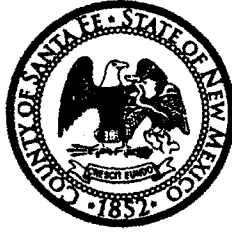


Henry P. Roybal
Commissioner, District 1

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

History of Annexation: On May 29, 2008, the City of Santa Fe (City) and Santa Fe County (County) entered into a Settlement Agreement (attached hereto as Exhibit A) directing the City to annex certain lands, thereby creating a clear identifiable City boundary referred to as the Presumptive City Limits. An Annexation Phasing Agreement (attached hereto as Exhibit B) was executed on February 10, 2009, dividing the annexation into three phases encompassing 17 discrete areas, described as Areas 1-13 and 15-18.

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

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

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

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

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

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Water/Wastewater

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

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

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

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

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

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

Fire/EMS

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

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

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

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

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

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

Roadway Improvements MOU

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

Law Enforcement

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

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

Outstanding Issues Related to Annexation:

1. *Phase III.* Phase III of the annexation is scheduled to occur on or before June 10, 2018. Commissioner Hansen, of District 2, has expressed an interest in modifying the Settlement Agreement so that the remainder of Area 1 is withdrawn from the Settlement Agreement and is not annexed into the City. It is worthy of note that,

due to the location of the Agua Fria Fire Station, the County may be better able to provide fire service in that area.

2. *Area 18.* The question has been raised whether the annexation of Area 18 should be reconsidered. Currently the City of Santa Fe is providing law enforcement and fire protection, however that assistance is scheduled to terminate upon completion of the annexation of Phase III.
3. *Alameda Street.* The parties have committed to make drainage improvements to Alameda Road as part of Phase II annexation and to share those expenses equally. To date no concrete plans have been implemented to accomplish that objective. Ownership of the road has also been questioned.
4. *Santa Fe County Open Space in the City Limits.* Santa Fe County owns a park on South Meadows which was annexed into the City. Santa Fe County is prepared to turn over that park to the City, and has money allocated for park improvements which could be turned over to the City along with the park.