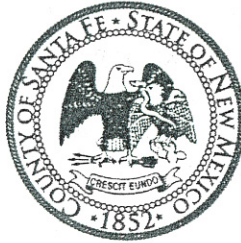


Henry P. Roybal
Commissioner, District 1

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: 5/22/2018

TO: Board of County Commissioners

VIA: Katherine Miller, County Manager

FROM: Michael K. Kelley, Public Works Department - Director MK 5/30/18

ITEM AND ISSUE: BCC Meeting June 12, 2018

Approval of an Amendment to Memorandum of Agreement (2016-0359-PW/KE) between Santa Fe County and the Cuatro Villas Mutual Domestic Water Users Association (Public Works/Erik Aaboe)

SUMMARY:

The purpose of this amendment is to allow the Cuatro Villas Mutual Domestic Water Users Association ("Association") to use already encumbered County funds for design and construction of a project that would be more quickly executed in order to provide improved service to water customers in the Sombrillo and Arroyo Seco communities.

BACKGROUND:

On June 14, 2016, the County and the Association entered into a Memorandum of Agreement wherein the County agreed to reimburse the Association for some of the costs of the planning, design and construction of an improvement of the Association water system, specifically their "Regional Waterline Phase IIc" Project. This project was primarily supported by a grant / loan from the Water Trust Board of NMFA. The Water Trust Board grant / loan has been frozen by NMFA and Water Trust Board reimbursements will not proceed until the Association catches up on their payments. The Association needs additional customers and revenue to be able to catch up on their loan payments. As a result, this project cannot proceed until the Water Trust Board funding is re-secured.

Approximately \$582,000 of GOB funding remains in the County's purchase order to the Association for the MOA. The new project that is being considered to include in the MOA, the *Regional Water System – Phase IV SR76 Waterline*, consists of a 1,200 foot 12-inch waterline along NM 76 along with the necessary pumps, controls, meters and appurtenances. This project will

connect the Cuatro Villas La Puebla tank to the City of Espanola water system to provide a more dependable water supply to portions of the existing distribution system of the Association. This will increase reliability of water deliveries in the Sombrillo and Arroyo Seco communities. These areas are now subject to frequent outages during certain pumping conditions. Execution of this project will allow for potential new customers to the Association.

ACTION REQUESTED:

Approval of Amendment 1 to Memorandum of Agreement 2016-0359-PW/KE.

Enc. MOA 2016-0359-PW/KE
Map of proposed NM76 project and potential service connections

**AMENDMENT NO. 1
TO MEMORANDUM OF AGREEMENT
BETWEEN THE COUNTY OF SANTA FE AND
THE CUATRO VILLAS MUTUAL
DOMESTIC WATER USERS ASSOCIATION**

THIS AMENDMENT is made and entered into as of this ____ day of _____, 2018, by and between **Santa Fe County**, hereinafter referred to as the "County", and **Cuatro Villas Mutual Domestic Water Users Association**, hereinafter referred to as the "Association".

WHEREAS, on June 14, 2016, the County entered into Memorandum of Agreement No. 2016-0359-PW/KE (MOA) with the Association, and

WHEREAS, according to Article 5 of the MOA, the parties may amend the MOA by an instrument in writing signed by the parties; and

WHEREAS, by this Amendment No. 1 the parties agree to amend Exhibit A of the MOA to include a description of a second proposed capital improvement by the Association.

NOW THEREFORE, the parties agree to amend the MOA as follows:

1. Exhibit A to the MOA is amended by inserting the following provision as number "2":
 2. There are funds remaining from the \$625,000 sum described in Article 1.A of the MOA. From those remaining funds, the County agrees to reimburse the Association for the following capital improvement.
 - (a) The planning, design, construction, and ancillary professional services for the *Regional Water System – Phase IV SR 76 Waterline*, Project Number 6222679, designed by Souder, Miller & Associates.
2. All 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 dully executed this Amendment as of the date of last signature by the parties hereto.

SANTA FE COUNTY

Anna Hansen, Chair
Santa Fe County Board of County Commissioners

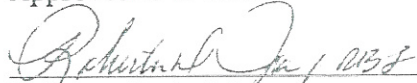
Date _____

ATTESTATION

Geraldine Salazar
Santa Fe County Clerk

Date _____

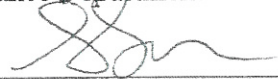
Approved as to form:



R. Bruce Frederick
County Attorney

Date 5/23/18

Finance Department:



Stephanie S. Clarke
Finance Director

Date 5/24/18

**CUATRO VILLAS MUTUAL DOMESTIC WATER USERS
ASSOCIATION**

Signature

Date _____

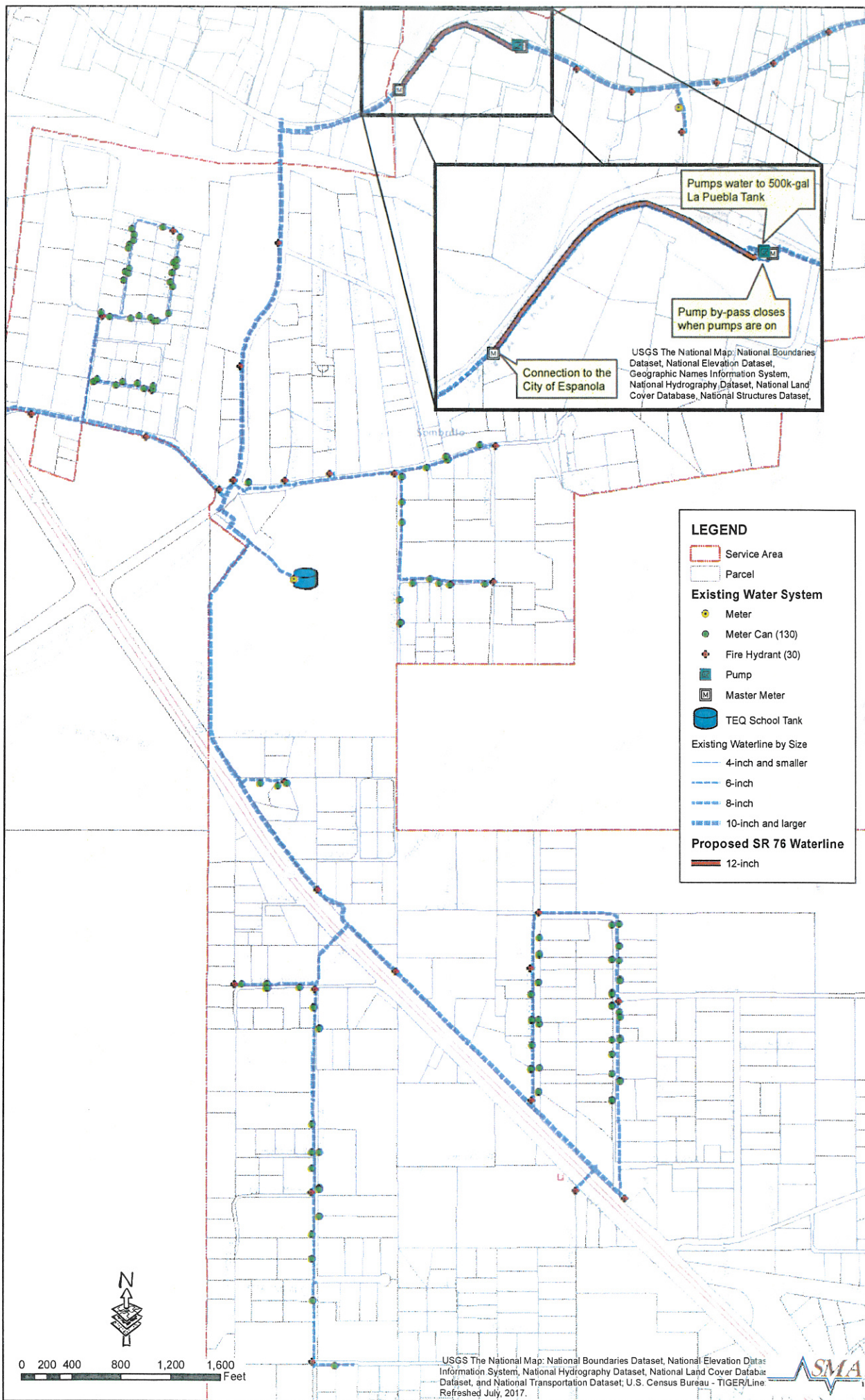
Printed name and title

Exhibit A
(Revised – 2018)

Description of Capital Improvement Project

As referenced in Article 1. A. of the Memorandum of Agreement between the County of Santa Fe and the Cuatro Villas Mutual Domestic Water Users Association (“MOA”), the County will provide up to \$625,000 in capital funds to reimburse the Association for the following capital improvements:

1. Planning, design, construction, and ancillary professional services for the “*Regional Waterline Phase IIc Cuarteles*” Project Number 6219386, designed by Souder, Miller & Associates dated June 2014, and as updated.
2. Planning, design, construction, and ancillary professional services for the “*Regional Water System – Phase IV SR 76 Waterline*” project number 6222679, designed by Souder, Miller & Associates.



**MEMORANDUM OF AGREEMENT
BETWEEN THE COUNTY OF SANTA FE AND THE CUATRO VILLAS MUTUAL
DOMESTIC WATER USERS ASSOCIATION**

THIS MEMORANDUM OF AGREEMENT ("the Agreement") is between the **County of Santa Fe** ("the County"), a political subdivision of the State, and the **Cuatro Villas Mutual Domestic Water Users Association** ("the Association"), a public body corporate organized under the Sanitary Projects Act, NMSA 1978, §§ 3-29-1 through 3-29-21.

WHEREAS, the Association was organized to respond to the emergency needs of the communities of Arroyo Seco, Cuartelez, La Puebla and Sombrillo for a safe and reliable domestic water supply, which need was recognized in the 2001 declarations of emergency by the Governor of New Mexico, the New Mexico Department of Environment, the New Mexico Department of Health, the County of Santa Fe, and the County of Rio Arriba; and

WHEREAS, the need to support small community water systems is identified as a key issue in Chapter 11 of the County's Sustainable Growth Management Plan ("SGMP"), and providing assistance to community water systems is Policy 41.8 in the SGMP; and

WHEREAS, on September 30, 2014, the Board of County Commissioners approved Resolution No. 2014-103 endorsing the concept of regionalization of water services within the County; and

WHEREAS, the County desires to assist with the development of a regional water system solution to address water supply and water quality concerns in the Cuatro Villas service area, and the Association desires to receive such assistance from the County and to continue as partners with the County in water infrastructure planning, construction, and maintenance in the region; and

WHEREAS, the parties desire to work together to achieve a unified regional water system in the Santa Cruz River Valley to serve all communities located in that area; and

WHEREAS, the County is prepared to provide and the Association is prepared to use funding provided by the County for capital improvements; and

WHEREAS, it is in the interest of the public health, safety, and welfare for the parties to cooperate as set forth herein.

NOW, THEREFORE, IT IS MUTUALLY AGREED BETWEEN THE PARTIES:

1. THE COUNTY AGREES:

A. To provide up to \$625,000 in capital funds to reimburse the Association for the planning, design, construction, and ancillary professional services for the capital improvements described at Exhibit A.

B. To process requests for reimbursement from the Association in a timely manner and to follow the reimbursement process described at Exhibit B.

2. THE ASSOCIATION AGREES:

A. To use the County-provided capital funds as reimbursement for the planning, design, construction, and ancillary professional services for the capital improvements described at Exhibit A.

B. To assure that all capital improvements are designed, constructed, installed, operated, and maintained in accordance with all applicable laws and codes.

C. To submit draft design plans to the County for review and comment and to timely respond to the County's comments (if any); provided, however, that the County shall have no duty to conduct such review; and provided further that the Association shall remain solely responsible for assuring that the improvements are designed, constructed, installed, operated and maintained in accordance with all applicable laws and codes.

D. To proceed with any capital improvements as soon as possible after the effective date of this Agreement.

E. To submit to the County requests for reimbursement in a timely manner, to provide the necessary supporting documentation as requested by the County, and to follow the reimbursement process described at Exhibit B.

F. Upon completion of the capital improvement project funded under this Agreement, provide a written certification of such completion to the County.

3. EFFECTIVE DATE: The effective date of this Agreement is the last date written below.

4. LIABILITY:

A. No provision in this Agreement modifies or waives any provision of the New Mexico Tort Claims Act, NMSA 1978, Sections 41-4-1 through 41-4-30, or creates any right of indemnity.

B. There are no third-party beneficiaries to this Agreement. Without limiting the generality of the foregoing, no action to enforce the terms of this Agreement or for damages for breach of this Agreement may be brought against either party by any person who is not a party to this Agreement.

5. AMENDMENT: This Agreement may not be altered, changed, or amended except by a written agreement executed by the parties.

6. APPLICABLE LAW AND VENUE: New Mexico law shall apply to this Agreement. Any litigation regarding this Agreement shall be brought exclusively in New Mexico State District Court, First Judicial District, Santa Fe, New Mexico.

7. INTEGRATION: This Agreement sets forth the entire agreement between the parties and any prior agreements and understandings between the parties, whether written or oral, regarding the subject matter of this Agreement are fully integrated into this Agreement.

8. INSURANCE: Prior to commencement of construction of any improvements described in Exhibit A, the Association shall obtain and continue to maintain during the term of this Agreement a commercial general liability insurance policy that, at a minimum, covers bodily injury and property damage arising out of or relating to the capital improvements constructed with funding under this Agreement. The policy shall have a liability limit in the amount of not less than \$1,000,000 per occurrence and name the County as an additional insured. The Association shall provide proof of such general liability insurance acceptable to the County. The Association may satisfy the Section by requiring the contractor to obtain comparable insurance, naming the County as an additional insured.

9. TERMINATION AND SURVIVAL:

A. The County may terminate this Agreement by:

(1) Providing written notice of a material breach to the Association. If the Association does not cure the breach to the County's satisfaction within 90 days of such notice, this Agreement shall terminate automatically at the end of the 90th day.

(2) Providing written notice that the Board has not appropriated sufficient funds; provided, however, that valid requests for reimbursement submitted prior to such notice shall be paid, subject to Section 10.

B. The Association may terminate this Agreement by providing written notice of termination to the County.

C. Unless terminated earlier as provided above, this Agreement shall terminate automatically upon the first occurrence of:

(1) The Association fails to make a valid request for reimbursement within two years after the effective date of this Agreement.

(2) Association provides the County with a certificate of completion under Section 3(F).

D. The Association's duty to maintain insurance under Section 8 shall survive one year after termination of this Agreement.

10. BATEMENT ACT: Pursuant to NMSA 1978, Section 6-6-11 (1953), nothing in this Agreement shall require the County to become indebted or contract any debts of any kind or nature whatsoever during any current year which, at the end of such current year, is not and cannot then be paid out of the money actually collected and belonging to that current year, and any indebtedness for any current year which is not paid and cannot be paid, as above provided for, shall be void.

11. DUPLICATE ORIGINALS: This Agreement shall be executed in duplicate originals.

SANTA FE COUNTY

By: Miguel M. Chavez
Miguel M. Chavez
Chair, Board of County Commissioners

Date: 6/14/16

ATTEST:

Geraldine Salazar
Geraldine Salazar, Santa Fe County Clerk

Date: 6/14/2016

APPROVED AS TO FORM:

Gregory S. Schaeffer
Gregory S. Schaeffer, Santa Fe County Attorney

Date: 5/20/2016

CUATRO VILLAS MUTUAL DOMESTIC WATER USERS ASSOCIATION:

By: Mukhtar S. Kheir
Mukhtar S. Kheir (print name)
President (title)

DATE: 5/20/2016

Exhibit A

Description of Capital Improvement Project

As referenced in Article 1. A. of the Memorandum of Agreement between the County of Santa Fe and the Cuatro Villas Mutual Domestic Water Users Association ("MOA"), the County will provide up to \$625,000 in capital funds to reimburse the Association for the following capital improvements:

Planning, design, construction, and ancillary professional services for the "*Regional Waterline Phase IIc Cuarteles*" Project Number 6219386, designed by Souder, Miller & Associates dated June 2014, and as updated.

Exhibit B

Reimbursement Process

In accordance with Paragraph 1.B of the Memorandum of Agreement between the County of Santa Fe and the Cuatro Villas Mutual Domestic Water Users Association ("MOA"), the following reimbursement process will be followed.

1. All contracts and procurements related to the Scope of Work described in Exhibit A of the MOA shall be managed by the Cuatro Villas Mutual Domestic Water Users Association ("the Association"), and the Association shall receive and pay all invoices from all vendors related thereto.
2. Upon receipt of an invoice as described above, the Association shall review and certify for sufficiency.
3. Within 5 work days of invoice receipt, the Association shall submit to Santa Fe County ("the County") a pay application that shall consist of the following:
 - a. A cover memo that describes the purpose and summarizes the pay application.
 - b. A copy of the invoice(s) and all supporting documentation submitted by the contractor / vendor to the Association that justify payment.

For convenience, the Association may submit multiple invoices in one pay application, as long as the cover memo clearly describes the invoices contained in the pay application.

4. The County shall review the pay application and, upon satisfaction that the pay application is complete and sufficient, shall confirm the adequacy of the pay application and certify that it meets County standards for payment within 5 calendar days or return to the Association for correction. The County will issue the funds necessary to pay the invoices contained in the certified pay application. The funds will be issued in the form of a check to the Association, and shall be issued within 12 calendar days of certification of the pay application. The County will not be responsible for payment of late fees.
5. Upon receipt of funds, the Association will pay all invoices and submit copies of the corresponding cancelled checks to the County prior to or simultaneous to submitting further applications for payment.
6. Pay applications and copies of cancelled checks shall be directed in duplicate to:

Mark Hogan, Director
Public Works Projects Division
Santa Fe County
PO Box 276
Santa Fe, NM 87504

And

Samuel L Montoya, Capital and Grants Manager
Finance Division
Santa Fe County
PO Box 276
Santa Fe, NM 87504

7. Funds to the Association shall be directed to:

Mukhtiar Khalsa, President
Cuatro Villas Mutual Domestic Water Users Association
PO Box 667
Santa Cruz, NM 87567

