

**PROFESSIONAL SERVICES AGREEMENT WITH
SANTA FE ENGINEERING CONSULTANTS, LLC
FOR CONSULTING SERVICES FOR INCORPORATION OF
HYDE PARK ESTATES COOPERATIVE DOMESTIC WATER ASSOCIATION
SERVICE AREA**

THIS AGREEMENT is made and entered into as of this 17th day of December 2013, by and between the **Santa Fe County**, hereinafter referred to as "County", a political subdivision of the State of New Mexico and Santa Fe Engineering Consultants, LLC, whose business address is 1599 St. Francis Drive, Suite B, Santa Fe, New Mexico 87501, hereinafter referred to as "Contractor."

RECITALS

WHEREAS, Santa Fe County makes management of water one of its highest priorities. On the July 30, 2013 Board of County Commissioners passed Resolution 2013-66 entitled "A Resolution Committing to Incorporate the Hyde Park Estates Cooperative Domestic Water Service Area" into the Santa Fe County Water and Wastewater Utility Service Area Infrastructure.

WHEREAS, the County issued Letter of Interest #2014-0140-UT/MS for Consulting Services for Incorporation of Hyde Park Estates Cooperative Domestic Water Association Service Area pursuant to Section 13-1-125 NMSA 1978;

WHEREAS, the Contractor submitted a proposal with its qualifications and project experience in performing the consulting services for the comprehensive evaluation of the Hyde Park Estates Cooperative Domestic Water Association (HPECDWA) water system, valuation of the water rights, and other assets and property rights of the association.

WHEREAS, the County requests these consulting services and the Contractor is willing to perform these services.

NOW WHEREAS, in consideration of the premises and mutual obligation herein, the parties do mutually agree as follows:

AGREEMENT

1. SCOPE OF WORK

The Contractor shall provide consulting services that include, but not limited to, the following tasks:

- Task 1.** Inspect the HPECDWA water utility infrastructure and appurtenances, including but not limited to wells, water tanks, water distribution pipelines, pumps, regulating valves, storage facilities, treatment facilities and pumping stations, water mains, meters, fire hydrants, valves, fittings, stations that are readily visible and accessible and all appurtenances. Create an inventory of

HPECDWA water system infrastructure, equipment, machinery, tools, motors, spare parts, materials, supplies, fixtures, gauges, production fixtures and other tangible personal property related to the HPECDWA system. This inspection and inventory will be completed with the guidance and cooperation of the HPECDWA current owner/operator.

- Task 2.** Examine “as-built” and other available reports, drawings, maps and diagrams of the HPECDWA system. Interview the system’s existing operators for information not otherwise available. Obtain electronic (PDF, shape files or DRG as appropriate) versions of all available documents, maps, GIS or CAD data and system diagrams of the HPECDWA.
- Task 3.** Review available information on HPECDWA water rights, supplemented if necessary by a review of the files of the New Mexico State Engineer for water right permits, adjudication information, past and present diversions of water, priority, and well information such as depth of well, well diameter, date drilled, repairs and water levels. Water rights assets shall include water withdrawal rights, water reservation rights, water appropriations rights and right to water flow relating to the HPECDWA system. Develop an opinion of the current value of the HPECDWA water rights.
- Task 4.** Review files and documents provided by HPECDWA and Santa Fe County evidencing easements, rights of way, permits, licenses or other agreements or contracts relating only to the HPECDWA pipeline that connects the existing operational wells to the potable HPECDWA water storage and treatment facilities. Also identify all land and real property belonging to the HPECDWA. Identify surface access or use issues relating to wells, pump stations, water lines, regulating valves, storage facilities and treatment facilities identified above.
- Task 5.** To the extent possible, determine the initial cost, asset life, operation and maintenance costs, and revenue associated with the production of water by the water system, current debt and available cash. Identify any accumulated and unexpended available fees. If specific data is not available for the HPECDWA water system, use industry averages.
- Task 6.** To the extent possible, review contracts, agreements and other necessary pertinent documents related to customer accounts, grants, professional services, NMED compliance orders, pending litigation, property liens and other encumbrances or financial liabilities. To the extent possible, render an opinion as to financial liabilities associated with the acquisition, maintenance and operation of the HPECDWA water system.
- Task 7.** Prepare a comprehensive written report on Tasks 1 through 6 above and a valuation of HPECDWA water rights, including a detailed description of the methods used to determine the reported values, and a summary of the

qualifications of sufficient expertise to render an opinion on the value on this type of asset.

The final deliverable will be a written report in triplicate hard copy inclusive of electronic PDF versions of all documents, referenced and organized by title, used to complete the final report.

2. COMPENSATION, INVOICING, AND SET-OFF

- A. In consideration of its obligations under this Agreement, County shall pay Contractor in accordance with Appendix A to this Agreement.
 - 1) The total amount payable to the Contractor under this Agreement shall not exceed **Fifteen Thousand Dollars and No Cents (\$15,000.00)**, inclusive of New Mexico gross receipts. Any gross receipts tax levied on the amounts payable under this Agreement shall be paid by the County to the Contractor.
 - 2) This amount is a maximum and not a guarantee that the work and services assigned to be performed by the Contractor under this Agreement shall equal the amount stated herein. The parties do not intend for the Contractor to continue to provide services without compensation when the total compensation amount is reached. The Contractor shall notify the County when the services provided under this Agreement reach the total compensation amount.
- B. Contractor shall submit a written request for payment to County whenever payment is due under this Agreement. Within fifteen (15) days of County's receipt of the written request, County shall issue a written certification of complete or partial acceptance or rejection of the contractual items or services for which payment is sought. Contractor acknowledges and agrees that 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, County shall tender payment for the accepted items or services. In the event County fails to render payment within thirty (30) days of the written certification accepting the items or services, 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 Contractor breaches this Agreement, County may, without penalty, withhold any payments due Contractor for the purpose of set-off until such time as 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 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 4. "TERMINATION" and 5. "APPROPRIATIONS AND AUTHORIZATIONS" of this Agreement.

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

5. 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 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 County to Contractor.

Such termination shall be without penalty to county, and County shall have no duty to reimburse Contractor for expenditures made in the performance of this Agreement. County is expressly not committed to expenditures of any funds until such time as they are programmed, budgeted, encumbered and approved for expenditure by the County. 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 Contractor in any way or forum, including a lawsuit.

6. INDEPENDENT CONTRACTOR

Contractor and its agents and employees are independent contractors and are not employees or agents of County. Accordingly, 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 County. Except as may be expressly authorized elsewhere in this Agreement, Contractor has no authority to bind, represent, or otherwise act on behalf of County and agrees not to purport to do so.

7. 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 County's advance written approval shall be null and void and without any legal effect.

8. SUBCONTRACTING

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

9. PERSONNEL

- A.** All work performed under this Agreement shall be performed by the Contractor or under its supervision.
- B.** 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 nor have any contractual relationships with County and (ii) shall be fully qualified and licensed or otherwise authorized or permitted under federal, state, and local law to perform such work.

10. RELEASE

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

11. 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 prior approval from the County.

12. PUBLICATION, REPRODUCTION, AND USE OF MATERIAL; COPYRIGHTS

- A. 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. 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 county, County shall own any such copyright.

13. CONFLICT OF INTEREST

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

14. 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. Contractor specifically acknowledges and agrees that 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.

15. 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.

16. NOTICE OF PENALTIES

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

17. EQUAL EMPLOYMENT OPPORTUNITY COMPLIANCE

- A. Contractor agrees to abide by all Federal, State, and local laws, ordinances, and rules and regulations pertaining to equal opportunity and unlawful discrimination. Without in any way limiting the foregoing general obligation, Contractor

specifically agrees not to discriminate against any person with regard to employment with 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. Contractor acknowledges and agrees that failure to comply with this Section shall constitute a material breach of this Agreement.

18. COMPLIANCE WITH APPLICABLE LAW; CHOICE OF LAW

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

19. RECORDS AND INSPECTIONS

- A. To the extent their books and records relate to (i) their 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, Contractor agrees to (i) maintain such books and records during the term of this Agreement for a period of six (6) years from the date of final payment under this Agreement; (ii) allow County or 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 their books and records relate to (i) their 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, 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 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 with GAAP.

20. INDEMNIFICATION

- A. Contractor shall defend, indemnify, and hold harmless 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 Contractor's performance or non-performance of its obligations under this

Agreement, including but not limited to Contractor's breach of any representation or warranty made herein.

- B. County shall have the right to approve any counsel retained by Contractor to defend any demand, suit, or cause of action in which County is named, such approval not to be unreasonably withheld. Contractor agrees (i) that 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 (ii) that such suit will not be settled without County's consent, such consent not to be unreasonably withheld. If in County's judgment, a conflict exists between the interests of County and Contractor such demand, suit, or cause of action, County may retain its own counsel, whose fees shall be paid by Contractor.
- C. Contractor's obligations under this section shall not be limited by the provisions of any insurance policy Contractor is required to maintain under this Agreement.

21. 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.

22. 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: Santa Fe Engineering Consultants, LLC
1599 St. Francis Drive, Suite B
Santa Fe, New Mexico 87501

23. CONTRACTOR'S REPRESENTATIONS AND WARRANTIES

- A. It is corporation duly organized and in good standing under the laws of the State of New Mexico.
- B. This Agreement has been duly authorized by Contractor, the person executing this Agreement has authority to do so, and once executed by Contractor, this Agreement shall constitute a binding obligation of Contractor.
- C. This Agreement and Contractor's obligations hereunder do not conflict with

Contractor's articles of incorporation or by-laws or any corporate resolution adopted by Contractor.

24. NO THIRD-PARTY BENEFICIARIES

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

25. INSURANCE

- a. General Conditions. 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. Contractor shall procure and maintain during the life of this Agreement a comprehensive general liability and automobile insurance policy and liability limits in amounts not less than \$1,000,000 combined single limits of bodily injury, including death, and property damage for any one occurrence. Said policies of insurance shall include coverage for all operations performed for County by 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. County of Santa Fe shall be named additional insured on the policy.
- c. Workers' Compensation Insurance. 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), Contractor shall increase the maximum limits of any insurance required herein.

26. 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.

27. FACSIMILE SIGNATURES

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

28. 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.

29. CAMPAIGN CONTRIBUTION DISCLOSURE FORM

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

30. SURVIVAL

The provisions of following paragraphs shall survive termination of this Contract; 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.

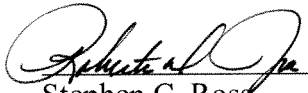
IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

SANTA FE COUNTY

Katherine Miller, Manager
Santa Fe County

Date

APPROVED AS TO FORM




Stephen C. Ross
Santa Fe County Attorney

12-5-13

Date

FINANCE DEPARTMENT APPROVAL



Teresa C. Martinez
Santa Fe County Finance Director

12/16/13.

Date

CONTRACTOR:

Signature

Date

Printed Name

Its: _____

Title

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SANTA FE COUNTY

for Katherine Miller
Katherine Miller, Manager
Santa Fe County

12/17/13
Date

APPROVED AS TO FORM

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

12/17/13
Date

FINANCE DEPARTMENT APPROVAL

Teresa C. Martinez
Teresa C. Martinez
Santa Fe County Finance Director

12/16/13
Date

CONTRACTOR:

Paul Saavedra
Signature
Paul Saavedra
Printed Name

12-12-13
Date
Its: *SF. Engr., Principal*
Title

ATTACHMENT A						
SANTA FE ENGINEERING CONSULTANTS						
HYDE PARK ESTATES COOPERATIVE DOMESTIC WATER ASSOCIATION SERVICE AREA						
AGREEMENT #2014-0140-UT/MS						
MAN HOUR AND COST ESTIMATE						
TASK DESCRIPTION	SENIOR ENGINEER	ENGINEER IN TRAINING	SR. ENG. TECH.	CADD DRAFTER	PROJECT ASSISTANT	SPFC COST BY TASK
FULLY LOADED RATES BY PERSONNEL						
	\$ 132.95	\$ 80.49	\$ 58.29	\$ 52.74	\$ 45.80	
1 INSPECTION AND INVENTORY OF ASSETS						
HOURS	5	0	20		20	
TASK SUBTOTAL	\$ 664.75	\$ -	\$ 1,165.80	\$ -	\$ 916.00	\$ 2,746.55
2 EXAMINE "AS-BUILT" AND OTHER AVAILABLE REPORTS AND DIAGRAMS						
HOURS	10	5	0			
TASK SUBTOTAL	\$ 1,329.50	\$ 402.45	\$ -	\$ -	\$ -	\$ 1,731.95
3 COMPREHENSIVE REVIEW, INVENTORY AND ASSESSMENT OF WATER RIGHTS						
HOURS	20		0			
TASK SUBTOTAL	\$ 2,659.00	\$ -	\$ -	\$ -	\$ -	\$ 2,659.00
4 REVIEW OF FILES AND DOCUMENTS ON EASEMENTS, ROW'S, ETC.						
HOURS	15	0	0		0	
TASK SUBTOTAL	\$ 1,994.25	\$ -	\$ -	\$ -	\$ -	\$ 1,994.25
5 INITIAL COST, ASSET LIFE, OPERATION AND MAINTENANCE AND FEES						
HOURS	10	0				
TASK SUBTOTAL	\$ 1,329.50	\$ -	\$ -	\$ -	\$ -	\$ 1,329.50
6 IDENTIFY AND ANALYZE ENCUMBRANCES AND FINANCIAL LIABILITIES						
HOURS	12	0				
TASK SUBTOTAL	\$ 1,595.40	\$ -	\$ -	\$ -	\$ -	\$ 1,595.40
7 FINAL WRITTEN REPORT ON VALUATION OF HPECDWA						
HOURS	5		0	5	20	
TASK SUBTOTAL	\$ 664.75	\$ -	\$ -	\$ 263.70	\$ 916.00	\$ 1,844.45
HYDE PARK ESTATES TOTAL						\$13,901.10

