraldine Salazar, Santa Fe County Clerk

12/13-2016
Date

APPROVED AS TO FORM:

Gregory S. Shaffer
Gregory S. Shaffer
Santa Fe County Attorney

12/13/16
Date

CITY OF SANTA FE:

Javier Gonzales, Mayor

Date

Attest:

Yolanda Y. Vigil, City Clerk

Date

APPROVED AS TO FORM:

Kelley A. Brennan
Santa Fe City Attorney

Date

APPROVED:

City of Santa Fe Finance Director

Date

CITY OF SANTA FE:

Javier M. Gonzales
Javier Gonzales, Mayor

12/14/14
Date

Attest:

Yolanda Y. Vigil
Yolanda Y. Vigil, City Clerk

12-14-14
Date

APPROVED AS TO FORM:

Kelley A. Brennan
Kelley A. Brennan
Santa Fe City Attorney

12/14/16
Date

APPROVED:

Bob K. Foss
City of Santa Fe Finance Director

12.15.16
Date

COUNTY OF SANTA FE AND THE CITY OF SANTA FE
MEMORANDUM OF UNDERSTANDING FOR
FIRE PROTECTION AND EMS SERVICE

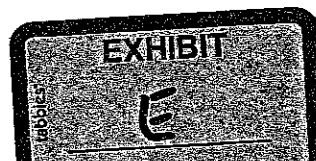
The City of Santa Fe (City) and Santa Fe County (County) enter into this Memorandum of Understanding (MOU) for fire protection and EMS service within the Presumptive City Limits, Phase II Annexation (Phase II). This Agreement is effective as of the date of the last signature.

Recitals

1. The City, the County entered into a Settlement and Mutual Release of Claims (Settlement Agreement) on May 19, 2008;
2. The Settlement Agreement provides that the "County shall provide law enforcement and fire protection services to all areas outside of the Presumptive City Limits and to all Areas to be Annexed until annexation;" *Settlement Agreement, 2(r)*.
3. The Settlement Agreement does not "preclude interagency coordination of fire protection and law enforcement as set forth in other agreements or through informal means and the County shall continue to provide fire protection and law enforcement services at levels required by such agreements currently in force." *Settlement Agreement, 2(s)*.
4. The Settlement Agreement also provides that "Supplemental joint service agreements may be negotiated from time to time between the City and County whereby City services may be provided in advance of annexation, on terms agreeable to the parties." *Settlement Agreement, 2(v)*.
5. NMSA 1978, § 5-1-1 permits a municipality or county to contract with other political subdivisions or for the operation of its ambulance service.
6. NMSA 1978, §§ 3-18-6 and 3-18-11 permit a municipality to establish fire zones and adopt regulations for the prevention of fire.

Agreement

1. The County agrees to the following:
 - A. Maintain the current level of fire and EMS service in Phase II of Annexation, areas 2 and 4 for a period of five (5) years following annexation Phase II.



- B. Maintain Agua Fria Fire Station 1 as the primary response hub for County Fire career and volunteer response and activities during the transition period.

The County will provide the opportunity to the City to jointly or fully occupy the Agua Fria Fire Station as the City expands its fire and emergency medical services pursuant to this Agreement, so long as a mutual aid agreement provides for fire and emergency medical services in the area now served by that Station. The mutual aid agreement shall provide for disposition of the Agua Fria Station by donation, lease or sale, to the extent permissible by law. Notwithstanding the previous sentences, the City and County agree to work collaboratively and jointly to provide adequate fire facilities for both the incorporated and unincorporated territory to ensure that fire and emergency medical services are adequate, which will be memorialized in a separate mutual aid agreement to be approved by both the County and the City.

- C. Continue to perform under the current JPA regarding fire and EMS response during and after the transition period unless a subsequent agreement is negotiated and approved.

- D. Have the ability to decrease daily staffing at Agua Fria Station 1 during the transition period as the City incorporates new fire department resources into the area provided that the decrease does not diminish the current level of service.

- E. Retain the option to relocate all County career staff following the transition period.

- F. Maintain the current level of fire and EMS service in Phase III until such time as the annexation of Phase III is complete.

- G. Continue to provide fire and EMS service in Area 1 North of Alameda even after annexation through implementation of a mutual aid agreement.

2. The City Agrees to:

- A. Assume Fire Protection service in Phase II of Annexation Areas 5 and 7.

- B. Maintain the current level of fire and EMS service in Area 18 for five (5) years following annexation Phase II.

- C. Provide plan and development review, fire code enforcement, and fire investigation services in all areas of Phase II and Phase III of Annexation for the 5 years following phase II of annexation.

- D. Work cooperatively with the County to integrate new City fire department resources into the area.

E. Share training resources as requested and available and participate in joint fire department trainings with Santa Fe County during the transition period.

F. Continue to abide by the current JPA regarding fire and EMS response during and after the transition period unless a subsequent agreement is negotiated and approved.

3. Appropriations

This Agreement is contingent upon sufficient appropriations and authorization being made by the parties. If sufficient appropriations are not granted, this Agreement shall terminate upon written notice.

4. Amendment

The parties may amend this Agreement by mutual written agreement.

5. New Mexico Tort Claims Act

By entering into this Agreement, neither party shall be responsible for liability incurred as a result of the other party's acts or omissions in connection with this Agreement. Neither the City nor the County waive any defense or limitation of liability under New Mexico law or the New Mexico Tort Claims Act.

6. Dispute Resolution

In the event of any dispute between the parties regarding the enforcement or interpretation of this Agreement, the parties agree to first mediate before a neutral mediator mutually agreed to and paid for equally by the parties.

7. Scope of the Agreement

This Agreement supersedes all of the agreements and understandings between the parties concerning law enforcement services following Phase II of Annexation.

8. Applicable Law.

This Agreement shall be governed by the laws of the State of New Mexico.

9. Liability.

Each party to this Agreement shall be solely liable for the defense and satisfaction of any claim, including costs and attorney's fees, against that party's officer, government, or employees and agents that arises from conduct of the officer when acting pursuant to this Agreement.

10. Insurance.

Each party agrees to provide law enforcement liability insurance (or a policy of self-insurance) with policy limits adequate to protect the party from and against any and all claims, demands, suits, defense costs, judgments, liability or consequential damages of any kind or nature, caused by any act, omission, fault, mistake or negligence of the an officer employed by the party, the party, and its employees, officials, and agents in connection with the law enforcement activities that are the subject of this Agreement, or in connection with the performance or failure to perform under the terms and conditions of this Agreement. Neither party will be obligated to insure the other party or to provide a defense or indemnity in the event of a claim, suit or demand related in any way to the activities specified in this Agreement.

11. Signatures.

This Agreement shall be effective as of the date of the final signature.

For the City:

David Coss

David Coss, Mayor
City of Santa Fe

6/10/13
Date

Attest:

Yolanda Y. Vigil
Yolanda Y. Vigil, City Clerk *ccmty 5-8-13*

6-10-13
Date

Approved as to Form:

Geno Zamora
Geno Zamora, City Attorney

6/6/13
Date

Marcos Tapia
Marcos Tapia, Finance Director

6/6/13
Date

For the County:

Kathy Holian
Kathy Holian, Chair, Board of Santa Fe
County Commissioners

5-20-13
Date

Approved as to Form:

Stephen C. Ross
Stephen C. Ross, Santa Fe County Attorney

5-14-13
Date

Attest:

Geraldine Salazar *by VT*
Geraldine Salazar, Santa Fe County Clerk

5/21/13
Date

Teresa Martinez
Teresa Martinez, County Finance Director

5/19/13
Date

**ROADWAY IMPROVEMENTS MEMORANDUM OF UNDERSTANDING
BETWEEN THE COUNTY OF SANTA FE
AND THE CITY OF SANTA FE**

The City of Santa Fe (City) and Santa Fe County (County) enter into this Memorandum of Understanding (MOU) to address needed capital improvements of certain roadways within the Presumptive City Limit boundaries of Phase II Annexation. This MOU is effective as of the date of the last signature.

Recitals

1. The City, the County, and Las Soleras entered into a Settlement and Mutual Release of Claims (Settlement Agreement) on May 19, 2008;
2. On February 10, 2009 the City and the County entered into an Annexation Phasing Agreement that defined Phase II of Annexation (Phase II).
3. The Settlement Agreement defines certain areas of land to be annexed as the Presumptive City Limits, including Phase II;
4. The Presumptive City Limits contains many roadways that are currently operated and maintained by the County, which will become the maintenance responsibility of the City upon annexation;
5. Certain County-maintained roadways in the Presumptive City Limits are experiencing deferred maintenance that require improvements to bring them up to customary County maintenance standards;
6. The County uses a third-party pavement evaluation system called PASER that rates roadways on a 1-to-10 scale;
7. Customary County maintenance standards have produced a County roadway network with an average PASER rating of 6, which will be the minimal standard when turned over to the City.
8. If these Improvements are not made without this MOU, the City would acquire ownership of certain roadways that would require immediate and substantial investment of City funds;
9. Ignoring or delaying needed road maintenance results in costly reconstruction;
10. The Settlement Agreement states it "shall not be construed to require the County to provide significant capital improvements to an existing road or construct a new road within the Areas to be Annexed in the absence of a separate written agreement by and between the City



and County that provides a means for financing the capital improvements" *Settlement Agreement*, p.6 (k); and

11. The MOU confirms the parties' commitment, cooperation, and recognition that partnering activities between governmental entities of similar purposes may produce public benefits beyond what can be produced separately.

Agreement

1. Roadway Improvements.

A. Prior to the City's acceptance of ownership and maintenance responsibility for roads within Phase II of Annexation, the County shall perform the roadway improvement and maintenance activities identified in "Annexation Phase II – Roadways to be Improved and Description of Improvement Activities," attached to this MOU as Exhibit A. Certain road Improvements will exceed PASER level 6 for specific surfaced roads, identified in Exhibit A. The County shall determine in consultation with the City, the phasing and scheduling of the Improvement activities, with the intent to accomplish all activities as quickly as funding allows.

B. Upon completion of the activities identified in Paragraph A for each individual roadway or roadway segment as listed in Exhibit A, the City and the County shall conduct a joint acceptance inspection.

The City may reject work not meeting the customary roadway and maintenance standards of the County and generate a punchlist annotating the deficiencies. Rejected work shall be redone immediately by the County at the County's expense. Upon acceptance of work by the City, the City and the County shall immediately execute a document that conveys ownership of the accepted roadway(s) or roadway segment(s) from the County to the City.

C. The parties acknowledge that the items of work identified in "Annexation Phase II – Roadways to be Improved and Description of Improvements" are minimal maintenance improvements that do not address structural, operational, capacity, and accessibility deficiencies.

D. The parties agree to make drainage improvements to Alameda Road in Phase II of Annexation. The parties agree to share the costs of such drainage improvements equally.

2. Term

This MOU shall terminate upon annexation of all of the roads in Exhibit A, unless terminated pursuant to Article 5. This MOU may be extended by the mutual written agreement of the parties.

3. Third Party Beneficiaries

This MOU does not create any third party beneficiaries.

4. Appropriations

This MOU is contingent upon sufficient appropriations and authorization being made by the parties. If sufficient appropriations are not granted, this Agreement shall terminate upon written notice.

5. Amendment

The parties may amend this MOU by mutual written agreement.

6. Conflict of Interest

No elected official, officer, employee or agent of the City or County shall have any personal financial interest in this MOU unless such financial interest is disclosed in advance to the City and County and neither party objects to that person's involvement in the MOU. Neither party shall employ, in the performance of this MOU, a person having a conflict of interest. This Article shall not unreasonably impede the parties desire to provide maximum opportunity for employment of local residents.

7. New Mexico Tort Claims Act

By entering into this Agreement, neither party shall be responsible for liability incurred as a result of the other party's acts or omissions in connection with this Agreement. Neither the City nor the County waive any defense or limitation of liability under New Mexico law or the New Mexico Tort Claims Act.

8. Dispute Resolution

In the event of any dispute between the parties regarding the enforcement or interpretation of this MOU, the parties agree to first mediate before a neutral mediator mutually agreed to and paid for by the parties.

9. Scope of the Agreement

This MOU supersedes all of the agreements and understandings between the parties concerning County roads In Phase II of Annexation.


10. Applicable Law.

This MOU shall be governed by the laws of the State of New Mexico.

11. Signatures.

This MOU shall be effective as of the date of the final signature.

For the City:

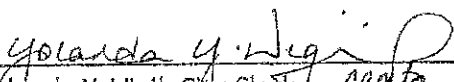


David Coss, Mayor
City of Santa Fe

6/10/13

Date

Attest:

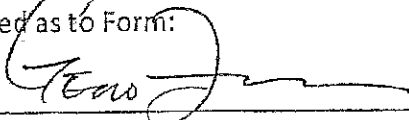


Yolanda Y. Vigil, City Clerk *cmty 5-873*

6-10-13

Date


Approved as to Form:



Geno Zamora, City Attorney

6/6/13

Date



Marcos Tapia, Finance Director

6/7/13

Date

For the County:

Kathy Holian
Kathy Holian, Chair, Board of Santa Fe
County Commissioners

5-20-2013
Date

Approved as to Form:

Stephen C. Ross
Stephen C. Ross, Santa Fe County Attorney

5-14-13
Date

Attest:

Geraldine Salazar
Geraldine Salazar, Santa Fe County Clerk

by VT 5/21/13
Date

Teresa Martinez
Teresa Martinez, County Finance Director

5/17/13
Date

COUNTY OF SANTA FE AND THE CITY OF SANTA FE
MUTUAL AID AGREEMENT FOR
LAW ENFORCEMENT SERVICES

The City of Santa Fe (City) and Santa Fe County (County) enter into this Mutual Aid Agreement (Agreement) for law enforcement services within the Presumptive City Limits, Phase II Annexation (Phase II). This Agreement is effective as of the date of the last signature.

Recitals

1. The City, the County entered into a Settlement and Mutual Release of Claims (Settlement Agreement) on May 19, 2008;
2. The Settlement Agreement provides that the "County shall provide law enforcement and fire protection services to all areas outside of the Presumptive City Limits and to all Areas to be Annexed until annexation;" *Settlement Agreement, 2(r)*.
3. The Settlement Agreement also states that "In the area to be annexed that is most densely populated (between Airport Road and Agua Fria Road) and most in need of augmented law enforcement services, the County shall maintain its current level of law enforcement services until annexation and thereafter, by separate Joint Powers Agreement, for a period up to three years following annexation." *Settlement Agreement, 2(r)*.
4. The Settlement Agreement also states that "The City shall immediately upon annexation match that level of law enforcement service provided by the County and over the three year period replace the County law enforcement services." *Settlement Agreement, 2(r)*.
5. The Settlement Agreement does not "preclude interagency coordination of fire protection and law enforcement as set forth in other agreements or through informal means and the County shall continue to provide fire protection and law enforcement services at levels required by such agreements currently in force." *Settlement Agreement, 2(s)*.
6. The Settlement Agreement also provides that "Supplemental joint service agreements may be negotiated from time to time between the City and County whereby City services may be provided in advance of annexation, on terms agreeable to the parties." *Settlement Agreement, 2(v)*.
7. The Mutual Aid Act allows any "state, county or municipal agency having and maintaining peace officers may enter into mutual aid agreements with any public agency as defined in the Mutual Aid Act, with respect to law enforcement, provided any such agreement shall be approved by the agency involved and the governor." NMSA 1978, § 29-8-3.



Agreement

1. City and County Law Enforcement Schedule

The City and the County agree to the following schedule of law enforcement in the Phase II:

- A. In the first year following annexation, July 1, 2013 through June 30, 2014, the County shall maintain its current level of law enforcement in Phase II.
- B. In the second year following annexation, July 1, 2014 through June 30, 2015, the City will assume law enforcement south of Airport Road in Phase II. The County will maintain responsibility for law enforcement in all other areas of Phase II.
- C. In the third year following annexation, July 1, 2015 through June 30 2016, the City will assume law enforcement south of the traditional historic village of Agua Fria in Phase II. The County will maintain responsibility for law enforcement in all other areas of Phase II.
- D. From July 1, 2016, the City shall assume and maintain law enforcement throughout Phase II.
- E. Immediately following annexation of Phase III, as described by the Phasing Agreement, the City shall assume and maintain law enforcement throughout Phase III.

2. Third Party Beneficiaries

This Agreement does not create any third party beneficiaries.

3. Appropriations

This Agreement is contingent upon sufficient appropriations and authorization being made by the parties. If sufficient appropriations are not granted, this Agreement shall terminate upon written notice.

4. Amendment

The parties may amend this Agreement by mutual written agreement.

5. New Mexico Tort Claims Act

By entering into this Agreement, neither party shall be responsible for liability incurred as a result of the other party's acts or omissions in connection with this Agreement. Neither the City nor the County waive any defense or limitation of liability under New Mexico law or the New Mexico Tort Claims Act.

6. Dispute Resolution

In the event of any dispute between the parties regarding the enforcement or interpretation of this Agreement, the parties agree to first mediate before a neutral mediator mutually agreed to and paid for equally by the parties.

7. Scope of the Agreement

This Agreement supersedes all of the agreements and understandings between the parties concerning law enforcement services following Phase II of Annexation.

8. Applicable Law.

This Agreement shall be governed by the laws of the State of New Mexico.

9. Liability.

Each party to this Agreement shall be solely liable for the defense and satisfaction of any claim, including costs and attorney's fees, against that party's officer, government, or employees and agents that arises from conduct of the officer when acting pursuant to this Agreement.

10. Insurance.

Each party agrees to provide law enforcement liability insurance (or a policy of self-insurance) with policy limits adequate to protect the party from and against any and all claims, demands, suits, defense costs, judgments, liability or consequential damages of any kind or nature, caused by any act, omission, fault, mistake or negligence of the an officer employed by the party, the party, and its employees, officials, and agents in connection with the law enforcement activities that are the subject of this Agreement, or in connection with the performance or failure to perform under the terms and conditions of this Agreement. Neither party will be obligated to insure the other party or to provide a defense or indemnity in the event of a claim, suit or demand related in any way to the activities specified in this Agreement.

11. Signatures.

This Agreement shall be effective as of the date of the final signature.

For the City:

David Coss

David Coss, Mayor
City of Santa Fe

6-10-13

Date

Attest:

Yolanda Y. Vigil

Yolanda Y. Vigil, City Clerk

CCMtg 5-8-13

6-10-13

Date

Approved as to Form:

Geno Zamora

Geno Zamora, City Attorney

6/6/13

Date

Marcos Tapia

Marcos Tapia, Finance Director

6/7/13

Date

For the County:

Kathleen S. Holian
Kathleen S. Holian, Chair, Board of
County Commissioners

5-20-13
Date

Approved as to Form:

Stephen C. Ross
Stephen C. Ross, Santa Fe County Attorney

5-14-13
Date

Attest:

Geraldine Salazar
Geraldine Salazar, Santa Fe County Clerk

5/21/13
Date

Teresa Martinez
Teresa Martinez, County Finance Director

5/19/13
Date

APPROVED AS TO FORM:

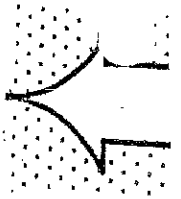
Stephen C. Ross
Stephen C. Ross
Santa Fe County Attorney

5-14-13
Date

For the Governor:

Governor of the State of New Mexico

Date



APPROVED AS TO FORM:

General Counsel

Date

