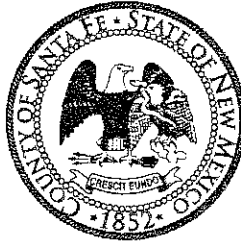


Henry P. Roybal
Commissioner, District 1

Anna Hansen
Commissioner, District 2

Robert A. Anaya
Commissioner, District 3



Anna T. Hamilton
Commissioner, District 4

Ed Moreno
Commissioner, District 5

Katherine Miller
County Manager

To: Santa Fe County Board of County Commissioners

Through: Katherine Miller, County Manager
Patricia Boies, Health Services Division Director, Community Services Department

From: Kyra Ochoa, Program Manager, Health Care Assistance Program

Date: April 10, 2018

Re: Approval of County Health Care Assistance Claims in the Amount of \$4,321.53
(Community Services Department/Kyra Ochoa)

ISSUE:

Approval of County Health Care Assistance claims in the amount of \$4,321.53.

BACKGROUND:

The BCC has approved funding for the County Health Care Assistance Program, to fund community-based providers. The Health Care Assistance Program has processed claims this month in the amount of \$4,321.53 as indicated on the Amount Paid to Vendors document. For this amount, 23 residents were served by partnering clinics and providers.

RECOMMENDATION:

We recommend the approval of County Health Care Assistance claims in the amount of \$4,321.53.

Amount Paid to Vendors
Indigent Healthcare Solutions
Batch Dates 04/24/18-04/24/18

Vendor #	Name	# Invoices	Payable
23835	Casa Milagro	12	2,250.00
5855	El Centro Family Health	1	44.78
722	La Familia Medical Center	1	80.79
142	Santa Fe Recovery Center	3	1,537.82
16159	Southwest Care Center	9	408.14
Grand Total:		26	4,321.53

Santa Fe County Health Care Assistance Fund Community-Based Providers
Fiscal Year 2018

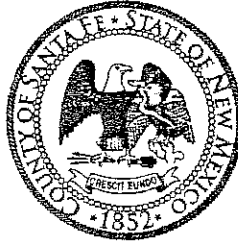
24-Apr-18

Provider Name	FY 18 Projected Funding	Claims Approved Through March 27, 2018	Claims Presented April 24, 2018	Remaining Balance	% Remaining
Primary Care					
El Centro Family Health	1,000.00	143.06	44.78	812.16	81%
La Familia Medical Center	2,500.00	1,852.24	80.79	566.97	23%
Pecos Valley Medical Center	1,500.00			1,500.00	100%
Presbyterian Healthcare Services	3,000.00	1,793.00		1,207.00	40%
SW Care/Women's Health Services	25,000.00	8,257.99	408.14	16,333.87	65%
Total Primary Care	33,000.00	12,046.29	533.71	20,420.00	62%
Substance Abuse					
Interfaith Leap-Sangre de Cristo House	25,000.00	11,250.00		13,750.00	55%
Santa Fe Recovery Center	330,000.00	271,781.37	1,537.82	56,680.81	17%
Total Substance Abuse	355,000.00	283,031.37	1,537.82	70,430.81	20%
Mental Health					
Casa Milagro	20,000.00	14,437.50	2,250.00	3,312.50	17%
Total Mental Health	20,000.00	14,437.50	2,250.00	3,312.50	17%
Ambulance					
City of Santa Fe Fire	13,500.00	3,445.83		10,054.17	74%
County Fire	1,500.00			1,500.00	100%
Total Ambulance	15,000.00	3,445.83	-	11,554.17	77%
Contingency	27,476.00			27,476.00	100%
Total Health Care Assistance	450,476.00	312,960.99	4,321.53	133,193.48	30%
Cremations (Under Separate Cover)	30,000.00	18,000.00	3,600.00	8,400.00	28%
Grand Total	480,476.00	330,960.99	7,921.53	141,593.48	29%

Henry P. Roybal
Commissioner, District 1

Anna Hansen
Commissioner, District 2

Robert A. Anaya
Commissioner, District 3



Anna T. Hamilton
Commissioner, District 4

Ed Moreno
Commissioner, District 5

Katherine Miller
County Manager

MEMORANDUM

Date: April 11, 2018

To: Board of County Commissioners

From: Bill Taylor, Chief Procurement Officer

Via: Katherine Miller, County Manager
Stephanie Schardin Clarke, Finance Director

ITEM AND ISSUE – BCC MEETING APRIL 24, 2018

Requesting Approval of Amendment to Agreement Between Santa Fe County and REDW, LLC, Contract 2016-0265-FI/RM, for Financial and Compliance Audit Services for Fiscal Year 2018 For Third Year and Increasing the Total Compensation of the Contract to \$270,645 Inclusive of Gross Receipts Tax, and Authorizing the County Manager to Execute the Purchase Order (Bill Taylor, Purchasing Division, Stephanie Schardin Clarke, Finance Division)

ISSUE:

The Santa Fe County Finance Division requests authorization to award the third year of a multiple year Professional Services Agreement in response to RFP #2016-0265-FI/RM for Financial and Compliance Audit Services for Santa Fe County. The Contractor shall conduct a financial and compliance audit of Santa Fe County for the period from July 1, 2017 through June 30, 2018. The total amount payable to the Contractor these services shall not exceed \$92,880 inclusive of GRT.

BACKGROUND:

The New Mexico State Auditor's Office (SAO) requires Santa Fe County to select an independent public auditor to perform its financial and compliance audit and to submit the County's selection for (SAO) review. SAO has reviewed the County's selection and the County has received approval from the SAO to enter into the third year of the contract.

RECOMMENDATION:

The Finance Division requests authorization to enter into the third year of the Professional Services Agreement with REDW, LLC, as approved by the SAO to provide Financial and Compliance Auditing Services for Fiscal Year 2018 for Santa Fe County in the amount not to exceed \$92,880, inclusive of Gross Receipts Tax and authorizing the County Manager to sign the purchase order.

STATE OF NEW MEXICO AUDIT CONTRACT

Santa Fe County

hereinafter referred to as the "Agency," and

REDW, LLC

hereinafter referred to as the "Contractor," agree:

As required by the Audit Rule, NMAC Section 2.2.2.1 et seq., Contractor agrees to, and shall, inform the Agency of any restriction placed on Contractor by the Office of the State Auditor pursuant to NMAC Section 2.2.2.8, and whether the Contractor is eligible to enter into this Contract despite the restriction.

1. SCOPE OF WORK (Include in Paragraph 25 any expansion of scope)

- A. The Contractor shall conduct a financial and compliance audit of the Agency for Fiscal Year 2018 in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, *Uniform Administrative Requirements*, *Cost Principles*, and *Audit Requirements for Federal Awards*, the Audit Act and the Audit Rule (NMAC Section 2.2.2.1 et seq.).

2. DELIVERY AND REPRODUCTION

- A. In order to meet the delivery terms of this Contract, the Contractor shall deliver the following documents to the State Auditor on or before the deadline set forth for the Agency in NMAC Section 2.2.2.9:
1. an organized, bound and paginated hard copy of the Agency's audit report for review;
 2. a copy of the signed management representation letter provided to the IPA by the Agency as required by AU-C580; and
 3. a copy of the completed State Auditor Report Review Guide available at www.osanm.org;
- B. Reports postmarked by the Agency's due date will be considered received by the due date for purposes of NMAC Section 2.2.2.9. Unfinished or excessively deficient reports will not satisfy this requirement; such reports will be rejected and returned to the Contractor and the State Auditor may take action in accordance with NMAC Section 2.2.2.13. If the State Auditor does not receive copies of the management representation letter and the completed Report Review Guide with the audit report or prior to submittal of the audit report, the State Auditor will not consider the report submitted to the State Auditor.
- C. As soon as the Contractor becomes aware that circumstances exist that will make the Agency's audit report late, the Contractor shall immediately provide written notification of the situation to the State Auditor. The notification shall include an explanation regarding why the audit report will be late, when the IPA expects to submit the report and a concurring signature by the Agency.
- D. Pursuant to NMAC Section 2.2.2.10, the Contractor shall prepare a written and dated engagement letter that identifies the specific responsibilities of the Contractor and the Agency.
- E. After its review of the audit report pursuant to NMAC Section 2.2.2.13, the State Auditor shall authorize the Contractor to print and submit the final audit report. Within five business days after the date of the authorization to print and submit the final audit report, the Contractor shall provide the State Auditor an electronic version of the audit report, in PDF format, and the electronic copy of the Excel version of the Summary of Findings Form, Vendor Schedule, Fund Balances, and any GASB 77 data (if applicable). After the State Auditor officially releases the audit report by issuance of a release letter, the Contractor shall deliver 25 copies of the audit report to the Agency. The Agency or Contractor shall ensure that every member of the Agency's governing authority shall receive a copy of the report.

- F. The Agency, upon delivery of its audit report, shall submit to the Federal Audit Clearinghouse (FAC) the completed dated collection form and the reporting package described in Section 200.512 of Uniform Guidance for Federal Awards. The submission is required to be made within 30 calendar days of receipt of the auditor's report, or nine months after the end of the audit period.

3. COMPENSATION

- A. The total amount payable by the Agency to the Contractor under this Contract shall not exceed \$92,880.00 including applicable gross receipts tax.
- B. Contractor agrees not to, and shall not, perform any services in furtherance of this Contract prior to approval by the State Auditor. Contractor acknowledges and agrees that it will not be entitled to payment or compensation for any services performed by Contractor pursuant to this Contract prior to approval by the State Auditor.
- C. Total Compensation will consist of the following:

SERVICES	AMOUNTS
(1) Financial statement audit	<u>\$71,000.00</u>
(2) Federal single audit	<u>\$13,100.00</u>
(3) Financial statement preparation	<u>\$0.00</u>
(4) Other nonaudit services, such as depreciation schedule updates	<u>\$0.00</u>
(5) Other (i.e., component units, specifically identified)	<u>\$2,300.00</u>

Gross Receipts Tax = \$6,480.00

Total Compensation = \$92,880.00 including applicable gross receipts tax

- D. The Agency shall pay the Contractor the New Mexico gross receipts tax levied on the amounts payable under this Contract and invoiced by the Contractor. Payment is subject to availability of funds pursuant to the Appropriations Paragraph set forth below.
- E. The State Auditor may authorize progress payments to the Contractor by the Agency; provided that the authorization is based upon evidence of the percentage of audit work completed as of the date of the request for partial payment. Progress payments up to 70% do not require State Auditor approval, provided that the Agency certifies receipt of services. The Agency must monitor audit progress and make progress payments only up to the percentage that the audit is completed prior to making such payment. Progress payments of 70% or more but less than or equal to 90% require State Auditor approval after being approved by the Agency. If requested by the State Auditor, the Agency shall provide a copy of the approved progress billings. The State Auditor may allow only the first 50% of progress payments to be made without State Auditor approval if the Contractor's previous audits were submitted after the due date. Final payment for services rendered by the Contractor shall not be made until a determination and written finding is made by the State Auditor in the release letter that the audit has been made in a competent manner in accordance with the provisions of this Contract and applicable rules of the State Auditor.
4. TERM. Unless terminated pursuant to Paragraphs 5 or 19, this Contract shall terminate one calendar year after the latest date on which it is signed.

5. TERMINATION, BREACH AND REMEDIES

- A. This Contract may be terminated:
1. By either party without cause, upon written notice delivered to the other party and the State Auditor at least ten (10) days prior to the intended date of termination.
 2. By either party, immediately upon written notice delivered to the other party and the State Auditor, if a material breach of any of the terms of this Contract occurs. Unjustified failure to deliver the report in accordance with Paragraph 2 shall constitute a material breach of this Contract.
 3. By the Agency pursuant to Paragraph 19, immediately upon written notice to the Contractor and the State Auditor.
 4. By the State Auditor, immediately upon written notice to the Contractor and the Agency after determining that the audit has been unduly delayed, or for any other reason.
- B. By termination, neither party may nullify obligations already incurred for performance or failure to perform prior to the date of termination. If the Agency or the State Auditor terminates this Contract, the Contractor shall be entitled to compensation for work performed prior to termination in the amount of earned, but not yet paid, progress payments, if any, that the State Auditor has authorized to the extent required by Paragraph 3(E). If the Contractor terminates this Contract for any reason other than Agency's breach of this

Contract, the Contractor shall repay to the Agency the full amount of any progress payments for work performed under the terms of this Contract.

C. Pursuant to NMAC Section 2.2.2.8, the State Auditor may disqualify the Contractor from eligibility to contract for audit services with the State of New Mexico if the Contractor knowingly makes false statements, false assurances or false disclosures under this Contract. The State Auditor on behalf of the Agency or the Agency may bring a civil action for damages or any other relief against a Contractor for a material breach of this Contract.

D. THE REMEDIES HEREIN ARE NOT EXCLUSIVE AND NOTHING IN THIS SECTION 5 WAIVES OTHER LEGAL RIGHTS AND REMEDIES OF THE PARTIES.

6. STATUS OF CONTRACTOR

The Contractor and its agents and employees are independent contractors performing professional services for the Agency and are not employees of the Agency. The Contractor and its agents and employees shall not accrue leave, retirement, insurance, bonding, use of state vehicles or any other benefits afforded to employees of the Agency as a result of this Contract. The Contractor agrees not to purport to bind the State of New Mexico to any obligation not assumed under this Contract unless the Contractor has express written authority to do so, and then only within the strict limits of that authority.

7. ASSIGNMENT

The Contractor shall not assign or transfer any interest in this Contract or assign any claims for money due or to become due under this Contract.

8. SUBCONTRACTING

The Contractor shall not subcontract any portion of the services to be performed under this Contract without the prior written approval of the Agency and the State Auditor. An agreement between the Contractor and a subcontractor to subcontract any portion of the services under this Contract shall be completed on a form prescribed by the State Auditor. The agreement shall be an amendment to this Contract and shall specify the portion of the audit services to be performed by the subcontractor, how the responsibility for the audit will be shared between the Contractor and the subcontractor, the party responsible for signing the audit report and the method by which the subcontractor will be paid. Pursuant to NMAC Section 2.2.2.8, the Contractor may subcontract only with independent public accounting firms that are on the State Auditor's List of Approved Firms, and that are not otherwise restricted by the Office from entering into such a contract.

9. RECORDS

The Contractor shall maintain detailed time records that indicate the date, time, and nature of services rendered during the term of this Contract. The Contractor shall retain the records for a period of at least five (5) years after the date of final payment under this contract. The records shall be subject to inspection by the Agency and the State Auditor. The Agency and the State Auditor shall have the right to audit billings both before and after payment. Payment under this Contract shall not foreclose the right of the Agency or the State Auditor on behalf of the Agency to recover excessive or illegal payments.

10. RELEASE

The Contractor, upon receiving final payment of the amounts due under the Contract, releases the State Auditor, the Agency, their respective officers and employees and the State of New Mexico from all liabilities, claims and obligations whatsoever arising from or under this Contract. This paragraph does not release the Contractor from any liabilities, claims or obligations whatsoever arising from or under this Contract.

11. CONFIDENTIALITY

All information provided to or developed by the Contractor from any source whatsoever in the performance of this Contract shall be kept confidential and shall not be made available to any individual or organization by the Contractor, except in accordance with this Contract or applicable standards, without the prior written approval of the Agency and the State Auditor.

12. PRODUCT OF SERVICES: COPYRIGHT AND REPORT USE

Nothing developed or produced, in whole or in part, by the Contractor under this Contract shall be the subject of an application for copyright by or on behalf of the Contractor. The Agency and the State Auditor may post an audited financial statement on their respective websites once it is publicly released by the State Auditor. For District Courts and District Attorneys only, the contractor agrees that the Financial Control Division of the Department of Finance and Administration (DFA) is free to use the audited financial statements in the statewide Comprehensive Annual Financial Report (CAFR) and that the Contractor's audit report may be relied upon during the audit of the statewide CAFR, if applicable. However, DFA should not provide to any third party, other than the CAFR auditor, the District Courts' or District Attorneys' draft audit reports or their opinion letters or findings.

13. CONFLICT OF INTEREST

The Contractor represents and warrants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under this Contract. Each of the Contractor and the Agency certifies that it has followed the requirements of the Governmental Conduct Act, Section 10-16-1, et seq., NMSA 1978, regarding contracting with a public officer, state employee or former state employee, as required by the applicable professional standards.

14. INDEPENDENCE

The Contractor represents and warrants its personal, external and organizational independence from the Agency in accordance with the *Government Auditing Standards 2011 Revision*, issued by the Comptroller General of the United States, and NMAC Section 2.2.2.8. The Contractor shall immediately notify the State Auditor and the Agency in writing if any impairment to the Contractor's independence occurs or may occur during the period of this Contract.

15. AMENDMENT

This Contract shall not be altered, changed or amended except by prior written agreement of the parties and with the prior written approval of the State Auditor. Any amendments to this Contract shall comply with the Procurement Code, Sections 13-1-28 through 13-1-199, NMSA 1978.

16. MERGER

This Contract supersedes all of the agreements, covenants, and understandings between the parties hereto concerning the subject matter hereof. No prior agreement or understanding, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Contract. Contractor and Agency shall enter into and execute an engagement letter pursuant to NMAC Section 2.2.2.10, consistent with Generally Accepted Auditing Standards (GAAS) and Government Auditing Standards (GAGAS). The engagement letter and any associated documentation included with or referenced in the engagement letter shall not be interpreted to amend this Contract. Conflicts between the engagement letter and this Contract are governed by this Contract, and shall be resolved accordingly.

17. APPLICABLE LAW

The laws of the State of New Mexico shall govern this Contract. By execution of this Contract, Contractor irrevocably consents to the exclusive personal jurisdiction of the courts of the State of New Mexico over any and all lawsuits arising from or related to this Contract.

18. AGENCY BOOKS AND RECORDS

The Agency is responsible for maintaining control of all books and records at all times and the Contractor shall not remove any books and records from the Agency's possession for any reason.

19. APPROPRIATIONS

The terms of this Contract are contingent upon sufficient appropriations and authorization being made by the legislature or the Agency's governing body for the performance of this Contract. If sufficient appropriations and authorization are not made by the legislature or the Agency's governing body, this Contract shall terminate upon written notice being given by the Agency to the Contractor. The Agency's decision as to whether sufficient appropriations are available shall be accepted by the Contractor and shall be final. This section of the Contract does not supersede the Agency's requirement to have an annual audit pursuant to Section 12-6-3(A) NMSA 1978.

20. PENALTIES FOR VIOLATION OF LAW

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

21. EQUAL OPPORTUNITY COMPLIANCE

The Contractor shall abide by all federal and state laws, rules and regulations, and executive orders of the Governor of the State of New Mexico pertaining to equal employment opportunity. In accordance with all such laws, rules, regulations and orders, the Contractor assures that no person in the United States shall, on the grounds of race, age, religion, color, national origin, ancestry, sex, physical or mental handicap or serious medical condition, spousal affiliation, sexual orientation or gender identity be excluded from employment with or participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity performed under this Contract. If the Contractor is found not to be in compliance with these requirements during the life of this Contract, the Contractor shall take appropriate steps to correct these deficiencies.

22. WORKING PAPERS

- A. The Contractor shall retain its working papers of the Agency's audit conducted pursuant to this Contract for a period of at least five (5) years after the date shown on the opinion letter of the audit report, or longer if requested by the federal cognizant agency for audit, oversight agency for audit, pass through-entity or the State Auditor. The State Auditor shall have access to the working papers at the

State Auditor's discretion. When requested by the State Auditor, the Contractor shall deliver the original or clear, legible copies of all working papers to the requesting entity.

- B. The Contractor should follow the guidance of AU-C 210 A.27 to A.31 and AU-C 510 .A3 to .A11 in communications with the predecessor auditor and to obtain information from the predecessor auditor's audit documentation.

23. DESIGNATED ON-SITE STAFF

The Contractor's on-site individual auditor responsible for supervision of work and completion of the audit is Rufino Rodriguez. The Contractor shall notify the Agency and the State Auditor in writing of any changes in staff assigned to perform the audit.

24. INVALID TERM OR CONDITION

If any term or condition of this Contract shall be held invalid or unenforceable, the remainder of this Contract shall not be affected.

25. OTHER PROVISIONS

None

SIGNATURE PAGE

This Contract is made effective as of the date of the latest signature.

AGENCY

Santa Fe County

CONTRACTOR

REDW. LLC

PRINTED
NAME: _____

SIGNATURE: _____

TITLE: _____

DATE: _____

PRINTED
NAME: _____

SIGNATURE: _____

TITLE: _____

DATE: _____

State Auditor Contract No. 18 - 5026

STATE OF NEW MEXICO AUDIT CONTRACT

Santa Fe County

hereinafter referred to as the "Agency," and

REDW, LLC

hereinafter referred to as the "Contractor," agree:

As required by the Audit Rule, NMAC Section 2.2.2.1 et seq., Contractor agrees to, and shall, inform the Agency of any restriction placed on Contractor by the Office of the State Auditor pursuant to NMAC Section 2.2.2.8, and whether the Contractor is eligible to enter into this Contract despite the restriction.

1. **SCOPE OF WORK** (Include in Paragraph 25 any expansion of scope)

- A. The Contractor shall conduct a financial and compliance audit of the Agency for Fiscal Year 2017 in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, the Audit Act and the Audit Rule (NMAC Section 2.2.2.1 et seq.).

2. **DELIVERY AND REPRODUCTION**

- A. In order to meet the delivery terms of this Contract, the Contractor shall deliver the following documents to the State Auditor on or before the deadline set forth for the Agency in NMAC Section 2.2.2.9:
1. an organized, bound and paginated hard copy of the Agency's audit report for review;
 2. a copy of the signed management representation letter provided to the IPA by the Agency as required by AU-CS80; and
 3. a copy of the completed State Auditor Report Review Guide available at www.osanm.org;
- B. Reports postmarked by the Agency's due date will be considered received by the due date for purposes of NMAC Section 2.2.2.9. Unfinished or excessively deficient reports will not satisfy this requirement; such reports will be rejected and returned to the Contractor and the State Auditor may take action in accordance with NMAC Section 2.2.2.13. If the State Auditor does not receive copies of the management representation letter and the completed Report Review Guide with the audit report or prior to submittal of the audit report, the State Auditor will not consider the report submitted to the State Auditor.
- C. As soon as the Contractor becomes aware that circumstances exist that will make the Agency's audit report late, the Contractor shall immediately provide written notification of the situation to the State Auditor. The notification shall include an explanation regarding why the audit report will be late, when the IPA expects to submit the report and a concurring signature by the Agency.
- D. Pursuant to NMAC Section 2.2.2.10, the Contractor shall prepare a written and dated engagement letter that identifies the specific responsibilities of the Contractor and the Agency.
- E. After its review of the audit report pursuant to NMAC Section 2.2.2.13, the State Auditor shall authorize the Contractor to print and submit the final audit report. Within five business days after the date of the authorization to print and submit the final audit report, the Contractor shall provide the State Auditor an electronic version of the audit report, in PDF format, and the electronic copy of the Excel version of the Summary of Findings Form, Vendor Schedule, Fund Balances, and any GASB 77 data (if applicable). After the State Auditor officially releases the audit report by issuance of a release letter, the Contractor shall deliver 25 copies of the audit report to the Agency. The Agency or Contractor shall ensure that every member of the Agency's governing authority shall receive a copy of the report.

F. The Agency, upon delivery of its audit report, shall submit to the Federal Audit Clearinghouse (FAC) the completed dated collection form and the reporting package described in Section 200.512 of Uniform Guidance for Federal Awards. The submission is required to be made within 30 calendar days of receipt of the auditor's report, or nine months after the end of the audit period.

3. COMPENSATION

- A. The total amount payable by the Agency to the Contractor under this Contract shall not exceed ~~\$84,000.00~~ plus applicable gross receipts tax.
- B. Contractor agrees not to, and shall not, perform any services in furtherance of this Contract prior to approval by the State Auditor. Contractor acknowledges and agrees that it will not be entitled to payment or compensation for any services performed by Contractor pursuant to this Contract prior to approval by the State Auditor.
- C. Total Compensation will consist of the following:

SERVICES	AMOUNTS
(1) Financial statement audit	\$69,000.00
(2) Federal single audit	\$12,800.00
(3) Financial statement preparation	\$0.00
(4) Other nonaudit services, such as depreciation schedule updates	\$0.00
(5) Other (i.e., component units, specifically identified)	\$2,200.00

Total Compensation = ~~\$84,000.00~~ plus applicable gross receipts tax

- D. The Agency shall pay the Contractor the New Mexico gross receipts tax levied on the amounts payable under this Contract and invoiced by the Contractor. Payment is subject to availability of funds pursuant to the Appropriations Paragraph set forth below.
- E. The State Auditor may authorize progress payments to the Contractor by the Agency; provided that the authorization is based upon evidence of the percentage of audit work completed as of the date of the request for partial payment. Progress payments up to 70% do not require State Auditor approval, provided that the Agency certifies receipt of services. The Agency must monitor audit progress and make progress payments only up to the percentage that the audit is completed prior to making such payment. Progress payments of 70% or more but less than or equal to 90% require State Auditor approval after being approved by the Agency. If requested by the State Auditor, the Agency shall provide a copy of the approved progress billings. The State Auditor may allow only the first 50% of progress payments to be made without State Auditor approval if the Contractor's previous audits were submitted after the due date. Final payment for services rendered by the Contractor shall not be made until a determination and written finding is made by the State Auditor in the release letter that the audit has been made in a competent manner in accordance with the provisions of this Contract and applicable rules of the State Auditor.
4. TERM. Unless terminated pursuant to Paragraphs 5 or 19, this Contract shall terminate one calendar year after the latest date on which it is signed.

5. TERMINATION, BREACH AND REMEDIES

- A. This Contract may be terminated:
1. By either party without cause, upon written notice delivered to the other party and the State Auditor at least ten (10) days prior to the intended date of termination.
 2. By either party, immediately upon written notice delivered to the other party and the State Auditor, if a material breach of any of the terms of this Contract occurs. Unjustified failure to deliver the report in accordance with Paragraph 2 shall constitute a material breach of this Contract.
 3. By the Agency pursuant to Paragraph 19, immediately upon written notice to the Contractor and the State Auditor.
 4. By the State Auditor, immediately upon written notice to the Contractor and the Agency after determining that the audit has been unduly delayed, or for any other reason.
- B. By termination, neither party may nullify obligations already incurred for performance or failure to perform prior to the date of termination. If the Agency or the State Auditor terminates this Contract, the Contractor shall be entitled to compensation for work performed prior to termination in the amount of earned, but not yet paid, progress payments, if any, that the State Auditor has authorized to the extent required by Paragraph 3(E). If the Contractor terminates this Contract for any reason other than Agency's breach of this Contract, the Contractor shall repay to the Agency the full amount of any progress payments for work performed under the terms of this

Contract.

- C. Pursuant to NMAC Section 2.2.2.8, the State Auditor may disqualify the Contractor from eligibility to contract for audit services with the State of New Mexico if the Contractor knowingly makes false statements, false assurances or false disclosures under this Contract. The State Auditor on behalf of the Agency or the Agency may bring a civil action for damages or any other relief against a Contractor for a material breach of this Contract.

D. THE REMEDIES HEREIN ARE NOT EXCLUSIVE, AND NOTHING IN THIS SECTION 5 WAIVES OTHER LEGAL RIGHTS AND REMEDIES OF THE PARTIES.

6. STATUS OF CONTRACTOR

The Contractor and its agents and employees are independent contractors performing professional services for the Agency and are not employees of the Agency. The Contractor and its agents and employees shall not accrue leave, retirement, insurance, bonding, use of state vehicles or any other benefits afforded to employees of the Agency as a result of this Contract. The Contractor agrees not to purport to bind the State of New Mexico to any obligation not assumed under this Contract unless the Contractor has express written authority to do so, and then only within the strict limits of that authority.

7. ASSIGNMENT

The Contractor shall not assign or transfer any interest in this Contract or assign any claims for money due or to become due under this Contract.

8. SUBCONTRACTING

The Contractor shall not subcontract any portion of the services to be performed under this Contract without the prior written approval of the Agency and the State Auditor. An agreement between the Contractor and a subcontractor to subcontract any portion of the services under this Contract shall be completed on a form prescribed by the State Auditor. The agreement shall be an amendment to this Contract and shall specify the portion of the audit services to be performed by the subcontractor, how the responsibility for the audit will be shared between the Contractor and the subcontractor, the party responsible for signing the audit report and the method by which the subcontractor will be paid. Pursuant to NMAC Section 2.2.2.8, the Contractor may subcontract only with independent public accounting firms that are on the State Auditor's List of Approved Firms, and that are not otherwise restricted by the Office from entering into such a contract.

9. RECORDS

The Contractor shall maintain detailed time records that indicate the date, time, and nature of services rendered during the term of this Contract. The Contractor shall retain the records for a period of at least five (5) years after the date of final payment under this contract. The records shall be subject to inspection by the Agency and the State Auditor. The Agency and the State Auditor shall have the right to audit billings both before and after payment. Payment under this Contract shall not foreclose the right of the Agency or the State Auditor on behalf of the Agency to recover excessive or illegal payments.

10. RELEASE

The Contractor, upon receiving final payment of the amounts due under the Contract, releases the State Auditor, the Agency, their respective officers and employees and the State of New Mexico from all liabilities, claims and obligations whatsoever arising from or under this Contract. This paragraph does not release the Contractor from any liabilities, claims or obligations whatsoever arising from or under this Contract.

11. CONFIDENTIALITY

All information provided to or developed by the Contractor from any source whatsoever in the performance of this Contract shall be kept confidential and shall not be made available to any individual or organization by the Contractor, except in accordance with this Contract or applicable standards, without the prior written approval of the Agency and the State Auditor.

12. PRODUCT OF SERVICES; COPYRIGHT AND REPORT USE

Nothing developed or produced, in whole or in part, by the Contractor under this Contract shall be the subject of an application for copyright by or on behalf of the Contractor. The Agency and the State Auditor may post an audited financial statement on their respective websites once it is publicly released by the State Auditor. For District Courts and District Attorneys only, the contractor agrees that the Financial Control Division of the Department of Finance and Administration (DFA) is free to use the audited financial statements in the statewide Comprehensive Annual Financial Report (CAFR) and that the Contractor's audit report may be relied upon during the audit of the statewide CAFR, if applicable. However, DFA should not provide to any third party, other than the CAFR auditor, the District Courts' or District Attorneys' draft audit reports or their opinion letters or findings.

13. CONFLICT OF INTEREST

The Contractor represents and warrants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under this Contract. Each of the Contractor and the Agency certifies that it has followed the requirements of the Governmental Conduct Act, Section 10-16-1, et seq., NMSA 1978, regarding contracting with a public officer, state employee or former state employee, as required by the applicable professional standards.

14. INDEPENDENCE

The Contractor represents and warrants its personal, external and organizational independence from the Agency in accordance with the *Government Auditing Standards 2011 Revision*, issued by the Comptroller General of the United States, and NMAC Section 2.2.2.8. The Contractor shall immediately notify the State Auditor and the Agency in writing if any impairment to the Contractor's independence occurs or may occur during the period of this Contract.

15. AMENDMENT

This Contract shall not be altered, changed or amended except by prior written agreement of the parties and with the prior written approval of the State Auditor. Any amendments to this Contract shall comply with the Procurement Code, Sections 13-1-28 through 13-1-199, NMSA 1978.

16. MERGER

This Contract supersedes all of the agreements, covenants, and understandings between the parties hereto concerning the subject matter hereof. No prior agreement or understanding, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Contract. Contractor and Agency shall enter into and execute an engagement letter pursuant to NMAC Section 2.2.2.10, consistent with Generally Accepted Auditing Standards (GAAS) and Government Auditing Standards (GAGAS). The engagement letter and any associated documentation included with or referenced in the engagement letter shall not be interpreted to amend this Contract. Conflicts between the engagement letter and this Contract are governed by this Contract, and shall be resolved accordingly.

17. APPLICABLE LAW

The laws of the State of New Mexico shall govern this Contract. By execution of this Contract, Contractor irrevocably consents to the exclusive personal jurisdiction of the courts of the State of New Mexico over any and all lawsuits arising from or related to this Contract.

18. AGENCY BOOKS AND RECORDS

The Agency is responsible for maintaining control of all books and records at all times and the Contractor shall not remove any books and records from the Agency's possession for any reason.

19. APPROPRIATIONS

The terms of this Contract are contingent upon sufficient appropriations and authorization being made by the legislature or the Agency's governing body for the performance of this Contract. If sufficient appropriations and authorization are not made by the legislature or the Agency's governing body, this Contract shall terminate upon written notice being given by the Agency to the Contractor. The Agency's decision as to whether sufficient appropriations are available shall be accepted by the Contractor and shall be final. This section of the Contract does not supersede the Agency's requirement to have an annual audit pursuant to Section 12-6-3(A) NMSA 1978.

20. PENALTIES FOR VIOLATION OF LAW

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

21. EQUAL OPPORTUNITY COMPLIANCE

The Contractor shall abide by all federal and state laws, rules and regulations, and executive orders of the Governor of the State of New Mexico pertaining to equal employment opportunity. In accordance with all such laws, rules, regulations and orders, the Contractor assures that no person in the United States shall, on the grounds of race, age, religion, color, national origin, ancestry, sex, physical or mental handicap or serious medical condition, spousal affiliation, sexual orientation or gender identity be excluded from employment with or participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity performed under this Contract. If the Contractor is found not to be in compliance with these requirements during the life of this Contract, the Contractor shall take appropriate steps to correct these deficiencies.

22. WORKING PAPERS

- A. The Contractor shall retain its working papers of the Agency's audit conducted pursuant to this Contract for a period of at least five (5) years after the date shown on the opinion letter of the audit report, or longer if requested by the federal cognizant agency for audit, oversight agency for audit, pass through-entity or the State Auditor. The State Auditor shall have access to the working papers at the

State Auditor's discretion. When requested by the State Auditor, the Contractor shall deliver the original or clear, legible copies of all working papers to the requesting entity.

B. The Contractor should follow the guidance of AU-C 210 A.27 to A.31 and AU-C 510 .A3 to .A11 in communications with the predecessor auditor and to obtain information from the predecessor auditor's audit documentation.

23. DESIGNATED ON-SITE STAFF

The Contractor's on-site individual auditor responsible for supervision of work and completion of the audit is Rufino Rodriguez. The Contractor shall notify the Agency and the State Auditor in writing of any changes in staff assigned to perform the audit.

24. INVALID TERM OR CONDITION

If any term or condition of this Contract shall be held invalid or unenforceable, the remainder of this Contract shall not be affected.

25. OTHER PROVISIONS

SIGNATURE PAGE

This Contract is made effective as of the date of the latest signature.

AGENCY

Santa Fe County

CONTRACTOR

REDW.LLC

PRINTED
NAME:

Katherine Miller

PRINTED
NAME:

Joshua Trujillo

SIGNATURE:

Katherine Miller

SIGNATURE:

Joshua Trujillo

TITLE:

County Manager

TITLE:

Principal

DATE:

5-26-17

DATE:

6/5/17

Approved as to form
Santa Fe County Attorney

By: Shirley J. [Signature]

Date: 5-25-17

Reviewed and Approved
for SIGNATURE
Don Moya [Signature] Date 5-25-17

STATE OF NEW MEXICO
AUDIT CONTRACT

(Counties)

Santa Fe County

hereinafter referred to as the "Agency," and

REDW, LLC

hereinafter referred to as the "Contractor," agree:

As required by the Audit Rule, NMAC Section 2.2.2.1 et seq., Contractor agrees to, and shall, inform the Agency of any restriction placed on Contractor by the Office of the State Auditor pursuant to NMAC Section 2.2.2.3, and whether the Contractor is eligible to enter into this Contract despite the restriction.

I. SCOPE OF WORK (Include in Paragraph 25 any expansion of scope)

A. The Contractor shall conduct a financial and compliance audit of the following applicable statements and schedules of the Agency for Fiscal Year 2016:

1. Basic Financial Statements consisting of the government-wide financial statements, fund financial statements, budgetary comparison statements for the general fund and major special revenue funds (GASB 34, footnote 33), and the notes to the financial statements;
2. Required supplemental information (RSI), if applicable, consisting of budgetary comparison schedules for the general fund and major special revenue fund data presented on a fund, organization, or program structure basis because the budgetary information is not available on the GAAP fund structure basis for those funds (*GASB Statement No. 41, Budgetary Comparison Schedules- Perspective Differences an amendment of GASB Statement No. 34*) must be audited and included in the auditor's opinion (AAG-SLV 15.63);
3. Supplemental Information (SI) that must be audited and included in the auditor's opinion (AAG-SLV 15.63), if applicable, consisting of:
 - a. Component unit fund financial statements and related combining statements (if there are no separately issued financial statements on the component unit per AAG-SLV 3.22);
 - b. Combining financial statements;
 - c. Individual fund budget comparison statements for remaining funds that have an adopted budget, including proprietary funds, that did not appear as basic financial statement budget comparisons for the general fund, major special revenue funds or as RSI as described above; and
 - d. Remaining supplemental information on schedules as required by NMAC Section 2.2.2.10.A(2)(f).

B. The contractor shall apply certain limited procedures to the following required supplemental information (RSI), if applicable, and report deficiencies in or the omission of required information in accordance with the requirements of AU-C 730.05 to 730.09:

1. The Management Discussion and Analysis (MD&A);

2. RSI data required by Statements 25, 27, 43, 45, 67 and 78 regarding pension plans and post-employment healthcare plans administered by defined benefit pension plans; and
 3. Schedules derived from asset management systems (CASB 34, paragraphs 132 to 133).
- C. The audit shall be conducted in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and *Requirements for Contracting and Conducting Governmental Audits* (NMAC Section 2.2.2.1, et seq.).

2. DELIVERY AND REPRODUCTION

- A. In order to meet the delivery terms of this Contract, the Contractor shall deliver the following documents to the State Auditor on or before November 1, 2016 and in accordance with NMAC Section 2.2.2.9:
1. an organized, bound and paginated hard copy of the Agency's audit report for review;
 2. a copy of the signed management representation letter provided to the IPA by the Agency as required by AU-C580; and
 3. a copy of the completed State Auditor Report Review Guide available at www.osaam.org;
- B. Reports postmarked by the Agency's due date will be considered received by the due date for purposes of NMAC Section 2.2.2.9. Unfinished or excessively deficient reports will not satisfy this requirement; such reports will be rejected and returned to the Contractor and the State Auditor may take action in accordance with NMAC Section 2.2.2.13. If the State Auditor does not receive copies of the management representation letter, and the completed Report Review Guide with the audit report or prior to submittal of the audit report, the State Auditor will not consider the report submitted to the State Auditor.
- C. As soon as the Contractor becomes aware that circumstances exist that will make the Agency's audit report late, the Contractor shall immediately provide written notification of the situation to the State Auditor. The notification shall include an explanation regarding why the audit report will be late, when the IPA expects to submit the report and a concurring signature by the Agency. The State Auditor shall also notify the Agency's oversight agency, but confidential information shall be omitted from that notification.
- D. Pursuant to NMAC Section 2.2.2.8, the Contractor shall prepare a written and dated engagement letter that identifies the specific responsibilities of the Contractor and the Agency.
- E. After its review of the audit report pursuant to NMAC Section 2.2.2.13, the State Auditor shall authorize the Contractor to print and submit the final audit report. Within five business days from the date of the authorization to print and submit the final audit report, the Contractor shall provide the State Auditor with TWO copies of the report, an electronic version of the audit report, in PDF format and the electronic copy of the Excel version of the Summary of Findings Form, the Vendor Schedule, and the Fund Balances. After the State Auditor officially releases the audit report by issuance of a release letter, the Contractor shall deliver 25 copies of the audit report to the Agency. The Agency or IPA shall ensure that every member of the Agency's governing authority shall receive a copy of the report.
- F. The Agency, upon delivery of its audit report, shall submit to the Federal Audit Clearinghouse (FAC) the completed dated collection form and the reporting package described in § 200.512 of Uniform Guidance for Federal Awards. The submission is required to be made within 30 calendar days of receipt of the auditor's report, or nine months after the end of the audit period.

3. COMPENSATION

- A. The total amount payable by the Agency to the Contractor under this Contract, including New Mexico gross receipts tax and expenses, shall not exceed \$87,465.00.
- B. Contractor agrees not to, and shall not, perform any services in furtherance of this Contract prior to approval by the State Auditor. In accordance with Section 12-6-14(A), NMSA 1978, and NMAC Section 2.2.2.8, Contractor acknowledges and agrees that it will not be entitled to payment or compensation for any services performed by Contractor pursuant to this Contract prior to approval by the State Auditor.
- C. Total Compensation will consist of the following:

SERVICES	AMOUNTS

(1) Financial statement audit	
(2) Federal single audit	\$67,000.00
(3) Financial statement preparation	\$12,500.00
(4) Other nonaudit services, such as depreciation schedule updates	\$0.00
(5) Other (i.e., component units, specifically identified)	\$0.00
	\$2,100.00

Gross Receipts Tax = \$5,865.00

Total Compensation = \$87,465.00

D. The Agency shall pay the Contractor the New Mexico gross receipts tax levied on the amounts payable under this Contract and invoiced by the Contractor. Payment is subject to availability of funds pursuant to the Appropriations Paragraph set forth below.

E. Pursuant to Section 12-6-14, NMSA 1978 and NMAC Section 2.2.2.8, the State Auditor may authorize progress payments to the Contractor by the Agency; provided that the authorization is based upon evidence of the percentage of audit work completed as of the date of the request for partial payment. Progress payments up to 70% do not require State Auditor approval, provided that the Agency certifies receipt of services. The Agency must monitor audit progress and make progress payments only up to the percentage that the audit is completed prior to making such payment. Progress payments of 70% or more but less than or equal to 90% require State Auditor approval after being approved by the Agency. If requested by the State Auditor, the Agency shall provide a copy of the approved progress billings. The State Auditor may allow only the first 50% of progress payments to be made without State Auditor approval if the Contractor's previous audits were submitted after the due date. Final payment for services rendered by the Contractor shall not be made until a determination and written finding is made by the State Auditor in the release letter that the audit has been made in a competent manner in accordance with the provisions of this Contract and applicable rules of the State Auditor.

4. TERM. Unless terminated pursuant to Paragraphs 5 or 19, this Contract shall terminate one calendar year after the latest date on which it is signed.

5. TERMINATION, BREACH AND REMEDIES

A. This Contract may be terminated:

1. By either party without cause, upon written notice delivered to the other party and the State Auditor at least ten (10) days prior to the intended date of termination.
2. By either party, immediately upon written notice delivered to the other party and the State Auditor, if a material breach of any of the terms of this Contract occurs. Unjustified failure to deliver the report in accordance with Paragraph 2 shall constitute a material breach of this Contract.
3. By the Agency pursuant to Paragraph 19, immediately upon written notice to the Contractor and the State Auditor.
4. By the State Auditor, immediately upon written notice to the Contractor and the Agency after determining that the audit has been unduly delayed, or for any other reason.

B. By termination, neither party may nullify obligations already incurred for performance or failure to perform prior to the date of termination. If the Agency or the State Auditor terminates this Contract, the Contractor shall be entitled to compensation for work performed prior to termination in the amount of earned, but not yet paid, progress payments, if any, that the State Auditor has authorized to the extent required by Paragraph 3(E). If the Contractor terminates this Contract for any reason other than Agency's breach of this Contract, the Contractor shall repay to the Agency the full amount of any progress payments for work performed under the terms of this Contract.

C. Pursuant to NMAC Section 2.2.2.8, the State Auditor may disqualify the Contractor from eligibility to contract for audit services with the State of New Mexico if the Contractor knowingly makes false statements, false assurances or false disclosures under this Contract. The State Auditor on behalf of the Agency or the Agency may bring a civil action for damages or any other relief against a Contractor for a material breach of this Contract.

D. THE REMEDIES HEREIN ARE NOT EXCLUSIVE, AND NOTHING IN THIS SECTION 5 WAIVES OTHER LEGAL RIGHTS AND REMEDIES OF THE PARTIES.

6. STATUS OF CONTRACTOR

The Contractor and its agents and employees are independent contractors performing professional services for the Agency and are not employees of the Agency. The Contractor and its agents and employees shall not accrue leave, retirement, insurance, bonding, use of state vehicles or any other benefits afforded to employees of the Agency as a result of this Contract. The Contractor agrees not to purport to bind the State of New Mexico to any obligation not assumed under this Contract unless the Contractor has express written authority to do so, and then only within the strict limits of that authority.

7. ASSIGNMENT

The Contractor shall not assign or transfer any interest in this Contract or assign any claims for money due or to become due under this Contract.

8. SUBCONTRACTING

The Contractor shall not subcontract any portion of the services to be performed under this Contract without the prior written approval of the Agency and the State Auditor. An agreement between the Contractor and a subcontractor to subcontract any portion of the services under this Contract shall be completed on a form prescribed by the State Auditor. The agreement shall be an amendment to this Contract and shall specify the portion of the audit services to be performed by the subcontractor, how the responsibility for the audit will be shared between the Contractor and the subcontractor, the party responsible for signing the audit report and the method by which the subcontractor will be paid. Pursuant to NMAC Section 2.2.2.8, the Contractor may subcontract only with independent public accounting firms that are on the State Auditor's List of Approved Firms, and that are not otherwise restricted by the Office from entering into such a contract.

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The Contractor shall maintain detailed time records that indicate the date, time, and nature of services rendered during the term of this Contract. The Contractor shall retain the records for a period of at least five (5) years after the date of final payment under this contract. The records shall be subject to inspection by the Agency and the State Auditor. The Agency and the State Auditor shall have the right to audit billings both before and after payment. Payment under this Contract shall not foreclose the right of the Agency or the State Auditor on behalf of the Agency to recover excessive or illegal payments.

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The Contractor, upon receiving final payment of the amounts due under the Contract, releases the State Auditor, the Agency, their respective officers and employees and the State of New Mexico from all liabilities, claims and obligations whatsoever arising from or under this Contract. This paragraph does not release the Contractor from any liabilities, claims or obligations whatsoever arising from or under this Contract.

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13. CONFLICT OF INTEREST

The Contractor represents and warrants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under this Contract. Each of the Contractor and the Agency certifies that it has followed the requirements of the Governmental Conduct Act, Section 10-16-1, et seq., NMSA 1978, regarding contracting with a public officer, state employee or former state employee, as required by the applicable professional standards.

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The Contractor represents and warrants its personal, external and organizational independence from the Agency in accordance with the *Government Auditing Standards 2011 Revision*, issued by the Comptroller General of the United States, and NMAC Section 2.2.2.8. The Contractor shall immediately notify the State Auditor and the Agency in writing if any impairment to the Contractor's independence occurs or may occur during the period of this Contract.

15. AMENDMENT

This Contract shall not be altered, changed or amended except by prior written agreement of the parties and with the prior written approval of the State Auditor. Any amendments to this Contract shall comply with the Procurement Code, Sections 13-1-28 through 13-1-199, NMSA 1978.

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This Contract supersedes all of the agreements, covenants, and understandings between the parties hereto concerning the subject matter hereof. No prior agreement or understanding, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Contract. Contractor and Agency shall enter into and execute an engagement letter pursuant to NMAC Section 2.2.2.8, consistent with Generally Accepted Auditing Standards (GAAS) and Government Auditing Standards (GAGAS). The engagement letter and any associated documentation included with or referenced in the engagement letter shall not be interpreted to amend this Contract. Conflicts between the engagement letter and this Contract are governed by this Contract, and shall be resolved accordingly.

17. APPLICABLE LAW

The laws of the State of New Mexico shall govern this Contract. By execution of this Contract, Contractor irrevocably consents to the exclusive personal jurisdiction of the courts of the State of New Mexico over any and all lawsuits arising from or related to this Contract.

18. AGENCY BOOKS AND RECORDS

The Agency is responsible for maintaining control of all books and records at all times and the Contractor shall not remove any books and records from the Agency's possession for any reason.

19. APPROPRIATIONS

The terms of this Contract are contingent upon sufficient appropriations and authorization being made by the legislature or the Agency's governing body for the performance of this Contract. If sufficient appropriations and authorization are not made by the legislature or the Agency's governing body, this Contract shall terminate upon written notice being given by the Agency to the Contractor. The Agency's decision as to whether sufficient appropriations are available shall be accepted by the Contractor and shall be final. This section of the Contract does not supersede the Agency's requirement to have an annual audit pursuant to Section 12-6-3(A) NMSA 1978.

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22. WORKING PAPERS

A. The Contractor shall retain its working papers of the Agency's audit conducted pursuant to this Contract for a period of at least five (5) years after the date shown on the opinion letter of the audit report, or longer if requested by the federal cognizant agency for audit, oversight agency for audit, pass through-entity or the State Auditor. The State Auditor shall have access to the working papers at the State Auditor's discretion. When requested by the State Auditor, the Contractor shall deliver the original or clear, legible copies of all working papers to the requesting entity.

B. The Contractor should follow the guidance of AU-C 210 A.27 to A.31 and AU-C 510 .A3 to .A9 in communications with the predecessor auditor and to obtain information from the predecessor auditor's audit documentation.

23. DESIGNATED ON-SITE STAFF

The Contractor's on-site individual auditor responsible for supervision of work and completion of the audit is Rufino Rodriguez. The Contractor shall notify the Agency and the State Auditor in writing of any changes in staff assigned to perform the audit.

24. INVALID TERM OR CONDITION

If any term or condition of this Contract shall be held invalid or unenforceable, the remainder of this Contract shall not be affected.

25. OTHER PROVISIONS

SIGNATURE PAGE

This Contract is made effective as of the date of the latest signature.

AGENCY

Santa Fe County

CONTRACTOR

REDW. LLC

PRINTED
NAME: Katherine Miller

PRINTED
NAME: Joshua Trujillo

SIGNATURE: [Signature]

SIGNATURE: [Signature]

TITLE: County Manager

TITLE: Principal

DATE: 05/24/16

DATE: 5/24/16

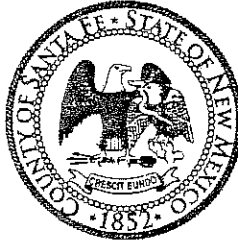
Approved as to form
Santa Fe County Attorney
By: [Signature]
Date: 5/18/16
[Signature]
5/22/16

State Auditor Contract No. 14 - 5026

Henry P. Roybal
Commissioner, District 1

Anna Hansen
Commissioner, District 2

Robert A. Anaya
Commissioner, District 3



Anna T. Hamilton
Commissioner, District 4

Ed Moreno
Commissioner, District 5

Katherine Miller
County Manager

MEMORANDUM

Date: *April 11, 2018*

To: *Board of County Commissioners*

From: *Bill Taylor, Chief Procurement Officer*

Via: *Katherine Miller, County Manager*
Stephanie Schardin Clarke, Finance Director

ITEM AND ISSUE – BCC MEETING APRIL 24, 2018

Requesting Approval of Third Amendment to Agreement Between Santa Fe County and Modrall, Sperling, Roehl, Harris & Sisk, P.A., Contract 2015-0308-FI/MY, Extending Agreement for Bond Counsel Services For An Additional Year, And Authorizing the County Manager to Execute the Purchase Order (Bill Taylor, Purchasing Division, Stephanie Schardin Clarke, Finance Division)

ISSUE:

The Santa Fe County Finance Division requests authorization to extend a multiple year Professional Services Agreement with Modrall, Sperling, Roehl, Harris & Sisk, P.A., for bond counsel services for Santa Fe County. The proposed amendment will extend the contract through June 30, 2019.

BACKGROUND:

Santa Fe County requires bond counsel services in connection with each issuance of bonds, as well as to provide advice on the County's management of bond proceeds. For each new bond issuance, bond counsel prepares a timeline, prepares all legal resolutions related to the issuance, assists in preparation of disclosure documents, and advises the County on tax matters related to tax-exempt bond proceeds. The Contractor's fees are set in the contract fee schedule, which is not being amended. Fees are payable from bond proceeds upon issuance of bonds.

RECOMMENDATION:

The Finance Division requests authorization to enter into the fourth and final year of the Professional Services Agreement with Modrall, Sperling, Roehl, Harris & Sisk, P.A., Tax and authorizing the County Manager to sign the purchase order.

**AMENDMENT NO. 3
TO PROFESSIONAL SERVICE AGREEMENT
WITH MODRALL, SPERLING, ROEHL, HARRIS & SISK, P.A. TO PROVIDE LEGAL
BOND COUNSEL SERVICES**

THIS AMENDMENT is made and entered into this _____ day of _____ 2018, by and between **SANTA FE COUNTY**, (hereinafter referred to as "County"), and **MODRALL, SPERLING, ROEHL, HARRIS & SISK, P.A.**, (hereafter referred to as "the Contractor").

WHEREAS, pursuant to NMSA 1978, Section 13-1-112 and 13-1-117, competitive, sealed proposals were solicited via a formal request for proposal resulting in the County entering into the professional service agreement No. 2015-0308-PI/MY dated June 30, 2015 with Contractor (the "Agreement") for the provision of professional services for the Santa Fe County Finance Department; and

WHEREAS, Article 15, "NO ORAL MODIFICATIONS; WRITTEN AMENDMENTS REQUIRED," of the Agreement allows the parties to amend the Agreement by an instrument in writing executed by the parties hereto; and

WHEREAS, Amendment No. 1 extended the term of the Agreement to June 30, 2017;

WHEREAS, Amendment No. 2 extended the term of the Agreement to June 30, 2018; and

WHEREAS, by this Amendment No. 3, Santa Fe County wishes to extend the term of the agreement from June 30, 2018 to June 30, 2019; and

WHEREAS, both parties desire to enter into Amendment No. 3.

NOW THEREFORE, it is mutually agreed between the parties that Agreement No. 2015-0308-FI/MY be amended as follows:

1. ARTICLE 3 (Effective Date and Term), insert subparagraph "c" to read;
 - c. By Amendment No. 3, the term of this Agreement is extended for one year from June 30, 2018 to June 30, 2019, on the same terms and conditions as stated herein.

IN WITNESS WHEREOF, the parties have duly executed this Amendment to the Agreement as of the last signature date by the parties.

SANTA FE COUNTY:

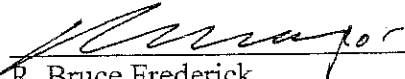
Anna Hansen, Chair
Santa Fe County Board of County Commissioners

ATTESTATION:

Geraldine Salazar
Santa Fe County Clerk

Date

APPROVED AS TO FORM:



R. Bruce Frederick
Santa Fe County Attorney

4-10-18

Date

Finance Department Approval:

Stephanie Schardin Clarke
Finance Department Director

Date

CONTRACTOR:

(Signature)

Date

(Print Name)

(Print Title)

**AMENDMENT NO. 2
TO THE AGREEMENT
BETWEEN SANTA FE COUNTY AND
MODRALL, SPERLING, ROEHL, HARRIS & SISK, P.A.**

This Amendment is made and entered into as of this 30th day of June, 2017, between Santa Fe County, hereinafter referred to as the "County", a New Mexico political subdivision, and Modrall, Sperling, Roehl, Harris & Sisk, P.A., hereafter referred to as the "Contactor".

WHEREAS, the County and Contractor entered into Agreement No. 2015-0308-FI/MY (Agreement) on June 30, 2015; and

WHEREAS, according to Article 15 (No Oral Modifications; Written Amendments Required), of the Agreement, the Agreement may be amended by an instrument in writing executed by the parties; and

WHEREAS, by Amendment No. 1 the term of the Agreement was extended to June 30, 2017; and

WHEREAS, the term of the Agreement is due to expire June 30, 2017, and the County and Contractor wish to amend the Agreement to extend the term for another year.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the parties hereto mutually agree as follows.

1. Article 3 (Effective Date and Term) insert a subpart "b" to read:
 - b. By Amendment No. 2, the term of this Agreement is extended for one year from June 30, 2017 to June 30, 2018, on the same term and conditions as stated herein.
2. All other provisions of the Agreement not specifically amended or modified by this Amendment No. 2 shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date of last signature by the parties.

SANTA FE COUNTY:

Katherine Miller
Katherine Miller
Santa Fe County Manager

6-30-17
Date

Amendment No. 2 to Agreement 2015-0308-FIMY

Approved as to form:

Gregory S. Shaffer
Santa Fe County Attorney

6-7-17
Date

Finance Department:

Don D. Moya
Don D. Moya
Finance Director

6-7-17
Date

CONTRACTOR:

Daniel M. Alsop
(Signature)
Daniel M. Alsop
Shareholder

6/29/17
Date

**AMENDMENT NO. 1
TO THE AGREEMENT BETWEEN SANTA FE COUNTY AND
MODRALL, SPERLING, ROEHL, HARRIS & SISK, P.A.
FOR BOND COUNSEL SERVICES**

This Amendment is made and entered into as of this ____ day of _____, 2016 between Santa Fe County, hereinafter referred to as the "County", a New Mexico political subdivision, and Modrall, Sperling, Roehl, Harris & Sisk, P.A., hereafter referred to as the "Contractor".

WHEREAS, the County and Contractor entered into Agreement No. 2015-0308-FI/MY (the Agreement) for the Contractor to provide legal bond counsel services to the Santa Fe County Finance Department; and

WHEREAS, according to Article 15 (No Oral Modifications; Written Amendments Required) and Article 3 (Effective Date and Term), the Agreement may be amended to extend the term in one-year increments; and

WHEREAS, the County Finance Department wishes to continue to receive the benefit of Contractor's services and both parties agree to extend the term of the Agreement for one year; and

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the parties hereto mutually agree to amend the Agreement as follows.

1. Article 3 (Effective Date and Term), insert a subpart "a" to read:

a. By Amendment No. 1, the term of this Agreement is extended from June 30, 2016 to June 30, 2017.

2. All other provisions of the Agreement not specifically amended or modified by this Amendment No. 1 shall remain in full force and effect.

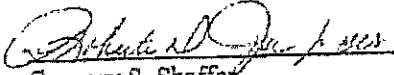
IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first written above.

SANTA FE COUNTY:

Katherine Miller
Katherine Miller
Santa Fe County Manager

7.19.16
Date

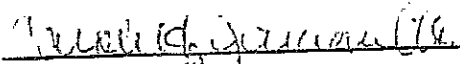
Approved as to form:



Gregory S. Shaffer
Santa Fe County Attorney

7/15/16
Date


Finance Department:



Carole H. Jaramillo
Finance Director

7/15/16
Date

CONTRACTOR:



(Signature)

7/25/16
Date

**PROFESSIONAL SERVICES AGREEMENT
WITH MODRALL, SPERLING, ROEHL, HARRIS & SISK, P.A.
TO PROVIDE LEGAL BOND COUNSEL SERVICES**

THIS AGREEMENT is made and entered into on this 30th day of June, 2015, by and between SANTA FE COUNTY, hereinafter referred to as the "County", and Modrall, Sperling, Roehl, Harris, & Sisk, P.A. a New Mexico corporation with its principal place of business located at 500 Fourth Street NW, Suite 1000, Albuquerque, NM 87102 hereinafter referred to as the "Contractor".

WHEREAS, the County requires professional legal Bond Counsel Services for General Obligation Bonds, Revenue Bonds, Special Assessment Bonds or other bond financing transactions; and

WHEREAS, pursuant to NMSA 1978, Sections 13-1-112 and 13-1-117, competitive, sealed proposals were solicited via a formal request for proposals, RFP No. 2015-0308-FY/MY for the provision of these services; and

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

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

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

1. SCOPE OF WORK

The Contractor shall provide to the County all necessary bond counsel services with reference to the authorization, sales and delivery including, but not limited to, the following:

1. Prepare and deliver to the County financing timetable, all bond resolutions and bond sale resolutions necessary to the issuance of the bonds, as well as all proceedings, transcripts and minutes that are required to be adopted by the County.
2. Prepare information for and participate in presentations to rating agencies and prospective bond purchasers as required by the County and attend all meetings of the Board of the County Commissioners at the time of the sales and closings, and additional meetings as required by the County.
3. Collaborate with County staff, the financial advisor, the investment committee and underwriters to structure issues that minimize the County's transactions costs

and its credit risk and prepare all ordinances, agreements, preliminary offerings statements, official statements, other securities laws disclosure documents pursuant to which bonds will be authorized, secured and delivered.

4. Coordinate the delivery of the documents and other activities, and plan, coordinate and manage the pre-closing of bond sales in a manner to assure the timely closing of bond sales and the delivery of funds to the County; prepare and file final transcripts of the proceedings to the issuance of bonds.
5. Provide to the County continuing information concerning federal, state, and local statutory and regulatory changes, including but not necessarily limited to, arbitrage and other current developments relating to the County's bond issues.
6. Assist the County in the evaluation of options and alternatives for issuing additional bonds, refunding or calling of outstanding bonds and new financing techniques, including the delivery of oral and written legal advice on particular projects.
7. Brief County officials, employees, counsel and consultants on matters that impact the issuance of the County bond financing. This includes rendering of an opinion and availability for phone consultation on questions of federal and state law, nature and priority of the security of bonds and legality of the issuance of the bonds under applicable securities laws, and the tax-exempt status of the bonds.
8. Review and advise the County regarding bond proceed draw downs, procedures, and other matters regarding bond project disbursement regulations.
9. Assist the County Attorney, if requested, in any litigation relating to or in any way affecting the issuance, sale, execution and delivery of County bonds, notes or certificates.
10. Draft state legislation and provide testimony before legislative committees when requested by the County; provide other special advice or opinions requested by the County, relating to the County bond financing.

2. COMPENSATION, INVOICING, AND SET-OFF

A. The services provided by the Contractor shall be compensated in accordance with the Fee Schedule, attached hereto as Exhibit A and made a part hereof by reference.

B. The Contractor shall submit a written request for payment to the County when payment is due under this Agreement. Upon the County's receipt of the written request, the County shall issue a written certification of complete or partial acceptance or rejection of the contractual items or services for which payment is sought. The Contractor acknowledges and agrees that the County may not make any payment hereunder unless and until it has issued a written certification accepting the contractual items or services. Within thirty (30) days of the

issuance of a written certification accepting the contractual items or services, the County shall tender payment for the accepted items or services. In the event the County fails to tender payment within thirty (30) days of the written certification accepting the items or services, the County shall pay late payment charges of one and one-half percent (1.5%) per month, until the amount due is paid in full.

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

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

3. EFFECTIVE DATE AND TERM

This Agreement shall, upon due execution by all parties, become effective as of the date first written above and shall terminate one (1) year later, unless earlier terminated pursuant to Section 5 (Termination) or Section 6 (Appropriations and Authorizations). The County has the option to extend the contract at the same price, terms and conditions for a period of three (3) additional years, on a year-to-year basis, upon the approval of the County. The County may exercise this option by submitting a written notice to Contractor that the Agreement will be extended an additional year. The notice must be submitted to Contractor at least sixty days prior to expiration of the term of the Agreement.

4. ADDITIONAL SERVICES

A. The parties agree that all tasks set forth in Paragraph 1, SCOPE OF WORK of this Agreement, shall be completed in full, to the satisfaction of the County, for the amount set forth in Section 2, COMPENSATION, INVOICING, AND SET-OFF, of this Agreement, and for not other cost, amount, fee, or expense.

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

5. TERMINATION

A. Termination of Agreement for Cause. Either party may terminate the Agreement based upon any material breach of this Agreement by the other party. The non-breaching party shall give the breaching party written notice of termination specifying the grounds for the termination. The termination shall be effective thirty (30) days from the breaching party's receipt of the notice of termination, during which time the breaching party shall have the right to cure the breach. If, however, the breach cannot with due diligence be cured within thirty (30) days, the breaching party shall have a reasonable time to cure the breach, provided that, within thirty (30) days of its receipt of the written notice of termination, the breaching party began to

cure the breach and advised the non-breaching party in writing that it intended to cure.

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

6. APPROPRIATIONS AND AUTHORIZATIONS

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

7. INDEPENDENT CONTRACTOR

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

8. ASSIGNMENT

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

9. SUBCONTRACTING

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

10. PERSONNEL

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

B. The Contractor represents that it has, or will secure at its own expense, all personnel required to discharge its obligations under this Agreement. Such personnel (i) shall not be employees of or have any contractual relationships with the County and (ii) shall be fully qualified and licensed or otherwise authorized or permitted under federal, state, and local law to perform such work.

11. RELEASE

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

12. CONFIDENTIALITY

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

13. PUBLICATION, REPRODUCTION, AND USE OF MATERIAL; COPYRIGHT

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

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

14. CONFLICT OF INTEREST

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

15. NO ORAL MODIFICATIONS; WRITTEN AMENDMENTS REQUIRED

This Agreement may not be modified, altered, changed, or amended orally but, rather, only by an instrument in writing executed by the parties hereto. The Contractor specifically acknowledges and agrees that the County shall not be responsible for any changes to Section 1, "SCOPE OF

WORK", of this Agreement unless such changes are set forth in a duly executed written amendment to this Agreement.

16. ENTIRE AGREEMENT; INTEGRATION

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

17. NOTICE OF PENALTIES

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

18. EQUAL EMPLOYMENT OPPORTUNITY COMPLIANCE

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

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

19. COMPLIANCE WITH APPLICABLE LAW; CHOICE OF LAW

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

B. Contractor shall comply with the requirements of Santa Fe County Ordinance 2014-1 (Establishing a Living Wage).

C. This Agreement shall be construed in accordance with the substantive laws of the State of New Mexico, without regard to its choice of law rules. Contractor and the County agree that the exclusive forum for any litigation between them arising out of or related to this Agreement shall be federal and state district courts of New Mexico, located in Santa Fe County.

20. RECORDS AND INSPECTIONS

A. To the extent its books and records relate to (i) its performance of this Agreement

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

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

21. INDEMNIFICATION

A. The Contractor shall defend, indemnify, and hold harmless the County and its elected officials, agents, and employees from any losses, liabilities, damages, demands, suits, causes of action, judgments, costs or expenses (including but not limited to court costs and attorneys' fees) resulting from or directly or indirectly arising out of the Contractor's performance or non-performance of its obligations under this Agreement, including but not limited to the Contractor's breach of any representation or warranty made herein.

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

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

22. SEVERABILITY

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

23. NOTICES

Any notice required to be given to either party by this Agreement shall be in writing and shall be delivered in person, by courier service or by U.S. mail, either first class or certified, return

receipt requested, postage prepaid, as follows:

To the County: Santa Fe County
Office of the County Attorney
102 Grant Avenue
Santa Fe, New Mexico 87501

To the Contractor: Modrall, Sperling, Roehl, Harris & Sisk, P.A.
500 Fourth Street NW, Suite 1000
Albuquerque, NM 87102

24. CONTRACTOR'S REPRESENTATIONS AND WARRANTIES

The Contractor hereby represents and warrants that:

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

B. This Agreement and Contractor's obligations hereunder do not conflict with Contractor's corporate agreement or any statement filed with the Public Regulation Commission on Contractor's behalf.

C. Contractor is legally registered and properly licensed by New Mexico State to do the work anticipated by this Agreement and shall maintain such registration and licensure in good standing throughout the duration of the Agreement.

25. FACSIMILE SIGNATURES

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

26. NO THIRD-PARTY BENEFICIARIES

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

27. INSURANCE

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

B. General Liability Insurance, Including Automobile. The Contractor shall procure and maintain during the life of this Agreement a comprehensive general liability and automobile insurance policy with liability limits in amounts not less than \$1,000,000.00 combined single

limits of liability for bodily injury, including death, and property damage for any one occurrence. Said policies of insurance shall include coverage for all operations performed for the County by the Contractor; coverage for the use of all owned, non-owned, hired automobiles, vehicles and other equipment, both on and off work; and contractual liability coverage under which this Agreement is an insured contract. The County of Santa Fe shall be a named additional insured on the policy.

C. Workers' Compensation Insurance. The Contractor shall comply with the provisions of the Workers' Compensation Act.

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

E. Professional Liability [Malpractice/Errors and Omissions Insurance]. The Contractor shall procure and maintain during the life of this agreement professional liability (errors and omissions) insurance, with policy limits of not less than \$1,500,000.00 per occurrence, \$2,500,000.00 per aggregate.

28. PERMITS, FEES, AND LICENSES

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

29. NEW MEXICO TORT CLAIMS ACT

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

30. CAMPAIGN CONTRIBUTION DISCLOSURE FORM

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

31. APPOINTMENT OF AGENT FOR SERVICE OF PROCESS, if applicable

The Contractor hereby irrevocably appoints, Peter Franklin, a New Mexico resident located at 123 East Marcy St., Suite 201, Santa Fe, NM 87501, as its agent upon whom process and writs in any action or proceeding arising out of or related to this Agreement may be served. The Contractor acknowledges and agrees that service upon its designated agent shall have the same effect as though the Contractor were actually and personally served within the state of New Mexico.

32. SURVIVAL

The provisions of following paragraphs shall survive termination of this Agreement; INDEMNIFICATION; RECORDS AND INSPECTION; RELEASE, CONFIDENTIALITY, PUBLICATION, REPRODUCTION, AND USE OF MATERIAL; COPYRIGHT; COMPLIANCE WITH APPLICABLE LAW; CHOICE OF LAW; NO THIRD-PARTY BENEFICIARIES; SURVIVAL.

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

SANTA FE COUNTY:

Miguel M. Chang
Robert A. Anaya, Chair
Santa Fe County Board of Commissioners

6/30/15
Date

ATTESTATION:

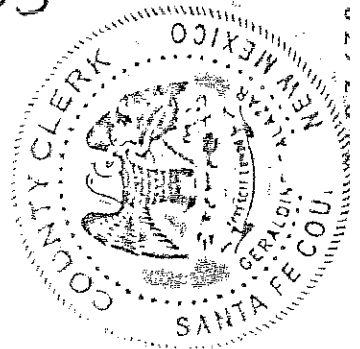
Geraldine Salazar
Geraldine Salazar
Santa Fe County Clerk

6-30-2015
Date

APPROVED AS TO FORM:

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

6-9-15
Date



FINANCE DEPARTMENT APPROVAL:

Carole H. Jaramillo
Carole H. Jaramillo
Santa Fe County Finance Director

6/10/15
Date

CONTRACTOR:

Peter Franklin
Signature

6/11/15
Date

Peter Franklin
Print Name

Managing Shareholder
Print Title

Santa Fe Office
Modrall, Spring

EXHIBIT A

MODRALL, SPERLING, ROEHL, HARRIS & SISK, P.A.'s
PROPOSED FEE SCHEDULE
SANTA FE COUNTY RFP 2015-0308-FI/MY

A. General Obligation Bonds:

1. \$2.00 per \$1,000.00 face amount of the bonds.
2. Any minimum fee or other costs, please indicate and describe: Minimum fee of \$20,000 per issue, plus costs and gross receipts tax.

B. Revenue Bonds:

1. \$2.25 per \$1,000.00 face amount of the bonds.
2. Any minimum fee or other costs, please indicate and describe: Minimum fee of \$20,000 per issue, plus costs and gross receipts tax.

C. Special Assessment District:

1. \$9.50 per \$1,000.00 face amount of the bonds.
2. Any minimum fee or other costs, please indicate and describe: Minimum fee of \$30,000 per issue, plus costs and gross receipts tax.

D. Lease-Purchase Financing:

1. \$2.00 per \$1,000.00 face amount of the certificates of participation.
2. Any minimum fee or other costs, please indicate and describe: A minimum fee of \$10,000 per issue, plus costs and gross receipts taxes.

E. Conduit Financing:

1. \$0.30 per \$1,000.00 face amount of the bonds.
2. Any minimum fee or other costs, please indicate and describe: A minimum fee of \$20,000 per issue, plus costs and gross receipts taxes.

(Such costs will be passed through to the conduit borrower.)

F. Requests for Information:

Requests for information or opinions regarding prior and present bond issues as well as other requests for supplemental services or advice not related to the issuance of bonds or notes at \$285 per hour.

G. Arbitrage Rebate Determination:

The fee for arbitrage rebate determination will be charged at \$3,000 per bond issue per year that the services are required.

H. Disclosure Counsel Services:

The fee for any additional service such as the preparation of the preliminary official statement, the official statement and the 10b-5 opinion shall be at the following:

1. General Obligation Bonds: \$20,000
2. Revenue Bonds: \$25,000

I. Reimbursable Expenses:

Out-of-pocket expenses that may include photocopies, long-distance telephone calls, mailings, travel and other similar expenses with prior written approval by the County shall be reimbursed at actual costs upon actual certified receipts provided. The payment shall be made at the receipt amount with no additional mark up.

PLEASE INDICATE ANY FEES, RATES, COSTS, OR EXPENSES NOT LISTED ABOVE THAT MAY BE CHARGED TO THE COUNTY IN PROVIDING THE REQUESTED SCOPE OF WORK.

Fixed Term - Fixed Rate
Refunding Bond Issues

\$2.50 per \$1,000 face amount of the bonds
with a minimum fee of \$20,000 per issue, plus costs and gross receipts tax.

Industrial Revenue Bonds

\$0.30 per \$1,000 face amount of the bonds
with a minimum fee of \$20,000 per issue, plus costs and gross receipts tax.

New Mexico Finance Authority Loan Transactions

\$2.00 per \$1,000 face amount of the loan
with a minimum fee of \$7,500 per transaction.

It is difficult to anticipate the complexity of County bond issues during the term of the contract. Therefore, in unusual circumstances, where the complexity of the issue warrants an adjustment in the fees, we propose that Modrall Sperling and the County negotiate a mutually acceptable fee prior to the date of the adoption of the final bond ordinance or resolution by the County Commission setting the terms of the bonds expressed in dollars and cents per thousand dollars face amount of bonds.

Hourly Rate. For tasks not related to issuance of a specific series of bonds, Modrall Sperling proposes a blended hourly rate for its time acting as bond counsel to the County of \$285 per hour.

Costs and Taxes. We propose to bill gross receipts taxes and out-of-pocket expenses (such as photocopying, printing, express mailings, travel expenses, government filing fees, printing expenses and other similar expenses incurred by Modrall Sperling in performing bond counsel services to the County) in addition to the amount billed for our services. We will not bill the County for overhead expenses.

Complex Issues. The fees quoted above do not contemplate issues involving credit or liquidity enhancement, adjustable, flexible or variable rates, complex advance refundings, multi-mode issues, credits swaps, interest rate swaps, tax-exempt lease financings, or other similar types of complex or nontraditional techniques, including those which may develop over the period of time covered by this proposal. With respect to such financing techniques, we would propose to negotiate a mutually acceptable fee, based upon the complexity of the transaction.

