

# LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

## MINUTES

### REGULAR BOARD OF DIRECTORS MEETING

4:00 p.m. Wednesday, June 1, 2011 at the Vado Office, 325 Holguin Road

{NOTE: Minutes are in DRAFT form until adopted and signed by the Board}

- I. **Sign in, establish quorum, call to order:** Sign in sheet and agenda are attached, Board members present were Chairman Robert (Marty) Nieto, Vice-Chairman John Holguin, Secretary Santos Ruiz, and Director Rosaura Pargas. Staff present were General Manager Martin Lopez, Operations Manager Mike Lopez, Finance Manager Kathi Jackson, Projects Manager Karen Nichols and Payroll/HR Specialist Connie Garcilazo. Mr. Nieto called the meeting to order at 4:00 p.m. {25}
- II. **Approval of agenda:** Mr. Holguin made a motion to approve the agenda and postpone item VII. Mr. Ruiz seconded motion and it carried on a vote of 4-0. {1:15}
- III. **Approval of Minutes of 5/18/11:** Ms. Pargas made a motion to approve the Minutes with corrections on item II changing "Ms. Holguin" to "Mr. Holguin" and on item IX change "Bonestroo Dairy" to "Gonzales Dairy Bonestroo Operation". The motion was seconded by Mr. Ruiz and carried on a vote of 4-0. 4:17
- IV. **Guest Presentations – none:** {4:29}
- V. **Public Input – 15 minutes total allotted for this item, 3 minute time limit per person, may be continued after Item VIII by board action:** A customer from 8428 Hwy 478 had a question regarding the monthly minimum water bill, Mr. Lopez and Mr. Nieto explained about options to avoid paying monthly bill, and he decided to pay this last bill and de-active meter for now. {21:56}
- VI. **General Manager's Reports:**
  - A. **Management Report:** The General Manager's Martin Lopez written report was in the board packet (attached), and he discussed it with the Board of Directors. {26:12}
  - B. **Finance Report:** Will be presented by Ms. Jackson next Board Meeting. {27:44}
  - C. **Operations Report:** Mr. Mike Lopez, Operations Manager handed out written report (attached) and reviewed it with the board. He reported that there are no major problems with the Lower Rio Grande PWWA system. {30:04}
  - D. **Projects Report:** Ms. Karen Nichols reviewed written report (attached) with the Board. {37:15}
- VII. **Unfinished Business:**
  - A. **Closed Session:** Postponed

1. **Motion to convene in closed session pursuant to NMSA 1978 10-15-1 (H)(7) regarding threatened or pending litigation – Roll Call Vote:**
2. **Motion to resume the open meeting and statement by the Chair that affirming that the matters discussed in the closed meeting were limited to those stated in the motion to close:**

**B. Appointment of new Director for the La Mesa area:** Postponed.

**VIII. New Business:**

**A. Resolution FY2011-13 - Open Meetings Act for FY12:** Mr. Lopez discussed the resolution and Ms. Pargas made a motion to adopt Resolution FY 2011-13 - Open Meetings Act for Fiscal Year 2012. Mr. Ruiz seconded motion and it carried on a vote of 4-0. {38:03}

**B. Resolution FY2011-14 - NMFA Desert Sands Vehicle Loan Assumption and Agreement Amendment:** Mr. Holguin made a motion and Mr. Ruiz seconded to adopt Resolution FY 2011-14. Motion carried on a vote of 4-0. {39:52}

**C. Resolution FY2011-15 - NMFA-USDA Refinance Loan No. 2601-PP & Loan Agreement:** Ms. Pargas made a motion to adopt Resolution FY2011-15 - NMFA-USDA Refinance Loan No. 2601-PP and Loan Agreement. Mr. Ruiz seconded the motion and it carried on a vote of 4-0. {41:10}

**D. Resolution FY2011-16 - FY2012 Budget:** Mr. Ruiz made a motion to adopt Resolution FY 2011-16 and Mr. Holguin seconded. The motion carried on a vote of 4-0. {42:11}

**IX. Other discussion and agenda items for next meeting – Next meeting 6/15/11 at 10:00 a.m.:** Mr. Lopez informed the board of the Lower Rio Grande Mutual Board Meeting June 03, 2011. He also mentioned that the Gonzales Dairy bill was paid, and a he had a call from a developer considering land near Hwy 478 & Joy. Mr. Mike Lopez stated that Board members uniforms are on back order. {44:02}

**X. Adjourn:** Mr. Holguin made a motion to adjourn, Ms. Pargas seconded and it carried on a vote of 4-0. Mr. Nieto declared the meeting adjourned at 4:50 p.m. {49:52}

Date Minutes Approved: \_\_\_\_\_

Directors Present:

\_\_\_\_\_  
Chairman Roberto M. Nieto

\_\_\_\_\_  
Vice- Chairman John Holguin

---

Secretary Santos Ruiz

---

Director Rosaura Pargas

# Lower Rio Grande Public Waterworks Authority

## Sign In Sheet

Date: 10-1-2011

Time: 4pm

Place: Nada Office

Meeting Type: Regular

Name, Title - Print Sign <u>10/1/2011</u>	Company or Agency Represented	Mailing Address	Telephone	Email
<u>Martin Lopez</u>	<u>UADO</u>	<u>4288 24th</u>		
<u>Dante Ruiz</u>	<u>Benine</u>	<u>P.O. Box 105</u>	<u>888 5937</u>	
<u>Donnie Garciago</u>	<u>LRG PWA</u>	<u>PO BOX 2046</u>	<u>882-5072</u>	
<u>John O Holguin</u>	<u>LRG PWA</u>	<u>615 Holguin Rd</u>	<u>695-9007</u>	
<u>Kathie Johnson FM</u>	<u>LRG PWA</u>	<u>PO Box 2046</u>	<u>233-3947</u>	
<u>Michael Lopez</u>	<u>LRG PWA</u>	<u>P.O. Box 703</u>	<u>(575) 635-3921</u>	
<u>Karen Nichols</u>	<u>LRG PWA</u>	<u>Res. 114 Park Ln 88047</u>		
<u>Robert W. M...</u>	<u>LRG PWA</u>	<u>PO Box 2646</u>	<u>915-203-2057</u>	
<u>Rosauro Ponce</u>	<u>Desert Sands</u>	<u>PO Box 2646</u>	<u>575</u>	
		<u>Alley Wm 8803</u>	<u>681-9697</u>	
			<u>882-3126</u>	

**LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY**  
**MEETING NOTICE & AGENDA**  
**REGULAR BOARD OF DIRECTORS MEETING**

**4:00 p.m. Wednesday, June 1, 2011 at the Vado Office, 325 Holguin Road**

Agendas are final 24 hours prior to the meeting and may be obtained at any LRGPWWA Office – call 575-233-3947 for information

- I. Sign in, establish quorum, call to order
- II. Approval of agenda
- III. Approval of Minutes of 5/18/11
- IV. Guest Presentations – none
- V. Public Input – 15 minutes total allotted for this item, 3 minute time limit per person, may be continued after Item VIII by board action:
- VI. General Manager's Reports:
  - A. Management Report
  - B. Finance Report
  - C. Operations Report
  - D. Projects Report
- VII. Unfinished Business:
  - A. Closed Session:
    - 1. Motion to convene in closed session pursuant to NMSA 1978 10-15-1 (H)(7) regarding threatened or pending litigation – Roll Call Vote
    - 2. Motion to resume the open meeting and statement by the Chair that affirming that the matters discussed in the closed meeting were limited to those stated in the motion to
  - B. Appointment of new Director for the La Mesa area
- VIII. New Business:
  - A. Resolution FY2011-13 - Open Meetings Act for FY12
  - B. Resolution FY2011-14 - NMFA Desert Sands Vehicle Loan Assumption and Agreement Amendment
  - C. Resolution FY2011-15 - NMFA-USDA Refinance Loan No. 2601-PP & Loan Agreement
  - D. Resolution FY2011-16 - FY2012 Budget
- IX. Other discussion and agenda items for next meeting – Next meeting 6/15/11 at 10:00 a.m.
- X. Adjourn

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aide or service to attend or participate in the hearing or meeting, please contact the LRG PWWA office at 575-233-3947, 325 Holguin Rd, Vado NM 88072 at least one week prior to the meeting or as soon as possible. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact the LRGPWWA office if a summary or other type of accessible format is needed.

*Si es un individuo con una incapacidad esta en necesidad de un lector, amplificador, lenguaje por señas, o cualquier otra forma de asistencia o servicio para atender o participar en las juntas, por favor llame a la oficina LRG PWWA office at 575-233-3947, 325 Holguin Rd, Vado NM 88072 una semana antes de la junta o en cuanto posible. Documentos públicos, incluyendo la agenda y minutos, están disponibles en varios formatos. Por favor opóngase en contacto con la oficina LRGPWWA si un resumen o otro tipo de forma accesible es necesario*

# LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

## MINUTES

### REGULAR BOARD OF DIRECTORS MEETING

10:00 A.m. Wednesday, May 18, 2011 at the Vado Office, 325 Holguin Road

{NOTE: Minutes are a DRAFT until approved and signed by the Board}

- I. **Sign in, establish quorum and call to order:** Sign-in sheet and Agenda are attached. Board members present were Chairman Roberto “Marty” Nieto, Vice-chairman John Holguin, Secretary Santos Ruiz, and Director Rosaura Pargas. Staff present were General Manager Martin Lopez, Finance Manager Kathi Jackson, Operations Manager Mike Lopez, Projects Manager Karen Nichols and Payroll/HR Specialist Connie Garcilazo. Mr. Nieto called the meeting to order at 10:06 a.m.
- II. **Approval of agenda:** Ms. Holguin made a motion to approve the Agenda with the following changes: take off Lower Rio Grande Mutual Water Association and change time from 4:00 p.m. to 10:00 a.m. Mr. Ruiz seconded motion and it carried on a vote of 4-0. {30}
- III. **Approval of Minutes of 5/4/11:** Ms. Pargas made a motion to approve the Minutes and Mr. Ruiz seconded motion and it carried on a vote of 4-0. {1:29}
- IV. **Guest Presentations – None** {3:39}
- V. **Public Input – 15 minutes total allotted for this item, 3 minute time limit per person, may be continued after Item VIII by board action:** None {3:52}
- VI. **General Manager’s Report:** Mr. Lopez reviewed written report with the board and made draft budget presentation (attached) there was some discussion regarding salaries, uniforms, vehicles and equipment. This item will be on the agenda for the next board meeting. {4:10}
- VII. **Unfinished Business:** Mr. Holguin asked on status of taking over the Mesquite Park Mr. Lopez will follow up as of today no answer from Doña Ana County. {32:19}
  - A. **Closed Session:** Motion made by Mr. Holguin to postpone the close session for next board meeting. Mr. Ruiz seconded, and it carried on a vote of 4-0. {3:53}
  - B. **Audit RFP – Committee recommendation – for approval:** Ms. Pargas made a motion to approve the committee recommendation for to select White, Samaniego & Campbell. Mr. Ruiz seconded motion and it carried on a vote of 4-0. Committee meeting documents and recommendation are attached. {34:39}
  - C. **Appointment of new Director for the La Mesa area:** Mr. Holguin made a motion to postpone item for next board meeting, Mr. Ruiz seconded and it carried on a vote of 4-0. {44:00}
- VIII. **New Business: NONE** {44:44}

- IX. Other discussion and agenda items for next meeting: Next meeting 6/1/11 at 4:00 p.m.,**  
Resolution re: NMFA refinancing and Resolution for Board Meeting dates. Other Discussion Mr. Nieto asked about water payment from La Union Water O& M contract, and Ms. Jackson informed the Board that payment was received for the January and February invoices. Mr. Martin Lopez informed the board of a high water bill for the Bonestroo Dairy due to water leak on customer side. {44:55}
- X. Adjourn: Motion to adjourn was made by Ms. Pargas and seconded by Mr. Holguin. It carried on a vote of 4-0. Mr. Nieto declared the meeting adjourned at 11:05 a.m. {58:35}

Date Minutes Approved: \_\_\_\_\_

Directors Present:

\_\_\_\_\_  
Chairman Roberto M. Nieto

\_\_\_\_\_  
Vice- Chairman John Holguin

\_\_\_\_\_  
Secretary Santos Ruiz

\_\_\_\_\_  
Director Rosaura Pargas

# LRG PWWA Manager's Report June 1, 2011

## Tasks

- Employee Policies-Continue to work on policies
- Transfer of Assets (bank funds) from Associations
  - Mesquite Operating account with over \$8,000 transferred
- Project Funding Applications
  - USDA requested additional information canceled LOC meeting the Berino-Del Cerro Water Project
  - Water Trust Board determined funding availability on May 31<sup>st</sup> nothing on the Berino-Del Cerro Water Project
  - USDA no answer on “Notice of Unfavorable Action” pertaining to the Mesquite sewer project
- One Valley, One Vision 2040 Regional Plan
  - Permission to response and clarify
  - Meeting Dates

Date	Time	Group	Location
June 1, 2011	Noon	Sunland Park City Council	1000 McNutt Rd, Sunland Park
June 1, 2011	6:00 p.m.	Anthony Board of Trustees	320 Lincoln St, Anthony
June 2, 2011	6:00 p.m.	Las Cruces ETZ	845 N Motel Blvd, Las Cruces
June 13, 2011	6:00 p.m.	Mesilla Board of Trustees	2231 Avenida de Mesilla, Mesilla



June 14, 2011	6:00 p.m.	Hatch Board of Trustees	133 N Franklin St, Hatch
June 21, 2011	6:00 p.m.	Las Cruces P&Z	700 N Main St, Las Cruces
June 22, 2011	6:00 p.m.	General Meeting - Central	845 N Motel Blvd, Las Cruces
June 23, 2011	9:00 a.m.	Doña Ana County P&Z	845 N Motel Blvd, Las Cruces
June 23, 2011	1:00 p.m.	Board of County Commission / Las Cruces City Council	845 N Motel Blvd, Las Cruces

**Lower Rio Grande Public Water Works Authority  
Comments RE: One Valley, One Vision 2040 Regional Plan  
June 2011**

Note: page numbers refer to the page number in the PDF file, NOT the document page numbers in the footer of the Plan

**Page 112: Table 5-19 Existing Inter-governmental Groups:**

- Please include the Lower Rio Grande Public Water Works Authority in the list of members of the Lower Rio Grande Water Users Organization
- South Central Council of Governments should probably be included here as an Inter-governmental Group as well.

**Page 125: Goal 6-7-2: Meet the existing and projected needs of residents through location, access, extent and timing, staffing, and category of community facilities and services. “Make technology, such as computers with Internet access, available in community centers for underserved populations, particularly in colonias identified by the State and County”**

- This goal should include making high-speed Internet access more generally available rural communities and colonias. This has been a real challenge for us in merging five mutual domestic water associations into the Lower Rio Grande Public Water Works Authority. We have worked out an arrangement with Southwestern Wireless for improved Internet access to improve the connectivity of our community office locations in exchange for co-location of their equipment on one of our water tanks. That has helped we are needing connections with better speed and stability than what is currently available. We also experience issues with poor cell phone service in some areas.

**“Encourage any provider of a community facility located or proposed within the local jurisdiction to be included in the community facilities element of the local comprehensive or master plan.”**

- Also encourage local governmental jurisdictions preparing comprehensive or master plans to coordinate with and include all providers of community facilities and utilities in the development of the plan.

**Page 127: Goal 6-8-3: Coordinate with other local governments, utility districts, and state and**

**federal agencies on the provision of utilities that have multijurisdictional impacts. Strategies**

**“Form intergovernmental partnerships to fund and operate regional utilities.”**

- We would and “and work with regional partners to encourage state and federal funding and regulatory agencies to remove institutional obstacles to regionalization.”

**Page 138: Colonias: “Colonias typically have high poverty rates, making it difficult for residents to pay for roads, sanitary-water and sewer systems, minimum standard housing, street lighting, and other services.”**

- The Lower Rio Grande Public Water Works Authority formed by the merger of La Mesa, Mesquite, Vado, Berino and Desert Sands mutual domestic water associations under NMSA 1978 73-26-1 enacted by the NM Legislature in 2009 provides water (and in the Mesquite area, sewer) service to the Berino, Del Cerro, Joy Drive, La Mesa, Las Palmeras, Mesquite, Montana Vista and Vado Colonias. Economies of scale that have been achieved as a result of this merger significantly dropped the rates and made water service more affordable in all of these areas except Mesquite/Del Cerro where rates remained stable and have historically been lower due to the additional income from water sales to the dairies in the customer base.

# Lower Rio Grande PWWA

## Operators Report

June 1, 2011

### System Problems and Repairs.

- Backflow inspections are current.(Mesquite District)
- Sewer tank inspections are current.(Mesquite District) well
- Bob with Seamen's will be here next week to work on the SCADA System.
- No Major problems with the Lower Rio Grande system.

**NMED:** Monthly Bac-T-Samples will be taken next week for the Lower Rio Grande PWWA.

**Mesquite district Wetlands:** The Wetlands Sewer Report was generated and sent on May 10<sup>th</sup>.

**Chlorine:** No problems with Chlorine this month.

**Reports:** Will be generated on 6/2/2011.

**New installs:** We had one new service install in Desert Aire, one in La Mesa, and 2 in Berino.

**LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY  
3/2/11 BOARD OF DIRECTORS MEETING  
PROJECTS REPORT**

**Authority Construction Projects:**

**Mesquite Wastewater Project – Gannet Fleming– final design/closing/Letter advising of Unfavorable Action - RD:** Met w/Clyde Hudson at USDA-RD, engineer & attorney on 5/11/11 and received a list of LOC items missing or incomplete. We completed the revisions to the audit letter & documentation of the construction bank account, found the 2004 LOC and letter from USDA-RD approving the plans & specifications immediately. Legal services agreement has been approved by RD state office and mailed back to us, not yet received. Engineer supplied the final cost estimate that should have been included in the LOC binder on 5/20/11. Cannot find any record of receiving the 2009 LOC and have requested it from state office, and they are re-creating it. The only remaining items are the 2009 LOC and either a review and approval of the plans & specifications by NMED or a waiver of that. NMED has no interest in reviewing them; Martha Torres is confirming that and will let us know. Spoke with Mr. Hudson on 5/24/11, he said he has put in his recommendations and their teleconference has been done, but he does not yet have the decision. He is hopeful that our funding will not be reverted and advises us to continue to work on completing the LOC binder. He did hear from the mediator that they received our request for mediation that was submitted within time constraints to protect our right to do that in case of an unfavorable finding.

<b>PROJECT BUDGET</b>							
<b>Funding Sources</b>		<b>\$ Funds</b>	<b>Notes:</b>				
7/11/03	GRANT	\$2,267,000					
8/13/03	GRANT	\$100,000					
3/24/04	GRANT	\$150,000					
6/30/04	LOAN	\$100,000					
6/30/04	GRANT	\$1,041,200					
8/21/09	GRANT	\$2,017,702					
8/21/09	GRANT	\$980,179					
8/21/09	LOAN	\$606,000					
<b>Total Project funds</b>		<b>\$7,262,081</b>					
funding shortfall		\$3,567,471					
<b>Project Expenses</b>				<b>Budget \$</b>	<b>Expended</b>	<b>%Complete</b>	<b>Remaining</b>
Design Phase Services				\$299,715.00	\$285,000.00	95%	\$ 14,715.00
Bid Phase Services				\$19,420.00	\$0.00	0%	\$ 19,420.00
Construction Phase Services				\$50,665.00	\$0.00	0%	\$ 50,665.00
Inspection Services				\$202,200.00	\$0.00	0%	\$ 202,200.00
Additional Engineering Services				\$612,600.00	\$612,600.00	100%	\$ -
Geotechnical Report				\$16,684.00	\$16,684.00	100%	\$ -
LOC				\$3,000.00	\$2,700.00	90%	\$ 300.00
O&M Manual				\$10,000.00	\$0.00	0%	\$ 10,000.00
<b>ENGINEER'S ESTIMATED COST OF CONSTRUCTION</b>				<b>\$8,959,124.00</b>	<b>\$0.00</b>	<b>0%</b>	<b>8959124</b>
NMGRT				\$656,144.04	\$64,188.88	10%	\$591,955.16
<b>Totals</b>				<b>\$10,829,552.04</b>	<b>\$981,172.88</b>	<b>9%</b>	<b>\$ 9,848,379.16</b>

**La Mesa Water System Improvements – Molzen Corbin – final design/closing - RD:** ROW & easements are at 100%. Engineer submitted new copies of specifications to Mr. Scott at RD on May 19, 2011. Project is pending RD approval of Letter of Conditions. Had meeting with Molzen's Electrical Engineer to discuss controls and operation of the new well along with future SCADA for the system. GM issued a letter of waived codes pertaining to gas chlorination system that need to be omitted in the design on May 16, 2011.

**Mesquite/Brazito Sewer Project – Vencor – planning – CDBG/SAP:** Engineer is collecting Field Topography data in the Minter, Baca Chile & Brazito Sewer - Phase I Area, approximately 40% complete.

**Mesquite/Brazito Water Emergency Water Interconnect & Supplemental Wells – prelim. Planning:** Vencor has a preliminary map, nothing to report yet.

**Authority PERs/EAs/40 Yr. Water Plan:**

**Authority Interconnect & Looping Ph. I PER – prelim. planning:** CDBG Planning Grant Application submitted thru SCCOG 3/16/11, still no response. Might be soon now that they have awarded the regular program grants. Might be able to do some pipeline work under a Design Memorandum instead of a PER. Submitted a Project Interest Form 5/16/11, have not heard back from NMED-CSG. Engineer has collected some field data.

**Berino & Mesquite/Del Cerro combined Project – funding app./design – RD/WTB:** USDA-RD WEP Application documents for project funding application submitted 2/18/11 for \$5,434,952 (\$6,003,979 total project cost), response from Ms. Alarcon @ RD on 3/22/11 indicated the need for average monthly user cost of \$46.50 and proposal to fund the project with \$2,105,000 loan (3.375%/40yr. - \$7,999/mo.) + \$3,329,952 Colonias Grant. She re-reviewed based on our loan pay-offs and refinancing and is now proposing \$2,174,000 loan (3.750%/40yr. - \$8,762/mo.) + \$3,260,952 Colonias Grant with avg. user cost remaining the same. LOC meeting to obligate funds on 5/26/11 was cancelled when Ms. Torres decided to re-review the application documents. Project was submitted to the Water Trust Board, will know their decision at their 6/20/11 or 7/13/11 meeting. GM is negotiating with one of the dairies for one of the two remaining easements needed. BNSF temporary permit to take soil samples on Berino Road is still pending, but "on the way" according to BNSF.

**Forty-Year Water Plan – CE&M – complete:** pending NM-OSE comments/approval. Followed up w/Cheryl Thacker, NM-OSE, she inquired w/Santa Fe office, still pending.

**Return Flow Credit Plan – CE&M – GF work in progress:** Executed engineering services agreement with Grace Engineering (Karen Perez) on 5/3/11, kick off meeting to coordinate with county on 5/16/11, flow meter installed at San Miguel lift station on 5/31/11.

**Individual MDWCA Projects under construction:**

**Desert Sands Phase II-III Water System Improvements – Construction in progress:** 11 month inspection for the main project was 5/3/11 and items needing attention included activation of the cathodic protection at the tank (not done yet), replacement of the air-compressor and a mounting bracket for SCADA antenna (completed), programming issue with differential pressures/backwash and air in the chemical feed lines will be address by AdEdge when they come out to start up Well #3. Engineer is setting up a conference/teleconference w/Siemen's re: repeated data fail alarms and other issues with the SCADA system and their failure to respond in a timely manner.

**Mesquite Water Project – Gannett Fleming – Construction complete, pending close-out:** Have come to an agreement with the engineer on final Change Order to change out pump control valve on old Mesquite Well #4 (Authority #8), awaiting RD concurrence with the Change Order.

#### **LRG MDWA Projects:**

**Castillo Rd - La Mesa/Mesquite Interconnect – CE&M – construction incomplete:** Parkhill, Smith & Cooper have been engaged for independent evaluation of the issue, and they have submitted a timetable for their work indicating their final report will be submitted by 6/23/11. They are currently developing the report, will submit a preliminary draft on 6/9.

**CE&M PER – draft complete, pending revisions:** PER has been approved by Mr. Deal of NMED-CPB with the condition that the date on the cover be changed. That was submitted on 5/24/11 and EID will now be reviewed by him.

**La Mesa Building (jointly funded by La Mesa & LGRMDWA) – Molzin Corbin – under construction - NMED - SAP08-3099, Colonias 09-3118:** Project meeting on 5/27 – two pay requests have been submitted, nothing in yet from NM-DFA. Dirt work for foundation is complete and contractor has started installing utilities.

#### **Other projects:**

**Website** Customer Service page has been updated with photos of each office location, board minutes page is up to date.

**ICIP – OM, FM & PM met with Ms. Bloom of SCCOG to outline a strategy for developing the plan and gather public input on 5/19/11. Will seek public input thru 'suggestion boxes' at each office and our website, hold a work session in early July with community business leaders & SCCOG to include information on EDA, staff work session later in July, present draft to board for input in August, place on September agenda for adoption. Ms. Bloom will input to the DFA website.**

**EBID Surface Water Treatment Plant – no update**

**Lower Rio Grande Public Water works Authority  
Resolution Number 2011-13  
Open Meetings Act Resolution for FY2012**

**WHEREAS**, the Lower Rio Grande Public Water Works Authority Board of Directors met in regular session at its Vado Office, 325 Holguin Road, Vado New Mexico on Wednesday, June 1, 2011 at 4:00 p.m. as required by law; and

**WHEREAS**, Section 10-15-1(B) of the Open Meetings Act (NMSA 1978, Sections 10-15-1 to -4) states that, except as may be otherwise provided in the Constitution or the provisions of the Open Meetings Act, all meetings of a quorum of members of any board, council, commission, administrative adjudicatory body or other policymaking body of any state or local public agency held for the purpose of formulating public policy, discussing public business or for the purpose of taking any action within the authority of or the delegated authority of such body, are declared to be public meetings open to the public at all times; and

**WHEREAS**, any meetings subject to the Open Meetings Act at which the discussion or adoption of any proposed resolution, rule, regulation or formal action occurs shall be held only after reasonable notice to the public; and

**WHEREAS**, Section 10-15-1(D) of the Open Meetings Act requires the Lower Rio Grande Public Water Works Authority Board of Directors to determine annually what constitutes reasonable notice of its public meetings;

**NOW, THEREFOR, BE IT RESOLVED** by the Lower Rio Grande Public Water Works Authority Board of Directors that:

1. All meetings shall be held at the Vado Office of the Lower Rio Grande Public Water Works Authority located at 325 Holguin Road, Vado New Mexico or as indicated in the meeting notice.
2. Unless otherwise specified, regular meetings shall be held each month on the third Wednesday of the month at 9:00 a.m. The agenda will be available at least twenty-four hours prior to the meeting from the office of each Lower Rio Grande Public Water Works Authority Office. Notice of any other regular meetings will be given ten (10) days in advance of the meeting date. The notice shall indicate how a copy of the agenda may be obtained.
3. Special meetings may be called by the President or a majority of the Directors upon three (3) days notice. The notice shall include an agenda for the meeting or information on how members of the public may obtain a copy of the agenda. The agenda shall be available to the public at least twenty-four hours before any special meeting.



4. Emergency meetings will be called only under unforeseen circumstances which demand immediate action to protect the health, safety and property of citizens or to protect the public body from substantial financial loss. The Lower Rio Grande Public Water Works Authority Board of Directors will avoid emergency meetings whenever possible. Emergency meetings may be called by the President or a majority of the Directors upon twenty-four (24) hours' notice, unless threat of personal injury or property damage requires less notice. The notice for all emergency meetings shall include an agenda for the meeting or information on how the public may obtain a copy of the agenda.

5. For the purposes of regular meetings described in paragraph 2 of this resolution, notice requirements are met if notice of the date, time, and location is placed in the customer lobby of each Lower Rio Grande Public Water Works Authority office. Copies of the written notice shall also be mailed to those broadcast stations licensed by the Federal Communications Commission and newspapers of general circulation which have made a written request for notice of public meetings.

6. For the purposes of special meetings and emergency meetings described in paragraph 3 and 4 of this resolution, notice requirements are met if notice of the date, time, place and agenda is provided by telephone to newspapers of general circulation in the state and posted in the offices of the founding entities. Telephone notice also shall be given to those broadcast stations licensed by the Federal Communications Commission and newspapers of general circulation that have made a written request for notice of public meetings.

7. In addition to the information specified above, all notices shall include the following language:

*If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aide or service to attend or participate in the hearing or meeting, please contact the Mesquite office of the Lower Rio Grande Public Water Works Authority at 575-233-3947, by mail at 325 Holguin Road, Vado NM 88072, or in person at 215 Bryant, Mesquite, NM at least one week prior to the meeting or as soon as possible. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact the Mesquite office if a summary or other type of accessible format is needed.*

8. The Lower Rio Grande Public Water Works Authority Board of Directors may close a meeting to the public only if the subject matter of such discussion or action is excepted from the open meeting requirements under Section 10-15-1(H) of the Open Meetings Act.

(a) If any meeting is closed during an open meeting, such closure shall be approved by a majority vote of a quorum of the Lower Rio Grande Public Water Works Authority Board of Directors taken during the open meeting. The authority for the closed meeting and the subjects to be discussed shall be stated with reasonable

specificity in the motion to close and the vote of each individual Director on the motion to close shall be recorded in the minutes. Only those subjects specified in the motion may be discussed in the closed meeting.

(b) If the decision to hold a closed meeting is made when the Lower Rio Grande Public Water Works Authority Board of Directors is not in an open meeting, the closed meeting shall not be held until public notice, appropriate under the circumstances, stating the specific provision of law authorizing the closed meeting and the subjects to be discussed with reasonable specificity, is given to the Directors and to the general public.

(c) Following completion of any closed meeting, the minutes of the open meeting that was closed, or the minutes of the next open meeting if the closed meeting was separately scheduled, shall state whether the matters discussed in the closed meeting were limited only to those specified in the motion or notice for closure.

(d) Except as provided in Section 10-15-1(H) of the Open Meetings Act, any action taken as a result of discussions in a closed meeting shall be made by vote of the Lower Rio Grande Public Water Works Authority Board of Directors in an open public meeting.

Passed by the Lower Rio Grande Public Water Works Authority Board of Directors this 1<sup>st</sup> day of June, 2011.

Seal:

---

Robert Nieto, Chairman – Mesquite area

---

John Holguin, Vice-Chairman – Vado area

---

Santos Ruiz, Secretary – Berino area

---

Rosaura Pargas, Director – Desert Sands area

---

Vacant – La Mesa area

## Lower Rio Grande Public Water Works Authority

### Board of Directors Meetings 2011-12 Junta de la Mesa Directiva 2011-12

The Lower Rio Grande PWWA Board will meet the **third Wednesday of the month at 9:00 a.m. at the Vado Office, 325 Holguin Road, Vado, New Mexico.** Agendas will be available at the office twenty-four hours prior to the meeting at each Authority office.

***La Mesa Directiva de Lower Rio Grande PWWA tendrán su junta el tercer miércoles a las 9:00 a.m. en la oficina de Vado, 325 Holguin Road, Vado, New Mexico. Agendas serán disponibles en la oficina veinticuatro horas antes de la junta.***

Regular meetings are scheduled for the following dates:  
*El horario del las juntas regulares son las siguientes:*

9:00 a.m. July 20, 2011	9:00 a.m. 20 de Julio 2011
9:00 a.m. August 17, 2011	9:00 a.m. 17 de Agosto 2011
9:00 a.m. September 21, 2011	9:00 a.m. 21 de Septiembre 2011
9:00 a.m. October 19, 2011	9:00 a.m. 19 de Octubre 2011
9:00 a.m. November 16, 2011	9:00 a.m. 16 de Noviembre 2011
9:00 a.m. December 21, 2011	9:00 a.m. 21 de Diciembre 2011
9:00 a.m. January 18, 2012	9:00 a.m. 18 de Enero 2012
9:00 a.m. February 15 2012	9:00 a.m. 15 de Febrero 2012
9:00 a.m. March 21, 2012	9:00 a.m. 21 de Marzo 2012
9:00 a.m. April 18, 2012	9:00 a.m. 18 de Abril 2012
9:00 a.m. May 16, 2012	9:00 a.m. 16 de Mayo 2012
9:00 a.m. June 20, 2012	9:00 a.m. 20 de Junio 2012

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aide or service to attend or participate in the hearing or meeting, please contact the office of the LRGPWWA at 575-233-3947, by mail at 325 Holguin Road, Vado NM 88072, or in person at 215 Bryant, Mesquite, NM at least one week prior to the meeting or as soon as possible. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact the Mesquite office if a summary or other type of accessible format is needed.

*Si es un individuo con una incapacidad esta en necesidad de un lector, amplificador, lenguaje por senas, o cualquier otra forma de asistencia o servicio para atender o participar en las juntas, por favor lame ha la oficina LRGPWWA Mesquite at 575-233-394, correo 325 Holguin Road, Vado NM 88072., o en persona 215 Bryant, Mesquite, NM una semana antes de la junta o en cuanto posible. Documentos públicos, incluyendo la agenda y minutos, están disponibles en varios formatos. Por favor opóngase en contacto con la oficina LRGPWWA Mesquitesi un resumen o otro tipo de forma accesible es necesario.*

STATE OF NEW MEXICO  
DONA ANA COUNTY

The Board of Directors (the “Governing Body”) of Lower Rio Grande Public Water Works Authority, Anthony, New Mexico, met in regular session in full conformity with law and the rules and regulations of the Governing Body at 325 Holguin Road, Vado, New Mexico being the meeting place of the Governing Body for the regular meeting held on the 1st day of June, 2011, at the hour of 4 p.m. Upon roll call, the following members were found to be present:

Present:

---

---

---

---

---

Absent:

---

---

---

Also Present:

---

---

---

Thereupon, there was officially filed with the Secretary a copy of a proposed resolution in final form.

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY  
RESOLUTION FY2011-14

RELATING TO THE \$63,438 LOAN AGREEMENT DATED JANUARY 22, 2010 (THE "LOAN AGREEMENT") BY AND BETWEEN THE DESERT SANDS MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION, ANTHONY, NEW MEXICO ("DESERT SANDS"), AND THE NEW MEXICO FINANCE AUTHORITY, ENTERED INTO FOR THE PURPOSE OF FINANCING THE ACQUISITION OF A PICK UP TRUCK AND A UTILITY TRUCK FOR DESERT SANDS AND PAYING A LOAN PROCESSING FEE; AUTHORIZING AN AMENDMENT TO THE LOAN AGREEMENT TO REPLACE DESERT SANDS WITH THE LOWER RIO GRANDE PUBLIC WATER WORK AUTHORITY AS THE BORROWER UNDER THE LOAN AGREEMENT; RATIFYING ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT WITH THIS RESOLUTION; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION OF THE AMENDMENT TO THE LOAN AGREEMENT.

Capitalized terms used in the following preambles have the same meaning as defined in Section 1 of the Loan Agreement, defined below, unless otherwise defined in the preambles or Section 1 of this Resolution, or unless the context requires a different meaning.

WHEREAS, the Lower Rio Grande Public Water Works Authority (the "Governmental Unit") is a legally and regularly created, established, organized and existing political subdivision under the general laws of the State of New Mexico; and

WHEREAS, the Governmental Unit is composed of Desert Sands Mutual Domestic Water Consumers Association ("Desert Sands"), Berino Mutual Domestic Water Consumers and Mutual Sewage Works Association, La Mesa Mutual Domestic Water Consumers Association, Mesquite Mutual Domestic Water Consumers and Mutual Sewage Works Association and Vado Mutual Domestic Water Consumers Association (collectively, the "Founding Entities"); and

WHEREAS, in 2009, the Governmental Unit was created pursuant to Section 73-26-1, NMSA 1978 (the "Authority Act"); and

WHEREAS, in order to conclude the merger under the Authority Act, the Governmental Unit must assume all assets and liabilities of each of the Founding Entities; and

WHEREAS, on January 22, 2010, Desert Sands and the New Mexico Finance Authority ("NMFA") entered into a \$63,438 Loan Agreement (the "Loan Agreement") pursuant to Sections 3-29-1 through 3-29-21, NMSA 1978, as amended, which Loan Agreement is payable from the net revenues of the Desert Sands mutual domestic water consumers association (the "Pledged Revenues") and funded a pick up truck and a utility truck for Desert Sands (the "Project"); and

WHEREAS, the Governing Body has determined that it is in the best interests of the Governmental Unit and the residents it serves that the Loan Agreement be amended to provide that the Governmental Unit shall replace Desert Sands as the borrower; and

WHEREAS, the Governing Body intends that all other provisions of the Loan Agreement remain effective.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY:

Section 1. Definitions.

“Loan Agreement Amendment” means the Amendment to the Loan Agreement authorized by this Resolution, which Amendment shall be dated as of July 15, 2011.

“Resolution” means this Resolution adopted by the Governing Body on June 1, 2011 approving the Loan Agreement Amendment.

Section 2. Ratification. All action heretofore taken (not inconsistent with the provisions of this Resolution) by the Governing Body and officers of the Governmental Unit directed toward the execution and delivery of the Loan Agreement Amendment is hereby ratified, approved and confirmed.

Section 3. Loan Agreement Amendment – Authorization and Detail.

A. Authorization. This Resolution has been adopted by the affirmative vote of at least a majority of all of the members of the Governing Body. For the purpose of protecting the public health, conserving the property, protecting the general welfare and prosperity of the citizens of the Governmental Unit, it is hereby declared necessary that the Governmental Unit, pursuant to the Act, enter into the Loan Agreement Amendment, and the execution and delivery of the Loan Agreement Amendment is hereby authorized.

B. Detail. The Loan Agreement Amendment shall be in the form presented to the Governing Body at the meeting of the Governing Body at which this Resolution was adopted. The Loan Agreement Amendment shall provide in substance that (a) the Governmental Unit shall replace Desert Sands as the borrower under the Loan Agreement; and (b) all other provisions of the Loan Agreement shall remain effective and binding upon the Governmental Unit.

Section 4. Approval of Loan Agreement Amendment. The form of the Loan Agreement Amendment as presented at the meeting of the Governing Body at which this Resolution was adopted is hereby approved. Authorized Officers are hereby authorized to execute, acknowledge and deliver the Loan Agreement Amendment with such changes, insertions and omissions as may be approved by such Authorized Officers, and the Secretary is hereby authorized to affix the seal of the Governmental Unit on the Loan Agreement Amendment and attest the same, and the execution of the Loan Agreement Amendment by Authorized Officers shall be conclusive evidence of such approval. Authorized Officers are further authorized to execute such other documents as may be required by the NMFA to comply with tax reporting requirements, including, without limitation, a new amended Internal Revenue Service Form 8038-G and other closing certificates.

Section 5. Resolution Irrepealable. After the Loan Agreement Amendment has been executed and delivered, this Resolution shall be and remain irrepealable until the Loan shall be fully paid, canceled and discharged, as provided in the Loan Agreement.

Section 6. Severability Clause. If any section, paragraph, clause or provision of this Resolution 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 Resolution.

Section 7. Repealer Clause. 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 8. Effective Date. Upon due adoption of this Resolution, it shall be authenticated by the signature of the Chairman and the Secretary, and the title and general summary of the subject matter contained in this Resolution (set out in Section 9 below) shall be published in a newspaper which maintains an office and is of general circulation in the Governmental Unit, or posted in accordance with law, and said Resolution shall be in full force and effect five (5) days thereafter, in accordance with law.

Section 9. 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 Resolution shall be published in substantially the following form:

(Form of Summary of Resolution for Publication)

Lower Rio Grande Public Water Works Authority  
Notice of Adoption of Resolution FY2011-14

Notice is hereby given of the title and of a general summary of the subject matter contained in a Resolution duly adopted and approved by the Governing Body of the Lower Rio Grande Public Water Works Authority, Anthony, New Mexico (the "Authority"), on June 1, 2011. A complete copy of the Resolution is available for public inspection during the normal and regular business hours of the Authority at 325 Holguin, Vado, New Mexico.

The title of the Resolution is:

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY  
RESOLUTION FY2011-14

RELATING TO THE \$63,438 LOAN AGREEMENT DATED JANUARY 22, 2010 (THE "LOAN AGREEMENT") BY AND BETWEEN THE DESERT SANDS MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION, ANTHONY, NEW MEXICO ("DESERT SANDS"), AND THE NEW MEXICO FINANCE AUTHORITY, ENTERED INTO FOR THE PURPOSE OF FINANCING THE ACQUISITION OF A PICK UP TRUCK AND A UTILITY TRUCK FOR DESERT SANDS AND PAYING A LOAN PROCESSING FEE; AUTHORIZING AN AMENDMENT TO THE LOAN AGREEMENT TO REPLACE DESERT SANDS WITH THE LOWER RIO GRANDE PUBLIC WATER WORK AUTHORITY AS THE BORROWER UNDER THE LOAN AGREEMENT; RATIFYING ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT WITH THIS RESOLUTION; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION OF THE AMENDMENT TO THE LOAN AGREEMENT.

A general summary of the subject matter of the Resolution is contained in its title. This notice constitutes compliance with Section 6-14-6 NMSA 1978.

(End of Form of Summary for Publication)



PASSED, APPROVED AND ADOPTED THIS 1st day of June, 2011.

LOWER RIO GRANDE PUBLIC WATER  
WORKS AUTHORITY

By: \_\_\_\_\_  
Roberto Nieto, Chairman

[SEAL]

ATTEST:

By: \_\_\_\_\_  
Santos Ruiz, Secretary

Director \_\_\_\_\_ then moved adoption of the foregoing Resolution, duly seconded by Director \_\_\_\_\_.

The motion to adopt said Resolution, upon being put to a vote, was passed and adopted on the following recorded vote:

Those Voting Aye: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Those Voting Nay: \_\_\_\_\_  
\_\_\_\_\_

Those Absent: \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_ (\_\_\_) members of the Governing Body having voted in favor of said motion, the Chairman declared said motion carried and said Resolution adopted, whereupon the Chairman and the Secretary signed the Resolution upon the records of the minutes of the Governing Body.

After consideration of matters not relating to the Resolution, the meeting on the motion duly made, seconded and unanimously carried, was adjourned.

LOWER RIO GRANDE PUBLIC WATER  
WORKS AUTHORITY

By: \_\_\_\_\_  
Roberto Nieto, Chairman

[SEAL]

ATTEST:

By: \_\_\_\_\_  
Santos Ruiz, Secretary

**EXHIBIT "A"**

Meeting Agenda  
of the June 1, 2011  
Board of Directors Meeting

(See attached)

STATE OF NEW MEXICO  
DONA ANA COUNTY

I, Santos Ruiz, the duly qualified and acting Secretary of Lower Rio Grande Public Water Works Authority, Anthony, New Mexico (the "Governmental Unit"), do hereby certify:

1. The foregoing pages are a true, perfect, and complete copy of the record of the proceedings of the Board of Directors Lower Rio Grande Public Water Works Authority, Anthony, New Mexico (the "Governing Body"), constituting the governing body of the Governmental Unit had and taken at a duly called regular meeting held at 325 Holguin, Vado, New Mexico, on June 1, 2011, at the hour of 4 p.m., insofar as the same relate to the execution and delivery of the proposed Loan Agreement Amendment, a copy of which is set forth in the official records of the proceedings of the Governing Body kept in my office. None of the action taken has been rescinded, repealed, or modified.

2. Said proceedings were duly had and taken as therein shown, the meeting therein was duly held, and the persons therein named were present at said meeting, as therein shown.

3. Notice of said meeting was given in compliance with the permitted methods of giving notice of regular meetings of the Governing Body as required by the Governmental Unit's open meetings standards presently in effect.

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_\_ day of June, 2011.

LOWER RIO GRANDE PUBLIC WATER  
WORKS AUTHORITY

By: \_\_\_\_\_  
Santos Ruiz, Secretary

STATE OF NEW MEXICO  
DONA ANA COUNTY

The Board of Directors (the “Governing Body”) of Lower Rio Grande Public Water Works Authority, Anthony, New Mexico, met in regular session in full conformity with law and the rules and regulations of the Governing Body at 325 Holguin Road, Vado, New Mexico being the meeting place of the Governing Body for the regular meeting held on the 1st day of June, 2011, at the hour of 4 p.m. Upon roll call, the following members were found to be present:

Present: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Absent: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Also Present: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Thereupon, there was officially filed with the Secretary a copy of a proposed resolution in final form.

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY  
RESOLUTION FY2011-15

AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT BY AND BETWEEN THE LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY, ANTHONY, NEW MEXICO (THE "GOVERNMENTAL UNIT") AND THE NEW MEXICO FINANCE AUTHORITY, IN THE PRINCIPAL AMOUNT OF \$797,845 FOR THE PURPOSE OF REFUNDING FOUR UNITED STATES DEPARTMENT OF AGRICULTURE LOANS TO LA MESA MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION, MESQUITE MUTUAL DOMESTIC WATER CONSUMERS AND MUTUAL SEWAGE WORKS ASSOCIATION AND DESERT SANDS MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION AND PAYING A LOAN PROCESSING FEE, AND EVIDENCING THE SPECIAL LIMITED OBLIGATION OF THE GOVERNMENTAL UNIT TO REPAY THE PRINCIPAL AMOUNT OF \$797,845, TOGETHER WITH INTEREST THEREON; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL AND INTEREST DUE UNDER THE LOAN AGREEMENT SOLELY FROM THE NET REVENUES OF THE GOVERNMENTAL UNIT'S WATER SYSTEM; RATIFYING ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT WITH THIS RESOLUTION; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN AGREEMENT.

Capitalized terms used in the following recitals have the same meaning as defined in Section 1 of this Resolution unless the context requires otherwise.

WHEREAS, the Governmental Unit is a legally and regularly created, established, organized and existing political subdivision and member-owned community water system under the general laws of the State; and

WHEREAS, the Governing Body has determined and hereby determines that the Project may be financed with amounts borrowed under the Loan Agreement and that it is in the best interest of the Governmental Unit and its residents that the Loan Agreement be executed and delivered and that the financing of the Project take place by executing and delivering the Loan Agreement; and

WHEREAS, the Governing Body has determined pursuant to the Act that it may lawfully pledge the Pledged Revenues for the payment of amounts due under the Loan Agreement; and

WHEREAS, other than as described in Exhibit "A" to the Loan Agreement, the Pledged Revenues have not heretofore been pledged to secure the payment of any obligation, which is currently outstanding; and

WHEREAS, the Loan Agreement shall be a special, limited obligation of the Governmental Unit, payable solely from the Pledged Revenues, and shall not constitute a general obligation of the Governmental Unit, or a debt or pledge of the faith and credit of the Governmental Unit or the State; and

WHEREAS, there have been presented to the Governing Body and there presently are on file with the Secretary this Resolution and the form of the Loan Agreement, which is incorporated by reference and considered to be a part hereof; and

WHEREAS, the Governing Body hereby determines that the Project to be financed by the Loan is to be used for governmental purposes of the Governmental Unit and will not be used for purposes which would cause the Loan Agreement to be deemed a “private activity bond” as defined by the Code; and

WHEREAS, the Governing Body intends by this Resolution to authorize the execution and delivery of the Loan Agreement in the amount and for the purposes set forth herein; and

WHEREAS, all required authorizations, consents and approvals in connection with (i) the use and pledge of the Pledged Revenues to the NMFA (or its assigns) for the payment of the amounts due under the Loan Agreement, (ii) the use of the proceeds of the Loan Agreement to finance the Project, and (iii) the authorization, execution and delivery of the Loan Agreement which are required to have been obtained by the date of this Resolution, have been obtained or are reasonably expected to be obtained.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY, ANTHONY, NEW MEXICO:

Section 1. Definitions. As used in this Resolution, the following capitalized 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):

“Act” means the general laws of the State, Section 73-26-1, NMSA 1978, and enactments of the Governing Body relating to the Loan Agreement, including this Resolution.

“Aggregate Annual Debt Service Requirement” means the total principal and interest payments due and payable pursuant to the Loan Agreement and on all Parity Obligations secured by a pledge of the Pledged Revenues for any one Fiscal Year.

“Authorized Officers” means the Chairman, Secretary, General Manager and Finance Manager.

“Bonds” means public project revolving fund revenue bonds, if any, issued hereafter by the NMFA and specifically related to the Loan Agreement and the Loan Agreement Payments.

“Closing Date” means the date of execution, delivery and funding of the Loan Agreement.

“Code” means the Internal Revenue Code of 1986, as amended, and the applicable regulations thereunder.

“Completion Date” means the date of final payment of the cost of the Project.

“Expense Fund” means the expense fund created pursuant to the Indenture to be held and administered by the Trustee to pay expenses.

“Expenses” means the cost of execution of the Loan Agreement and the costs of issuance of the Bonds, if any, and the periodic and regular fees and expenses incurred by the NMFA in administering the Loan Agreement, including legal fees.



“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 Governmental Unit as its fiscal year.

“Governing Body” means the Board of Directors of the Governmental Unit, or any future successor governing body of the Governmental Unit.

“Governmental Unit” means Lower Rio Grande Public Water Works Authority, Anthony, New Mexico.

“Gross Revenues” means all income and revenues directly or indirectly derived by the Governmental Unit from the operation and use of the System, or any part of the System, and includes, without limitation, all revenues received by the Governmental Unit, or any municipal corporation or agency succeeding to the rights of the Governmental Unit, from the System and from the sale and use of water services or facilities, or any other service, commodity or facility or any combination thereof furnished to the inhabitants in the area serviced by the Governmental Unit.

Gross Revenues do not include:

(a) Any money received as (i) grants or gifts from the United States of America, the State or other sources or (ii) the proceeds of any charge or tax intended as a replacement therefore or other capital contributions from any source which are restricted as to use;

(b) Gross receipts taxes, other taxes and/or fees collected by the Governmental Unit and remitted to other governmental agencies; and

(c) Condemnation proceeds or the proceeds of any insurance policy, except any insurance proceeds derived in respect of loss of use or business interruption, and except as provided in Section 2.1(ee) of this Loan Agreement.

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

“Indenture” means the General Indenture of Trust and Pledge dated as of June 1, 1995, as amended and supplemented, by and between the NMFA and the Trustee, or the Subordinated General Indenture of Trust and Pledge dated as of March 1, 2005, as supplemented, by and between the NMFA and the Trustee, as determined by the NMFA pursuant to a Pledge Notification or Supplemental Indenture (as defined in the Indenture).

“Loan” means the funds to be loaned to the Governmental Unit by the NMFA pursuant to the Loan Agreement.

“Loan Agreement” means the Loan Agreement dated the Closing Date between the NMFA and the Governmental Unit which provides for the financing of the Project and requires payments by or on behalf of the Governmental Unit to the NMFA and/or the Trustee.

“Loan Agreement Principal Amount” means the original principal amount of the Loan Agreement as shown on Exhibit “A” to the Loan Agreement.

“Loan Agreement Reserve Account” means the loan agreement reserve account established in the name of the Governmental Unit funded from the proceeds of the Loan Agreement and administered by the Trustee pursuant to the Indenture.

“Loan Agreement Reserve Requirement” means, with respect to the Loan, the amount shown as the Loan Agreement Reserve Account Deposit on Exhibit “A” to the Loan Agreement, which amount does not exceed the least of: (i) ten percent (10%) of the Loan Agreement Principal Amount; (ii) one hundred twenty-five percent (125%) of the average Aggregate Annual Debt Service Requirement under the Loan Agreement; or (iii) the maximum Aggregate Annual Debt Service Requirement under the Loan Agreement.

“NMFA” means the New Mexico Finance Authority.

“NMFA Debt Service Account” means the debt service account in the name of the Governmental Unit and held by the NMFA to pay principal and interest on the Loan Agreement as the same become due.

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

“Net Revenues” means the Gross Revenues after deducting Operation and Maintenance Expenses.

“Operation and Maintenance Expenses” means all reasonable and necessary current expenses of the System, for any particular Fiscal Year or period to which such term is applicable, paid or accrued, related to operating, maintaining and repairing the System, including, without limiting the generality of the foregoing:

- (a) Legal and overhead expenses of the various Governmental Unit departments directly related and reasonably allocable to the administration of the System;
- (b) Insurance premiums for the System, including, without limitation, premiums for property insurance, public liability insurance and workmen’s compensation insurance, whether or not self-funded;
- (c) Premiums, expenses and other costs (other than required reimbursements of insurance proceeds and other amounts advanced to pay debt service requirements on System bonds) for credit facilities;
- (d) Any expenses described in this definition other than expenses paid from the proceeds of System bonds;
- (e) The costs of audits of the books and accounts of the System;
- (f) Amounts required to be deposited in any rebate fund;
- (g) Salaries, administrative expenses, labor costs, surety bonds and the cost of water, materials and supplies used for or in connection with the current operation of the System; and

(h) Any fees required to be paid under any operation, maintenance and/or management agreement with respect to the System.

Operation and Maintenance Expenses do not include any allowance for depreciation, payments in lieu of taxes, franchise fees payable or other transfers to the Governmental Unit's general fund, liabilities incurred by the Governmental Unit as a result of its negligence or other misconduct in the operation of the System, any charges for the accumulation of reserves for capital replacements or any Operation and Maintenance Expenses payable from moneys other than Gross Revenues.

"Parity Obligations" means the Loan Agreement and any other obligations, now or hereafter issued or incurred, payable from or secured by a lien or pledge of the Pledged Revenues and issued with a lien on the Pledged Revenues on parity with the Loan Agreement, including those obligations described on the Term Sheet attached as Exhibit "A" to the Loan Agreement.

"Pledged Revenues" means the Net Revenues of the Governmental Unit pledged to payment of the Loan Agreement Payments pursuant to this Resolution.

"Processing Fee" means the processing fee to be paid on the Closing Date by the Governmental Unit to the NMFA for the costs of originating and servicing the Loan, as shown on Exhibit "A" to the Loan Agreement.

"Program Account" means the account in the name of the Governmental Unit established pursuant to the Indenture and held by the Trustee for the deposit of the net proceeds of the Loan Agreement for disbursement to the Governmental Unit for payment of the costs of the Project.

"Project" means the project described in Exhibit "A" to the Loan Agreement and consisting of the refunding of four loans from the United States Department of Agriculture to several of the Governmental Unit's founding entities: (i) Mesquite Mutual Domestic Water Consumers and Mutual Sewage Works Association dated February 17, 2009 in the original principal amount of \$307,000, (ii) Mesquite Mutual Domestic Water Consumers and Mutual Sewage Works Association dated December 17, 2007 in the original principal amount of \$307,400, (iii) Desert Sands Mutual Domestic Water Consumers Association dated November 7, 2006 in the original principal amount of \$50,000, and (iv) La Mesa Mutual Domestic Water Consumers Association dated May 16, 2002 in the original principal amount of \$100,000.

"Resolution" means this Resolution adopted by the Governing Body on June 1, 2011 approving the Loan Agreement as amended from time to time.

"State" means the State of New Mexico.

"System" means the public utility designated as the Governmental Unit's water system consisting of all properties, real, personal, mixed or otherwise, now owned or hereafter acquired by the Governmental Unit through purchase, condemnation, construction or otherwise, including all expansions, extensions enlargements and improvements of or to water system, and used in connection therewith or relating thereto, and any other related activity or enterprise of the Governmental Unit designated by the Governing Body as part of the water system, situated within the limits of Dona Ana County, New Mexico.

“Trustee” means The Bank of New York Mellon Trust Company, N.A., Denver, Colorado, or any successor trustee company, national or state banking association or financial institution at the time appointed Trustee by the NMFA.

Section 2. Ratification. All actions heretofore taken (not inconsistent with the provisions of this Resolution) by the Governing Body and officers of the Governmental Unit directed toward the acquisition of the Project and the execution and delivery of the Loan Agreement, be, and the same hereby are, ratified, approved and confirmed.

Section 3. Authorization of the Project and the Loan Agreement. The Project and the method of financing the Project through execution and delivery of the Loan Agreement are hereby authorized and ordered. The Project is for the benefit and use of the Governmental Unit.

Section 4. Findings. The Governmental Unit 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 Governmental Unit and its residents and the issuance and delivery of the Loan Agreement is necessary or advisable.

B. Moneys available and on hand for the Project from all sources other than the Loan are not sufficient to defray the costs of the Project.

C. The Pledged Revenues may lawfully be pledged to secure the payment of amounts due under the Loan Agreement.

D. It is economically feasible to defray, in whole or in part, the costs of the Project by the execution and delivery of the Loan Agreement.

E. The Project and the execution and delivery of the Loan Agreement pursuant to the Act to provide funds for the financing of the Project are necessary and in the interest of the public health, safety and welfare of the residents of and the public served by the Governmental Unit.

F. The Governmental Unit will acquire the Project, in whole or in part, with the net proceeds of the Loan.

G. Other than as described in Exhibit “A” to the Loan Agreement, the Governmental Unit does not have any outstanding obligations payable from the Pledged Revenues which it has incurred or will incur prior to the initial execution and delivery of the Loan Agreement.

H. The net effective interest rate on the Loan does not exceed twelve percent (12.0%) per annum, which is the maximum rate permitted by State law.

Section 5. Loan Agreement - Authorization and Detail.

A. Authorization. This Resolution has been adopted by the affirmative vote of at least a majority of all of the members of the Governing Body. For the purpose of protecting the public health, conserving the property, protecting the general welfare and prosperity of the residents of the Governmental Unit and acquiring the Project, it is hereby declared necessary that the

Governmental Unit, pursuant to the Act, execute and deliver the Loan Agreement evidencing a special, limited obligation of the Governmental Unit to pay a principal amount of \$797,845, and the execution and delivery of the Loan Agreement are hereby authorized. The Governmental Unit shall use the proceeds of the Loan to (i) finance the Project; and (ii) pay the Processing Fee. The Project will be owned by the Governmental Unit.

B. Detail. The Loan Agreement shall be in substantially the form of the Loan Agreement presented at the meeting of the Governing Body at which this Resolution was adopted. The Loan shall be in an original aggregate principal amount of \$797,845, shall be payable on June 1 of the years designated in Exhibit "B" to the Loan Agreement and bear interest payable on June 1 and December 1 of each year, beginning on December 1, 2011, at the rates designated in Exhibit "B" to the Loan Agreement.

Section 6. Approval of Loan Agreement. The form of the Loan Agreement as presented at the meeting of the Governing Body at which this Resolution was adopted is hereby approved. Authorized Officers are hereby individually authorized to execute, acknowledge and deliver the Loan Agreement, with such changes, insertions and omissions as may be approved by such individual Authorized Officers, and the Secretary is hereby authorized to affix the seal of the Governmental Unit on the Loan Agreement and attest the same. The execution of the Loan Agreement by an Authorized Officer shall be conclusive evidence of such approval.

Section 7. Special Limited Obligation. The Loan Agreement shall be secured by the pledge of the Pledged Revenues as set forth in the Loan Agreement and shall be payable solely from the Pledged Revenues. The Loan Agreement, together with other obligations of the Governmental Unit thereunder, shall be a special, limited obligation of the Governmental Unit, payable solely from the Pledged Revenues as provided in this Resolution and the Loan Agreement and shall not constitute a general obligation of the Governmental Unit or the State, and the holders of the Loan Agreement may not look to any general or other fund of the Governmental Unit for payment of the obligations thereunder. Nothing contained in this Resolution or in the Loan Agreement, or any other instruments, shall be construed as obligating the Governmental Unit (except with respect to the application of the Pledged Revenues), as incurring a pecuniary liability or a charge upon the general credit of the Governmental Unit or against its taxing power, nor shall a breach of any agreement contained in this Resolution, the Loan Agreement, or any other instrument impose any pecuniary liability upon the Governmental Unit or any charge upon its general credit or against its taxing power. The Loan Agreement shall never constitute an indebtedness of the Governmental Unit within the meaning of any State constitutional provision or statutory limitation and shall never constitute or give rise to a pecuniary liability of the Governmental Unit or a charge against its general credit or taxing power. Nothing herein shall prevent the Governmental Unit from applying other funds of the Governmental Unit legally available therefore to payments required by the Loan Agreement, in its sole and absolute discretion.

Section 8. Disposition of Proceeds: Completion of the Project.

A. Program Account, NMFA Debt Service Account and Loan Agreement Reserve Account. The Governmental Unit hereby consents to creation of the NMFA Debt Service Account to be held and maintained by the NMFA and to the Program Account and the Loan Agreement Reserve Account to be held by the Trustee pursuant to the Indenture, each in connection with the Loan. The Governmental Unit hereby approves: (i) the deposit of a portion of the

proceeds of the Loan Agreement in the Program Account and the NMFA Debt Service Account; (ii) the deposit of funds in the amount of the Loan Agreement Reserve Requirement in the Loan Agreement Reserve Account; and (iii) the payment of the Processing Fee to the NMFA, all as set forth in Exhibit "A" to the Loan Agreement.

The proceeds derived from the execution and delivery of the Loan Agreement shall be deposited promptly upon the receipt thereof in the Program Account, the Loan Agreement Reserve Account and the NMFA Debt Service Account, and the Processing Fee shall be paid to the NMFA, all as provided in the Loan Agreement and the Indenture.

Until the Completion Date, the money in the Program Account shall be used and paid out solely for the purpose of acquiring the Project in compliance with applicable law and the provisions of the Loan Agreement and the Indenture.

The Governmental Unit will finance the Project with all due diligence.

B. Completion of the Project. Upon the Completion Date, the Governmental Unit shall execute and send to the NMFA a certificate stating that payment for the Project has been completed. As soon as practicable, and, in any event, not more than sixty (60) days from the Completion Date, any balance remaining in the Program Account shall be transferred and deposited into the Debt Service Account, as provided in the Loan Agreement and the Indenture.

C. NMFA and Trustee Not Responsible. The NMFA and the Trustee shall in no manner be responsible for the application or disposal by the Governmental Unit or by its officers of the funds derived from the Loan Agreement or of any other funds herein designated.

Section 9. Deposit of Pledged Revenues, Distributions of the Pledged Revenues and Flow of Funds.

A. Deposit of Pledged Revenues. Pledged Revenues shall be paid directly by the Governmental Unit to the NMFA for deposit in the NMFA Debt Service Account and remittance to the Trustee in an amount sufficient to pay principal, interest, premium, if any, and other amounts due under the Loan Agreement, including sufficient Pledged Revenues in the Loan Agreement Reserve Account to maintain the Loan Agreement Reserve Requirement.

B. Termination on Deposits to Maturity. No payment shall be made into the NMFA Debt Service Account if the amount in the NMFA Debt Service Account and Loan Agreement Reserve Account total a sum at least equal to the entire aggregate amount to become due as to principal, interest on, and any other amounts due under, the Loan Agreement in which case moneys in such account in an amount at least equal to such principal and interest requirements shall be used solely to pay such obligations as the same become due, and any moneys in excess thereof in such accounts shall be transferred to the Governmental Unit and used as provided below.

C. Use of Surplus Revenues. After making all the payments hereinabove required to be made by this Section and any payments required by outstanding Parity Obligations, any moneys remaining in the Debt Service Account shall be transferred to the Governmental Unit on a timely basis and shall be applied to any other lawful purpose, including, but not limited to, the payment of bonds or obligations subordinate and junior to the Loan Agreement, or other purposes

authorized by the Governmental Unit, the Constitution and laws of the State, as the Governmental Unit may from time to time determine.

Section 10. Lien on Pledged Revenues. Pursuant to the Loan Agreement, the Pledged Revenues are hereby authorized to be pledged to, and are hereby pledged, and the Governmental Unit grants a security interest therein for, the payment of the principal, interest, and any other amounts due under the Loan Agreement, subject to the uses hereof permitted by and the priorities set forth in this Resolution. The Loan Agreement constitutes an irrevocable and first lien, but not necessarily an exclusive first lien, on the Pledged Revenues as set forth herein and therein and the Governmental Unit shall not create a lien on the Pledged Revenues superior to that of the Loan Agreement.

Section 11. Authorized Officers. Authorized Officers are hereby individually authorized and directed to execute and deliver any and all papers, instruments, opinions, affidavits and other documents and to do and cause to be done any and all acts and things necessary or proper for carrying out this Resolution, the Loan Agreement, and all other transactions contemplated hereby and thereby. Authorized Officers are hereby individually authorized to do all acts and things required of them by this Resolution and the Loan Agreement for the full, punctual and complete performance of all the terms, covenants and agreements contained in this Resolution and the Loan Agreement, including but not limited to, the execution and delivery of closing documents in connection with the execution and delivery of the Loan Agreement and the publication of the summary of this Resolution set out in Section 17 of this Resolution (with such changes, additions and deletions as may be necessary).

Section 12. Amendment of Resolution. Prior to the date of the initial delivery of the Loan Agreement to the NMFA, the provisions of this Resolution may be supplemented or amended by resolution of the Governing Body with respect to any changes which are not inconsistent with the substantive provisions of this Resolution. This Resolution may be amended without receipt by the Governmental Unit of any additional consideration, but only with the prior written consent of the NMFA.

Section 13. Resolution Irrepealable. After the Loan Agreement has been executed and delivered, this Resolution shall be and remain irrepealable until all obligations due under the Loan Agreement shall be fully paid, canceled and discharged, as herein provided.

Section 14. Severability Clause. If any section, paragraph, clause or provision of this Resolution 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 Resolution.

Section 15. Repealer Clause. 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 16. Effective Date. Upon due adoption of this Resolution, it shall be recorded in the book of the Governmental Unit kept for that purpose, authenticated by the signatures of the President and Secretary of the Governmental Unit, and the title and general summary of the subject

matter contained in this Resolution (set out in Section 17 below) shall be published in a newspaper which maintains an office and is of general circulation in the Governmental Unit, or posted in accordance with law, and said Resolution shall be in full force and effect thereafter, in accordance with law.

Section 17. 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 Resolution shall be published in substantially the following form:

(Form of Summary of Resolution for Publication)

Lower Rio Grande Public Water Works Authority

Notice of Adoption of Resolution FY2011-15

Notice is hereby given of the title and of a general summary of the subject matter contained in a Resolution duly adopted and approved by the Governing Body of the Lower Rio Grande Public Water Works Authority, Anthony, New Mexico (the "Authority"), on June 1 2011. A complete copy of the Resolution is available for public inspection during the normal and regular business hours of the Authority at 325 Holguin Road, Vado, New Mexico.

The title of the Resolution is:

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY  
RESOLUTION FY2011-15

AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT BY AND BETWEEN THE LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY, ANTHONY, NEW MEXICO (THE "GOVERNMENTAL UNIT") AND THE NEW MEXICO FINANCE AUTHORITY, IN THE PRINCIPAL AMOUNT OF \$797,845 FOR THE PURPOSE OF REFUNDING FOUR UNITED STATES DEPARTMENT OF AGRICULTURE LOANS TO LA MESA MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION, MESQUITE MUTUAL DOMESTIC WATER CONSUMERS AND MUTUAL SEWAGE WORKS ASSOCIATION AND DESERT SANDS MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION AND PAYING A LOAN PROCESSING FEE, AND EVIDENCING THE SPECIAL LIMITED OBLIGATION OF THE GOVERNMENTAL UNIT TO REPAY THE PRINCIPAL AMOUNT OF \$797,845, TOGETHER WITH INTEREST THEREON; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL AND INTEREST DUE UNDER THE LOAN AGREEMENT SOLELY FROM THE NET REVENUES OF THE GOVERNMENTAL UNIT'S WATER SYSTEM; RATIFYING ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT WITH THIS RESOLUTION; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN AGREEMENT.

A general summary of the subject matter of the Resolution is contained in its title. This notice constitutes compliance with Section 6-14-6, NMSA 1978.



(End of Form of Summary for Publication)

PASSED, APPROVED AND ADOPTED THIS 1st day of June, 2011.

LOWER RIO GRANDE PUBLIC WATER  
WORKS AUTHORITY

By: \_\_\_\_\_  
Roberto Nieto, Chairman

[SEAL]

ATTEST:

By: \_\_\_\_\_  
Santos Ruiz, Secretary

Director \_\_\_\_\_ then moved adoption of the foregoing Resolution, duly seconded by Director \_\_\_\_\_.

The motion to adopt said Resolution, upon being put to a vote, was passed and adopted on the following recorded vote:

Those Voting Aye: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Those Voting Nay: \_\_\_\_\_  
\_\_\_\_\_

Those Absent: \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_ (\_\_\_) members of the Governing Body having voted in favor of said motion, the Chairman declared said motion carried and said Resolution adopted, whereupon the Chairman and the Secretary signed the Resolution upon the records of the minutes of the Governing Body.

After consideration of matters not relating to the Resolution, the meeting on the motion duly made, seconded and unanimously carried, was adjourned.

LOWER RIO GRANDE PUBLIC WATER  
WORKS AUTHORITY

By: \_\_\_\_\_  
Roberto Nieto, Chairman

[SEAL]

ATTEST:

By: \_\_\_\_\_  
Santos Ruiz, Secretary

**EXHIBIT "A"**

Meeting Agenda  
of the June 1, 2011  
Board of Directors Meeting

(See attached)

STATE OF NEW MEXICO  
DONA ANA COUNTY

I, Santos Ruiz, the duly qualified and acting Secretary of Lower Rio Grande Public Water Works Authority, Anthony, New Mexico (the "Governmental Unit"), do hereby certify:

4. The foregoing pages are a true, perfect, and complete copy of the record of the proceedings of the Board of Directors Lower Rio Grande Public Water Works Authority, Anthony, New Mexico (the "Governing Body"), constituting the governing body of the Governmental Unit had and taken at a duly called regular meeting held at 325 Holguin Road, Vado, New Mexico, on June 1, 2011, at the hour of 4 p.m., insofar as the same relate to the execution and delivery of the proposed Loan Agreement, a copy of which is set forth in the official records of the proceedings of the Governing Body kept in my office. None of the action taken has been rescinded, repealed, or modified.

5. Said proceedings were duly had and taken as therein shown, the meeting therein was duly held, and the persons therein named were present at said meeting, as therein shown.

6. Notice of said meeting was given in compliance with the permitted methods of giving notice of regular meetings of the Governing Body as required by the Governmental Unit's open meetings standards presently in effect.

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_\_ day of June, 2011.

LOWER RIO GRANDE PUBLIC WATER  
WORKS AUTHORITY

By: \_\_\_\_\_  
Santos Ruiz, Secretary



# **LOWER RIO GRANDE**

---

## **Public Water Works Authority**

---

### **Resolution # 2011-16 for Fiscal Year 2012**

**Whereas**, in order to comply with Sections 6-6-1 and 6-6-2 NMSA 1978 and to apply for CDBG funding, the Board of Directors wishes to adopt and pass a resolution to approve the Revised final budget that the Board of Directors officially approved on June 1, 2011.

**Therefore**, be it resolved, the Board of Directors adopts and passes a resolution to approve the final budget that the Board of Directors officially approved on June 1, 2011.

PASSED, APPROVED, AND ADOPTED: June 1, 2011.

Seal:

---

Roberto M. Nieto, Chairman

---

John Holguin, Vice-chairman

---

Santos Ruiz, Secretary

---

Rosaura Pargas, Director

---

VACANT

---

Director – La Mesa

UNITED STATES DEPARTMENT OF AGRICULTURE  
**STATEMENT OF BUDGET, INCOME AND EQUITY**

Schedule 1

Name  Authority	Address
-----------------------	---------

(1) <u>OPERATING INCOME</u>	PRIOR YEAR <u>Actual</u> (2)	ANNUAL BUDGET BEG _____ END _____ (3)	For the _____ Months Ended _____ CURRENT YEAR		Actual YTD (Over) Under Budget Col. 3 - 5 = 6 (6)
			Actual Data		
			Current Quarter (4)	Year To Date (5)	
1. _____					
2. _____					
3. _____					
4. _____					
5. Miscellaneous					
6. Less: Allowances and Deductions					
7. Total Operating Income (Add lines 1 through 6)					
<u>OPERATING EXPENSES</u>					
8. _____					
9. _____					
10. _____					
11. _____					
12. _____					
13. _____					
14. _____					
15. Interest					
16. Depreciation					
17. Total Operating Expense (Add Lines 8 through 16)					
18. NET OPERATING INCOME (LOSS) (Line 7 less 17)					
<u>NONOPERATING INCOME</u>					
19. _____					
20. _____					
21. Total Nonoperating Income (Add 19 and 20)					
22. NET INCOME (LOSS) (Add lines 18 and 21)					
23. Equity Beginning of Period					
24. _____					
25. _____					
26. Equity End of Period (Add lines 22 through 25)					

Budget and Annual Report Approved by Governing Body	Quarterly Reports Certified Correct
---	-------------------------------------

Secretary
Date
Appropriate Official
Date

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0015. The time required to complete this information collection is estimated to average 2-1/2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.



**SUPPLEMENTAL DATA**

The Following Data Should Be Supplied Where Applicable

Circle One

**1. ALL BORROWERS**

- a. Are deposited funds in institutions insured by the Federal Government? Yes No
- b. Are you exempt from Federal Income Tax? Yes No
- c. Are Local, State and Federal Taxes paid current? Yes No
- d. Is corporate status in good standing with State? Yes No

e. List kinds and amounts of insurance and fidelity bond: Complete Only when submitting annual budget information:

<u>Insurance Coverage and Policy Number</u>	<u>Insurance Company and Address</u>	<u>Amount of Coverage</u>	<u>Expiration Date of Policy</u>
Property Insurance			
Policy # _____	_____	_____	_____
Liability			
Policy # _____	_____	_____	_____
Fidelity			
Policy # _____	_____	_____	_____

**2. RECREATION AND GRAZING ASSOCIATION BORROWERS ONLY**

Current Quarter

Year to Date

a. Number of Members \_\_\_\_\_ \_\_\_\_\_

**3. WATER AND/OR SEWER UTILITY BORROWERS ONLY**

a. Water purchased or produced (CU FT - GAL)	_____ gal.	_____ gal.
b. Water sold (CU FT - GAL)	_____ gal.	_____ gal.
c. Treated waste (CU FT - GAL)	_____ gal.	_____ gal.
d. Number of users - water	_____	_____
e. Number of users - sewer	_____	_____

**4. OTHER UTILITIES**

a. Number of users	_____	_____
b. Product purchased	_____	_____
c. Product sold	_____	_____

**5. HEALTH CARE BORROWERS ONLY**

a. Number of beds	_____	_____
b. Patient days of care	_____	_____
c. Percentage of occupancy	_____ %	_____ %
d. Number of outpatient visits	_____	_____

**6. DISTRIBUTION OF ALL CASH AND INVESTMENTS\***

Indicate balances in the following accounts:

	<u>Construction</u>	<u>Revenue</u>	<u>Debt Service</u>	<u>Operation &amp; Maintenance</u>	<u>Reserve</u>	<u>All Others</u>	<u>Grand Total</u>
Cash	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Savings	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
and Invest- ments	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Total	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

**7. AGE ACCOUNTS RECEIVABLE AS FOLLOWS:**

	<u>Days</u>				<u>*Total</u>
	<u>0-30</u>	<u>31-60</u>	<u>61-90</u>	<u>91 and Older</u>	<u>*Total</u>
Dollar Values	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Number of Accounts	_____	_____	_____	_____	_____

\*Totals must agree with those on Balance Sheet.

PROJECTED CASH FLOW

For the Year BEG. \_\_\_\_\_ END. \_\_\_\_\_  
(same as schedule 1 column 3)

A. Line 22 from Schedule 1, Column 3 NET INCOME (LOSS) ..... \$ \_\_\_\_\_

Add

B. Items in Operations not Requiring Cash:

- 1. Depreciation (line 16 schedule 1) .....
- 2. Others: .....

C. Cash Provided From:

- 1. Proceeds from Agency loan/grant .....
- 2. Proceeds from others .....
- 3. Increase (Decrease) in Accounts Payable, Accruals and other Current Liabilities .....
- 4. Decrease (Increase) in Accounts Receivable, Inventories and  
 Other Current Assets (Exclude cash) .....
- 5. Other: .....
- 6. ....

D. Total all A, B and C Items .....

E. Less: Cash Extended for:

- 1. All Construction, Equipment and New Capital Items (loan & grant funds) .....
- 2. Replacement and Additions to Existing Property, Plant and Equipment .....
- 3. Principal Payment Agency Loan .....
- 4. Principal Payment Other Loans .....
- 5. Other: .....
- 6. Total E 1 through 5 .....

Add

F. Beginning Cash Balances .....

G. Ending Cash Balances (Total of D Minus E 6 Plus F) ..... \$ \_\_\_\_\_

Item G Cash Balances Composed of:

- Construction Account ..... \$ \_\_\_\_\_
- Revenue Account .....
- Debt Payment Account .....
- O&M Account .....
- Reserve Account .....
- Funded Depreciation Account .....
- Others: .....

Total - Agrees with Item G ..... \$ \_\_\_\_\_