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SANTA FE COUNTY

BOARD OF COUNTY COMMISSIONERS

REGULAR MEETING

July 29, 2008

Paul Campos, Chair – District 5
Virginia Vigil – District 2
Michael Anaya – District 3
Harry Montoya – District 1
Jack Sullivan – District 5 *[telephonically for the morning session]*

SANTA FE COUNTY

REGULAR MEETING

BOARD OF COUNTY COMMISSIONERS

July 29, 2008

This regular meeting of the Santa Fe Board of County Commissioners was called to order at approximately 10:05 a.m. by Chair Paul Campos, in the Santa Fe County Commission Chambers, Santa Fe, New Mexico.

Following the Pledge of Allegiance and State Pledge, roll was called by County Clerk Valerie Espinoza and indicated the presence of a quorum as follows:

Members Present:	**Members absent:**
Commissioner Paul Campos, Chair	[None]
Commissioner Virginia Vigil, Vice Chairman	
Commissioner Jack Sullivan [telephonically for first part of the meeting]	
Commissioner Harry Montoya	
Commissioner Mike Anaya	

V. INVOCATION

An invocation was given by County Clerk Valerie Espinoza.

VI. APPROVAL OF THE AGENDA

A. Amendments

B. Tabled or Withdrawn Items

CHAIRMAN CAMPOS: Mr. Abeyta, we have an amended agenda before us. What's going on?

ROMAN ABEYTA (County Manager): Mr. Chair, I have one amendment, and then a request to change several items, the order in which they would be heard. Starting with the amendment, the only amendment we have is under item XIII. Staff and Elected Official Items, C. Human Resources Department. We changed the wording on the agenda because today we only want to have a discussion concerning a draft of the Santa Fe County Human Resources Handbook and not approval.

As far as the order of items on the agenda, it has been requested that under Matters from the Commission, item D, the formal invitation to the 4-H 2008 Santa Fe County Fair be moved up to 1, followed by item E, which would be the recognition of Lt. Marco Lucero and Deputy John Lucero for 20 years of service. Then item A would be third, which is an ordinance authorizing the issuance and sale of bond gross receipts tax revenue bonds. Then item H we would like to move to be heard fourth, which would be discussion of the resolution of the North Central Regional Transit Authority. And after that, Mr. Chair, we may want to discuss item XIII. E. 1, which is a matter from the Regional Planning Authority, approval of additions to the six amended and restated Santa Fe Regional Planning Authority joint powers agreement relating to the Santa Fe Regional Transit District. And then finally, Mr. Chair, it has been requested that item XIII. B, Community Services Department, request approval of a joint powers agreement between Santa Fe County and New Mexico Energy, Minerals and Natural Resources Department, it has been requested that that item be heard at 11:30 because we will have Representative Rhonda King joining us for that discussion at 11:30, which is page 3.

CHAIRMAN CAMPOS: Mr. Abeyta, after H we're going to go to XIII. E? Is that what you're saying?

MR. ABEYTA: XIII. E, yes, depending on what happens with item H. Yes. Then we need to have a discussion regarding E.

CHAIRMAN CAMPOS: Okay, Commissioners, any input? Any recommended changes?

COMMISSIONER ANAYA: Mr. Chair.

CHAIRMAN CAMPOS: Commissioner Anaya.

COMMISSIONER ANAYA: I would like to table item X. F.

CHAIRMAN CAMPOS: Any reason for that?

COMMISSIONER ANAYA: I met with the Fire Chief and he brought me up to speed on that.

CHAIRMAN CAMPOS: So this was your item anyway?

COMMISSIONER ANAYA: Yes.

CHAIRMAN CAMPOS: Okay. Anything else?

COMMISSIONER MONTOYA: Mr. Chair, move for approval as amended.

COMMISSIONER ANAYA: Second.

The motion to approve the agenda as amended passed by unanimous [5-0] voice vote.

VII. APPROVAL OF CONSENT CALENDAR

A. Consent Calendar Withdrawals

CHAIRMAN CAMPOS: Are there items that any Commissioner wishes to withdraw at this point?

COMMISSIONER VIGIL: Mr. Chair, I'd like discussion on item XII. B. 10.

CHAIRMAN CAMPOS: XII. B. 10? Okay. Anything else that's going to be withdrawn from the Consent Agenda?

COMMISSIONER VIGIL: And 12.

CHAIRMAN CAMPOS: And 12. Okay, is there a motion to approve the Consent Calendar with the exception of the two items noted by Commissioner Vigil?

COMMISSIONER ANAYA: So moved.

COMMISSIONER MONTOYA: Second.

The motion passed by unanimous [5-0] voice vote.

XII. CONSENT CALENDAR

A. Budget Adjustments

1. **Resolution No. 2008-119. A Resolution Requesting an Operating Transfer from the General Obligation Bond (GOB) 1997 Series Fund (350) to the GOB Debt Service Fund (401) to Budget Investment Income Revenue for Debt Service Expenditure in Fiscal Year 2008 (Administrative Services Department/Finance)**
2. **Resolution No. 2008-120. A Resolution Requesting an Operating Transfer from the General Obligation Bond (GOB) 2001 Series Fund (353) to the GOB Debt Service Fund (401) to Budget Investment Income Revenue for Debt Service Expenditure in Fiscal Year 2008. (Administrative Services Department/Finance)**

B. Miscellaneous

1. **Request Approval of the Accounts Payable Disbursements Made for All Funds for the Month of June 2008. (Administrative Services Department)**
2. **Resolution 2008-121. A Resolution Requesting Approval to Establish a "Purchase of Uniforms Policy" to be Included in the Santa Fe County Accounting Manual. Specifically Addressed in this Policy is the Process for Making Uniform Purchases and the Method Used to Track and Record Taxable Uniform Items. (Administrative Services Department)**
3. **Resolution 2008122. A Resolution Requesting Approval to Establish "Purchase Order Procedures" to be Included in the Santa Fe County Accounting Manual. (Administrative Services Department)**

4. **Request Approval of Agreement from Value Options for Administration of the Access to Recovery (ATR) Voucher Program by the CARE Connection for July 1, 2008 – June 30, 2009 in the Amount of $259,040. (Health and Human Services/CARE Connection)**
5. **Request Approval to Accept Grant from the Department of Finance and Administration in the Amount of $300,000 for Operation of the Sobering Center for July 1, 2008 – June 30, 2009. (Health and Human Services/CARE Connection)**
6. **Request Approval to Enter into a New Lease Agreement for the Top of the World Farm – CORRECTED (Community Services Department)**
7. **Resolution No. 2008-123. A Resolution Granting Authority to the County Manager to Execute an Agreement for the Construction of a Parking Lot Addition for the County-Owned Ken and Patty Adam Senior Center, Formerly Known as the Vista Grande Senior Center, in Eldorado, NM (Community Services Department)**
8. **Request Approval of Amendment No. 2 for Lease Agreement #27-0414-HHSD/TL with Arsenio Trujillo for the Pojoaque Satellite Office (Community Services Department)**
9. **Request Approval of Amendment No. 1 for Lease Agreement #28-0049-CS/RH With the Town of Edgewood for the Edgewood Satellite Office (Community Services Department)**
10. **Request approval of amendment No. 1 for Lease Agreement #27-0703-PFMD/MQ With Presbyterian Medical Services for Lease of Premises for Headstart Services (Community Services Department) ISOLATED FOR DISCUSSION**
11. **Consideration and approval of an application for a Right-of-Way Grant/Temporary Use Permit from the Bureau of Land Management Concerning Buckman Road and the Buckman Direct Diversion Project. (Legal Department)**
12. **Request authorization to Enter Into a Lighting Agreement with the New Mexico Department of Transportation (NMDOT) for All Electrical Energy. Lighting Fixtures and Routine Maintenance of Traffic Signals, Advance Flashers, and Intersection Lighting on US 84/285 and CR 88 (La Puebla Road) in Arroyo Seco; and Roadway Lighting along US 84/285 from MP 185.1 to MP 186.1 (Growth Management Department) ISOLATED FOR DISCUSSION**
13. **Request Consideration and approval of Contract No. 08-WC-40-312 to Lease the Use of Santa Fe County San Juan/Chama Project Water to the US Bureau of Reclamation to Augment the Water**

Supply to the Middle Rio Grande Valley. Lease Payment to Santa Fe County not to Exceed $19,125. (Growth Management Department)

14. **Consideration and approval of the First amendment to Water Rights Lease agreement With the Town of Questa to Increase the amount of Water Rights Leased to the Village of Questa under the Existing Four Year Lease (Legal Department)**

VIII. APPROVAL OF MINUTES

A. June 16, 2008

COMMISSIONER VIGIL: Does Commissioner Sullivan have –

COMMISSIONER SULLIVAN: No changes.

CHAIRMAN CAMPOS: No changes from Commissioner Sullivan. Is there a motion to approve?

COMMISSIONER MONTOYA: So moved.

COMMISSIONER VIGIL: Second.

The motion passed by unanimous [5-0] voice vote.

VIII. B. June 24, 2008

CHAIRMAN CAMPOS: Commissioner Sullivan, any changes?

COMMISSIONER SULLIVAN: No changes.

CHAIRMAN CAMPOS: No changes. Is there a motion to approve?

COMMISSIONER VIGIL: So moved.

COMMISSIONER MONTOYA: Second.

The motion passed by unanimous [5-0] voice vote.

IX. MATTERS OF PUBLIC CONCERN – NON-ACTION ITEMS

CHAIRMAN CAMPOS: This is an opportunity for members of the public to address the Commission on issues not related to anything on the agenda today. Is there anyone who would like to address the Commission on a matter of public concern. Please come forward. Anybody who wants to speak on this item please come forward now. Okay, one person. Please step up to the podium, state your name and your address, please.

CINDY TRUJILLO: My name is Cindy Trujillo. My address is P.O. Box 356, Chimayo, New Mexico. I represent some of the citizens of Chimayo, of El Potrero. This is County Road 92. It's the road behind the fire department in Chimayo. It's the road that leads to the Santa Cruz dam and I do have several members of the community. So at this time I would like those people that are with me to please raise your hands so that they can be aware of the people that are here.

CHAIRMAN CAMPOS: Okay. About seven or eight people.

MS. TRUJILLO: I also invited the Chimayo Fire Department because this is part of their concern as well, and I don't believe anybody was able to show up today. I also asked the Chimayo Water Association to send a representative, and again, I believe nobody came as well. I tried to get a hold of Father Julio, who I wanted to come, I wanted him to come and talk because he, as the representative for El Santuario, I wanted him to be here so that he could raise the concerns that we're also having in that area.

CHAIRMAN CAMPOS: Please raise the concerns.

MS. TRUJILLO: Okay. The concerns that we have right now, and I do have some graphics, if I can have somebody pass those out to you guys. *[Exhibit 1: Aerial Photographs; Exhibit 2: Site Photographs]* Anyways, our concerns are that we have problems with the arroyo that runs behind the fire department and along several properties. I understand it's the Arroyo Don Diego Vargas, is what I was told that the arroyo is called.

CHAIRMAN CAMPOS: Ms. Trujillo, have you had an opportunity to talk to members of staff about this issue?

MS. TRUJILLO: Actually, I talked with Harry a little bit.

CHAIRMAN CAMPOS: Commissioner Montoya?

MS. TRUJILLO: Yes. Yes, I did.

CHAIRMAN CAMPOS: Okay. Commissioner Montoya, have you an opportunity to talk to staff about this?

COMMISSIONER MONTOYA: Yes, Mr. Chair, I have and James Lujan and Robert Martinez have been out there to look at this and see what could possibly be done. There are some issues regarding drainage that go way beyond our jurisdiction. So there have been some – and I've talked with Cindy about this in terms of no one seems to want to take ownership of the jurisdiction of this arroyo – Army Corps of Engineers, certainly it's not ours. So there are issues in terms of who's responsible for this. And James, I don't know if you wanted to give us an update on where things are at.

JAMES LUJAN (Growth Management Director): Yes, we've gone out there to see this area, and I've got Shelley here. She brought up floodplain maps and other items. It's just a really big watershed that continues to erode this property that they have built on, and it's a project that's way beyond our control, so I asked them to come to the Commission and discuss it with them and see what we want to do with it, if anything. It's just a major watershed that comes down and affects their property.

CHAIRMAN CAMPOS: How many families are affected?

MS. TRUJILLO: There's approximately 15 families.

CHAIRMAN CAMPOS: Fifteen families, and this is their only access to outside of this area?

MS. TRUJILLO: Yes.

CHAIRMAN CAMPOS: Okay. And this is an arroyo, Mr. Lujan?

MR. LUJAN: Yes, it is an arroyo. Our County road crosses it. It goes up to the back of the spillway of the Santa Cruz dam.

CHAIRMAN CAMPOS: And the idea would be to bridge the arroyo?

MR. LUJAN: No, I think they're looking for something else beside that to protect the property. What we do is every time it rains and floods out we go back in there and clean it up so it is accessible. At times people aren't able to cross, one or two times a year is when we've had flooding this year.

CHAIRMAN CAMPOS: So the impediment presently is not finding the agency that has jurisdiction to approve or disapprove the crossing.

MR. LUJAN: No. It's not about the crossing. It's about the arroyo is what they want to discuss and what can be done to protect the arroyo and to protect their property. If that's correct.

CHAIRMAN CAMPOS: Hold on. You'll have to come forward. Do you want to address that issue or would you like the members from Chimayo –

MR. LUJAN: I'd like them to address it. We've looked into it. It would be a major, major project for the County to take on and I wanted them to discuss it with you.

CHAIRMAN CAMPOS: So it would require a lot of money to do things to the arroyo to protect the banks?

MR. LUJAN: What I've done is I've had Shelley research it and she's got some information on it.

CHAIRMAN CAMPOS: Ms. Cobau, would you like to just briefly address that issue?

COMMISSIONER MONTOYA: Mr. Chair, also for your information and the residents here, I have directed staff to begin discussions with BLM about the possibility of seeing what can be done up on their properties to maybe dam some of that drainage. So hopefully those discussions will provide some sort of relief in terms of the flooding and holding it further up on BLM property, because it does come from BLM.

MR. LUJAN: Correct. Mr. Chair, Commissioners, I believe the main item they want to talk about is your particular property that's getting most affected. The other 15 families, I am not aware of them but I'm sure they do get affected by the crossing. They can't get access to their home. So Shelley will give you a little update about how the property was developed.

SHELLEY COBAU (Building and Development Services Manager): Good morning, everyone. I went out to this particular site after receiving the Commission action request from Commissioner Montoya. I went out there on Monday with two members of FEMA who are here doing a community assistance visit as part of the County's joining the community rating system. We looked at this problem, Paul Kavanaugh and myself went out there with FEMA and with the state floodplain coordinator for the state of New Mexico. I've subsequently had GIS get us some aerials that showed the former floodplain as it was mapped by the 1988 flood maps and as it's mapped by the 2008 maps. The floodplain that affects both #9 Santa Cruz Down Road, which is the more westerly property, and then another property immediately behind it, which is 15-A Santa Cruz Down Road, both these lots are completely encumbered by floodplain. They were completely encumbered in 1988 and they're completely encumbered now. There's not buildable area on either of those lots.

CHAIRMAN CAMPOS: Define that: encumbered, in this context.

MS. COBAU: Encumbered as they're mapped within the 100-year floodplain, both parcels. In fact the 1988 map included more of the parcels than the current maps do. The current map includes more of the parcels than the current maps do. The current maps reduce them somewhat but there is still not a buildable area on either parcel large enough for a dwelling. So the property at #9 and the property at 15-A both have modular homes on them, which have to be in compliance with federal criteria regarding anchoring of modular homes in the 100-year floodplain, and providing for passage of floodwaters.

The arroyo, as the woman from the public stated, she found a name. I think she said Don Diego de Vargas. There's not a name on the FEMA map. But that arroyo would have to be studied by an engineer to ascertain how deep the floodwaters would be in a 100-year event, and what the velocity of those floodwaters are. I just did – I have aerials that I can show you if you wish that show the area that FEMA anticipates to be inundated. An engineer could study this and the area might be reduced through detailed study by an engineer. Also I believe Ms. Trujillo has placed railroad ties that are being used in an effort to stabilize the band of the arroyo, and the water is now – it's evidently trying to go around them, get behind those railroad ties. The water will seek the path of least resistance so it will try to go around but the ties aren't extended far enough outside where the area is being inundated by floodwater. They'll just go right around some protective measures like that if they're not designed by an engineer and correctly placed.

So they have, in an effort to stop the water from going in have placed a concrete pour. All these things that go on in floodplains per the ordinance that you just adopted recently, the New Floodplain and Stormwater Management Ordinance, if these people were to come in for a permit now, on these two units that are in the floodplain, they'd be required to do a technical drainage study which would involve an engineer, ascertaining what the depth and width of the floodwaters would need to be. They'd be required to provide us an elevation certificate, which would indicate the lowest floor of their structure was going to be above the depth computed by the engineer. And if they wanted to change the floodplain they'd have to submit and have that approved by FEMA.

CHAIRMAN CAMPOS: Okay. I'm going to ask you to sit close by in case we have any questions, but I want to ask Ms. Trujillo to finish her presentation.

MS. MARTINEZ: So I guess I just want you guys to know that I did know that we were in a flood zone. As part of having to put my home there I did have to get flood insurance, which I have and stuff, but I guess what I'm trying to ask is – me and my brother are the ones that have the bank stabilized by these railroad ties and stuff, so we're the ones that are affected by that. But what I'm asking is not – I'm not asking that you guys help us personally. I'm asking that we get help for the whole community because this arroyo runs up from the top and so what happens is there's a bunch of mountains up on top, and these little arroyos come out of the mountains and then it comes down this big long arroyo, Don Diego de Vargas Arroyo, and I just found out that that was the name this weekend and stuff. So I don't know that that name is associated on any documents. I talked to a lady who is familiar with the arroyos, with the water system, and you guys probably know here. Her name is Josie Lujan. So she's the one that provided me that information.

But anyway, so what's happening is the water comes from way up in the mountains, so maybe – I'm not good at distance and stuff, so approximately, or maybe about a mile and a half upstream. So by the time it comes we're the last leg of its journey, my property and my brother's. And then what it does is it T's into the Santa Cruz River. And so what happened is on July 3rd, when we had the first rain, it took a portion of the railroad ties, so we had a wall that was built like this, and it took a portion of the ties and opened up a gap about that big. So it took like 55 railroad ties. And that day, my sons got home, they tried to – as a matter of fact, this is what they told me: Mom, we're going to jump in the arroyo and get the ties, because they knew how expensive it was when we first did the wall. And so I told them, you know what? That is the worst thing that you guys can do because a loss of life you cannot replace, I said. Railroad ties can be replaced. We'll talk to people and stuff. So I told them you never do that.

Now, this arroyo, when I say that this arroyo runs, it runs like a river. It runs like the Santa Cruz River. So what's happening is this arroyo runs into the river. It took them down the Santa Cruz River and it left ties all over the place I'm sure and stuff. We could not retrieve the ties. But anyway, so the damage was done to my property. Since then we have fixed the problem. We fixed the wall again and stuff, but my feeling is it not only – we only have the one County road, and this leads to the Santa Cruz dam. On some of the pictures you'll see that. That crosses right in front of my home. My home is house #9. Basically, everybody is involved. The Chimayo Fire Department.

When I was little I remember the arroyo. The arroyo used to be probably a car length, maybe. Maybe a little over a car length in width. Since then it has now tripled to almost four times the size that it was. So not what you've got, you've got an arroyo and even the river – this is the same – it's flat like this. It does not have banks, and the banks that it has is very, very minor. Those banks are going to be – by next year's rains, those banks will probably be non-existent. This is the problem that we have.

And what I would like is that anybody that's involved, whether it's BLM, whether it's the County – I've been sent to the Army Corps of Engineers. I've been sent to the Public Works Department, all over the place. Everybody sends me all over the place. I've discussed this with everybody. What I would really like is for people to take a road trip down there, see what's happening because I can tell you until I'm blue in the face what's going on or the extent of what's going, the hardships that we're having, everything that's happening. But until you actually go out and see visually for yourselves and see the extent of what's happening. I can't even explain to you right now. The pictures tell a story but it doesn't tell the full story. A visual is what people need to go and see. They need to visually see for themselves: this is what's happening.

And like I say, I'm coming for the whole community. I know for a fact –

CHAIRMAN CAMPOS: Who else would like to address the community? I think we're understanding the issue generally, and we're going to probably have to have staff look at this more carefully. Don't you think, Commissioner Montoya?

COMMISSIONER MONTOYA: And they are.

CHAIRMAN CAMPOS: Let's have all the speakers because we've got to move on with the agenda. Please state your name and your address.

JOHN FLORES: Yes, my name is John Flores. I live down by the Santa Cruz dam. I'm the last resident on that road. Your statement regarding the amount of people that are affected, actually, it's quite a bit more than that due to the fact the Chimayo Water District, that's their source of water for the Chimayo water project. So all that water actually has to cross that arroyo and also it's putting their water supply at risk, their sanitation, if it possibly breaks it could be a very, very bad health hazard for them. So we're looking at not only – we're not looking at only just a few residents, we're looking at the health and safety of the community of Chimayo in this regard.

And in your statement as far as putting a bridge up or some sort of – that would also be a very, very good suggestion, along with some repair along that embankment to reinforce it so that Cindy and Harold are not jeopardized and at hazard and also the other residents that have to cross, including myself. So that is one of the big keys to this whole – the reason why we're here today.

CHAIRMAN CAMPOS: Okay. Thank you, Mr. Flores and Ms. Trujillo for coming forward. Anybody else want to address the Commission on this issue?

COMMISSIONER ANAYA: Mr. Chair.

CHAIRMAN CAMPOS: Yes, sir.

COMMISSIONER ANAYA: Mr. Flores, on the picture, there's a big conduit, culvert.

MR. LUJAN: That's the irrigation, Commissioner.

MR. FLORES: Right here is the road that actually.

COMMISSIONER ANAYA: This pipe right here.

MR. FLORES: The pipe you see there is for the acequia for Potrero. That comes off of the Santa Cruz River, so it's the first acequia off of there, and it crosses that arroyo. It's about a 30-inch pipe. As you see the sand is actually, there was enough room to actually walk under there, or not walk under there but actually crawl under there, but now there's maybe a foot.

COMMISSIONER ANAYA: That could be in danger, too.

MR. FLORES: Yes.

COMMISSIONER ANAYA: All right. I look forward to hearing from staff in the future to see what we can do to fix this.

CHAIRMAN CAMPOS: I want to thank you for coming and I've talked to Commissioner Montoya briefly and he said that staff is looking at this already and trying to get all the information, so I assume that shortly we'll be getting a report to our County Manager, to Commissioner Montoya, and then we'll see what things the County can do or not do. I appreciate your time. Thank you very much for coming.

MS. MARTINEZ: I just wanted to thank you guys for your time today and stuff.

CHAIRMAN CAMPOS: Thank you for taking the time to come here. Okay, anyone else under Matters of Public Concern? Okay, no one coming forward, we're going to close that.

X. MATTERS FROM THE COMMISSION

D. Formal Invitation to the 4-H 2008 Santa Fe County Fair July 30th – August 3rd (Commissioner Anaya) *[Exhibit 3: Fair Schedules]*

COMMISSIONER ANAYA: Thank you, Mr. Chair, members of the Commission. If the 4-H-ers could come forward, and then when I call your name out, if you could go ahead and sit there in the front. If I call your name out, would you just kind of stand up or raise your hand so that we can recognize you. Mr. Chair, Commissioners, today we have with us Tara Warner, Santa Fe County Fair Princess. We also have Chris Runner, Santa Fe County Council President, Erica Garcia, Santa Fe County Council Secretary, Ellen Bardwell, Santa Fe County Council Reporter, Caleb Guston, Santa Fe County Council Song and Recreation Leader, he's going to sing us a song today. Jessica Guston, Santa Fe County Council Member, and Christina Turner, Santa Fe County 4-H Agricultural Agent. Let's give all them a round of applause.

We have our County Fair approaching us. It's going to start Wednesday. But I'm going to have the president, Chris Runner, come up and kind of give us a little brief on what's going on and I believe they're going to invite us. Chris.

CHRIS RUNNER: I'd like to invite all you guys to the 2008 Santa Fe County Fair. It starts July 30th and goes to August 3rd. August 3rd will be the 4-H County sale where the kids will auction off the animals that they've raised throughout the year, and during the week they'll have pig shows and steer shows. What Ellen and Caleb are handing out is Ellen has a calendar of events and that will tell you the different shows and stuff and the blue schedule is the entertainment schedule. We'll have bands for the dances and stuff, and Erica's handing you guys little bags.

We would like to invite you guys and thank you for all the support that you give us throughout the year.

COMMISSIONER ANAYA: Thank you, Chris. Christina.

CHRISTINA TURNER: Yes, Commissioners, we would just like to thank you and thank the County for all the support that the County Fair has gotten. Our County Fairgrounds looks outstanding thanks to the support of our County and the County staff coming out. We'd just like to invite you all to come out and see all the work that you've put in to making our fair a nice place and a nice event for our community and for our children. So thank you very much.

COMMISSIONER ANAYA: Thank you, Christina, and I also too want to thank the Commission for their strong support for the County Fair, and Roman, you all have done a wonderful job. The staff, the Public Works Department, James and Robert and Joseph's crew were out there. They've really turned that facility around. I was out there this morning. There's a lot of paving that went on, new buildings. So I want to thank the Manager for his leadership and guidance on that and thank you all for coming and before you leave, can we kind of get a picture with you. And let's give them another round of applause.

X. E. Recognition of Lt. Marco Lucero and Deputy John Lucero for 20 Years of Service (Commissioner Anaya)

COMMISSIONER ANAYA: Thank you, Mr. Chair, Commissioners, members of the audience. I would be honored to introduce these two individuals who I know very well and work very hard for our Sheriff's Department, but since I see the distinguished, honorable Sheriff Greg Solano here I would like to turn it over to him. Sheriff.

GREG SOLANO (County Sheriff): Thank you, Mr. Chair and Commissioners. Thank you for this opportunity as well as I think you have a lot to do with this because when I first became Sheriff I was told that not a lot of people retired from the Sheriff's office, and these guys aren't ready to retire yet, but they're close to it, as far as years. And a lot of it has to do with your support of the Sheriff's Office in keeping pay competitive, keeping benefits competitive and doing everything we need to do so that we're not in the same position of a lot of law enforcement agencies across the country and across the state as far as being short-handed and not being able to retain our people. So I want to thank you for that while I'm up here.

And I want to thank both Lieutenant Marco Lucero and Deputy John Lucero. They've been with the County Sheriff's office since 1988, which was the first year I ever went to the police academy, and have devoted all these 20 years to the public. And it's a big thing to devote 20 years of your life in law enforcement. It takes a lot of way from your family and children. There's many times that you're away for birthday parties and special events and things in your family and you just have to be out there serving the public and you miss those events. This plaque does in no way justice to the amount of years and time that these men have done for the Sheriff's office and for the public and the citizens of Santa Fe County. It's a small token of our appreciation. So, Lt. Marco Lucero, thank you.

MARCO LUCERO (Sheriff's Department): Thank you, Sheriff.

SHERIFF SOLANO: And on behalf of Santa Fe County and the Sheriff's office, Deputy John Lucero, thank you.

CHAIRMAN CAMPOS: Would you like to speak, Lieutenant, Deputy?

LT. LUCERO: Certainly. I appreciate your taking the time and recognizing our efforts and our loyalty to the County of Santa Fe and to the residents of Santa Fe County. I had a father – I have a father, but he retired from the Santa Fe Police Department as did my eldest brother, and they both tried to recruit me back then to go to the Santa Fe PD and I chose the Sheriff's Department and the County of Santa Fe and I have no regrets. I love the county and the people I work with and I want to thank you for recognizing our efforts. Thank you.

CHAIRMAN CAMPOS: Thank you.

DEPUTY JOHN LUCERO (Sheriff's Department): I want to thank you all for working so closely with the Sheriff. In the 20 years that I've been here Sheriff Greg Solano has been, in my opinion, the best Sheriff we've had so far. So I want to thank him for that. He's got us all the equipment that we've needed to do a better job out there. He's got us raises to keep our lives a little bit more stable and I just want to thank you all for working so well with the Sheriff's Department. Thank you.

CHAIRMAN CAMPOS: Thank you, John.

COMMISSIONER ANAYA: If I could, I'd like to get a picture of you all and I'd like Major Ron Madrid to come up, come forward, the 911 Director, Ken Martinez, and our Captain, Robert Riggs.

SHERIFF SOLANO: Thank you again, Mr. Chair and Commissioners and Lt. Lucero reminded me of something when he was talking too. This Commission, I think has supported the Sheriff's office more than any Commission in my lifetime. So, thank you.

CHAIRMAN CAMPOS: Thank you, Greg.

X. A. Consideration and Approval of Ordinance No. 2008-11. An Ordinance Authorizing the Issuance and Sale of the Santa Fe County, New Mexico County Gross Receipts Tax Revenue Bonds, Series 2008, in an Aggregate Principal Amount of $30,000,000 for the Purpose of Defraying the Costs of Construction of and Improvements to the County Courthouse and to Pay Costs of Issuance of the Series 2008 Bonds *[Exhibit4: Interlineated Ordinance Text; Exhibit 5:Bond Sales Results]*

STEVE ROSS (County Attorney): Mr. Chair, Mr. Franklin is going to handle this matter.

PETER FRANKLIN (Bond Counsel): Good morning, Mr. Chair and Commissioners. With me are Kevin Powers and Eric Harrigan of RBC Capital Markets who act as the County's financial adviser. As you know, I'm with Modrell Sperling; we're the County's bond counsel. Before you is a bond ordinance which authorizes the issuance and sale of $30,000 of the Santa Fe County gross receipts tax revenue bonds. This ordinance authorizes the sale to Wachovia Securities and George K. Baum as the underwriters. Among the various things the ordinance authorizes is the execution and delivery of a bond purchase agreement for the sale of the bonds, which we will ask you, Mr. Chair, to sign, assuming the ordinance is approved.

As you know, the purpose of the bonds is to fund the balance of construction costs for the courthouse. I think we just lost our super-majority.

CHAIRMAN CAMPOS: We'll take a five-minute break.

[The Commission recessed from 10:45 to 10:50.]

MR. FRANKLIN: Mr. Chair, Commissioners, as I was saying, the purpose of the bonds is to fund the balance of construction costs for the courthouse. The other thing the ordinance does, or one of the other things is that it ratifies the distribution of the preliminary official statement that we've worked with the County to prepare. That document has been used to market the bonds and was instrumental in the sale of the bonds to the underwriter.

As you'll see in the redline drafts of the ordinance that were passed out there are a number of changes from the version that we started out with, and probably the most significant thing is how these bonds are going to be secured by gross receipts tax revenues. The bonds will be secured by a pledge of all of the first 1/8 increment, all of the third 1/8 increment, and the 1/16 percent increment of gross receipts tax.

Let me explain why it is we're doing it that way. This combined pledge is also being applied under the ordinance retroactively to the County's Series 1997 Bonds and 1997-A Bonds. The purpose of doing it this way is that we had – with those 1997 bonds we had a real mish-mash of security pledges to the different gross receipts tax bonds, and by combining this pledge, all the County's gross receipts tax revenue bonds will be secured by the same pool of revenue. And that accomplished a couple important things, really three important things. By providing a combined pledge the County will be able to more effectively track what revenue is being used to pay debt service on all its outstanding gross receipts tax bonds. So that will provide very ready information about what additional revenue is available for operations, what additional revenue can be pledged to secure other gross receipts tax bonds should the County decide to issue more of those bonds.

The combined pledge also fixes problems with the 1997 bonds. It basically secures the bonds in the way that the County had intended and the way investors who purchased the bonds thought they were secured, and basically addresses some difficulties with the legal documents that were prepared back then. And there's a third benefit which your financial advisors will describe in more detail. As we work through those various technical issues with the rating agencies, with Moody's and Standard and Poors, the solution that we came up with, the combined pledge, has resulted in really very high ratings for this series of bonds such that no bond insurance is necessary. Normally, bond insurance – I'm not going to say normally. Traditionally, bond insurance has been purchased for revenue bonds and really any bonds rated probably AA or lower. Would that be true? And in this case the ratings are good enough and the problems with bond insurance out there and the bond market are big enough that we've gone without insurance and had a successful sale, which the financial advisors will describe.

The other feature of the bond ordinance that I want to point out is the springing reserve feature. We have a debt service reserve fund provision, which basically says that if the bonds are – if the reserve is funded at about 10 percent of the principal amount that would normally have to come from the bond proceeds themselves or from cash available to the County. But what we've been able to do here is provide that no reserve – the reserve doesn't need to be funded unless the gross receipts tax coverage drops below two times the amount necessary to pay debt service year to year. So should the revenue drop below that two times coverage test the County would then need to fund the reserve over a two-year period or would need to buy what's called a debt service reserve surety bond. But we're not expecting that to happen. I think the financial advisors will show you the coverage is really well above two times and that's probably quite unlikely.

I don't have anything further. I'd be happy to address questions about the ordinance and some of the changes we've made since we started out if there are any. Otherwise, I'll turn it over to Kevin and Eric to walk you through the financial details of the sale.

COMMISSIONER ANAYA: Mr. Chair. Is this going to help with roads?

MR. FRANKLIN: Mr. Chair, Commissioner, it will – these bonds themselves are not being issued to fund roads at all but we think overall the pooling of the gross receipts tax revenue as security is going to give the County really good capacity to do other types of gross receipts tax financings. We do have GO bonds that have been issued for road projects and we're expecting to issue additional bonds for that purpose.

COMMISSIONER ANAYA: Thank you.

CHAIRMAN CAMPOS: Commissioner Vigil, do you have a question at this point?

COMMISSIONER VIGIL: I do. Peter, is this the maximum gross receipts tax that we can get? Have we enacted that? Do you know if the state statutes provide for the opportunity to enact an additional percentage? Or a quarter percent? I just know that Corrections is a huge issue for counties in the State of New Mexico and I know that some of the judicial committees that are meeting now are looking to see how counties can be assisted with this large cost. I think one of them would be to increase the potential for GRTs. You may not have that answer.

MR. FRANKLIN: Mr. Chair, Commissioner Vigil, I don't have the answer off the top of my head. I know the County has enacted the Corrections gross receipts tax and is using that for jail operations. None of that tax is actually pledged to pay debt service on jail bonds, which is sort of interesting. Well, actually, I think the tax was enacted after the jail bonds were issued. But I don't know off the top of my head whether the County is maxed out on all available. I think it is. I'm getting information from these guys here. I think the County is currently maxed out on all the gross receipts tax increments that can be enacted, so the legislature would need to authorize additional ones.

COMMISSIONER VIGIL: Okay. For the same purposes?

MR. FRANKLIN: Yes.

COMMISSIONER VIGIL: Thank you.

CHAIRMAN CAMPOS: Okay, let's proceed.

KEVIN POWERS (Financial Advisor): Good morning. Kevin Powers with

RBC Capital Markets and we have a little handout there. If you turn to page 3 we have a summary of the issue. As Peter indicated in the ordinance review the size of the issue is $30,000 and the issue will actually produce $30,000 for the project. There's a premium that will be generated from the sale of the bonds that will cover cost of issuance and selling costs. The maturity of the bonds is 25 years total. The bonds will mature between 2009 and 2033. That generates an average life of about 16 ½ years. The bonds are optionally callable, optionally redeemable at the County's option, beginning June 1 of 2018. That's a ten-year call option and that's a standard in the industry for bonds that are 20 years or longer in final maturity.

The ratings that were assigned to this issue are extremely good ratings. S&P assigned a AA+ rating. That is the second highest rating you can get from S&P. The only higher rating is AAA. Moody's assigned a AA2, which is the third highest rating from Moody's. A AA1 would be notch higher and a AAA would be the highest. So those are excellent ratings. We had to work hard to do that and the information that Peter gave you earlier about the pledge was really a key component to achieving those high ratings. We got the high ratings, we cleared up some issues with the 97 bonds and at the same time we're providing the County with future bonding capacity from this pledge. You'll see later on in this presentation, the County has the ability in a couple of years to issue about another $23 million or $24 million of bonds using this pledge and this payment source to do some other projects. So we've actually taken into account future borrowing needs and future capacity needs as we designed this financing program.

We used no credit enhancement, no bond insurance. So this was sold strictly on the County's credit ratings. The all-in cost, an APR kind of equivalent cost on this financing is 4.84 percent. I was looking at some previous numbers that we had run and back in early July we had run some pro forma numbers and the AIC on those numbers were 4.849 or something like that, so it was very close. We're able to stay with the program, so to speak and get the transaction completed in a fairly volatile interest rate market. The markets have been volatile really all year and in recent weeks we've had a number of challenges to overcome. Last week, Moody's Investor Service placed the two AAA-rated insurers on watch for potential downgrades which caused some real instability in the market.

Fortunately, with your high ratings, you actually benefited from that because what's happened, the volume in the marketplace has declined somewhat because of the lack of the insurance availability, so really only AA credit and higher are getting placed in the market today. So you actually benefited with a lower volume into the market. You were more attractive to potential buyers out there.

On page 4, we have a timeline for how the marketing occurred and really we started months ago but with this piece of it we started a couple weeks ago with rating calls here at the County with Moody's and S&P. We then distributed an official statement nationally to potential investors. Had pre-pricing calls and a number of conversations with the underwriting crew. Peter mentioned that Wachovia Securities was the senior manager. George K. Baum was the co-manager. Edward Jones and Kious and Company were also included as selling group members because there's a real shortage of tax-exempt municipal bonds in the State of New Mexico available for individuals to buy. And we wanted to make sure that we had a group of firms that could access as many bond-buyers out there in the state and sell as many of these bonds retail. And as it turns out, a sizable portion of this transaction was placed with individual investors in the State of New Mexico. And that also contributed to the lower interest rate.

Yesterday, about 1:45, the underwriting team committed to underwrite the bonds at the rates that are included in the ordinance, and we have it today for your consideration, the ordinance that will lock this transaction in.

On page 5 we have sources and uses of funds. As I said, we're issuing $30 million and you're going to have approximately $30 million for the project. Pages 6, 7, have details about how the bonds were actually structured, the interest rates, the rates that they were sold, whether they were sold at premium or a discount, and these are all factors that are considered by the underwriter and by your financial advisors to make sure that the issue is as attractive as possible to the bond-buying community.

On page 8 we kind of show how this transaction will fit together with a potential transaction in 2010. That transaction would be about $23.7, almost $23.8 million, and we've factored in slightly higher interest rates two years from now to arrive at that number. Of course, as we get closer to that time we'll know whether rates are higher or lower. We'll also know if your revenue growth has occurred in the pledge revenue. These numbers could be larger or smaller depending on how things progress in that area.

I've included some other information, some graphs here. I'm not going to go into that right now, but if you just turn to page 14, I mentioned earlier that S&P rated the bonds AA+, and you can see here on this scale of their investment grade ratings that that is in fact the second highest rating available from S&P. Moody's criteria are on page 15 and you can see where you're actually just a notch lower on the Moody's scale than the S&P scale, but nonetheless, it's really an honor to have that kind of a rating and it translates to reduced interest costs and a better deal for the taxpayers of the County.

We've included, under page 16, the actual reports from Moody's and S&P so you can take a look at that at your leisure. It has some interesting comments on the County, but in general, I think the Commission should feel comfortable that the County's finances are being handled in a very professional manner and these rating agencies are rewarding the County for that prudent financial management as well as a strong and growing tax base.

So with that I would stand for any questions that you might have on the marketing of the bonds.

CHAIRMAN CAMPOS: Questions? Commissioner Sullivan, are you there?

COMMISSIONER SULLIVAN: I'm here.

CHAIRMAN CAMPOS: Do you have any questions?

COMMISSIONER SULLIVAN: No questions.

CHAIRMAN CAMPOS: Okay. Thank you very much. Mr. Franklin, anything else?

MR. FRANKLIN: Mr. Chair, the only other thing is should the County decide to adopt this bond ordinance by the necessary minimum of four votes we'd ask you to sign the bond purchase agreement so that we can get it off to the underwriters. They'd like to have that right away.

CHAIRMAN CAMPOS: Does this have to go to public vote?

MR. FRANKLIN: You mean a roll call vote?

CHAIRMAN CAMPOS: No, voter –

MR. FRANKLIN: Oh, voter approval? No, sir. Because these are gross receipts –

CHAIRMAN CAMPOS: To be done without approval you need four votes.

MR. FRANKLIN: That's correct.

CHAIRMAN CAMPOS: You need a roll call, and as far as the motion, do we need any special language in the motion, or would you like to help us with the motion so that we cover all the basis.

MR. FRANKLIN: Mr. Chair, I think just a motion to adopt the ordinance by its number would be fine.

CHAIRMAN CAMPOS: Okay, the number would be –

VALERIE ESPINOZA (County Clerk): The ordinance is 2008-11.

CHAIRMAN CAMPOS: 2008-11. Questions?

COMMISSIONER MONTOYA: Mr. Chair, I move for approval of this ordinance. I think it goes along with what we've been doing in terms of long-term financial planning for the County and fits right in with the schedule and I want to thank the gentlemen for the work that you've done on this. Appreciate it, Kevin.

CHAIRMAN CAMPOS: And the motion includes that this is Ordinance No. 2008-11?

COMMISSIONER MONTOYA: Yes.

CHAIRMAN CAMPOS: Is there a second?

COMMISSIONER VIGIL: Second.

CHAIRMAN CAMPOS: Discussion?

The motion to approve Ordinance 2008-11 passed by unanimous [5-0] roll call vote, with Commissioners Anaya, Montoya, Sullivan, Vigil and Campos all voting in the affirmative.

X. H. Discussion of the Resolution of the North Central Regional Transit District to Provide 86 Percent of the Revenue from the County Regional Transit Gross Receipts Tax to Santa Fe County (Commissioner Montoya)

COMMISSIONER MONTOYA: Thank you, Mr. Chair, members of the Commission. As you recall, when we took action on this some time back, there was the provision of this language that was not part of the discussion that we had at the time that we moved forward on the gross receipts tax. In discussions that I had with North Central Regional Transit Authority members subsequent to our approval of the withdrawal from the NCRTD at our meeting where we acted on that, we have had the discussion and the NCRTD board has met and approved the language that I had requested, that being included when we initially discussed this. So at this point, Mr. Chair, in terms of the – I believe some of the concerns that I had, they have been addressed and I would like to reconsider, have us reconsider the vote in terms of rejoining the NCRTD with the language that has been provided that they have approved through the NCRTD board.

CHAIRMAN CAMPOS: Okay. This is for discussion, correct, Commissioner Montoya?

COMMISSIONER MONTOYA: Correct. So that we would bring it up at the next meeting for a vote. I was one of the ones voting in the affirmative so I would ask that it be reconsidered.

CHAIRMAN CAMPOS: Reconsidered. Okay. Let me ask. At the next BCC meeting which would be when?

MR. ABEYTA: I believe it's August 12th.

CHAIRMAN CAMPOS: August the 12th? Okay, what about reconsideration, Mr. Ross. Is reconsideration appropriate at this time?

MR. ROSS: Mr. Chair, no, it wouldn't be a reconsideration. It would be some sort of a document, probably a resolution that would be styled a resolution to rejoin the North Central Regional Transit Authority.

CHAIRMAN CAMPOS: It wouldn't be a reconsideration. It would be a primary motion starting from the very beginning.

MR. ROSS: We've had two meetings now since the matter was first before us, so it would have to be styled as a different kind of action, and that would have to be a public hearing as well.

CHAIRMAN CAMPOS: Okay. And how much notice to we have to give?

MR. ROSS: Ten days.

CHAIRMAN CAMPOS: Ten days. Okay. Commissioner Sullivan, I know you want to talk about this one.

COMMISSIONER SULLIVAN: Thank you, Mr. Chair. I think that, first of all, there's a couple of major items that were apparently conveniently left out of the resolution that the RTD passed. I'll try to describe them real briefly. One, in this resolution that the County provided to the RTD that Legal put together was a provision that no additional gross receipts tax would be imposed by the RTD on Santa Fe County without the County Commission's approval. And that does not appear in this resolution document.

The other was a provision that should, in the future, the County determine that it was advantageous to form its own transit district, a transit district, for example, in cooperation with the City of Santa Fe, that Santa Fe County would continue to receive the 86 percent, which the RTD has determined in their service plan is the amount of funds we need for services in Santa Fe County. And the reason that's important is that if we were to withdraw or some future Commission were to withdraw from the RTD, the tax would continue on for 20 years and the RTD could do what they want to with it without any input from Santa Fe County. And we've got minimal input as it is now, being a member of the board, but if that happened we would have none.

So those two provisions are not in the agreement and of course RTD was certainly aware of those. They just scratched them out, the board did. I think – so technically, I think the resolution is nothing like what our proposed joint powers agreement was which was considerably tighter. I think what we've seen also in the interim is that in working closely with the City of Santa Fe on this issue and having the City hold hearings on it and having people come forward and express their opinions about transit and about issues like that, I think we've really cooperated quite well and that's one of the criticisms that we constantly seem to get from constituents, that we are not working closely with the City. I disagree with that. In many cases there are instances where we are. But that's the perception nonetheless.

I think that we really see here that the best solution to transit in this area is a joint City-County transit district. Some have feared that that is going to eliminate some very fuzzy concept of regionalism, but in point of fact the transit is going to go where the demand is and that's where it should go. I understand that some northern counties would like us to continue to subsidize some of these very low ridership lines, but I would point out that they're being subsidized now by the feds and they'll continue to operate the way they're operating because they're not operating with any Santa Fe County money now. There's no gross receipts going into that now. So they can continue to operate with those subsidies and we can move forward and we can make regional agreements as we need them for connecting routes for the Rail Runner.

So I think we've really fashioned, during this three-month period, a very workable relationship. I just wish that the North Central Regional Transit Authority staff had put as much effort into managing this transit district as they have into politicking to obtain Santa Fe County's money. That would have, I think, put us in a different position than we are today. But nonetheless, we're here and I think that we should continue our partnership with the City and not the RTD.

CHAIRMAN CAMPOS: Okay. Is that it, Commissioner Sullivan?

COMMISSIONER SULLIVAN: That's it for now.

CHAIRMAN CAMPOS: Okay, Commissioner Montoya, I know you said clearly several times that you would not suggest that we stay with North Central unless they 100 percent did what our JPA and I think Commissioner Sullivan has outlined a number of issues that are not included by North Central in the JPA. Would you like to address those?

COMMISSIONER MONTOYA: Actually I'd like to ask NCRTD staff to address those.

CHAIRMAN CAMPOS: I don't want to get there yet. Do you want to address them?

COMMISSIONER MONTOYA: No, with what's in here right now addresses the majority of what I feel was pretty compelling as far as us needing to have the 86 percent of the revenues raised for us, for Santa Fe County, the City of Santa Fe services. So that to me was critical. And then the other 14 percent was something that they agreed upon as well. So to me, those were the critical elements. The ones with the additional GRT without BCC approval, I don't think they can be done without BCC anyway, if I'm not mistaken.

CHAIRMAN CAMPOS: Sure they can. It's the four-county total that would govern, would it not?

MR. ROSS: Mr. Chair, you're referring to the tax ordinance and method of conducting the election? Yes, it's collective. It's like there's a large county consisting of Santa Fe, Taos, Rio Arriba and Los Alamos and whether the ordinance is adopted and a tax imposed within the district is determined by aggregating all of the votes from all of the four counties. So if there's a simple majority taken together of all the counties on the question of whether the tax should become effective, it does. It's not county-by-county.

COMMISSIONER MONTOYA: Oh, it's not county-by-county?

MR. ROSS: It's not, no.

COMMISSIONER MONTOYA: Okay.

CHAIRMAN CAMPOS: So I have an issue, and basically, in the JPA that you were supporting it's stated that we have the right to withdraw and if we withdrew we would have the right to keep all our tax money in Santa Fe County. And that's not included in the resolution. So do you have any comments about that?

COMMISSIONER MONTOYA: Yes, regarding that one too, Mr. Chair, I believe that any point you can still withdraw. Is that not the case?

MR. ROSS: Mr. Chair, Commissioner Montoya, the intergovernmental agreement that exists among the parties to the North Central Regional Transit Authority permits any party to withdraw by adopting a resolution just like we did a few weeks ago and that's consistent with the statute that says the same thing.

CHAIRMAN CAMPOS: Well, Mr. Ross, what happens to the money that's being taxed here if Santa Fe County indeed decides to withdraw down the road a couple of years? What happens to the tax money?

MR. ROSS: Mr. Chair, the statute requires district staff and County staff in that kind of a situation to convene and discuss what happens to all those –

CHAIRMAN CAMPOS: Explain that.

MR. ROSS: For example, for property that's purchased with County money, how you dispose of that, and what you do with the ongoing revenue stream. Things like t hat.

CHAIRMAN CAMPOS: So basically, if there is no agreement, the ongoing revenue stream would continue to go to North Central and not to Santa Fe County if Santa Fe County withdrew?

MR. ROSS: Correct.

CHAIRMAN CAMPOS: So we would lose our revenue source if we decided to withdraw and there was no agreement to release us from that.

MR. ROSS: The district would continue to have the revenue source.

CHAIRMAN CAMPOS: North Central would continue even if Santa Fe County withdrew.

MR. ROSS: Correct.

CHAIRMAN CAMPOS: So we would lose the source or revenue if we decided to withdraw.

MR. ROSS: It's a huge disincentive to withdraw, once you have the tax in place.

CHAIRMAN CAMPOS: Say it again.

MR. ROSS: It's a huge disincentive to withdraw once you have the tax in place. I think that's why Commissioner Sullivan is concerned about that one paragraph.

CHAIRMAN CAMPOS: You said it's a huge disincentive? I'm sorry I didn't hear you.

MR. ROSS: A huge disincentive.

CHAIRMAN CAMPOS: Disincentive. Okay. Commissioner Montoya, any follow-up?

COMMISSIONER MONTOYA: No.

CHAIRMAN CAMPOS: Okay, Commissioner Vigil.

COMMISSIONER VIGIL: And I'm – there's a couple of things I need to further clarify because I think sometimes we tend to narrow in too much into these issues on the side that we are proponents for. I do believe that the statute does require RTD to come to the counties to decide whether or not a referendum can be acted on by the people of Santa Fe at any point in time when that GRT is first enacted or when it is increased, at any future date.

With regard to whether or not we can withdraw or an RTD maintains our funds, those are issues that are addressed in a service agreement. It is through the service agreements that we'll be able to address all of the ridership. It is through the service agreements that we'll be able to address the routes, and it is through the service agreement that all of the details that we're trying to get hammered into right now can be easily worked out. And I have to say, Mr. Chair, I applaud Commissioner Montoya for his reconsideration of this vote. I have said, and I said at the last meeting that we took a wrong vote. And so the reconsideration allows us the opportunity to re-steer ourselves towards a regional transit district.

The City of Santa Fe and Santa Fe County is not a regional transit district and that is in alliance with what the purpose of the statute itself says, because the purpose of the statute specifically states that it is created for the purpose of creating multi-jurisdictional transportation. Cities and municipalities have transportation systems; counties don't. This is a way where we're able to address that component. And I think what the North Central Regional Transit Authority has done is actually gone forward with every sense of good faith of meeting our needs. And I don't want to lose sight of the larger message that we're hearing today, and that is Santa Fe County, we're willing to work with you.

Santa Fe County is the one who stands to gain the greatest benefit from this. We are a hub for transportation. Our northern neighbors come. Our southern neighbors come. They come here to work. They come here to conduct their business in the county, in the state. They come here to spend their dollars. They shop here. Santa Fe County will far exceed, in my mind, an 86/14 percent split. And in addition to that, the 14 percent, according to the resolution, is actually going to be used for transportation when in fact it probably be justifiably be used for administration.

We, by going with the City of Santa Fe and Santa Fe County Regional Transit District will probably far exceed a 14 percent split for administration. So I applaud NCRTD for their reconsideration. I recognize that Santa Fe County needs to work with our northern neighbors and I hope we move towards that direction. That is what regionalization is about, Mr. Chair.

CHAIRMAN CAMPOS: Thank you. Commissioner Anaya.

COMMISSIONER ANAYA: Mr. Chair, Commissioners, I'm glad that we're talking about this again. We've been talking about it for almost four months now to try to clarify the issues that were brought up. I strongly support the regional transit district and I strongly support the County getting involved. I did vote against the regionalization of the County and the City. I didn't think that was the direction that we should have gone. So I'm glad to hear that this is being brought up. I do still want to talk with our Mayor, Councilor Coss. I want to talk with Miguel Chavez who is a member of NCRTD and get his input. And we also have to speak with the Governor's Office and the Department of Transportation. I want to speak to those and I encourage the Commission too. But I'm glad that we're talking about it and I hope that we can join the RTD again. Thank you.

COMMISSIONER SULLIVAN: Mr. Chair.

CHAIRMAN CAMPOS: Let me make some comments, Commissioner.

COMMISSIONER SULLIVAN: Go ahead.

CHAIRMAN CAMPOS: I don't favor the reconsideration, Commissioner Montoya. I think we made the right decision. I think Santa Fe County and the City have a unique circumstance. They have the largest population base and they interface with the Rail Runner. What our needs are, basically, is to deal with a large urban population, which is different from other counties in north central New Mexico. We need more money to get people to work. When we have gas at $4.00 if we get up to $5.00 or $6.00 we're going to have to have an intense focus and investment in our local transit system. And I think we have a good basis to start with. The City, Santa Fe Trails, has the only really viable transportation in this area other than the State of New Mexico.

They'll be a basis for us to be effective and truly represent the County of Santa Fe without prejudice to northern New Mexico. I think the County of Santa Fe being effective, with the City, and obviously, we're going to cooperate with our neighboring counties. We will create the most effective transportation system that we can. North Central does not have a reputation of being effective. It's been in existence for four years and has produced very little. It came forward to us proposing a large tax without a plan. That doesn't bode well for transportation planning and thinking and moving ahead in a positive direction. You don't ask for taxes first then fill in the details later.

There will be no prejudice to the north counties, to the pueblos. They will work closely. I'm committed, if we create a Santa Fe County Regional Transportation District to work closely with the Pueblos, with our neighbors in the north. And we can do a better job. North Central has failed us. North Central has no showing that they will be better in the future. I think Santa Fe County is better off. Those are my comment. Commissioner Sullivan.

COMMISSIONER SULLIVAN: Mr. Chair, I think this is really an important issue, this whole RTD issue. I wanted to make one clarification. Commissioner Vigil apparently feels that somehow if we rejoin that the RTD will bring back any future taxes to the County Commission. That's not correct. They will only bring back the taxes for a forced approval, which is the situation we were in three months ago. They're not going to bring back the topic for our approval. They may bring it back for our comments, but certainly not going to give us any authority to approve those taxes. That's not in the statute and the statute of course hasn't changed. So I just wanted to clarify that.

Another comment that she brought up was about the statute requiring multi-jurisdictional. Certainly, the County of Santa Fe, which needs a lot of transit services and isn't getting them, and needs them probably more than any of the other three counties, because I would mention to you that Los Alamos runs its own transit services. It's not run by RTD. We need it more than any of the others. A multi-jurisdictional venue is certainly Santa Fe County and Santa Fe City. That's exactly what the statute says.

I also don't think it's easy to resolve any issues by the service plans. The service plans that the RTD have come up with have been just absolutely disastrous. They've been deficient. They change every 24 hours, and if you stand outside on the corner of Grant Avenue and happen to watch any RTD buses going by you'll see they're all empty. The service plan and the clientele that the RTD is addressing are service routes that are established by politicians. Service routes that are favors to someone. They're not service routes that are based on demand. And in fact the way the service plan was developed was sending out a questionnaire saying, Where would you like to have buses? And then they decided, on this group of this board, who they would favor with these bus routes, which are for all intents and purposes empty, and the cost of which is over $100 a trip, which is ten times the national average for any transit system.

So the net result if very clear that this organization is not formulated as a regional transit district, and by regional I mean including Santa Fe County and City. It's formed as a transit district to provide services to rural areas that have good political connections. And that's what they are doing, that's what they have done, and that's what they will do. Now, our northern neighbors are ones that we want to continue to work with, and where there's transit demand we can set those routes up and we can create those interconnecting routes to the Rail Runner. But the RTD is not the organization to do it. Just its membership and its voting organization doesn't allow this type of cooperative venture with Santa Fe City and Santa Fe County.

I think the DOT is very supportive of what we're doing, getting together with the City. The Mayor, in recent meetings we've had with the Mayor, has indicated strong support with it. The entire City Council, save one, has favored this. I think we're losing a big opportunity here to show what we can do right here at home. I know Commissioner Anaya for a long time has been an advocate of roadwork, because we really need that, and I am as well. I think here we can see putting our money right down where the rubber meets the road on these buses serving Santa Fe County. It's not going to happen with the RTD. That money is going to be wasted. I think it's the wrong decision. Thank you.

CHAIRMAN CAMPOS: Thank you, Commissioner Sullivan. Okay, I think everybody's had their say. Virginia wants a second say. Let's go.

COMMISSIONER VIGIL: Well, as you allowed for Commissioner Sullivan a second say. Mr. Chair, Commissioner Sullivan, I really appreciate your advocacy in this and have deferred to what you've had to say because you've had the most experience. But I must tell you that one of the issues – well, let me clarify for you. I have no misunderstanding of what the statute says. The RTD is required to come to the BCC for referendum for any GRTs that are to be used for those purposes. So is the Department of Transportation for the Rail Runner. So I've had some issues with the way things have been characterized here but I think we're at a very good place now because I think we are moving towards a regional concept. I also do not think that those service plans cannot be framed to move things of counties and our cities. And I agree, I think working with the City, with their transit system, we'd be able to perhaps improve and enhance some of the services but getting those people to those services in the City is a gap that we're trying to address here.

I disagree with the fact that politicians identify routes. We have routes identified here in Santa Fe. Were they identified by a politician? Are you self-indicting yourself with this, Mr. Sullivan?

CHAIRMAN CAMPOS: Let's respond to the core issues, please.

COMMISSIONER VIGIL: I do not believe that – I'm responding to the statements that were made, Commissioner Campos. I actually think we're at a very good place. I don't want it to turn around from this place. I again think that we will be moving towards the direction that we're supposed to be moving for Santa Fe County and northern New Mexico. Thank you.

CHAIRMAN CAMPOS: Any other comments? Commissioner Montoya.

COMMISSIONER MONTOYA: I just want to say one final thing and that's that the whole issue with me in terms of my reconsideration and wanting to request that this Board consider rejoining had to do with the control of the finances. With this, Santa Fe County has control of 86 percent of the revenue that's raised by this gross receipts tax. That was my issue. The others I think Commissioner Vigil has addressed them and Steve has as well, but the whole issue of regional transportation and regional cooperation is something that – it's something that I believe in very strongly and I've advocated for in everything we've done and everything that I've done in serving this district. I'm also concerned that should, at some point in the future, representation not be given on the RPA, that the district that I represent will not be represented in terms of the service needs. I think it's probably safer to have the RTD in terms of the overall planning to ensure that the Pueblos are served, and I have been contacted by some of the Pueblos who have also encouraged me to reconsider this and again, with the provisions that have been made in this resolution, I am comfortable in moving forward with rejoining the NCRTD.

CHAIRMAN CAMPOS: Commissioner.

COMMISSIONER ANAYA: Mr. Chair, members of the Commission, I wasn't going to say anything, but when I start getting attacked by you, Mr. Chair, then I think I need to stand up and support what the regional transit district has done. As chairman of the regional transit district we have done a lot. We've increased ridership. The staff has worked diligently hard to keep this region together. We've worked over 12 months to keep this RTD together. We have Raymond Martinez who sits on the board that's here from San Ildefonso Pueblo, Larry Samuel, from Tesuque Pueblo, and we also have Governor Charlie Dormey that's here. These people, along with the people that aren't even here – Councilor Herrera, Elias Corriz, Charlie Gonzales, you're pretty much telling them that they ain't worth a darn. These are elected officials that go to these meetings and they go to these meetings and they make good decisions.

I was honored to be the chairman of the RTD, to be able to work with these people was an honor. So I get offended when you say that we didn't do a dang thing. Maybe you haven't seen what they've done. You need to go to one of our meetings and sit in on these meetings and listen. Our County Manager was there and he was impressed, when he sat at one of our meetings to try to keep us together.

So please, before you make statements against the RTD go to their meetings and you'll find out. Thank you, Mr. Chair.

CHAIRMAN CAMPOS: Okay, one last comment. Commissioner Vigil raised the issue that ultimately the counties have the discretion and that's not correct. The statute basically says that once the RTD says you have to raise taxes you have to put it on the ballot. There is no discretion. That was the whole discussion initially. So Commissioner Anaya, do you favor moving forward with this resolution?

COMMISSIONER ANAYA: Yes.

CHAIRMAN CAMPOS: Commissioner Montoya.

COMMISSIONER MONTOYA: Yes.

CHAIRMAN CAMPOS: Commissioner Vigil.

COMMISSIONER VIGIL: Of course.

CHAIRMAN CAMPOS: Commissioner Sullivan.

COMMISSIONER SULLIVAN: No. Of course this is just a discussion item.

CHAIRMAN CAMPOS: It's a discussion item. It's just giving staff direction as to whether the matter should be placed –

COMMISSIONER SULLIVAN: I don't see any reason, Mr. Chair, for us to – if we're receiving 86 percent of the funds to have the RTD as a middleman and pay for those additional administrative costs. I think it's much more effective to keep those funds locally and to administer them locally. And I know that the RTD staff has gone out and employed scare tactics with the Pueblos, because I've received telephone calls as well. And that is just within the last week.

CHAIRMAN CAMPOS: Commissioner Sullivan, we're just asking for direction at this time.

COMMISSIONER SULLIVAN: That's been the modus operandi all along and as I said earlier, if they'd put their efforts and time towards an effective transit district we'd be in a different situation. What we need to do is we need to look ahead. If this comes up on the ballot in November and if the voters turn this down as an RTD initiative, which I will advocate for, if we go forward this way, I would say that we still have time to form a district with the City. We could have an election in February or March, and we could still meet the commitment to assist the Rail Runner with the 1/16 GRT. Getting back in the district, I don't think we will make the November election and I think also that the voters are smart enough to see what's happening here and that by doing this, we're jeopardizing the likelihood of its passage in November. Thank you.

CHAIRMAN CAMPOS: You're saying you don't encourage the further – the placement of this resolution on an agenda?

COMMISSIONER SULLIVAN: No. I think it's the wrong direction.

CHAIRMAN CAMPOS: And I also would say no, but you have three to two so I guess you have to place it on the agenda at some time in the near future. Thank you very much.

MR. ABEYTA: Mr. Chair, the next item on the agenda was XIII. E. 1, Approval of additions to the sixth amended and restated Santa Fe Regional Planning Authority joint powers agreement. The amendments deal directly with our forming a regional transit district, given the discussion and the direction that we just received from staff. It may be appropriate to table this at this time, but I'll leave that to the –

CHAIRMAN CAMPOS: I think we should table it. Is there a motion to table?

COMMISSIONER MONTOYA: So moved.

CHAIRMAN CAMPOS: Second.

The motion to table passed by unanimous [4-0] voice vote. [Commissioner Anaya was not present for this action.]

CHAIRMAN CAMPOS: We had an 11:30 – is our guest of honor here today?

MR. ABEYTA: Mr. Chair, she called in that she'd be here at 11:45.

COMMISSIONER SULLIVAN: Mr. Chair, I'm going to bow out at this point in time. Thank you very much.

CHAIRMAN CAMPOS: Thank you, Commissioner, for chiming in.

COMMISSIONER SULLIVAN: Glad to. Take care.

[Commissioner Sullivan ended his telephonic participation in the meeting.]

X. B. Discussion and Possible Approval for an Expenditure of Community Funds in the Amount of $1,500.00 for Recognition of Pandemonium Productions, Inc. (Commissioner Anaya)

COMMISSIONER ANAYA: Thank you, Mr. Chair. This is some monies that I'd like to put towards Pandemonium Productions to encourage acting classes for youth. Move for approval.

COMMISSIONER MONTOYA: Second.

CHAIRMAN CAMPOS: Could you tell us more? That doesn't give me a lot of information.

COMMISSIONER ANAYA: What do you want to know?

CHAIRMAN CAMPOS: Tell me what this is about, Pandemonium Productions.

COMMISSIONER ANAYA: I'll refer to Virginia Vigil.

COMMISSIONER VIGIL: I actually would be happy to fill in here, Mr. Chair, because I have actually allocated some of our community funds for it. What Pandemonium Productions does, it's a children's theater group and they actually provide a lot of the dollars that they're able to get from the community for children who could not otherwise participate in these kinds of programs through a scholarship program, and there's many children out there who are very interested in theater productions, who can't participate otherwise. In addition, Pandemonium Productions also goes out to the schools and they perform many of their productions at the public schools. Their most recent one was Little Mermaid. I actually had a son who participated in this and I so appreciated what the theater group such as Pandemonium Productions and there's also – there's two or three others, but the Pandemonium Productions has been able to nurture and foster children who would not otherwise be nurtured and fostered through the traditional curriculum through the public schools and as a result, I have to hold my son in this position. He is now studying at Second City in Chicago, only because he's had exposure to these kinds of experiences. And it isn't something that the public schools are addressing, Mr. Chair.

CHAIRMAN CAMPOS: Okay. So there's a motion and a second.

The motion passed by unanimous [3-0] voice vote with Commissioner Campos abstaining. [Commissioner Sullivan was not present for this action.]

X. C. Discussion and Possible Approval for an Expenditure of Community Funds in the Amount of $1,000.00 for Recognition of Fore Kids of Santa Fe, Inc. (Commissioner Anaya)

COMMISSIONER ANAYA: The Fore Kids program is another program that helps kids in their youth and I move for approval.

COMMISSIONER MONTOYA: Second.

CHAIRMAN CAMPOS: How's the money going to be used?

COMMISSIONER ANAYA: It goes to the Fore Kids program and they use it to take kids on field trips and educate them on various activities.

CHAIRMAN CAMPOS: Okay. Any further discussion?

The motion passed by unanimous [3-0] voice vote with Commissioner Campos abstaining. [Commissioner Sullivan was not present for this action.]

X. G. Discussion and Possible Approval for an Expenditure of Community Funds in the amount of $1,000.00 for Recognition of the Santa Fe High Football Team (Commissioner Anaya)

COMMISSIONER ANAYA: Thank you. This is some monies that goes the Santa Fe High School football team for their travel and for their food, for uniforms. Move for approval.

COMMISSIONER MONTOYA: Second.

The motion passed by unanimous [3-0] voice vote with Commissioner Campos abstaining. [Commissioner Sullivan was not present for this action.]

CHAIRMAN CAMPOS: It's 11:45. Our guest of honor is here and we're going to item XIII. B.

XIII. B. Community Services Department

1. Request approval of a Joint Powers Agreement Between Santa Fe County and the New Mexico Energy, Minerals, and Natural Resources Department for the Operation of a New State Park Facility at the County's Cerrillos Hills Historic Park Property (Community Services Department)

PAUL OLAFSON (Community Projects Director): Mr. Chair, I'm before you today with a request for approval of a joint powers agreement between the County and the Energy, Minerals and Natural Resources Department, specifically the State Parks Division. The proposal is that this JPA will allow for the County and the State Parks to enter into a partnership to allow for the State Parks Division to operate and maintain the Cerrillos Hills Historic Park that is currently operated by the County. With me today is David Gadderman and Steve Tafoya with State Parks. They're here to answer any questions if we have them.

Just a brief background on the project. The County purchased the property in 2000.

It's approximately 1,116 acres. The property has about four miles of trails, two parking areas, several trailheads, signage, there's been some mine treatments and there's also a bathroom facility there. We've worked with the Cerrillos Hills Park Coalition since the beginning of this project, since 2000, to acquire the property and develop the park. They have been actively engaged in the discussions around this JPA. The JPA in short will allow for the State Parks to take over the day-to-day operations of the park. They would have staff who may be responsible for all activities in the park. The County would have oversight and input on the management and would have an annual or lower management review session with the State Parks.

The current County-developed management plan would be followed by the State Parks Division for two years pending development of a new management agreement or plan between the County and State Parks and various stakeholders. So the short answer is State Parks would take over operation of the park; the County will still have input and influence on the overall operation of the park, but the State Parks would do the day-to-day work and provide the staff for that which we currently don't have the capacity to do.

State Parks is also looking at building a visitors center in the Town of Cerrillos. They've purchased the property and have begun working on that. The visitors center will also have a community facility aspect too for the population or the people in Cerrillos Village to have a meeting center. Another change that would come with this is that the State Park is mandated by statute to collect fees. They would collect fees of $5 per vehicle, or there's other arrangements where lower fee schedules can be done through passes, annual passes, etc. The management of course, the day-to-day would go to the parks and the overall management structure would still be a joint agreement between the County and State Parks. All signage and literature would acknowledge the County's role in developing of the park and continued operation of the park. There's a five-year no-termination clause without cause within the agreement. Following five years there is a termination option for either the County or the State Parks to terminate the agreement with a 365-day notice.

All capital – the County or the State Parks or both – can put capital into the project or into the park. Neither is required by the other to do so, and any permanent capital infrastructure improvements that are put into the park would be maintained by the County if the agreement were ever terminated. This agreement runs for 25 years. There's been several public meetings out in the community. We've received strong support from residents and area people around the Cerrillos area. The Cerrillos Hills Park Coalition has also supported it. It's also received strong support from Representative King, who's here with us today and helped bring it forward through the legislative process to enable the State Parks to even consider development of a park, and she's also been instrumental in developing some capital financing for that endeavor. And with that, I would stand for any questions, or we also have the Park staff here to stand for questions.

COMMISSIONER MONTOYA: Mr. Chair.

CHAIRMAN CAMPOS: Commissioner.

COMMISSIONER MONTOYA: Paul, do you see any – this sounds like a great partnership in terms of we're concerned about how we're going to maintain the open space and parks and land that we've acquired over the years. This sounds like a perfect partnership and working with the establishment of this historic park. Are there any downsides in terms of our –

MR. OLAFSON: Mr. Chair, Commissioner Montoya, from the County staffing side it's obviously better for us because we don't have two people that we can permanently assign to this project, and it's not likely that we'd have those in the near future and I think would be able to provide a lot of day-to-day operations and support and enhanced services that we can't provide now such as guided tours and better management of trails, making sure they're not getting washed out or keeping them upgraded better. Also being able to work with the Park Coalition and volunteers on a more regular basis.

The potential downside is more of a policy decision or discussion I think for the Board in that the County invested these capital funds, built this park up and has it to the point that it is now, and now we're maybe moving our role out of that control position and maybe it could appear that we're moving out of the open space and trails business, and I don't think that's the case. I think this is an opportunity for us to explore a partnership and try and enhance the facilities that we've already built up to date and make them even better.

COMMISSIONER MONTOYA: Has this gone through COLTPAC?

MR. OLAFSON: Mr. Chair, Commissioner, yes. COLTPAC reviewed it in July and approved it unanimously.

COMMISSIONER MONTOYA: They approved it?

MR. OLAFSON: Yes, or recommended approval, recommended to the Board to approve it.

COMMISSIONER MONTOYA: Mr. Chair, I would move for approval.

COMMISSIONER VIGIL: Second.

CHAIRMAN CAMPOS: Discussion? We do have our Representative who wanted to address the County Commission on this issue and I'd like to give her an opportunity before we vote. Is that okay? Any objections? Representative King.

RHONDA KING: Good morning. Thank you so much for allowing me the opportunity to be here today to talk about, as Commissioner Montoya said, I think really a great partnership. I want to thank all of you for moving forward on this endeavor and thinking back about it, I know it was exactly about 4 ½ years ago because Dave Simon, who is the director of State Parks approached me actually when I was pregnant with my daughter Ashley, and she's going to be four in October. So anymore when I look at groundbreakings or different things it seems like it always is in perspective of my daughter's age anymore.

I can remember he called me up and asked if he could meet me and talk about moving forward on having a State Park in Santa Fe County. He thought the perfect place would be the Cerrillos Hills Park, because one, the County had done a lot of work on that. They had already acquired the property and he felt that it was something through a partnership with the County could serve not only the residents of Santa Fe County but the residents of the state and that it could also be an important economic benefit to that village, Cerrillos, and to help those people there in the village to have something that would draw people and tourists in that to help them economically as well.

And so in that meeting, what Dave Simon explained to me is that we would have to actually approve it at the legislature in order for the State to have a new park. We had to pass legislation to actually create the Cerrillos Hills State Park. So that following legislative session I introduced legislation and it was passed with the support of the community and the County and so from that point, then we were able to move forward and have a series of public meetings that both the County and the State worked on, not only in Cerrillos but in the Galisteo area and also along 14 to get community input to see if this was something that the community would support and that they were interested in.

I know that Commissioner Montoya asked about the Cerrillos Hills Park Coalition, and they were very involved from the very beginning of this project. We knew that we had to have input and everybody had to be supportive to make this partnership be successful. So really that leads me and you and State Parks back to this very point, and that is for you to enter into this agreement. Again, I believe by us working together we are able to accomplish what we could not accomplish independently. I know the County, through their endeavor and the voters passing the open space tax, the County was able to acquire the Cerrillos Hills Park which was a very important piece of property that the citizens of the County and especially the individuals that live in that area wanted to preserve. Through the work of COLTPAC that became a reality.

Since that time, in working with State Parks, I and the executive in the legislative branch have been working on funding in this last year and in our House Bill 2 we were successful in getting allocated funding for staffing for this state park. And so working together we've been able to do something that I think will benefit all of the community. As was mentioned earlier, it is our intentions for the State Parks to build a multi-purpose building. Before they sign and even ever approach me the community had approached me, and I know they had approached the County about building a multi-purpose facility for the residents there. And so through legislative funding we've been able to acquire land and also acquire the plaza area there, which we had a groundbreaking on last year, with Secretary Prukop from Energy, Minerals and Natural Resources.

And so by doing that, we have really been able to bring a lot of things that independently we could have never accomplished. I know it would have been many years if I would have had to independently try to get legislative funding for this endeavor, but with some state funding that's allocated to state parks for improvement and capital outlay that legislators are able to allocate. And in the County purchasing the park we really are able to have a great partnership here and really enhance, I think what is the County's vision as well as mine, to provide recreational areas for our residents. I know that it's a challenge for the County for operations of these parks so I just really think this is a wonderful initiative and I want to commend all of you for working with State Parks and myself, and I want to commend Paul. He's done a great job.

So I encourage you to vote positively and in favor of this, and I want to just say one closing comment and not necessarily to date myself but I was thinking again about the vision of the community and the very first open space and trails. I believe Jack will probably have some recollection of this, and I saw Mary Helen Follingstad out in the hallway earlier and I happened to be on the County – I think it was 2010 – was it the 2010? I'm not sure exactly if it was the 2010 plan, what it was labeled, but in that it put really a premium on the County of looking at ways to acquire open space for the residents and preserve some of the very beautiful places that we have in the county.

So I remember myself along with my good friend Dave Gold from Piñon Hills and Rick Brenner and John Nye and Michael Hurlocker and Al Pitts got together and I think we were kind of like an ad hoc open space committee, long before COLTPAC. But I think out of that came then COLTPAC and the County set up an open space committee. But even back in those earlier stages it was all of our vision to try to create areas where residents could enjoy the county and also preserve the beauty of the county in areas that are important to all of us. So again, thank you so much for allowing me to speak today and again, thank you for your consideration of this. Thank you.

CHAIRMAN CAMPOS: Thank you.

COMMISSIONER ANAYA: Mr. Chair.

CHAIRMAN CAMPOS: Yes.

COMMISSIONER ANAYA: Thank you, Mr. Chair. I would also like to thank the County and Representative King and the legislature for passing that so that we can move forward with it, and the State Parks. I was tickled to hear that the community was all for it and there was nobody against it and I think this is going to be great. So again, thank you very much. It's in my district, and Rhonda's district.

CHAIRMAN CAMPOS: We have a motion and a second. Other comments by Commissioners?

COMMISSIONER VIGIL: I also want to thank the State and Representative King for providing all of the support that this community needs to revitalize. Mr. Chair, just as a sidebar, we all have full circles in life and just a couple of weeks ago the real estate magazine did a little article on the San Marcos, Cerrillos, Madrid area, and lo and behold, I opened it and there were two pictures there of a miner and it happened to be my grandfather, who was a coalminer in the Madrid and Cerrillos area some time back. So I was really excited to see that being written about. And I also must say that I do remember the time when my grandfather used to say that the whole mining situation was over in this area was going to turn into a ghost time.

The circle for me today is, Grandpa upstairs listening, guess what's happening? There's partnerships occurring to revive the community, to create the open space that it deserves and I'm so pleased that this is happening. I truly look forward to its success. I hope the state and the County work very closely on this. This could be a wonderful model for a lot of our COLTPAC purchases and we need it very much. Thank you so much.

CHAIRMAN CAMPOS: We have item XIII. B, a motion and a second.

The motion passed by unanimous [4-0] voice vote. [Commissioner Sullivan was not present for this action.]

CHAIRMAN CAMPOS: It is now 12:00 so I propose that we adjourn until 1:30 for lunch and we commence at Matters from the Commission. Thank you very much.

[The Commission recessed from 12:00 to 1:35.]

X. OTHER MATTERS FROM THE COMMISSION

CHAIRMAN CAMPOS: We're back at Matters from the County Commission. Commissioner Vigil, do you want to start? Give you a minute? All right. Commissioner Montoya, Matters from the Commission, anything?

COMMISSIONER MONTOYA: Let's see. Mr. Chair, not much at this time. Thank you for the opportunity to tell people that I don't have anything to tell them.

CHAIRMAN CAMPOS: That's good. I have one thing to discuss with Mr. Abeyta and that's a letter I received from Victor Montoya concerning the County Investment Committee and quorum and membership and attendance.

MR. ABEYTA: Mr. Chair, I have prepared a response that I sent to Mr. Montoya. I informed him that Commissioner Montoya would be sitting on the Investment Committee for you and that I expect there will be a quorum at our meeting on the 14th.

CHAIRMAN CAMPOS: Who are the other members? It's Victor –

MR. ABEYTA: Victor, myself, Commissioner Montoya, the Finance Director, Legal, and a resident, who is Lowell Gilbert.

CHAIRMAN CAMPOS: So that issue has been taken care of.

MR. ABEYTA: I would think it has been. There was one meeting where we didn't have a quorum for.

CHAIRMAN CAMPOS: One meeting. Okay. Commissioner Anaya, Matters from the Commission.

COMMISSIONER ANAYA: Thank you, Mr. Chair. Regarding Ruidoso, I was speaking to the Association of Counties, Paul Gutierrez, our executive director, to try to see or call him down there and see if they need any help and he hasn't got back with me yet, but I would like to ask this Commission that if the County in Ruidoso – what county is that again?

COMMISSIONER MONTOYA: Lincoln.

COMMISSIONER ANAYA: Lincoln County needs some help from us, if it would be okay of Roman could work with Robert and James to send maybe a dump truck and maybe a backhoe down there if they need it to help them clear out some of the mud in their county. So if Paul Gutierrez gets back with me I'd like to see that done if it's okay with the Commission.

CHAIRMAN CAMPOS: Comments? Commissioner Montoya.

COMMISSIONER MONTOYA: That's fine. Whatever we can do to help them out down there.

COMMISSIONER ANAYA: The other thing I wanted to bring up, yesterday at the rotunda we signed an agreement, the Association of Counties, and I'll just read them off. There were 14 participants. The Municipal League, the Eight Northern Indian Pueblos, New Mexico Recycling Coalition, Waste Management of New Mexico, the Department of Transportation, the Environment Department, Finance and Administration Department, New Mexico Energy and Minerals, State Forestry, State Land Office, Tourism Department and the New Mexico Clean and Beautiful, Bureau of Land Management, Bureau of Indian Affairs and the US Forest Service all signed a memorandum of agreement to work together as partners for a clean New Mexico. This was done yesterday at 10:00 at the rotunda at the State Capitol, to restore the enchantment and collaboration statewide initiative to combat illegal dumping in the State of New Mexico. I just wanted to let the Commission know that this partnering for a clean New Mexico, working together with those entities that I just mentioned to help keep the Land of Enchantment clean and beautiful. That's all I had, Mr. Chair. Thank you.

CHAIRMAN CAMPOS: Question for Mr. Abeyta. On Commissioner Anaya's request to assist Ruidoso, where would the money come from, and would we set a limit or how would you be guided in making a decision?

MR. ABEYTA: Mr. Chair, we would, first of all, what they have requested or the potential is for a backhoe and dump truck so what we would do is we would just exercise judgment. If it started taking a lot of staff and manpower or if we needed the equipment, then obviously we wouldn't send it down there, but what we've done in the past with like Rio Arriba County when they had problems is a lot of times if they're able to access state reimbursement or federal dollars, we will work out an agreement with them where they will recompensate us for whatever help we have given to them. I don't think a dump truck and backhoe – like I said, as long as we don't have priorities or projects that we're using it on I don't think that it's unreasonable to provide that service.

CHAIRMAN CAMPOS: Is the state assisting at this point?

MR. ABEYTA: I'm not sure if they are. I believe they are.

CHAIRMAN CAMPOS: The feds?

COMMISSIONER VIGIL: They did declare a state emergency so that does trigger state funding.

CHAIRMAN CAMPOS: What about FEMA or federal people, have they been engaged?

MR. ABEYTA: I don't know.

CHAIRMAN CAMPOS: Okay. Thank you very much.

COMMISSIONER ANAYA: Mr. Chair, I'm sorry. I have one more issue.

CHAIRMAN CAMPOS: Okay, Commissioner Anaya.

COMMISSIONER ANAYA: Dylan Chavez who works here is James Chavez' son, will be participating in the boys basketball 4-A 5-A north-south all-star game at the Pit at the end of the month, and also, this is in Commissioner Montoya's district, Ryan Gonzales from the Pojoaque Elks, and Eric Guyler from St. Mike's will also be participating in the all-star game. That game is on Thursday, July 31st, at the University arena, the Pit. So I wanted to congratulate James and his son and the rest of the guys that made the north-south all-star game. And I remember in high school I wish I would have made that game, but I don't know what happened.

COMMISSIONER MONTOYA: Me too.

CHAIRMAN CAMPOS: Wasn't good enough.

COMMISSIONER MONTOYA: It was politics.

CHAIRMAN CAMPOS: Politics as usual. Commissioner Vigil.

COMMISSIONER VIGIL: Thank you, Mr. Chair. Roman, this is a request and I think we've spoken about this and James Lujan also. One of the issues with our Solid Waste Division is recycling. And the permits that we actually issue for recycling, they get punched when residents go to one of our solid waste sites for recycling. I was hoping we might be able to do something more to encourage that, because I think that is a discouraging request from our residents. I know there's like an annual basic fee, and I know that when the residents actually go to the solid waste that they have to sign in. I'd like us to revisit that with regard to staff, and I don't need a response. I just want some more information through our manager.

ROBERT MARTINEZ (Public Works): Let me give you a real quick – we don't charge – we don't punch any cards for recycling.

COMMISSIONER VIGIL: Well, residents are complaining that you do, that we do, because they have to come to the County to get their permit and then whatever they pay for it here they use t hat permit to – when they go to a solid waste station they actually get stamped for that permit. When that permit gets all stamped up they have to come back for another one. So may not, but there's something happening in practice that we need to clarify and I'm hoping we're able to because this is not the first time I've gotten the request to look into that.

MR. MARTINEZ: Okay.

COMMISSIONER VIGIL: The other one, Mr. Chair, is at the Association of Counties Board of County Commission meeting, the Board of County Commissioners affiliate voted in favor of charging all counties $100 for the Board of County Commission affiliates. Most other affiliates – well, not most. There are other affiliates who do this and they pay a certain fee so that for their affiliate meetings they can bring in good guest speakers to promote some of the initiatives that each affiliate is doing. They did vote in favor of it and I think the Association of Counties will be having a meeting the 1st of August and want to know whether or not our County would support that. So I through that out and I'm not too sure of the other Association of Counties representatives who are familiar with that. What they're asking is basically, bottom line, $100 from each county to pull these dollars for promoting the affiliate meetings through better guest speakers.

CHAIRMAN CAMPOS: Is that per year?

COMMISSIONER VIGIL: Per year.

CHAIRMAN CAMPOS: I don't have a problem with that if Roman doesn't.

MR. ABEYTA: I don't have a problem with it.

COMMISSIONER MONTOYA: Mr. Chair, I just provided some comments to Mary Ann Sedillo who sent out the request and I just said larger counties probably don't have a problem with it but some of the smaller counties may have, in terms of being able to budget it and taking it out from different line items. But I just suggested that they take that into consideration when implementing those fees, in addition to it could potentially open up the possibility of other affiliates charging fees. So then if we have the Treasurers affiliate, that's coming out of our budget. We have the Assessors affiliate. That will come out of our budget. So it could potentially impact the budget, particularly of small counties pretty significantly if that becomes the case. So I just warned that that be considered.

CHAIRMAN CAMPOS: Okay.

COMMISSIONER ANAYA: Mr. Chair.

CHAIRMAN CAMPOS: Sir.

COMMISSIONER ANAYA: I think that's a good point that the Commissioner brought up, but I know that the other affiliates already do charge.

COMMISSIONER MONTOYA: They already do?

COMMISSIONER ANAYA: Already do. And maybe Valerie can tell us what she pays to sit on the Clerks affiliate.

COMMISSIONER ANAYA: I know that they already do charge something, but maybe I'll get that information and get it back, see what they charge. And I think we've asked him for that too, because I wasn't sure how much.

CHAIRMAN CAMPOS: Okay, ready to move forward? Okay, we've got 15 minutes for debate. Commissioner Montoya, please begin.

XI. APPOINTMENTS/REAPPOINTMENTS/RESIGNATIONS

A. Resignation of Rick Galligan from the Lodger's Tax Advisory Board (ASD/Finance)

B. Appointment of Jeffrey L. Mahan to the Lodger's Tax advisory Board (ASD/Finance)

TERESA MARTINEZ (Finance Director): We have a recommendation from the Lodgers' Tax Advisory Board. Mr. Galligan was employed by the Bishop's Lodge and around December started to fail making the meetings due to scheduling and then thereafter departed from Bishop's Lodge. And at the time the board made this recommendation they went with one of our larger facilities if you will, Rancho Encantado, for interested membership and Mr. Mahan is interested.

At the time that we were recruiting I don't believe that Bishop's Lodge had hired another general manager, so this recommendation comes from the Lodgers' Tax Advisory

Board.

CHAIRMAN CAMPOS: Okay, any questions? How many people on the advisory group?

MS. MARTINEZ: Five members.

CHAIRMAN CAMPOS: Five. And they're all members from a hotel or a restaurant or something out in the county.

MS. MARTINEZ: They're all within the county. One is a member at large representing the public. Two represent the hotel industry and two represent retail business within the unincorporated area.

CHAIRMAN CAMPOS: How much money do they – what's their budget annually?

MS. MARTINEZ: The budget is about – there's two funds. There's the bricks and mortal, 214, and the advertising fund, and they range anywhere from being $250,000 to $350,000.

CHAIRMAN CAMPOS: And you're the oversight?

MS. MARTINEZ: We're the oversight.

CHAIRMAN CAMPOS: Do you have any issues with this group?

MS. MARTINEZ: No, I don't. They're very good, very loyal. No problems with this group.

CHAIRMAN CAMPOS: Commissioner Vigil.

COMMISSIONER VIGIL: I had a question and then I'm ready to make a motion. What is – they do a lot of marketing and we see from updates on some of the marketing that they've been able to provide for us. Have they branched out to do anything else? I know the Lodgers' Tax Statute limits what can be done with these dollars but I'm wondering, all I've ever known them to do is to try to market Santa Fe County in magazines and advertisements and I think at one time they had even developed a film. What are they doing right now?

MS. MARTINEZ: Mr. Chair, Commissioner Vigil, right now I think they're sticking with the drive market and due to the recession, it's similar back to when we had 911 and when we had the drought there was this opinion out there that we couldn't come to New Mexico because it was on fire or we couldn't afford because of 911. So right now their focus is on the drive market. Updating the website, Santa Fe.org, they've done a lot of work to that, and then doing the regular magazine that are targeted for drive market and for Santa Fe. And we also try to work with the City as much as we can.

COMMISSIONER VIGIL: Mr. Chair, I move that we accept the resignation of Rick Galligan from the Lodgers' Tax Advisory Board and appoint Jeffrey Mahan as his replacement.

COMMISSIONER ANAYA: Second.

The motion to approve passed by unanimous [4-0] voice vote. [Commissioner Sullivan was not present for this action.]

CHAIRMAN CAMPOS: Ms. Martinez, how do we gauge the effectiveness of this organization and the expenditures of the dollars that they're making? Is there any way of gauging?

MS. MARTINEZ: Well, we currently work and look at what other local agencies are doing, the City – the City has by far a larger budget than we do so we try to joint effort with them as much as we can. We'll look at other counties. Santa Fe County is fortunate because of the draw to Santa Fe so the amount of visits we get is much larger than some of the smaller counties. So it's hard to gauge it. We work with the City but it's a much higher budget. We get a lot of reports on which drive markets are focused for Santa Fe, which magazines get us the best bang for our buck. For a while there we were doing web posters, I think is what they call them. I can't remember now, where we would have our little flyers promoting Santa Fe County. So it changes a little bit from year to year but the focus over the last two years has definitely been the drive market. We'll partner up as much as we can with the Department of Tourism for promotion and cooperative efforts. A lot of times that's a joint venture with the City and the County, and that's been the main focus right now. So a lot of surveys – if we fund local entities, like Rancho de las Golondrinas, they're doing a lot of surveys and trying to come back to us with hard numbers and statistics that we can use.

CHAIRMAN CAMPOS: Okay. Any other questions?

COMMISSIONER VIGIL: I just have a comment, Mr. Chair, real quick, Teresa. One of the most significant events that's going to occur in our community is coming up and it's the 400-year anniversary, and I know the City's Lodgers' Tax has been supporting the promotion of that. I'd like to make sure that the County supports that at some level also. I don't even know if our County Lodgers' Tax Advisory Board has considered that, but we will never have another 400-year celebration, so I think that – is it 500?

CHAIRMAN CAMPOS: It could be 800.

MS. MARTINEZ: No, it's 400. Commissioner Vigil, the committee that's spearheading that effort has already visited the Lodgers' Tax Board and planted the seed so that we can assist with funding, obviously, and be part of that celebration. So they are working together on that.

COMMISSIONER VIGIL: Oh, I'm glad to know that. Thank you, Teresa.

XII. B. 10. Request approval of Amendment No. 1 for Lease Agreement #27-0703-PFMD/MQ With Presbyterian Medical Services for Lease of Premises for Headstart Services (Community Services Department)

COMMISSIONER VIGIL: I think if we look at some of the items even before that – I'm trying to look at the agenda – I guess these new fiscal impact forms for me, I couldn't locate the cost or the amount of dollars that we were taking action on and I'm – that goes for most of the items, like 7, 8, 9, 10. Maybe not all of them, 11 and 12. We'll discuss

12 later. But 10, how much is that lease?

MR. OLAFSON: Mr. Chair, Commissioner Vigil, there is no dollar attached to that lease. That is a lease that we allow the Headstart program to operate at Chimayo at our County facility and the exchange is that they are providing that service to the community, and they use the building for provision of that service. And this is an extension, a three-year extension of the lease that they've had for many years.

COMMISSIONER VIGIL: Okay. But I actually know that we had some dollar figures for the lease with Arsenio Trujillo and the satellite offices there in Edgewood. But item 12, which goes to –

CHAIRMAN CAMPOS: Are you going down the agenda? We're doing 10 right now.

COMMISSIONER VIGIL: On the same issue, maybe what I'm looking for is a request that those dollar amounts, if it says zero we should make a statement that there is no cost and why there isn't. Because I thought we were required to at least charge a minimum amount for those kinds of things and this confuses me with that.

MR. ABEYTA: Mr. Chair, Commissioner Vigil, the request is for an amendment which would extend the lease for two years and so that's why we didn't put an amount, but now that you've raised the issue we should probably have an amount anyways, even if it is zero. If you look at the fiscal impact report it does say that we are charging them $4,225 a year for utilities at the Chimayo Headstart.

COMMISSIONER VIGIL: Right.

MR. ABEYTA: So we should have probably had that in the agenda caption like you said. And I think the reason it wasn't again is because the amendment had to do with the term, the years of the lease, and not the amount.

COMMISSIONER VIGIL: Okay.

MR. ABEYTA: But the original amount is $4224 a year and the request, the specific request today is to exercise the option to extend the lease for two more years.

COMMISSIONER VIGIL: Okay. And I think with these new fiscal impact reports, even for like item 7 where we're approving the construction of a parking lot at the Ken and Patti Adams Senior Center, that amount isn't there while this particular item allows the County Manager to enter into an agreement not knowing what that amount is. I would just request the dollar amount be placed in the new fiscal impact statements.

MR. ABEYTA: We'll do that.

COMMISSIONER VIGIL: With that, Mr. Chair, I move we approve item 10.

COMMISSIONER MONTOYA: Second.

CHAIRMAN CAMPOS: Do you have a question?

COMMISSIONER MONTOYA: Yes, a question. Does that $4,000 cover the actual costs for the utilities, or is it –

MR. OLAFSON: Mr. Chair, Commissioner, yes.

COMMISSIONER MONTOYA: It does. So it's kind of like an actual expense?

MR. OLAFSON: Yes.
COMMISSIONER MONTOYA: Oh, okay. That's all I had.

The motion passed by unanimous [4-0] voice vote. [Commissioner Sullivan was not present for this action.]

XII. B. 12. Request authorization to Enter Into a Lighting agreement With the New Mexico Department of Transportation (NMDOT) for all Electrical Energy. Lighting Fixtures and Routine Maintenance of Traffic Signals, advance Flashers, and Intersection Lighting on US 84/285 and CR 88 (La Puebla Road) in Arroyo Seco; and Roadway Lighting along US 84/285 from MP 185.1 to MP 186.1 (Growth Management Department)

COMMISSIONER VIGIL: Thank you, Mr. Chair. I guess my concern for this is that Santa Fe County has continually been requested to be responsible for electrical energy, lighting fixtures and any kind of maintenance for them for quite some time and I don't know that we've had much say-so in it other than we're required to enter into these agreements. It almost makes sense for me that we do that when we're dealing with County roads, but these are state roads, right, Robert?

MR. MARTINEZ: Mr. Chair, Commissioner Vigil, typically, it's the responsibility of the local entities, even if it's not on a County road. The State DOT has made it – I don't know if it's a statute or a requirement but all local entities assume electrical energy and maintenance responsibilities for these traffic and luminaries within the counties. This particular one is at the intersection of a County road, but there is an existing traffic signal at this intersection but what this is for is a flashing beacon on 84/285 prior to the traffic signal and a mile of luminaries along 84/285 in this corridor.

COMMISSIONER VIGIL: And Robert, this requirement, we don't know where it's origin is, whether it's regulatory, statutory or just practice. Have you had conversations with the Department of Transportation with regard to this because while it has traditionally been a practice I don't believe that it's uniform throughout the state. I think DOT does take on the responsibility for some of these signals in some areas of the state.

MR. MARTINEZ: Mr. Chair, Commissioner Vigil, I can't answer. If they do assume responsibility on some, I don't know. I know we've got over 24 agreements that the state has come to the County requesting for the County to assume these types of expenditures for.

COMMISSIONER VIGIL: And we don't get reimbursed from the state, do we? Nor does DOT provide any kind of assistance with that, do they?

MR. MARTINEZ: Mr. Chair, Commissioner Vigil, we do not get reimbursed from the state at all. One thing that do assist us with is that in the event that a traffic signal needs some repairs they do assist us with those repairs. Now if it's a luminaire we need to hire a contractor to make those repairs to the luminaries.

COMMISSIONER VIGIL: I suppose, Mr. Abeyta, that I would like to learn what the root of this is, if it is regulatory, if it is statutory. If it isn't, the Department of Transportation I think would be willing – it's a reasonable request to look at this and reconsider. It's impacting our budget for particularly the state roads on state road intersections. I can understand when there's a County road involved but not on a state road. I'd really like to revisit that if it's possible that we could. And visit it with our highway Commissioner, perhaps.

CHAIRMAN CAMPOS: Commissioner, we've had this discussion many times and I'm not sure how many dollars these 24 agreements require us to pay out but that would be interesting. But I don't believe – Mr. Ross, there is no state law, is there?

MR. ROSS: Mr. Chair, there is no state law but there is a regulation of the Highway Commission. I'm sorry, the Transportation Commission.

CHAIRMAN CAMPOS: The DOT? And is that binding on us in any way?

MR. ROSS: It's hard to say. It's hard to say. This fight's been going on for about 30 years in the state and it originated from budget problems the Highway Department got into in the 70s and they just shifted the annual maintenance costs to the counties because they couldn't get those expenses covered by the state legislature. And that's been the pattern ever since. Every once in a while a County Commission will refuse to sign one of these things and a war breaks out but largely the counties have over time accepted this. And recently – it's been within three years – the Transportation Commission passed a rule that's now on the books that requires local governments to pay for the luminaries and signals and that stuff.

CHAIRMAN CAMPOS: Last time we had this discussion, Commissioner, I think the DOT said, well, we just won't build the lights if you don't agree to pay for them. So that was how that one developed – turned out to be. But I'm assuming, and I think it's been our policy to require the DOT to install energy-efficient lighting appliances.

MR. MARTINEZ: Mr. Chair, that is correct. They are installing energy-efficient fixtures. And it's expected that these improvements will cost the County roughly between $250 and $300 a month for the electricity.

CHAIRMAN CAMPOS: $250 to $300 a month for all 24 agreements?

MR. MARTINEZ: No, just for this particular intersection and luminaries.

COMMISSIONER VIGIL: Move to approve, Mr. Chair.

CHAIRMAN CAMPOS: Is there a second?

COMMISSIONER MONTOYA: Second.

CHAIRMAN CAMPOS: Discussion?

The motion passed by unanimous [4-0] voice vote. [Commissioner Sullivan was not present for this action.]

XIII. STAFF AND ELECTED OFFICIALS' ITEMS

A. Administrative Services Department

1. Resolution 2008-124. A Resolution Requesting approval of the Fiscal Year 2009 Final Budget (Administrative Services Department)

MS. MARTINEZ: Commissioners, we bring to you today the final budget and it's slightly changed from the interim budget that you have seen. I shouldn't say slightly. The interim budget we brought to you was $198.9 million. We are proposing a final budget submitted to the Department of Finance and Administration of $215.3 million. The majority of the differences are arising from working with the capital projects, working with roads, working with Fire and working with Joseph's shop with regard to special appropriations, severance tax bonds and any carryovers that we now know having reached June 30th.

So the largest share of the difference between interim and final budget came from fund 101 to the tune of $10.2 million, and that is a budget, if you will, increase from cash. The lion's share, $8 million, is a contingency for the potential acquisition of water rights, and then the $2 million increase is attributed to what the GRT brought in for the 1/16 tied to the judicial center. And then the majority of the remaining $5 million or $6 million difference is from capital projects, knowing what the carryover balances are, a small grant for housing, cash balances for fire stations, open space project. So mainly capital projects.

So we stand before you today asking for your approval and that we may turn in a final budget amount of $215.8 million to DFA for approval. And our deadline is to DFA July 31st.

CHAIRMAN CAMPOS: Any questions?

COMMISSIONER MONTOYA: Move for approval.

CHAIRMAN CAMPOS: Is there a second?

COMMISSIONER VIGIL: Second.

CHAIRMAN CAMPOS: Any discussion?

The motion to approve Resolution 2008-124 passed by unanimous [4-0] voice vote. [Commissioner Sullivan was not present for this action.]

XIII. A. 2. Review and Discussion of the Quarterly Financial Report. (Administrative Services Department)

MS. MARTINEZ: Before you, included in the packet was a very detailed quarterly report and what we tried to give you was a numbers report, if you will, fund by fund, identifying actual either revenues or expenditures and also identifying any outstanding encumbrances and how that related to the actual budget and remaining budget balance. That is the fund by fund piece, so it will cross all funds – general fund, health, corrections, fire. It's quite a lengthy report and I don't know if you've had a chance to review it in great deal but I will stand for questions specific to the numbers report before I move on to charts or general discussion.

CHAIRMAN CAMPOS: Questions? Okay, we'll just take a couple of minutes. Commissioner Vigil.

COMMISSIONER VIGIL: Teresa, on the pie chart, what are other operating costs? Could you identify those or are they identified somewhere else? Are those supplies?

MS. MARTINEZ: This is on the general fund?

COMMISSIONER VIGIL: Yes, the general fund.

MS. MARTINEZ: Other operating costs are going to be what we call the 70s category or operating costs – telephone, utilities, seminars and workshops, that type of stuff.

COMMISSIONER VIGIL: Has there been any particular reason in any of these areas that has concerned the Finance Department?

MS. MARTINEZ: Actually, no. Not this fiscal year. When you look at FY08, and it might be easier if I stick to the memo where I kind of summarize by fund source. If you'll look, I summarized general fund, enterprise funds, and I gave specific charts on the fire fund. In each of these cases the budgeted amounts were not expended 100 percent, and in a lot of cases, if you look at the general fund, we had a total budget expenditure, if you will, of \$65.7 million. Of that, through June 30th, we had spent \$48.5 and we still have outstanding about 43.5 million in encumbrances that can materialize over the next couple of months. So given that, if we were to assume that every outstanding encumbrance would materialize we would show that we spent about \$52 million of a \$65 million expenditure budget in the general fund, leaving an unspent budget balance of \$13.6 million.

So there were no major areas of concern in the general fund, enterprise funds or fire funds. Everybody was well below budget.

COMMISSIONER VIGIL: Does the recession and the turn in the economy – and I know you've spoken to this well before you started your budgeting. Has it affected any of your projections at this particular time?

MS. MARTINEZ: For next year we are already predicting that GRT will probably stay flat. This year saw a growth because of – we saw about a \$1 million increase in May. Part of that we attribute to the business activity of construction, and then the other part was related to Taxation and Revenue making an additional distribution. I don't know if it was for an error. We never receive notice on why, but all the counties, all the entities received a little bit of a windfall in May, and you may remember a couple of stories on that.

But we are predicting that GRT will probably stay flat and property tax – Becky told me today that the current year is already down about one percent. So we took that into consideration and we believe the recession will affect our revenues. And our recommendation today is that we wait till midyear to come back to you, give you a report how the taxes are materializing. If they're coming in under or if they're staying flat or if they're coming in better than we anticipated, and then at that time make recommendations for additional funding of projects or FTEs if it's reasonable.

COMMISSIONER VIGIL: Thank you. Thank you, Mr. Chair.

CHAIRMAN CAMPOS: Okay. Any additional questions, comments? Thank you very much.

MS. MARTINEZ: Thank you.

XIII. C. Human Resources Department

1. Discussion Concerning a Draft of the Santa Fe County Human Resources Handbook *[Exhibit 6: Power Point Presentation]*

BERNADETTE SALAZAR (Human Resources Division) Mr. Chair, members of the Commission, the reason for this discussion regarding our Human Resources rules and regulations, is to inform the Commission of significant changes that we're proposing to make regarding our HR rules and regulations, and also to inform you of the process that we will follow to complete this project.

I'll begin by discussing the reasons why we want to make these changes. The first reason is our rules and regs have not been updated since September of 2000, and since then many things have changed. Since then, we've taken over the adult facility, the juvenile facility, the RECC, and we've also opened our sobering center. And so the average growth in personnel since 2000 is over 48 percent. Also, since 2000 many of our employment laws have changed, and our handbook does not reflect those changes. As far as recruitment and retention, some benefits also have been identified to be changed in order to remain a competitive employer in our community.

So, on the next slide I'll talk about some of the changes to our benefits. The first one is to increase the comp time balances from 45 hours to 80 hours at any given time. I believe that this will allow employees to take more time to use their comp time when they accrue it before they're maxed out. I think this is especially helpful when there are staff shortages or when there's increased work loads.

COMMISSIONER MONTOYA: Mr. Chair, could you repeat that again?

MS. SALAZAR: Their comp time?

COMMISSIONER MONTOYA: Yes.

MS. SALAZAR: The comp time balances, I'm requesting to increase the threshold from 45 hours to 80 hours at any given time, so an employee can bank 80 hours rather than just 45 hours.

The next item is increase the annual leave accrual rates for at-will employees, and the request is – for this is based purely on the fact that these employees are at will. These employees don't have appeal right should they be terminated. Therefore, I think by allowing them a higher accrual rate is fair. The difference between a regular employee will just be one extra week per year compared to what regular employees get.

CHAIRMAN CAMPOS: May I ask I question? How does that benefit the County?

MS. SALAZAR: I believe, Mr. Chair, that it helps with retention and recruitment, as far as being a competitive employer in our community.

CHAIRMAN CAMPOS: Compared to what? Other municipal governments? County governments?

MS. SALAZAR: Yes, that's correct. Also the private industry.

CHAIRMAN CAMPOS: Can you give us examples?

MS. SALAZAR: If we – I did some research on local governments around. The City of Santa Fe has higher accrual rates than we do, especially for the at-will employees.

CHAIRMAN CAMPOS: What do we have right now as far as accrual?

MS. SALAZAR: Right now, from zero to one year you accrue basically two weeks per year. Once you hit your first year, it increases to three weeks. And then one to five years it's three weeks. And then five years and above is three weeks. I'm sorry, four weeks.

CHAIRMAN CAMPOS: Four weeks. So the – probationary employee can accrue up to two weeks?

MS. SALAZAR: That's correct.

CHAIRMAN CAMPOS: You're saying that that's not normal in industry or other governmental organizations?

MS. SALAZAR: It's usually a little bit higher than that.

CHAIRMAN CAMPOS: How much higher?

MS. SALAZAR: I don't have the exact numbers with me, but I can get that for you.

CHAIRMAN CAMPOS: I'm surprised. I thought two weeks, it was fairly standard. Okay.

COMMISSIONER MONTOYA: Per year?

CHAIRMAN CAMPOS: Yeah, for probationary. Someone just starts.

COMMISSIONER VIGIL: There's a difference between probationary and at-will, isn't there?

MS. SALAZAR: Mr. Chair, Commissioner Vigil, probationary employees are at-will, meaning that they can be terminated with or without cause at any time without the right to appeal.

COMMISSIONER VIGIL: And at-will is also exempt, so there are, I would say that probably a lot of our employees are exempt, at-will, and this would impact them.

MS. SALAZAR: Right.

COMMISSIONER VIGIL: And it also would bring in the probationary, but isn't six months a probationary period, or a year?

MS. SALAZAR: We have a one-year probationary period, and the probationary employees under this proposal would accrue just the way they are accruing now. Now the at-will employees, we have approximately 35 at-will, exempt employees who would accrue at this higher level.

COMMISSIONER VIGIL: Thank you for that clarification.

MS. SALAZAR: Okay, the next item is bereavement leave. The proposal would be to grant employees three days of bereavement leave. Currently, in the event of a death, employees have to use accrued annual leave or comp time to attend funeral services or to provide support for their families in the event of a death. The proposal will allow for three days of bereavement leave for a spouse, domestic partner, child, parent, sibling, grandparent, grandchild, step-parent, step-child, brother or sister, a foster child, or in-laws.

The next item that I think is really important for the success of our new hires that we've included in the proposal is that all new hires are mandated to attend new employee orientation, with Human Resources to complete all their paperwork, but also to mandate that supervisors give their new hires new employee orientation within their department to explain what they're duties are, what the employee will be evaluated on, the work standards, internal policies, hours of work, lunch breaks, who they'll actually be reporting to, time sheets, safety policies, and everything else that pertains to their job. Again I think that would be helpful to the success of the new hire.

We also have enhanced our tuition reimbursement policy to have clearer steps and processes for employees who are interested in this, and also our mentorship and volunteer leave, which outlines that employees may be granted an hour and a half of administrative leave a week to attend a mentorship program approved by the County. And it explains in the policy if employees are interested what they need to do to apply for that.

COMMISSIONER VIGIL: Do we have any employees who participate in that, Bernadette? I know it's provided as an incentive, but I don't know how employees have participated.

MS. SALAZAR: I don't see the time sheets anymore. I know that there were a few employees that were doing the Mentorship of New Mexico, which means that they go and tutor children at the different elementary schools, but I'm not sure how many employees are involved in that, but I can find that out for you.

CHAIRMAN CAMPOS: Ms. Salazar, what about detailed tuition reimbursement policy? What is our policy and how has it changed?

MS. SALAZAR: Well, Mr. Chair, basically we've increased the threshold. The amounts are not in here, but we've increased the threshold. We made it mandatory that employee, any employee needs to have good performance to be approved for tuition reimbursement, which was not in the previous – which is not in the current rules. We've just detailed the steps that they need to abide by to make sure that we follow the procurement process and so forth.

CHAIRMAN CAMPOS: Is there a dollar limit?

MS. SALAZAR: The dollar limit is maxed at five thousand per fiscal year, if budget is available, per person.

CHAIRMAN CAMPOS: And, you're saying it has to be good, as opposed to satisfactory, it has to be above satisfactory?

MS. SALAZAR: It says satisfactory.

CHAIRMAN CAMPOS: Satisfactory is good, then.

MS. SALAZAR: Doing their job, yes.

CHAIRMAN CAMPOS: So up to five thousand dollars? How much are we spending every year on this program?

MS. SALAZAR: This last fiscal year, I believe we were probably in the range of $40,000. That includes our College for Working Adults that we implemented this last year, so what that means is the Community College comes to the County, and we have a group of employees who participate in that program and will receive an Associate's Degree within two years. So it includes that program.

CHAIRMAN CAMPOS: How many people actually use the $40,000?

MS. SALAZAR: Well in that program alone we have approximately 18 employees. And then I would estimate that we have probably another 18 that use the tuition reimbursement aside from the CWA program.

CHAIRMAN CAMPOS: Okay. Thank you.

MS. SALAZAR: So the next slide talks about our sexual harassment policy, and currently our sexual harassment policy just speaks of sexual harassment. Our proposal will include all forms of harassment and discrimination and not just limited to sexual harassment. Our proposal also explains in detail what the employee should do if they would like to file a complaint. Our grievance process in our proposal is a lot more detailed as far as the steps employees need to take to file a grievance if they're not satisfied with the resolution at the lower level.

As far as our recruitment process, again we've enhanced this policy to include steps at each stage of the process that both the supervisor and the employee and HR should be doing. It also discusses the process of completing background checks, previous employment checks, reference checks, and makes us compliant with the new immigration laws, specifically throwing out the I-9 forms that have just recently changed.

COMMISSIONER VIGIL: Bernadette, I remember receiving an email. Didn't your department get some recognition for some kind of a recruitment program nationally through the National Association of Counties for its uniqueness and innovativeness? Is that correct? Do you want to tell me more about that?

MS. SALAZAR: Mr. Chair, Commissioner Vigil, yes that's correct. For our recruitment efforts, our employee development specialist Gigi Gonzales does advertisements weekly on a local radio station. We applied for an award for innovative ways on recruitment, and she won that. So she accepted the award about two weeks ago in Kansas City. So, yeah we did get that.

COMMISSIONER VIGIL: Very good. Congratulations.

MS. SALAZAR: Thank you. As far as kind of technical stuff in our rules and regulations, on the next slide, we made it, we clarified the FLSA information for partial 7K exempt employees. And what that means is under the Fair Labor Standards Act, some employees are eligible to be partially exempt from the FLSA. This means because of their duties and the schedules that they work, their overtime kicks in at a different threshold than a regular 40-hour a week employee. Currently our detention officers at the adult facility and our firefighters fall under that category, so it clearly explains what work period they follow and when their overtime kicks in.

Another law that has changed since 2000 is the Family Medical Leave Act. The act has expanded in two sections to include 12 weeks of leave for any qualifying event arising out of the fact that a spouse, a son, or daughter of the employee is on active duty or has been notified of impending call to order for active duty in the armed forces in support of a contingency operation. It also permits that a spouse, son, daughter, parent, or next of kin may take up to 26 work-weeks to care for a member of the armed forces, including a member of the National Guard Reserves who is undergoing treatment, recuperation, or therapy, or is otherwise in out-patient status or is otherwise on a temporary disability retired list for a serious injury or illness. So these are additions to the Family Medical Leave that we need to add to our rules and regs to be compliant.

Some of the other items, as far as being compliant with a resolution that the BCC passed last June, is discussing what items are taxable. So those are addressed in here, which will include our uniforms, our take-home vehicles, and then the tuition reimbursement.

CHAIRMAN CAMPOS: Is it taxable?

MS. SALAZAR: Depending on the circumstances, yes they are.

CHAIRMAN CAMPOS: Any fiscal impacts that your rules need to address?

MS. SALAZAR: Mr. Chair, currently the few benefits that I talked about regarding accrual rates, that would be a fiscal impact, but it wouldn't be a sudden hit to the budget. It's basically when an employee gets paid out, the accrual rates will be a little bit higher. But I have been working with the Finance Director to address those issues. But basically that's all we have so far as a financial impact.

CHAIRMAN CAMPOS: Well under FMLA, if somebody is out 26 weeks, they get paid 26 weeks, right?

MS. SALAZAR: No, that's not correct. It's unpaid leave. But they can use their accrued leave if they choose to.

CHAIRMAN CAMPOS: Okay. So if there is any fiscal impact, at some point I'd like to see them.

MS. SALAZAR: Okay. The next slide, we'll talk about employee health and safety and accident prevention. I think, this is anew portion in the rules and regs, the proposed rules and regs, and I think it's beneficial because it assists in the promotion of a safe work environment, it addresses things like supervisors being responsible and making sure that their employees know what the safety procedures are, letting employees know that they have a duty to report hazardous or unsafe work conditions to prevent accidents, what to do if there is an on-the-job injury, and what to do if there's a motor vehicle accident while on duty. I think those are beneficial to the employee to know what to do and under those circumstances.

The next item is the change to the on-call pay. In our new proposed rules, on-call is defined, and it's defined at, it's when an employee is required by their department director to be available and ready to report to duty or to respond to a work related call during their off time for a minimum of 24 hours to perform either emergency duties or needed duties. This policy will help us determine when take-home vehicles are necessary or not.

The next one is the smoke-free work environment. This is not in our current rules, and this policy is basically pursuing to the City Ordinance 2007-07 regarding a smoke free work environment.

The next one, current rules and regulations don't address firearms on County property or while doing County business, so this proposal will include the prohibition of firearms on County property or while conducting County business with the exception, of course, for law enforcement.

The last slide, if an employee is convicted of a DWI, the proposed policy states that they will not be allowed to operate a County vehicle or a personal vehicle while conducting County business for a period of three years unless after one year of the DWI the employee has not been convicted of another traffic violation. The employee has to have a valid drivers license, must have a satisfactory performance, must have satisfied all the County requirements in regards to further testing and sobriety measures, and there shall be no requirement for a interlock device.

The next one that I feel is really needed because of technology, eight years ago things have changed, is our IT resources policy. This policy will include everything from a computer, copying machine, telephone, cell phone, and it prohibits employees from downloading, sending, uploading any kind of information that is considered to be discriminatory, harassing, obscene, abusive, fraudulent, indecent, threatening to any other County employee or any other person.

There are changes to the disciplinary process, they have been modified in order to have a more timely process. With the proposal the supervisor is obligated to give the employee a notice of proposed disciplinary action within 15 working days upon being aware of the incident, or within 15 days of completing an investigation. The notice shall include a description of the conduct, action, or omissions that form the basis for the proposed disciplinary action, a general explanation of what evidence the County has, and will include the date, time and place of the pre-determination hearing. During the pre-determination hearing the department director, the immediate supervisor, an HR representative and a representative of the employee's choice will be at the hearing. There will only be one hearing so the employee only needs to participate in one hearing. The action will be final upon the decision of the department director but the employee will still have the opportunity to appeal that decision to the HR director and the County Manager if they choose to do so.

So with that, those are some of the highlighted changes and the plan is to now continue to have employee meetings to get further input on these proposed rules and regulations and then hopefully in 30 days come back and ask for approval of adoption of a new HR handbook.

CHAIRMAN CAMPOS: Questions? Commissioner Vigil.

COMMISSIONER VIGIL: Thanks, Bernadette and Roman. I think we're moving in a very good direction in terms of clarifying these issues. Some of these are very outstanding and our rules don't address them. There's two areas that we have spoken about since that I'm not sure this is the appropriate place for, but I'm going to throw them out there because we tangentially addressed them and they may need to be a part of this resource manual, and that is take home car policy, and I know we've probably enacted a resolution or something that kind of creates a focus for that, but I'm wondering if the Human Resource Manual should be a place to reflect that resolution or if we need to readdress it.

One of the other issues that has been brought up with regard to employees and employee work time is an actual potential of looking at a four-day work week. That was brought up with regard to energy efficiency as an alternative. I don't know if this is the time for that. I don't know if there's sufficient time for that and I'm going to throw it out to administration just in terms of – I'll pose the question: Should these be a part of the Human Resource Manual? And if so, perhaps we need to start working on them, and if not, hopefully we will be able to in the future through resolution.

MS. SALAZAR: Mr. Chair, Commissioner Vigil, the take home vehicle policy is in the proposed rules and regulations, pursuant to what we've worked with with Finance on that. In regards to the four-day work week, we're actually working on a survey currently which will go out in the next payroll to kind of survey employees to see what the feedback is from employees and who would be interested, what hours and those kinds of questions will be asked.

COMMISSIONER VIGIL: A survey has actually been distributed?

MS. SALAZAR: Next payroll, it will be distributed.

COMMISSIONER VIGIL: Okay. Thank you, Bernadette.

CHAIRMAN CAMPOS: Anything else, Ms. Salazar?

MS. SALAZAR: That's it.

CHAIRMAN CAMPOS: Okay. Thank you very much.

XIII. D. Growth Management Department

1. Update from the County Water Resource Specialist on the Status of the County Water Conservation Well Metering Program. (Growth Management Department)

CHAIRMAN CAMPOS: Laurie, please state your name and your position.

LAURIE TREVISO (Water Resource Specialist): Mr. Chair, Commissioners, I'll be giving you an update on the water conservation program, along with the domestic well metering program.

So, earlier this year, the Bureau of Reclamation awarded two grant awards to the County, and one of them was a $50,000 grant award for the domestic well metering program, and another was a $10,000 award to write a water conservation plan for the County. Of these awards, there were 42 applicants throughout New Mexico, Colorado, Utah, and Northern Arizona, and only four of those grants were awarded, and we received two out of the four. And a resolution was passed earlier this month accepting the grant award.

The money used for the well metering program is intended to purchase an interactive database, and this will provide public outreach on the importance of well metering. So a focus for the well metering program is social responsibility, as well. And we want to create a positive message with the public. The ultimate goal of the program is preservation of the aquifer as a natural resource.

The well metering database will compile and track well information, and once the data is compiled the database automatically generates a letter to each of the residents reminding them that their water meter reading is due. And the database will be available for access on santafecounty.org/waterconservation, and residents will be able to read their water meter reading and they'll also be able to enter their water meter reading and also look at past water meter reading data. And database training will be provided to staff, and we have an unlimited amount of staff that could be trained. So the intention is to get a majority of Land Use staff trained on this database so that they can help constituents enter their meter readings, and also, during the development review process, double check to make sure readings have been entered. IT has indicated that they're able to install and support this database. The current database is a Microsoft Access version, and we have information gathered from 2005 on building development permit applications. There are approximately 250 readings entered into the Access database, and we receive this information, we receive additional information from the permitting desk, and approximately 20 volunteer meter readings from the public. And oftentimes the submittals that we receive from the public have gaps in them or they don't give us the appropriate data that goes with the particular parcel.

The water conservation plan, so this is the $10,000 grant, and the plan is to incorporate all of the ordinances we have in the County and put them in a county-wide comprehensive plan. And this plan will include a steering committee, so we'll have a lot of public involvement, and we are going to utilize the expertise from the steering committee to help facilitate the plan. And these will be experts in the field of water conservation. We'll also provide a public comment period, and we'll have, the main goal is to have the residents of the county incorporate water conservation into their daily lives.

So each of the awards has a public outreach component, a very strong portion of that, so we'd like to educate the public and create, again, social responsibility about aquifer preservation as well s submitting your water meter reading. And we're developing a document on well maintenance, and this includes a yearly log for residents to keep as a record of their water meter readings. And the ultimate goal again was to focus on using the same amount of water for landscaping through rainwater harvesting and not relying on domestic wells, so taking the focus off of using the water from domestic wells. And one way we are going to accomplish that is, on August 23rd, at the Community College, the County is hosting a water conservation fair, and this particular program was supported through Commissioner Campos' discretionary funds. So we'll have a seminar on how to read your water meter and water meter maintenance and well maintenance and those types of things. Other speakers will present on graywater and blackwater. Graywater is the water from your washing machine. Blackwater is from the septic tank. And local vendors will be available to the public.

There are other components of the conservation program, which include rainwater harvesting and the retrofit program, both commercial and residential. And rainwater harvesting – this is a really good activity to promote along with well metering because you can offset those withdrawals from wells through rainwater harvesting. And there was an update to the ordinance to include the use of graywater systems. And we were invited to attend several events to promote rainwater harvesting in the county. The New Mexico Homebuilder's Expo, which was in April of this year, and the Eldorado Rainwater Harvesting Seminar, hosted by Earth Works institute in May of this year.

The commercial retrofit program. Businesses have responded to the program since 2006, and a list of new businesses in the county has been collected from 06 to 08. Each new business receives a letter about retrofitting when they apply for a business permit. These letters will also be mailed to many of the businesses who are not aware of the retrofitting requirements, so from 2006 to the time that I was hired, more than likely there was a gap, and we're going to focus on sending those folks a letter.

For the residential retrofit program, the County created a partnership with Homewise earlier this year, or earlier this month. The partnership submitted a $500,000 dollar grant to Governor Richardson's Water Innovation Fund for water conservation projects. And the grant proposes to perform water conservations audits of one thousand homes within the county. And the areas within the county will be determined by County staff and based on financial need and high water use. The audits will include the replacements of water-saving devices, such as front-loading washers, toilet retrofits, faucet and showerhead replacements, and all of the installation will be provided by Homewise, and notification of the grant award will be received by August the 25th or before. And so that's it for the water conservation program. Thank you very much.

CHAIRMAN CAMPOS: Questions? Okay, you've had your chance at the mic.

COMMISSIONER VIGIL: Thank you so much for that update. I like to see this kind of thing streamlined this way. It seems to me, though, that one of the areas that we should try to incorporate into this is septic tank management. It's really a huge problem in Santa Fe County with regard to how mismanagement of septic tanks is affecting our water and adversely impacting conservation measures. I don't know if that is a piece that could be incorporated into this, or if it is a thing unto itself. Has that been discussed with this?

MS. TREVISO: Mr. Chair, Commissioner Vigil, at this time I've attended several green building code meetings jointly with the City, and part of that discussion has come up because of, we don't really, the City has the toilet retrofit program where they're water system directly benefits by retrofitting the toilets. That's not the case because there's – the County utility, the County's bigger than the County utility. So a way to supplement those offsets, or give credit as far as a green building code is concerned, is through septic tank maintenance. So it has been discussed in other areas, and it is a portion of water conservation, and that's part of these forums, is alternative, looking for alternative water. So rainwater harvesting, graywater harvesting, and blackwater harvesting are all ways to conserve water, and I think that that's one way that we need to focus in the future.

COMMISSIONER VIGIL: I think that the Department of Environment has a huge concern, and they tried to get a lot of statutory language passed and regulate what's going on. And I'm wondering if maybe we should be considering some kind of a retrofit program because part of the problem is that the old septic systems are the ones that aren't maintained and that are corroded and causing erosion, and it's very difficult even for residents to recognize that that's going on. I'd like Santa Fe County to look towards some kind of an incentivized program for retrofitting old septic systems, and I think the requirements that the State Department of Environment currently has now has created some issues also with that, too. But we need at some level to be a part of linking to preventing that problem from escalating even worse than what it is right now. So, at some level through your process, I'd like to see us look at some alternatives for that too. And I throw out the consideration of a retrofit program from septic systems at some level, and that would be something we'd have to work with the State.

MS. TREVISO: Thank you.

COMMISSIONER VIGIL: Thank you.

CHAIRMAN CAMPOS: Commissioner Anaya, any questions? Ms. Treviso, you talked about the graywater and an ordinance update. Could you give me a little more detail about that?

MS. TREVISO: Well, as of right now, or previously, the Rainwater Harvesting Ordinance just included rainwater harvesting for certain – off of commercial and residential buildings. But through the update of the ordinance there's – we can supplement the size of the cistern used for rainwater harvesting through graywater, or we can – the applicant could just use graywater as a means of water conservation.

CHAIRMAN CAMPOS: So you'd require new systems, new plumbing systems, to capture and use the graywater.

MS. TREVISO: Yes.

CHAIRMAN CAMPOS: When is that likely to happen?

MS. TREVISO: The ordinance was passed in I believe May. So we have one application that I'm reviewing right now that's utilizing that particular ordinance and I'm anticipating more will come on line.

CHAIRMAN CAMPOS: We have an ordinance already that says you must have certain plumbing to produce graywater and use it for outdoor watering.

MS. TREVISO: Well, it's an either/or. Either you can use rainwater harvesting or you can use graywater or a combination of the two.

CHAIRMAN CAMPOS: Okay. Great. Thank you very much. I think that's it. Thank you, Ms. Treviso.

XIII. G. Matters from the County Attorney

1. **Discussion (Action Not Required) of a Proposed Santa Fe County and City Extraterritorial Land Use Joint Powers Agreement to Implement Provisions of the Settlement Agreement By and Between the City, the County and Las Soleras**
2. **Authorization to Publish Title and General Summary of an Ordinance amending and Creating New Sections of the Santa Fe County Land Development Code Establishing the Santa Fe Extraterritorial Land Use authority (ELUA) and the Santa Fe Extraterritorial Land Use Commission (ELUC)**

MR. ROSS: Mr. Chair, there are a couple of items under here under G that are related. G. 1, discussion of a proposed Santa Fe County and City extraterritorial land use joint power agreement, and 2, authorization to publish title and general summary of an ordinance amending and creating new sections of the Santa Fe County Land Development Code to establish a new creature called the Santa Fe County Extraterritorial Land Use Authority, and the Santa Fe Extraterritorial Land Use Commission. ELUA and ELUC. These two items are intended to implement the provisions of the settlement agreement with the City of Santa Fe concerning annexation that we approved two or three months ago.

The first item is just a discussion item to show you what the eventual joint powers agreement will look like that creates the relationship set forth in the settlement agreement. And that is there will be no EZA and EZC as we know it in the future. The only thing that will remain are these Extraterritorial Land Use Authority and the Extraterritorial Land Use Commission. Essentially what these two documents provide is as a result of the annexation agreement with the City the County Code will go up right up to the city limits and the City Code will then take over and there will not be an EZO zone and ordinance, two-mile area – we always call it the two-mile area where both City and County rules apply in there and are administered through the EZA, nor will there be a five-mile planning and platting jurisdiction in which the City has jurisdiction over certain platting decisions that are undertaken.

The new regime will be that the County Code goes right up to the City limits and at that point the City Code will take over. However, there's one circumstance in which you still need an ELUA and that is in the circumstance where a disputed annexation occurs, and that can occur where a person petitions using the petition method, a person petitions for annexation into the city and they include in the proposed petition property that they don't own. And the usual situation when this occurs is when the person who wants to be annexed is not contiguous to the city so they include an adjoining parcel that is. In these circumstances where property owners don't agree on whether annexation is to occur or not, the annexation eventually goes to the ELUA under the new formulation.

Let me just explain what that is. In between the time we adopted our old EZA and EZC form in the 80s, between then and the present the statutes have changed, and the statutes now require, if you're going to set up an authority to have jurisdiction within the

Extraterritorial Zone the statutes now require you set up an Extraterritorial Land Use Authority, which consists of four members of the Board of County Commissioners and three members of the City Council. As you recall, the old formulation was three Commissioners and two City Councilors.

It has similar requirements about what we used to call the EZC. It's now referred to as the Extraterritorial Land Use Commission. Same thing. Each body is one person larger than previously constituted. But in item G. 1, the proposed JPA, that document describes that there's only one circumstance in which this body is going to have anything to do and that's in the case of a disputed annexation.

What we're trying to do, myself and Mr. Katz over at the City is run these documents on kind of a parallel track. So the only action we'd like to have today so we can get this thing moving is authorization to publish title and general summary of the proposed ordinance. And with that I'll stand for questions.

CHAIRMAN CAMPOS: Any questions for Mr. Ross? Mr. Ross, you talked about annexation as an example of when this entity would come into play. Isn't there an agreement that would prohibit annexations beyond a certain point for a period of x-number of years?

MR. ROSS: Yes. The agreement is for 20 years and once a property is annexed under that City-County agreement property cannot be annexed for 20 years. And there's also a limitation on when the City may exercise its option to annex all the land that's identified in the agreement, and they must do all that within five years. They are on track to do that. I've had a lot of discussions with them. They're on a fast track and they're doing a lot of planning on this. So I expect they'll have it all done fairly quickly. But they will have it all accomplished within five years and then there will be no more annexation discussions for 20 years.

CHAIRMAN CAMPOS: Okay. So basically, what you would like is authorization to publish title and general summary of an ordinance amending and creating new sections of the Santa Fe Code?

MR. ROSS: We think they're new sections but we're double-checking on that right now. We'll make sure that that's accurate.

CHAIRMAN CAMPOS: Okay, I'm going to ask for a motion authorizing publication of title and general summary of an ordinance amending and creating new sections of the Santa Fe Land Use Code, establishing the Santa Fe Extraterritorial Land Use Authority and Commission.

COMMISSIONER VIGIL: Do we have to do this now, Steve?

CHAIRMAN CAMPOS: It's on the agenda right now.

COMMISSIONER VIGIL: I know it is, but is this timely? Is there a timeframe? I'm not always understanding how the annexation agreement is going to pan out and I know it's a 20-year thing, but is this a necessary step we need to take before we move forward with the agreement?

MR. ROSS: This is among the steps that we're moving through right now.

We're trying to keep the City and the County in the same place in the process.

COMMISSIONER VIGIL: So they will be taking action on this soon?

MR. ROSS: This is already moving through their committee process, but their process takes a lot longer than our process.

COMMISSIONER VIGIL: Because they have to go through committee.

MR. ROSS: Yes. So what I thought I would do is get title and general summary today so then I can work with Mr. Katz and find out when they're going to approve the ordinance and the JPA and notice our action for a meeting that's sort of in the same general vicinity. So we're both taking action at the same time and addressing issues that come up between the City and the County at the same time.

COMMISSIONER VIGIL: Okay. Move to approve.

CHAIRMAN CAMPOS: To publish title and general summary? Is there a second?

COMMISSIONER MONTOYA: Second.

CHAIRMAN CAMPOS: Discussion?

The motion passed by unanimous [4-0] voice vote. [Commissioner Sullivan was not present for this action.]

XIII. F. 3. Consideration of Resolution No. 2008-___. A Resolution Calling for a General Obligation Bond Election During the November 4, 2008 General Election

MR. ROSS: Mr. Chair, we've been discussing the need to go to the public and ask for their permission to do some more general obligation bonding. Mr. Franklin's here and he can discuss the technical aspects.

MR. FRANKLIN: I was actually unaware this was on today's agenda, and although I'm prepared to talk about it I know that the Fire Chief and Open Space had some questions about whether we could reword a couple of the questions in the form of resolution. So I don't know whether, as far as the County Manager, County Clerk, County Attorney are concerned this is something we need to take action on today or whether this could be deferred for a meeting.

MR. ROSS: Mr. Chair, it sounds like we might need to table this.

MR. FRANKLIN: We could go with it the way it is but it won't have – at least the form before the Commission now – could someone show it to me? Mr. Chair, Commissioners, the form that you have before you does not include some of the language requested by Open Space and by the County Fire Department. I can't say that the words they are requesting change things a whole lot. I think the ideal thing would be as if we could defer this for a meeting. Valerie, does that give us time to get everything to the printer.

MS. ESPINOZA: You have at least another month.

MR. FRANKLIN: That would be my recommendation, to defer this until the next meeting or possibly the last meeting in August.

COMMISSIONER MONTOYA: Move to table.

COMMISSIONER VIGIL: Second.

The motion passed by unanimous [4-0] voice vote. [Commissioner Sullivan was not present for this action.]

CHAIRMAN CAMPOS: Just a quick question, Mr. Franklin. The order of placing these items on the ballot I think is important. I think water should clearly be put up at the top. Do we vote on these all or nothing? The way it's presented you have an option to vote yes or no on each proposal.

MR. FRANKLIN: That is correct.

CHAIRMAN CAMPOS: Is that required, or can it be an all or nothing?

MR. FRANKLIN: It's required by the constitution. In fact an all or nothing vote violates the logrolling prohibitions in the constitution. So each question, each type of project has to be set out separately in a separate question.

CHAIRMAN CAMPOS: Now, Mr. Abeyta, have we had an opportunity to understand, for example, question number one, $3.5 million. Exactly, do you have a plan for that? Do we have a plan for all of these numbers?

MR. ABEYTA: Mr. Chair, we do, and we have presented some of the details to you over the last two or three months with roads and water projects. One specifically though I don't recall what open space or specific trails we are talking about but we do have, for example, water projects, specific projects we've earmarked. Same with the public buildings and also the roads. But when we bring this back in from of the Commission in 30 days, we'll include that detail.

CHAIRMAN CAMPOS: Okay. So this is tabled for – till what meeting? We have to table it specifically, don't we?

MR. ABEYTA: We'll table for 30 days, to the next administrative meeting in August.

CHAIRMAN CAMPOS: Okay, so that's the last meeting in August. Do we have to move to do that, to table specifically to that meeting?

MR. ROSS: It's actually a motion to postpone.

CHAIRMAN CAMPOS: To defer action.

MR. ROSS: Well, no, it is a motion to table, because we're at the administrative meeting now. So it's a motion to table.

CHAIRMAN CAMPOS: And a motion to table should be to the last regular meeting in August.

MR. ROSS: It does that automatically.

CHAIRMAN CAMPOS: It happens automatically, so we don't have to include it. Okay. So we're done. Thank you, sir.

XIII. F. Matters from the County Manager
1. Updates on Various Issues

MR. ABEYTA: I have nothing right now, Mr. Chair.

XIII. G. 4. Executive Session
a. Pending and Threatening Litigation
d. Discussion of Bargaining Strategy Preliminary to Collective Bargaining Negotiations with a Bargaining Unit

CHAIRMAN CAMPOS: Is there a motion to go into executive session to discuss items A and D.

COMMISSIONER VIGIL: So moved.

COMMISSIONER MONTOYA: Second.

The motion to go into executive session passed by unanimous [4-0] roll call vote with Commissioners Anaya, Montoya, Vigil and Campos all voting in the affirmative.

[The Commission met in executive session from 3:05 to 4:20.]

CHAIRMAN CAMPOS: Is there a motion to come out of executive session where we discussed pending and threatened litigation and discussion of bargaining strategy preliminary to collective bargaining?

COMMISSIONER MONTOYA: So moved.

COMMISSIONER ANAYA: Second.

The motion to come out of executive session passed by unanimous [4-0] voice vote. [Commissioner Sullivan was not present for this action.]

XIV. ADJOURNMENT

Chairman Campos declared this meeting adjourned at 4:20 p.m.

Approved by:

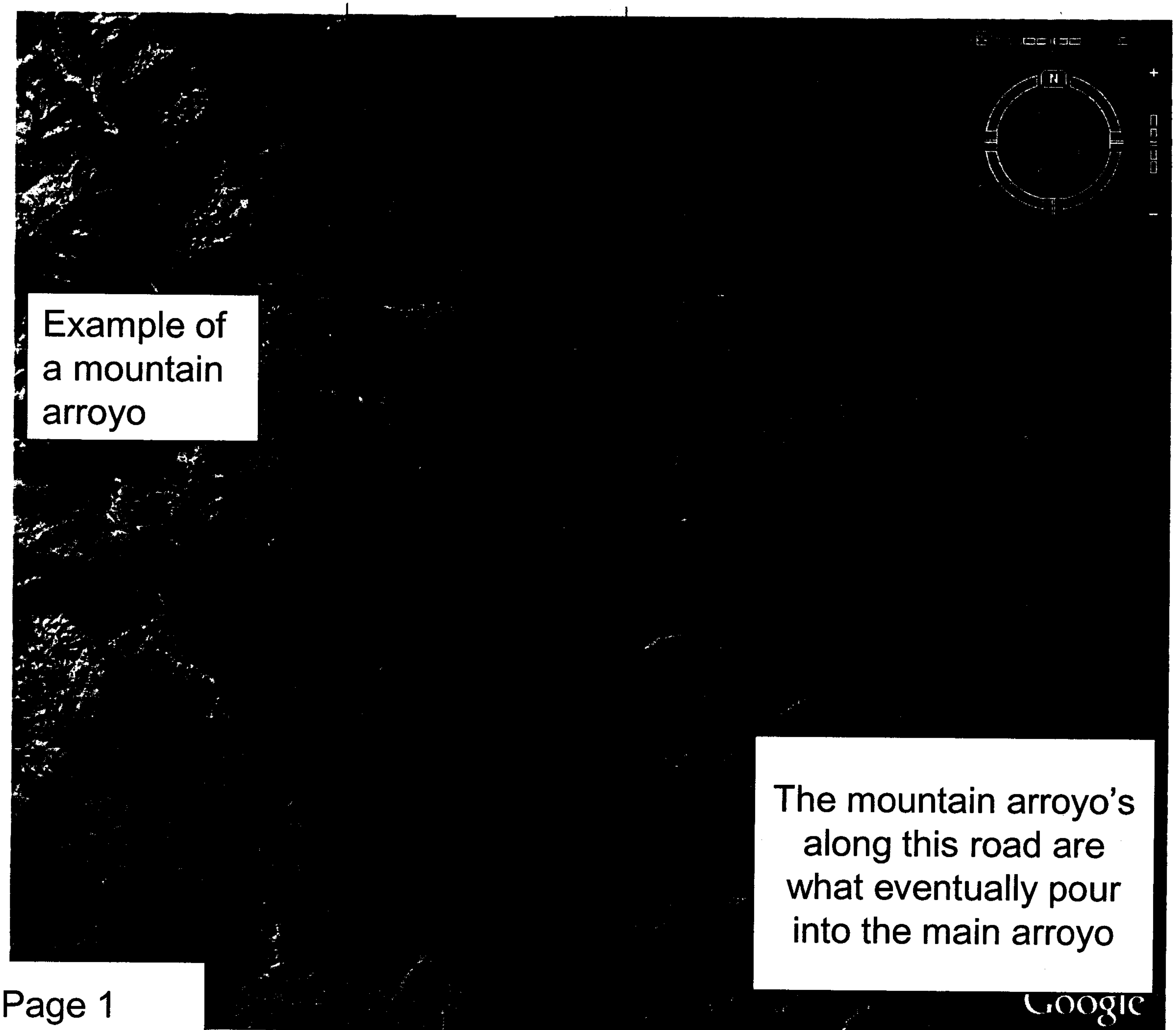
Board of County Commissioners
Paul Campos, Chairman

ATTEST TO:

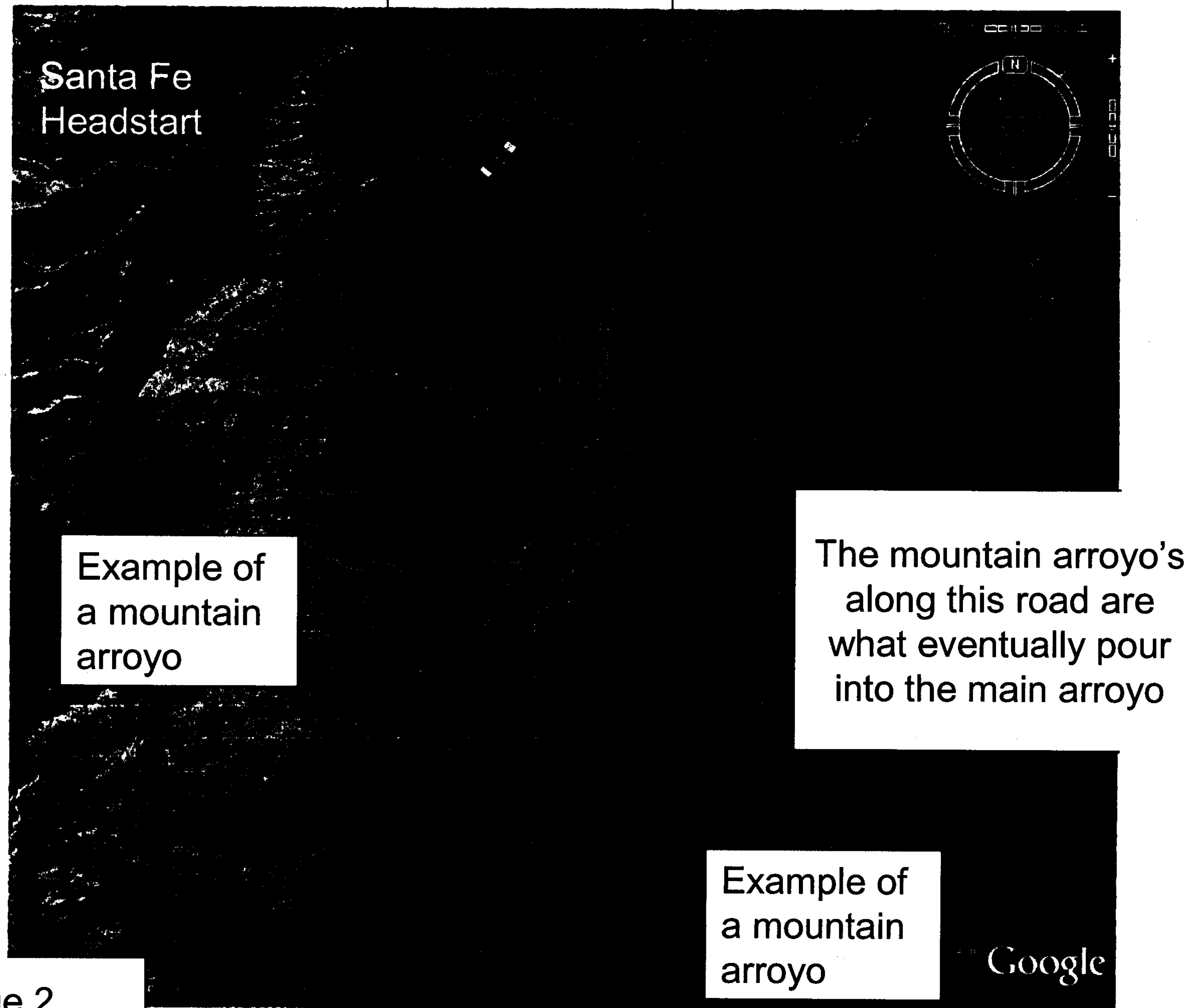
VALERIE ESPINOZA
SANTA FE COUNTY CLERK

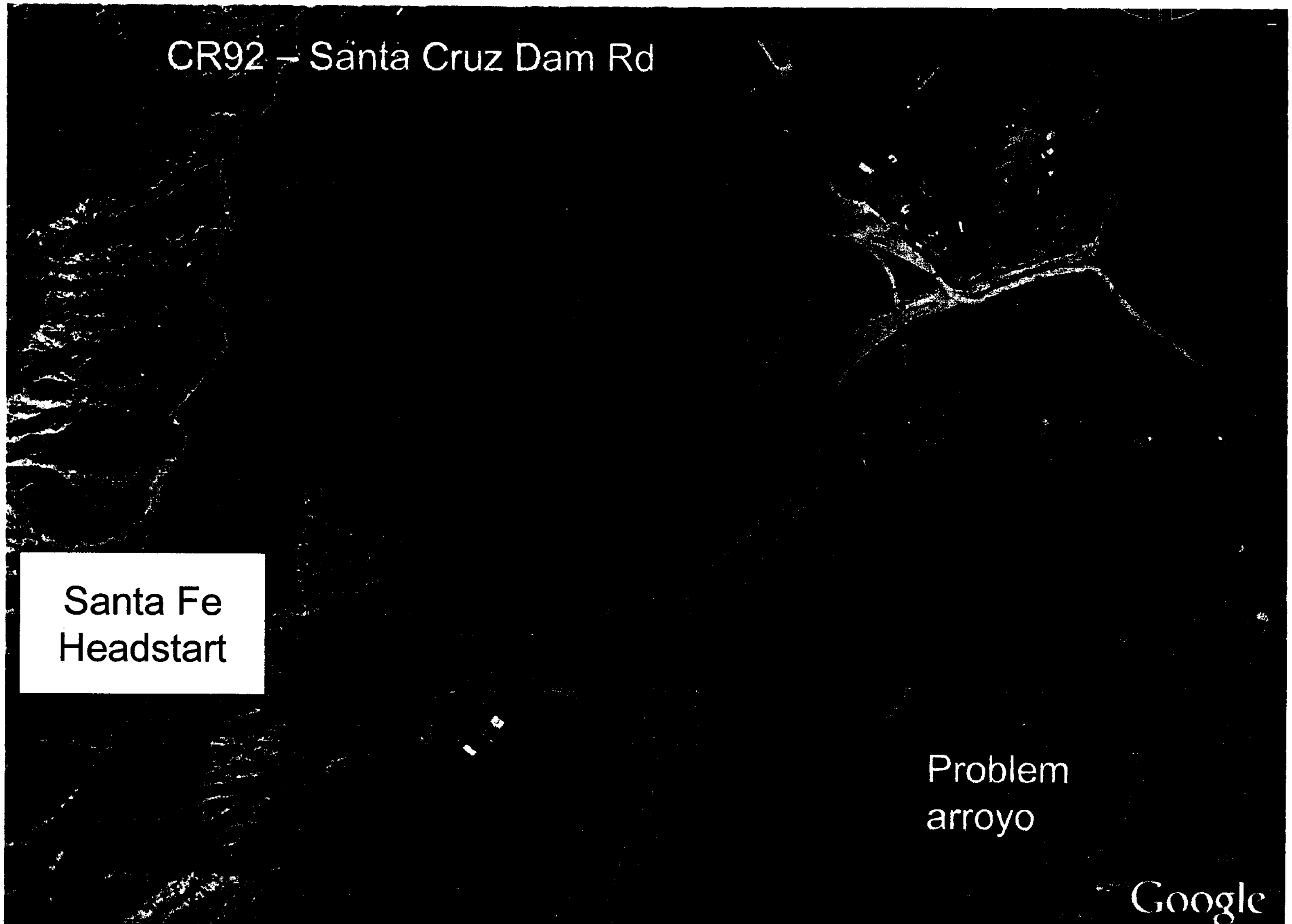
Respectfully submitted:

Karen Farrell, Wordswork
227 E. Palace Avenue
Santa Fe, NM 87501


Example of a mountain arroyo
The mountain arroyo's along this road are what eventually pour into the main arroyo
Google

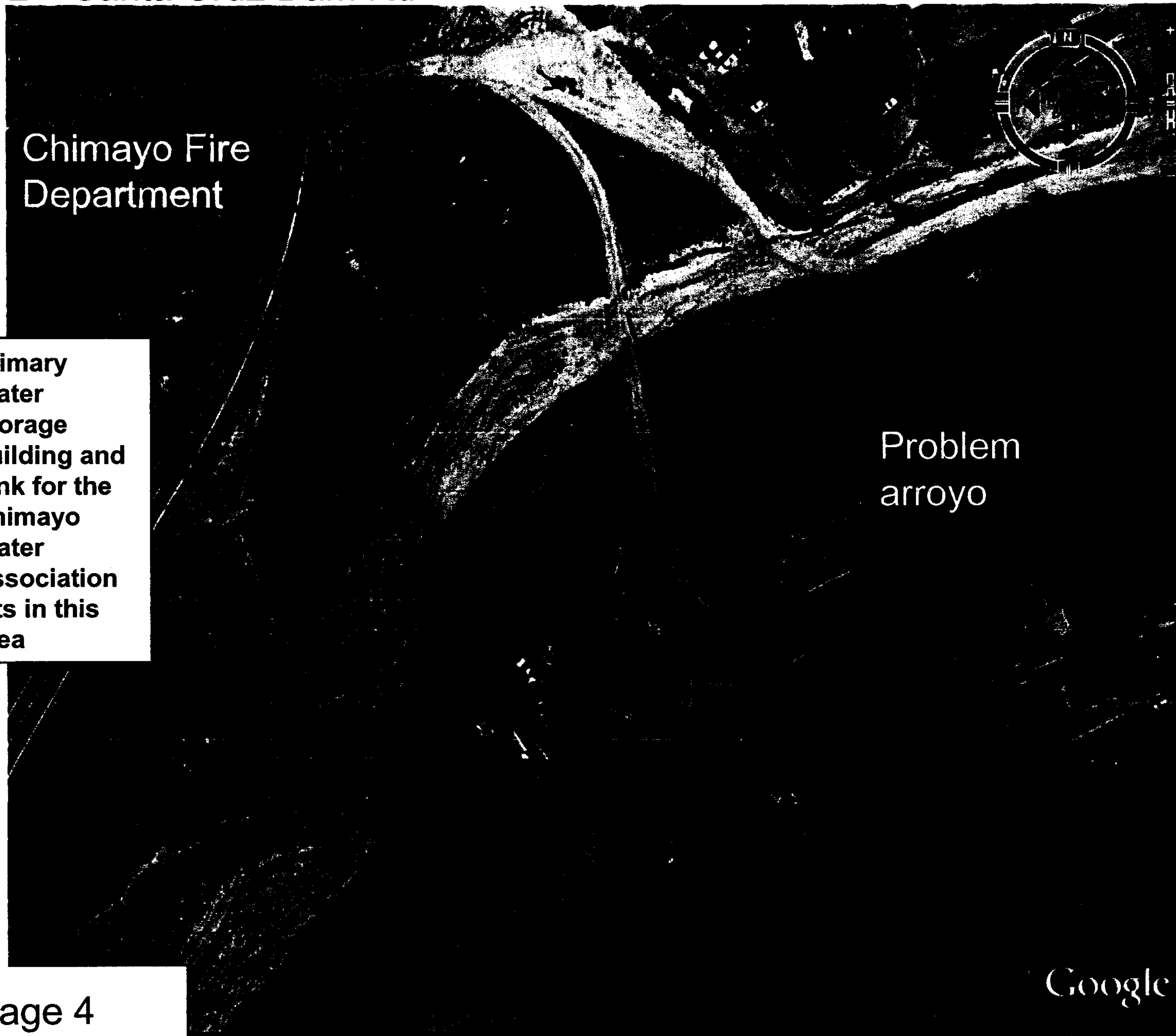
Page 1


Santa Fe
Headstart
Example of a mountain arroyo
The mountain arroyo's along this road are what eventually pour into the main arroyo
Example of a mountain arroyo
Google



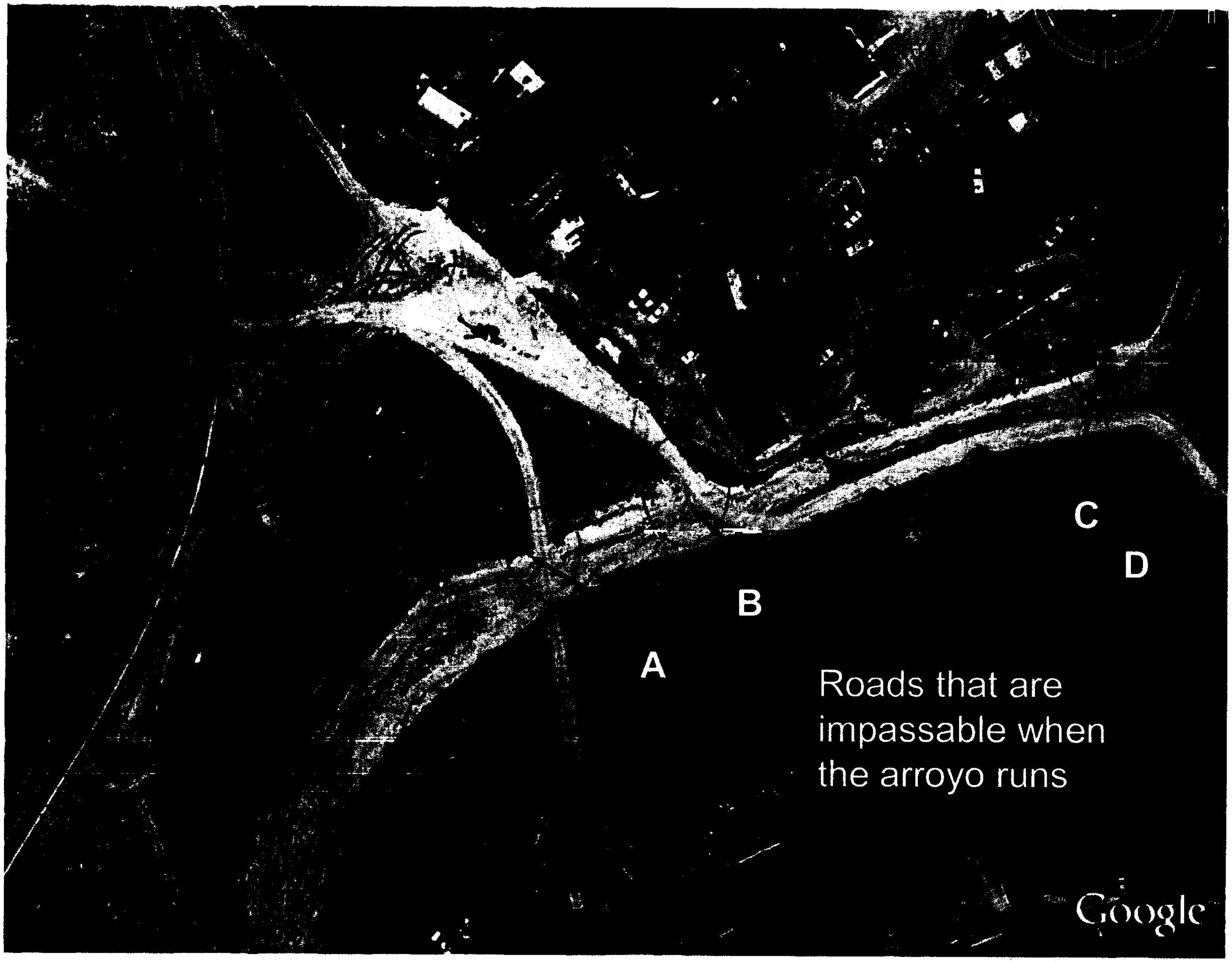
Road to the Santa Cruz Dam

CR92 – Santa Cruz Dam Rd

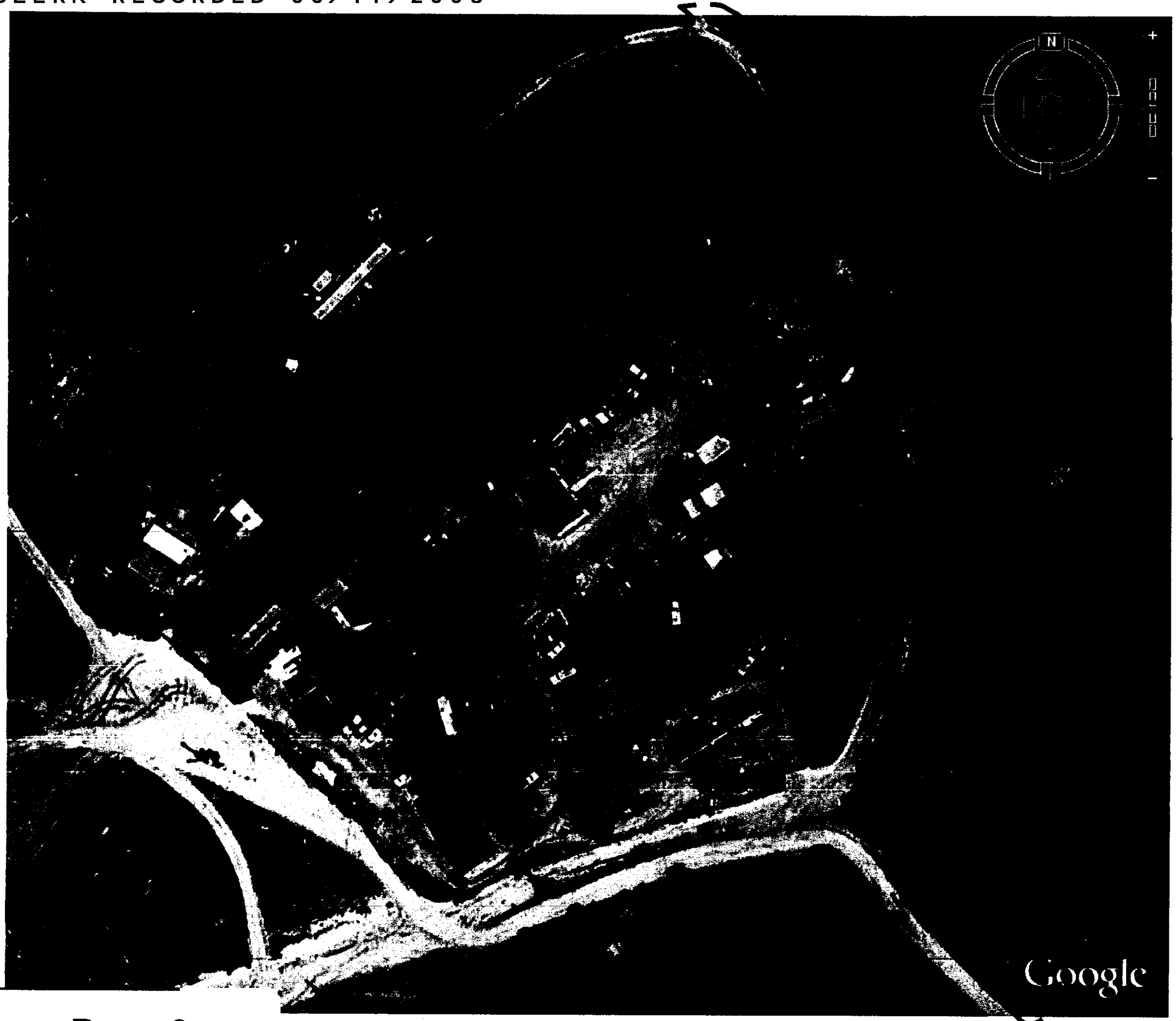


Primary Water Storage building and tank for the Chimayo Water Association sits in this area

Road to the Santa Cruz Dam



Families affected [A=;3 B=9; C (two smaller roads splinter from the main road)=4; D=5]; roads B&D affect the entire Community as this road leads to the Santa Cruz Dam, Road D also leads to the Water Association Bldg closer to the Dam.



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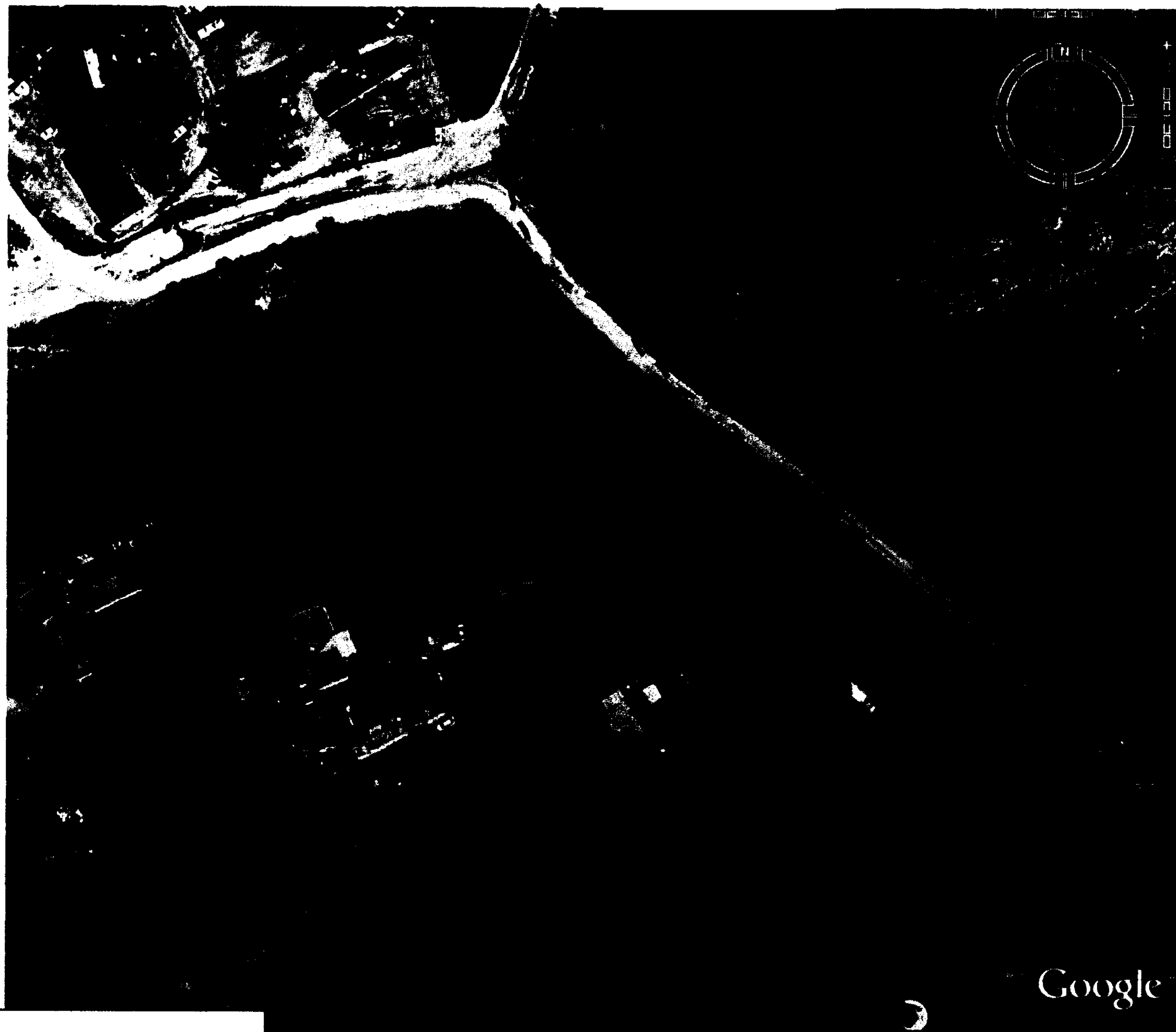
The river bank and roads up and down the Santa Cruz River are in dire need of repair. The roads along this corridor are close to being . destroyed. The river bed needs to be dug and the bank needs to be restabilized.

Lives, homes, land, and livestock are in jeopardy and everyone's safety is at risk. It is our hope that the County can issue a Section 14 with the Army Corp of Engineers to begin assessing the damage and work that needs to be done to repair this problem before a real disaster happens, such a loss of life of human or animal.



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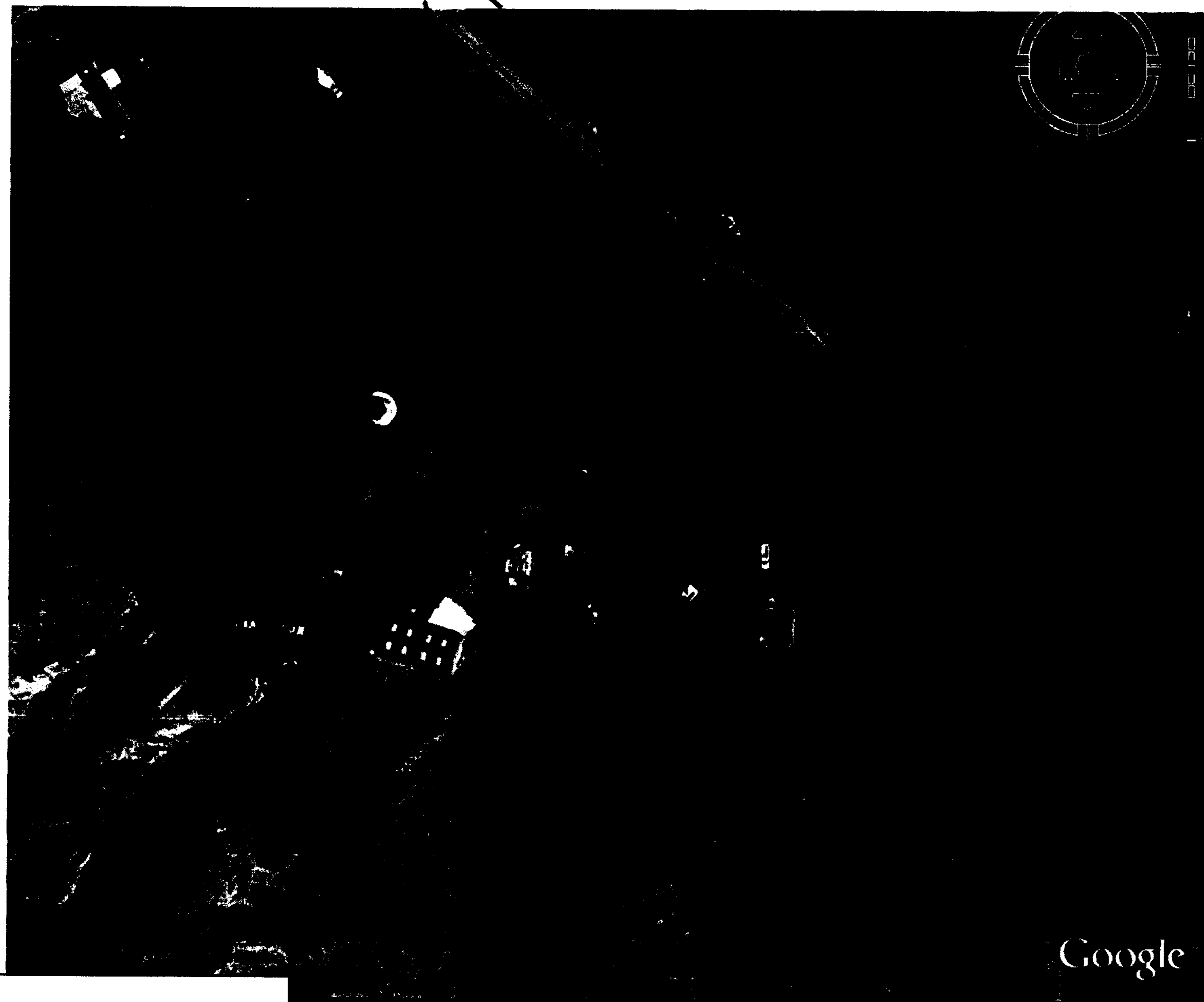

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Lives, homes, land, and livestock are in jeopardy and everyone's safety is at risk. It is our hope that the County can issue a Section 14 with the Army Corp of Engineers to begin assessing the damage and work that needs to be done to repair this problem before a real disaster happens, such a loss of life of human or animal.

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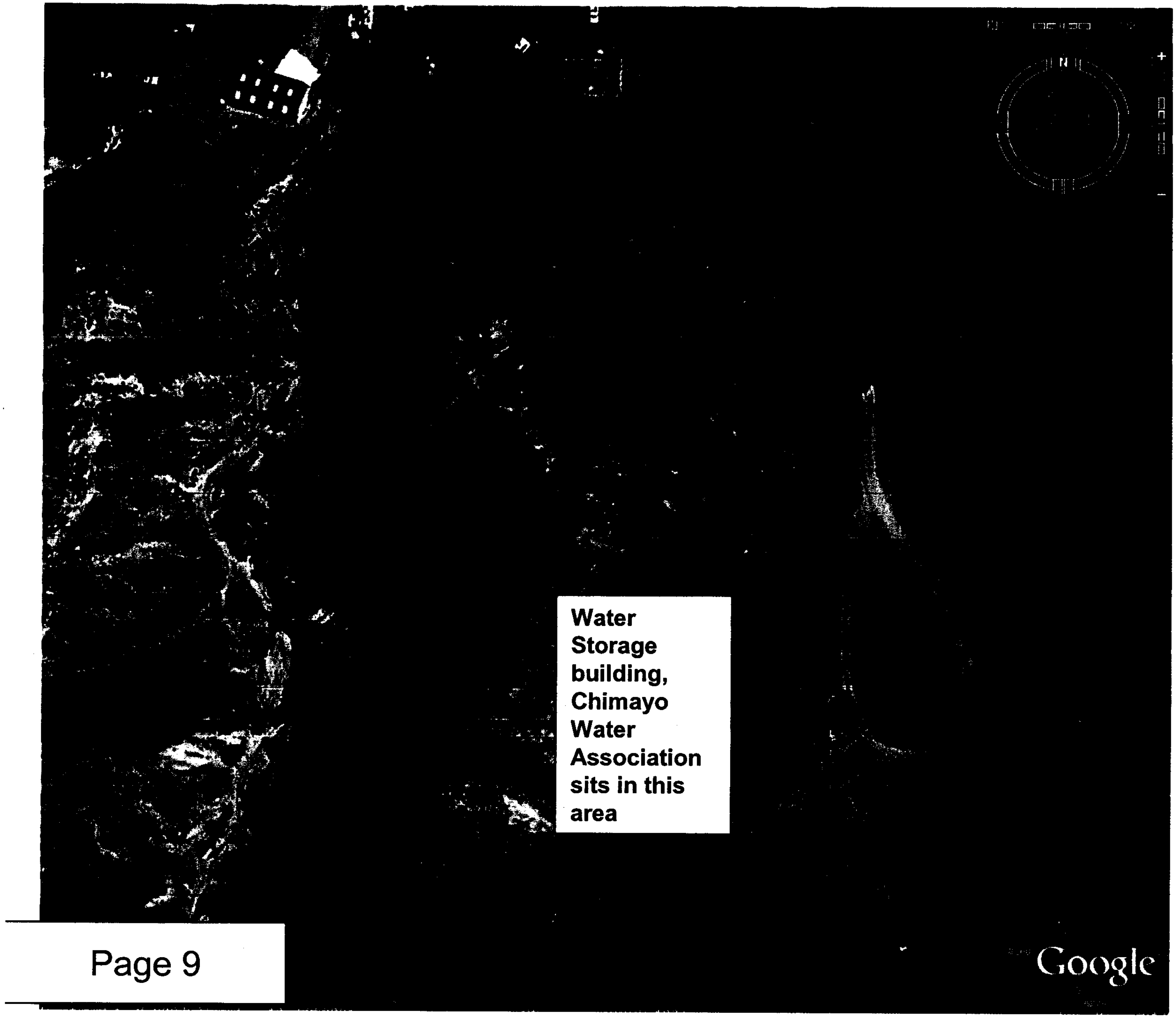
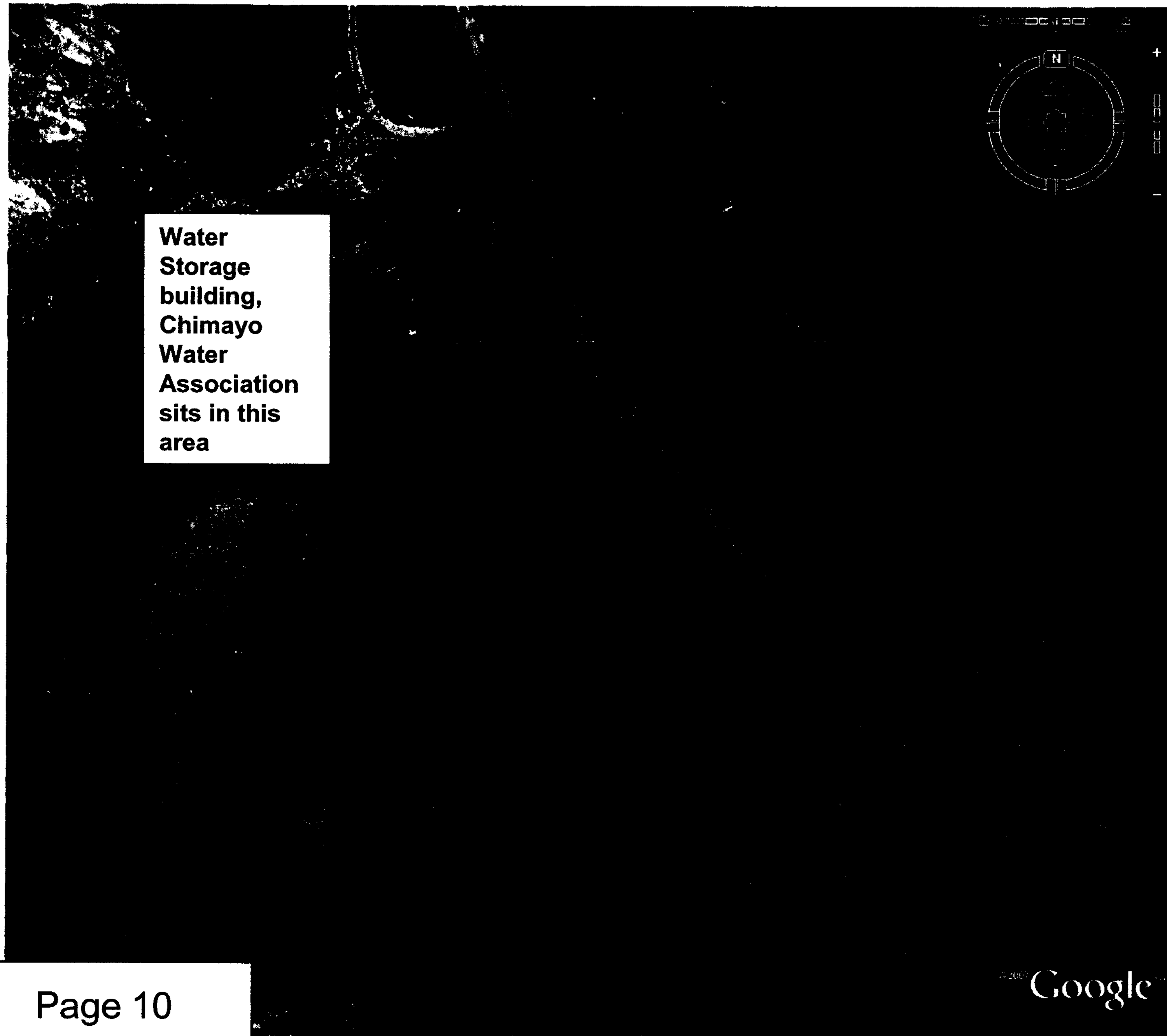
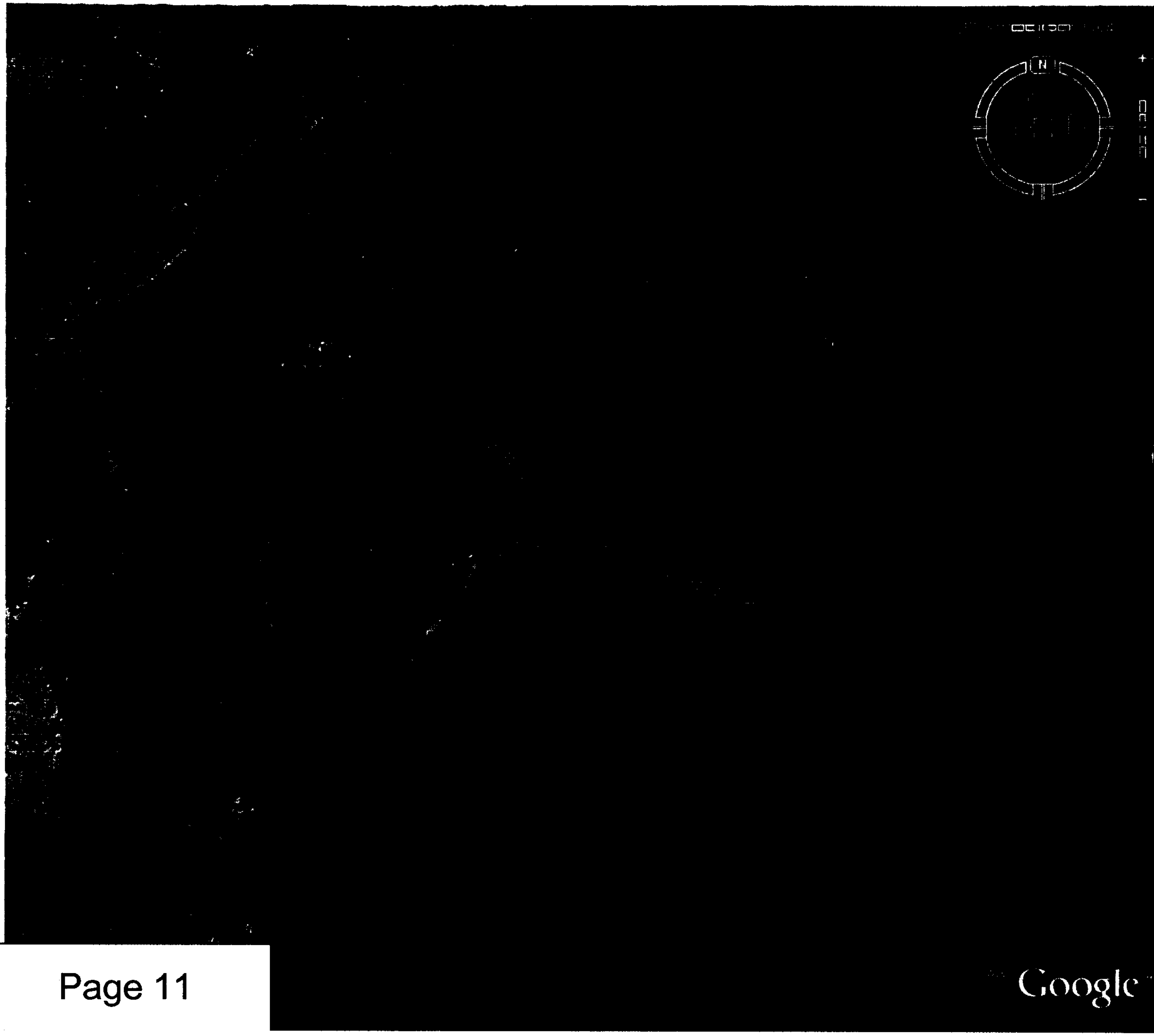
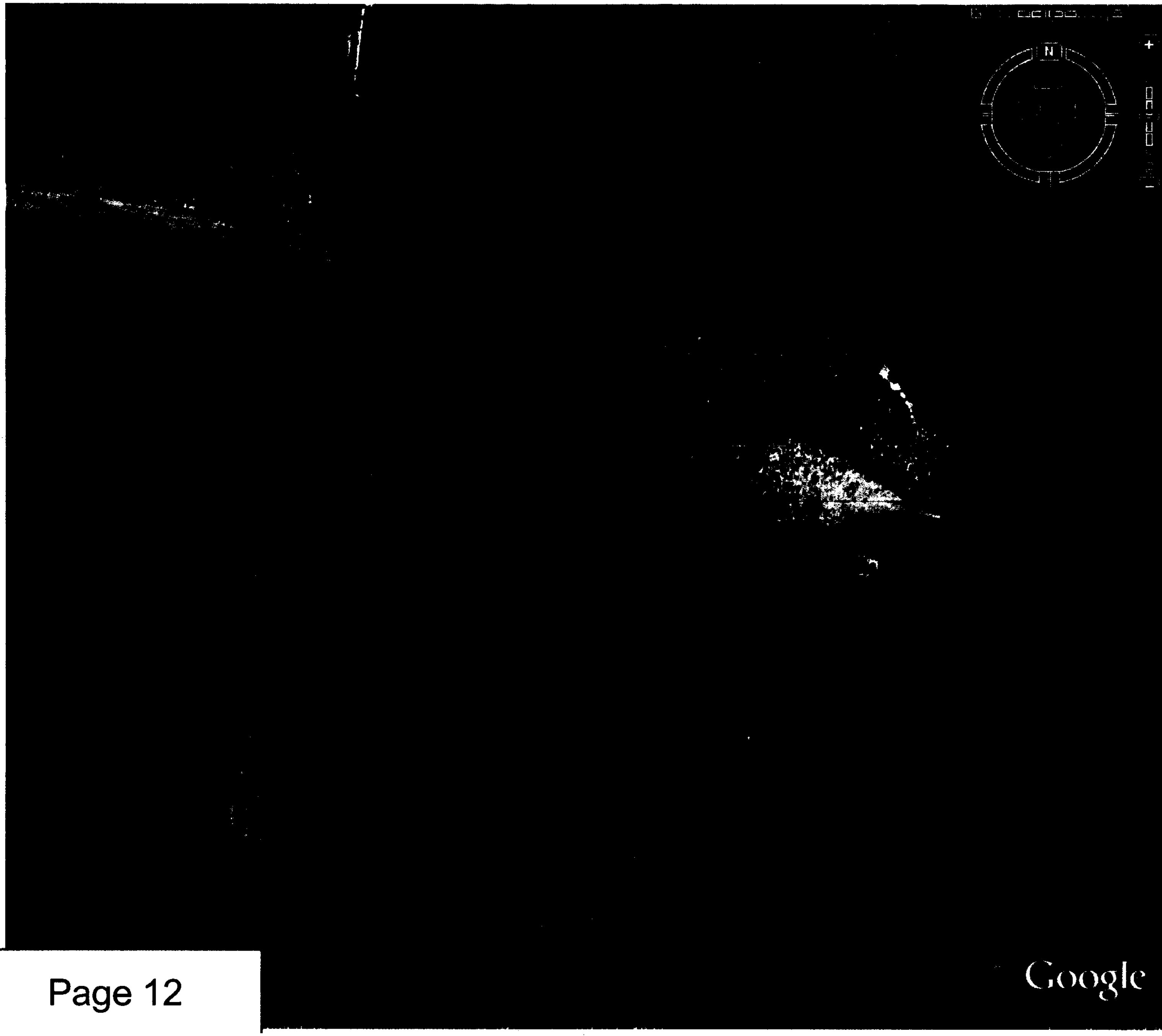

Water
Storage
building,
Chimayo
Water
Association
sits in this
area
Page 9
Google



Road to the Santa Cruz Dam



Road to the Santa Cruz Dam



Santa
Cruz
Dam

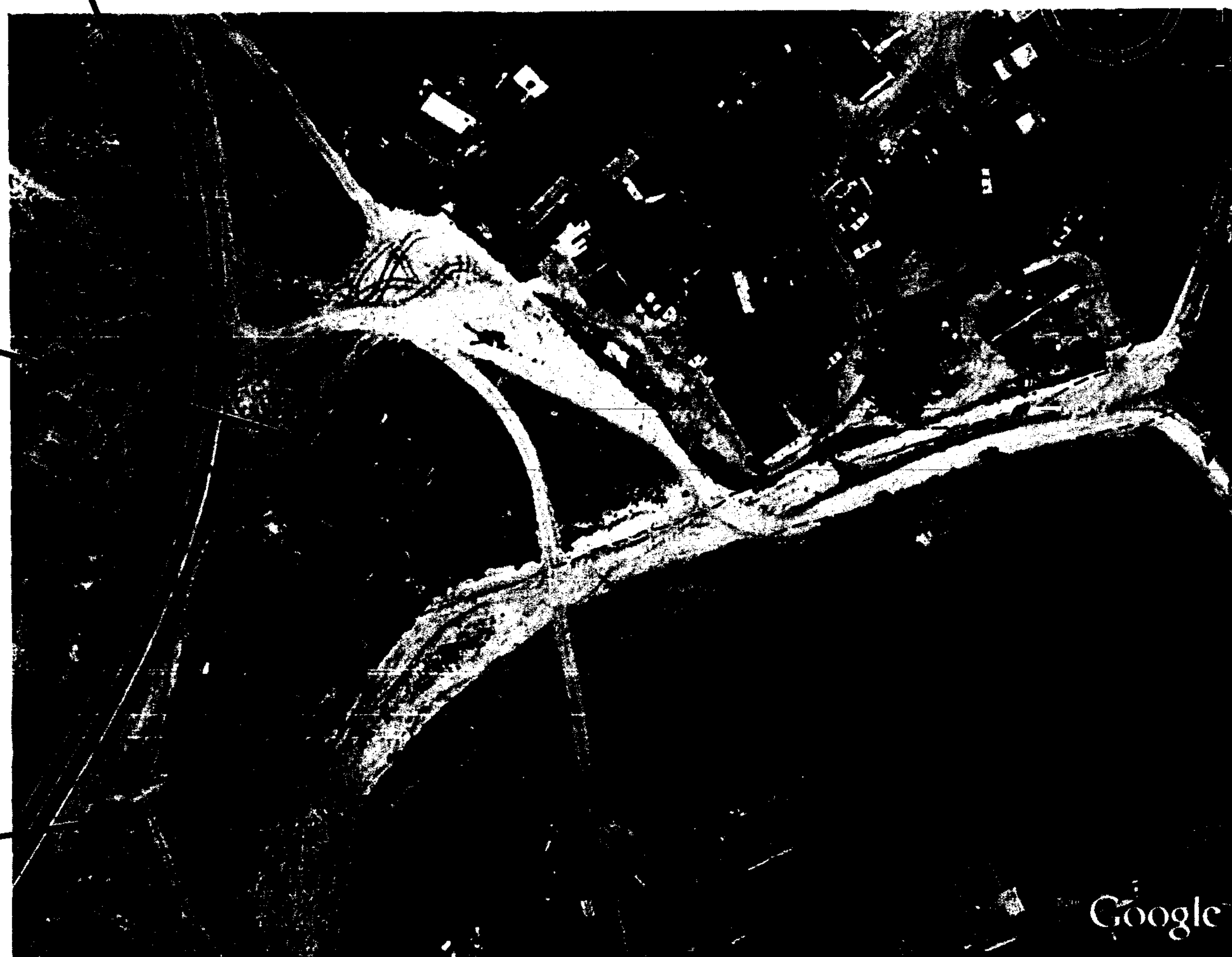
Full view
graphic
(pgs 1 – 12)

Page 13

CR92 – Santa Cruz Dam Rd

Road to the Santa Cruz Dam

Chimayo Fire Department

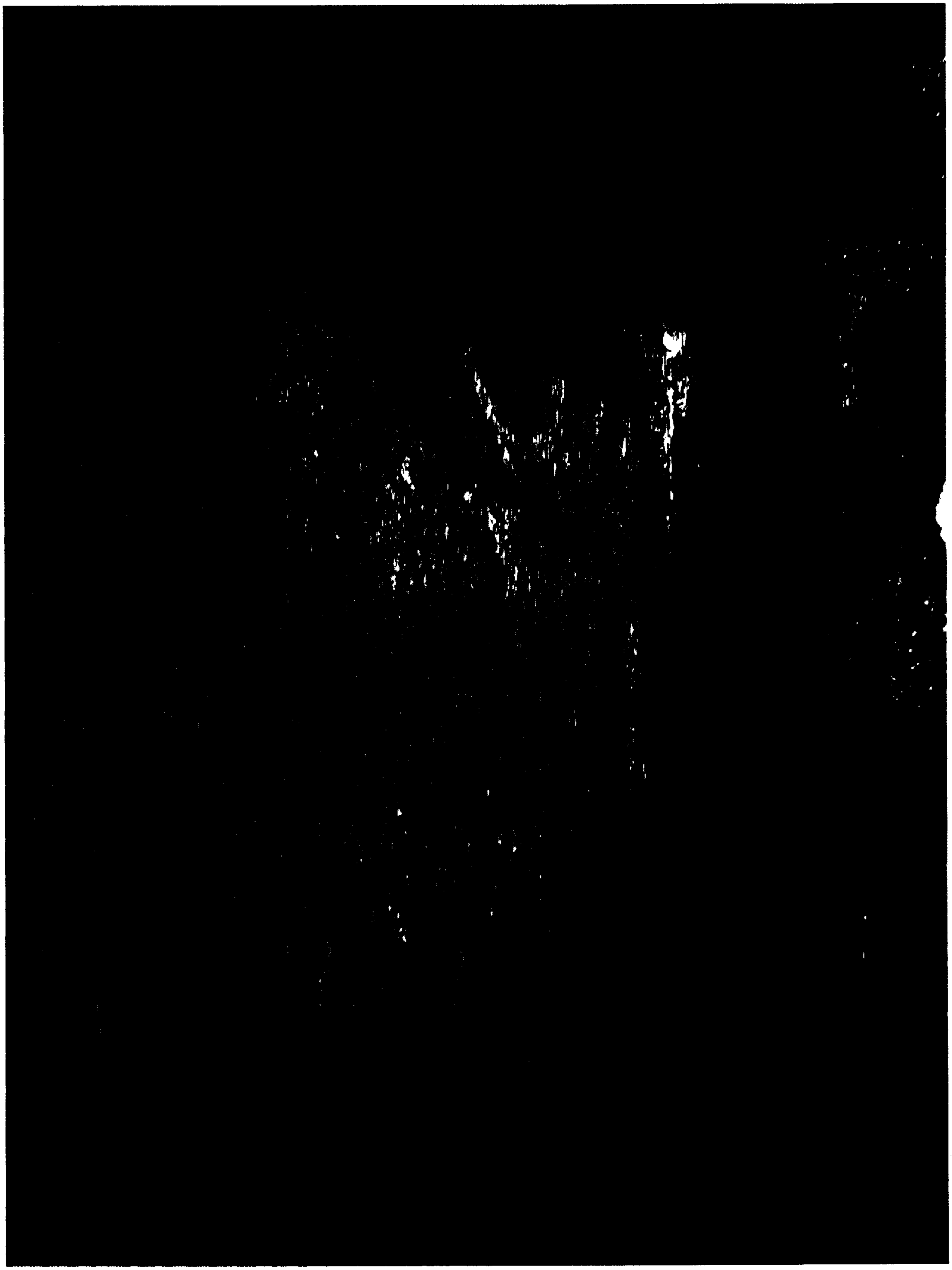


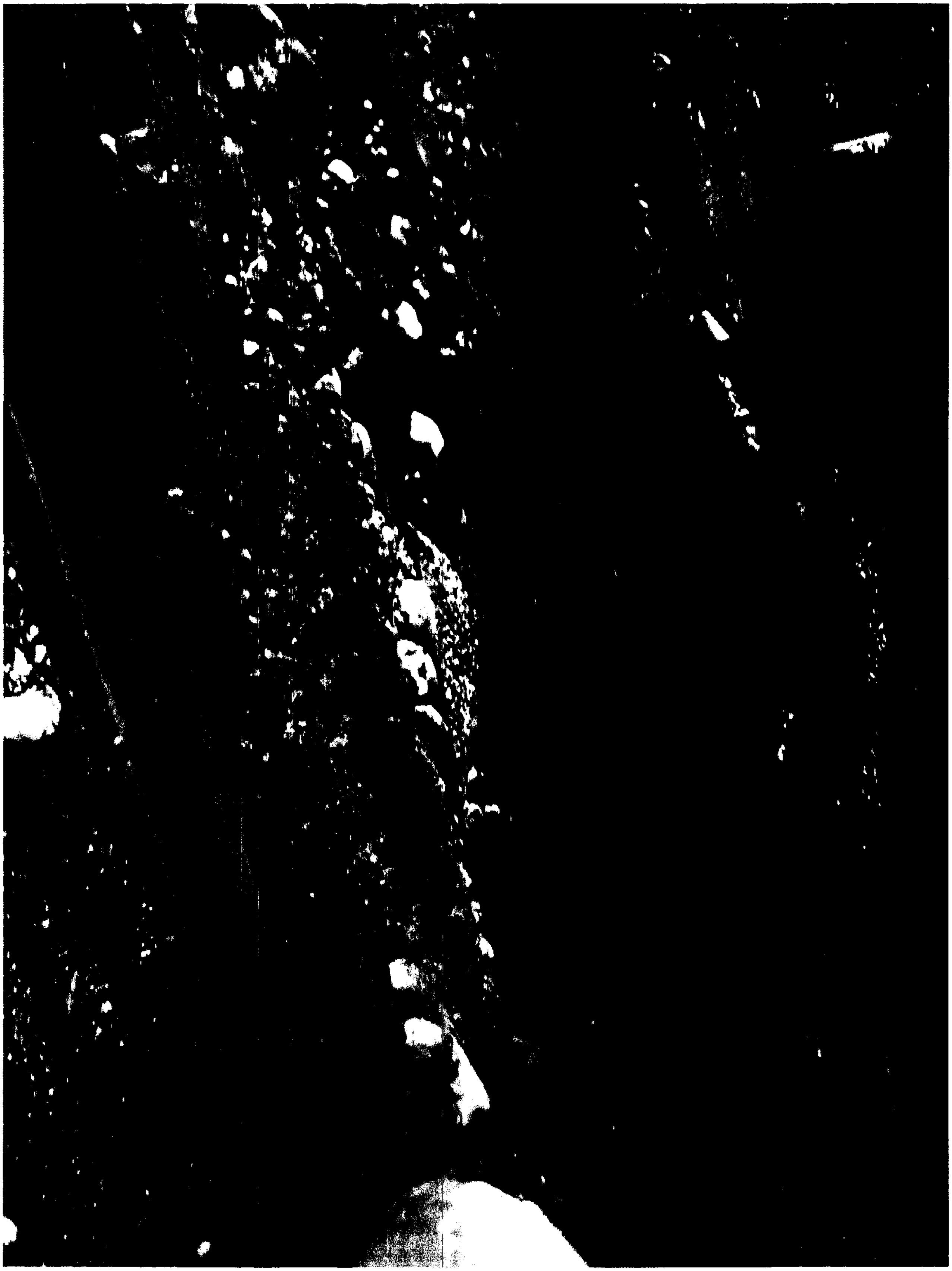
Problem river (upstream and downstream from the dam)

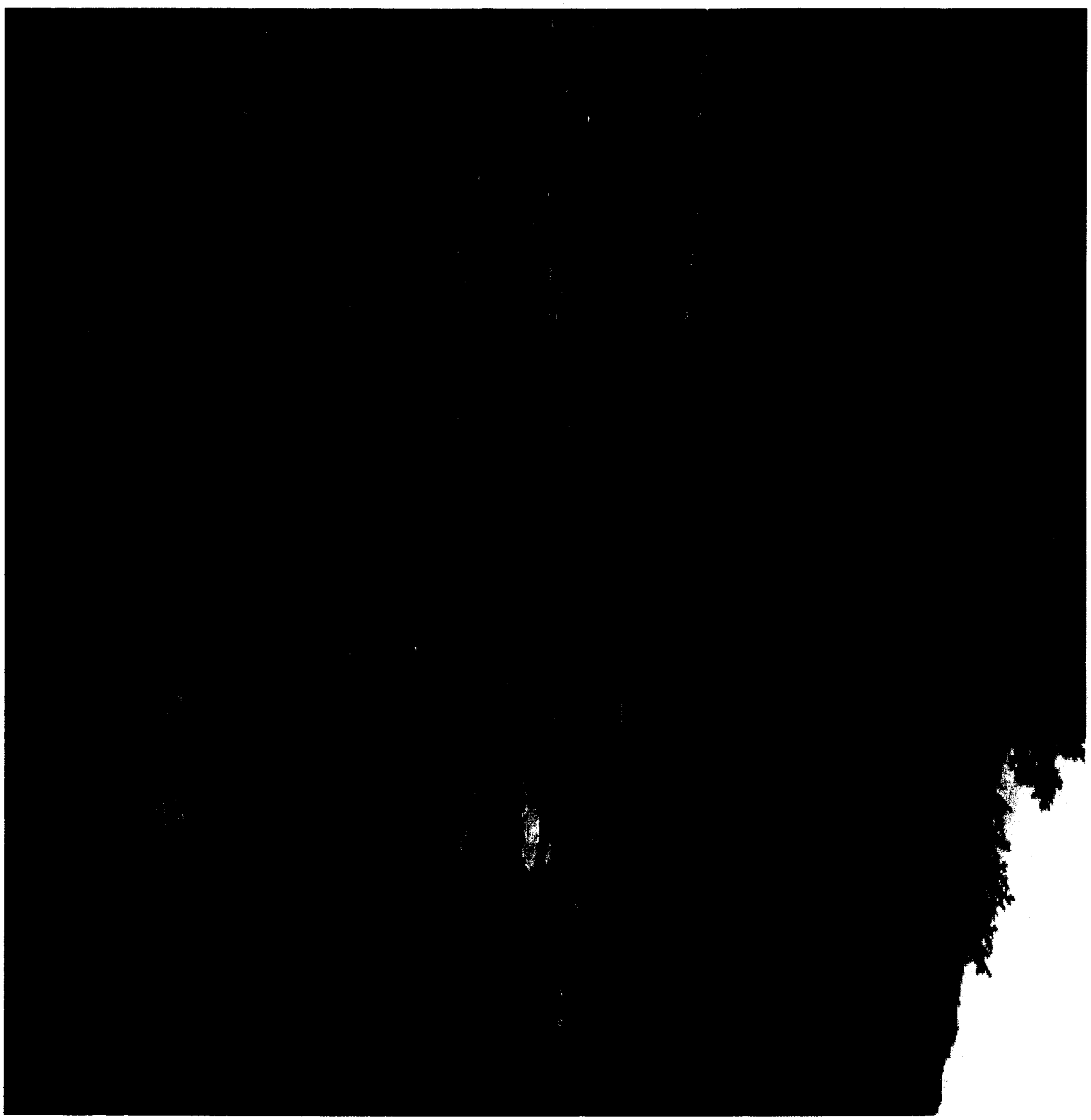
Problem arroyo

This graphic used on the back of the petition signature sheets

EXHIBIT 2







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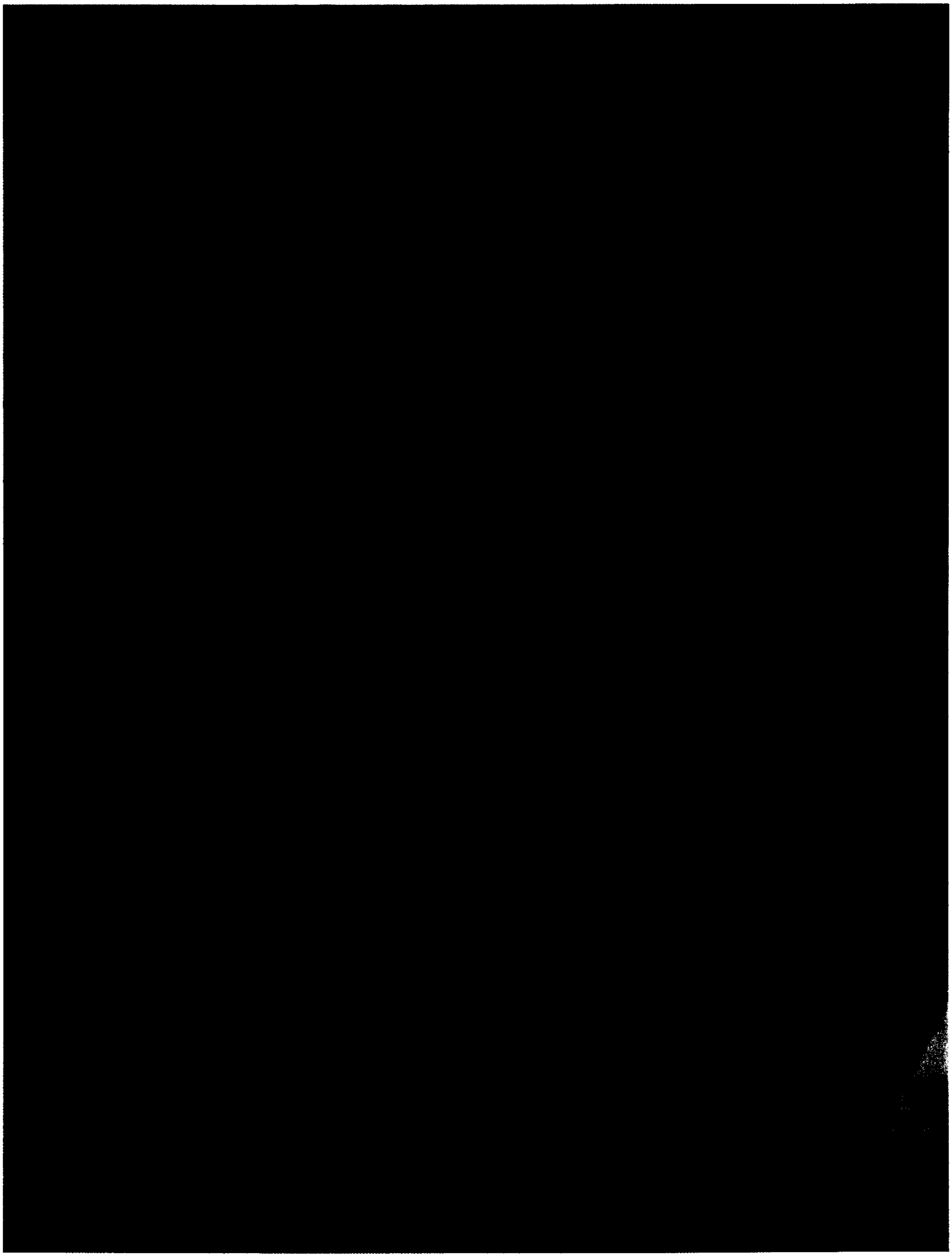

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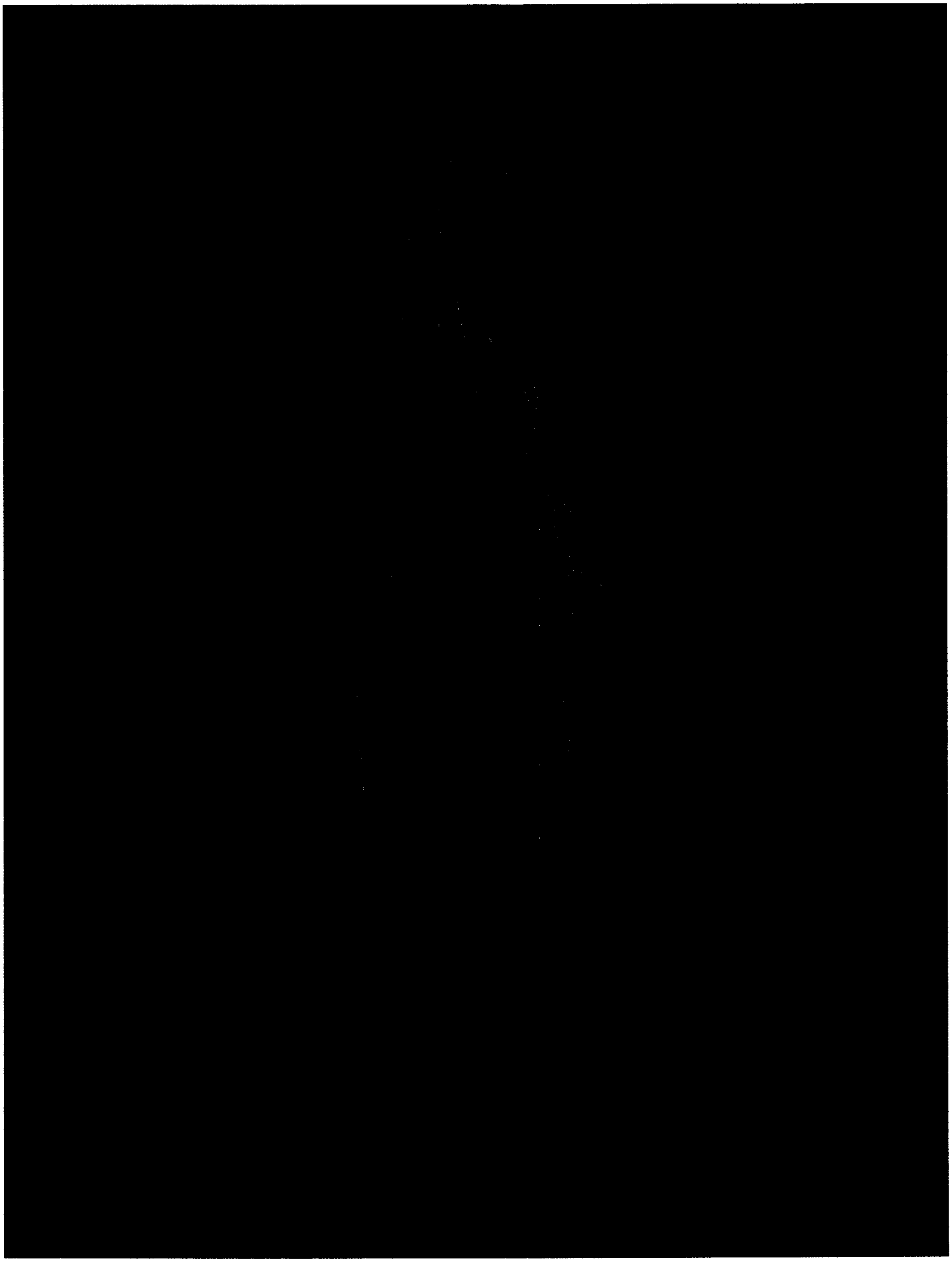

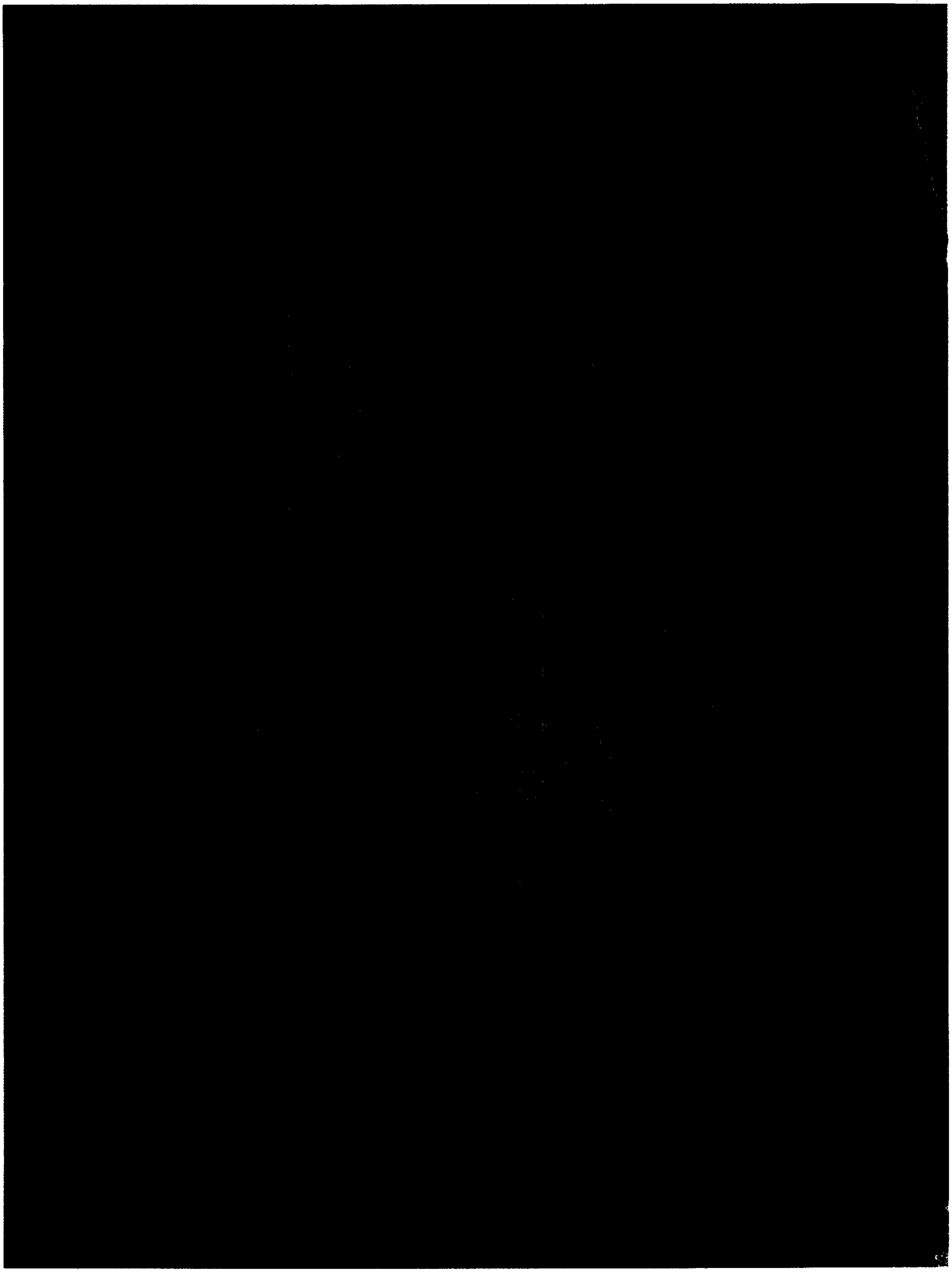

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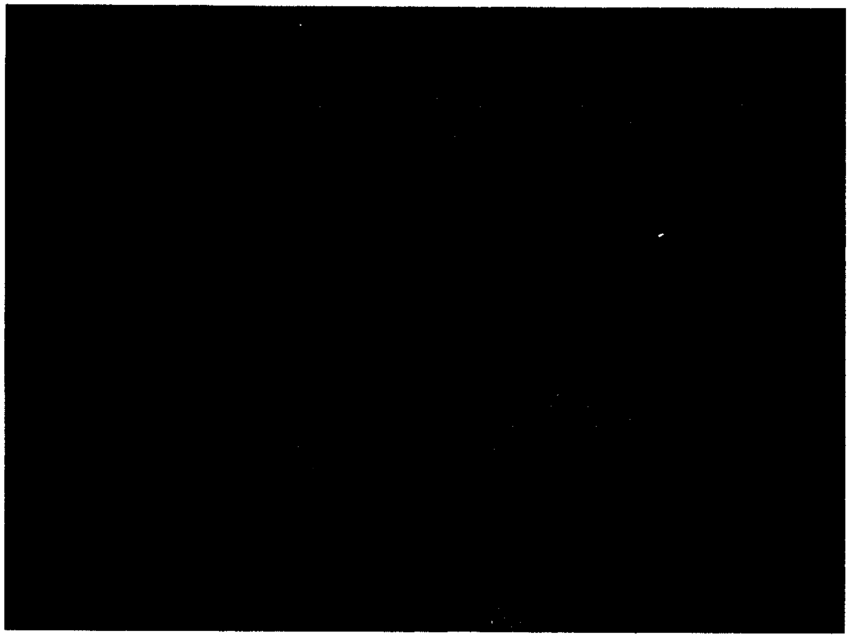

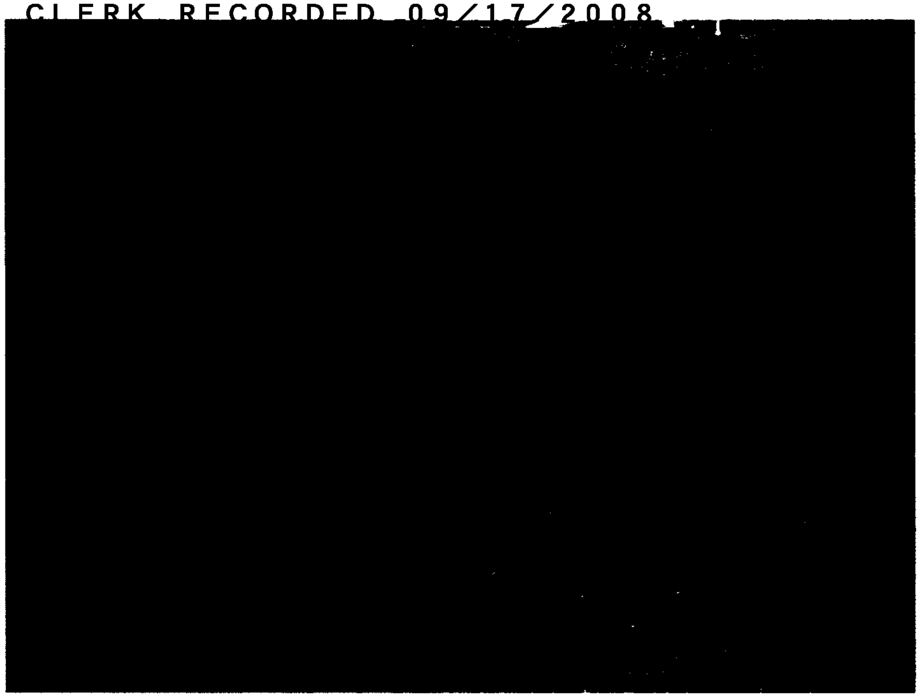

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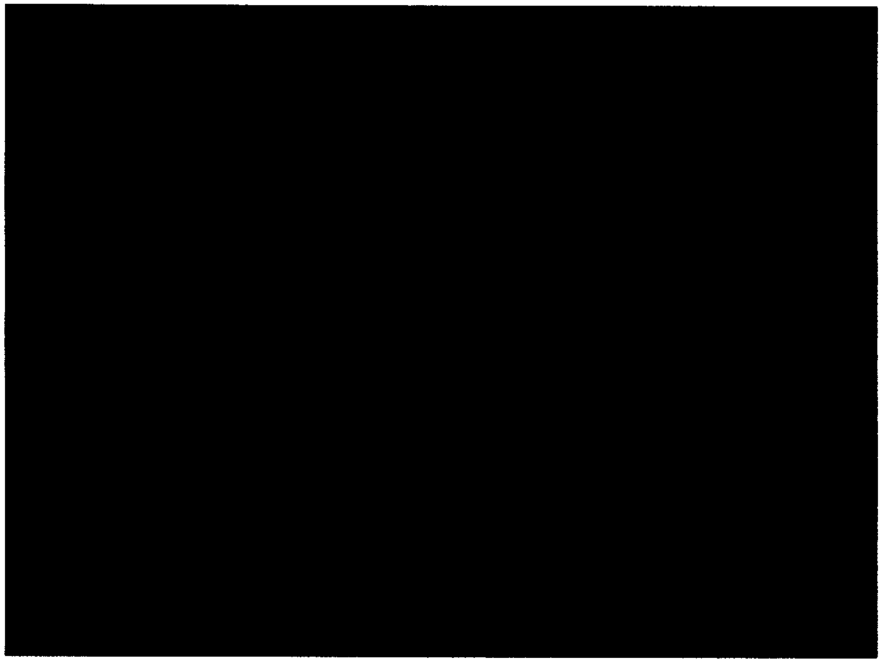
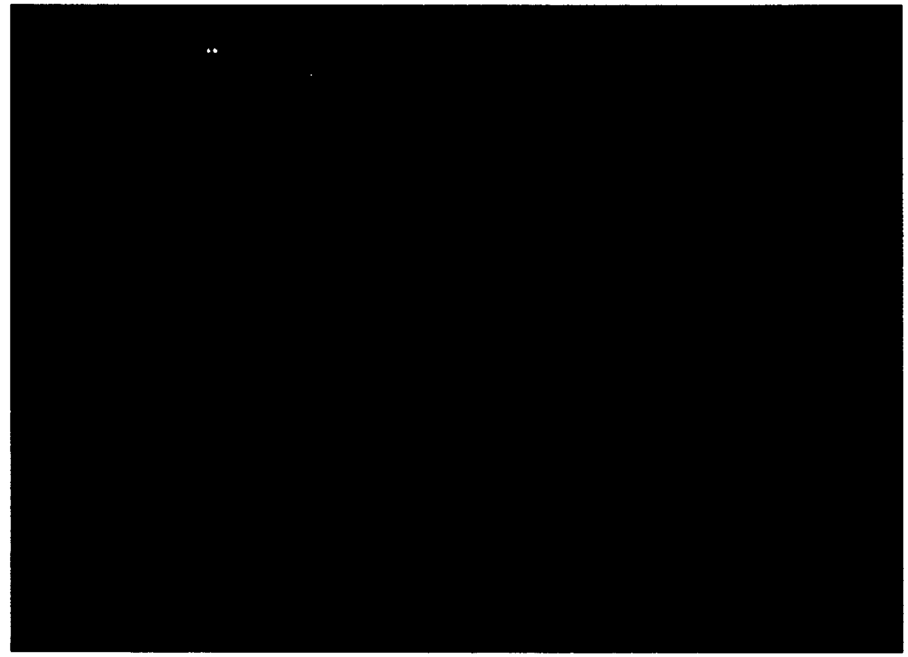
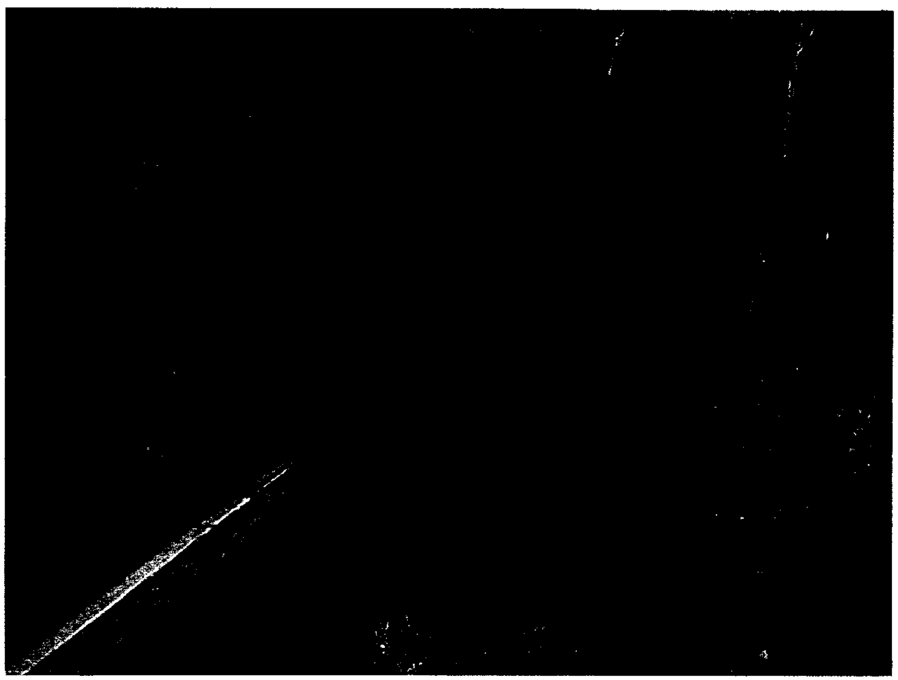
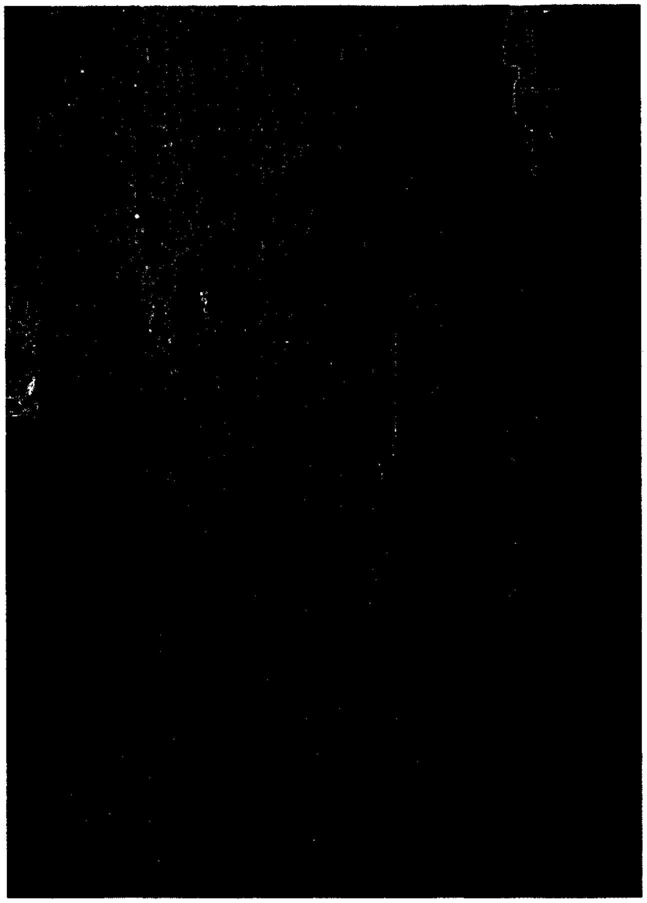
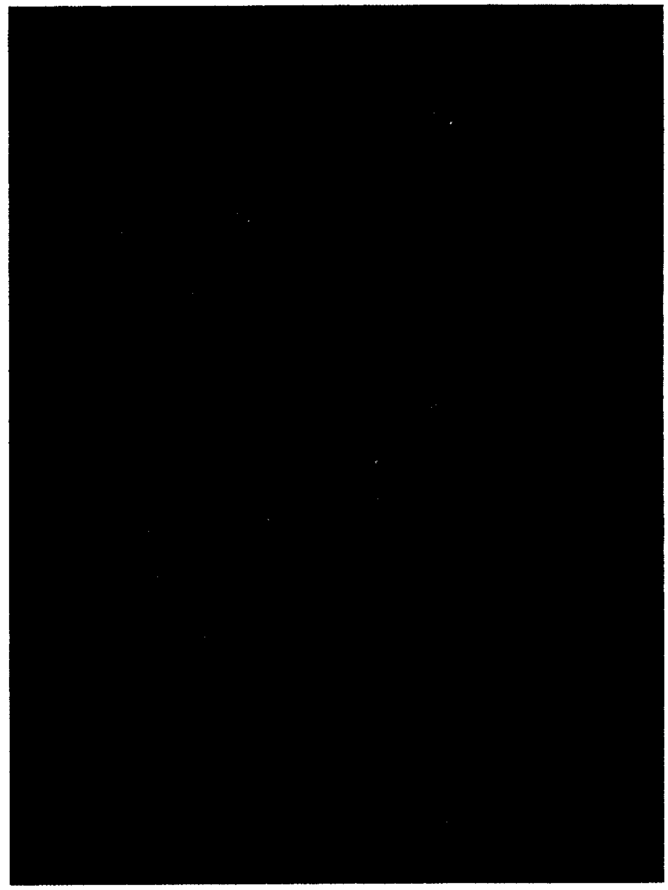
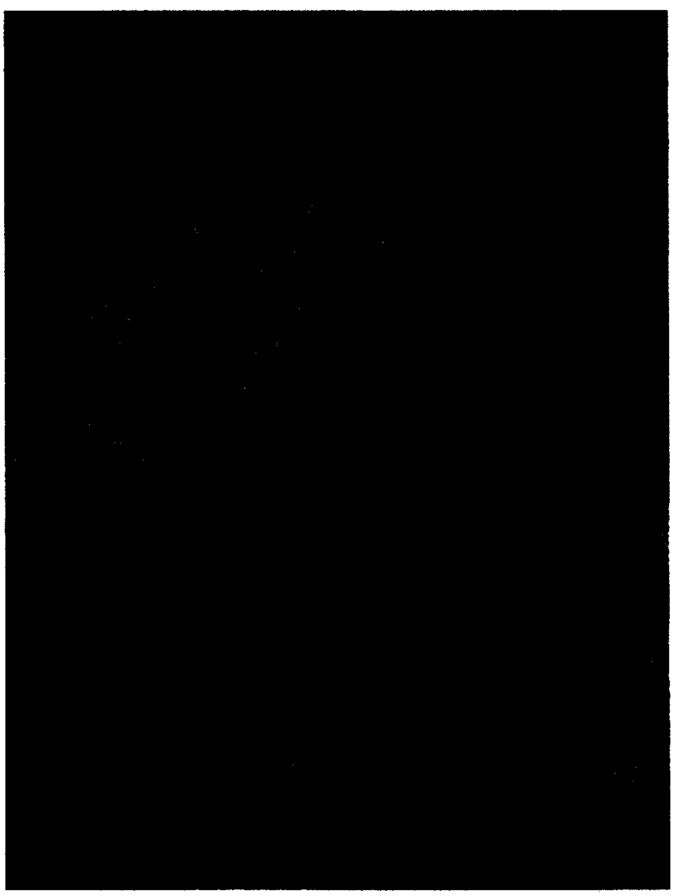


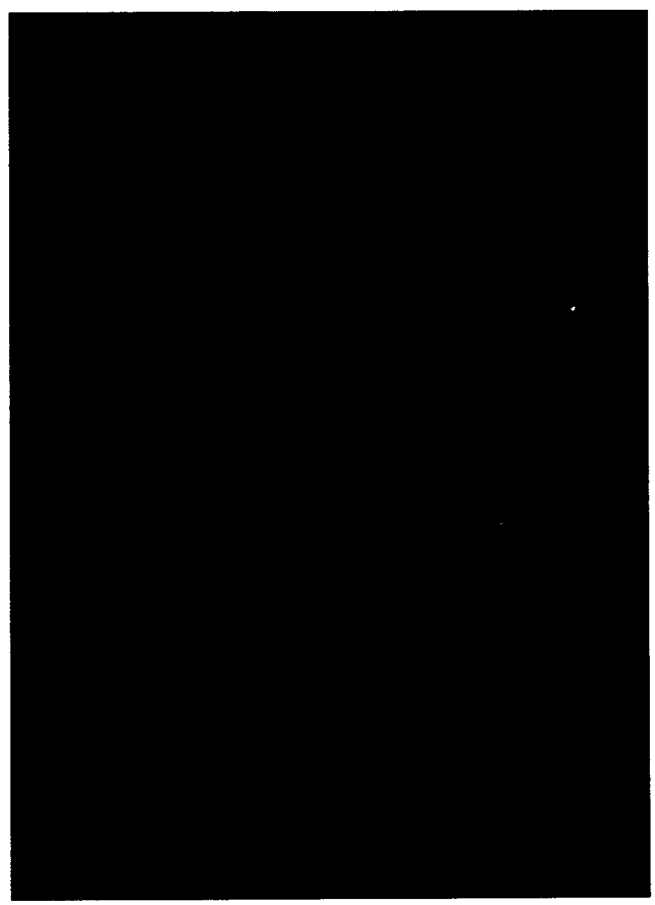


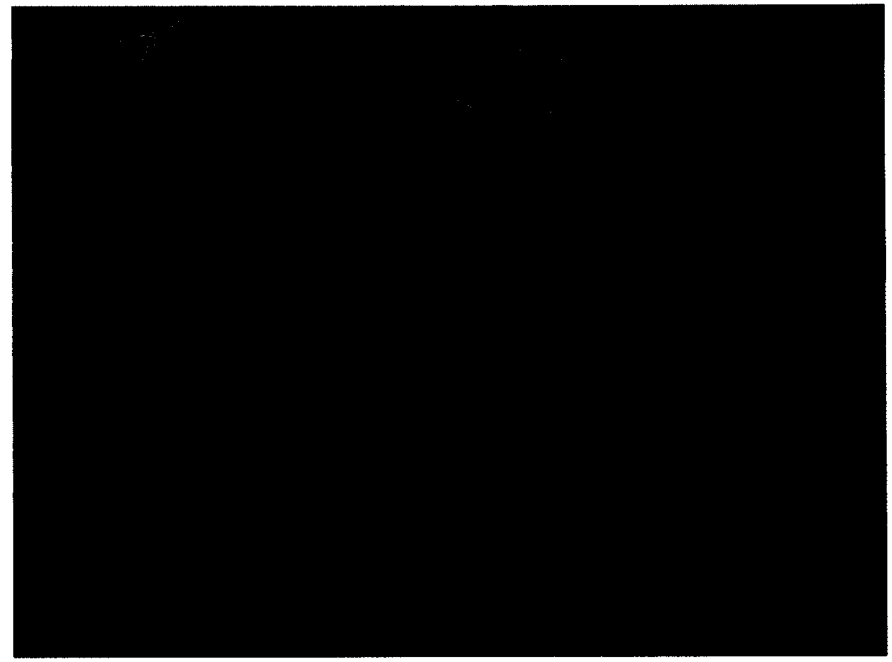


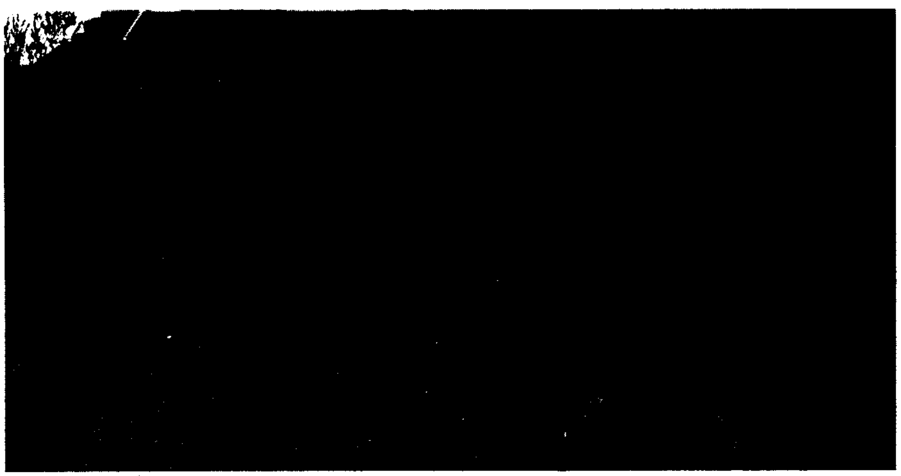


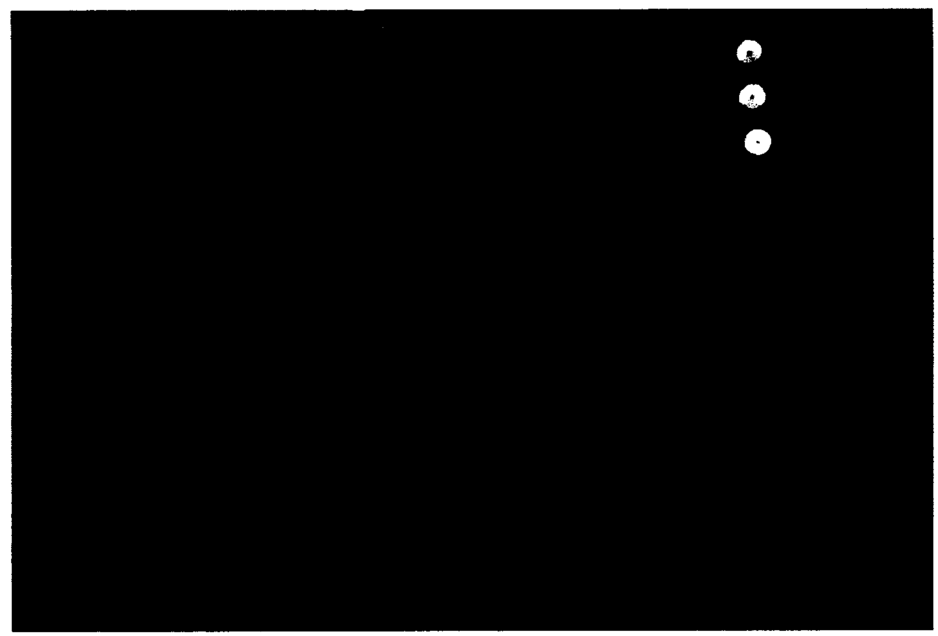


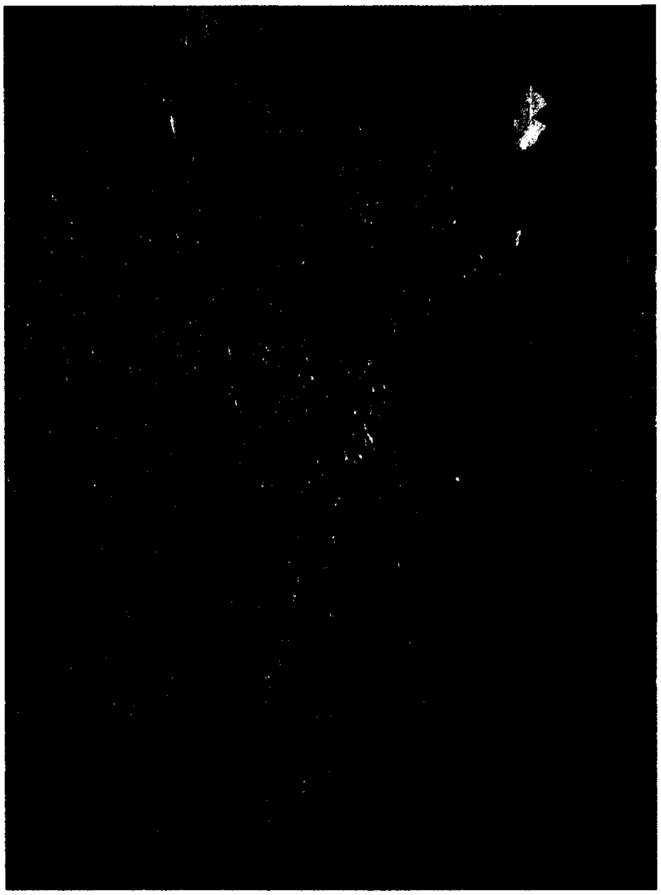


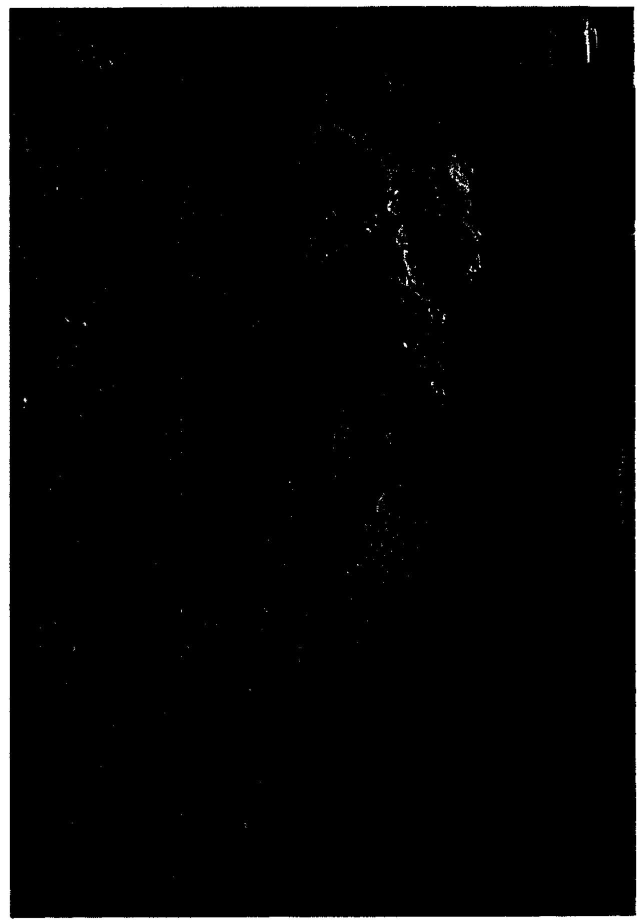


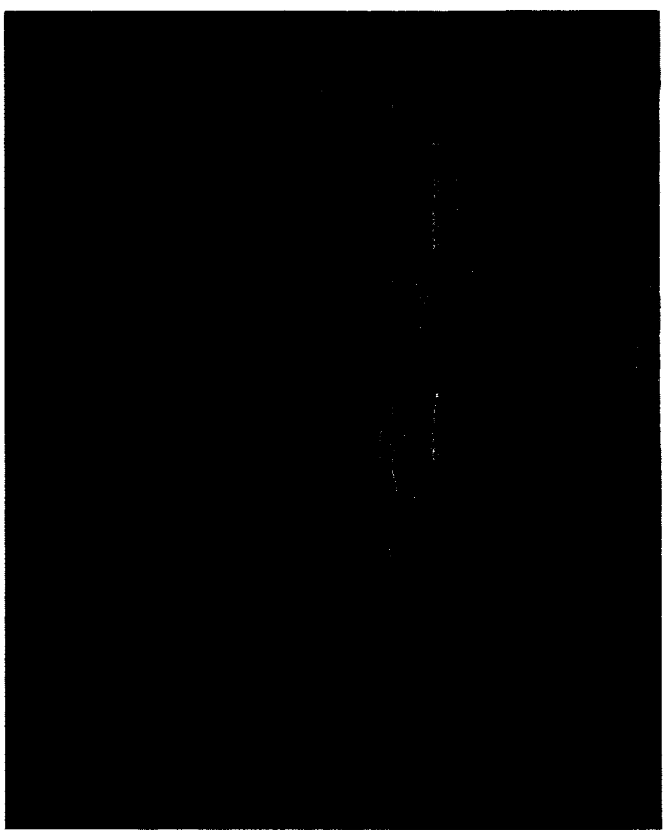


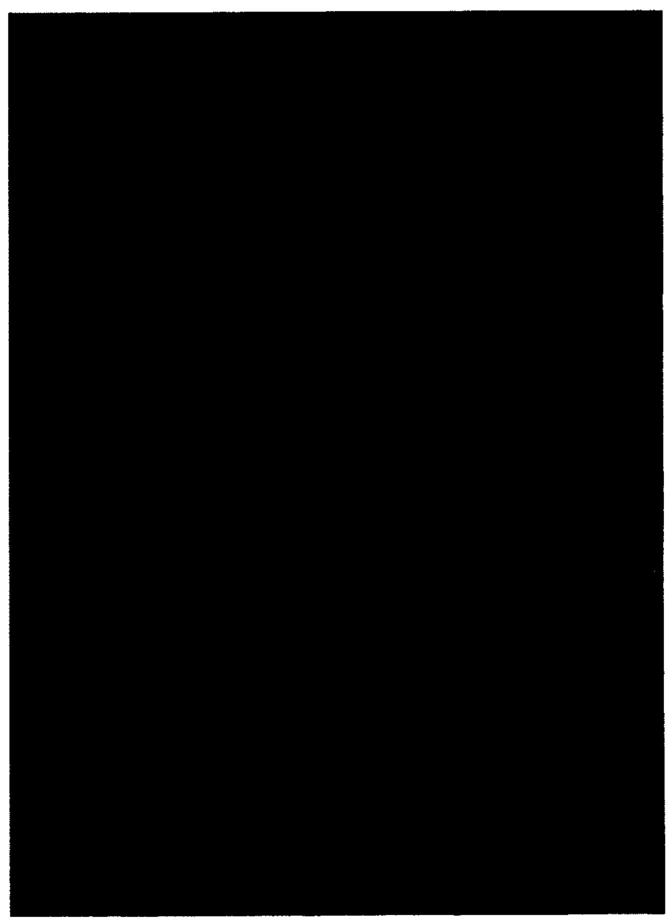


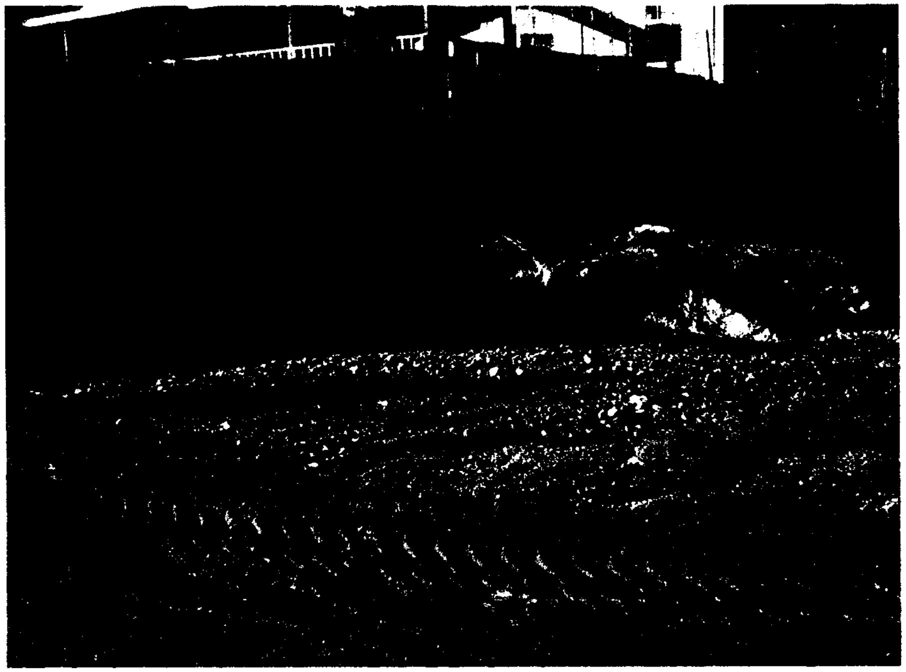


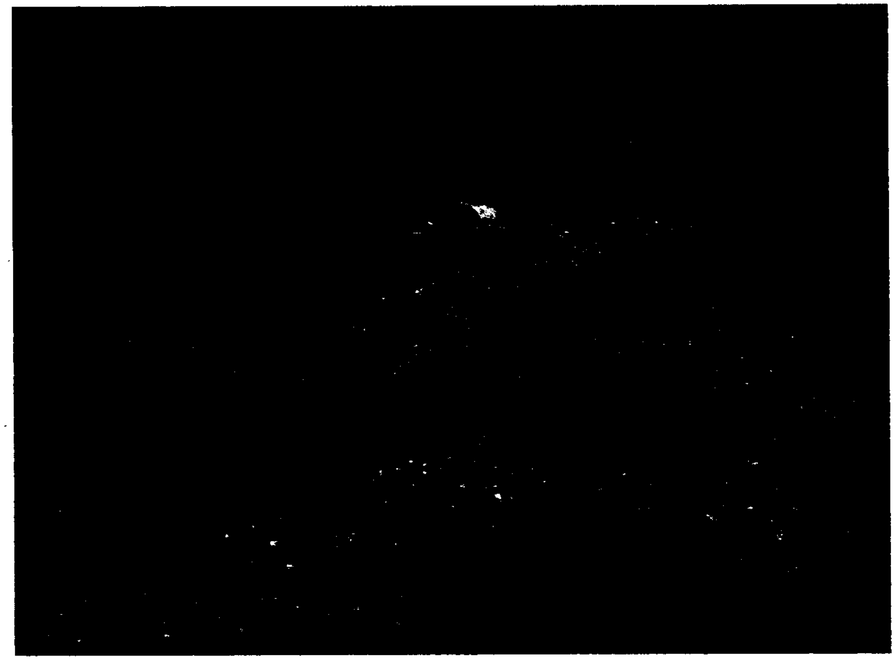


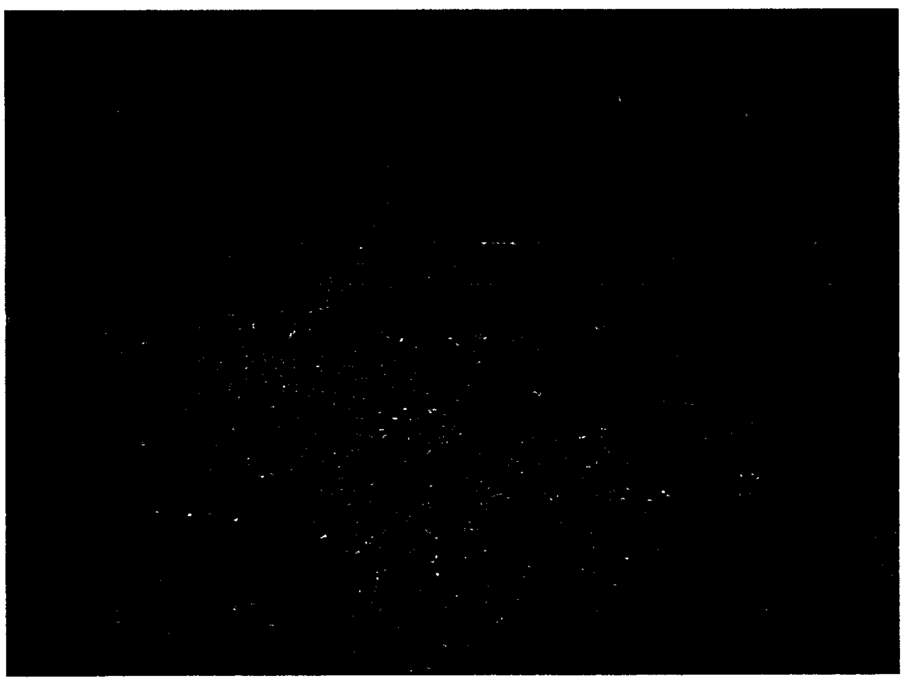


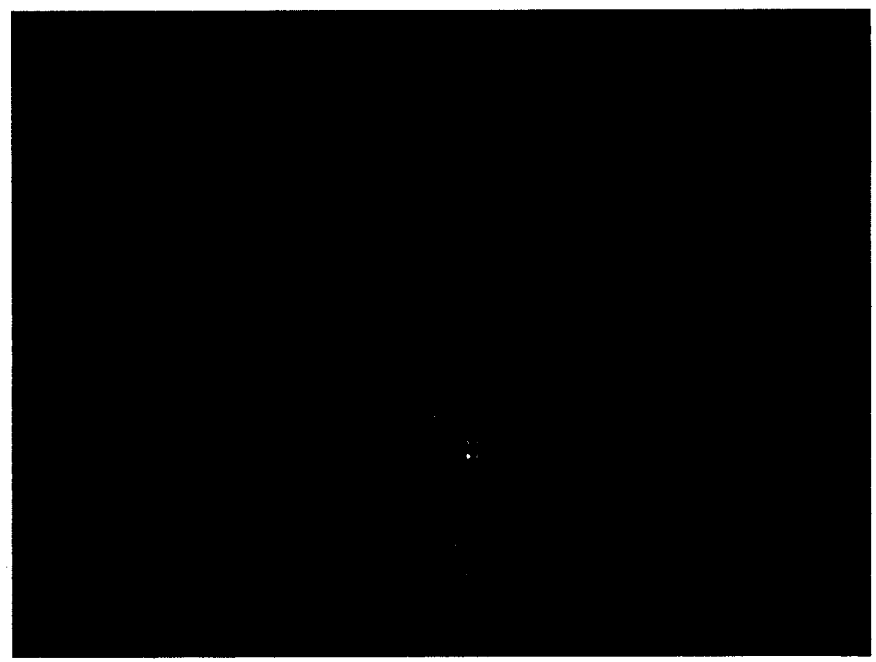


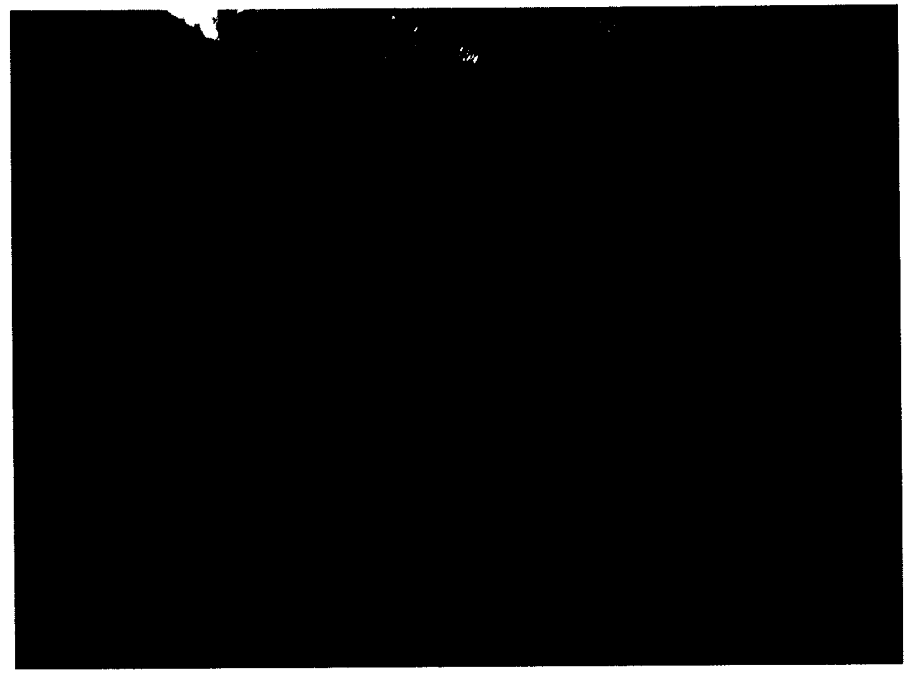


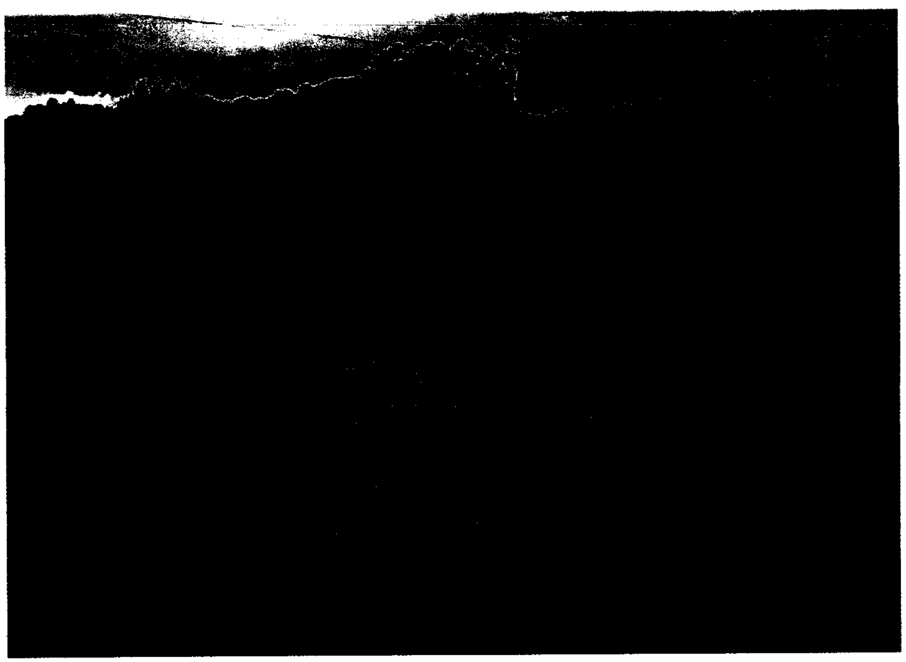


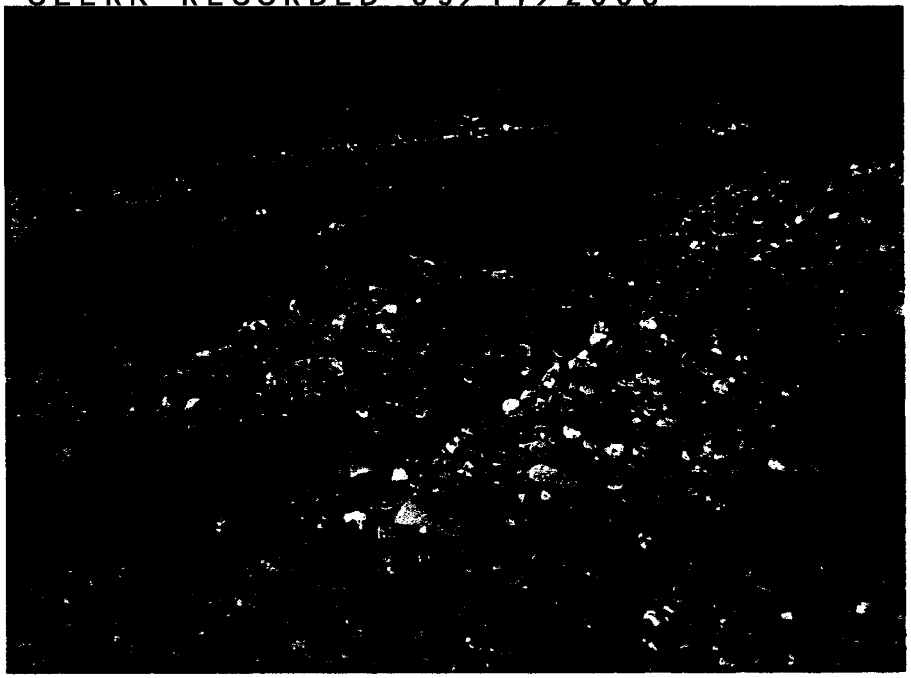


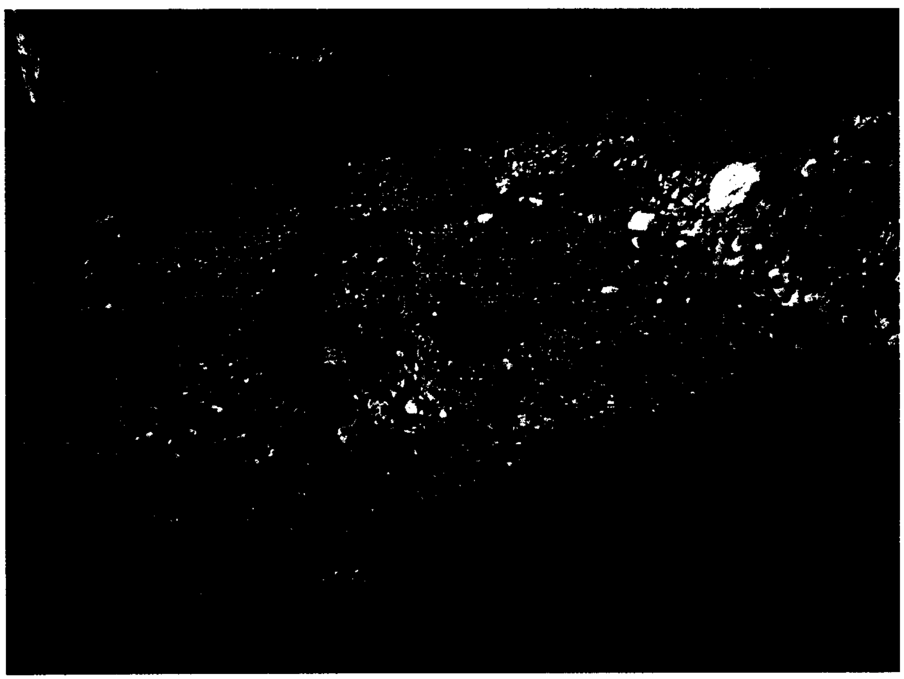


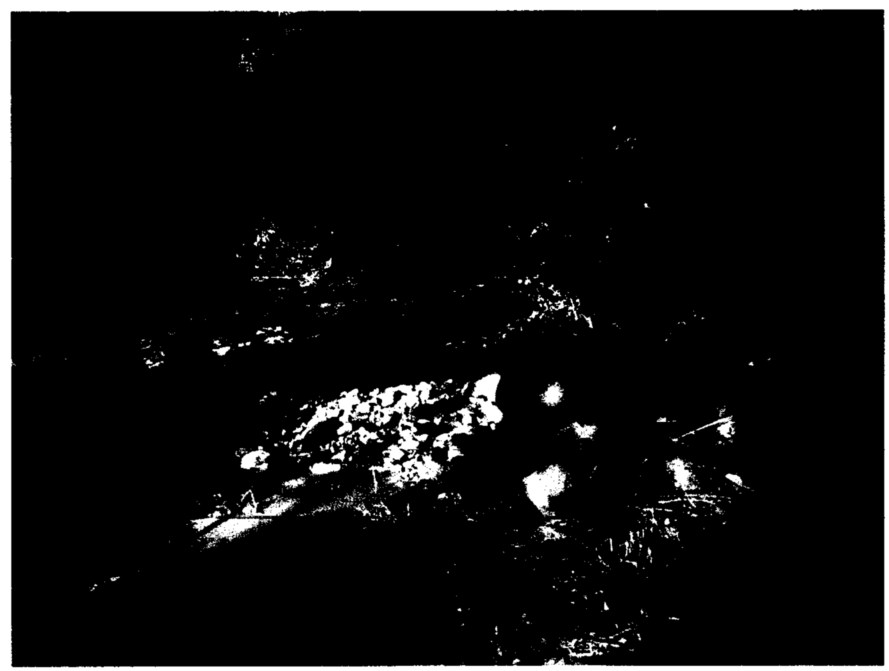


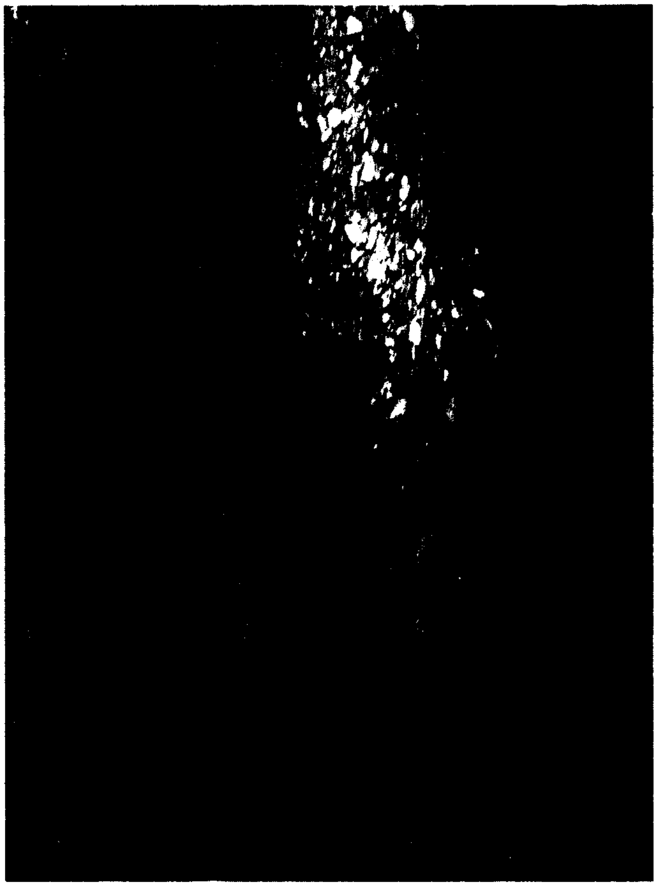


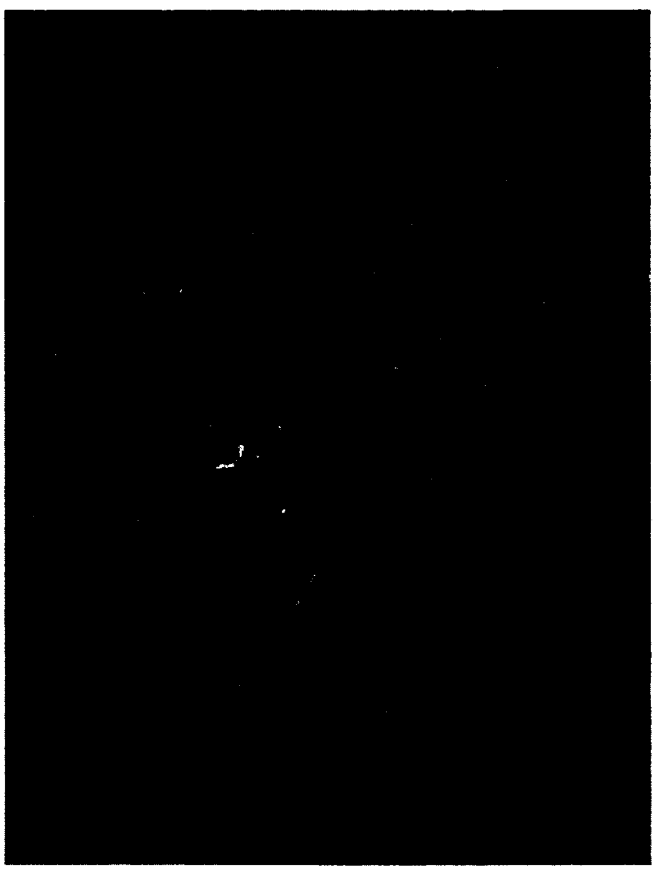


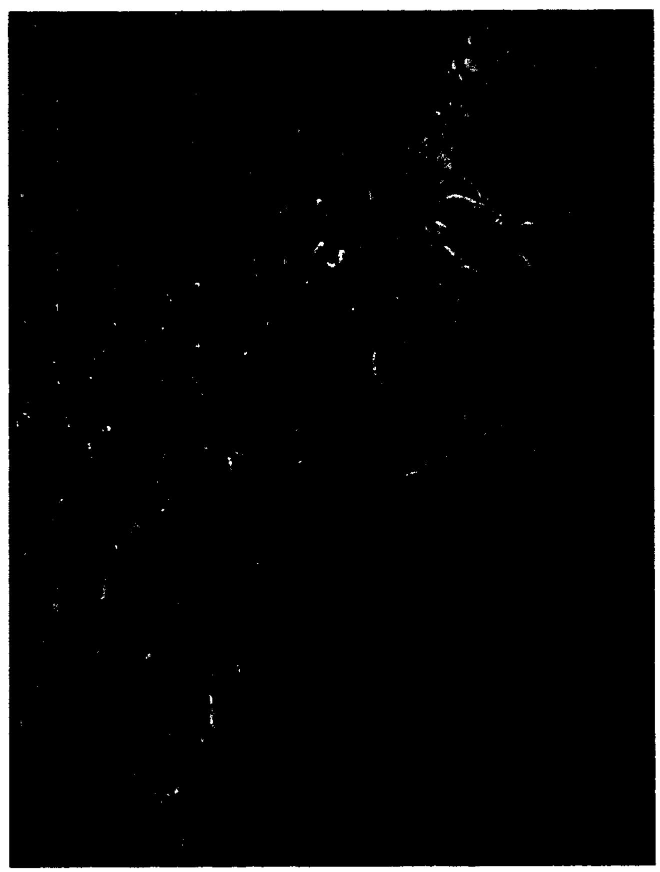


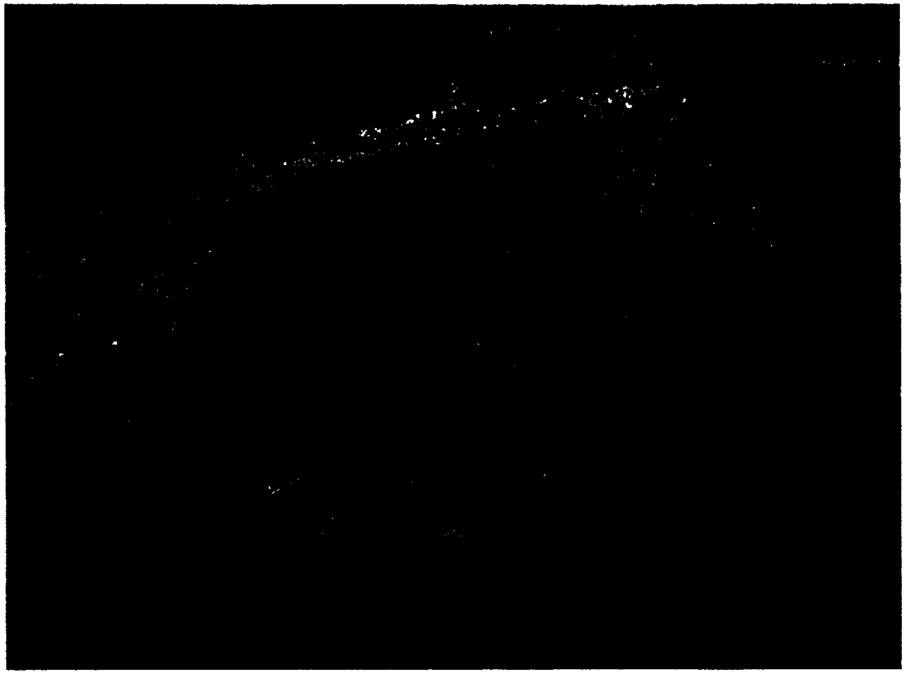


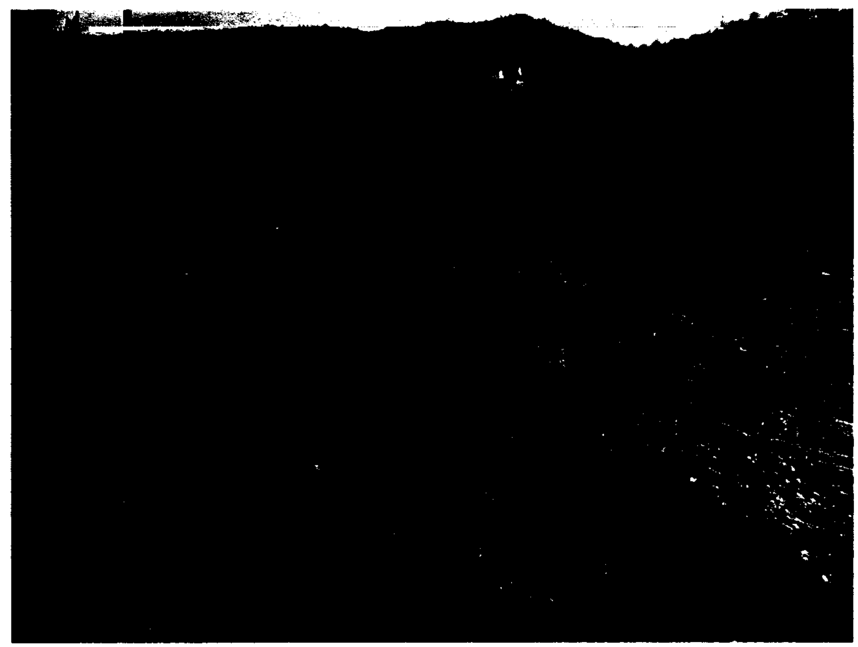


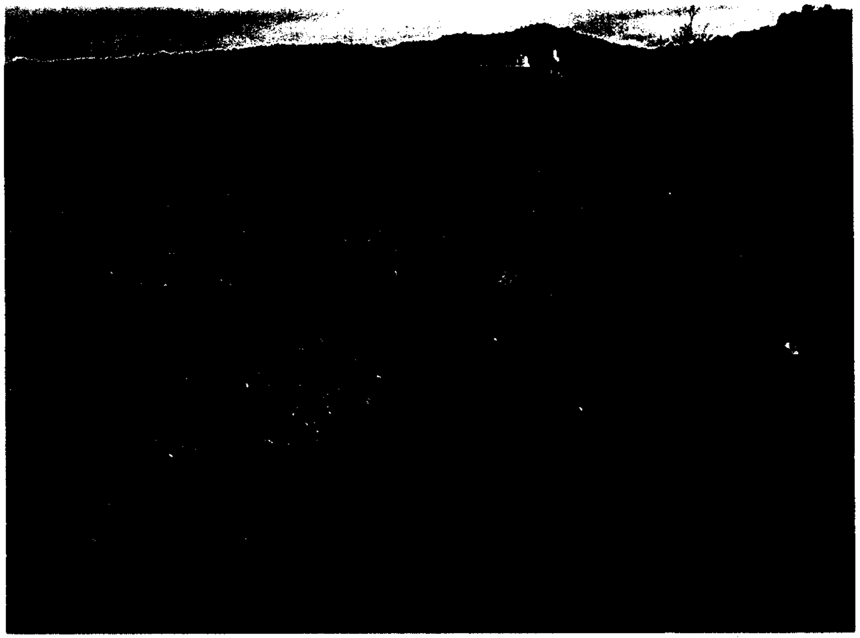


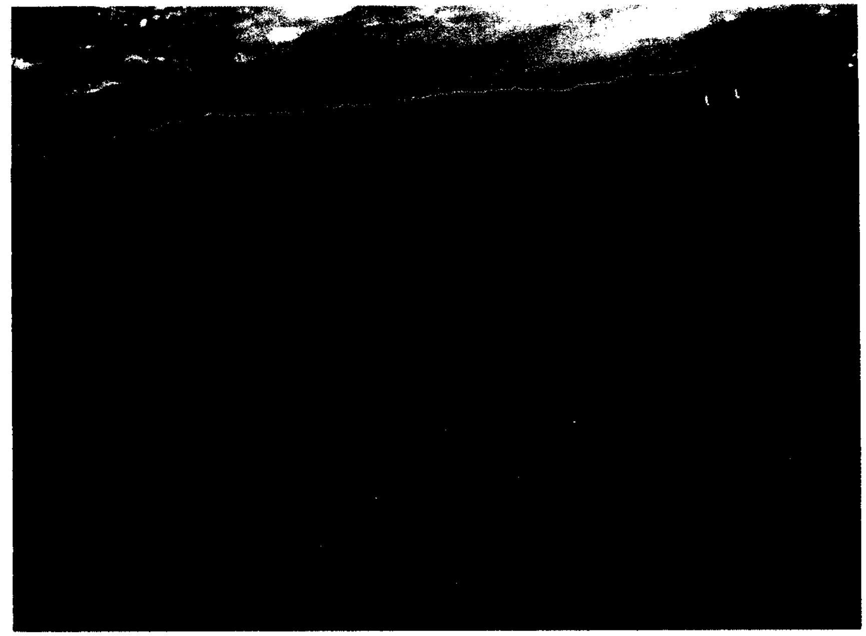


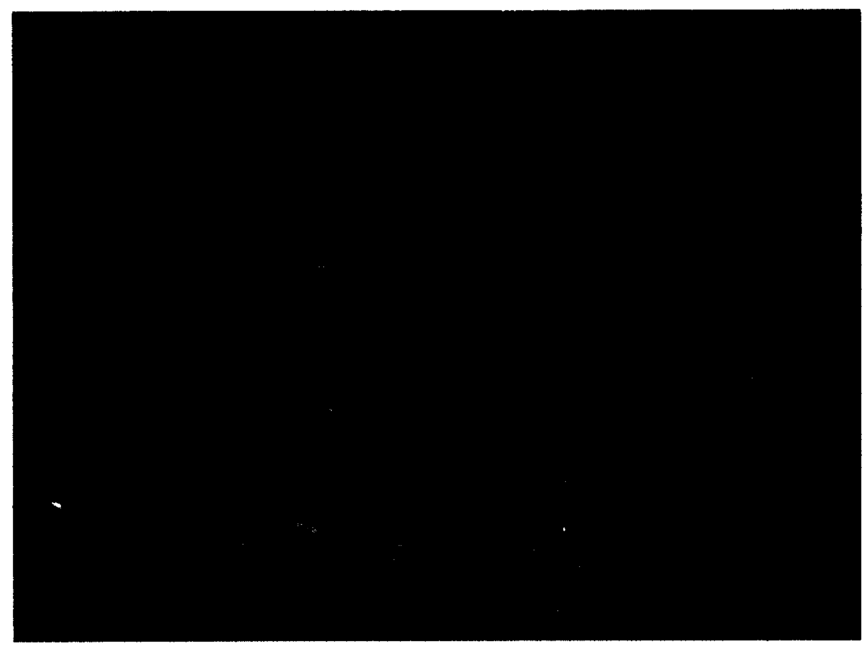


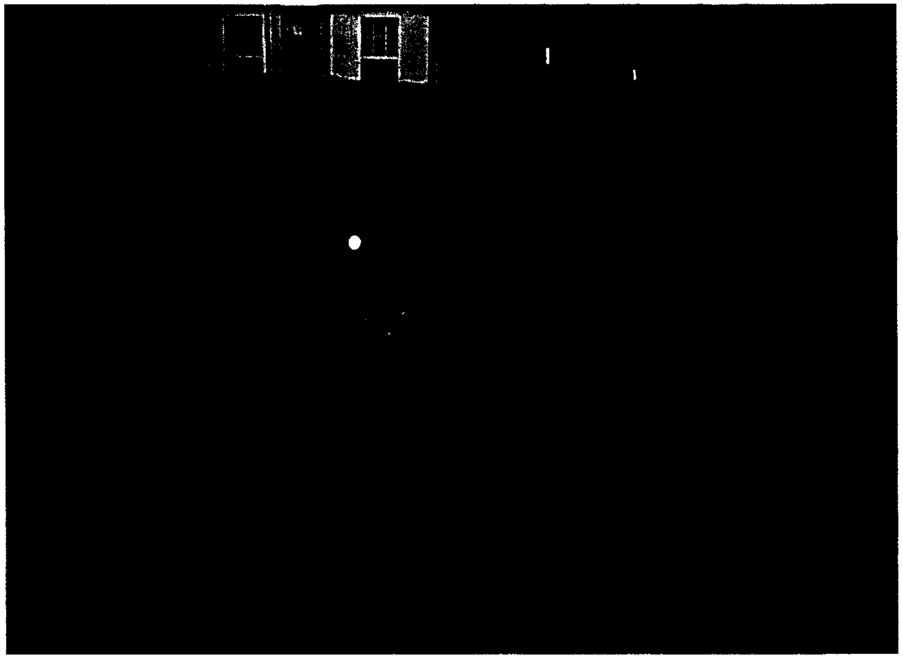


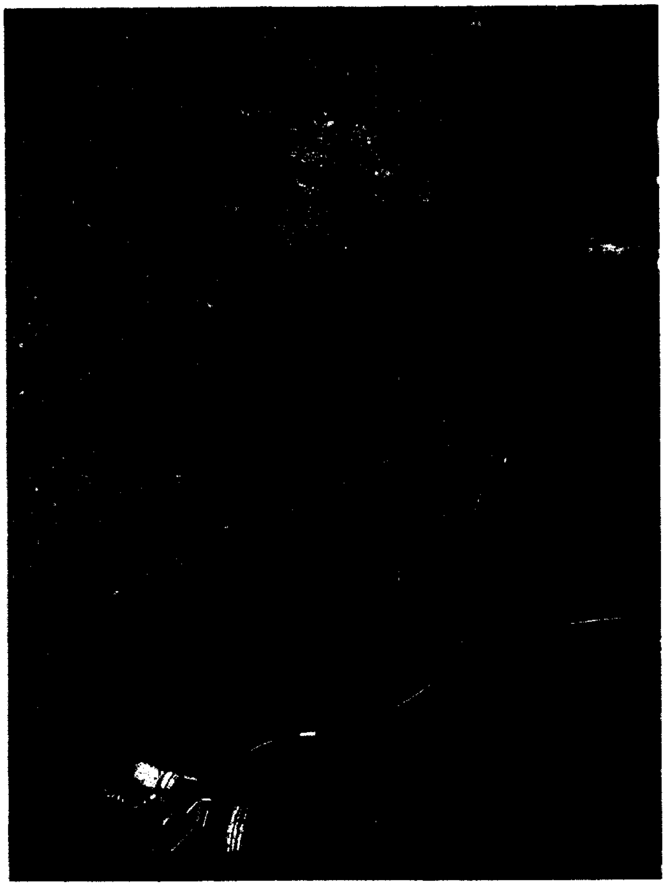


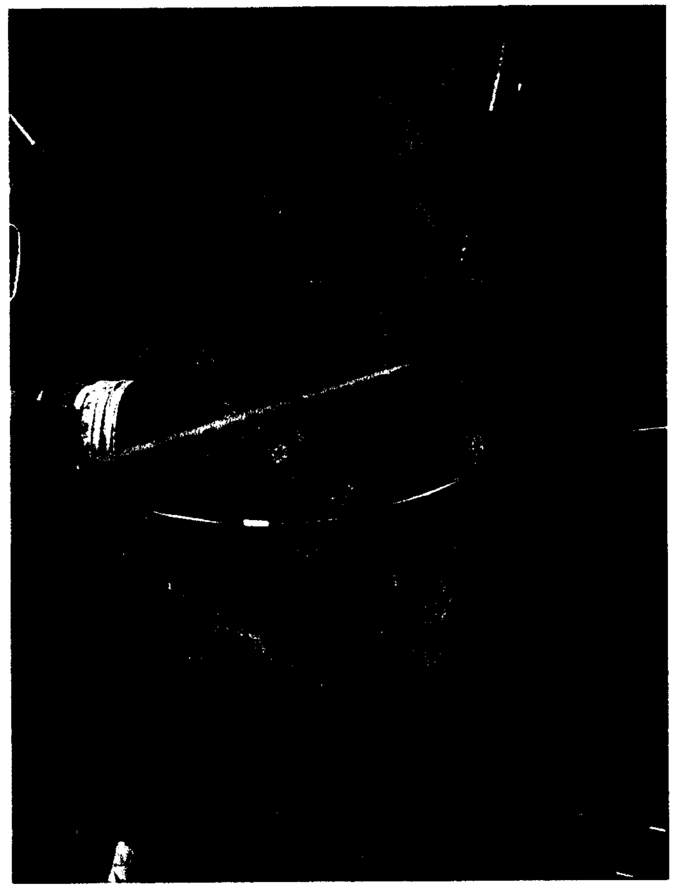


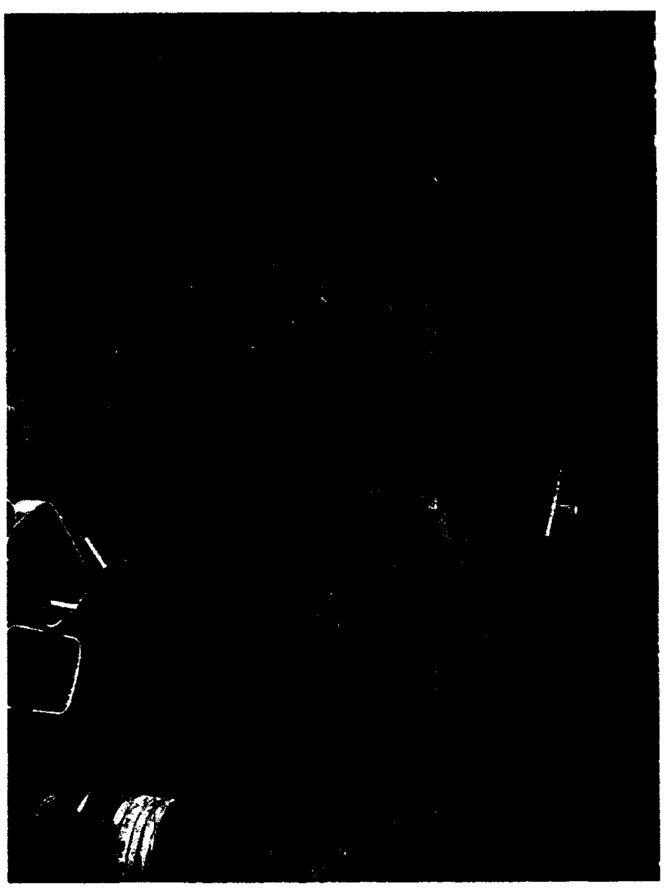


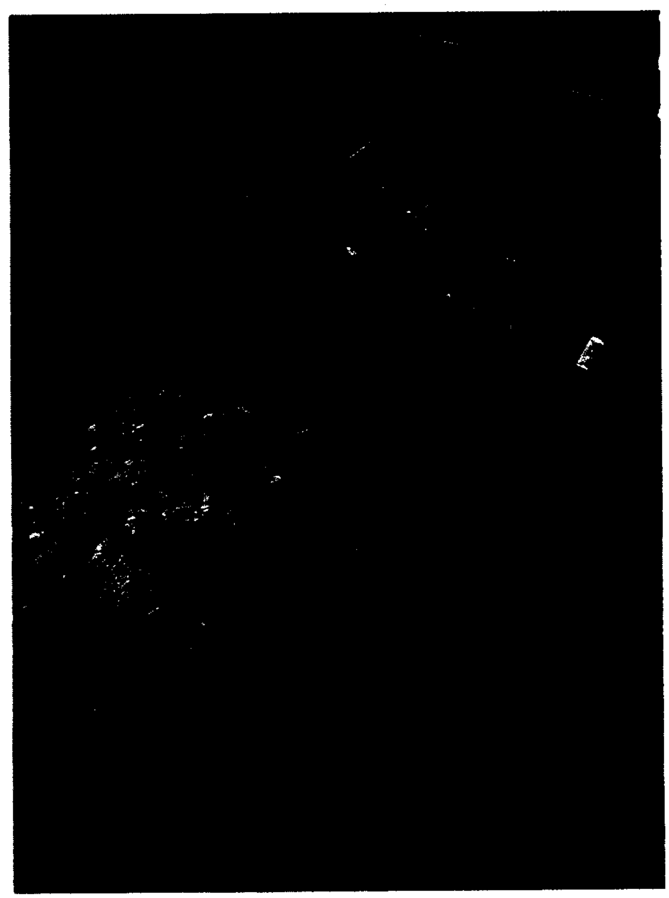


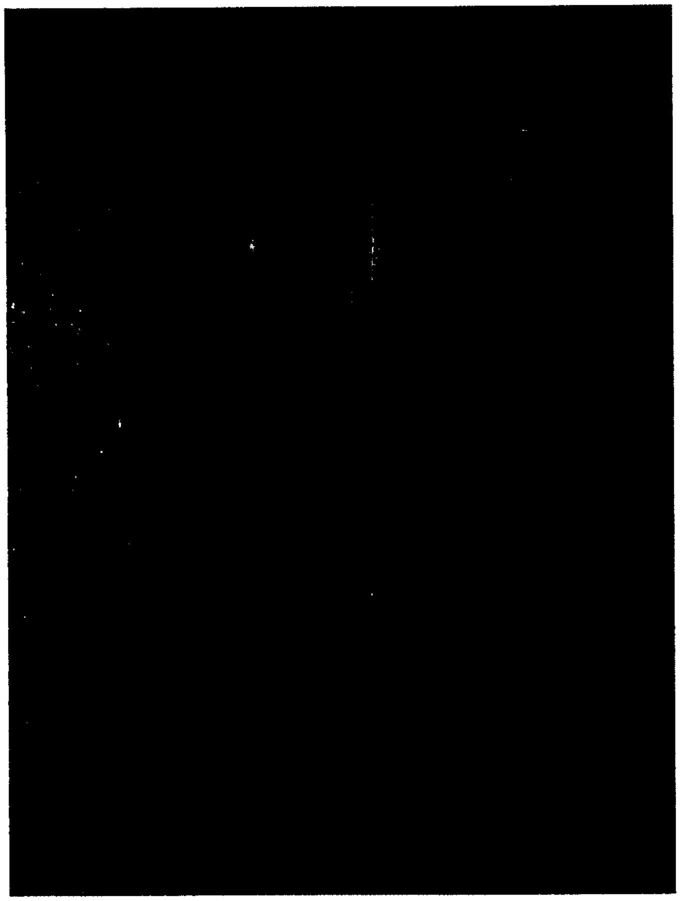


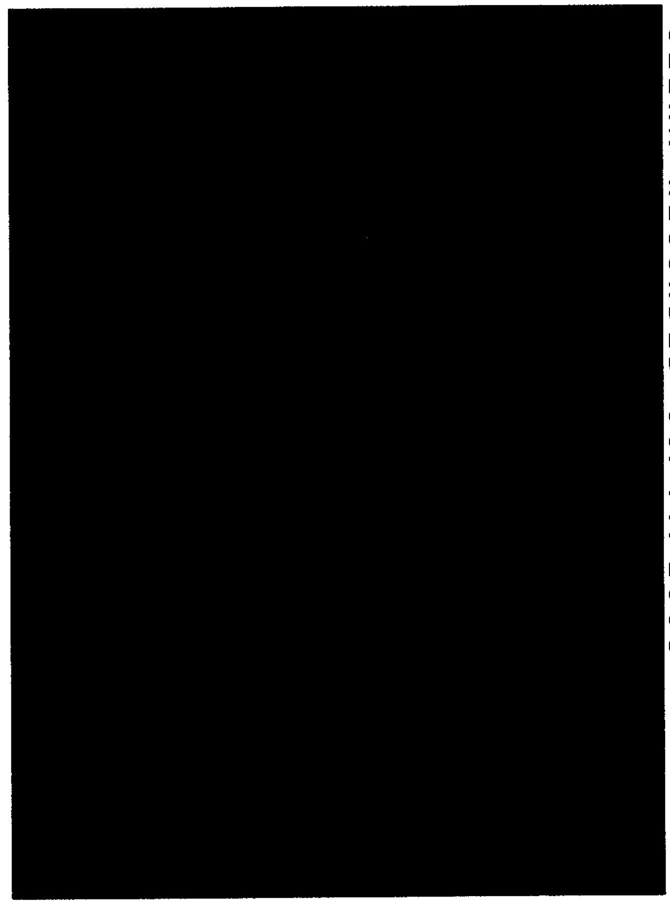


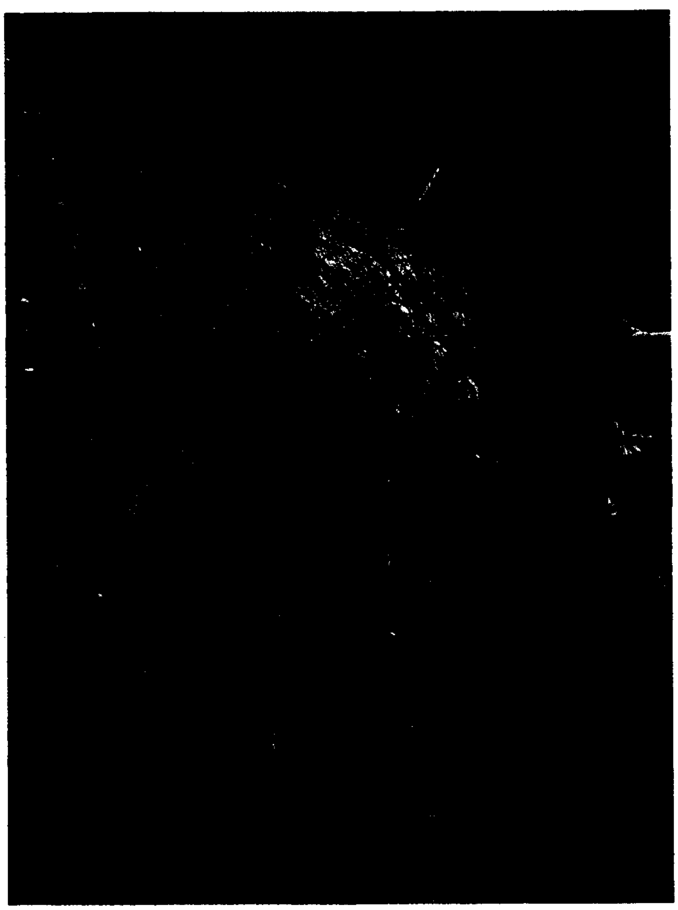


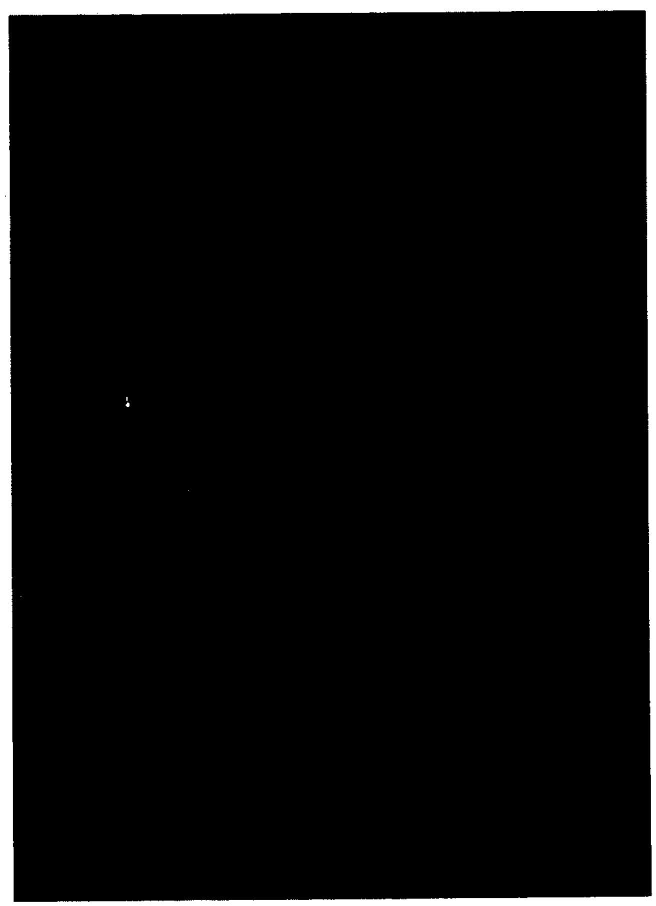




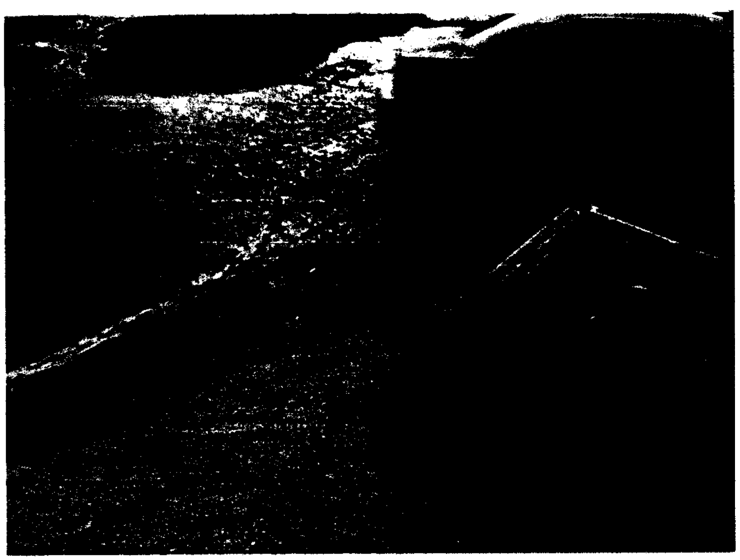


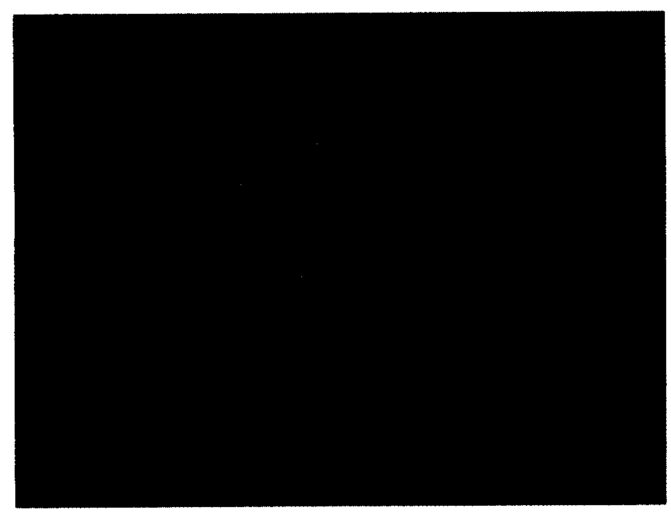


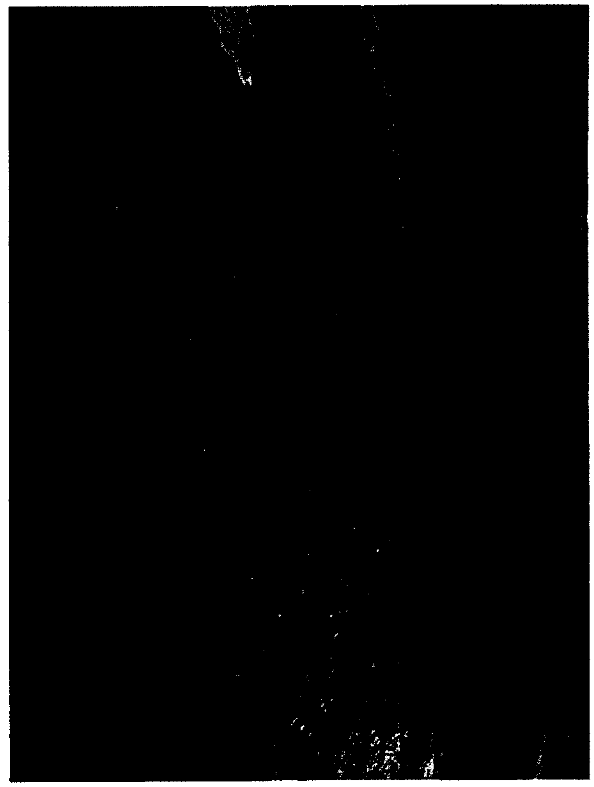


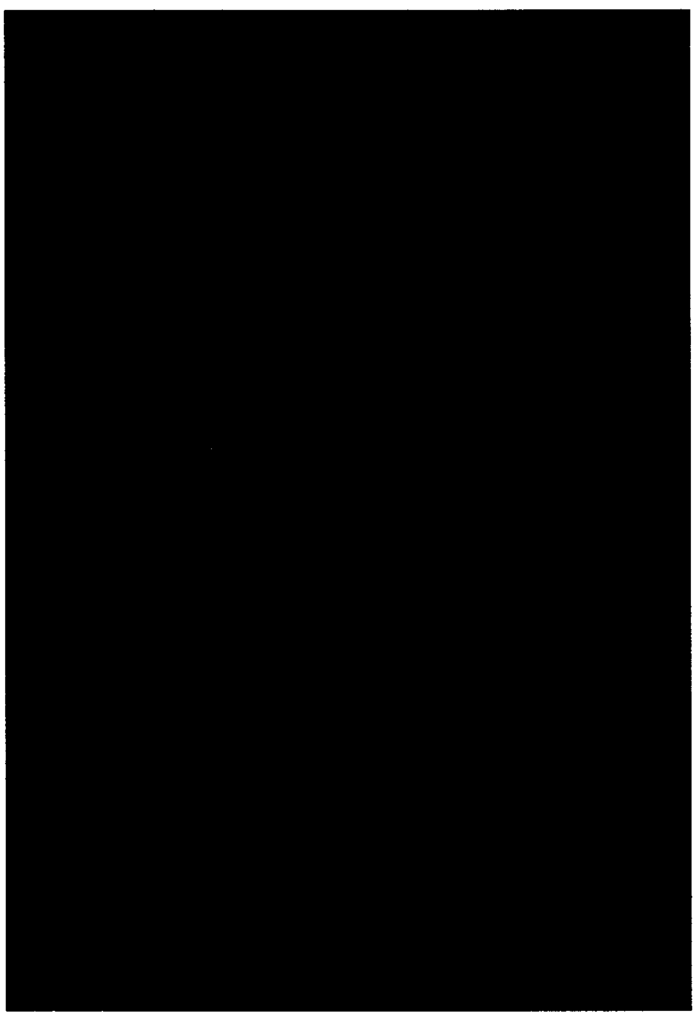


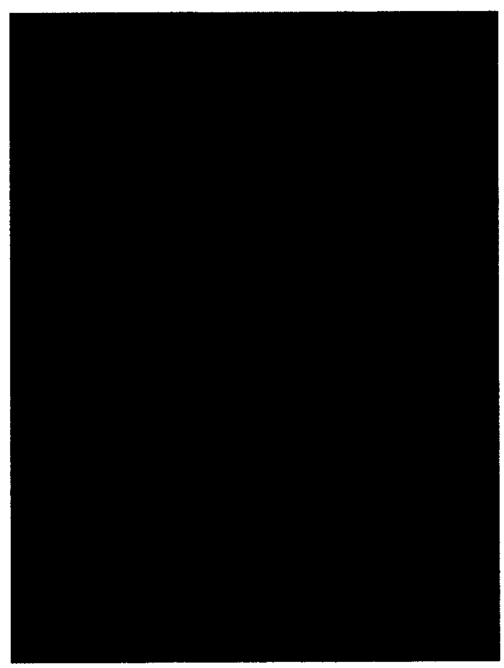
July 26,

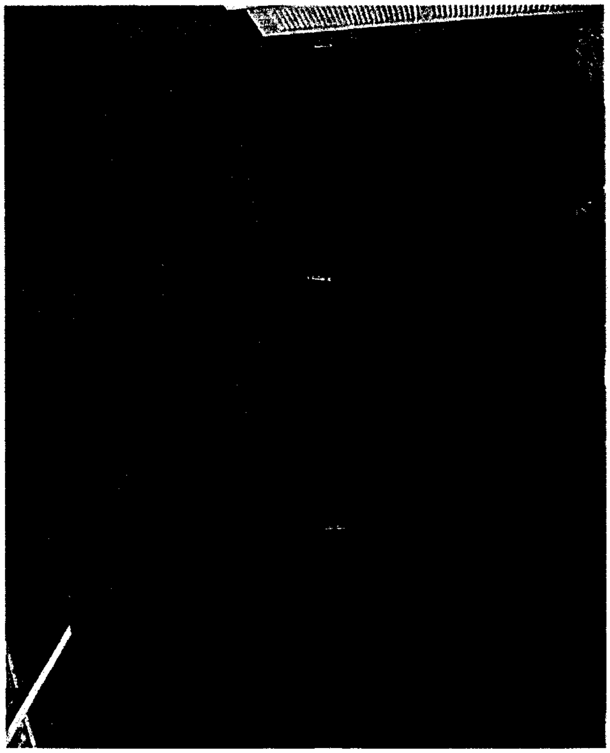


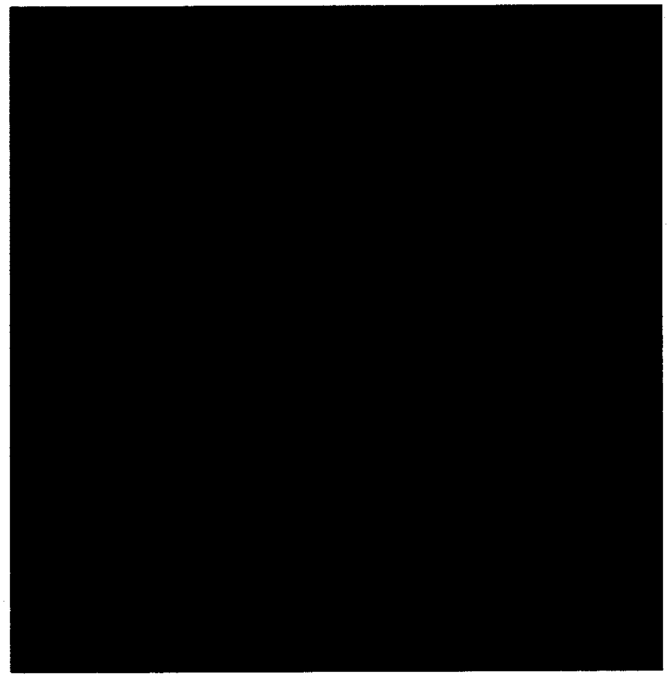


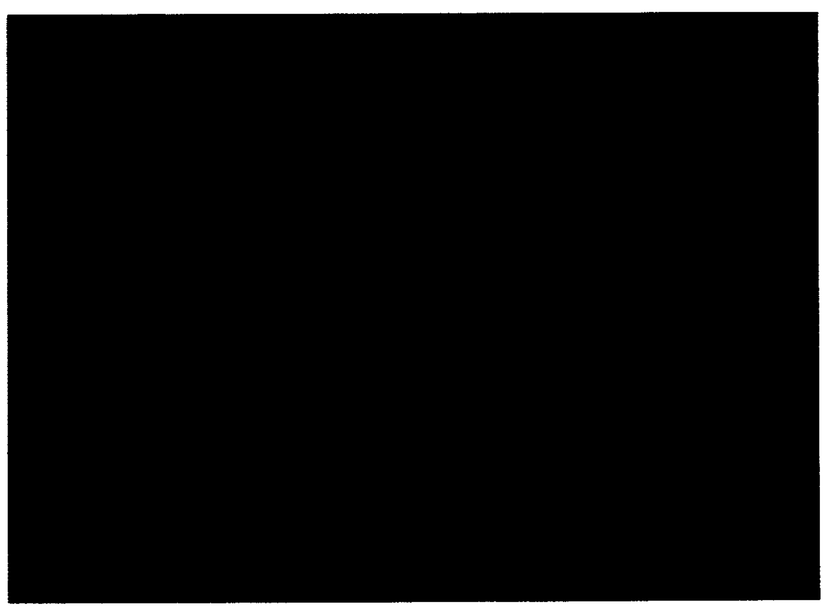


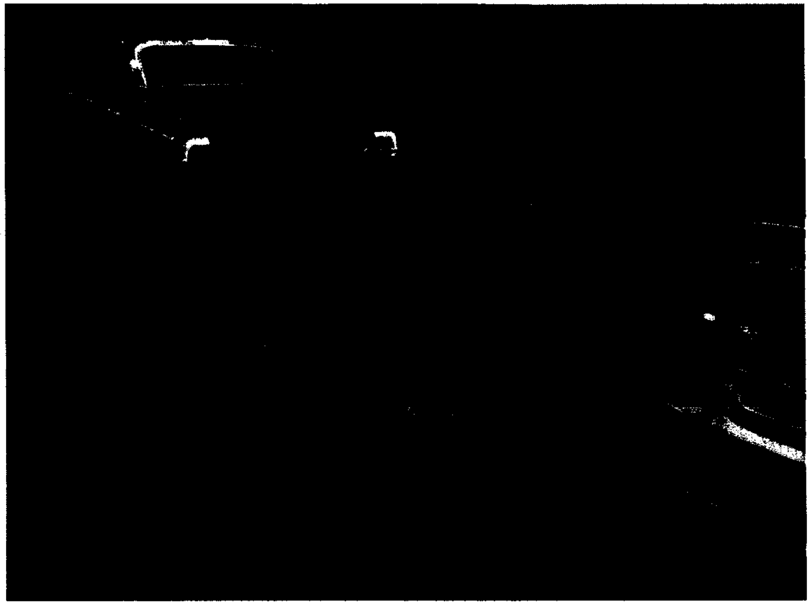


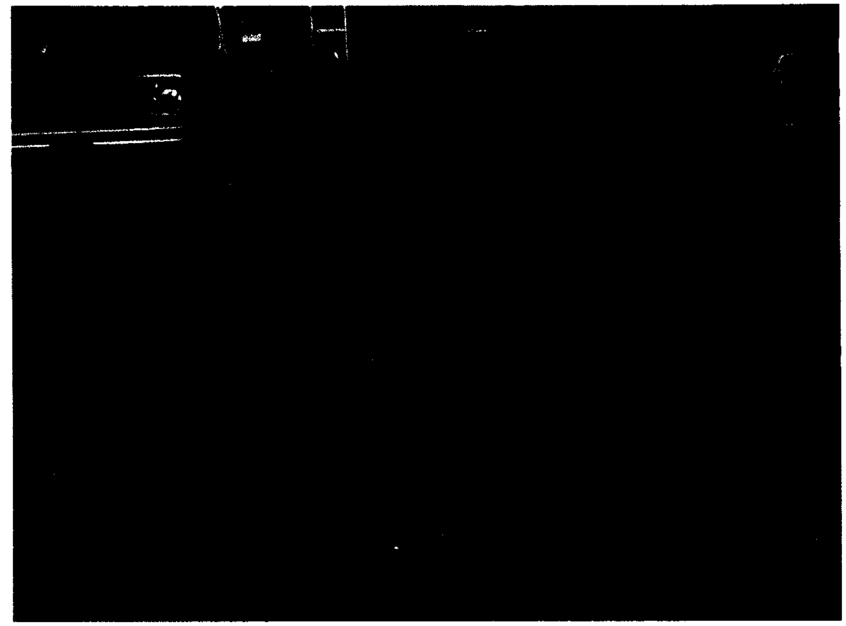


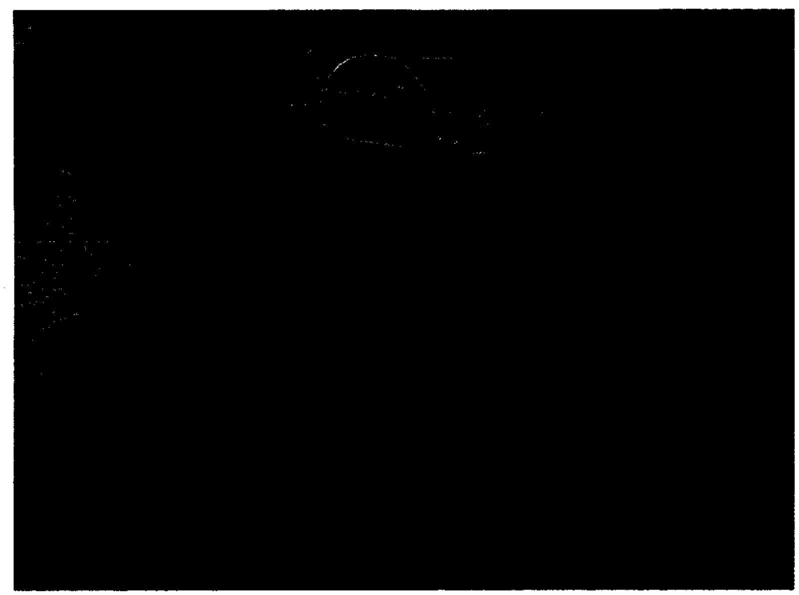


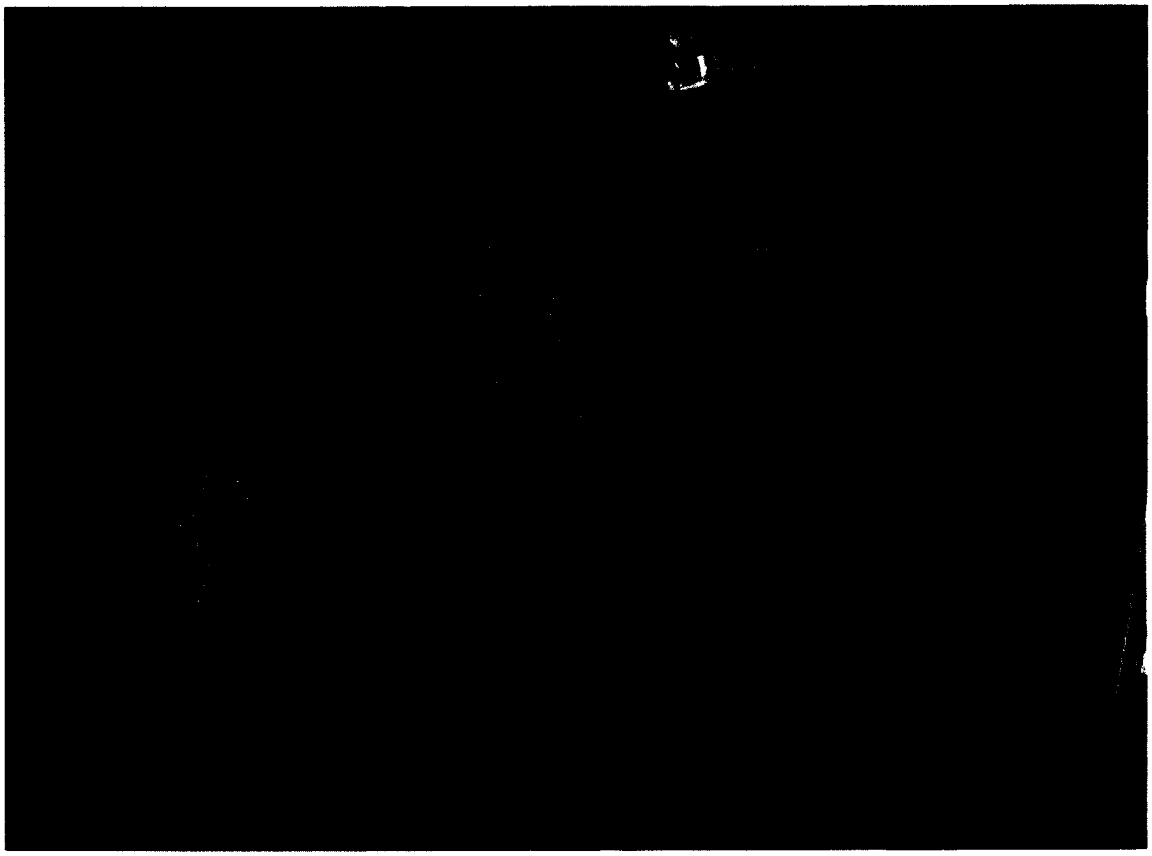


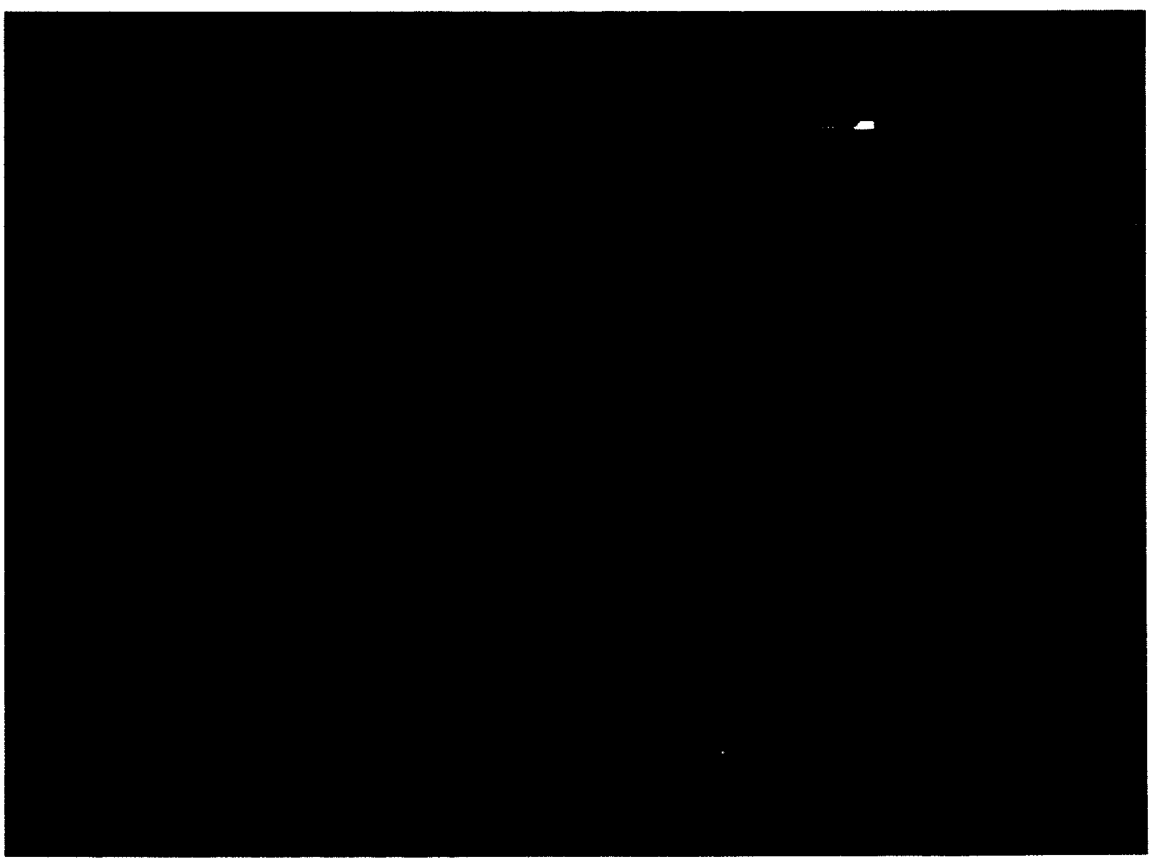


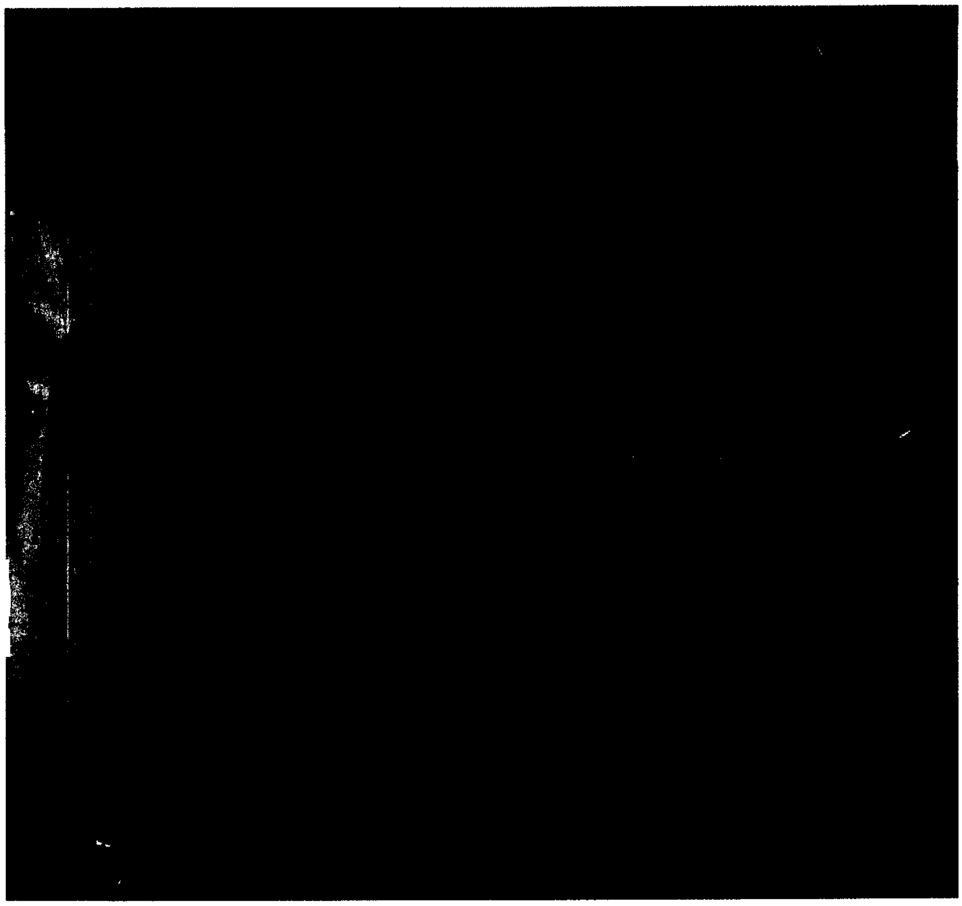


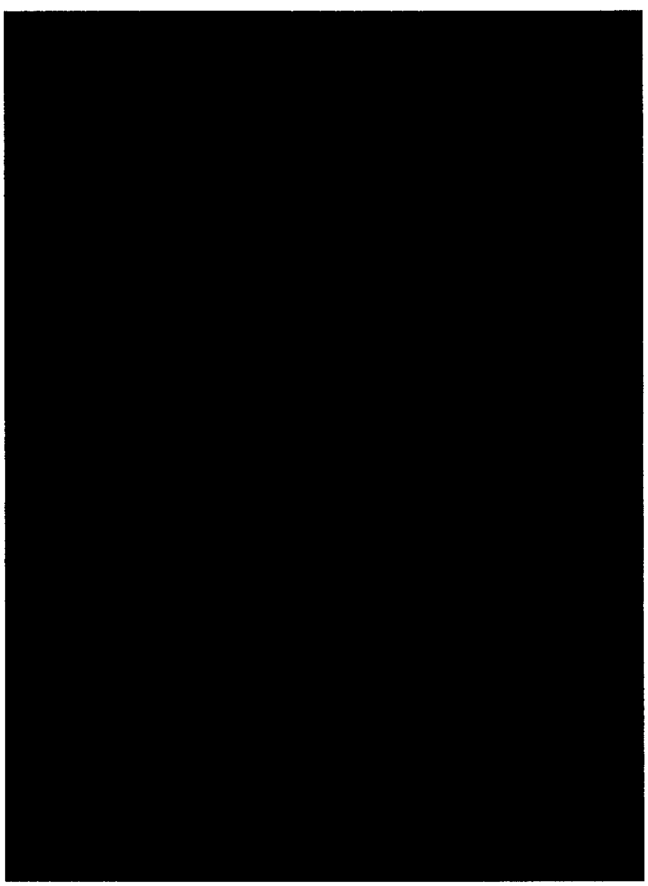


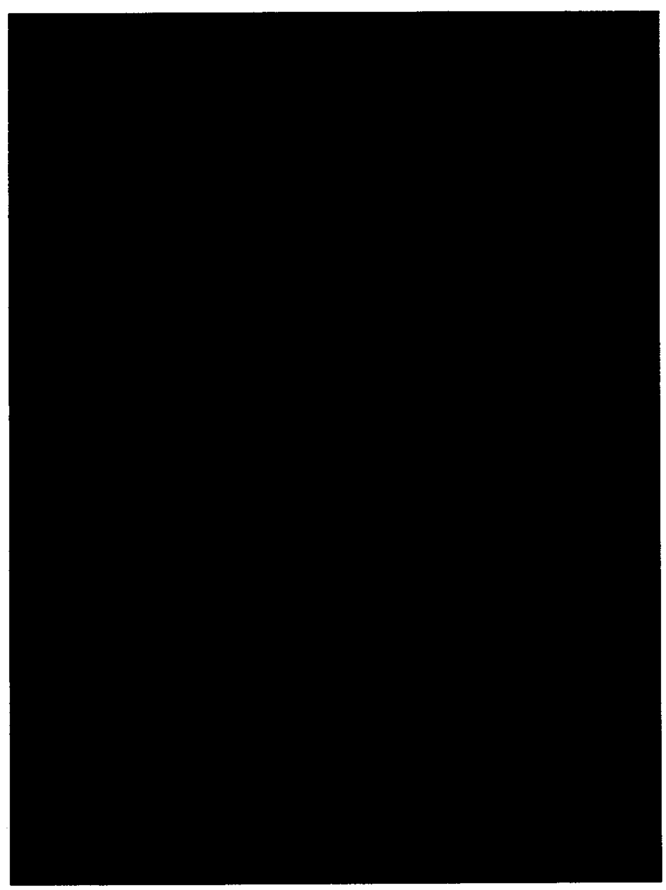












EXHIBIT
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IT'S FAIR TIME IN S

July 27- Augus

3229 RODEO ROAD

SCHEDULE OF EVENTS

Sunday, July 27

8:00 am	4-H Horse Show-NNMHA arena

Monday, July 28

1:00 pm – 6:00 pm	Check in **ADULT** indoor exhibits -Santa Fe County Fair Exhibit Hall

Tuesday, July 29

9:00 am – 1:00 pm	Check in **ADULT** indoor exhibits -Santa Fe County Exhibit Hall
3:00 pm – 7:00 pm	Check in **OPEN YOUTH & 4-H** indoor exhibits -Santa Fe County Fair Exhibit Hall

Wednesday, July 30

8:00 am – 6:00 pm	Check in all animals for 4-H/FFA shows
8:00 am – 6:00 pm	Lamb and meat goat health inspection
9:00 am –12:00 pm	Judging of **ADULT** indoor exhibits
4:30 pm – 7:30 pm	Judging of all **YOUTH** indoor exhibits
6:30 pm	Open ceremony for all 4-H/FFA exhibitors and parents at the show ring bleachers

Thursday, July 31

10:00 am	Written test for rabbit showmanship
12:00 pm – 2:00 pm	Check in Agricultural products & Floriculture exhibits for **ADULT** & **YOUTH** categories -Santa Fe County Fair Exhibit Hall
12:00 pm – 8:00 pm	**Indoor exhibits open to the public -Santa Fe County Fair Exhibit Hall**
1:00 pm	Rabbit Show– Small Animal Barn
1:00 pm– 4:00 pm	Cattle Show- Livestock Show Ring* Followed by Dairy Cattle Show
2:00 pm – 4:00 pm	Judging of Agricultural & Floriculture exhibits
5:00 pm – 8:00 pm	Swine Show- Livestock Show Ring*

Friday, August 1

8:00 am – 12:00 pm	Poultry Show- Small Animal Barn*
9:00 am – 11:00 am	Sheep Show- Livestock Show Ring*
10:00 am – 8:00 pm	Indoor exhibits open to the public
11:00 am – 12:30 pm	Meat Goat Show- Livestock Show Ring*
3:00 pm - 5:00 pm	Round Robin Showmanship - Livestock Show Ring
6:00 pm	Llama Demonstration- Livestock Show Ring*

(* Boosters will show first)

Saturday, August 2

8:30 am	4-H Dog Show Registration
9:00 am – 7:00 pm	**Indoor exhibits open to the public -Santa Fe County Fair Exhibit Hall**
9:00 am	4-H Dog Show- Livestock Show Ring*
10:00 am	Herding dog demonstration-NNMHA arena
10:00 am– 12:00 pm	Archery Contest– East of the Small Animal Barn
12:30 pm – 2:00 pm	Livestock Buyers' Luncheon
2:00 pm	Registration for Salsa Contest -Santa Fe County Fair Exhibit Hall
2:30 pm	Salsa Contest-Santa Fe County Fair Exhibit Hall
2:30 pm	Livestock Auction-Livestock Show Ring

Sunday, August 3

8:30 am	Sunday Sabbath Service
9:00 am– 11:00 am	Archery Contest– East of the Small Animal Barn
9:00 am – 3:00 pm	**Indoor exhibits open to the public -Santa Fe County Exhibition Hall**
10:00 am	Registration for Chile Challenge
10:30 am	Registration for Small Pet Show -Small Animal Barn
11:00 am	Chile Challenge Small Pet Show-Small Animal Barn
12:00 pm– 2:00 pm	Barnyard Olympics– Livestock Show Ring
2:00 pm	Watermelon Eating Contest
3:00 pm – 5:00 pm	Release all Indoor Exhibits -Santa Fe County Exhibition Hall
4:00 pm	Animals released

A fun time for the whole family!

SANTA FE COUNTY

For more information about the Santa Fe County Fair call the Santa Fe County Extension Service at 471-4711 or visit us online at http://santafeextension.nmsu.edu

IT'S FAIR TIME IN SANTA FE COUNTY!
July 27- August 3, 2008
3229 RODEO ROAD

Entertainment Schedule

Thursday, July 31
11:00 am — Live Remote with KSWV

Friday, August 1
7:30 pm – 11:30 pm — Dance Country Band, Black Gold Band

Saturday, August 2
11:00 am – Noon — DWI Designated Day, Break Dancing
2:15pm – 3:45 pm — Mariachi Azteca, Salsa Contest
8:00 pm – 12:00 am — Dance Country Band, Black Gold Band

Sunday, August 3
Noon – 1:00 pm — Mariachi Azteca
1:00 pm – 2:00 pm — Los Colonales, Traditional NM dance
2:00 pm – 3:00 pm — Baile Espanol

Other Attractions Include:

- NM Game & Fish
- Sparky the Dog
- Casey the Dog
- DWI Booth
- Model Trains
- Salsa Contest
- Chile Challenge
- Indoor Exhibits
- Quilt Exhibits
- Small Pet Show
- Herding Dog Demonstration
- Llama Demonstration
- Barnyard Olympics
- Watermelon Eating Contest
- Livestock Shows
- Livestock Auction
- 4-H Horse Show
- 4-H Dog Show
- And Many More!!

A fun time for the whole family!

SANTA FE COUNTY

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EXHIBIT
4

SFC CLERK RECORDED 09/17/2008

Board Final - 7/29/08

SANTA FE COUNTY, NEW MEXICO
ORDINANCE NO. 2008-___

AUTHORIZING THE ISSUANCE AND SALE OF THE SANTA FE COUNTY, NEW MEXICO COUNTY GROSS RECEIPTS TAX REVENUE BONDS, SERIES 2008, IN AN AGGREGATE PRINCIPAL OF $30,000,000 FOR THE PURPOSE OF DEFRAYING THE COSTS OF CONSTRUCTION OF AND IMPROVEMENTS TO THE COUNTY COURTHOUSE AND OTHER PUBLIC FACILITIES IN THE COUNTY, AND TO PAY COSTS OF ISSUANCE OF THE SERIES 2008 BONDS; ESTABLISHING THE PRINCIPAL AMOUNTS, MATURITIES, PRICES, REDEMPTION FEATURES AND OTHER DETAILS OF THE SERIES 2008 BONDS; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE SERIES 2008 BONDS FROM THE DISTRIBUTIONS TO THE COUNTY OF THE REVENUES OF THREE FIVE SIXTEENTHS OF ONE PERCENT COUNTY GROSS RECEIPTS TAX (CONSISTING OF THE FIRST ONE-EIGHTH OF ONE PERCENT INCREMENT, THE THIRD ONE-EIGHTH OF ONE PERCENT INCREMENT AND ONE-SIXTEENTH OF ONE PERCENT INCREMENT) ENACTED PURSUANT TO SECTION 7-20E-9 NMSA 1978 FROM THE NEW MEXICO TAXATION AND REVENUE DEPARTMENT PURSUANT TO SECTION 7-1-6.13 NMSA 1978 AND THE PLEDGE OF SUCH REVENUES BY THE COUNTY; PROVIDING FOR THE FORM, EXECUTION AND OTHER DETAILS CONCERNING THE BONDS; RATIFYING THE USE OF THE PRELIMINARY OFFICIAL STATEMENT AND APPROVING THE FORM OF OFFICIAL STATEMENT FOR THE MARKETING AND SALE OF THE BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT, A CONTINUING DISCLOSURE UNDERTAKING AND OTHER AGREEMENTS AND CERTIFICATES IN CONNECTION WITH THE BONDS; AUTHORIZING AN INSURANCE POLICY IN CONNECTION WITH THE BONDS AND CERTAIN PROVISIONS IN CONNECTION THEREWITH; RATIFYING ACTION PREVIOUSLY TAKEN IN CONNECTION WITH THE BONDS; AMENDING ORDINANCE NO. 1987-6 TO PROVIDE THAT THE THIRD ONE-EIGHTH OF ONE PERCENT INCREMENT OF COUNTY GROSS RECEIPTS TAX MAY BE USED FOR GENERAL COUNTY PURPOSES, INCLUDING THE PAYMENT OF DEBT SERVICE ON REVENUE BONDS; PROVIDING THAT THE OUTSTANDING SANTA FE COUNTY, NEW MEXICO CORRECTIONAL SYSTEM REVENUE BONDS, SERIES 1997 AND SANTA FE COUNTY, NEW MEXICO GROSS RECEIPTS TAX REVENUE BONDS, SUBORDINATE SERIES 1997A SHALL BE

ADDITIONALLY SECURED BY THE REVENUES AS SECURITY FOR THE SERIES 2008 BONDS, TO THE EXTENT NOT PREVIOUSLY SECURED THEREBY; AND REPEALING ALL ORDINANCES AND RESOLUTIONS IN CONFLICT WITH THIS BOND ORDINANCE.

Capitalized terms used in the following preambles have the ~~same~~ meaning assigned therein or as defined in Section 1 of this Bond Ordinance, unless the context requires otherwise.

WHEREAS, Santa Fe County, New Mexico (the "County") is a legally and regularly created, established, organized and existing county under the constitution and general laws of the State of New Mexico (the "State"); and

WHEREAS, pursuant to Section 7-20E-9 NMSA 1978, the County adoptedhas imposed (i) the first one-eighth of one percent (0.125%) County Gross Receipts Tax, effective as of January 1, 1984, enacted pursuant to Ordinance No. 1987 6 enacting1983-7, as amended by Ordinance No. 1991-4; (ii) the third one-eighth of one percent (0.125%) County Gross Receipts Tax, effective as of January 1, 1988, enacted pursuant to County Ordinance No. 1987-6, as amended by this Bond Ordinance; and

WHEREAS, pursuant to Section 7 20E 9 NMSA 1978, (iii) the County adopted Ordinance No. 2005 7 enacting an additional one-sixteenth of one percent (0.0625%) County Gross Receipts Tax, effective as of January 1, 2006, enacted pursuant to County Ordinance No. 2005-7, (together with the first one-eight of one percent and third one-eighth of one percent incrementincrements of County Gross Receipts Tax, the "Pledged Revenues"," as more fully defined in Section 1 of this Bond Ordinance); and

WHEREAS, pursuant to Section 7-1-6.13 NMSA 1978 the County receives monthly distributions of the Pledged Revenues from the New Mexico Taxation and Revenue Department; and

WHEREAS, the Pledged Revenues are not pledged to the payment of any bonds or other obligations which are presently outstanding; and

WHEREAS, on February 19, 1997 the County issued its Santa Fe County, New Mexico Correctional System Revenue Bonds, Series 1997 in an aggregate principal amount of $30,000,000 (the "Series 1997 Bonds") for which a debt service reserve fund was established, the replenishment of which is secured by a lien on the first one-eighth of one percent increment County Gross Receipts Tax revenues; and

WHEREAS, on February 19, 1997 the County issued its Santa Fe County, New Mexico Gross Receipts Tax Revenue Bonds, Subordinate Series 1997A (the "Series 1997A Bonds") which Series 1997A Bonds are secured by a lien on the first one-eighth of one percent increment County Gross Receipts Tax revenues prior and superior to the lien thereon of the Series 1997 Bonds; and

WHEREAS, the Board of County Commissioners (the "Governing Body") hereby determines that there is a need for the Project as herein defined, and that the Bonds shall be issued for the Project; and

WHEREAS, the County expects to receivehas received an offer to purchase the Bonds from an underwriterthe Underwriters pursuant to a proposed bond purchase agreementthe Bond Purchase Agreement; and

WHEREAS, the Governing Body has determined and hereby determines that it is in the best interest of the County and its residents that (i) the Bonds be issued with a first lien, but not an exclusive first lien, on the Pledged Revenues on ~~a~~ parity with the lien thereon of Parity Bonds; and (ii) that the Pledged Revenues, to the extent not previously pledged as security for the Series 1997 Bonds and the Series 1997A Bonds, also be pledged as additional security for those obligations with a lien on Pledged Revenues junior and subordinate to the lien thereon of the Bonds, as further provided in Section 19(B) of this Bond Ordinance; and

WHEREAS, the Governing Body has determined that it is in the best interest of the County to authorize the issuance and sale of the Bonds in an aggregate principal amount of $30,000,000 pursuant to this Bond Ordinance; and

WHEREAS, there has been on deposit with the County Clerk and presented to the Governing Body

(A) the proposed form of Bond Ordinance;

(B) the proposed form of Bond Purchase Agreement;

(C) the proposed form of Continuing Disclosure Undertaking; and

(D) the Preliminary Official Statement and form of Official Statement.

THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF SANTA FE COUNTY, NEW MEXICO:

Section 1. Definitions. As used in this Bond Ordinance, the following terms shall, for all purposes, have the meanings herein specified, unless the context clearly requires otherwise (such meanings to be equally applicable to both the singular and the plural forms of the terms defined):

"Acquisition Fund" means the "Santa Fe County, New Mexico County Gross Receipts Tax Revenue Bonds, Series 2008 Acquisition Fund" established by Section 16 of this Bond Ordinance.

"Act" means the general laws of the State, including Sections 4-62-1 to 4-62-10 NMSA 1978, as amended and enactments of the Governing Body relating to the issuance of the Bonds, including this Bond Ordinance.

"Bond Ordinance" or "Ordinance" means this Ordinance No. 2008-___.

"Bond Purchase Agreement" means the bond purchase agreement to be entered into between the County and the Underwriters.

"Bondholder," "holder," "Holder," "owner" or "Owner" means the registered owner of any Bond as shown on the registration books of the County for the Bonds, maintained by the Registrar. Any reference to a majority or a particular percentage or proportion of the Bondholders shall mean the Holders at the particular time of a majority or of the specified percentage or proportion in the aggregate principal amount of all Bonds then outstanding.

"Bonds" or "2008 Bonds" means the "Santa Fe County, New Mexico County Gross Receipts Tax Revenue Bonds, Series 2008" authorized by this Bond Ordinance.

"Business Day" means a day on which commercial banks in the County in which the principal office of the Paying Agent and Registrar is located are open for conduct of substantially all of their business operations.

"Code" means the Internal Revenue Code of 1986, as amended, including, when appropriate, the statutory predecessor of the Code, and all applicable regulations whether proposed, temporary or final, including regulations issued and proposed pursuant to the statutory predecessor of the Code, and, in addition, all official rulings and judicial determinations applicable to the Bonds, and under the statutory predecessor of the Code and any successor provisions to those sections or regulations.

"Continuing Disclosure Undertaking" means the continuing disclosure agreement with respect to the Bonds to be executed on the day of issuance and delivery of the Bonds to the Underwriters.

"Debt Service Fund" means the "Santa Fe County, New Mexico County Gross Receipts Tax Revenue Bonds, Series 2008 Debt Service Fund" established in Section 16 of this Bond Ordinance.

"Depository" means The Depository Trust Company, New York, New York, or such other securities depository as may be designated by an officer of the County.

"Event of Default" means any of the events stated in Section 25 of this Bond Ordinance.

"Expenses" means the reasonable and necessary fees, costs and expenses incurred by the County with respect to the issuance of the Bonds, including the fees, compensation, costs and expenses paid or to be paid to the Insurer, Paying Agent, Registrar and Underwriters, and legal and accounting fees and expenses.

"Fiscal Year" means the period commencing on July 1 in each calendar year and ending on the last day of June of the next succeeding calendar year, or any other twelve-month period which any appropriate authority may hereafter establish for the County as its fiscal year.

"Governing Body" means the Board of County Commissioners of Santa Fe County, New Mexico.

"Herein," "hereby," "hereunder," "hereof," "hereinabove" and "hereafter" refer to the entire Bond Ordinance and not solely to the particular section or paragraph of this Bond Ordinance in which such word is used.

"Income Fund" means the "Santa Fe County, New Mexico, County Gross Receipts Tax Revenue Bonds, Series 2008 Income Fund" created in Section 16 of this Bond Ordinance.

"Independent Accountant" means (a) an accountant employed by the State and under supervision of the State Auditor, or (b) any certified public accountant, registered accountant, or firm of such accountants duly licensed to practice and practicing as such under the laws of the State, appointed and paid by the County who (i) is, in fact, independent and not under the domination of the County, (ii) does not have any substantial interest, direct or indirect, with the County, and (iii) is not connected with the County as an officer or employee of the County, but who may be regularly retained to make annual or similar audits of the books or records of the County.

"Insurance Policy" means the insurance policy issued by a bond insurer guaranteeing the scheduled payment of principal of and interest on the Bonds when due.

"Insured Bank" means a bank or savings and loan association insured by an agency of the United States.

"Interest Payment Date" means each June 1 and December 1, commencing December 1, 2008.

"Issuer" means Santa Fe County, New Mexico.

"Junior Subordinate Obligations" or "Series 1997 Bonds" means the Santa Fe County, New Mexico Correctional System Revenue Bonds, Series 1997, and such other obligations as may be issued after the date of this Ordinance with a lien on Pledged Revenues junior and inferior the lien thereon of the Subordinate Obligations.

"Minimum Reserve" means an amount equal to the least of (i) 10% of the principal amount of the outstanding Bonds, (ii) the maximum annual debt service on the outstanding Bonds, or (iii) 125% of the average annual debt service on the outstanding Bonds. The Minimum Reserve shall be recalculated every year on or about June 1.

"Moody's" means Moody's Investor Service, its successors and their assigns, and, if such corporation is dissolved or liquidated or no longer performs the functions of a securities rating agency, any other nationally recognized securities rating agency designated by the County.

"NMSA" means the New Mexico Statutes Annotated, 1978 Compilation, as amended and supplemented.

"Official Statement" means the final disclosure document to be used by the UnderwriterUnderwriters in connection with the sale of the Bonds to the public.

"Outstanding" or "outstanding" when used in reference to bonds means, on any particular date, the aggregate of all Bonds delivered under this Bond Ordinance except:

A. those cancelled at or prior to such date or delivered or acquired by the County at or prior to such date for cancellation;

B. those otherwise deemed to be paid in accordance with Section 28 or Section 31 of this Bond Ordinance;

C. those in lieu of or in exchange or substitution for which other Bonds shall have been delivered, unless proof satisfactory to the County and the Paying Agent is presented that any Bond for which a new Bond was issued or exchanged is held by a bona fide holder or in due course.

Principal and/or interest on Bonds paid by the Insurer under the Insurance Policy shall not be deemed paid for purposes of this Bond Ordinance and such amounts shall remain Outstanding and continue to be due and owing until paid by the County in accordance with this Bond Ordinance.

"Parity Bonds" or "Parity Obligations" means the 2008 Bonds and any other bonds or other obligations hereafter issued or incurred, payable from and constituting a lien upon the Pledged Revenues on parity with the Bonds, as provided in Section 20 of this Bond Ordinance.

"Paying Agent" means the County Treasurer [Finance Director], as agent for the County for the payment of the Bonds or any other entity at the time appointed Paying Agent by resolution of the Governing Body.

"Pledged Revenues" means the revenues derived from the first one-eighth of one percent County Gross Receipts Tax enacted pursuant to County Ordinance No. 1983-7, as amended by Ordinance No. 1991-4, the third one-eighth of one percent ~~and~~ the one sixteenth of one percent County Gross Receipts Tax imposed on persons engaging in business in the Countyenacted pursuant to Section 7 20E 9 NMSA 1978, County Ordinance No. 1987-6, as amended by this Bond Ordinance, and the one-sixteenth of one percent County Gross Receipts Tax enacted pursuant to County Ordinance No. 2005-7, each of which County Gross Receipts Tax is imposed on persons engaging in business in the County pursuant to Section 7-20E-9 NMSA 1978, and which revenues are remitted to the County monthly by the New Mexico Department of Taxation and Revenue pursuant to Section 7-1-6.13 NMSA 1978, and which remittances currently equal ~~three~~five-sixteenths of one percent (0.~~1875~~3125%) of the taxable gross receipts reported by persons engaging in business in the County; and which include the distribution to the County made pursuant to Section 7-1-6.46 NMSA 1978, ~~as that~~ distribution relates to the gross receipts tax revenues received pursuant to Section 7 1 6.4 NMSA 1978, which revenues are reduced pursuant to the deductions under Sections 7-9-92 and 7-9-93, NMSA 1978; provided that ~~if an~~ additional amount amounts of such gross receipts tax revenues or other equivalent funds are hereafter provided to be remitted to the County under applicable laws of the State, such additional amounts shall be included as revenues pledged pursuant to this Bond Ordinance; and provided further that the County intends that Section 4-62-6(C) NMSA 1978 applies expressly to the amount of revenues pledged pursuant to this Bond Ordinance.

"Preliminary Official Statement" means the disclosure document used by the UnderwriterUnderwriters in connection with the initial offering of the Bonds to the public which document was deemed final as of its date by the County for purposes of Securities and Exchange Commission Rule 15c2-12.

"Project" means construction of and improvements to the County courthouse and other public facilities in the County, and any Expenses related to the issuance of the Bonds.

"Qualified Investments" means:

1. (a) Direct obligations (other than an obligation subject to variation in principal repayment) of the United States of America ("United States Treasury Obligations"), (b) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by the United States of America, (c) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by any agency or instrumentality of the United States of America when such obligations are backed by the full faith and credit of the United States of America, or (d) evidences of ownership of proportionate interests in future interest and principal payments on obligations described above held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying government obligations are not available to any person claiming through the custodian or to whom the custodian may be obligated. These obligations may constitute "Defeasance Obligations."

2. Federal Housing Administration debentures.

3. The listed obligations of government-sponsored agencies which are not backed by the full faith and credit of the United States of America:

- Federal Home Loan Mortgage Corporation (FHLMC) Participation certificates (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts)

Senior Debt obligations

- Farm Credit Banks (formerly: Federal Land Banks, Federal Intermediate Credit Banks and Banks for Cooperatives)
  Consolidated system-wide bonds and notes
- Federal Home Loan Banks (FHL Banks)
  Consolidated debt obligations
- Federal National Mortgage Association (FNMA)
  Senior debt obligations
  Mortgage-backed securities (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts)
- Student Loan Marketing Association (SLMA)
  Senior debt obligations (excluded are securities that do not have a fixed par value and/or whose terms do not promise a fixed dollar amount at maturity or call date)
- Financing Corporation (FICO)
  Debt obligations
- Resolution Funding Corporation (REFCORP)
  Debt obligations

4. Unsecured certificates of deposit, time deposits, and bankers' acceptances (having maturities of not more than 30 days) of any bank the short-term obligations of which are rated 'A-1' or better by S&P.

5. Deposits the aggregate amount of which are fully insured by the Federal Deposit Insurance Corporation (FDIC), in banks which have capital and surplus of at least $5 million.

6. Commercial paper (having original maturities of not more than 270 days) rated 'A-1+' by S&P and 'Prime-1' by Moody's.

7. Money market funds rated 'AAm' or 'AAm-G' by S&P, or better.

8. "State Obligations", which means:

A. Direct general obligations of any state of the United States of America or any subdivision or agency thereof to which is pledged the full faith and credit of a state the unsecured general obligation debt of which is rated 'A3' by Moody's <u>and</u> 'A' by S&P, or better, or any obligation fully and unconditionally guaranteed by any state, subdivision or agency whose unsecured general obligation debt is so rated.

B. Direct general short-term obligations of any state agency or subdivision or agency thereof described in (A) above and rated 'A-1+' by S&P and 'MIG-1' by Moody's.

C. Special Revenue Bonds (as defined in the United States Bankruptcy Code) of any state, state agency or subdivision described in (A) above and rated 'AA' or better by S&P and 'Aa' or better by Moody's.

9. Pre-refunded municipal obligations rated "AAA" by S&P and "Aaa" by Moody's meeting the following requirements:

A. the municipal obligations are (1) not subject to redemption prior to maturity or (2) the trustee for the municipal obligations has been given irrevocable instructions concerning their call and redemption and the issuer of the municipal obligations has covenanted not to redeem such municipal obligations other than as set forth in such instructions;

B. the municipal obligations are secured by cash or United States Treasury Obligations which may be applied only to payment of the principal of, interest and premium on such municipal obligations;

C. the principal of and interest on the United States Treasury Obligations (plus any cash in the escrow) has been verified by the report of independent certified public accountants to be sufficient to pay in full all principal of, interest, and premium, if any, due and to become due on the municipal obligations ("Verification");

D. the cash or United States Treasury Obligations serving as security for the municipal obligations are held by an escrow agent or trustee in trust for owners of the municipal obligations;

E. no substitution of a United States Treasury Obligation shall be permitted except with another United States Treasury Obligation and upon delivery of a new Verification; and

F. the cash or United States Treasury Obligations are not available to satisfy any other claims, including those by or against the trustee or escrow agent.

10. Repurchase agreements:

With (1) any domestic bank, or domestic branch of a foreign bank, the long term debt of which is rated at least "A" by S&P and Moody's; or (2) any broker-dealer with "retail customers" or a related affiliate thereof which broker-dealer has, or the parent company (which guarantees the provider) of which has, long-term debt rated at least "A" by S&P and Moody's, which broker-dealer falls under the jurisdiction of the Securities Investors Protection Corporation; or (3) any other entity rated "A" or better by S&P and Moody's and acceptable to the Insurer, provided that:

A. The market value of the collateral is maintained at levels and upon such conditions as would be acceptable to S & P and Moody's to maintain an "A" rating in an "A" rated structured financing (with a market value approach);

B. The Trustee or a third party acting solely as agent therefor or for the Issuer (the "Holder of the Collateral") has possession of the collateral or the collateral has been transferred to the Holder of the Collateral in accordance with applicable state and federal laws (other than by means of entries on the transferor's books);

C. The repurchase agreement shall state and an opinion of counsel shall be rendered at the time such collateral is delivered that the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession);

D. All other requirements of S&P in respect of repurchase agreements shall be met.

E. The repurchase agreement shall provide that if during its term the provider's rating by either Moody's or S&P is withdrawn or suspended or falls below "A-" by S&P or "A3" by Moody's, as appropriate, the provider must, at the direction of the Issuer or the Trustee (who shall give such direction if so directed by the Insurer), within 10 days of receipt of such direction, repurchase all collateral and terminate the agreement, with no penalty or premium to the Issuer or Trustee.

Notwithstanding the above, if a repurchase agreement has a term of 270 days or less (with no evergreen provision), collateral levels need not be as specified in (A) above, so long as such collateral levels are 103% or better and the provider is rated at least "A" by S&P and Moody's, respectively.

11. Investment agreements with a domestic or foreign bank or corporation (other than a life or property casualty insurance company) the long-term debt of which, or, in the case of a guaranteed corporation the long-term debt, or, in the case of a monoline financial guaranty insurance company, claims paying ability, of the guarantor is rated at least "AA" by S&P and "Aa" by Moody's; provided that, by the terms of the investment agreement:

A. interest payments are to be made to the Trustee at times and in amounts as necessary to pay debt service (or, if the investment agreement is for the construction fund, construction draws) on the Bonds;

B. the invested funds are available for withdrawal without penalty or premium, at any time upon not more than seven days' prior notice; the Issuer and the Trustee hereby agree to give or cause to be given notice in accordance with the terms of the investment agreement so as to receive funds thereunder with no penalty or premium paid;

C. the investment agreement shall state that is the unconditional and general obligation of, and is not subordinated to any other obligation of, the provider thereof or, if the provider is a bank, the agreement or the opinion of counsel shall state that the obligation of the provider to make payments thereunder ranks pari passu with the obligations of the provider to its other depositors and its other unsecured and unsubordinated creditors;

D. the Issuer or the Trustee receives the opinion of domestic counsel (which opinion shall be addressed to the Issuer and the Insurer) that such investment agreement is legal, valid, binding and enforceable upon the provider in accordance with its terms and of foreign counsel (if applicable) in form and substance acceptable, and addressed to, the Insurer;

E. the investment agreement shall provide that if during its term

(i) the provider's rating by either S&P or Moody's falls below "AA-" or "Aa3", respectively, the provider shall, at its option, within 10 days of receipt of publication of such downgrade, either (a) collateralize the investment agreement by delivering or transferring in accordance with applicable state and federal laws (other than by means of entries on the provider's books) to the Issuer, the Trustee or a third party acting solely as agent therefor (the "Holder of the Collateral") collateral free and clear of any third-party liens or claims the market value of which collateral is maintained at levels and upon such conditions as would be acceptable to S & P and Moody's to maintain an "A" rating in an "A" rated structured financing (with a market value approach); or (b) repay the principal of and accrued but unpaid interest on the investment, and

(ii) the provider's rating by either S&P or Moody's is withdrawn or suspended or falls below "A-" or "A3", respectively, the provider must, at the direction of the Issuer or the Trustee (who shall give such direction if so directed by the Insurer), within 10 days of receipt of such direction, repay the principal of and accrued but unpaid interest on the investment, in either case with no penalty or premium to the Issuer or Trustee, and

F. The investment agreement shall state and an opinion of counsel shall be rendered, in the event collateral is required to be pledged by the provider under the terms of the investment agreement, at the time such collateral is delivered, that the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession);

G. the investment agreement must provide that if during its term

(i) the provider shall default in its payment obligations, the provider's obligations under the investment agreement shall, at the direction of the Issuer or the Trustee (who shall give such direction if so directed by the Insurer), be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the Issuer or Trustee, as appropriate, and

(ii) the provider shall become insolvent, not pay its debts as they become due, be declared or petition to be declared bankrupt, etc. ("event of insolvency"), the provider's obligations shall automatically be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the Issuer or Trustee, as appropriate.

"Rating Category" means a generic securities rating category, without regard, in the case of a long term Rating Category, to any refinement or gradation of such long term Rating Category by a numerical modifier or otherwise.

"Registrar" means the County Treasurer [Finance Director], as agent for the County for transfer and exchange of the Bonds or any other entity at the time appointed by resolution of the Governing Body.

"Related Document" means any documentation of any amendment, supplement, modification to or waiver of this Bond Ordinance or any other transaction related to such amendment, supplement, modification or waiver, including any underlying security agreement.

"Reserve Fund" means the "Santa Fe County, New Mexico County Gross Receipts Tax Revenue Bonds, Series 2008 Reserve Fund" established by Section 16 of this Bond Ordinance.

"Reserve Fund Insurance Policy" means any policy of insurance, surety bond, letter of credit or other financial instrument issued to the County, the proceeds of which shall be used to prevent deficiencies in the payment of the principal of or interest on the Bonds resulting from insufficient amounts being on deposit in the Debt Service Fund to make the payment of principal of and interest on the Bonds as the same become due. Each policy shall be written by the Insurer or by a bank, insurance company or any financial institution experienced in insuring or guaranteeing municipal bonds whose policies of insurance, surety bond, letter of credit or other financial instrument would not adversely affect the rating of the Bonds by Moody's and/or S&P to the extent that the Bonds are or are to be so rated and provided that at the time of the issuance of such policy such bank, insurance company or any financial institution shall have received the highest policy claims rating accorded insurers by the A.M. Best Company or any comparable service, if applicable to the provider of the Reserve Fund Insurance Policy, and either of the two highest Rating Categories of Moody's and S&P to the extent that each rating agency provides such a rating and is then rating the Bonds. Such policy or surety bond shall insure and be in full force and effect at all times until the earlier of (i) the final maturity date of the Bonds (unless such date is extended by agreement of the

Insurer) or (ii) the date on which there are sufficient funds on deposit in the Debt Service Fund sufficient to pay the principal and interest due or to become due on the Bonds as set forth in Section 17 of this Bond Ordinance. If there is any change in such policy or surety bond, the County shall notify Moody's.

"S&P" means Standard & Poor's, a division of The McGraw-Hill Companies, Inc., its successors and their assigns, and, if such entity is dissolved or liquidated or no longer performs the functions of a securities rating agency, any other nationally recognized securities rating agency designated by the County.

"UnderwriterSubordinate Obligations" or "Series 1997A Bonds" means the Santa Fe County, New Mexico Gross Receipts Tax Revenue Bonds, Subordinate Series 1997A, and such other obligations as may be issued after the date of this Ordinance with a lien on Pledged Revenues junior and inferior the lien thereon of the Bonds.

"Underwriters" means Wachovia Securities and George K. Baum & Company.

Section 2. Ratification. All action heretofore taken (not inconsistent with the provisions of this Bond Ordinance) by the Governing Body and the officers of the County, directed toward the Project, the issuance of the Bonds for the Project and the sale of the Bonds to the Underwriter be, and the same hereby is, ratified, approved and confirmed.

Section 3. Authorization of Project. The Project and the method of financing the Project are hereby authorized and ordered at a total cost estimated not to exceed the amount of the Bond proceeds and any investment earnings thereon, excluding any such cost defrayed or to be defrayed by any source other than Bond proceeds. The County is the owner of the Project, and the Project will be used solely by and for the benefit of the County and its residents.

Section 4. Findings. The Governing Body hereby declares that it has considered all relevant information and data and hereby makes the following findings:

A. The Project is needed to meet the needs of the County and its inhabitants.

B. Moneys available for the Project from all sources other than the issuance of revenue bonds are not sufficient to defray the cost of the Project.

C. The Pledged Revenues may lawfully be pledged to secure the payment and redemption of the Bonds.

D. It is economically feasible to defray, in part, the cost of the Project by the issuance of the Bonds.

E. The issuance of the Bonds pursuant to the Act, to provide funds for the financing of the Project, is necessary and in the interest of the public health, safety and welfare of the residents of the County.

F. It is in the best interests of the County and its residents to provide that the outstanding Series 1997 Bonds and the Series 1997A Bonds be secured by the Pledged Revenues to the extent that such outstanding obligations have not previously been secured thereby, as further provided in Section 19 of this Bond Ordinance.

Section 5. Bonds - Authorization and Detail.

A. Authorization. This Bond Ordinance has been adopted by the affirmative vote of at least three-fourths of all of the members of the Governing Body. For the purpose of protecting the public health, conserving the property, and protecting the general welfare and prosperity of the citizens of the County, it is hereby declared necessary that the County, pursuant to the Act, issue its negotiable, fully registered, revenue bonds to be designated "Santa Fe County, New Mexico County Gross Receipts Tax Revenue Bonds, Series 2008," in an aggregate principal amount of $30,000,000, and the issuance, sale and delivery of the Bonds is hereby authorized.

(1) The Bonds shall be sold by a negotiated sale to the UnderwriterUnderwriters pursuant to the Bond Purchase Agreement, the execution and delivery of which is hereby approved.

(2) The use by the UnderwriterUnderwriters of the Preliminary Official Statement in the marketing of the Bonds is hereby ratified.

(3) The Chairperson or Vice-Chair of the Governing Body is hereby authorized to execute and deliver the Official Statement to the Underwriters.

B. Details of Bonds. There is hereby authorized and created a series of bonds designated as the Santa Fe County, New Mexico County Gross Receipts Tax Revenue Bonds, Series 2008.

(1) The Bonds shall be issued in an aggregate principal amount of $30,000,000 for the Project. The form, terms, and provisions of the Bonds in the form set forth in Section 13 of this Bond Ordinance are hereby approved with only such changes therein as are not inconsistent with this Bond Ordinance.

(2) The Bonds shall be negotiable instruments but shall be issued only as fully registered bonds, in such numbers and denominations as may be requested by the Underwriters, but exchangeable for other fully registered Bonds of any denominations which are multiples of $5,000.

(3) The Bonds shall be numbered separately and consecutively, shall be dated the date of their delivery to the Underwriters, shall mature on June 1 of each year and shall bear interest from the most recent date to which interest has been paid or provided for or, if no interest has been paid or provided for, from their date, payable

semi-annually on June 1 and December 1 in each year commencing on December 1, 2008 until their respective maturities.

(4) The Bonds shall bear the rates of interest and shall mature in each of the designated amounts and years as set forth below:

Year Maturing	Amounts Maturing	Interest Rate (Per Annum)
2009	$ 1,365,000	5.000%
2010	1,275,000	5.000%
2011	140,000	3.500%
2012	170,000	3.500%
2013	255,000	3.500%
2014	275,000	3.500%
2015	445,000	4.000%
2016	515,000	4.000%
2017	590,000	4.000%
~~2017~~2018	665,000	4.000%
~~2018~~2019	750,000	4.000%
~~2019~~2020	835,000	4.125%
~~2020~~2021	930,000	4.250%
~~2021~~2022	1,025,000	5.000%
~~2022~~2023	1,135,000	5.000%
~~2023~~2024	1,265,000	5.000%
~~2024~~2025	1,400,000	5.000%
~~2025~~2026	1,535,000	5.000%
~~2026~~2028*	3,525,000	4.750%
~~2027~~2033*	11,905,000	5.000%
~~2028~~		

* Term Bond subject to Mandatory Sinking Fund Redemption

The net effective interest rate on the Bonds is less than the statutory maximum of twelve percent (12%) per annum.

Section 6. Redemption.

A. Mandatory Sinking Fund Redemption. The Bonds maturing on June 1, [[2023]]2028 are subject to mandatory sinking fund redemption on June 1 in the years and principal amounts stated below at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the redemption date. As and for a sinking fund for the redemption of the Bonds maturing on June 1, [[2023]]2028, the County shall cause to be deposited in the Debt Service Fund a sum which is sufficient to redeem the following principal amounts of such Bonds, plus accrued interest to the redemption date:

June 1 Principal Amount

2027	$1,685,000
2028*	1,840,000

* Maturity

The Bonds maturing on June 1, [[2026]]2033 are subject to mandatory sinking fund redemption on June 1 in the years and principal amounts stated below at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the redemption date. As and for a sinking fund for the redemption of the Bonds maturing on June 1, [[2026]]2033, the County shall cause to be deposited in the Debt Service Fund a sum which is sufficient to redeem the following principal amounts of such Bonds, plus accrued interest to the redemption date:

June 1	Principal Amount
2029	$2,000,000
2030	2,180,000
2031	2,370,000
2032	2,570,000
2033*	2,785,000

* Maturity

B. Optional Redemption. The Bonds maturing on and after June 1, [[2018]]2019 are subject to redemption at the County's option in one or more units of principal of $5,000 on and after June 1, [[2017]]2018 in whole or in part at any time, in such order of maturities as the County may determine (and by lot if less than all of the bonds of such maturity is called, such selection by lot to be made by the Registrar in such manner considered appropriate and fair), for the principal amount of each $5,000 unit of principal so redeemed plus accrued interest to the redemption date. Redemption shall be made upon prior notice mailed to each registered owner of each bond selected for redemption as shown on the registration books kept by the Registrar in the manner and upon the conditions provided in this Bond Ordinance.

C. Notice. Notice of redemption shall be given by the Registrar by sending a copy of such notice by first-class, postage prepaid mail at least thirty (30) days prior to the redemption date to the registered owner of each Bond, or portion thereof, to be redeemed at the address shown as of the close of business of the Registrar on the fifth day prior to the mailing of notice on the registration books kept by the Registrar. The County shall give notice of optional redemption of the Bonds to the Registrar at least forty-five (45) days prior to the redemption date (unless such deadline is waived by the Registrar). The Registrar's failure to give such notice to the registered owner of any Bond, or any defect therein, shall not affect the validity of the proceedings for the redemption of any Bonds for which proper notice was given. Notices of redemption shall specify the maturity dates and the number or numbers of the Bonds to be redeemed (if less than all are to be redeemed) and if less than the full amount of any Bond is to be redeemed, the amount of such Bond to be redeemed, the date fixed for redemption, and that on such redemption date there will become and be due and payable upon each Bond to be redeemed at the office of the Paying Agent the principal amount to be redeemed plus accrued interest to the redemption date and that from and after such date interest will cease to accrue on such amount. Notice having been given in the manner hereinbefore provided, the Bond or Bonds so called for redemption shall become due and payable on the redemption date so designated and if an amount of money sufficient to redeem all Bonds called for redemption shall on the redemption date be on deposit with the Paying Agent, the Bonds to be redeemed shall be deemed not outstanding and shall cease to bear interest from and after such redemption date. Upon presentation of the Bonds to be redeemed at the office of the Paying Agent, the Paying Agent will pay the Bond or Bonds so called for redemption with funds deposited with the Paying Agent by the County.

D. Conditional Redemption. If money or Defeasance Obligations (as defined in Section 31 of this Bond Ordinance) sufficient to pay the optional redemption price of the Bonds to be called for optional redemption are not on deposit with the Paying Agent prior to the giving of notice of optional redemption pursuant to paragraph B of this Section, such notice shall state such Bonds will be redeemed in whole or in part on the optional redemption date in a principal amount equal to that part of the optional redemption price received by the Paying Agent on the applicable optional redemption date. If the full amount of the optional redemption price is not received as set forth in the preceding sentence, the notice shall be effective only for those Bonds for which the optional redemption price is on deposit with the Paying Agent. If all Bonds called for optional redemption cannot be redeemed, the Bonds to be redeemed shall be selected in the manner deemed reasonable and fair by the County and the Registrar shall give notice, including the information required by paragraph B of this Section and in the manner in which the original notice or optional redemption was given, that such money was not received. In that event, the Registrar shall promptly return to the Owners thereof the Bonds or certificates which it has received evidencing the part thereof which have not been optionally redeemed.

Section 7. Filing of Signatures. Prior to the execution of any Bond pursuant to Sections 6-9-1 to 6-9-6 NMSA 1978, as amended, the Chairperson of the Governing Body and County Clerk shall each file with the New Mexico Secretary of State his or her manual signature certified by him or her under oath; provided that filing shall not be necessary for any officer where any previous filing may have legal application to the Bonds or for any officer manually executing the Bonds.

Section 8. Execution and Authentication of Bonds.

A. Execution. The Bonds shall be signed with the engraved, imprinted, stamped or otherwise reproduced facsimile of the signature, or the manual signature, of the Chairperson of the Governing Body and shall be attested with the facsimile or manual signature of the County Clerk. There shall be affixed to each Bond the printed, engraved, stamped or otherwise placed facsimile of, or imprint of, the County's corporate seal. The Bonds shall be authenticated by the manual signature of an authorized officer of the Registrar. The Bonds when authenticated and bearing the manual or facsimile signatures of the officers in office at the time of signing thereof shall be valid and binding special obligations of the County, notwithstanding that before delivery thereof and payment therefor, any or all of the persons whose signatures appear thereon shall have ceased to fill their respective offices. The Chairperson of the Governing Body and County Clerk, at the time of the execution of the Bonds and the signature certificate, each may adopt as and for his or her own facsimile signature, the facsimile signature of his or her predecessor in office if such facsimile signature appears upon any of the Bonds or certificates pertaining to the Bonds.

B. Authentication. No Bond shall be valid or obligatory for any purpose unless the certificate of authentication has been duly executed by the Registrar. The Registrar's certificate of authentication shall be deemed to have been fully executed if manually signed and inscribed by an authorized officer of the Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder.

Section 9. Negotiability. The Bonds shall be fully negotiable and shall have all the qualities of negotiable paper, and the Bondholders shall possess all rights enjoyed by the holders of negotiable instruments under the provisions of the Uniform Commercial Code-Investment Securities. Except as set forth herein, the Bonds outstanding shall in all respects be equally and ratably secured, without preference, priority or distinction on account of the date or dates or the actual time or times of the issuance or maturity of the Bonds.

Section 10. Payment and Presentation of Bonds for Payment. Principal and interest on the Bonds shall be payable in lawful money of the United States of America, without deduction for exchange or collection charges. Principal shall be payable in immediately available funds at maturity or redemption thereof upon presentation and surrender of such Bond at the principal office of the Paying Agent or at the designated office of any successor Paying Agent. Upon any partial prior redemption of any Bond, the registered owner, in its discretion, may request the Registrar to authenticate a new Bond or to make a notation on the Bond indicating the date and amount of prepayment, except in the case of final maturity, in which case the Bond must be presented to the Paying Agent prior to payment. Interest on the Bonds shall be payable by check or draft mailed to the registered owner thereof (or in such other manner as may be agreed upon by the Paying Agent and the registered owner), as shown on the registration books maintained by the Registrar at the address appearing therein on the 15th day of the calendar month next preceding the Interest Payment Date (the "Record Date"). Any interest which is not timely paid or provided for shall cease to be payable to the owner thereof (or of one or more predecessor Bonds) as of the Record Date, but shall be payable to the owner thereof (or of one or more predecessor Bonds) at the close of business on a special record date for the payment of that overdue interest. The special record date shall be fixed by the Paying Agent whenever moneys become available for payment of the overdue interest, and notice of the special record date shall be given to Bond owners not less than ten days prior thereto. If any Bond presented for payment remains unpaid at maturity or redemption, it shall continue to bear interest at the rate or rates designated in, and applicable to, such Bond from time to time. If any Bond is not presented for payment at maturity or redemption when funds available therefor have been deposited with the Paying Agent, it shall cease bearing interest on and from the date of maturity or redemption.

Section 11. Registration, Transfer, Exchange and Ownership of Bonds.

A. Registration, Transfer and Exchange. The County shall cause books for registration, transfer, and exchange of the Bonds as provided herein to be kept at the principal office of the Registrar. Upon surrender for transfer or exchange of any fully registered Bond at the principal office of the Registrar duly endorsed by the registered owner or his attorney duly authorized in writing, or accompanied by a written instrument or instruments of transfer or exchange in form satisfactory to the Registrar and duly executed, the Registrar shall authenticate and deliver, not more than three (3) business days after receipt of the Bond or Bonds to be transferred, in the name of the transferee or registered owner, as appropriate, a new Bond or Bonds in authorized denominations, in fully registered form of the same aggregate principal amount, maturity and interest rate.

B. Limitations. The Registrar shall not be required to transfer or exchange any Bond (i) during the period of fifteen (15) days next preceding the mailing of notice calling any Bonds for redemption as herein provided, or (ii) after the mailing to registered owners of notice calling such Bonds or portion thereof for redemption as herein provided. The Registrar shall close books for change of registered owners' addresses on each Record Date; transfers will be permitted within the period from each Record Date to each Interest Payment Date, but such transfers shall not include a transfer of accrued interest payable.

C. Owner of the Bonds. The person in whose name any Bond is registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of either the principal of or interest on any such Bond shall be made only to or upon the order of the registered owner thereof or his legal representative as stated herein, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

D. Lost Bonds. If any Bonds shall be lost, stolen, destroyed or mutilated, the Registrar shall, upon receipt of such Bond, if mutilated, and such evidence, information or indemnity relating thereto as the Registrar may reasonably require, if lost, stolen or destroyed, authenticate and deliver a replacement Bond or Bonds of a like aggregate principal amount and of the same maturity and interest rate, bearing a number or numbers not contemporaneously outstanding. If any such lost, stolen, destroyed or mutilated Bond shall have matured or have been called for redemption, the Registrar may request the Paying Agent to pay such bond in lieu of replacement.

E. Additional Bonds. Executed but unauthenticated Bonds are hereby authorized to be delivered to the Registrar in such quantities as may be convenient to be held in custody by the Registrar pending delivery as herein provided.

F. Charges. For each new Bond issued in connection with a transfer or exchange, the Registrar may make a charge to the owner of the Bond requesting such exchange or transfer sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to such transfer or exchange.

G. Successor Registrar or Paying Agent. If the Registrar or Paying Agent initially appointed hereunder shall resign or is prohibited by law from continuing as Registrar or Paying Agent, or if the County shall reasonably determine that said Registrar or Paying Agent has become incapable of fulfilling its duties hereunder, the County may, upon notice mailed to the Insurer and upon notice mailed to each registered owner of Bonds at the address last shown on the registration books, appoint a successor Registrar or Paying Agent, or both. Every such successor Registrar or Paying Agent shall be a bank or trust company located in and in good standing in the United States and having a shareholders equity (e.g., capital stock, surplus and undivided profits), however denominated, not less than $50,000,000. It shall not be required that the same institution serve as both Registrar and Paying Agent hereunder, but the County shall have the right to have the same institution serve as both Registrar and Paying Agent hereunder.

H. Book Entry. The Bonds may be issued or registered, in whole or in part, in book-entry form from time to time with no physical distribution of bond certificates made to the public, with a Depository acting as securities depository for the Bonds. A single certificate for each maturity date of the Bonds issued in book-entry form will be delivered to the Depository and immobilized in its custody. The book-entry system will evidence ownership of the Bonds in authorized denominations, with transfer of ownership effected on the books of the Depository and its participants ("Participants"). As a condition to delivery of the Bonds in book-entry form, the UnderwriterUnderwriters will, immediately after acceptance of delivery thereof, deposit, or cause to be deposited, the Bond certificates with the Depository, registered in the name of the Depository or its nominee. Principal, premium, if any, and interest will be paid to the Depository or its nominee as the registered owner of the Bonds. The transfer of principal, premium, if any, and interest payments to Participants will be the responsibility of the Depository; the transfer of principal, premium, if any, and interest payments to the beneficial owners of the Bonds (the "Beneficial Owners") will be the responsibility of Participants and other nominees of Beneficial Owners maintaining a relationship with Participants (the "Indirect Participants"). The County will not be responsible or liable for maintaining, supervising or reviewing the records maintained by the Depository, Participants or Indirect Participants.

If (i) the Bonds are not eligible for the services of the Depository, (ii) the Depository determines to discontinue providing its services with respect to the Bonds or (iii) the County determines that a continuation of the system of book-entry transfers through the Depository ceases to be beneficial to the County or the Beneficial Owners, the County will either identify another Depository or certificates for the Bonds will be delivered to the Beneficial Owners or their nominees, and the Beneficial Owners or their nominees, upon authentication of Bonds and registration of those Bonds in the Beneficial Owners' or nominees' names, will become the owners of the Bonds for all purposes. In that event, the County shall mail an appropriate notice to the Depository for notification to Participants, Indirect Participants and Beneficial Owners of the substitute Depository or the issuance of bond certificates to Beneficial Owners or their nominees, as applicable.

Officers of the County are authorized to sign agreements with the Depository relating to the matters set forth in this Section.

Notwithstanding any other provision of this Bond Ordinance, so long as all of the Bonds are registered in the name of the Depository or its nominee, all payments of principal, premium, if any, and interest on the Bonds, and all notices with respect to the Bonds, shall be made and given by the Paying Agent, Registrar or the County to the Depository as provided in this Bond Ordinance and by the Depository to its Participants or Indirect Participants and notices to the Beneficial Owners of the Bonds in the manner provided in an agreement or letter of the County to the Depository.

Section 12. Special Limited Obligations. All of the Bonds and all payments of principal, premium, if any, and interest thereon whether at maturity or on a redemption date, together with any interest accruing thereon, shall be special limited obligations of the County and shall be payable and collectible solely from the Pledged Revenues, which revenues are so pledged and are payable as set forth in Section 17 of this Bond Ordinance. The owner or owners of the Bonds may not look to any general or other fund for the payment of the principal of or interest on such obligations, except the designated special funds pledged therefor. The Bonds shall not constitute an indebtedness or a debt of the County within the meaning of any constitutional, charter or statutory provision or limitation, nor shall they be considered or held to be general obligations of the County, and each of the Bonds shall recite that it is payable and collectible solely out of the Pledged Revenues, pledged as set forth in this Bond Ordinance, and that the holders thereof may not look to any general or other municipal fund for the payment of the principal of and interest on the Bonds. Nothing herein shall prevent the County from applying other funds of the County legally available therefor to the payment of the Bonds, in its sole discretion.

Section 13. Form of Bonds. The forms, terms and provisions of the Bonds shall be substantially in the form set forth below, with such changes therein as are not inconsistent with this Bond Ordinance.

[Form of Bond follows]

UNITED STATES OF AMERICA
STATE OF NEW MEXICO

SANTA FE COUNTY, NEW MEXICO
COUNTY GROSS RECEIPTS TAX REVENUE BONDS
SERIES 2008

Bond No. $

INTEREST RATE	MATURITY DATE	DATE OF BOND	CUSIP
___% per annum	, 20___	, 2008	

Santa Fe County, New Mexico (the "County"), a county duly organized and existing under the Constitution and laws of the State of New Mexico, for value received, hereby promises to pay, solely from the special funds available for the purpose as hereinafter set forth, to THE DEPOSITORY TRUST COMPANY or registered assigns, on the Maturity Date upon presentation and surrender hereof at the principal office of the County Treasurer, Santa Fe County, New Mexico, as paying agent, or any successor paying agent (the "Paying Agent"), the sum of DOLLARS ($) and to pay from said sources interest on the unpaid principal amount at the Interest Rate on December 1, 2008, and on each December 1 and June 1 (each an "Interest Payment Date") thereafter to its maturity, or until redeemed if called for redemption prior to maturity. This bond will bear interest from the most recent date to which interest has been paid or provided for or, if no interest has been paid or provided for, from its date. Interest on this bond is payable by check mailed to the registered owner hereof (or by such other arrangement as may be mutually agreed to by the Paying Agent and the registered owner) as shown on the registration books for this issue maintained by the County Treasurer, Santa Fe County, New Mexico, as registrar, or any successor registrar (the "Registrar") at the address appearing therein at the close of business on the fifteenth day of the calendar month next preceding the Interest Payment Date (the "Record Date"). Any interest which is not timely paid or duly provided for shall cease to be payable to the owner hereof as of the Record Date but shall be payable to the owner hereof at the close of business on a special record date to be fixed by the Paying Agent for the payment of interest. The special record date shall be fixed by the Paying Agent whenever moneys become available for payment of the overdue interest, and notice of the special record date shall be given to owners of Bonds (defined below) as then shown on the Registrar's registration books not less than ten days prior to the special record date. If, upon presentation at maturity or redemption, payment of this bond is not made as herein provided, interest hereon shall continue at the Interest Rate until the principal hereof is paid in full. The principal, premium, if any, and interest on this bond are payable in lawful money of the United States of America, without deduction for the services of the Paying Agent or the Registrar.

This bond is one of a duly authorized series of fully registered bonds of the County in the aggregate principal amount of $30,000,000 issued in denominations of $5,000 or integral multiples thereof, designated as the Santa Fe County, New Mexico

County Gross Receipts Tax Revenue Bonds, Series 2008 (the "Bonds") issued under and pursuant to Ordinance No. 2008-__ adopted on July 29, 2008 (the "Bond Ordinance").

The Bonds maturing on and after June 1, 20__ are subject to prior redemption at the County's option in one or more units of principal of $5,000 on and after June 1, 20__ in whole or in part at any time, in such order of maturities as the County may determine (and by lot if less than all of the bonds of such maturity is called, such selection by lot to be made by the Registrar in such manner considered appropriate and fair), for the principal amount of each $5,000 unit of principal so redeemed plus accrued interest to the redemption date. Redemption shall be made upon prior notice mailed to each registered owner of each bond selected for redemption as shown on the registration books kept by the Registrar in the manner and upon the conditions provided in the Bond Ordinance.

Notice of redemption of this bond will be given by providing at least thirty (30) days prior written notice by first-class postage prepaid mail to the owner hereof at the address shown on the registration books as of the fifth day prior to the mailing of notice as provided in the Bond Ordinance. Notices of redemption will specify the number or numbers and maturity date of the Bonds to be redeemed (if less than all are to be redeemed), the date fixed for redemption, the amount of such Bond to be redeemed (if less than the full amount of any Bond is to be redeemed), and shall further state that on such redemption date there will become and be due and payable upon each Bond to be redeemed at the office of the Paying Agent the principal amount thereof plus accrued interest to the redemption date and that from and after such date, the redemption amount having been deposited and notice having been given, interest will cease to accrue. Upon any partial prior redemption of this bond, the registered owner, in its discretion, may request the Registrar to authenticate a new bond or to make an appropriate notation on this bond indicating the date and amount of prepayment, except in the case of final maturity, in which case this bond must be presented to the Paying Agent prior to payment.

Books for the registration and transfer of the Bonds shall be kept by the Registrar. Upon the surrender for transfer or exchange of a Bond at the principal office of the Registrar, duly endorsed or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing, the Registrar shall authenticate and deliver, not more than three (3) business days after receipt of the Bond or Bonds to be transferred, in the name of the transferee or owner a new Bond or Bonds in fully registered form of the same aggregate principal amount, maturity and interest rate, bearing a number or numbers not contemporaneously outstanding. Exchanges and transfers of Bonds shall be without charge to the owner or any transferee, but the Registrar may require the payment by the owner of any Bond of any tax or other similar governmental charge required to be paid with respect to such exchange or transfer. The Registrar shall not be required (i) to transfer or exchange any Bond during the period of fifteen days next preceding the mailing of notice calling any Bonds for redemption, or (ii) to transfer or exchange any Bond or part thereof called for redemption. The Registrar will close books for change of registered owners' addresses on each Record Date; transfers will be permitted within the period from each Record Date to each Interest Payment Date, but such transfers shall not include a transfer of accrued interest payable.

The person in whose name any Bond is registered on the registration books kept by the Registrar shall be deemed and regarded as the absolute owner thereof for the purpose of making payment thereof and for all other purposes except as may otherwise be provided with respect to payment of interest in the Bond Ordinance; and payment of or on account of either principal or interest on any Bond shall be made only to or upon the written order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to discharge the liability upon such Bond to the extent of the sum or sums so paid.

If any Bond shall be lost, stolen, destroyed or mutilated, the Registrar will, upon receipt of such Bond, if mutilated, and such evidence, information or indemnity relating thereto as the Registrar may reasonably require, if lost, stolen or destroyed, authenticate and deliver a replacement Bond or Bonds of a like aggregate principal amount and of the same maturity and interest rate, bearing a number or numbers not contemporaneously outstanding. If such lost, stolen, destroyed or mutilated Bond shall have matured or have been called for redemption, the Registrar may direct the Paying Agent to pay such Bond in lieu of replacement.

This Bond does not constitute an indebtedness of the County within the meaning of any constitutional or statutory provision or limitation, shall not be considered or held to be a general obligation of the County, and is payable and collectible solely out of the revenues derived from the revenues from the county gross receipts tax imposed pursuant to Section 7 20E 9 NMSA 1978, first one-eighth of one percent County Gross Receipts Tax enacted pursuant to County Ordinance No. ~~1987-6~~1983-7, as amended by Ordinance No. 2008 __, and 1991-4, the third one-eighth of one percent County Gross Receipts Tax enacted pursuant to County Ordinance No. 1987-6, as amended by the Bond Ordinance, and the one-sixteenth of one percent County Gross Receipts Tax enacted pursuant to County Ordinance No. 2005-7, each of which County Gross Receipts Tax is imposed on persons engaging in business in the County~~,~~ pursuant to Section 7-20E-9 NMSA 1978, and which revenues are remitted to the County monthly by the New Mexico Department of Taxation and Revenue pursuant to Section 7-1-6.13 NMSA 1978, and which remittances currently equal ~~three~~five-sixteenths of one percent (0.~~1875~~3125%) of the taxable gross receipts reported ~~for the~~by persons engaging in business in the County~~-for~~ the month for which such remittances ; and which include the distribution to the County made pursuant to Section 7-1-6.46 NMSA 1978, as that distribution relates to the gross receipts tax revenues received pursuant to Section 7-1-6.4 NMSA 1978, which revenues are ~~made~~reduced pursuant to the deductions under Sections 7-9-92 and 7-9-93, NMSA 1978; provided that if an additional amount of such gross receipts tax revenues or other equivalent funds are hereafter provided to be remitted to the County under applicable laws of the State, such additional amounts shall be included as revenues pledged pursuant to the Bond Ordinance.

The lien of the Bonds on the Pledged Revenues is an irrevocable and first lien, but not necessarily an exclusive first lien, on the Pledged Revenues. Upon satisfaction of the conditions set forth in the Bond Ordinance, additional bonds may be issued and made payable from the Pledged Revenues having a lien thereon either on a parity with, or subordinate and junior to, the lien on the Pledged Revenues of the Bonds, but additional bonds may not be issued with a lien thereon superior to the lien thereon of the Bonds. Amounts and securities held in the Debt Service Fund and the Reserve Fund, as such terms are defined in the Bond Ordinance, have been exclusively pledged for payment of the principal of, premium, if any, and interest on the Bonds.

The Bonds are issued to provide funds to defray the cost of construction of and improvements to the County courthouse and other public facilities in the County at an approximate cost of $30,000,000, and to pay all costs incidental to the foregoing and the costs of the issuance of the Bonds. The Bonds are equally and ratably secured by the Pledged Revenues.

The County covenants and agrees with the owner of this Bond and with each and every person who may become the owner hereof that it will keep and perform all of the covenants of the Bond Ordinance.

This Bond is subject to the condition, and every owner hereof by accepting the same agrees with the obligor and every subsequent owner hereof, that the principal of and interest on this bond shall be paid, and this bond is transferable, free from and without regard to any equities, set-offs or cross-claims between the obligor and the original or any other owner hereof.

It is hereby certified that all acts and conditions necessary to be done or performed by the County or to have happened precedent to and in the issuance of the Bonds to make them legal, valid and binding special obligations of the County have been performed and have happened as required by law, and that the Bonds do not exceed or violate any constitutional or statutory limitation of or pertaining to the County.

This bond shall not be valid or obligatory for any purpose until the Registrar shall have manually signed the Certificate of Authentication.

IN WITNESS WHEREOF, Santa Fe County, New Mexico has caused this bond to be signed and executed on the County's behalf with the facsimile or manual signature of the Chairperson of the Board of County Commissioners and the facsimile or manual signature of the County Clerk and has caused the corporate seal of the County or a facsimile thereof to be affixed hereon, all as of the Date of Bond.

SANTA FE COUNTY, NEW MEXICO

(SEAL)

By:
Chairperson,
Board of County Commissioners

ATTEST:

By:
County Clerk

(Form of Registrar's Certificate of Authentication)

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the Bond Ordinance, and this bond has been registered on the registration books kept by the undersigned as Registrar for the Bonds.

Date of Authentication:

Treasurer of Santa Fe County, New Mexico,
as Registrar

By:
Authorized Officer

(End of Form of Registrar's Certificate of Authentication)

(Form of Statement of Insurance)

[to be provided]

(End of Form of Statement of Insurance)

(Form of Assignment)

For value received, hereby sells, assigns and transfer unto the within bond and hereby irrevocably constitutes and appoints attorney, to transfer the same on the books of the Registrar, with full power of substitution in the premises.

Name and Address of Transferee:

Social Security or Tax Identification No. of Assignee:

Dated:

Signature Guarantee:

NOTE: The assignor's signature to this Assignment must correspond with the name as written on the face of the within bond in every particular, without alteration or enlargement or any change whatsoever.

(End of Form of Assignment)

[End of Form of Bond]

Section 14. Period of Project's Usefulness. It is hereby determined and recited that the average reasonably expected useful life of the Project to be undertaken with the proceeds of the Bonds is not less than thirty (30) years from the date of initial delivery and issuance of the Bonds.

Section 15. Disposition of Proceeds; Completion of Project. Except as herein otherwise specifically provided, the proceeds derived from the sale of the Bonds, shall be used and paid solely for the valid costs of the Project.

A. Accrued Interest. All moneys received as accrued interest on the Bonds shall be deposited into the Debt Service Fund, to apply to the payment of interest next coming due on the Bonds.

B. Expenses. To the extent not paid by the Underwriters, an amount necessary, together with other legally available funds of the County, shall be used to pay Expenses.

C. Acquisition Fund. All remaining proceeds derived from the sale of the Bonds shall be deposited promptly upon the receipt thereof in the Acquisition Fund. The money in the Acquisition Fund shall be used and paid out solely for the purpose of the Project in compliance with applicable law.

D. Reserve Fund. Proceeds of the Bonds, other County moneys or a Reserve Fund Insurance Policy, in the amount of the Minimum Reserve, shall be deposited into the Reserve Fund on the date of issuance of the Bonds or thereafter, as provided in Section 17(E) of this Bond Ordinance.

E. Project Completion. As soon as practicable after completion of the Project, and in any event not more than sixty (60) days after completion of the Project, any balance remaining in the Acquisition Fund (other than any amount retained by the County for any Project costs not then due and payable) shall be transferred from the Acquisition Fund and deposited in the Debt Service Fund and used by the County to pay principal and interest on the Bonds as same become due.

F. UnderwriterUnderwriters Not Responsible. The UnderwriterUnderwriters of the Bonds shall in no manner be responsible for the application or disposal by the County or by its officers of the funds derived from the sale thereof or of any other funds herein designated.

Section 16. Funds and Accounts. The County hereby creates and continues the following special and separate funds:

A. Acquisition Fund. The "Santa Fe County, New Mexico County Gross Receipts Tax Revenue Bonds, Series 2008 Acquisition Fund" to be maintained by the County.

B. Income Fund. The "Santa Fe County, New Mexico County Gross Receipts Tax Revenue Bonds, Series 2008 Income Fund" to be maintained by the County.

C. Debt Service Fund. The "Santa Fe County, New Mexico County Gross Receipts Tax Revenue Bonds, Series 2008 Debt Service Fund" to be maintained by the County.

D. Reserve Fund. The "Santa Fe County, New Mexico County Gross Receipts Tax Revenue Bonds, Series 2008 Reserve Fund" to be maintained by the County.

Section 17. Deposit of Pledged Revenues and Flow of Funds.

A. Income Fund. So long as any of the Bonds are outstanding either as to principal or interest, or both, the County shall credit all Pledged Revenues to the Income Fund. The payments set forth in the succeeding subsections of this Section 17 shall be made from the Income Fund.

B. Debt Service Fund. As a first charge on the Income Fund, the following amounts shall be withdrawn from the Income Fund and shall be credited to the Debt Service Fund:

(1) Monthly, commencing on the first day of the month immediately succeeding the delivery of the Bonds, an amount in equal monthly installments necessary, together with any other moneys therein and available therefor, to pay the next maturing installment of interest on the Bonds, and monthly thereafter, commencing on each Interest Payment Date, one-sixth (1/6) of the amount necessary to pay the next maturing installment of interest on the Bonds then outstanding.

(2) Monthly, commencing on the first day of the month immediately succeeding the delivery of the Bonds, an amount in equal monthly installments necessary, together with any other moneys therein and available therefor, to pay the next maturing installment of principal of the outstanding Bonds and monthly thereafter, commencing on each principal payment date, one-twelfth (1/12) of the amount necessary to pay the next maturing installment of principal on the Bonds then outstanding.

C. Credit. In making the deposits required to be made into the Debt Service Fund, if there are any amounts then on deposit in the Debt Service Fund available for the purpose for which such deposit is to be made, the amount of the deposit to be made pursuant to paragraph B above shall be reduced by the amount available in such fund for such purpose.

D. Transfer of Money out of Debt Service Fund. Each payment of principal and interest becoming due on the Bonds shall be transferred from the Debt Service Fund to the Paying Agent on or before two Business Days prior to the due date of such payment.

E. Reserve Fund. No deposit shall be required in the Reserve Fund so long as the Pledged Revenues in each Fiscal Year equal or exceed ~~125~~200% of the maximum annual principal and interest coming due in any subsequent Fiscal Year on all outstanding Parity Bonds. If the Pledged Revenues in any Fiscal Year are insufficient to meet the test set forth in the preceding sentence, the County shall acquire a Reserve Fund Insurance Policy in an amount equal to the Minimum Reserve or shall begin making substantially equal monthly deposits in the Reserve Fund from the first legally available Pledged Revenues so that after 24 months an amount equal to the Minimum Reserve will be held in the Reserve Fund. The prior written consent of the Insurer shall be a condition precedent to the deposit of any credit instrument provided in lieu of cash deposit into the Debt Service Reserve Fund, if any. Notwithstanding anything to the contrary set forth in this Bond Ordinance, amounts on deposit in the Debt Service Reserve Fund shall be applied solely to the payment of debt service due on the Bonds. After funding the Reserve Fund in an amount equal to the Minimum Reserve, no additional payments need be made into the Reserve Fund so long as the moneys therein shall equal not less than the Minimum Reserve. The moneys in the Reserve Fund shall be accumulated and maintained as a continuing reserve to be used, except as hereinafter provided in paragraph F of this Section, only to prevent deficiencies in the payment of the principal of and interest on the Bonds resulting from failure to deposit into the Debt Service Fund sufficient funds to pay the principal and interest as the same accrue.

In the event that, following the date of issuance of a Reserve Fund Insurance Policy, the provider of that policy is downgraded below either of the two highest rating categories highest Rating Categories of Moody's and S&P to the extent that each rating agency provides such a rating and is then rating the Bonds, within sixty (60) days after the County has received notice of such downgrade, the policy shall be replaced with a Reserve Fund Insurance Policy meeting the requirements set forth in the definition thereof in Section 1 of this Ordinance; or alternatively, the County shall make deposits of Pledged Revenues in the Reserve Fund until the Minimum Reserve is held in the Reserve Fund, as provided in the immediately preceding paragraph.

F. Defraying Delinquencies in the Debt Service Fund and Reserve Fund. If, in any month, the County shall, for any reason, fail to pay into the Debt Service Fund the full amount above stipulated from the Pledged Revenues, then an amount shall be paid into the Debt Service Fund in such month from the Reserve Fund (if moneys are then on deposit in the Reserve Fund) equal to the difference between that paid from the Pledged Revenues and the full amount so stipulated. If the moneys paid into the Debt Service Fund from the Reserve Fund are not equal to the amount required to be paid into the Debt Service Fund for such month, then in the following month, an amount equal to the difference between the amount paid and the amount required shall be deposited into the Debt Service Fund, in addition to the normal payment required to be paid in such month, from the first Pledged Revenues thereafter received and not required to be otherwise applied. The money deposited in the Debt Service Fund from the Reserve Fund, if any, shall be replaced in the Reserve Fund from the first Pledged Revenues thereafter received not required to be otherwise applied. If, in any month, the County shall, for any reason, fail to pay into the Reserve Fund the full amount required, the difference between the amount paid and the amount so stipulated shall in a like manner be paid therein from the first Pledged Revenues thereafter received and not required to be otherwise applied. The moneys in the Reserve Fund shall be used solely and only for the purpose of paying any deficiencies in the payment of the principal of and the interest on the Bonds; provided, however, that any moneys at any time in excess of the Minimum Reserve in the Reserve Fund may be withdrawn therefrom and applied to any other lawful purpose. Cash accumulated in the Reserve Fund shall not be invested in a manner which could cause the Bonds to become arbitrage bonds within the meaning of the Code. Any investments held in the Reserve Fund shall be valued annually, on or about June 1, at their current fair market value and, if the amount then on deposit in the Reserve Fund exceeds the Minimum Reserve, all amounts in excess of the Minimum Reserve shall be transferred to the Debt Service Fund and used to pay principal of and interest on the Bonds.

G. Payment of Parity Obligations. Concurrently with the payment of the Pledged Revenues required by paragraphs B, E and F of this Section, any amounts on deposit in the Income Fund shall be used by the County for the payment of principal of, interest on and debt service reserve fund deposits relating to Parity Bonds now outstanding and to additional Parity Bonds, if any, hereafter authorized to be issued and payable from the Pledged Revenues, as applicable, as the same accrue. If funds on deposit in the Income Fund are not sufficient to pay when due the required payments of principal of, interest on and debt service reserve fund deposits relating to the Bonds and any other outstanding Parity Bonds, then the available funds in the Income Fund will be used, first, on a pro rata basis, based on the amount of principal and interest then due with respect to each series of outstanding Parity Bonds, for the payment of principal of and interest on all series of outstanding Parity Bonds and~~,~~ second, to the extent of remaining available funds in the Income Fund, on a pro rata basis, based on the amount of debt service reserve fund deposits then required with respect to each series of outstanding Parity Bonds, for the required debt service reserve fund deposits for all series of outstanding Parity Bonds.

H. Payment of Subordinate Obligations. Amounts on deposit in the Income Fund not needed to make the payments required pursuant to paragraphs B, E, F and G of this Section shall be used by the County for the payment of principal of, interest on and debt service reserve fund deposits relating to Subordinate Obligations now outstanding and to additional Subordinate Obligations, if any, hereafter authorized to be issued and payable from the Pledged Revenues, as applicable, as the same accrue. If funds on deposit in the Income Fund are not sufficient, after payment of all Bonds and Parity Bonds, to pay when due the required payments of principal of, interest on and debt service reserve fund deposits relating to the Subordinate Obligations, then the available funds in the Income Fund will be used, first, on a pro rata basis, based on the amount of principal and interest then due with respect to each series of outstanding Subordinate Obligations, for the payment of principal of and interest on all series of outstanding Subordinate Obligations and second, to the extent of remaining available funds in the Income Fund, on a pro rata basis, based on the amount of debt service reserve fund deposits then required with respect to each series of outstanding Subordinate Obligations, for the required debt service reserve fund deposits for all series of outstanding Subordinate Obligations.

I. Payment of Junior Subordinate Obligations. Amounts on deposit in the Income Fund not needed to make the payments required pursuant to paragraphs B, E, F, G and H of this Section shall be used by the County for the payment of principal of, interest on and debt service reserve fund deposits relating to Junior Subordinate Obligations now outstanding and to additional Junior Subordinate Obligations, if any, hereafter authorized to be issued and payable from the Pledged Revenues, as applicable, as the same accrue. If funds on deposit in the Income Fund are not sufficient, after payment of all Bonds, Parity Bonds and Subordinate Bonds, to pay when due the required payments of principal of, interest on and debt service reserve fund deposits relating to the Junior Subordinate Obligations, then the available funds in the Income Fund will be used, first, on a pro rata basis, based on the amount of principal and interest then due with respect to each series of outstanding Junior Subordinate Obligations, for the payment of principal of and interest on all series of outstanding Junior Subordinate Obligations and second, to the extent of remaining available funds in the Income Fund, on a pro rata basis, based on the amount of debt service reserve fund deposits then required with respect to each series of outstanding Junior Subordinate Obligations, for the required debt service reserve fund deposits for all series of outstanding Junior Subordinate Obligations.

J. Termination upon Deposits to Maturity. No payment shall be made into the Debt Service Fund or the Reserve Fund if the amounts (excluding any amount in the Reserve Fund represented by a Reserve Fund Insurance Policy) in such funds total a sum at least equal to the entire aggregate amount due as to principal, premium, if any, and interest, on the Bonds to their respective maturities or applicable redemption dates, in which case moneys in the Debt Service Fund and the Reserve Fund in an amount at least equal to such principal and interest requirements shall be used solely to pay such obligations as the same accrue, and any moneys in excess thereof in the Debt Service Fund and the Reserve Fund may be used as provided below.

~~I~~K. Surplus Revenues. After making all the payments hereinabove required to be made by this Section, and paying the Insurer all amounts due or to become due to the Insurer, the remaining Pledged Revenues, if any, may be applied to any other lawful purpose, as the County may from time to time determine.

Section 18. General Administration of Funds. The funds designated in Section 16 shall be administered and invested as follows:

A. Places and Times of Deposits. The funds shall be separately maintained as a trust fund or funds for the purposes established and shall be deposited in one or more bank accounts in an Insured Bank or Banks. Each fund or account shall be continuously secured to the extent required by law and shall be irrevocable and not withdrawable by anyone for any purpose other than the designated purpose. Payments shall be made into the proper fund or account on the first day of the month except when the first day shall not be a Business Day, then payment shall be made on the next succeeding Business Day. No later than two Business Days prior to each Interest Payment Date, moneys sufficient to pay interest and principal then due on the Bonds shall be transferred to the Paying Agent. Nothing in this Bond Ordinance shall prevent the County from establishing one or more bank accounts in an Insured Bank or Banks for all the funds required by this Bond Ordinance or shall prevent the combination of such funds and accounts with any other bank account or accounts or investments for other funds and accounts of the County.

B. Investment of Moneys. Moneys in the Reserve Fund shall be invested in accordance with paragraph C of this Section 18 and moneys in any other fund or account not immediately needed may be invested in any Qualified Investment. The obligations so purchased as an investment of moneys in any fund or account shall be deemed to be part of such fund or account, and the interest accruing thereon and any profit realized therefrom shall be credited to such fund or account, and any loss resulting from such investment shall be charged to such fund or account. The County Treasurer shall present for redemption or sale on the prevailing market any obligations so purchased as an investment of moneys in the fund or account whenever it shall be necessary to do so in order to provide moneys to meet any payment or transfer from such fund.

C. Reserve Fund. Moneys, if any, in the Reserve Fund may be invested only in Qualified Investments with a maturity not greater than five years (except for investment agreements approved in writing by the Insurer). The County shall annually on or about June 1 of each year, commencing on the first June 1 succeeding funding of the Reserve Fund, value the Reserve Fund on the basis of the current fair market value of deposits and investments credited to the Reserve Fund. For purposes of determining the amount on deposit in the Reserve Fund, any Reserve Fund Insurance Policy held by, or the benefit of which is available to, the County as security for the Bonds shall be deemed to be a deposit in the face amount of the policy or the stated amount of the credit facility provided, except that, if the amount available under a Reserve Fund Insurance Policy has been reduced as a result of a payment having been made thereunder or as a result of the termination, cancellation or failure of such Reserve Fund Insurance Policy and not reinstated or another Reserve Fund Insurance Policy provided, then, in valuing the Reserve Fund, the value of such Reserve Fund Insurance Policy shall be reduced accordingly. If, upon any valuation, the value of the Reserve Fund exceeds the Minimum Reserve, the excess amount shall be withdrawn and deposited into the Debt Service Fund; if the value is less than the applicable requirement, the County shall replenish such amounts from the first Pledged Revenues thereafter received not required to be otherwise applied or other moneys legally available therefor.

At such time as the Bonds are paid in full or are deemed to be paid in full, the amount on deposit in the Reserve Fund may be used to pay the final installments of principal and interest on the Bonds and otherwise may be withdrawn and transferred to the County to be used for any lawful purpose, provided that, if such amounts are used for a purpose other than payment of the Bonds, there shall be delivered an opinion of nationally recognized bond counsel that the purpose for which such funds are to be used is a lawful purpose for which such proceeds may be used under the laws of the State and that such use shall not result in the inclusion of interest on any Bonds in gross income of the recipient thereof for federal income tax purposes.

If moneys have been withdrawn from the Reserve Fund or a payment has been made under a Reserve Fund Insurance Policy constituting all or a portion of the Reserve Fund, and deposited into the Debt Service Fund to prevent a default on the Bonds, then the County will pay, from Pledged Revenues or other moneys legally available therefor, the full amount so withdrawn, together with interest, if any, required under the terms of the Reserve Fund Insurance Policy, or so much as shall be required to restore the Reserve Fund to the Minimum Reserve and to pay such interest, if any. Such repayment shall be made as required by paragraph F of Section 17.

The County may in part, or in whole, replace amounts in the Reserve Fund with a Reserve Fund Insurance Policy if the County receives written consent of the Insurer prior to such replacement.

Section 19. Lien on Pledged Revenues.

A. Bonds Secured by First Lien Pledge. The Pledged Revenues and the amounts and securities on deposit in the Debt Service Fund and the Reserve Fund, and the proceeds thereof, are hereby authorized to be pledged to, and are hereby pledged, and the County grants a security interest therein for, the payment of the principal of, premium, if any, and interest on the Bonds, subject to the uses thereof permitted by, and the priorities set forth in, this Bond Ordinance. The Bonds constitute an irrevocable and first lien, but not necessarily an exclusive first lien, on the Pledged Revenues on ~~a~~ parity with any additional Parity Bonds, hereafter authorized to be issued and payable from the Pledged Revenues.

B. Additional Security Pledged to Secure Series 1997 Bonds and Series 1997A Bonds. To the extent not previously pledged as security for the Series 1997 Bonds and Series 1997A Bonds, the Pledged Revenues are hereby authorized to be pledged, and are hereby pledged, and the County hereby grants the following liens and security interests:

(1) A lien on Pledged Revenues subordinate to the lien thereon of the Parity Bonds for the payment of amounts required in connection with the Series 1997A Bonds pursuant to County Ordinance No. 1996-18, as amended by Ordinance 1997-1; and

(2) A lien on Pledged Revenues subordinate to the lien thereon of the Parity Bonds and Series 1997A Bonds for the payment of amounts required to replenish the Reserve Fund established in County Ordinance No. 1996-16 and Section 7.07 of the Indenture approved thereby, in connection with the Series 1997 Bonds.

Section 20. Additional Bonds Payable from Pledged Revenues.

A. ~~Parity~~Additional Bonds Test. This Bond Ordinance shall not prevent the issuance of additional Parity Bonds payable from and constituting a lien upon the Pledged Revenues on parity with the lien of the Bonds. Before any additional Parity Bonds are actually issued, it must be determined that:

(1) The County is then current in the accumulation of all amounts which are required to have then been accumulated in the Debt Service Fund and the Reserve Fund (if any accumulation is then required in the Reserve Fund) as required by Section 17 of this Bond Ordinance; and

(2) No default shall exist in connection with any of the covenants or requirements of this Bond Ordinance, or the bond ordinance or ordinances authorizing the issuance of Outstanding Parity Obligations, Subordinate Obligations or Junior Subordinate Obligations; and

(3) The Pledged Revenues received by the County in the ~~Fiscal Year~~twelve months immediately preceding the date of issuance of the proposed additional Parity Bonds shall have been sufficient to pay an amount representing at least ~~125~~140% of the combined maximum annual principal and interest coming due in any subsequent Fiscal Year on (a) the outstanding Bonds, (b) other outstanding Parity Bonds, Subordinate Obligations and Junior Subordinate Obligations payable from and constituting a lien upon the Pledged Revenues, and (c) the Parity Bonds proposed to be issued.

B. Certification or Opinion Regarding Revenues. A written certificate or opinion by the Governmental Unit's Treasurer or Finance Director or by an Independent Accountant that the Pledged Revenues are sufficient to pay the required amounts under the test in Paragraph A of this Section 20, shall conclusively determine the right of the County to issue additional Parity Bonds. The Independent Accountant may utilize the results of any annual audit to the extent it covers the applicable period.

~~C.~~ Subordinate Obligations and Junior Subordinate Obligations Permitted. Nothing in this Bond Ordinance shall prevent the County from issuing bonds or other obligations payable from the Pledged Revenues pledged by this Bond Ordinance and having a lien on the Pledged Revenues subordinate to the lien of the Bonds~~.~~; provided, however, that before any such Subordinate Obligations or Junior Subordinate Obligations are issued, it shall be determined that:

(1) The County is then current in all of the accumulations required to be made in connection with any Parity Obligations, Subordinate Obligations and Junior Subordinate Obligations then Outstanding;

(2) No default shall exist in connection with any of the covenants or requirements of this Bond Ordinance, or the bond ordinance or ordinances authorizing the issuance of Outstanding Parity Obligations, Subordinate Obligations or Junior Subordinate Obligations; and

(3) The Pledged Revenues received by the County in the twelve months immediately preceding the date of issuance of the proposed additional Subordinate Obligations and Junior Subordinate Obligations shall have been sufficient to

pay an amount representing at least 140% of the combined maximum annual principal and interest coming due in any subsequent Fiscal Year on (a) the outstanding Bonds, (b) other outstanding Parity Bonds payable from and constituting a lien upon the Pledged Revenues, (c) outstanding Subordinate Obligations and Junior Subordinate Obligations then outstanding and (d) the Subordinate Obligations or Junior Subordinate Obligations proposed to be issued.

C. Certification or Opinion Regarding Revenues. A written certificate or opinion by an Independent Accountant that the Pledged Revenues are sufficient to pay the required amounts under the test in Paragraph A or Paragraph B of this Section 20, shall conclusively determine the right of the County to issue additional Parity Bonds, Subordinate Obligations or Junior Subordinate Obligations, as applicable. The Independent Accountant may utilize the results of any annual audit to the extent it covers the applicable period.

D. Superior Obligations Prohibited. The County shall not issue any obligation having a lien on the Pledged Revenues pledged by this Bond Ordinance which is prior and superior to the Bonds.

E. Insurer Consent to Issuance of Additional Bonds under Certain Conditions. Notwithstanding satisfaction of the other conditions to the issuance of additional Parity Bonds set forth in this Bond Ordinance, no such issuance may occur (i) if an Event of Default (or any event which, once all notice or grace periods have passed, would constitute an Event of Default) exists unless such default shall be cured upon such issuance and (ii) unless the Debt Service Reserve Fund (if any) is fully funded at the Debt Service Reserve Requirement (including the proposed issue) upon the issuance of such additional Parity Bonds, in either case unless otherwise permitted by the Insurer.

Section 21. Refunding Bonds. The provisions of Section 20 of this Bond Ordinance are subject to the following exceptions:

A. Privilege of Issuing Refunding Obligations. If at any time the County shall find it desirable to refund any outstanding obligations constituting a lien upon the Pledged Revenues, the Bonds or other obligations, or any part thereof, such obligations may be refunded, but only with the consent of the holders, unless the obligations shall then mature or be callable for redemption, or the plan of refunding calls for payment of the obligations at maturity or at a redemption date, regardless of whether the lien priority is changed by the refunding except that superior obligations are prohibited as provided in Paragraph D of Section 20 of this Bond Ordinance and except as provided in Paragraphs B and C of this Section.

B. Limitation upon Issuance of Parity Refunding Obligations. No refunding obligations shall be issued with a lien on the Pledged Revenues on a parity with the lien of the Bonds, unless:

(1) The lien on the Pledged Revenues of the outstanding obligations so refunded is on a parity with the lien on the Pledged Revenues of the Bonds; or

(2) The refunding obligations are issued in compliance with Paragraph A of Section 20 of this Bond Ordinance.

C. Refunding Part of an Issue. The refunding bonds or other refunding obligations issued shall enjoy complete equality of lien with the portion of any bonds or other obligations of the same issue which is not refunded, if any; and the holder or holders of such refunding bonds or other refunding obligations shall be subrogated to all of the rights and privileges enjoyed by the owner or owners of the same issue refunded thereby. If only a part of any issue or issues is refunded, then there may be no refunding without the consent of the holders of the unrefunded portion of such obligations, unless:

(1) The refunding obligations do not increase the aggregate principal and interest requirements for any Fiscal Year commencing prior to the last maturity date of such unrefunded obligations; or

(2) The lien of the refunding obligations is subordinate to the lien of any obligations not refunded; or

(3) The refunding bonds or other refunding obligations are issued in compliance with Paragraph A of Section 20 of this Bond Ordinance.

D. Limitation upon Issuance of Any Refunding Obligations. Any refunding obligations payable from Pledged Revenues shall be issued with such details as the Governing Body may provide, subject to the inclusion of any such rights and privileges designated in Paragraph C of this Section but without impairing any contractual obligation imposed by any proceedings authorizing any unrefunded portion of any issue or issues, including the Bonds.

Section 22. Equality of Parity Bonds. The Parity Bonds from time to time outstanding shall not be entitled to any priority one over the other in the application of the Pledged Revenues, regardless of the time or times of their issuance or the date incurred, it being the intention of the Governing Body that, except as set forth herein, there shall be no priority among Parity Bonds regardless of whether they are actually issued and delivered or incurred at different times.

Section 23. Protective Covenants. The County hereby covenants and agrees with each and every holder of the Bonds issued hereunder:

A. Use of Bond Proceeds. The County will proceed without delay to apply the proceeds of the Bonds as set forth in Section 15 of this Bond Ordinance.

B. Payment of Bonds Herein Authorized. The County will promptly pay the principal of and the interest on every Bond at the place, on the date and in the manner specified herein and in the Bonds according to the true intent and meaning hereof.

C. County's Existence. The County will maintain its corporate identity and existence so long as any of the Bonds remain outstanding, unless another political subdivision by operation of law succeeds to the liabilities and rights of the County, without adversely affecting to any substantial degree the privileges and rights of any owner of the Bonds.

D. Extension of Interest Payments. In order to prevent any accumulation of claims for interest after maturity, the County will not directly or indirectly extend or assent to the extension of time for the payment of any claim for interest on any of the Bonds, and the County will not directly or indirectly be a party to or approve any arrangements for any such extension. If the time for payment of any such interest shall be extended, such installment or installments of interest, after such extension or arrangement, shall not be entitled in case of default hereunder to the benefit or security hereof, except subject to the prior payment in full of the principal of all Bonds hereunder and then outstanding and of the matured interest on such Bonds, the payment of which has not been extended.

E. Records. So long as any of the Bonds remain outstanding, proper books of record and account will be kept by the County, separate and apart from all other records and accounts, showing complete and correct entries of all transactions relating to the Pledged Revenues.

F. Audits and Budgets. The County will, within two hundred ~~ten~~ ~~(210~~seventy (270) days following the close of each Fiscal Year, cause an audit of its books and accounts relating to the Pledged Revenues to be commenced by an Independent Accountant showing the receipts and disbursements in connection with such revenues.

G. Other Liens. Other than as described and identified by this Bond Ordinance, there are no liens or encumbrances of any nature whatsoever on or against the Pledged Revenues.

H. Impairment of Contract. The County agrees that any law, ordinance or resolution of the County that in any manner affects the Pledged Revenues or the Bonds shall not be repealed or otherwise directly or indirectly modified, in such a manner as to impair adversely any Bonds outstanding, unless such Bonds have been discharged in full or provision has been fully made therefor or unless the required consents of the holders of the then outstanding Bonds are obtained pursuant to Section 30 of this Bond Ordinance.

I. Debt Service Fund and Reserve Fund. The Debt Service Fund and Reserve Fund shall be used solely and only, and those funds are hereby pledged, for the purposes set forth in this Bond Ordinance.

J. Surety Bonds. Each County official and employee being responsible for receiving Pledged Revenues shall be bonded at all times, which bond shall be conditioned upon the proper application of such funds.

K. Performing Duties. The County will faithfully and punctually perform all duties with respect to the Bonds required by the Constitution and laws of the State and ordinances and resolutions of the County relating to the Bonds.

L. Tax Covenants. The County covenants that it will restrict the use of the proceeds of the Bonds in such manner and to such extent, if any, as may be necessary so that the Bonds will not constitute arbitrage bonds under Section 148 of the Code. The Chairperson of the Governing Body and other officers of the County having responsibility for the issuance of the Bonds shall give an appropriate certificate of the County, for inclusion in the transcript of proceedings for the Bonds, setting forth the reasonable expectations of the County regarding the amount and use of all the proceeds of the Bonds, the facts, circumstances and estimates on which they are based, and other facts and circumstances relevant to the tax treatment of interest on the Bonds.

The County covenants that it (i) will take or cause to be taken such actions which may be required of it for the interest on the Bonds to be and remain excluded from gross income for federal income tax purposes, and (ii) will not take or permit to be taken any actions which would adversely affect that exclusion, and that it or persons acting for it, will, among other acts of compliance, (a) apply the proceeds of the Bonds to the governmental purpose of the borrowing, (b) restrict the yield on investment property acquired with those proceeds, (c) make timely rebate payments to the federal government, if required, (d) maintain books and records and make calculations and reports, and (e) refrain from certain uses of proceeds, all in such manner and to the extent necessary to assure such exclusion of that interest under the Code. The Chairperson of the Governing Body and other appropriate officers are hereby authorized and directed to take any and all actions, make calculations and rebate payments, and make or give reports and certifications, if any, as may be required or appropriate to assure such exclusion of that interest.

In furtherance of the covenants set forth above, the County hereby establishes a fund separate from any other funds established and maintained hereunder designated as the Rebate Fund (the "Rebate Fund"). Money and investments in the Rebate Fund shall not be used for the payment of the Bonds and amounts credited to the Rebate fund shall be free and clear under any pledge under this Bond Ordinance. Money in the Rebate Fund shall be invested in a manner provided in Section 18 for investment of money, and all amounts on deposit in the Rebate Fund shall be held by the County, or a designated trustee, in trust, to the extent required to pay rebatable arbitrage to the United States of America. The County shall unconditionally be entitled to accept and rely upon the recommendation, advice, calculation and opinion of an accounting firm or other person or firm with knowledge of or experience in advising with respect to the provisions of the Code relating to rebatable arbitrage. The County shall remit all rebate installments and the final rebate payment to the United States of America as required by the provisions of the Code. Any moneys remaining in the Rebate Fund after redemption and payment of all the Bonds and payment and satisfaction of any rebatable arbitrage shall be withdrawn and remitted first to the Insurer to the extent of any amounts owed to the Insurer and then to the County.

Section 24. Continuing Disclosure Undertaking. The officers of the County are authorized to sign such documents and to take such actions in the future with respect to the County's continuing disclosure obligations as are necessary or desirable to comply with the Continuing Disclosure Undertaking and the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended. Notwithstanding any other provisions of this Bond Ordinance, failure of the County to comply with the Continuing Disclosure Undertaking shall not be considered an Event of Default under Section 25 hereof, and holders and beneficial owners of Bonds shall be entitled to exercise only such rights with respect thereto as are provided in the Continuing Disclosure Undertaking.

Section 25. Events of Default. Each of the following events is hereby declared an Event of Default:

A. Nonpayment of Principal. Failure to pay the principal of any of the Bonds when the same becomes due and payable, either at maturity, or by proceedings for redemption, or otherwise.

B. Nonpayment of Interest. Failure to pay any installment of interest when the same becomes due and payable.

C. Effect of Payments made Under Insurance Policy. In determining whether a payment default has occurred as provided in Subsection A or Subsection B of this Section 25, or whether a payment on the Bonds has been made as provided in this Bond Ordinance, no effect shall be given to payments made under the Insurance Policy.

D. Incapable of Performing. The County shall for any reason be rendered incapable of fulfilling its obligations hereunder.

~~E~~D. Default of any Provision. Default by the County in the due and punctual performance of its covenants or conditions, agreements and provisions contained in the Bonds or in this Bond Ordinance on its part to be performed (other than a default set forth in subparagraphs A and B of this Section), and the continuance of such default for thirty (30) days after written notice specifying such default and requiring the same to be remedied has been given to the County by the holders of twenty-five percent (25%) in aggregate principal amount of the Bonds then outstanding. The Insurer shall be deemed to be the sole holder of the Bonds insured by it for the purpose of the notification to be provided under this paragraph.

~~F~~E. Bankruptcy. The County (i) files a petition or application seeking reorganization or arrangement of debt under Federal bankruptcy law, or other debtor relief under the laws of any jurisdiction, or (ii) is the subject of such petition or application which the County does not contest or is not dismissed or discharged within sixty (60) days.

Section 26. Remedies upon Default. Upon the happening and continuance of any of the events of default as provided in Section 25 of this Bond Ordinance, then and in every case, the holder or holders of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds then outstanding, including, but not limited to, a trustee or trustees therefor, may proceed against the County, the Governing Body and its agents, officers and employees, but only in their official capacities, to protect and enforce the rights of any holder of Bonds under this Bond Ordinance by mandamus or other suit, action or special proceedings in equity or at law, in any court of competent jurisdiction, either for the appointment of a receiver or for the specific performance of any covenant or agreement contained herein or in an award relating to the execution of any power herein granted for the enforcement of any legal or equitable remedy as such holder or holders may deem most effectual to protect and enforce the rights provided above, or to enjoin any act or thing which may be unlawful or in violation of any right of any Bondholder, or to require the Governing Body to act as if it were the trustee of an express trust, or any combination of such remedies. All such proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all holders of the Bonds then outstanding. The failure of any Bondholder so to proceed shall not relieve the County or any of its officers, agents or employees of any responsibility for failure to perform, in their official capacities, any duty. Each right or privilege of such holder (or trustee thereof) is in addition and cumulative to any other right or privilege, and the exercise of any right or privilege by or on behalf of any holder shall not be deemed a waiver of any other right or privilege.

Anything in this Bond Ordinance to the contrary notwithstanding, upon the occurrence and continuance of an Event of Default as defined above in Section 25 of this Bond Ordinance, the Insurer, acting alone, shall have the right to direct all remedies in the Event of Default. The Insurer shall be recognized as the registered owner of the Bonds for purposes of exercising all rights and privileges available to the Bondholders under Sections 26 and 27 of this Bond Ordinance. The Insurer shall have the right to institute any suit, action, or proceeding at law or in equity under the same terms as the Bondholders in accordance with applicable provisions of this Bond Ordinance.

Section 27. Duties upon Default. Upon the happening of any of the events of default provided in Section 25 of this Bond Ordinance, the County, in addition, will do and perform all proper acts on behalf of and for the owners of the Bonds to protect and preserve the security created for the payment of the Bonds and to insure the payment of the principal of and interest on the Bonds promptly as the same become due. All proceeds derived from the Bonds, so long as any of the Bonds, either as to principal or interest, are outstanding and unpaid, shall be applied as set forth in Section 17 of this Bond Ordinance. In the event the County fails or refuses to proceed as provided in this Section, the holder or holders of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds then outstanding, after demand in writing, may proceed to protect and enforce the rights of the owners of the Bonds as hereinabove provided.

Section 28. Bonds Not Presented When Due. If any Bonds shall not be duly presented for payment when due at maturity or on the redemption date thereof, and if moneys sufficient to pay such Bonds are on deposit with the Paying Agent for the benefit of the owners of such Bonds, all liability of the County to such owners for the payments of such Bonds shall be completely discharged, such Bonds shall not be deemed to be outstanding and it shall be the duty of the Paying Agent to segregate and to hold such moneys in trust, without liability for interest thereon, for the benefit of the owners of such Bonds as may be provided in any agreement hereafter entered into between the Paying Agent and an officer of the County.

Section 29. Delegated Powers. The officers of the County are hereby authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Bond Ordinance, including, without limiting the generality of the foregoing, the publication of the title and general summary of this Bond Ordinance set out in Section 38 (with such changes, additions and deletions as they may determine), the printing of the Bonds, the preparation, printing, execution and distribution of the Preliminary Official Statement and the final Official Statement, and the execution thereof, of the Bond Purchase Agreement, the Continuing Disclosure Undertaking and of such documents or certificates as may be required by the Underwriter, the Insurers or bond counsel. The use and distribution of the Preliminary Official Statement and the Official Statement in connection with the sale of the Bonds to the public is hereby authorized, approved and acknowledged.

Section 30. Amendment of Bond Ordinance. This Bond Ordinance may be amended without the consent of the holder of any Bond to cure any ambiguity or to cure, correct or supplement any defect or inconsistent provision contained herein. Prior to the date of the initial delivery of the Bonds to the Underwriters, the provisions of this Bond Ordinance may be amended with the written consent of the Underwriter and the ~~Insurer~~Underwriters, with respect to any changes which are not inconsistent with the substantive provisions of this Bond Ordinance. In addition, this Bond Ordinance may be amended without receipt by the County of any additional consideration, but with the written consent of the holders of seventy-five percent (75%) of the Bonds then outstanding (not including Bonds which may be held for the account of the County); but no ordinance adopted without the written consent of the holders of all outstanding Bonds shall have the effect of permitting:

A. An extension of the maturity of any Bond; or

B. A reduction of the principal amount or interest rate of any Bond; or

C. The creation of a lien upon the Pledged Revenues ranking prior to the lien or pledge created by this Bond Ordinance; or

D. A reduction of the principal amount of Bonds required for consent to such amendatory ordinance; or

E. The establishment of priorities as between Bonds issued and outstanding under the provisions of this Bond Ordinance; or

F. The modification of or otherwise affecting the rights of the holders of less than all the outstanding Bonds.

Notwithstanding anything contained herein to the contrary, no amendment or supplement to this Bond Ordinance may become effective except upon obtaining the prior written consent of the Insurer. No contract shall be entered into or any action taken by which the rights of the Insurer or security for or sources of payment of the Bonds may be impaired or prejudiced in any material respect except upon obtaining the prior written consent of the Insurer.

Section 31. Defeasance. When all principal, interest and prior redemption premium, if any, in connection with the Bonds hereby authorized have been duly paid, the pledge and lien for the payment of the Bonds shall thereby be discharged and the Bonds shall no longer be deemed to be outstanding within the meaning of this Bond Ordinance. Payment shall be deemed made with respect to any Bond or Bonds when the County has placed in escrow with a commercial bank exercising trust powers, an amount sufficient (including the known minimum yield from Defeasance Obligations, as defined below) to meet all requirements of principal, interest and prior redemption premium, if any, as the same become due to their final maturities or upon designated redemption dates. Any Defeasance Obligations shall become due when needed in accordance with a schedule agreed upon between the County and such bank at the time of the creation of the escrow. Defeasance Obligations within the meaning of this Section~~,~~ unless otherwise approved by the Insurer, shall include only (i) cash, (ii) non-callable direct obligations of the United States of America ("Treasuries"), or (iii) evidences of ownership of proportionate interest in future interest and principal payments on Treasuries held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasuries are not available to any person claiming through the custodian or to whom the custodian may be obligated~~, (iv)~~ subject to the prior written consent of the Insurer, pre refunded municipal obligations rated "AAA" and "Aaa" by S&P and Moody's, respectively, or (v) subject to the prior written consent of the Insurer, securities eligible for "AAA" defeasance under then existing criteria of S&P or any combination thereof, shall be used to effect defeasance of the Bonds unless the Insurer otherwise approves.

To accomplish defeasance, the Issuer shall cause to be delivered (i) a report of an independent firm of nationally recognized certified public accountants or such other accountant as shall be acceptable to the Insurer ("Accountant") verifying the sufficiency of the escrow established to pay the Bonds in full on the maturity or redemption date ("Verification"), (ii) an Escrow Deposit Agreement (which shall be acceptable in form and substance to the Insurer), (iii) an opinion of nationally recognized bond counsel to the effect that the Bonds are no longer "Outstanding" under this Bond Ordinance and (iv) a certificate of discharge of the Paying Agent with respect to the Bonds; each Verification and defeasance opinion shall be acceptable in form and substance, and addressed, to the Issuer~~,~~ and Paying Agent and Insurer. The Insurer shall be provided with final drafts of the above referenced documentation not less than five (5) business days prior to the funding of the escrow.

Bonds shall be deemed Outstanding under this Bond Ordinance unless and until they are in fact paid and retired or the above criteria are met.

Amounts paid by the Insurer under the Insurance Policy shall not be deemed paid for purposes of this Bond Ordinance and the Bonds relating to such payments shall remain Outstanding and continue to be due and owing until paid by the Issuer in accordance with this Bond Ordinance. This Bond Ordinance shall not be discharged unless all amounts due or to become due to the Insurer have been paid in full or duly provided for.

Section 32. Ordinance Irrepealable. After any of the Bonds are issued, this Bond Ordinance shall be and remain irrepealable until the Bonds and the interest thereon shall be fully paid, canceled and discharged, as herein provided, or there has been defeasance of the Bonds as herein provided. This Bond Ordinance shall not be discharged unless all amounts due or to become due to the Insurer have been paid in full.

Section 33. Severability Clause. If any section, paragraph, clause or provision of this Bond Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Bond Ordinance.

Section 34. Repealer Clause.

A. Amendment of Ordinance No. 1987-6. Section 4 of Ordinance No. 1987-6 is hereby amended to read as follows:

> "Section 4. Dedication. The revenue derived from the third one-eighth of one percent increment of county gross receipts tax shall be used for general county purposes, including, without limitation, the payment of debt service on revenue bonds issued pursuant to the County Revenue Bond Act, Sections 4-62-1 through 4-62-10 NMSA 1978."

B. General. All bylaws, orders, resolutions and ordinances, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any bylaw, order, resolution or ordinance, or part thereof, heretofore repealed.

Section 35. Provisions Relating to the Insurer. Notwithstanding anything in this Bond Ordinance to the contrary, but only to the extent that the Insurer is not in default under the Insurance Policy and only if and to the extent permitted or authorized by New Mexico law, the following provisions shall govern:

A. Consent of Insurer. Any provision of this Bond Ordinance expressly recognizing or granting rights in or to the Insurer may not be amended in any manner which affects the rights of the Insurer hereunder without the prior written consent of the Insurer. The Insurer reserves the right to charge the County for any consent or amendment to this Bond Ordinance while the Insurance Policy is outstanding.

B. Consent of the Insurer in Addition to Holder Consent. Unless otherwise provided in this Section 35, the Insurer's consent shall be required in addition to holder consent, when required, for the following purposes: (i) execution and delivery of any supplemental ordinance or any amendment, supplement or change to or modification of this Bond Ordinance; (ii) removal of the Paying Agent and selection and appointment of any successor paying agent; and (iii) initiation or approval of any action not described in (i) or (ii) above which requires holder consent.

C. Consent of the Insurer in the Event of Insolvency. Any reorganization or liquidation plan with respect to the County must be acceptable to the Insurer. In the event of any reorganization or liquidation, the Insurer shall have the right to vote on behalf of all holders who hold Bonds absent a default by the Insurer under the Insurance Policy insuring such Bonds.

D. Consent of the Insurer upon Default. Anything in this Bond Ordinance to the contrary notwithstanding, upon the occurrence and continuance of an Event of Default as defined herein, the Insurer shall be entitled to control and direct the enforcement of all rights and remedies granted to the holders under this Bond Ordinance. The Insurer shall be deemed to be the sole holder of the insured Bonds for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the holders of the Bonds insured by it are entitled to take pursuant to this Bond Ordinance pertaining to (i) defaults and remedies and (ii) the duties and obligations of the Paying Agent. No grace period for a covenant default shall exceed 30 days or be extended for more than 60 days, without the prior written consent of the Insurer. No grace period shall be permitted for payment defaults.

E. Notices to be provided to the Insurer. The notice address of the Insurer is: , , , , Attention: , Re: Policy No. ____, Telephone: ; Telecopier: . In each case in which notice or other communication refers to an Event of Default, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel and shall be marked to indicate "URGENT MATERIAL ENCLOSED." The Insurer shall be provided with the following information by the Issuer or Paying Agent, as the case may be:

(1) Annual audited financial statements within 150 days after the end of the Issuer's fiscal year, or as soon thereafter as such audited financial statements are available (together with a certification or the Issuer that it is not aware of any default or Event of Default under this Bond Ordinance), and the Issuer's annual budget within 30 days after the approval thereof together with such other information, data or reports as the Insurer shall reasonably request from time to time;

(2) Notice of any draw upon the Debt Service Reserve Fund within two Business Days after knowledge thereof other than (a) withdrawals of amounts in excess of the Debt Service Reserve Requirement and (b) withdrawals in connection with a refunding of Bonds;

(3) Notice of any default known to the Paying Agent or Issuer within five Business Days after knowledge thereof;

(4) Prior notice of the advance refunding or redemption of any of the Bonds, including the principal amount, maturities and CUSIP numbers thereof;

(5) Notice of the resignation or removal of the Paying Agent or Registrar and the appointment of, and acceptance of duties by, any successor thereto;

(6) Notice of the commencement of any proceeding by or against the Issuer commenced under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding");

(7) Notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of, or interest on, the Bonds;

(8) A full original transcript of all proceedings relating to the execution of any amendment, supplement, or waiver to the Related Documents; and

(9) All reports, notices and correspondence to be delivered to Bondholders under the terms of the Related Documents.

F. Additional Matters Requiring Consent of or otherwise Related to the Insurer.

(1) The exercise of any provision of this Bond Ordinance which permits the purchase of Bonds in lieu of redemption shall require the prior written approval of the Insurer if any Bond so purchased is not cancelled upon purchase.

(2) Any amendment, supplement, modification to, or waiver of, this Bond Ordinance, and any Related Document, that requires the consent of Bondholders or adversely affects the rights and interests of the Insurer shall be subject to the prior written consent of the Insurer.

(3) Unless the Insurer otherwise directs, upon the occurrence and continuance of an Event of Default or an event which with notice or lapse of time would constitute an Event of Default, amounts on deposit in the Acquisition Fund shall not be disbursed, but shall instead be applied to the payment of debt service or redemption price of the Bonds.

(4) The rights granted to the Insurer under this Bond Ordinance or any other Related Document to request, consent to or direct any action are rights granted to the Insurer in consideration of its issuance of the Insurance Policy. Any exercise by the Insurer of such rights is merely an exercise of the Insurer's contractual rights and shall not be construed or deemed to be taken for the benefit, or on behalf, of the Bondholders and such action does not evidence any position of the Insurer,

affirmative or negative, as to whether the consent of the Bondholders or any other person is required in addition to the consent of the Insurer.

(5) The Insurer shall, to the extent it makes any payment of principal of or interest on the Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Insurance Policy. Each obligation of the Issuer to the Insurer under the Related Documents shall survive discharge or termination of such Related Documents.

(6) The Issuer shall, solely from Pledged Revenues, pay or reimburse the Insurer any and all charges, fees, costs and expenses that the Insurer may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in any Related Document; (ii) the pursuit of any remedies under this Bond Ordinance or any other Related Document or otherwise afforded by law or equity; (iii) any amendment, waiver or other action with respect to, or related to, this Bond Ordinance or any other Related Document whether or not executed or completed; or (iv) any litigation or other dispute in connection with this Bond Ordinance or any other Related Document or the transactions contemplated thereby, other than costs resulting from the failure of the Insurer to honor its obligations under the Insurance Policy. The Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of this Bond Ordinance or any other Related Document.

(7) After payment of reasonable expenses of the Paying Agent, the application of funds realized upon default shall be applied to the payment of expenses of the Issuer or rebate only after the payment of past due and current debt service on the Bonds and amounts required to restore the Debt Service Reserve Fund to the Minimum Reserve.

(8) The Insurer shall be entitled to pay principal or interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer (as such terms are defined in the Insurance Policy) and any amounts due on the Bonds as a result of acceleration of the maturity thereof in accordance with this Bond Ordinance, whether or not the Insurer has received a Notice of Nonpayment (as such terms are defined in the Insurance Policy) or a claim upon the Insurance Policy.

G. Paying Agent Related Provisions.

(1) The Paying Agent may be removed at any time, at the request of the Insurer, for any breach of the trust set forth herein.

(2) The Insurer shall receive prior written notice of any Paying Agent resignation.

(3) Any successor Paying Agent shall not be appointed unless the Insurer approves such successor in writing.

(4) Notwithstanding any other provision of this Bond Ordinance, in determining whether the rights of the holders will be adversely affected by any action taken pursuant to the terms and provisions of this Bond Ordinance, the Paying Agent shall consider the effect on the holders as if there were no Insurance Policy.

(5) Notwithstanding any other provision of this Bond Ordinance, no removal, resignation or termination of the Paying Agent shall take effect until a successor, acceptable to the Insurer, shall be appointed.

(6) Each of the Issuer and Paying Agent covenant and agree to such action (including, as applicable, filing of UCC financing statement and continuations thereof) as is necessary from time to time to preserve the priority of the pledge of the Pledged Revenues under applicable law.

(7) In determining whether any amendment, consent, waiver or other action to be taken, or any failure to take action, under this Bond Ordinance would adversely affect the security for the Bonds or the rights of the Bondholders, the Paying Agent shall consider the effect of any such amendment, consent, waiver, action or inaction as if there were no Insurance Policy.

H. Interested Parties.

(1) Insurer as Third Party Beneficiary. To the extent that this Bond Ordinance confers upon or gives or grants to the Insurer any right, remedy or claim under or by reason of this Bond Ordinance, the Insurer is hereby explicitly recognized as being a third party beneficiary hereunder and may enforce any such right, remedy or claim conferred, given or granted hereunder.

(2) Parties Interested Herein. Nothing in this Bond Ordinance expressed or implied is intended or shall be construed to confer upon, or to give or grant to, any person or entity, other than the County, the Insurer, the Paying Agent, and the registered owners of the Bonds, any right, remedy or claim under or by reason of this Bond Ordinance or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Bond Ordinance contained by and on behalf of the County shall be for the sole and exclusive benefit of the County, the Insurer, the Paying Agent and the registered owners of the Bonds.

Section 36. Payment Procedure Pursuant to the Insurance Policy. If an If, on the third Business Day prior to the related scheduled date for the payment of interest on or principal of the Bonds (for purposes of this Section 36, a "Payment Date") there is not on deposit with the Paying Agent, after making all transfers and deposits required under this Bond Ordinance, moneys sufficient to pay the principal of and interest on the Bonds due on such Payment Date, the Paying Agent shall give notice to the Bond Insurer and to its designated agent (if any) (the "Insurer's Fiscal Agent") by telephone or telecopy of the amount of such deficiency by 12:00 noon, New York City time, on such Business Day. If, on the second Business Day prior to the related Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the Bonds due on such Payment Date, the Paying Agent shall make a claim under the Insurance Policy and give notice to the Insurer and the Insurer's Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the Bonds and the amount required to pay principal of the Bonds, confirmed in writing to the Insurer and the Insurer's Fiscal Agent by 12:00 noon, New York City time, on such second Business Day by filling in the form of Notice of Claim and Certificate delivered with the Insurance Policy.

The Paying Agent shall designate any portion of payment of principal on Bonds paid by the Insurer, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of Bonds registered to the then current Bondholder, whether DTC or its nominee or otherwise, and shall issue a replacement Bond to the Insurer, registered in the name of the Insurer, in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Paying Agent's failure to so designate any payment or issue any replacement Bond shall have no effect on the amount of principal or interest payable by the Issuer on any Bond or the subrogation rights of the Insurer.

The Paying Agent shall keep a complete and accurate record of all funds deposited by the Insurer into the Policy Payments Account (defined below) and the allocation of such funds to payment of interest on and principal of any Bond. The Insurer shall have the right to inspect such records at reasonable times upon reasonable notice to the Paying Agent.

Upon payment of a claim under the Insurance Policy, the Paying Agent shall establish a separate special purpose trust account for the benefit of Bondholders referred to herein as the "Policy Payments Account" and over which the Paying Agent shall have exclusive control and sole right of withdrawal. The Paying Agent shall receive any amount paid under the Insurance Policy in trust on behalf of the Bondholders and shall deposit any such amount in the Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be distributed by the Paying Agent to Bondholders in the same manner as principal and interest payments are to be made with respect to the Bonds under the sections of this Bond Ordinance regarding payment of Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Notwithstanding anything herein to the contrary, the Issuer agrees to pay, solely from Pledged Revenues, to the Insurer (i) a sum equal to the total of all amounts paid by the Insurer under the Insurance Policy (the "Insurer Advances"); and (ii) interest on such Insurer Advances from the date paid by the Insurer until payment thereof in full, payable to the Insurer at the Late Payment Rate per annum (collectively, the "Insurer Reimbursement Amounts"). "Late Payment Rate" means the lesser of (a) the greater of (i) the per annum rate of interest publicly announced from time to time by JPMorgan Chase Bank at its principal office in The City of New York, as its prime or base lending rate (any change in such rate of interest to be effective on the date such change it announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the Bonds and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. The Issuer hereby covenants and agrees that the Insurer Reimbursement Amounts are secured by a lien on and pledge of the Pledged Revenues and payable from such Pledged Revenues on a parity with debt service due on the Bonds.

Funds held in the Policy Payments Account shall not be invested by the Paying Agent and may not be applied to satisfy any costs, expenses or liabilities of the Paying Agent. Any funds remaining in the Policy Payments Account following a Bond payment date shall promptly be remitted to the Insurer.

Section 37. Effective Date. Upon due adoption of this Bond Ordinance, it shall be recorded in the book of ordinances of the County kept for that purpose, authenticated by the signatures of the Chairperson of the Governing Body and County Clerk, and the title and general summary of the subject matter contained in this Bond Ordinance (set out in Section 38 below) shall be published in a newspaper which maintains an office and is of general circulation in the County and this Bond Ordinance shall be in full force and effect thereafter as provided by law.

Section ~~38~~36. General Summary for Publication. Pursuant to the general laws of the State, the title and a general summary of the subject matter contained in this Bond Ordinance shall be published in substantially the following form:

(Form of Summary of Ordinance for Publication)

Santa Fe County, New Mexico
Notice of Adoption of Bond Ordinance

Notice is hereby given of the title and of a general summary of the subject matter contained in an Ordinance, duly adopted and approved by the Governing Body of Santa Fe County, New Mexico, on July 29, 2008, relating to the authorization and issuance of the Santa Fe County, New Mexico County Gross Receipts Tax Revenue Bonds, Series 2008 (the "Bonds"). Complete copies of this Bond Ordinance are available for public inspection during the normal and regular business hours of the County Clerk, Santa Fe County, New Mexico.

The title of this Ordinance is:

SANTA FE COUNTY, NEW MEXICO
ORDINANCE

AUTHORIZING THE ISSUANCE AND SALE OF THE SANTA FE COUNTY, NEW MEXICO COUNTY GROSS RECEIPTS TAX REVENUE BONDS, SERIES 2008, IN AN AGGREGATE PRINCIPAL AMOUNT OF $30,000,000 FOR THE PURPOSE OF DEFRAYING THE COSTS OF CONSTRUCTION OF AND IMPROVEMENTS TO THE

COUNTY COURTHOUSE AND OTHER PUBLIC FACILITIES IN THE COUNTY, AND TO PAY COSTS OF ISSUANCE OF THE SERIES 2008 BONDS; ESTABLISHING THE PRINCIPAL AMOUNTS, MATURITIES, PRICES, REDEMPTION FEATURES AND OTHER DETAILS OF THE SERIES 2008 BONDS; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE SERIES 2008 BONDS FROM THE DISTRIBUTIONS TO THE COUNTY OF THE REVENUES OF THREE FIVE SIXTEENTHS OF ONE PERCENT COUNTY GROSS RECEIPTS TAX (CONSISTING OF THE FIRST ONE-EIGHTH OF ONE PERCENT INCREMENT, THE THIRD ONE-EIGHTH OF ONE PERCENT INCREMENT AND ONE-SIXTEENTH OF ONE PERCENT INCREMENT) ENACTED PURSUANT TO SECTION 7-20E-9 NMSA 1978 FROM THE NEW MEXICO TAXATION AND REVENUE DEPARTMENT PURSUANT TO SECTION 7-1-6.13 NMSA 1978 AND THE PLEDGE OF SUCH REVENUES BY THE COUNTY; PROVIDING FOR THE FORM, EXECUTION AND OTHER DETAILS CONCERNING THE BONDS; RATIFYING THE USE OF THE PRELIMINARY OFFICIAL STATEMENT AND APPROVING THE FORM OF OFFICIAL STATEMENT FOR THE MARKETING AND SALE OF THE BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT, A CONTINUING DISCLOSURE UNDERTAKING AND OTHER AGREEMENTS AND CERTIFICATES IN CONNECTION WITH THE BONDS; AUTHORIZING AN INSURANCE POLICY IN CONNECTION WITH THE BONDS AND CERTAIN PROVISIONS IN CONNECTION THEREWITH; RATIFYING ACTION PREVIOUSLY TAKEN IN CONNECTION WITH THE BONDS; AMENDING ORDINANCE NO. 1987-6 TO PROVIDE THAT THE THIRD ONE-EIGHTH OF ONE PERCENT INCREMENT OF COUNTY GROSS RECEIPTS TAX MAY BE USED FOR GENERAL COUNTY PURPOSES, INCLUDING THE PAYMENT OF DEBT SERVICE ON REVENUE BONDS; PROVIDING THAT THE OUTSTANDING SANTA FE COUNTY, NEW MEXICO CORRECTIONAL SYSTEM REVENUE BONDS, SERIES 1997 AND SANTA FE COUNTY, NEW MEXICO GROSS RECEIPTS TAX REVENUE BONDS, SUBORDINATE SERIES 1997A SHALL BE ADDITIONALLY SECURED BY THE REVENUES AS SECURITY FOR THE SERIES 2008 BONDS, TO THE EXTENT NOT PREVIOUSLY SECURED THEREBY; AND REPEALING ALL ORDINANCES AND RESOLUTIONS IN CONFLICT WITH THIS BOND ORDINANCE.

A general summary of the subject matter contained in this Bond Ordinance is set forth in its title.

This notice constitutes compliance with § 6-14-6 NMSA 1978.

(End of Form of Summary for Publication)

PASSED, ADOPTED AND APPROVED THIS 29TH DAY OF JULY, 2008.

SANTA FE COUNTY, NEW MEXICO

By:
Paul Campos, Chairperson
Board of County Commissioners

[SEAL]

ATTEST:

By:
Valerie Espinoza, County Clerk

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After discussion, Commissioner moved for approval, with Commissioner seconding the motion. The Bond Ordinance was passed upon the following roll call vote:

Those voting aye:

Those voting nay:

Those absent:

Commissioner thereupon declared that at least three-fourths of all the members of the Board having voted in favor of adoption of the Bond Ordinance, the motion was carried and the Bond Ordinance was duly passed and adopted.

EXHibit 5

SANTA FE COUNTY

Gross Receipts Tax Revenue Bonds Series 2008 Bond Sale Results

July 29, 2008

Presented by:

RBC Capital Markets

6301 Uptown Blvd. NE, Suite 110
Albuquerque, NM 87110
(505) 872-5999

Bond Covenants

- Bond covenants such as additional bonds test, debt service reserve fund requirements and optional redemption provisions are important component of an effective bond financing.

  - Used 2008 Bonds issue to resolve inconsistency and confusion resulting from the issuance of the 1997 & 1997A Bonds.

  - Combined 1st 1/8, 3rd 1/8th and 1/16th County GRT into a uniform pledge which accomplished the following

    - Clarified 1997 & 1997A pledge

    - Resolved pledge priority and cash flow for 1997 & 1997A GRT bonds

    - Enhanced the security for the 2008 Bonds which resulted in higher bond ratings from S&P and Moody's

Issue Summary

Issue Size:	$30,000,000
Net Proceeds for Projects:	$30,000,000
Maturity Dates:	2009-2033
Average Life:	16.563 Years
Call Feature:	June 1, 2018
Ratings - S&P:	AA+
Moody's:	Aa2
Credit Enhancement:	None
True Interest Cost:	4.819%
All-In Cost:	4.842%

RBC Capital Markets

Marketing Time Line

- July 14th — Rating call with Moody's and S&P
- July 22nd — Preliminary Official Statement distributed nationally to investors
- July 25th — Pre-pricing, preliminary scale distributed
- July 25th — Pre-marketing of Bonds to retail investors (underwriting team consisted of Wachovia Securities, George K. Baum, Edward Jones and Kious & Co.)
- July 28th — 2 hour retail & institutional order period established at 9:30 a.m.
- July 28th — Based upon feed back from investor certain yield and coupons were adjusted
- July 28th — 1:45 p.m. MDT underwriting team agreed to underwrite the bonds and received verbal award from the County with approximately $3 million or 10% of the transaction unsold
- July 29th — Board of County Commissioners consideration of Bond Ordinance
- September 10th — Bond closing

RBC Capital Markets

Sources and Uses of Funds

Dated Date 9/10/2008		
Delivery Date 9/10/2008		
Sources:		
Bond Proceeds:		
	Par Amount	30,000,000.00
	Net Premium	202,436.80
		30,202,436.80
Uses:		
Project Fund Deposits:		
	Project Fund #1	30,000,000.00
Delivery Date Expenses:		
	Cost of Issuance	79,436.80
	Underwriter's Discount	123,000.00
		202,436.80
		30,202,436.80

Pricing Summary

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Serial Bond:					
	6/1/2009	1,365,000	5.000%	1.800%	102.291
	6/1/2010	1,275,000	5.000%	2.360%	104.433
	6/1/2011	140,000	3.500%	2.810%	101.794
	6/1/2012	170,000	3.500%	3.030%	101.640
	6/1/2013	255,000	3.500%	3.220%	101.214
	6/1/2014	275,000	3.500%	3.400%	100.512
	6/1/2015	445,000	4.000%	3.540%	102.727
	6/1/2016	515,000	4.000%	3.710%	101.927
	6/1/2017	590,000	4.000%	3.870%	100.950
	6/1/2018	665,000	4.000%	3.980%	100.155
	6/1/2019	750,000	4.000%	4.150%	98.707
	6/1/2020	835,000	4.125%	4.310%	98.305
	6/1/2021	930,000	4.250%	4.440%	98.162
	6/1/2022	1,025,000	5.000%	4.510%	103.816 C
	6/1/2023	1,135,000	5.000%	4.570%	103.338 C
	6/1/2024	1,265,000	5.000%	4.640%	102.785 C
	6/1/2025	1,400,000	5.000%	4.710%	102.234 C
	6/1/2026	1,535,000	5.000%	4.770%	101.765 C
		14,570,000			
2028 Term:					
	6/1/2028	3,525,000	4.750%	4.870%	98.482
2033 Term:					
	6/1/2033	11,905,000	5.000%	5.000%	100.000
		30,000,000			

RBC Capital Markets

Debt Service Schedule

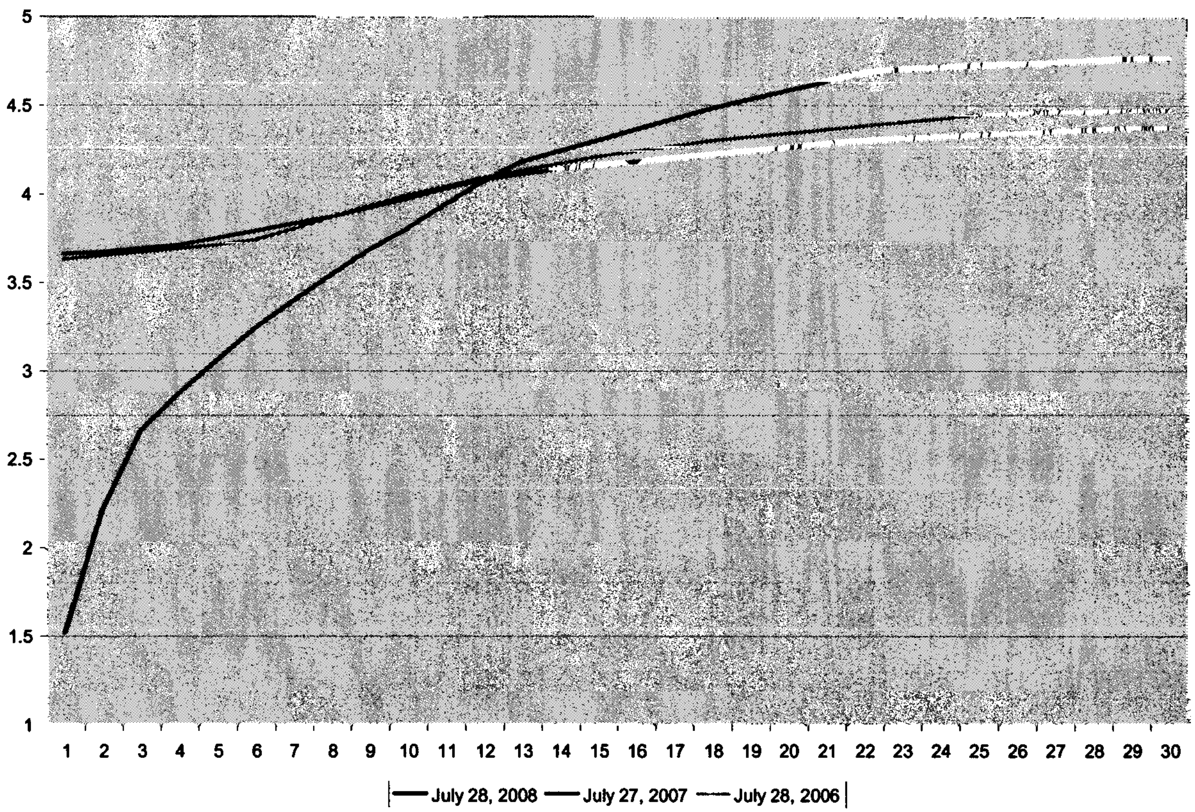
Period Ending	Principal	Coupon	Interest	Debt Service
6/1/2009	1,365,000	5.000%	1,040,125.79	2,405,125.79
6/1/2010	1,275,000	5.000%	1,366,406.26	2,641,406.26
6/1/2011	140,000	3.500%	1,302,656.26	1,442,656.26
6/1/2012	170,000	3.500%	1,297,756.26	1,467,756.26
6/1/2013	255,000	3.500%	1,291,806.26	1,546,806.26
6/1/2014	275,000	3.500%	1,282,881.26	1,557,881.26
6/1/2015	445,000	4.000%	1,273,256.26	1,718,256.26
6/1/2016	515,000	4.000%	1,255,456.26	1,770,456.26
6/1/2017	590,000	4.000%	1,234,856.26	1,824,856.26
6/1/2018	665,000	4.000%	1,211,256.26	1,876,256.26
6/1/2019	750,000	4.000%	1,184,656.26	1,934,656.26
6/1/2020	835,000	4.125%	1,154,656.26	1,989,656.26
6/1/2021	930,000	4.250%	1,120,212.50	2,050,212.50
6/1/2022	1,025,000	5.000%	1,080,687.50	2,105,687.50
6/1/2023	1,135,000	5.000%	1,029,437.50	2,164,437.50
6/1/2024	1,265,000	5.000%	972,687.50	2,237,687.50
6/1/2025	1,400,000	5.000%	909,437.50	2,309,437.50
6/1/2026	1,535,000	5.000%	839,437.50	2,374,437.50
6/1/2027	1,685,000	4.750%	762,687.50	2,447,687.50
6/1/2028	1,840,000	4.750%	682,650.00	2,522,650.00
6/1/2029	2,000,000	5.000%	595,250.00	2,595,250.00
6/1/2030	2,180,000	5.000%	495,250.00	2,675,250.00
6/1/2031	2,370,000	5.000%	386,250.00	2,756,250.00
6/1/2032	2,570,000	5.000%	267,750.00	2,837,750.00
6/1/2033	2,785,000	5.000%	139,250.00	2,924,250.00
	30,000,000		24,176,757.15	54,176,757.15

2008 and 2010 Finance Plan

FY 6/30	Series 2008 Principal	Coupon	Interest	Total	Series 2010 Principal	Coupon	Interest	Total	Total Combined
2009	$1,365,000	5.00%	$1,040,126	$2,405,126					$2,405,126
2010	1,275,000	5.00%	1,366,406	2,641,406					2,641,406
2011	140,000	3.50%	1,302,656	1,442,656	-	0.000%	1,262,427	1,262,427	2,705,083
2012	170,000	3.50%	1,297,756	1,467,756	55,000	3.33%	1,262,427	1,317,427	2,785,183
2013	255,000	3.50%	1,291,806	1,546,806	65,000	3.69%	1,260,595	1,325,595	2,872,401
2014	275,000	3.50%	1,282,881	1,557,881	145,000	3.90%	1,258,197	1,403,197	2,961,078
2015	445,000	4.00%	1,273,256	1,718,256	85,000	4.03%	1,252,542	1,337,542	3,055,798
2016	515,000	4.00%	1,255,456	1,770,456	130,000	4.15%	1,249,116	1,379,116	3,149,572
2017	590,000	4.00%	1,234,856	1,824,856	185,000	4.27%	1,243,721	1,428,721	3,253,577
2018	665,000	4.00%	1,211,256	1,876,256	245,000	4.39%	1,235,822	1,480,822	3,357,078
2019	750,000	4.00%	1,184,656	1,934,656	295,000	4.57%	1,225,066	1,520,066	3,454,722
2020	835,000	4.13%	1,154,656	1,989,656	360,000	4.69%	1,211,585	1,571,585	3,561,241
2021	930,000	4.25%	1,120,213	2,050,213	425,000	4.80%	1,194,701	1,619,701	3,669,913
2022	1,025,000	5.00%	1,080,688	2,105,688	500,000	4.90%	1,174,301	1,674,301	3,779,988
2023	1,135,000	5.00%	1,029,438	2,164,438	580,000	4.97%	1,149,801	1,729,801	3,894,238
2024	1,265,000	5.00%	972,688	2,237,688	665,000	5.03%	1,120,975	1,785,975	4,023,662
2025	1,400,000	5.00%	909,438	2,309,438	755,000	5.08%	1,087,525	1,842,525	4,151,963
2026	1,535,000	5.00%	839,438	2,374,438	850,000	5.13%	1,049,171	1,899,171	4,273,609
2027	1,685,000	4.75%	762,688	2,447,688	950,000	5.18%	1,005,566	1,955,566	4,403,254
2028	1,840,000	4.75%	682,650	2,522,650	1,060,000	5.23%	956,356	2,016,356	4,539,006
2029	2,000,000	5.00%	595,250	2,595,250	1,170,000	5.28%	900,918	2,070,918	4,666,168
2030	2,180,000	5.00%	495,250	2,675,250	1,300,000	5.33%	839,142	2,139,142	4,814,392
2031	2,370,000	5.00%	386,250	2,756,250	1,435,000	5.38%	769,852	2,204,852	4,961,102
2032	2,570,000	5.00%	267,750	2,837,750	1,575,000	5.43%	692,649	2,267,649	5,105,399
2033	2,785,000	5.00%	139,250	2,924,250	1,725,000	5.48%	607,127	2,332,127	5,256,377
2034					4,875,000	5.53%	512,597	5,387,597	5,387,597
2035					4,355,000	5.58%	243,009	4,598,009	4,598,009
Total	$30,000,000		$24,176,757	$54,176,757	$23,785,000		$24,502,756	$48,287,756	$103,726,939

RBC Capital Markets

Historical AAA MMD Yield Curve

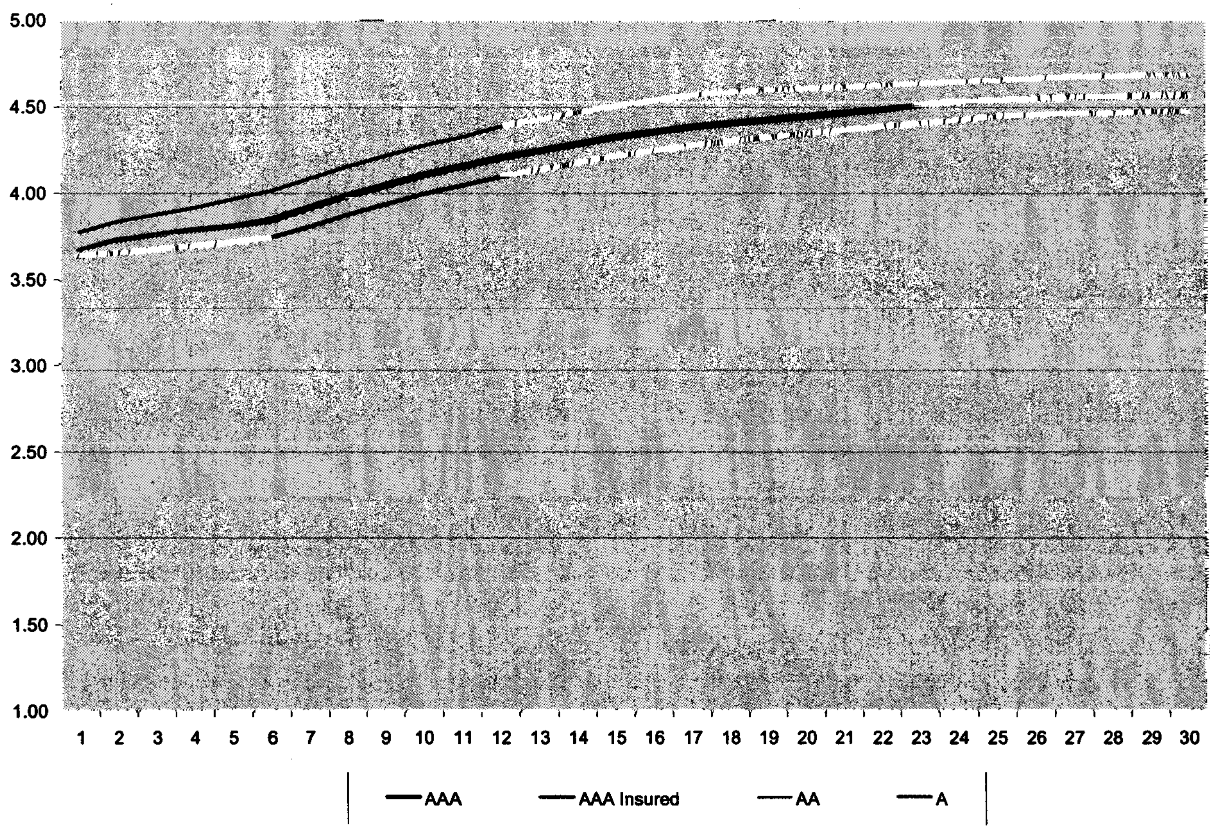


Historical AAA MMD Yield Curve

Year	July 28, 2008	July 27, 2007	July 28, 2006
1	1.52	3.66	3.63
2	2.21	3.67	3.65
3	2.66	3.69	3.67
4	2.87	3.71	3.69
5	3.06	3.75	3.71
6	3.24	3.79	3.74
7	3.39	3.83	3.80
8	3.54	3.87	3.87
9	3.68	3.92	3.93
10	3.80	3.97	3.99
11	3.94	4.03	4.04
12	4.07	4.08	4.09
13	4.18	4.11	4.13
14	4.24	4.14	4.17
15	4.30	4.16	4.21
16	4.36	4.18	4.24
17	4.42	4.20	4.27
18	4.48	4.22	4.30
19	4.53	4.24	4.32
20	4.58	4.26	4.34
21	4.63	4.28	4.36
22	4.68	4.30	4.38
23	4.70	4.31	4.40
24	4.71	4.32	4.42
25	4.72	4.33	4.44
26	4.73	4.34	4.45
27	4.74	4.35	4.46
28	4.75	4.36	4.46
29	4.76	4.37	4.47
30	4.76	4.37	4.47

RBC Capital Markets

MMD Yield Curve as of July 28, 2006

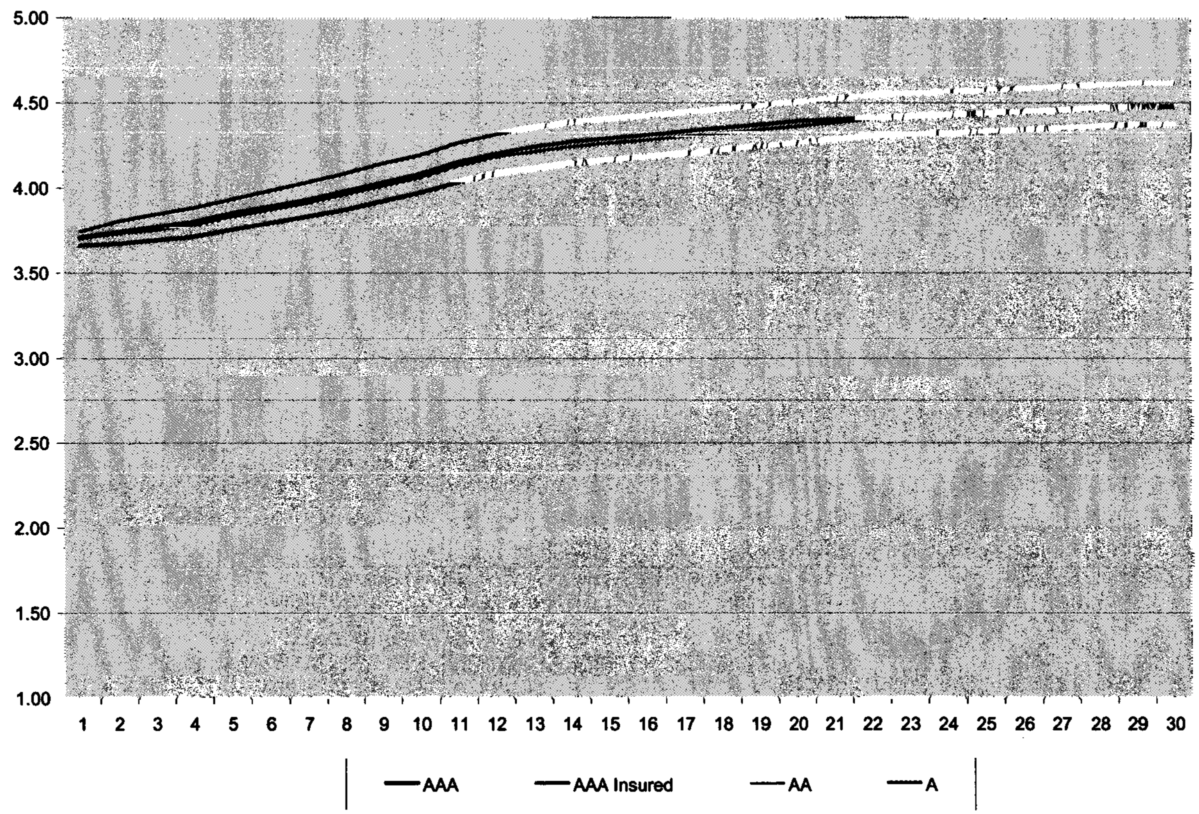


MMD June 28, 2006

Year	AAA	AAA Insured	AA	A
1	3.63	3.67	3.67	3.77
2	3.65	3.73	3.72	3.83
3	3.67	3.76	3.75	3.87
4	3.69	3.79	3.78	3.91
5	3.71	3.81	3.80	3.96
6	3.74	3.85	3.83	4.01
7	3.80	3.92	3.90	4.08
8	3.87	3.99	3.97	4.15
9	3.93	4.05	4.03	4.21
10	3.99	4.11	4.09	4.27
11	4.04	4.16	4.14	4.32
12	4.09	4.21	4.19	4.38
13	4.13	4.25	4.23	4.42
14	4.17	4.29	4.27	4.46
15	4.21	4.33	4.31	4.50
16	4.24	4.36	4.34	4.53
17	4.27	4.39	4.37	4.56
18	4.30	4.41	4.39	4.58
19	4.32	4.43	4.41	4.59
20	4.34	4.45	4.43	4.60
21	4.36	4.47	4.45	4.61
22	4.38	4.49	4.47	4.62
23	4.40	4.51	4.50	4.63
24	4.42	4.53	4.52	4.64
25	4.44	4.54	4.53	4.65
26	4.45	4.55	4.54	4.66
27	4.46	4.56	4.55	4.67
28	4.46	4.56	4.55	4.67
29	4.47	4.57	4.56	4.68
30	4.47	4.57	4.56	4.68

RBC Capital Markets

MMD Yield Curve as of July 27, 2007



MMD June 27, 2007

Year	AAA	AAA Insured	AA	A
1	3.66	3.71	3.70	3.74
2	3.67	3.74	3.73	3.80
3	3.69	3.77	3.75	3.84
4	3.71	3.80	3.78	3.88
5	3.75	3.85	3.83	3.93
6	3.79	3.89	3.87	3.98
7	3.83	3.93	3.91	4.03
8	3.87	3.98	3.96	4.08
9	3.92	4.03	4.01	4.14
10	3.97	4.08	4.06	4.19
11	4.03	4.15	4.13	4.26
12	4.08	4.20	4.18	4.31
13	4.11	4.24	4.21	4.35
14	4.14	4.27	4.24	4.38
15	4.16	4.29	4.26	4.40
16	4.18	4.31	4.28	4.42
17	4.20	4.33	4.30	4.44
18	4.22	4.35	4.32	4.46
19	4.24	4.37	4.34	4.48
20	4.26	4.39	4.36	4.50
21	4.28	4.40	4.38	4.52
22	4.30	4.41	4.40	4.54
23	4.31	4.42	4.41	4.55
24	4.32	4.43	4.42	4.56
25	4.33	4.44	4.43	4.57
26	4.34	4.45	4.44	4.58
27	4.35	4.46	4.45	4.59
28	4.36	4.47	4.46	4.60
29	4.37	4.48	4.47	4.61
30	4.37	4.48	4.47	4.61

RBC Capital Markets

Historical Interest Rates

Bond Buyer's Index
January 1, 1997 to Present (July 24, 2008)
25 Bond Rev. Index vs. 10 Year Treasury

RBC Capital Markets

Rating Reports

S&P's Rating Criteria

INVESTMENT GRADE

AAA

Highest possible rating - principal and interest payments considered very secure.

AA+/AA/AA-

High quality - differs from highest rating only in the degree of protection provided bondholders.

A+/A/A-

Good ability to pay principal and interest although more susceptible to adverse effects due to changing conditions.

BBB+/BBB/BBB-

Adequate ability to make principal and interest payments -- adverse changes are more likely to affect the ability to service debt.

Moody's Rating Criteria

INVESTMENT GRADE

Aaa

Highest possible rating - principal and interest payments considered very secure.

Aa1/Aa2/Aa3

High quality - differs from highest rating only in the degree of protection provided bondholders.

A1/A2/A3

Good ability to pay principal and interest although more susceptible to adverse effects due to changing conditions.

Baa1/Baa2/Baa3

Adequate ability to make principal and interest payments -- adverse changes are more likely to affect the ability to service debt.

Rating Reports

RBC Capital Markets

MOODY'S ASSIGNS INITIAL Aa2 RATING TO SANTA FE COUNTY'S $30 MILLION GRT REVENUE BONDS, SERIES 2008

RATING AFFECTS THE CURRENT $30 MILLION ISSUE ONLY

Santa Fe (County of) NM
County
New Mexico

Moody's Rating

Issue	Rating
County Gross Receipts Tax Revenue Bonds, Series 2008	Aa2
Sale Amount: $30,000,000	
Expected Sale Date: 08/01/08	
Rating Description: County Gross Receipts Tax Revenue	

NEW YORK, July 28, 2008 -- Moody's Investors Service has assigned an initial Aa2 rating to the Santa Fe County's (NM) $30 million County Gross Receipts Tax Revenue Bonds, Series 2008. Moody's believes the high quality Aa2 rating reflects an ample debt service coverage; a large and diverse tax base that has grown 62% over the last five years supported by a strong institutional employment presence; the favorable socio-economic profile of the community; a multi-year trend of solid financial operations; and sufficient legal covenants. Bond proceeds will be used to build a new county courthouse.

Pledged revenues are derived from three sources: (1) the first 1/8% County GRT, (2) the third 1/8% County GRT, and (3) the 1/16 County GRT.

LARGE TAX BASE WITH SLOWER GROWTH PROJECTED

Located in north central New Mexico, Santa Fe County encompasses 1,909 square miles. Officials believe only 60% of the County's land area is developed, leaving ample availability for future growth. The City of Santa Fe is home to the state capital and 10,000 state and federal government jobs, offering stability in the economy. In addition, Santa Fe has historically served as an upscale, resort community and second-home destination for individuals all over the southwestern portion of the United States. The 2000 Census per capita income is 137% of the state's and 109% of the nation's medians.

New development and healthy reappraisal of existing properties has boosted the County's assessed valuation a significant 9.9% annually over the past five years to $6.1 billion in fiscal 2008, resulting from a sizable full value of $18.4 billion. The growth in fiscal 2008 represents a notable 12.4% increase over the prior year. Officials indicate that of the $661 million added to the tax roll in fiscal 2008, approximately 59% resulted from new construction -- primarily from ongoing home construction and retail expansion. However officials report high-end residential construction has experienced a slow down. The average home price has decreased by about 6% from its peak in 2007 to $262,000 in 2008. The County's median home value in 2000 was $189,000, equivalent to 158% of the national median. In addition, expansion of large retail establishments and restaurants is underway to serve a growing population (10% growth since 2000). Going forward, officials project the assessed valuation will grow annually at 5% for the next five years. Moody's Economy.Com April 2008 report indicates Santa Fe's economy will contract in the near term because of lower consumption and decrease in residential investment. However, the area's diverse economy and high standard of living will foster above average growth over the long run. Education, health care, and the tourism industries, along with a rising concentration of retirees, will be the growth drives. Moody's believes the County's tax base will continue to expand at favorable rates.

STRONG DEBT SERVICE COVERAGE

The current sale will be senior lien to the 1997A subordinate GRT revenue bonds and to the 1997 junior subordinate lien GRT revenue bonds. There currently is no other senior lien debt outstanding. Over the past five years, pledged revenues have grown at a favorable annual average of 5.9%. Together, the pledged revenues totaled $13.1 million in fiscal 2007, providing a senior lien debt service coverage of 5.1 times in fiscal 2009. The maximum annual debt service (MADS) for the senior lien is due in 2033. The fiscal 2007 pledged revenues provide a solid 4.5 times coverage. When layering in subordinate and junior debt service requirements, coverage for the total maximum annual debt service payment of about $5.3 million due in 2009 remains healthy at 2.5 times. The County's medium-term plan calls for the issuances of $23.6 million of parity debt in 2010 finance the renovation of the existing court house. Principal repayment of the current sale is slow at 13% in ten years. Despite the plan for additional borrowing, Moody's believes the historical trend of pledged revenue growth will and strong debt service coverage are an of the strong Aa2 rating.

SUFFICIENT LEGAL COVENANTS

Bondholders are provided additional security by an additional bonds test requiring that for the 12 months immediately preceding the proposed parity obligations, pledged revenues must be at least 140% of the combined MADS of all parity, proposed, subordinate, and junior subordinate lien bonds. The debt service reserve requirement is weak given that it is a springing reserve covenant requiring the creation of a reserve in the event pledged revenues fall below 200% of MADS on parity bonds. The reserve would be funded through a surety policy or cash funded through equal installments over 24-month period.
The minimum reserve requirement would be the lesser of of (i) 10% of the principal amount of the outstanding Bonds, (ii) the maximum annual debt service on the outstanding Bonds, or (iii) 125% of the average annual debt service on the outstanding Bonds.

SOLID FINANCIAL OPERATIONS BOLSTERED BY AMPLE RESERVES

The County has historically maintained a solid financial position. The County has annually achieved strong surpluses; with the exception of fiscal 2002, when the County posted a $2.1 million reduction in reserves due to one-time capital expenditures. The general fund balance has increased from $18.6 million (50.3% of general fund revenues) in fiscal 2001 to an ample $38.6 million (75.1% of general fund revenues) in fiscal 2007. This is inclusive of about $9 million of reserves that is expected to be used to purchase equipment, land, and other one-time capital projects throughout the County.
The reserve level far exceeds the state requirement that County's maintain three months of operating expenditures in reserve. Officials attribute the increases to conservative budgeting practices and growing operating resources derived from assessed valuation growth. Preliminary figures for fiscal 2008 indicate another year of strong operating results, boosting the general fund balance to $42 million. Officials indicated the County plans to reserve about $20 million for future capital expenditures. The general fund continues to subsidize the jail facility. For fiscal 2007, this transfer equaled $6.4 million (about 15% of general fund expenditures). Officials anticipate similar transfers to the jail facility in future years. Operating revenues in fiscal
2007 were primarily derived from property taxes (67.9%) and gross receipt taxes (16%). Moody's believes the County's financial position will remain strong over the medium term as officials maintain their commitment to prudent fiscal practices. The favorable financial position is a key component of the County's high quality Aa1 rating.

KEY STATISTICS:

Estimated 2006 Population: 142,407

2008 Full Value: $18.4 billion

Senior Lien MADS Coverage (payable in 2033): 4.53 times

Senior and Subordinate Lien MADS Coverage (payable in 2010): 2.47 times

Payout of Principal (10 years): 16.7%

FY 2007 General Fund Balance: $38.6 million (75.1% of general fund revenues)

2000 Census Per Capita Income: 137% of state; 109% of the nation

Post Sale Parity Debt Outstanding: $30 million

Post Sale Same Pledged Revenues Backed Outstanding Debt: $61 million

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RATINGSDIRECT®

July 23, 2008

2008

Summary:
Santa Fe County, New Mexico; Sales Tax

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SFC CLERK RECORDED 09/17/2008

Summary:

Santa Fe County, New Mexico; Sales Tax

Credit Profile

US$30. mil cnty Gross Reciepts Tax rev bnds ser 2008 due 06/01/2027

Long Term Rating	AA+/Stable	New

Santa Fe Cnty gross recpts tax rev bnds subord ser 1997A dtd 02/01/1997 due 02/01/99-2012 2018 2027

Unenhanced Rating	AA(SPUR)/Stable	Affirmed

Santa Fe Cnty sales tax

Unenhanced Rating	A+(SPUR)/Stable	Affirmed

Many issues are enhanced by bond insurance.

Rationale

Standard & Poor's assigned its 'AA+' rating to Santa Fe County, N.M.'s $30 million series 2008 gross receipts tax revenue bonds. In addition, Standard & Poor's affirmed its 'AA' underlying rating (SPUR) on the county's series 1997A gross receipts tax revenue bonds and its 'A+' SPUR on the county's outstanding sales tax bonds.

The rating reflects:

- Large economic base of the county, including the state capitol;
- Broad-base of pledged gross receipts taxes; and
- Good debt service coverage.

The bonds are secured by a gross pledge of a potion of the county's gross receipts tax, with the 2008 bonds secured by a senior lien pledge, and the existing 1997 bonds secured by subordinate pledges.

The 2008 bonds will total $30 million and will be paid down over 25 years, with maximum annual debt service (MADS) occurring in 2033 at $2.9 million. Coverage based on historic pledged revenue is a strong 5.1x. Pledged revenues of $13.127 million in fiscal 2008 are unaudited, and are based on estimates for the fiscal year ended June 30, 2008. Pledged revenue has grown 47% during the past five years.

Santa Fe County is located in north-central New Mexico (AA+), about 60 miles northeast of the state's largest metropolitan area of Albuquerque (AAA). The City of Santa Fe, the county seat, is also the state capitol and one of the Southwest's premier tourist and resort destinations. The county's population, at approximately 130,000, has increased steadily; the state has a population of 1.8 million.

With a high concentration of government-related jobs, county income levels are well above the state average. The median household estimated buying income (EBI) is 114% of the New Mexico state average while per capita EBI is 143% of the state average, although in both categories the levels are average when compared with the national median. Also due to the stability of its job market, the unemployment rate is favorable compared to state and national levels; it was 2.9% in 2007 compared to 4.5% in the U.S. The services sector is also a leading component of the Santa Fe economy, with its historic downtown and proximity to the mountain resort Taos, 70 miles northeast. Of the 61,000 non-agricultural jobs in the area, the state of New Mexico provides 15%, or 9,443 positions, followed by the Santa Fe School District, and the U.S. federal government. Only three of the leading 10 employers are non-governmental, and they include the Santa Fe Opera, the cities of Gold Casino and St. Vincent's, a regional hospital, and a medical center.

The county has experienced strong average annual growth of more than 60% since 2002, to $6.1 billion in 2007. The tax base is diverse, with no concentration among larger properties. The county maintains substantial unreserved fund balances in the general fund with about $38 million in fiscal 2007, or more than a year's worth of expenditures.

Outlook

The stable outlook reflects the expectation of continued strong gross receipts tax collections and good debt service coverage.

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