

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

Minutes—REGULAR BOARD OF DIRECTORS MEETING

9:30 a.m. Wednesday, April 16, 2014 at our East Mesa Office, 9774 Butterfield Park Blvd.

NOTE: Minutes are in DRAFT form until approved by the Board

- I. **Call to Order, Roll Call to Establish Quorum** Sign-in sheet and agenda are attached. Directors present were Chairman Robert “Marty” Nieto (District 5), Director Cali Tellez (District 3), Director Mike McMullen (District 6) and Director Furman Smith (District 7). Absent was Director Arturo Terrazas (District 1), Secretary Santos Ruiz (District 2) and Vice Chair John Holguin (District 4). Staff members present were General Manager Martin Lopez, Finance Manager Kathi Jackson, Operations Manager, Mike Lopez, Projects Manager Karen Nichols and Adm. Asst. Joan Ferguson. Also present was Tiffany Goolsby, SCCOGS. With a quorum established the meeting was called to order by Mr. Nieto at 9:31am.
- II. **Pledge of Allegiance** {1:05}
- III. **Approval of Agenda** Mr. Smith moved to approve the agenda. Mr. McMullen seconded the motion and it passed 4–0. {2:48}
- IV. **Approval of Minutes**
 - A. **3/19/2014 Regular Meeting** Postponed due to lack of quorum. {4:06}
 - B. **3/27/2014 Special Meeting** Postponed due to lack of quorum. {4:28}
 - C. **4/4/2014 Special Meeting** Mr. Smith moved to approve the minutes of the special meeting of 4/4/14. Mr. Tellez seconded the motion and it passed 3–0 with Mr. Nieto abstaining. {5:14}
- V. **Guest Presentation** None {5:22}
- VI. **Public Input—15 minutes total allotted for this item, 3 minutes time limit per person** None {5:35}
- VII. **Managers’ Reports**
 - A. **General Manager**
 1. In the GM’s report, “FFC” should read “FCC.”
 2. Mr. Tellez asked how long the NMDOT work at the Vado interchange would take. It runs through December.
 3. Mr. Tellez asked about the CPR training. An LRG operator has a CPR teaching certification that needs to be renewed but he should be able to do the training in-house.{15:50}
 - B. **Finance**
 1. Quarterly reports will be available at next month’s meeting.
 2. The new rates have been implemented with few complaints.
 3. Mr. Martin Lopez announced the County’s ICIP public meetings.
 4. Mr. Martin Lopez announced that the dairies would be having public meetings about their clean-up plans. {17:58}
 - C. **Projects**
 1. The Organ project is still waiting on Timberline for the SCADA. Mike and JJ have gotten the pertinent data to them.
 2. There could be enough in the contingencies in the Organ project to install one chlorine gas treatment facility.
 3. Mr. Nieto asked when Layne Construction would be finished with the Mesquite Wastewater Project. There are only two or three laborers on the crew tying up loose ends. There is no estimate on the finish date. {27:47}

D. Operations

1. Mr. Tellez asked about the water pressure on Valman St.
2. Mr. Mike Lopez and staff will be presenting at this year's Water Fair for 1,500 elementary school students. They made a model water distribution system.
3. The Fifth St. booster station in Organ needed new relays.
4. The chlorine scales at Well 8 needed new sensors and reprogramming. {37:25}

VIII. Unfinished Business

A. Audits—for approval

1. LRGPWVA The Authority received an unqualified opinion which was changed to unmodified because the Authority's auditor had not given an opinion on the Federal programs. Ms. Jackson noted the following errors:

- a. p. 8, the history of the Authority contains errors;
- b. p. 14, "village" needs to be changed to "Authority;"
- c. p. 21, the actual salaries appears to be a typographical error;
- d. p. 28, findings from prior years have already been resolved.

Mr. Smith moved to approve the LRGPWVA Audit of 2013. Mr. Tellez seconded the motion and it passed 4-0. {40:43}

2. Organ Postponed

B. ICIP, First Draft Ms. Nichols conducted two public hearings, one in Vado the other in Organ. She and Ms. Tiffany Goolsby have worked on the first draft with the following priorities:

1. The Water System Rehabilitation also includes Veterans Rd.
2. Information Technology. The LRG did receive capital outlays for information technology two years in a row but additional funds are needed.
3. The interconnect looping project remains unchanged.
4. The Mesquite/Brazito Sewer Project remains unchanged
5. PER and Environmental documents for the East Mesa are new. The Organ project did not address all of that systems deficiencies and BP has not had upgrades since the 1990s.
6. Water treatment plant project remains unchanged but was moved from priority 5 because design funds are adequate for the coming year. {45:51}

C. Amendments to Customer/Member Policy (Delinquency changes)—for approval The amendments include changes in wording from "shut-off" to "delinquency" as well as changes to the policy concerning doctors' notes. Also change was the policy on sewer connections. The new policy requires that, for new connections, water service is required to receive sewer service. Mr. McMullen moved to approve the amendment to the customer/member policy. Mr. Tellez seconded the motion and it passed 4-0 with no further discussion. {53:34}

IX. New Business

A. Interim FY 2015 Budget—for approval The final budget needs to be submitted July 1. This budget assumes uniform rates throughout the year even though the Organ/Butterfield system will not be on LRG rates until August or September. Mr. Smith moved to approve the Interim FY 2015 Budget. Mr. McMullen seconded the motion and it passed 4-0 with no further discussion. {57:35}

B. Selection of auditor—for approval Requests for proposals had been sent out to all the auditors on the State's approved list. One proposal was submitted by LRG's current auditor, White Samaniego & Campbell. They have also done audits for Organ and Brazito. Their quote has increased from \$8,000 to \$11,000. Mr. McMullen moved to approve White, Samaniego & Campbell as auditor. Mr. Smith seconded the motion and it passed 4-0 with no further discussion. {59:09}

C. Vehicle disposal—for approval

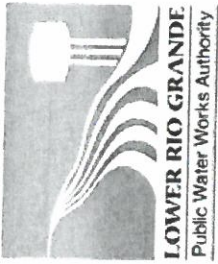
1. 1999 Dodge (Desert Sands)
2. 1998 Chevy GM4 (Mesquite)
3. 1997 Chevy GM4 (Mesquite)
4. 1991 Nissan Pathfinder (Organ)
5. trailer made from truck bed (Mesquite)

In the past year LRG has made \$45,000 in vehicle repairs. The above vehicles are beyond repair. Mr. Tellez made a motion to authorize the GM to dispose of the above vehicles at his discretion. Mr. McMullen seconded the motion and it passed 4–0. {1:01:59}

X. Other discussion and agenda items for next meeting, 9:30 a.m. 5/21/2014 at the Vado Office

- A. New Mexico Mutual monitoring employee driving record
- B. Quarterly financial report
- C. ICIP final draft
- D. MVEDA presentation
- E. Research of a protest by Mountain View of a Moongate well drilled in 1996
- F. Send Mr. Tellez copy of new policy {1:07:58}

XI. Adjourn Mr. Tellez made a motion to adjourn. Mr. McMullen seconded the motion and it passed 4–0. The meeting adjourned at 10:40am.



Lower Rio Grande Public Water Works Authority

Sign In Sheet

Page 1 of

Date: Apr 16, 2014 Time: 9:30 Places: Butterfield Park Event: Regular Meeting

Signature	Print Name, Title, Company or Agency Represented	Contact Information	Email Address
	CARLOS FELLER	575-233-4140	
	MIKE MEMMLER	970-302-7852	
	Roberto M Nieto	575-636-3851	
	FURMAN SMITH PM	382 5982	SAME
	Kara Nichols CRG PWWA	915 203 2057	Kara.nichols@lrgaauthority.org
	Kathi Jackson Finance Manager CRG PWWA	640-4930	
	MIKE LOPEZ CRG PWWA	(575)635-3921	
	Tiffany Goolsby, SC04	575-740-2926	Tigoolsby@scog-nm.com
	MARTIN G LOPEZ, STAFF	575 571 3628	MARTIN.LOPEZ@lrgaauthority.org
	H41D	575-635-1289	Esp@lrga A. Helgren@lrgaauthority.org
	Jean Ferguson CRG	575-233-5742, 123	jeanferguson@lrgaauthority.org

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

Meeting Notice & DRAFT Agenda—REGULAR BOARD OF DIRECTORS MEETING

9:30 a.m. Wednesday, April 16, 2014 at our East Mesa Office, 9774 Butterfield Park Blvd.

Agendas are final 72 hours prior to the meeting and may be obtained at any LRGPWWA Office—call 575-233-5742 for information

- I. Call to Order, Roll Call to Establish Quorum
- II. Pledge of Allegiance
- III. Approval of Agenda
- IV. Approval of Minutes
 - A. 3/19/2014 Regular Meeting
 - B. 3/27/2014 Special Meeting
 - C. 4/4/2014 Special Meeting
- V. Guest Presentation—None
- VI. Public Input—15 minutes total allotted for this item, 3 minutes time limit per person
- VII. Managers' Reports
 - A. General Manager
 - B. Finance
 - C. Projects
 - D. Operations
- VIII. Unfinished Business
 - A. Audits—for approval
 - 1. LRGPWWA
 - 2. Organ
 - B. ICIP, First Draft
 - C. Amendments to Customer/Member Policy (Delinquency changes)—for approval
- IX. New Business
 - A. Interim FY 2015 Budget—for approval
 - B. Selection of auditor—for approval
 - C. Vehicle disposal—for approval
 - 1. 1999 Dodge (Desert Sands)
 - 2. 1998 Chevy GM4 (Mesquite)
 - 3. 1997 Chevy GM4 (Mesquite)
 - 4. 1991 Nissan Pathfinder (Organ)
 - 5. trailer made from truck bed (Mesquite)
- X. Other discussion and agenda items for next meeting, 9:30 a.m. 5/21/2014 at the Vado Office
- XI. 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 office of the LRGPWWA **at 575-233-5742, 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 usted 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 oficinas de LRGPWWA **at 575-233-5742, por correo al 325 Holguin Road, Vado NM 88072, o en persona en el 215 Bryant, Mesquite, NM** una semana antes de la junta o en cuanto le sea posible. Documentos públicos, incluyendo la agenda y minutos, están disponibles en varios formatos. Por favor póngase en contacto con la oficina LRGPWWA si necesita un resumen u otro tipo de forma accesible.*

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

Minutes—REGULAR BOARD OF DIRECTORS MEETING

9:30 a.m. Wednesday, March 19, 2014 at our East Mesa Office, 9774 Butterfield Park Blvd.

Note: Minutes are in DRAFT form until approved by the Board

- I. **Call to Order, Roll Call to Establish Quorum** Sign-in sheet and agenda are attached. Directors present were Chairman Robert “Marty” Nieto (District 5), Vice-Chairman John Holguin (District 4), Director Cali Tellez (District 3) and Director Mike McMullen (District 6). Absent were Secretary Santos Ruiz (District 2), Director Arturo Terrazas (District 1) and Director Furman Smith (District 7). Staff members present were General Manager Martin Lopez, Finance Manager Kathi Jackson, Operations Manager, Mike Lopez, Projects Manager Karen Nichols and Adm Asst. Joan Ferguson. Also present were Joshua Smith, attorney and Tiffany Goosby, SCCOG. With a quorum established the meeting was called to order by Mr. Nieto at 9:33am.
- II. **Pledge of Allegiance** {0:50}
- III. **Approval of Agenda** Items 8A1 & 3 were postponed because those audits have not yet been released by the state auditor. Mr. McMullen moved to approve the agenda. He then amended his motion to include the postponement of items 8A1 & 3. Mr. Tellez seconded the motion and it passed 4–0. {2:16}
- IV. **Approval of Minutes**
 - A. **Minutes of 1/28/2014 Special Meeting** Mr. Holguin moved to approve the minutes of the 1/28/2014 special meeting. Mr. McMullen seconded the motion and with a quorum, it passed 3–0 with Mr. Tellez abstaining. {3:31}
 - B. **Minutes of 2/19/2014 Regular Meeting** Mr. McMullen moved to approve the minutes of the 2/19/2014 regular meeting. Mr. Tellez seconded the motion and it passed 4–0. {4:09}
 - C. **Minutes of 3/4/2014 Special Meeting** Mr. Holguin moved to approve the minutes of the 3/4/2014 special meeting. Mr. McMullen seconded the motion and it carried 4–0. {4:43}
- V. **Guest Presentation—None** The General Manager at this time distributed sealed envelopes that had been left in the drop box at Mesquite. The letters concerned a personnel issue and were addressed to each member of the board except Mr. Smith. It was determined that it was a matter that should be discussed in closed session. {6:27}
- VI. **Public Input—15 minutes total allotted for this item, 3 minutes time limit per person** The General Manager had public comments but he said that they would be addressed in 9C—Disconnection Policy {6:55}
- VII. **Managers’ Reports**
 - A. **General Manager** Mr. Martin Lopez prepared a written report and discussed it with the Board. Mr. Holguin asked about the FEMA claim. Mr. Martin Lopez said that he completed all the paperwork and submitted it the day he received it. LRG will be receiving \$7905.27 which, because the labor involved as well as damaged equipment, had already been paid for, will go into the reserve account. {10:13}
 - B. **Projects** Ms. Karen Nichols prepared a written report and discussed it with the Board.
 1. Mr. Holguin asked to be briefed on the Veteran’s Rd. water line extension project. This year’s capital outlay requests were granted including the \$150,152 that will include the Veteran’s Rd extension. The total project which will include the installation of 6” pipe will total \$172,000 and is anticipated to extend beyond the EBID station.

2. Mr. Nieto asked about the progress on the Mesquite Wastewater project. The final payout is waiting for the final inspection.
3. Mr. Tellez asked about the drivers' safety course. A group attended the course on March 7, 2014. The course was six hours, included a video and was followed with a 20-question exam. {16:25}

C. Finance Ms. Kathi Jackson prepared a written report and discussed it with the Board.

1. Extraordinary expenses included paving in Butterfield Park.
2. Electricity expenses have been itemized in order to follow expenses with the new sewer.
3. Mr. Holguin noticed that total expenses exceeded total income. Ms. Jackson pointed out that at the bottom of the columns of the profit and loss report the depreciation had been added back, making total income exceed total expenses.
4. Finance is preparing an application to consolidate/refinance the Organ/Butterfield Park/Brazito loans. The assumption of those USDA-RD loans has been waiting approval for 14 months and it appears to be easier to refinance with the Finance Authority. The terms would be 20–25 years at 3.29%. Preliminary paperwork has been filed. The board will need to approve applying for NMFA to refinance the loans.
5. The purchase of billing/accounting will have to be put out to bid instead of using the CES buying system. The consulting engineer at NMED determined that LRG would be responsible for the 1% fee that CES charges its vendors.
6. The current accounting contract is up and there is a request for professional services on the website which has also been e-mailed to accounting offices on the state's list of approved CPAs. {24:26}

D. Operations Mr. Mike Lopez prepared a written report and discussed it with the Board.

1. Mr. Holguin asked if the arsenic level at well #2 was in compliance. The level of arsenic at well #2 is at zero.
2. Mr. Holguin asked about billing Alto De Los Flores: they are sent a detailed invoice.
3. Decommissioning the wetlands involves capping the forced main (which was included in the Mesquite Sewer Project), capping the holding tanks and filling the four infiltration beds. Additionally, five years of monitoring is required. {29:04}

VIII. Unfinished Business

A. Audits—for approval

1. **LRGPWWA**—Postponed
2. **Brazito** There were two findings in Brazito's audit for the 2012 calendar year. The first was a late audit report. The second was a data collection form was not filed in a timely manner. These findings, however, are from the previous year. Mr. Holguin moved to approve the Brazito audit for the year ended December 31, 2012. Mr. McMullen seconded the motion and it passed 4–0.
3. **Organ**—Postponed {31:05}

IX. New Business

A. Resolution FY2014-10 NMFA Planning Grant—for approval This Planning Grant will reimburse the Authority \$37,300 from the Finance Authority from when the Comprehensive PER-environmental report was performed for the original five systems. These funds will be deposited in the reserve account. Mr. McMullen moved to approve Resolution FY2014-10 NMFA Planning Grant. Mr. Tellez seconded the motion. With no further discussion the motion carried 4–0. {33:10}

B. Resolution FY2014-13 Authorizing the Sale of Surplus Manual Water Meters Because the Authority is replacing a large number of manual meters with radio read meters there is a significant amount of meters

that need to be sold. The procurement code requires approval from NMFA for any sale of surplus equipment above \$5,000. Management needs board approval to dispose of the meters. Mr. McMullen moved to approve Resolution FY 2014-13 Authorizing the Sale of Surplus Manual Water Meters. Mr. Tellez seconded the motion. There was no further discussion and the motion passed 4-0. {34:27}

C. Disconnection Procedures Last month, the board had requested that the GM research disconnection policies of neighboring water/sewer systems. Additionally there were requests from two customer/members that the 3pm deadline be extended to 5pm along with a complaint that the "disconnection fee" amounted to paying for a service that hasn't been performed. Mr. Martin Lopez's report on neighboring systems' disconnection fees is attached and he reviewed it with the board. Mr. Tellez's main concern was the wording in the Customer/Member Policy Item 4.H, "Disconnection of Service." The disconnection fee could be construed as a fee for a service that has not been performed. The board requested that that item be rephrased with "delinquency fee" or "fee for nonpayment." The draft will be on the agenda of April's meeting. On the subject of the 3pm deadline, the GM pointed out that staff could do whatever the board decided but office hours in the satellite offices would have to be changed. Additionally, 95% of customers are compliant and used to the 3pm deadline. Mr. Holguin asked what the chronic delinquency rate was. Ms. Jackson said that currently, it is 8%. There was a consensus that the deadline of 3pm be retained. Mr. Martin Lopez pointed out that in the future, perhaps with the new billing software, it could be possible to send a telephone message to those who are late with their payments. The board asked 1) for a draft amendment to the Member/Customer Policies incorporating the discussed, 2) that Ms. Jackson track any changes in the chronic delinquency rate and 3) that Mr. Martin Lopez research automated telephone messaging systems. {48:33}

D. 2016-2020 ICIP—Set Public Meeting Dates The deadline for submitting Infrastructure Capital Improvement Plans (ICIP) had originally been set for September 30. The DFA has decided to divide the entities submitting plans into three separate groups with three different deadlines. LRGPWVA is in the special districts group and now has a deadline of June 16. Ms. Nichols has drafted a schedule of staff and public meetings for generating the ICIP for 2015. The schedule is attached. Mr. Holguin moved to approve the April 1 ICIP meeting date at the East Mesa office and the April 3 meeting date at the Vado office. Mr. Tellez seconded the motion and it passed 4-0. {51:30}

X. Motion to convene in Closed Session pursuant to NMSA 1978 Section 10-15-1(H)(7) threatened or pending litigation—ROLL CALL VOTE Mr. Tellez made a motion to convene in Closed Session pursuant to NMSA 1978 Section 10-15-1(H)(7) threatened or pending litigation. Mr. McMullen seconded the motion. The roll call was as follows: Mr. Nieto voted aye, Mr. Holguin voted aye, Mr. Tellez voted aye and Mr. McMullen voted aye. The ayes carried 4-0 and the session closed at 10:26am. {52:50}

A. Motion to resume the Open Meeting Mr. Tellez made a motion to resume the Open Meeting. Mr. McMullen seconded the motion. The motion carried 4-0 with no discussion. {53:08}

B. Action, if any, related to the Closed Session topic The Closed Session only addressed threatened or pending litigation and no action was taken. {53:18}

XI. Other discussion and agenda items for next meeting, 9:30 a.m. 4/16/14 at the East Mesa Office

A. Customer/Member Policy amendments:

1. Customer/members who are receiving sewer service but not water.
2. Delinquency language change

B. Special Meeting to approve the refinancing of the debt. It was agreed 9:30, March 27, 2014 at the La Mesa office. {57:20}

XII. Adjourn Mr. Holguin moved to adjourn the meeting, Mr. Tellez seconded the motion and it passed 4–0. The meeting was adjourned at 11:06am.

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

DRAFT Minutes—SPECIAL BOARD OF DIRECTORS MEETING

9:30 a.m. Thursday, March 27, 2014 at our La Mesa Office, 521 St. Valentine

Please Note that Minutes are in DRAFT form until approved by the Board

- I. **Call to Order, Roll Call to Establish Quorum** Sign-in sheet and agenda are attached. Directors present were Chairman Robert “Marty” Nieto (District 5), Vice-Chairman John Holguin (District 4), Director Arturo Terrazas (District 1) and Director Cali Tellez (District 3). Absent were Secretary Santos Ruiz (District 2), Director Mike McMullen (District 6), and Director Furman Smith (District 7). Staff members present were General Manager Martin Lopez and Adm Asst. Joan Ferguson. Also present was Joshua Smith, Attorney, Watson Law Office. With a quorum established the meeting was called to order by Mr. Nieto at 9:32.
- II. **Pledge of Allegiance**
- III. **Approval of Agenda** Mr. Holguin moved to approve the agenda. Mr. Tellez seconded the motion and it passed 4–0.
- IV. **Resolution Number 2014-14 Authorizing Application to NMFA for Refunding—for adoption** Mr. Holguin made a motion to adopt Resolution Number 2014-14 Authorizing Application to NMFA for Refunding. Mr. Tellez seconded the motion and it passed 4–0.
- V. **Motion to convene in Closed Session pursuant to NMSA 1978 Section 10-15-1(H)(7) threatened or pending litigation—ROLL CALL VOTE** Mr. Holguin made a motion to convene in Closed Session pursuant to NMSA 1978 Section 10-15-1(H)(7) threatened or pending litigation and Mr. Tellez seconded the motion. The roll call was as follows: Chairman Robert “Marty” Nieto (District 5), Vice-Chairman John Holguin (District 4), Director Arturo Terrazas (District 1) and Director Cali Tellez (District 3). The motion to close the session passed 4–0.
 - A. **Statement by the Chair that only the items listed in the agenda were discussed and no action was taken in Closed Session and Motion to reconvene in Open Session** Mr. Nieto stated that the only items discussed were pending or threatened litigation. Mr. Holguin moved to open the session, Mr. Tellez seconded the motion and it passed 4–0. The session was reconvened at 10:03.
 - B. **Action, if any, related to the threatened or pending litigation** A motion was made by Mr. Tellez to authorize LRGPWWA Attorney to send a letter to Colonias Infrastructure Trust Board pertaining to Mr. Orlando Jimenez and copy Mr. Jimenez. The motion was seconded by Mr. Holguin and it passed 4–0.
- VI. **Adjourn** Mr. Holguin made a motion to adjourn the meeting. Mr. Tellez seconded the motion and it passed 4–0. The meeting was adjourned at 10:04.

Minutes signed April 16, 2014

Roberto Nieto, Chairman (District 5)

John Holguin, Vice-Chairman (District 4)

ABSENT

Santos Ruiz, Secretary (District 2)

Arturo Terrazas, Director (District 1)

Carlos Tellez, Director (District 3)

ABSENT

Michael McMullen, Director (District 6)

ABSENT

Furman Smith, Director (District 7)

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

DRAFT Minutes—SPECIAL BOARD OF DIRECTORS MEETING

9:30 a.m. Friday, April 4, 2014 at our La Mesa Office, 521 St. Valentine

Please Note that Minutes are in DRAFT form until approved by the Board

- I. **Call to Order, Roll Call to Establish Quorum** Sign-in sheet and agenda are attached. Directors present were Vice-Chairman John Holguin (District 4), Director Arturo Terrazas (District 1), Director Cali Tellez (District 3) and Director Furman Smith (District 7), telephonically. Absent were Chairman Robert "Marty" Nieto (District 5), Secretary Santos Ruiz (District 2) and Director Mike McMullen (District 6). Staff members present were General Manager Martin Lopez and Projects Manager Karen Nichols. With a quorum established the meeting was called to order by Mr. Holguin at 9:38.
- II. **Pledge of Allegiance** – Tabled, no flag present.
- III. **Approval of Agenda** Mr. Tellez moved to approve the agenda. Mr. Terrazas seconded the motion and it passed 5-0.
- IV. **Tentative award of contract for Berino/Mesquite-Del Cerro project, contingent upon funding agency approval** Mr. Lopez reviewed the engineer's recommendation for award and the bid tabulation with the board. He explained that the one bid was a little over \$.5 million above the engineer's estimate of probably construction cost, but that it was within 10%, so we were able to negotiate with Smithco, the low bidder, to reduce the scope and some of the pricing. Mr. Smith questioned the reduction in valves, and Mr. Lopez explained that we reviewed the plans in detail with the engineer and contractor to maintain the critical valves and hydrants and remove the ones that were least critical. Mr. Holguin asked about the contingency funds in the budget, and Mr. Lopez explained that Mr. Tellez made a motion to approve tentatively awarding the contract for the Berino/Mesquite-Del Cerro Water System Improvements Project to Smithco contingent upon funding agency approval, Mr. Terrazas seconded. Mr. Terrazas asked why we only got only one bid. Mr. Lopez explained that the input we got back was that after the first bid, the other contractors determined they were not able to beat Smithco's numbers. Mr. Terrazas also asked if the contingency funds might be used to replace the items removed. Mr. Lopez said yes, either that or for building some of the additive bid lots. There was no further discussion and the motion carried on a vote of 4-0 in favor.
- V. **Approval of project inspector** Mr. Lopez reviewed the construction observer's resumes. Mr. Tellez asked if any the potential observers were related to any LRGPWWA personnel or directors. Mr. Lopez said not to our knowledge. Mr. Tellez made a motion to name Robert Covarrubia as construction observer and concur with the use of Guillermo Orquiz, Isaac Lopez or Anthony Herrera. Mr. Terrazas seconded, and it carried on a vote of 4-0.
- VI. **Adjourn** Mr. Tellez made a motion to adjourn the meeting. Mr. Terrazas seconded the motion and it passed 4-0. The meeting was adjourned at 10:00.

Minutes signed April 4, 2014

ABSENT

Roberto Nieto, Chairman (District 5)

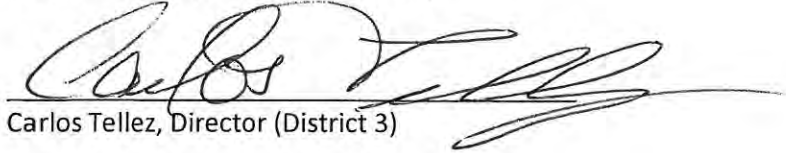
John Holguin, Vice-Chairman (District 4)

ABSENT

Santos Ruiz, Secretary (District 2)



Arturo Terrazas, Director (District 1)



Carlos Tellez, Director (District 3)

ABSENT

Michael McMullen, Director (District 6)

Participated by telephone

Furman Smith, Director (District 7)

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

Meeting Notice & Agenda—SPECIAL BOARD OF DIRECTORS MEETING

9:30 a.m. Friday, April 4, 2014 at our La Mesa Office, 521 St. Valentine

Agendas are final 72 hours prior to the meeting and may be obtained at any LRGPWVA Office—call 575-233-5742 for information

- I. Call to Order, Roll Call to Establish Quorum
- II. Pledge of Allegiance
- III. Approval of Agenda
- IV. Tentative award of contract for Berino/Mesquite-Del Cerro project, contingent upon funding agency approval
- V. Approval of project inspector
- VI. 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 office of the LRGPWVA **at 575-233-5742, 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 usted 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 oficinas de LRGPWVA at 575-233-5742, por correo al 325 Holguin Road, Vado NM 88072, o en persona en el 215 Bryant, Mesquite, NM una semana antes de la junta o en cuanto le sea posible. Documentos públicos, incluyendo la agenda y minutos, están disponibles en varios formatos. Por favor póngase en contacto con la oficina LRGPWVA si necesita un resumen u otro tipo de forma accesible.

VENCOR Engineering, LLC

1401 Don Roser Drive, Suite A-2 · Las Cruces · New Mexico · 88011 · (575) 652-3531 · vencorllc@gmail.com

April 4, 2014

Mr. Roberto Nieto / Board Chairman
Lower Rio Grande Public Water Works Authority (LRGPWWA)
325 Holguin Road
Vado, NM 88072

Re: Re-BID: Berino/Mesquite-Del Cerro Water System Improvements Project

Subj: Recommendation of Award of Contract

Dear Mr. Nieto:

Please accept this letter as a written recommendation of award of contract to the apparent lowest responsible Bidder for the above referenced project. As advertised and as amended with Addendum #3, sealed bids were opened and read aloud on Tuesday, March 25, 2014, 10:00 AM at the La Mesa Water office. The apparent lowest responsible bid tabulated for all 14 Bid Lots (Base Bid) and 3 Additive Alternates was that which was submitted by **SmithCo Construction, Inc.** for \$7,873,621.50. Unfortunately, the Engineer's Estimate for the same Base Bid Lots was \$7,339,051.50, resulting in a difference of \$534,570. In order to compensate for the said difference, a reduction of material components and related labor costs needs to occur. More specifically, the removal of the following proposed waterline components (along with their respective labor costs) from the original 14 Base Bid Lots can account for the necessary difference stated above:

- approximately 40- Fire Hydrants (remaining in Project Scope: 94)
- approximately 26 - 12" Gate Valves (remaining in Project Scope: 38)
- approximately 30 - 8" Gate Valves (remaining in Project Scope: 31)
- approximately 93 - 6" Gate Valves (remaining in Project Scope: 77)
- approximately 43 - Automatic Flushing Stations ("Auto Flushers")(all removed)
- approximately 587 - Meter Registers (remaining in Project Scope: 13)

The deletion of the above components was the resultant of a Value Engineering/Work Session conducted between LRGPWWA staff, SmithCo Construction, Inc and VENCOR Engineering, LLC staff on Friday, March 28, 2014. The attendees reviewed and concurred on the deletions presented above. Although the deletions were deemed necessary, **no** Bid Lots were removed from the Project Scope and the end resultant of the original proposed water system improvements remain intact but with a more streamlined approach. Lastly, the deletions also yielded a surplus savings of approximately \$99,525 which can either be used to enhance the current project contingency budget or be directed to complete an Additive Alternate.

Mr. Roberto Nieto, Board Chairman
ReBid: Berino/Mesquite-Del Cerro Water System
Improvements - Project Reduction in Scope & Costs

Page 2

If you have questions on the above, feel free to call me at (575) 652-3531 at your earliest convenience.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Hector R. Vasquez, P.E.", written in a cursive style.

Hector R. Vasquez, P.E.
Engineer of Record

Attachments:

>Prospective Contractor Information

Prospective Contractor's Information

Contractor's History, Bonding Capability and Integrity

Established in 1969, Smithco Construction Inc. is a General Contractor offering complete and diversified construction services throughout New Mexico, West Texas and Eastern Arizona. Smithco is a family owned business headquartered in Caballo, New Mexico, specializing in versatility and customer satisfaction. Throughout our 44 year of business, we have maintained a record of zero default, having not only completed all projects awarded, but with no owner judgments or claims being filed against Smithco.

Smithco annually averages approximately \$20 million in construction contracts, with an aggregate bonding capacity of \$40 million. Smithco excels in labor intensive work requiring innovation, creative solutions and adaptability to change. The majority of all work contracted is comprised of public works projects for public entities, and includes but isn't limited to:

- Commercial Building construction and remodeling (including Design-Build)
- Utility Systems: Rehabilitation/repair/replacement/new construction for Water, Wastewater and Gas Sites/Earthwork

For projects in Arizona, New Mexico and Texas, this includes past and current work performed for Federal, State and local governments including the Interstate Stream Commission, the Bureau of Reclamation, the Federal Bureau of Prisons, various Indian Reservations and multiple municipalities.

Smithco self-performs over 80% of all contracted work and boasts an average employment period of 10 years for our superintendents and foremen. That combined with a successful 44 year track record and extensive labor and equipment resources, solidifies Smithco's ability to offer clients a broad range of construction expertise supported by a diverse knowledge base and past experience. This results in an efficient and timely execution of the client's work requirements.

Record of Past Performance

Successfully completed contracts for multiple projects, on time & within budget, for government agencies include:

- Federal Bureau of Prisons
- New Mexico Interstate Stream Commission
- New Mexico Bureau of Reclamation
- United States Army Corp of Engineers
- New Mexico Spaceport Authority
- City of Deming, NM
- City of Clovis, NM
- Anthony, TX Water & Sanitation District
- Ft. Hancock, TX Water Control District

Financial and Technical Resources (SmithCo Construction, Inc.)

- Bidder's Qualification Statement
- Technical Resources: see attached resumes.
- Financial Resources: see attached financial statements for FY 2013 and FY 2012.



VENCOR's primary mission is to provide cost effective and sensible engineering solutions tailored to meet the needs of the Client.

Guillermo Orquiz, AS

Brief Background:

As VENCOR's Team Leader, Mr. Orquiz's design skills include topographic survey data collection, preliminary GPS & GIS mapping, water plan & profile layouts, utility designs, final quantity estimating and Construction Observation of VENCOR projects. Guillermo has double degrees in Civil/Survey and Architectural Technology and fully versed with current software design technologies. His experience in the construction industry and related trades are instrumental with client satisfaction and quality end products. In addition, Mr. Orquiz is a licensed Level I New Mexico Water Operator and is fully bilingual in English and Spanish.

Selected Projects:

- **Alto De Las Flores MDWCA Water System Improvements, Dona Ana County, NM**
Construction Observer for emergency waterline installation for Alto De Las Flores MDWCA. Construction Observation duties entailed GPS field data collection of pipeline installation, assembly of Daily Observation Reports (DOR), material delivery record keeping, observation and recording of pipeline installation per the approved construction documents and specifications, addressing Request For Information (RFI) criteria as presented by Contractor, concurrence with Engineer and Owner on percent pay requests and assistance in the AutoCad development of final project As-Builts.
- **LRGPWWA: Berino & Mesquite Water System Improvements, Dona Ana County, New Mexico** - Construction Observer for "Stub Out" installation project of C900 PVC waterline segments in preparation of major proposed waterline improvements as permitted in the scope of the Berino-Mesquite/Del Cerro Water System Improvements project. Construction Observation duties entailed GPS field data collection of C900 PVC pipeline segment installations as shown on the approved plans, writing of Daily Observation Reports (DOR), material delivery record keeping, observation and recording of pipeline segment installations, answering/responding to Request For Information (RFI) criteria as presented by Contractor, concurrence with Engineer and Owner on percent pay requests and assistance in the AutoCad development of final pipe segment As-Builts.
- **USDA/Rural Development Water System Improvements, Berino - Mesquite / Del Cerro, Dona Ana County, New Mexico** - Lead Designer for 32 mile water infrastructure improvements for the Lower Rio Grande Public Water Works Authority (LRGPWWA). Design requirements included comprehensive field collection of topographic and utility survey data, design and assembly of Plan & Profile drawings, bridge pipeline crossings, BNSF Railroad crossings, horizontal directional bores and permit processing. The 32 mile pipeline project had an estimated project cost of \$7.34 million.

**Team Leader / Designer II /
Construction Observer**

Certifications:

Level I New Mexico Water
Licensed Operator #20824

Associates of Science Degree -
Civil/Survey

Associates of Science Degree-
Architectural Technology

NAICS Codes:

VENCOR self-performs services for traditional Civil Engineering, water & wastewater and various Facility and Construction Management requirements.

541330: Engineering Services
541340: Drafting Services
541370: Surveying/Mapping
541430: Graphic Design Svcs
237110: Water/Sewer Line &
Related Structures Construction
237310: Highway, Street, Dirt
Roadway Construction
238910: Site/Utility Services

VENCOR Engineering, LLC
1401 Don Roser Drive
Suite A2
Las Cruces, New Mexico
88011

(575) 652-3531 (Office)
(575) 652-3531 (Fax)

mail address:
gorquiz@vencorllc.com



VENCOR's primary mission is to provide cost effective and sensible engineering solutions tailored to meet the needs of the Client.

Anthony M. Herrera, AS

Brief Background:

Mr. Herrera's expertise spans from site development, grading, drainage, water, sewer, streets, paving and Construction Observations. Anthony's superior experience and "hands on" skills with developing final construction documents from planning to final construction are second to none. Mr. Herrera has a degree in Civil/Survey Technology and is extremely proficient with Civil 3D and related design software technologies for infrastructure development. His diverse experience with codes, standards and industry requirements are instrumental with permit approvals, Construction Observations and As-Built documentation.

Selected Projects:

- **Alto De Las Flores MDWCA Water System Improvements, Dona Ana County, NM**

Construction Observer for emergency waterline installation for Alto De Las Flores MDWCA. Construction Observation duties entailed GPS field data collection of pipeline installation, assembly of Daily Observation Reports (DOR), material delivery record keeping, observation and recording of pipeline installation per the approved construction documents and specifications, addressing Request For Information (RFI) criteria as presented by Contractor, concurrence with Engineer and Owner on percent pay requests and assistance in the AutoCad development of final project As-Built.

- **USDA/Rural Development Water System Improvements, Berino - Mesquite / Del Cerro, Dona Ana County, New Mexico** - Designer

for 32 mile water infrastructure improvements for the Lower Rio Grande Public Water Works Authority. Design requirements included field collection of topographic and utility survey data, design and assembly of Plan & Profile drawings, bridge pipeline crossings, BNSF Railroad crossings, horizontal directional bores and permit processing. The 32 mile pipeline project had an estimated project cost of \$7.34 million.

- **Comprehensive Preliminary Engineering Report (PER): Water Improvements, Lower Rio Grande Public Water Works Authority (LRGPWWA), New Mexico**

Co-writer of a Comprehensive Preliminary Engineering Report (PER) for planned Water System Improvements area wide for the LRGPWWA, Dona Ana County, New Mexico. Service area communities lack adequate water infrastructure, fire protection capabilities, proper flows and adequate pressures. The objective of the PER was to secure available USDA Rural Development grant/loan funding for service area wide improvements. The approved report addressed existing conditions, project needs, project alternatives, recommended alternative and construction cost estimates.

Designer/Construction Observer

Certifications:

Associates of Science Degree:
Civil / Survey Technology

Certificate for Qualified Storm
Water Construction Inspector

Certificate of Training for
Reinforced Concrete Pipe from
Rinker Materials

Certificate of Training for
Construction Products from
CONTECH

NAICS Codes:

VENCOR self-performs services for traditional Civil Engineering, water & wastewater and various Facility and Construction Management requirements.

541330: Engineering Services
541340: Drafting Services
541370: Surveying/Mapping
541430: Graphic Design Svcs
237110: Water/Sewer Line &
Related Structures Construction
237310: Highway, Street, Dirt
Roadway Construction
238910: Site/Utility Services

VENCOR Engineering, LLC
1401 Don Roser Drive
Suite A2
Las Cruces, New Mexico
88011

(575) 652-3531 (Office)
(575) 652-3531 (Fax)

e-mail address:
amherrera@vencorllc.com



VENCOR's primary mission is to provide cost effective and sensible engineering solutions tailored to meet the needs of the Client.

Robert "Bobby" Covarrubia

Brief Background:

As a previous General Contractor and owner of his own construction company, Mr. Covarrubia's expertise spans a variety of construction projects involving water, sewer and all related utility installations for residential and private housing development within Dona Ana County. Bobby's ability to review and enforce the approved construction documents are second to none. As VENCOR's Lead Construction Observer, Bobby is responsible for observing and documenting all water and sewer line installations, enforcing safety and OSHA regulatory standards and creating record documents ('As-Builts') concurrently as project components are installed. Mr. Covarrubia is also a licensed Level I New Mexico Water Operator and fully bilingual in English and Spanish.

Selected Projects:

- **Alto De Las Flores MDWCA Water System Improvements, Dona Ana County, NM**
Lead Construction Observer for emergency waterline installation for Alto De Las Flores MDWCA. Construction Observation duties entailed management of Contractor's daily installations and related phases, management of other VENCOR Construction Observers on the project site, coordinating impacted Utility Stakeholders for the protection of existing utilities, coordinating work inspections by local permit agencies, reviewing of Daily Observation Reports (DOR), inspecting delivered material and adherence to specifications, enforcing the proper pipeline installation per the approved construction documents and specifications, providing Request For Information (RFI) feedback, recommendation of percent completion to Engineer and Owner for pay requests and assistance in the development of final project As-Builts.
- **USDA/Rural Development Water System Improvements, Berino & Mesquite, New Mexico** - Quality Control (QC) Constructability Reviewer for the design of proposed water infrastructure improvements for the LRGPWWA's Berino-Mesquite/Del Cerro Water System Improvements. QC reviews included review of design and constructability 6", 8" and 12" C900 PVC pipeline installations, EBID bridge crossings, BNSF Railroad crossings, horizontal directional bores, asphalt pavement replacements, probable existing utility impacts and permit processing. The 32 mile pipeline project had an estimated project cost of \$7.34 million.
- **Veloz Homes Inc, and Ken Thurston Homes, Inc., Las Cruces, New Mexico** - Construction Manager for new residential homes that required planning/directing of personnel, construction and installation of structures, facilities and utilities. Management tasks included project organization, scheduling, quality control, utility stakeholder coordination, budgeting and final construction implementation.

**Construction Supervisor /
Lead Construction
Observer**

Certifications:

Level I New Mexico Water
Licensed Operator #20816

General Contractors License -
GB 98, State of New Mexico

2013 Annual Short School -
The New Mexico Water
& Wastewater Association

NAICS Codes:

VENCOR self-performs services for traditional Civil Engineering, water & wastewater and various Facility and Construction Management requirements.

541330: Engineering Services
541340: Drafting Services
541370: Surveying/Mapping
541430: Graphic Design Svcs
237110: Water/Sewer Line &
Related Structures Construction
237310: Highway, Street, Dirt
Roadway Construction
238910: Site/Utility Services

VENCOR Engineering, LLC
1401 Don Roser Drive
Suite A2
Las Cruces, New Mexico
88011

(575) 652-3531 (Office)
(575) 652-3531 (Fax)

e-mail address:
rcovarrubia@vencorllc.com



VENCOR's primary mission is to provide cost effective and sensible engineering solutions tailored to meet the needs of the Client.

Isaac Lopez

Brief Background:

As the Construction Superintendent of the recently installed Mesquite Sewer - Phase I installation project for the Lower Rio Grande Public Water Works Authority (LRGPWWA), Mr. Lopez has over 25 years of experience in the Heavy Civil Construction field. Mr. Lopez has performed a variety of roles within this field that allow him to manage, coordinate, complete and be accountable of his assigned duties. Mr. Lopez's strong construction background and personal leadership skills result in construction installations remaining on schedule and within budget.

Selected Projects:

- **LRGPWWA: Mesquite Sewer - Phase I:** Construction Superintendent with the responsibility of providing daily direction, coordination and oversight of a phased sewer project in Mesquite for the Lower Rio Grande Public Water Works Authority (LRGPWWA). Managed the project site construction process through completion to include enforcement of permitted contract documents and specifications, change orders, daily inspections, daily observation reports, installation of ten (10) Lift Stations, material testing reports, project budgets, construction personnel, coordination of all sub-Contractors and suppliers, utility stakeholders, Owner's representatives, agency inspectors and final implementation of project completion. Liaison on contractual matters, invoicing, cost control, change orders and percent completions. Responsible for the operation and maintenance of company and assigned rental equipment. Worked diligently with area Home and Business Owners during the duration of the project in a positive and courteous manner as Construction Crews entered their properties to install sewer components. Also, daily coordination with Traffic Control crews in ensuring area traffic control measures were in place for the safety of all employees, area school children and local neighborhood traffic.
- **Sundt – Heavy Equipment Operator/ Water Tanker Truck Driver**
Heavy Equipment Operator on equipment such as backhoes, front-end loaders, scrapers and bulldozers to lift and move heavy building materials used as military targets by the United States Army. Performed survey functions using state-of-the-art company GPS instruments and assisted project Safety Officers with safety meetings.
- **Guzman Construction Solutions LLC – Truck Driver/ Heavy Equipment Operator** – CDL Operator on Peterbuilt belly dump trucks transporting project dirt to assigned locations. Loaded trucks with excavator, loader and maintained roads with sweeper to ensure safe roadways. Assisted with weekly safety crew meetings and also performed maintenance on assigned company truck and equipment.

Construction Observer

Certifications:

Class A New Mexico Commercial Driver's License (CDL) with a tanker endorsement,

NAICS Codes:

VENCOR self-performs services for traditional Civil Engineering, water & wastewater and various Facility and Construction Management requirements.

541330: Engineering Services
541340: Drafting Services
541370: Surveying/Mapping
541430: Graphic Design Svcs
237110: Water/Sewer Line & Related Structures Construction
237310: Highway, Street, Dirt Roadway Construction
238910: Site/Utility Services

VENCOR Engineering, LLC
1401 Don Roser Drive
Suite A2
Las Cruces, New Mexico
88011

(575) 652-3531 (Office)
(575) 652-3531 (Fax)

e-mail address:
lopez_dallasnights@yahoo.com

LRGPWWA
Manager's Report
April 16, 2014

- Transfer of Assets from Associations
 - RD Mortgage Release prior to merger need to be recorded at DAC; awaiting documents from RD
 - Organ Audit complete-awaiting release by State Auditor; property at Tierra Alta Drive possibly not deeded to LRGPWWA (researching)
 - FFC Licenses: Mesquite and Organ need to be assigned to LRGPWWA and Desert Sands needs to be renewed and assigned to LRGPWWA—rolling all into one
- NMDOT Vado Interchange water line relocation have begun—minor changes to design required (eliminate tees replace with bends and add ARV)
- FEMA (Berino Office) still waiting for funds to begin repairs and purchase replacement equipment
- RFQ for vehicle maintenance closed Wednesday, April 9—review of quotes not finalized
- RFP for Audit Services closed Friday, April 2—review of proposals not finalized
- Refinance application finalized for Brazito, Butterfield Park and Organ RD loans; smaller Brazito loan to be paid off
- Water Fair participation (Projects and Operation Staff) on Thursday, April 17 at Young Park in Las Cruces—all local school districts invited
- Drivers Safety Course
 - All staff have attended except two: one just recently received the training through ARRP and the other by DAC
 - 3 classes total
 - Vendor's first three classes after being certified by the State
 - Vendor required to follow State's curriculum
 - Training is valid for two years

- Good reviews by LRPWWA staff especially the second and third class attendees
- Good refresher course
- All staff passed the exam
- Issues
 - First class was held in a smaller classroom than the other two and devoted maybe too much time to one topic
 - Vendor had their normal business on going during classes-distracts: customers walking in and out, taking exams on computers, etc. all within the same location
 - DUI/DWI video really dated (information was important and relevant) and in poor condition (VHS)
 - Does not reduce insurance as LRGPWWA policy is an umbrella type coverage (not like you would have as an individual/family)
- Will schedule class for new employees or employees with accident prior to two cycle
- Board consideration for employees driving record to be monitored by New Mexico Mutual (courtesy service)—would require board action for future meeting
- First Aid/CPR training will be scheduled for Supervisors possibly for all staff

**LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY
PROJECTS REPORT – 4/16/14 BOARD OF DIRECTORS MEETING**

Authority Construction Projects:

LRG: 11-02.1 -Mesquite Wastewater Project – Gannett Fleming– CONSTRUCTION Stage – Layne Southwest - RD \$7,262,081, CITF \$1,670,257: Project is complete except for final punch-list items and various customer issues with landscaping, driveways, etc. that the contractor is STILL working on prior to submitting final pay app.

LRG-11-02.2 - Authority/Brazito Sewer Project – Vencor – Pre-Design/Funding Application Stage – NMFA/SAP funded Planning, CITF/RD Applications pending: PER & EID are complete and approved, NMFA Planning Grant funds have been received. Capital Outlay Request was awarded in the amount of \$30,000. Colonias Infrastructure Trust Fund application has been submitted and USDA Rural Development application is in preparation.

LRG-11-03 – Interconnect & Looping Project – see 12-01 Authority PER

LRG-11-04 – Berino/ Mesquite-Del Cerro Water System Project WTB #223 – Vencor – Bid Stage – RD - \$5,420,147/WTB - \$4,371,630: Bid opening was 3/25/14 after NMED-DWB re-reviewed and determined once again that their approval was not required. One bid was received. It was from Smithco, the low-bidder the first time. The bid was over \$.5 million higher this time, but was within 10% of the Engineer's Estimate of Probable Construction Cost. GM & PM met with the engineer & Smithco to negotiate uniform pricing and reductions in scope of the project on 3/28/14. Board made tentative award of contract to Smithco contingent upon funding agency concurrence at Special Meeting on 4/4/14. Request for concurrence package was sent to USDA-RD and NMED-CPB for NMFA on 4/7/14.

LRG-11-05 – Surface Water Treatment Plant WTB #252– Bohannon Huston - Design stage - \$750,000 WTB – 10% Loan 10% Match – Project Team is still within a QA/QC edit phase for the final draft report. A complete final draft report is due to be submitted to us by 4/18/14. Review meeting with LRGPWWA staff will be scheduled shortly thereafter.

Authority PERs/EAs/40 Yr. Water Plan, Equipment:

LRG-12-01 – Authority Water System Improvements PER 2013 – Vencor – Planning Stage - CDBG Planning Grant \$50,000, NMFA Planning Grant \$37,500 & \$12,500 Local Match: PER is complete, planning grants have both closed.

Forty-Year Water Plan – CE&M – complete – needs update for new mergers: pending NM-OSE comments/approval.

LRG-12-02 - Radio Read Meters – in-house/Rio Grande Pump & Supply – Installation Ongoing - 600,950 DWSRLF: : \$595,000 was approved at 50% subsidized + 25% grant = 75% grant, 25% loan at 0% plus fees approved by NMFA Board 4/27/12. All (7½ pallets) of the meters have been received, 7 funds requisitions have been submitted and 7 paid. 5% of the funding is withheld by NMFA until project completion. As of 4/14, 2522 of the 3204 meters had been installed, plus approximately 30 that Angie had not yet logged, leaving about 652 remaining to be installed.

LRG-13-02 – System-wide Information Technology Standardization - \$175,000 NM STB: Monthly reporting is up to date. RFP & Specifications were put together by Finance Manager and were submitted to Mr. Deal at NMED-CPB on 3/28/14. He responded that he will not be able to review until after 4/7/14. Inquired again on 4/14, no response by the time this report was finalized.

LRG-13-03 – Water System Purchase Project – for RFP – Planning Stage - \$37,500 NMFA Planning Grant – on DWSRLF Priority List: Informal RFPs for Engineering & Appraisal Services were issued on 3/19/14 with a deadline of 3 pm on 4/9/14. One proposal for each RFP was received. Souder, Miller & Associates was selected as the engineering firm, Barrett Appraisal Service as the appraisal firm. Both have been notified, and contract proposals have been requested and will be on the May agenda. Both firms have experience in this type of evaluation & appraisal.

Individual MDWCA Projects:

LRG-12-04 - Organ Water & Sewer Project – Bohannon Huston – Construction Phase – Morrow - \$2,990,382 RD Colonias Grant, \$101,000 RD Loan: Contractor has completed the installation of the additional check valves and flow meters, including the vaults, at both the Organ Tank Site and the Tierra Alta Tank Site. We have requested pricing to move the yagee antenna at the Organ Tank Site to on top of the water storage tank. Contractor has also begun removal and replacement of the roadway at the intersection of 5th & Furnace in Organ. Engineer has contacted Dona Ana County so they can monitor the pavement replacement. Engineer sent all the requested information available to Timberline Electric and have asked for a schedule for when they will be on site for the SCADA upgrade. Have not yet received that schedule. After the paving on Furnace St. the last remaining item is to relocate the existing SCADA panel at the Organ tanks which will be coordinated with Timberline Electric.

LRG-13-01 – Brazito Water System Improvements – Engineers Inc. – Design Phase - \$523,354 NM CITF Grant, \$58,150 Loan, \$58,150 Match Requirement: Preliminary design on the waterline project is ongoing and approximately 75% complete. SMA representative has contacted several suppliers to determine discharge alternatives from the automatic flush hydrants and worked with Lower Rio Grande Public Water Works Authority staff to explore discharge locations.

Other projects:

USDA-RD Transfer & Assumption Application Packages: Application packages for Butterfield Park, Organ & Brazito were submitted 1/7/13 and are still under review at RD at national level.

Infrastructure Capital Improvements Plan 2016-2020: Public meetings were held on April 1st & 3rd at our East Mesa & Vado offices. One couple attended the East Mesa meeting, no one other than the Board Chairman, staff and Ms. Goolsby from SCCOG attended the Vado meeting. Sign-In sheets and public comment sheets were posted on the Board's webpage. GM and I met w/Ms. Goolsby on April 8th to work on the Draft ICIP presented at today's meeting.

Documents Retention & Destruction – Sorting of old association documents for storage or destruction is ongoing, and staff is implementing approved retention/destruction schedules for LRGPWWA documents.

Website and Email – Notices and Board Minutes pages are current. Latest newsletter has been posted. RFPs & Purchasing page has been updated.

Training – Joan video recorded a valve & hydrant training by Kennedy Hydrants on 3/26/14.

Water Fair – I received an invitation for the LRGPWWA to participate in a Water Fair hosted by the City of Las Cruces Utility at Young Park on 4/17 from their Water Conservation Program Coordinator back in March. GM authorized participation, and the Operations Department has constructed a display model water system, Joan has put together a presentation board and some hand-outs, and Angie will help man the booth. The Water Fair expects about 1600 students plus 220 teachers & chaperones to attend.

LRGWUO – I attended a Lower Rio Grande Water Users Organization Technical Committee meeting on 3/21/14 at WRRRI on campus. The meeting concerned the NM-OSE and ISC handling of the funds and process for updating the State Water Plan and Regional Water Plans. I briefed Martin & Mr. Nieto on the discussion, and it is expected that a draft letter will be circulated among the Technical Committee members for review before the full board meets to consider their response.

Funding Applications Pending:

- **USDA-RD Water Rights Purchase Project:** \$1.8 million Application and PER were submitted to USDA-RD on 6/26/13. We can reduce the amount of water rights that need to be purchased based on the NM-OSE correction to our Combine & Commingle Permit in order to add a construction component and keep the amount requested the same. RD has advised that a few of the application documents will need to be updated, but it will not be a whole new application package. Have not started to work on this yet because it is not urgent and may tie in to the Surface/Brackish Water Treatment Facility Project when it is further along.
- Three 2014 Colonias Infrastructure Trust Fund applications have been submitted. Technical review began 3/31/14, CITF Project Review Committee meets 5/1/ - 5/2/14, Board considers their recommendations for award on 6/2/14. Applications submitted were:
 - Mesquite-Brazito Sewer Project - \$540,608
 - Waterline Extension Project – Design Build (includes Veterans Rd., Bosque area & Berino/Mesquite-Del Cerro shortfall) - \$882,430
 - Waterline Extension Project – Brazito (funding shortfall from 2012 CITF Project) - \$157,896

Lower Rio Grande PWWA

Operators Report

April 16, 2014

System Problems and Repairs.

- Backflow inspections are current.(Mesquite District)
- No problems with lift stations.
- My operators are installing meters in Mesquite we lack close to 500.
- We had a main line break in Vado on Holguin and Hwy 189.
- We had our 12" main line exposed on Stern close to Gonzales dairy.
- JJ, Angie, Karen, Joan and I are going to a water fair this week to show kids how water systems supply water to their homes.
- Trouble with 5th street booster in Organ.
- We had 5 new water services this month.
- We had problems with the chlorine scales at well # 8.
- Gabe had 3 new installs at the East Mesa.
- For the month of March my operators and I were issued 196 work orders.
- Gabe had a 4" main line break on Berry patch lane.
- For the Month of March I counted 18 Hours of OT.

NMED: All of our Monthly Bac-T-Samples were taken and all samples were negative.

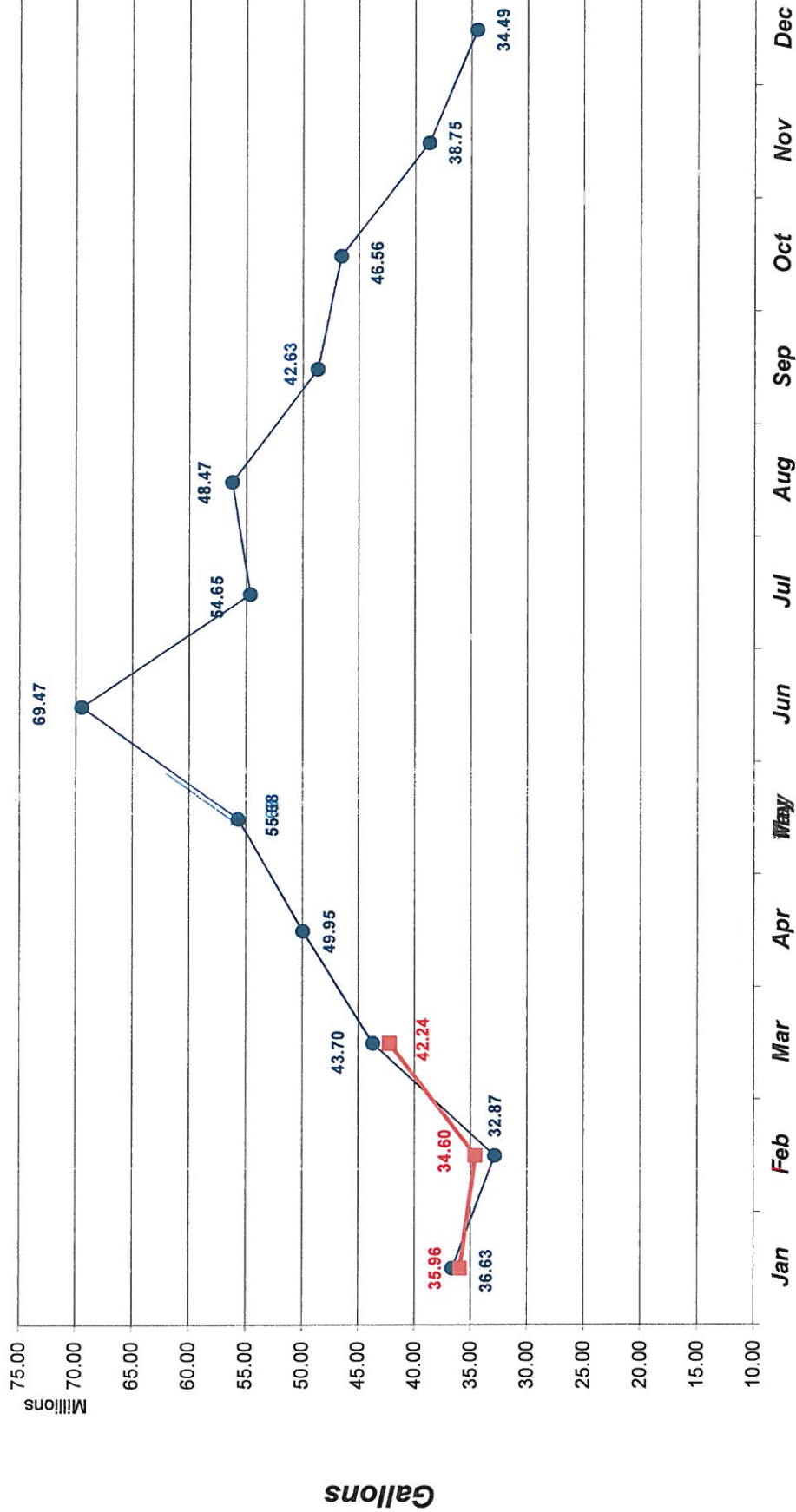
Mesquite district Wetlands: We will soon start rehab of the wetlands.

Mesquite Sewer Report.

Chlorine: No problems.

Reports: NMED, State Engineers, and the water conservation reports have been sent.

Lower Rio Grande PWWA Water Production Report



● 2013 Production ■ 2014 Production

**Lower Rio Grande Public
Water Works Authority**

**Basic Financial Statements and
Supplementary Information
for the Year Ended June 30, 2013
and Independent Auditors' Report**

**STATE OF NEW MEXICO
LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY**

TABLE OF CONTENTS

	Page
DIRECTORY OF OFFICIALS	1
INDEPENDENT AUDITORS' REPORT	2
BASIC FINANCIAL STATEMENTS:	
Statement of Net Position	4
Statement of Revenues, Expenses and Changes in Net Position	5
Statement of Cash Flows	6
Notes to Basic Financial Statements	8
SUPPLEMENTARY INFORMATION:	
Statement of Revenue, Expenditures and Changes in Cash Balance - Budget and Actual on Budgetary Basis	21
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	22
Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133	24
Schedule of Expenditures of Federal Awards	26
Schedule of Findings and Questioned Costs	27
Summary Schedule of Prior Year Findings	28
Exit Conference	29

**STATE OF NEW MEXICO
LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY**

**DIRECTORY OF OFFICIALS
JUNE 30, 2013**

Board of Directors

Robert M. Nieto	President
John Holguin	Vice President
Santos Ruiz	Secretary
Carlos Tellez	Director
Mike McMullen	Director
Furman Smith	Director
Art Terrazas	Director

Officials

Martin Lopez	General Manager
--------------	-----------------

INDEPENDENT AUDITORS' REPORT

Hector H. Balderas, State Auditor
and the Board of Directors of the
Lower Rio Grande Public Water Works Authority
Vado, New Mexico

Report on Financial Statements

We have audited the accompanying financial statements of the business-type activities of the Lower Rio Grande Public Water Works Authority (the Authority), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents. We have also audited the budgetary comparison for the major enterprise fund presented as supplemental information in the financial statements for the year ended June 30, 2013 as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Lower Rio Grande Public Water Works Authority, as of June 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted the Management's Discussion and Analysis which is required to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements, and the budgetary comparison that collectively comprise the Lower Rio Grande Public Water Works Authority's basic financial statements. The "other supplemental information" as identified in the table of contents and presented is for purposes of additional analysis and is not a required part of the basic financial statements.

The financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 26, 2013 on our consideration of Lower Rio Grande Public Water Works Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Lower Rio Grande Public Water Works Authority's internal control over financial reporting and compliance.

White + Samaniego + Campbell, LLP

El Paso, Texas
November 26, 2013

BASIC FINANCIAL STATEMENTS

**STATE OF NEW MEXICO
LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY**

**STATEMENT OF NET POSITION
JUNE 30, 2013**

ASSETS:

Current assets:

Cash and cash equivalents	\$ 78,695
Grants receivables	321,275
Accounts receivables, net	400,125
Other assets	<u>8,438</u>

Total current assets 808,533

Noncurrent assets:

Restricted cash	267,886
Capital assets	<u>40,747,761</u>

Total assets \$ 41,824,180

LIABILITIES:

Current liabilities:

Accounts payable	\$ 136,774
Accrued liabilities and other expenses	36,339
Current portion of long-term debt	167,523
Current portion of accrued compensation absences	<u>36,851</u>

Total current liabilities 377,487

Non-current liabilities:

Non-current portion of long-term debt	3,511,196
Customer deposits	<u>52,570</u>

Total noncurrent liabilities 3,563,766

Total liabilities 3,941,253

NET POSITION:

Net investment in capital assets	37,069,042
Unrestricted	493,429
Restricted	<u>320,456</u>

Total net position 37,882,927

Total liabilities and net position \$ 41,824,180

See accompanying notes to financial statements and independent auditors' report.

**STATE OF NEW MEXICO
LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2013**

Operating revenues	
Service fees	\$ 1,532,061
Activation, connection and installation fees	45,077
Late fees	76,597
Membership fees	5,245
Other income	<u>31,262</u>
Total operating revenues	1,690,242
Operating expenses	
Bank charges	3,847
Employee benefits	57,447
Materials, supplies, tools and chemicals	203,375
Depreciation	694,324
Salaries and wages	816,126
Office Expense	101,753
Miscellaneous	38,281
Taxes and license - other	19,714
Cost of operations	2,360
Insurance	196,216
Maintenance and repairs	31,149
Payroll expense	86,130
Professional fees	58,309
Travel and entertainment	6,956
Utilities	<u>234,689</u>
Total operating expenses	2,550,676
Operating loss	<u>(860,434)</u>
Nonoperating revenues (expenses)	
Grant revenue	9,497,737
Interest income	2,484
Rental income	4,784
Other income	69,563
Interest expense	<u>(96,689)</u>
Total nonoperating revenues (expenses)	9,477,879
Change in net position	8,617,445
Net position, beginning of year	<u>22,654,070</u>
Restatement	<u>(11,814)</u>
Net position, beginning of year as restated	<u>22,642,256</u>
Net position contributions	<u>6,623,226</u>
Net position, end of year	<u>\$ 37,882,927</u>

See accompanying notes to financial statements and independent auditors' report.

**STATE OF NEW MEXICO
LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2013**

CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash received from customers	\$ 1,529,732
Cash payments to suppliers and employees	<u>(2,013,757)</u>
Net cash used in operating activities	(484,025)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:	
Cash transferred in merger	304,227
Rental income	4,784
Other income	<u>69,563</u>
Net cash provided by non-operating activities	378,574
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Principal payments	989,032
Grants	9,497,737
Acquisition of property and equipment	(9,980,008)
Interest payments	<u>(96,689)</u>
Net cash provided by financing activities	410,072
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest received	-
Transfer for merger	<u>2,484</u>
Net cash provided by investing activities	<u>\$ 2,484</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	<u>307,105</u>
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>39,476</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 346,581</u>
RECONCILIATION TO CASH AND CASH EQUIVALENT AS REPORTED ON THE STATEMENT OF NET POSITION	
Cash and cash equivalents	\$ 78,695
Restricted cash	<u>267,886</u>
	<u>\$ 346,581</u>

(Continued)

See accompanying notes to financial statements and independent auditors' report.

**STATE OF NEW MEXICO
LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2013**

RECONCILIATION OF OPERATING LOSS TO NET CASH
USED IN OPERATING ACTIVITIES:

Operating loss	\$ (860,434)
Adjustment to reconcile operating loss to net cash used in operating activities:	
Depreciation	694,324
Change in:	
Grants receivable	(79,576)
Accounts receivable	(80,934)
Other assets	(14,306)
Accounts payable	(132,047)
Accrued payable and other liabilities	(89,832)
Accrued compensated absences	<u>78,780</u>
Total adjustments	<u>376,409</u>
Net cash used in operating activities	<u>\$ (484,025)</u>

SUPPLEMENTAL DISCLOSURE OF NONCASH ITEMS

Noncash transactions transferred in the merging of entities:	
Capital assets, net	<u>\$ 7,388,658</u>
	<u>\$ 7,388,658</u>

(Concluded)

See accompanying notes to financial statements and independent auditors' report.

**STATE OF NEW MEXICO
LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY**

**NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2013**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Lower Rio Grande Public Water Works Authority (the Authority) was organized in 2007 and commenced operations in November of 2010. The Authority supplies water to occupants and residents within the vicinity of the communities of Mesquite and Vado, County of Dona Ana, New Mexico. Sales revenues are generated primarily from water supply sales to domestic and commercial users within these areas.

The Authority has a Board of Directors that consists of seven (7) members who are responsible for legislative and fiscal control of the Authority. The Board is also responsible for administrative control of the Authority.

In September 2008, the Board of Directors of Mesquite Mutual Domestic Water Consumer and Mutual Sewage Works Association, according to the Sanitary Project Act, Section 3-29-20-1, NMSA 1978, approved a plan of merger with (1) Berino Mutual Domestic Water Consumer and Mutual Sewage Works Association, (2) Desert Sands Mutual Domestic Water Consumer Association, (3) La Mesa Mutual Domestic Water Consumers Association, (4) Vado Mutual Domestic Water Consumers Association and (5) Lower Rio Grande Mutual Domestic Water Association all serving unincorporated communities within Dona Ana County, New Mexico. The merger is still ongoing since Mutual Domestic Water Consumer Association and Mesquite Mutual Domestic Water Consumer and Mutual Sewage Works Association are receiving funds to complete projects that will be transferred to the Authority when the projects are complete.

In September 2012, October 2012 and February 2013, the Board of Directors of Mesquite Mutual Domestic Water Consumer and Mutual Sewage Works Association, according to the Sanitary Project Act, Section 3-29-20-1, NMSA 1978, approved a plan of merger with (1) Organ Water and Sewer Association, (2) Butterfield Park Mutual Domestic Water Consumers' Association and (3) Brazito Mutual Domestic Water Consumers Association, respectively.

Reporting Entity

The financial statements of the Authority have been prepared in accordance with general accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements. Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued after November 30, 1989 that do not conflict with or contradict GASB pronouncements.

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Authority is considered a primary government, since it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the Authority may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges and issue bonded debt.

The Authority has no component units, defined by GASB Statement No. 14 as other legally separate organizations for which the elected Authority members are financially accountable. There are no other primary governments with which the Authority Board Members are financially accountable. There are no other primary governments with which the Authority has a significant relationship.

The accounts of the Authority are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements.

The funds of the Authority are classified as a proprietary fund type. The fund classification and a description of the fund type follows below:

Measurement Focus and Basis of Accounting

The proprietary fund financial statements are reported using the economic resources measurement focus.

The proprietary fund is accounted for using the accrual basis of accounting. The revenues are recognized when they are earned and the expenses are recognized when they are incurred.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Authority are charges to customers for sales and services. The Authority also recognizes as connection, membership and delinquency fees as revenue. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Analysis of Impairment

Management review long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Impairment is determined based upon comparison of future cash flows to the recorded value of the assets. Impairment losses are measured based upon the fair value of the impaired assets. No such impairment losses were recorded during the year ended June 30, 2013.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Authority considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Restricted Cash

Restricted cash consist of the following:

Customer deposits	\$ 52,570
Construction account	<u>215,316</u>
Total restricted cash	<u>\$ 267,886</u>

Restricted cash consist of non-mandatory reserves set aside within the operating account for outstanding customer deposits. These reserves are not required but are separated by management and a separate Construction Account that has been established as required by the Government into which the proceeds of the loan and grant proceeds from the USDA-RUS are deposited. Withdrawals from

the Construction Account were and shall be made only on checks signed by the manager of the Authority as authorized by the Board from time to time, and with prior concurrence of the Government. When all construction costs have been paid in full, any balance remaining in the Construction Account may be applied on the loan or used for other authorized purposes that have been approved by the Government and the Construction Account shall be closed. The end of year balance is \$215,316.

Budget and Budgetary Accounting

The Authority follows these procedures in establishing the budgetary data reflected in the financial statements:

1. On or before July 1 of each year, the Board of Directors, approves and certifies to the estimated operating budgets for use by the local board pending final approval from the United State Department of Agriculture and the New Mexico Department of Finance and Administration - Local Government Division.
2. The United State Department of Agriculture and New Mexico Department of Finance and Administration - Local Government Division approve the budget for the Authority to utilize during the year.
3. Budget adjustments may be made during the year. The Board of Directors approves budget resolutions to increase or decrease revenue and/or expenditure line items during the year.

Use of Restricted Funds

When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted resources as they are needed.

Revenue

The policy for defining the proprietary fund's operating revenues and expenses is how individual transactions would be categorized for purposes of preparing a statement of cash flows. Transactions for which cash flows are reported as capital and related financing activities, noncapital financing activities, or investing activities normally are not reported as components of operating income.

Estimates

The preparation of financial statements in conformity with United States generally accepted accounting principles require the use of management's estimates.

Allowance for Doubtful Accounts

Management considers the majority of the accounts receivable as collectible. Any accounts receivable considered unelectable are not considered material. Accordingly, no allowance for doubtful accounts has been recorded.

Capital Assets

Capital assets are recorded at historical costs. Purchase property and equipment in excess of \$5,000 is capitalized. Costs for the new water system and the building include the costs for construction during the current year including costs of engineering, architecture, and drilling costs incurred in the prior year. Depreciation is calculated using the straight-line method over the following estimated useful lives:

Office equipment	10 years
Utility lines, pump station and shed	38 years
Wells	15-20 years
Water system	38 years
Vehicles	5 years

Net Position

Net position comprises the various net earnings from operating and non-operating revenues, expenses and contributions of capital. Net position is classified in the following three components: net investment in capital assets; restricted; and unrestricted net assets. Net investment in capital assets consists of all capital assets, net of accumulated depreciation and reduced by outstanding debt that is attributable to the acquisition, construction and improvement of those assets; debt related to unspent proceeds or other restricted cash and investments is excluded from the determination. Restricted net position consists of net assets for which constraints are placed thereon by external parties, such as lenders, grantors, contributors, laws, regulations and enabling legislation, including self-imposed legal mandates. Unrestricted net position consist of all other net assets not included in the above categories.

New Governmental Accounting Standards

In February 2009, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 54 Fund Balance Reporting and Governmental Fund Type Definitions, which is effective for financial statements for periods beginning after June 15, 2010, and earlier application is encouraged. The objective of this Statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. The Authority incorporated this statement for the current fiscal year and believes it had no significant effect on the financial statement for the year.

In December 2009, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 57 OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans, which is effective upon issuance for certain provisions of the statement and for periods beginning after June 15, 2011 for other provisions. The objective of this Statement is to address issues related to the use of the alternative measurement method and the frequency and timing of measurements by employers that participate in agent multiple-employer other postemployment benefit plans. The Authority is analyzing the effect that this statement will have on its financial statement, and currently believes it will have no significant effect on the financial statement for the upcoming year.

In December 2009, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 58 Accounting and Financial Reporting for Chapter 9 Bankruptcies, which is effective for reporting periods beginning after June 15, 2009. The objective of this Statement is to provide accounting and financial reporting guidance for governments that have petitioned for protection from creditors by filing for bankruptcy under Chapter 9 of the United States Bankruptcy Code. It requires governments to remeasure liabilities that are adjusted in bankruptcy when the bankruptcy court confirms (that is, approves) a new payment plan. The Authority incorporated this statement for the current fiscal year and believes it had no significant effect on the financial statement for the year.

In June 2010, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 59 Financial Instruments Omnibus, which is effective for financial statements for periods beginning after June 15, 2010. Earlier application is encouraged. The objective of this Statement is to update and improve existing standards regarding financial reporting and disclosure requirements of certain financial instruments and external investment pools for which significant issues have been identified in practice. This Statement provides for the following amendments: National Council on Governmental Accounting Statement 4, Accounting and Financial Reporting Principles for Claims and Judgments and Compensated Absences, is updated to be consistent with the amendments to GASB Statement No. 53, Accounting and Financial Reporting for Derivative Instruments, regarding certain financial guarantees. Statements No. 25, Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans, and No. 43, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, are amended to remove the fair value exemption for unallocated insurance contracts. The effect of this amendment is that investments in unallocated insurance contracts should be reported as interest-earning investment contracts according to the provisions of paragraph 8 of Statement No. 31, Accounting and Financial Reporting for Certain

Investments and for External Investment Pools. Statement 31, is clarified to indicate that a 2a7-like pool, as described in Statement 31, is an external investment pool that operates in conformity with the Securities and Exchange Commission's (SEC) Rule 2a7 as promulgated under the Investment Company Act of 1940, as amended. Statement No. 40, Deposit and Investment Risk Disclosures, is amended to indicate that interest rate risk information should be disclosed only for debt investment pools—such as bond mutual funds and external bond investment pools—that do not meet the requirements to be reported as a 2a7-like pool. Statement 53 is amended to: – Clarify that the net settlement characteristic of Statement 53 that defines a derivative instrument is not met by a contract provision for a penalty payment for nonperformance – Provide that financial guarantee contracts included in the scope of Statement 53 are limited to financial guarantee contracts that are considered to be investment derivative instruments entered into primarily for the purpose of obtaining income or profit – Clarify that certain contracts based on specific volumes of sales or service revenues are excluded from the scope of Statement 53 – Provide that one of the “leveraged yield” criteria of Statement 53 is met if the initial rate of return on the companion instrument has the potential for at least a doubled yield. The Authority is analyzing the effect that this statement will have on its financial statement, and currently believes it will have no significant effect on the financial statement for the upcoming year.

In November 2010, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 60 Accounting and Financial Reporting for Service Concession Arrangements, which is effective for financial statements for periods beginning after December 15, 2011. The provisions of this Statement generally are required to be applied retroactively for all periods presented. The objective of this Statement is to improve financial reporting by addressing issues related to service concession arrangements (SCAs), which are a type of public-private or public-public partnership. As used in this Statement, an SCA is an arrangement between a transferor (a government) and an operator (governmental or nongovernmental entity) in which (1) the transferor conveys to an operator the right and related obligation to provide services through the use of infrastructure or another public asset (a “facility”) in exchange for significant consideration and (2) the operator collects and is compensated by fees from third parties. The Authority is analyzing the effect that this statement will have on its financial statement, and currently believes it will have no significant effect on the financial statement for the upcoming year.

In November 2010, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 61 The Financial Reporting Entity: Omnibus—an amendment of GASB Statements No. 14 and No. 34, which is effective for financial statements for periods beginning after June 15, 2012. Earlier application is encouraged. The objective of this Statement is to improve financial reporting for a governmental financial reporting entity. The requirements of Statement No. 14, The Financial Reporting Entity, and the related financial reporting requirements of Statement No. 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments, were amended to better meet user needs and to address reporting entity issues that have arisen since the issuance of those Statements. The Authority is analyzing the effect that this statement will have on its financial statement, and currently believes it will have no significant effect on the financial statement for the upcoming year.

In December 2010, the GASB issued Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements. That Statement supersedes Statement No. 20, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting. Statement 62 is effective for financial statements for periods beginning after December 15, 2011, with early application encouraged. The objective of this statement is to provide non-conflicting pronouncements between FASB and GASB. The Authority is analyzing the effect that this statement will have on its financial statement, and currently believes it will have no significant effect on the financial statement for the upcoming year.

In June 2011, the GASB issued Statement No. 63, Financial reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and net Position, which is effective for financial statements for periods beginning after December 15, 2011. Earlier application is encouraged. The objective of this statement is to provide financial reporting guidance for deferred outflows of resources and deferred inflows of resources. Concepts Statement No. 4, Elements of Financial Statements, introduced and defined those elements as a consumption of net assets by the government that is applicable to a future reporting period, and an acquisition of net assets by the government that is applicable to a future reporting period, respectively. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities. Concepts Statement 4 also identifies net position as the residual of all other elements presented in a statement of financial position. This Statement amends the net asset reporting requirements in Statement No. 34, Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments, and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets. The Authority is analyzing the effect that this statement will have on its financial statement, and currently believes it will have no significant effect on the financial statement for the upcoming year.

In June 2011, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 64 Derivative Instruments: Application of Hedge Accounting Termination Provisions—an amendment of GASB Statement No. 53, which is effective for financial statements for periods beginning after June 15, 2011. Earlier application is encouraged. The objective of this Statement is to clarify whether an effective hedging relationship continues after the replacement of a swap counterparty or a swap counterparty’s credit support provider. This Statement sets forth criteria that establish when the effective hedging relationship continues and hedge accounting should continue to be applied. The Authority is analyzing the effect that this statement will have on its financial statement, and currently believes it will have no significant effect on the financial statement for the upcoming year.

In March 2012, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 65 Items Previously Reported as Assets and Liabilities, which is effective for financial statements for periods beginning after December 15, 2012. Earlier application is encouraged. The objective of this Statement is to improve financial reporting by clarifying the appropriate use of the financial statement elements deferred outflows of resources and deferred inflows of resources to ensure consistency in financial reporting. The Authority is analyzing the effect that this statement will have on its financial statement, and currently believes it will have no significant effect on the financial statement for the upcoming year.

In March 2012, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 66 Technical Corrections-2012- an amendment of GASB Statements No. 10 and No. 62, which is effective for financial statements for periods beginning after December 15, 2012. Earlier application is encouraged. The objective of this Statement is to improve accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, and No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements. The Authority is analyzing the effect that this statement will have on its financial statement, and currently believes it will have no significant effect on the financial statement for the upcoming year.

In June 2012, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 67 Financial Reporting for Pension Plans - an amendment of GASB Statement No. 25. Earlier application is encouraged. The objective of this Statement is to improve financial reporting by state and local governmental pension plans. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This Statement replaces the requirements of Statements No. 25, Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans, and No. 50, Pension Disclosures, as they relate to pension plans that are administered through trusts or equivalent arrangements (hereafter jointly referred to as trusts) that meet certain criteria. The requirements of Statements 25 and 50 remain applicable to pension plans that are not administered through trusts covered by the scope of this Statement and to defined contribution plans that provide postemployment benefits other than pensions. The Village is analyzing the effect that this statement will have on its financial statement, and currently believes it will have no significant effect on the financial statement for the upcoming year.

In June 2012, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 68 Accounting and Financial Reporting for Pensions- an amendment of GASB Statement No. 27. Earlier application is encouraged. The objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This Statement replaces the requirements of Statement No. 27, Accounting for Pensions by State and Local Governmental Employers, as well as the requirements of Statement No. 50, Pension Disclosures, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements (hereafter jointly referred to as trusts) that meet certain criteria. The requirements of Statements 27 and 50 remain applicable for pensions that are not covered by the scope of this Statement. The Village is analyzing the effect that this statement will have on its financial statement, and currently believes it will have no significant effect on the financial statement for the upcoming year.

Implementation of New Standards

Change in Accounting Principles - As a result of GASB Statement No. 65, debt issuance costs are no longer reported as assets.

2. **CASH AND DEPOSITS**

Cash and investments - The Authority is required by New Mexico State Statute (Section 6-10-17) to be 50 percent collateralized. Following is a schedule calculating the requirement and disclosing the pledged securities.

Citizens Bank	Balance Per			
<u>Name of Account</u>	Bank	Reconciled		Type
	06/30/13	Balance		
Operating account	\$ 127,878	\$ 43,983		Checking
Debt Service	75,261	75,261		Checking
La Mesa Water Project	393	393		Checking
Mesquite Water Sewer	238	238		Checking
Berino/Mesquite	172	172		Checking
Berino/Mesquite	44,303	44,303		Checking
Reserve	169,286	169,287		Checking
Organ Water and Sewer	303	303		Checking
Certificate of Deposit	<u>11,390</u>	<u>11,390</u>		CD
Total Deposited	429,224	<u>\$ 345,330</u>		
Less: FDIC Coverage	<u>(250,000)</u>			
Uninsured amount	179,224			
50% collateral requirement	89,612			
Pledged securities	<u>2,119,019</u>			
Over (under) requirement	<u>\$ 2,029,407</u>			

The following securities are pledged by Citizens Bank of Las Cruces:

Description	CUSIP #	Fair Value	Maturity Date
FHLB	3133XHVS8	\$ 568,175	12/9/2016
FHLB	313370SZ2	1,550,844	9/8/2017
Total		<u>\$ 2,119,019</u>	

In addition to the above bank balances, the Authority has \$1,251 in petty cash at June 30, 2013.

Custodial Credit Risk-Deposits

Custodial credit risk is the risk that in the event of a failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of June 30, 2013, \$179,224 of the Authority's bank balance of \$429,224, was exposed to custodial credit risk.

3. PROPERTY AND EQUIPMENT

The cost basis of property and equipment are stated as follows:

	Beginning Balance	Transfers	Increases	Decreases	Ending Balance
Capital assets not being depreciated:					
Land	\$ 258,138	\$ 96,548	\$ -	\$ -	\$ 354,686
Land Improvements	-	33,633	-	-	33,633
Construction in progress	3,262,149	717,165	9,930,763	-	13,910,077
Water rights	<u>9,199,171</u>	<u>1,728,000</u>	<u>-</u>	<u>-</u>	<u>10,927,171</u>
Total capital assets not being depreciated	<u>12,719,458</u>	<u>2,575,346</u>	<u>9,930,763</u>	<u>-</u>	<u>25,225,567</u>

Capital Assets, being depreciated					
Buildings	1,381,105	405,620	-	(13,148)	1,773,577
Water systems	15,488,548	7,344,599	63,392	(1,000)	22,895,539
Furniture, fixtures and equipment	502,796	495,040	-	(16,952)	980,884
Transportation equipment	<u>361,421</u>	<u>26,700</u>	<u>-</u>	<u>(1,762)</u>	<u>386,359</u>
Total capital assets , being depreciated	<u>17,733,870</u>	<u>8,271,959</u>	<u>63,392</u>	<u>(32,862)</u>	<u>26,036,359</u>
Total capital assets	<u>30,453,328</u>	<u>10,847,305</u>	<u>9,994,155</u>	<u>(32,862)</u>	<u>51,261,926</u>
Less accumulated depreciation for:					
Buildings	384,307	3,458,647	39,215	-	3,882,169
Water systems	5,257,740	-	594,828	-	5,852,568
Furniture, fixtures and equipment	460,241	-	9,128	(16,952)	452,417
Transportation equipment	<u>277,621</u>	<u>-</u>	<u>51,153</u>	<u>(1,763)</u>	<u>327,011</u>
Total accumulated depreciation	<u>6,379,909</u>	<u>3,458,647</u>	<u>694,324</u>	<u>(18,715)</u>	<u>10,514,165</u>
Total other capital assets, net	<u>\$ 24,073,419</u>	<u>\$ 7,388,658</u>	<u>\$ 9,299,831</u>	<u>\$ (14,147)</u>	<u>\$ 40,747,761</u>

Depreciation expense was \$694,324 for the year ended June 30, 2013.

4. **COMPENSATED ABSENCES**

Full time employees earn both 4 hours sick leave and 4 hours vacation each biweekly pay period. Employees may carry over a maximum of 240 hours in each category from calendar year to calendar year. As of June 30, 2013, employees had balances of 951 sick leave hours with a value of \$5,820 and 1,783 vacation hours with a value of \$31,031. Upon termination, all accumulated vacation and 1 hour for every 3 accumulated hours for sick leave will be paid to the employee.

5. **LONG TERM DEBT**

Changes in long-term debt during the year ended June 30, 2013 were as follows:

	Balance <u>06/30/12</u>	Increase	Decrease	Balance <u>06/30/13</u>	Amounts Due Within <u>One Year</u>
NMFA Truck Desert Sands	\$ 25,025	\$ -	\$ 11,895	\$ 13,130	\$ 13,130
NMED RIP 88-12R La Mesa	49,140	-	49,140	-	-
NMFA 2601-PP	774,180	-	20,964	753,216	19,445
USDA 92-13 Mesita Sewer	99,240	-	925	98,315	1,275
USDA 92-19 Mesquite Sewer	602,328	-	9,011	593,317	10,311
NMFA WTB-233 Berino/Del Cerro	70,114	367,049	21,344	415,819	22,350
N/P RCAC 0742 Berino/Del Cerro	-	57,284	-	57,284	57,284
N/P RCAC Organ Water	-	312,391	312,391	-	-
NMFA Radio Read Meter 2710-DW	-	150,238	-	150,238	-
NMFA 0252-WTB Surface Water	-	75,000	1,715	73,285	3,858
NMFA 2766-CIF Gravity Collect	-	167,025	-	167,025	8,352
NMFA CIF 2791 Brazito	-	58,150	-	58,150	2,908
USDA 91-07	-	73,365	462	72,903	1,120
USDA 91-09	-	36,833	227	36,606	550
USDA 91-12	-	4,673	34	4,639	70
USDA 91-14	-	212,009	1,520	210,489	3,097
USDA 91-15	-	170,755	1,226	169,529	2,490
USDA 91-02 Butterfield	-	225,285	13,212	212,073	3,795
USDA 91-04 La Mesa	-	471,000	7,203	463,797	6,701
USDA 93-09 Organ	-	101,000	1,143	99,857	1,446
WSC 85-03 R	-	34,349	5,302	29,047	9,341
Compensated absences	<u>37,954</u>	<u>36,851</u>	<u>37,954</u>	<u>36,851</u>	<u>36,851</u>
	<u>\$ 1,657,981</u>	<u>\$ 2,553,257</u>	<u>\$ 495,668</u>	<u>\$ 3,715,570</u>	<u>\$ 204,374</u>

Scheduled principal and interest payments on the Authority's long term debt are as follows:

Year Ending June 30:	Principal	Interest	Total
2014	167,523	83,775	251,298
2015	105,110	81,311	186,421
2016	105,231	79,799	185,030
2017	97,879	78,384	176,263
2018	99,193	77,010	176,203
2019-2023	522,383	361,461	883,844
2024-2028	569,034	314,190	883,224
2029-2033	600,378	254,989	855,367
2034-2038	478,529	183,005	661,534
2039-2043	429,672	99,404	529,076
2044-2048	302,592	47,271	349,863
2049-2053	201,195	10,206	211,401
Totals	\$ 3,678,719	\$ 1,670,805	\$ 5,349,524

Below are the terms, amounts due within one year, and maturity dates of the Authority's outstanding long term debt:

	<u>Interest Rate</u>	<u>Payment Frequency</u>	<u>Payment Amount</u>	<u>Maturity Date</u>
NMFA Truck Desert Sands	0.00%	Monthly	\$ 1,190	January 2014
NMFA 2601-PP	3.44%	Monthly	4,386	April 2041
USDA 92-13 Mesita Sewer	3.375%	Monthly	380	June 2052
USDA 92-19 Mesquite Sewer	2.00%	Monthly	1,837	June 2052
NMFA WTB-233 Berino/Del Cerro	0.25%	Yearly	22,436	June 2032
N/P RCAC 0742 Berino/Del Cerro	5.50%	Monthly	8,334	January 2014
NMFA Radio Read Meter 2710-DW	0.25%	Monthly	7,027	May 2034
NMFA 0252-WTB Surface Water	0.25%	Monthly	4,041	June 2032
NMFA 2766-CIF Gravity Collect	0.00%	Yearly	8,351	June 2033
NMFA CIF 2791 Brazito	0.00%	Yearly	2,908	June 2033
USDA 91-07	4.125%	Monthly	341	June 2045
USDA 91-09	4.25%	Monthly	174	May 2045
USDA 91-12	4.50%	Monthly	23	September 2044
USDA 91-14	3.375%	Monthly	844	February 2049
USDA RD 91-15	2.75%	Monthly	592	February 2052
USDA RD 91-02 Butterfield	5.00%	Monthly	1,204	September 2040
USDA 91-04 La Mesa	2.75%	Monthly	1,617	August 2052
USDA 93-09 Organ	2.75%	Monthly	348	July 2052
WSC 85-03 R	3.00%	Monthly	837	May 2016

6. **NET POSITION CONTRIBUTIONS**

The merged entities contributions were as follows:

Entity	Contributions
Brazito Water	\$ 3,727,560
Butterfield Park	373,138
Organ Water	<u>2,522,528</u>
Total contributions	<u>\$ 6,623,226</u>

7. **RISK MANAGEMENT**

The Authority covers its risk of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; and natural disasters through various insurance policy coverage. The coverage includes workers compensation, general and professional liability, property, and fidelity bonds coverage. The Authority transfers these risks of loss to the insurance carrier except for deductible amounts. Premiums paid on policies for the year June 30, 2013 was \$196,216.

8. **RETIREMENT PLAN**

The Authority provides employees the opportunity to participate in a 401(k) plan. The 401(k) is available to employees after completing their 90 day trial period. The Authority matches employee contributions dollar for dollar up to 4% of wages. In addition, the Authority contributes a profit sharing portion to each employee's 401(k), regardless of whether they participate in the voluntary contribution option. Current policy is to contribute 10% of the employee's wages towards the profit sharing option. For the fiscal year ended June 30, 2013, the Authority contributed \$23,807 in matching funds and accrued \$29,314 towards the profit sharing option.

9. **SUBSEQUENT EVENTS**

Management has evaluated subsequent events through November 26, 2013, the date the financial statements were available to be issued.

10. **RESTATEMENT**

An adjustment of \$11,814 was recorded during fiscal year ending June 30, 2013 to remove the asset related to debt issuance cost, which was being amortized in prior years and should be expensed according to the implementation of GASB 65.

SUPPLEMENTARY INFORMATION

**STATE OF NEW MEXICO
LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN CASH
BALANCE - BUDGET AND ACTUAL ON BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2013**

	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget Favorable (Unfavorable)
Operating Income				
Water revenue	\$ 2,030,452	\$ 1,688,918	\$ 1,532,061	\$ (156,857)
Sewer revenue	63,100	94,500	45,077	(49,423)
Other income	300	300	113,104	112,804
Total operating income	<u>2,093,852</u>	<u>1,783,718</u>	<u>1,690,242</u>	<u>(93,476)</u>
Operating Expenses				
Salaries, labor	814,397	1,090,990	86,130	1,004,860
Accounting, legal	279,400	87,874	62,156	25,718
Taxes, insurance	540,000	120,284	215,930	(95,646)
Utilities	365,255	257,824	234,689	23,135
Supplies	274,000	350,463	132,902	217,561
Lab, chemicals	14,500	27,797	203,375	(175,578)
Debt Service	-	69,386	-	69,386
Miscellaneous	-	-	911,854	(911,854)
Fuel	-	-	2,360	(2,360)
Travel and entertainment	-	-	6,956	(6,956)
Depreciation	<u>525,000</u>	<u>606,000</u>	<u>694,324</u>	<u>(88,324)</u>
Total operating expenses	<u>2,812,552</u>	<u>2,610,618</u>	<u>2,550,676</u>	<u>59,942</u>
Excess (deficiency) of revenues over expenditures	<u>(718,700)</u>	<u>(826,900)</u>	<u>(860,434)</u>	<u>(33,534)</u>
Nonoperating revenues				
Water	190,000	216,400	-	(216,400)
Sewer	3,700	4,500	-	(4,500)
Agency loans/grants	-	-	9,497,737	9,497,737
Other expenses	<u>-</u>	<u>-</u>	<u>(19,858)</u>	<u>(19,858)</u>
Total nonoperating income	<u>193,700</u>	<u>220,900</u>	<u>9,477,879</u>	<u>9,256,979</u>
Revenue over (under) expenses	<u>\$ (525,000)</u>	<u>\$ (606,000)</u>	<u>\$ 8,617,445</u>	<u>\$ 9,223,445</u>

See accompanying notes to financial statements and independent auditors' report.

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Hector H. Balderas, State Auditor
and the Board of Directors of the
Lower Rio Grande Public Water Works Authority, New Mexico

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type and budgetary comparison presented as supplementary information of the Lower Rio Grande Public Water Works Authority (the Authority) as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise Lower Rio Grande Public Water Works Authority's basic financial statements, and have issued our report thereon dated November 26, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Lower Rio Grande Public Water Works Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The Authority's responses to the findings identified in our audit is described in the accompanying schedule of findings and responses. We did not audit the Authority's response and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

White + Samaniego + Campbell, LLP

El Paso, Texas
November 26, 2013

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB
CIRCULAR A-133**

Hector H. Balderas
New Mexico State Auditor
and the Council Members
Lower Rio Grande Public Water Works Authority
Vado, New Mexico

Report on Compliance for Each Major Federal Program

We have audited the Lower Rio Grande Public Water Works Authority's compliance with the types of compliance requirements described in the OMB Circular A-133 *Compliance Supplement* that could have a direct and material effect on each of the Lower Rio Grande Public Water Works Authority's major federal programs for the year ended June 30, 2013. The Lower Rio Grande Public Water Works Authority's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Lower Rio Grande Public Water Works Authority's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Lower Rio Grande Public Water Works Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Lower Rio Grande Public Water Works Authority's compliance.

Opinion on Each Major Federal Program

In our opinion, Lower Rio Grande Public Water Works Authority, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

Report on Internal Control Over Compliance

Management of Lower Rio Grande Public Water Works Authority, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Lower Rio Grande Public Water Works Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Lower Rio Grande Public Water Works Authority's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

White + Samaniego + Campbell, LLP

El Paso, Texas
November 26, 2013

STATE OF NEW MEXICO
 LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 JUNE 30, 2013

Federal Grantor Pass Through Grantor Program Title	CFDA	Award Amount	Expenditures
<i>United States Department of Agriculture Rural Development</i>			
Water and Waste Disposal Systems for Rural Communities - Grant	10.760	\$ 1,569,346	\$ 1,569,346
Water and Waste Disposal Systems for Rural Communities - Loan	10.760	471,000	471,000
Water and Waste Disposal Systems for Rural Communities - Grant	10.760	2,990,382	2,114,722
Water and Waste Disposal Systems for Rural Communities - Grant	10.760	<u>6,556,081</u>	<u>5,391,580</u>
Total United States Department of Agriculture Rural Development		11,586,809	9,546,648
<i>Community Development Block Grants/Entitlement Grants</i>			
Water and Waste Disposal Systems for Rural Communities - Grant	14.218	<u>45,000</u>	<u>45,000</u>
Total Expenditures of Federal Awards		<u>\$11,631,809</u>	<u>\$ 9,591,648</u>

Note 1 - Basis of Presentation

The above Schedule of Expenditures of Federal Awards includes the federal grant activity of the Lower Rio Grande Public Water Works Authority and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in preparation of, the basic financial statements.

See accompanying notes to financial statements and independent auditors' report.

**STATE OF NEW MEXICO
LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2013**

SECTION I - SUMMARY OF AUDITORS' REPORT

FINANCIAL STATEMENTS

Type of Auditors' Report Issued	Unmodified	
Significant Deficiencies Identified?	_____ Yes	___X___ No
Significant Deficiencies Identified that Are Considered to Be Material Weakness(es)?	_____ Yes	___X___ No
Noncompliance Material to Financial Statements	N/A	

FEDERAL AWARDS

Type of Auditors' Report Issued on compliance for Major Programs	Unmodified	
Internal Control Over Major Programs:		
Significant Deficiencies Identified?	_____ Yes	___X___ No
Significant Deficiency(ies) Identified that Are Considered to Be Material Weakness(es)?	_____ Yes	___X___ No
Any Audit Findings Disclosed that are Required to be Reported in accordance with Section 501(a) of Circular A-133?	_____ Yes	___X___ No

Identification of Major Programs:

CFDA	10.760	Water and Waste Disposal Systems for Rural Communities
Dollar Threshold Used to Distinguish Between Type A and Type B Programs	\$300,000	
Auditee Qualifies as Low-Risk Auditee	___X___ Yes	_____ No

**STATE OF NEW MEXICO
LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2013**

STATUS OF PRIOR YEAR FINDINGS

		Current Status
11-01	Capital Assets	Resolved
11-04	Inventory	Resolved
11-05	Under-Collateralized Bank Accounts	Resolved
12-01	Per Diem	Resolved
12-02	Overstatement of Revenues	Resolved
12-03	Compensated Absences	Resolved
12-04	Recording of Payments	Resolved
12-05	Legal Compliance With Budget	Resolved

**STATE OF NEW MEXICO
LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY**

**EXIT CONFERENCE
FOR THE YEAR ENDED JUNE 30, 2013**

An exit conference was conducted November 26, 2013 in a closed meeting of the Authority pursuant to Section 12-6-5 NMSA, 1978 with the following individuals in attendance:

Lower Rio Grande Public Water Works Authority

Robert M. Nieto	President
Martin Lopez	General Manager
Kathi Jackson	Finance Manager

White + Samaniego + Campbell, LLP

Roxie Samaniego	Partner
-----------------	---------

FINANCIAL STATEMENT PREPARATION

The combined financial statements of the Authority as of, and for the year ended, June 30, 2013 were prepared by White + Samaniego + Campbell, LLP, with the aid of responsible Authority personnel. Official responsible personnel agree that the presentations are made with their knowledge and agreement.

Infrastructure Capital Improvement Plan FY 2016-2020

ICIP for Lower Rio Grande Public Water Works Authority

Contact:	Martin G. Lopez 325 Holguin Road Box C Vado, NM 88072	Telephone No.:	575-571-3628
COG District:	7	Fax:	575-233-3961
Entity Type:	SD	Email Address:	martin.lopez@lrgauthority.org
Current :	Unqualified	Fiscal year for opinion:	2012 2013
Is entity required to report to the NM State Auditor's Office?:	Yes		
Tiered System Reporting?:	No	Tiered Number:	
If tier 1 or 2, have you provided copy of certification to:			
NM State Auditor's Office:	N/A	LGD:	N/A
Findings for Tiers 3-6:	0	FY for these findings:	0
Is entity required to submit budgets/quarterly reports to LGD?:	Yes		
Fiscal Year for the most current budget approved by LGD:	2014		
Current report to LGD /Year:	2013	Current report to LGD / Qtr:	4
Does entity have an asset management plan/inventory listing?:	Yes		

Project Priority Process

The Lower Rio Grande Public Water Works Authority represents the successful grassroots regionalization effort of eight mutual domestic associations in southern Dona Ana County. The five original mutual domestics that joined together in this effort are the Berino MDWC & MSWA, Desert Sands MDWCA, La Mesa MDWCA, Mesquite MDWC & MSWA, and Vado MDWCA. The Butterfield Park, Organ, and Brazito mutual domestics recently merged into the Authority as well. This regional effort currently serves a combined total of more than 500 wastewater and 5,00 residential water connections plus four schools, several dairies, and various small commercial enterprises in fourteen federally-designated Colonias, including Las Palmeras, Montana Vista, the Joy Drive Subdivision, Vado, Del Cerro, La Mesa, Berino, Mesquite, Organ, Butterfield Park, Moongate, Cattleland, Mountainview, and Brazito. The Authority has established an emergency back-up water interconnect with the Alto de las Flores MDWCA in San Miguel.

The Authority holds public meetings for public input regarding capital improvements. Capital improvements are also discussed at monthly meetings of the Board of Directors.

The Authority has submitted funding applications for projects but will not know about funding decisions prior to the ICIP adoption date.

Capital Improvement Goals

The goals of the Lower Rio Grande Public Water Works Authority include:

- *Developing a regional solution to water quality and availability issues by interconnecting and upgrading existing infrastructure.
- *Developing additional water supplies and treatment options for short-term and long-term sustainability.
- *Developing public and private partnerships to extend water and sewer service to unserved areas.
- *Developing partnerships in support of neighboring community water and sewer systems.
- *Continuing to develop partnerships to make high speed internet available.
- *Continuing to support economic development efforts, quality of life improvements, and energy efficiency upgrades.

Factors/Trends Considered

Residential, commercial, and industrial development of the communities served by the Lower Rio Grande Public Water Works Authority have been impeded by water quality and availability issues, including arsenic, nitrate, and fluoride contamination and poor fire flow. Additionally, there are 16 facilities, primarily dairies, in the process of submitting and implementing a plan to abate pollution of subsurface water in accordance with the requirements and provisions of 20.6.2.4000 through 20.6.2.4115 NMAC. It is the goal of the Lower Rio Grande PWWA to address these and other issues as much as possible to provide for the

Infrastructure Capital Improvement Plan FY 2016-2020

sustainable development of the communities served by the Authority. The Authority is also going into new areas with unknown environmental issues and concerns.

Infrastructure Capital Improvement Plan FY 2016-2020

Lower Rio Grande Public Water Works Authority Project Summary

ID	Year	Rank	Project Title	Category	Funded to date						Total	Amount	Phases
						2016	2017	2018	2019	2020	Project Cost	Not Yet Funded	
22905	2016	001	Water System Rehabilitation & Improvements	Water Supply	303,176	918,884	2,217,269	2,179,347	3,275,671	0	8,894,347	8,591,171	Yes
24026	2016	002	System-Wide Information Technology Standardization	Water Supply	900,000	680,000	150,000	100,000	250,000	0	2,080,000	1,180,000	Yes
19248	2016	003	Authority Interconnect Looping Project	Water Supply	112,563	2,040,000	1,000,000	1,000,000	1,000,000	0	5,152,563	5,040,000	Yes
21301	2016	004	Authority Brazito Sewer Project	Wastewater	207,118	688,149	4,460,426	1,376,766	1,844,493	0	8,576,952	8,369,834	Yes
29104	2016	005	PER and Environmental Documents for East Mesa	Water Supply	0	150,000	0	0	0	0	150,000	150,000	No
21300	2016	006	Water Treatment Plant	Water Supply	1,024,684	5,000,000	0	0	0	0	6,024,684	5,000,000	No
25096	2016	007	Heavy Equipment Purchase	Water Supply	0	171,000	171,000	171,000	171,000	171,000	855,000	855,000	Yes
25937	2016	008	40 Year Water Plan Update	Water Rights	0	50,000	0	0	0	0	50,000	50,000	No
25919	2016	009	Purchase and Upgrade Private Water Systems	Water Supply	37,500	1,500,000	0	0	0	0	1,537,500	1,500,000	Yes
22906	2017	001	Light Equipment Purchase	Water Supply	0	0	140,000	105,000	105,000	0	350,000	350,000	Yes
25921	2017	002	Energy Audit	Other	0	0	50,000	0	0	0	50,000	50,000	No
25097	2018	001	Sewer Service Extension to Unserved Areas	Wastewater	0	0	0	100,000	600,000	1,500,000	2,200,000	2,200,000	Yes
21302	2018	002	Sewer Line for Dairies	Wastewater	0	0	0	100,000	600,000	2,500,000	3,200,000	3,200,000	Yes
22911	2019	001	Vado Area Water System Improvements	Water Supply	0	0	0	0	100,000	1,480,000	1,580,000	1,580,000	Yes

Infrastructure Capital Improvement Plan FY 2016-2020

27612	2020	001	Green Projects	Clean Energy	0	0	0	0	0	100,000	100,000	100,000	No
25920	2020	002	Water Rights Purchase	Water Rights	0	0	0	0	0	1,800,000	1,800,000	1,800,000	Yes

Number of projects:	16												
	Funded to date:	Year 1:	Year 2:	Year 3:	Year 4:	Year 5:	Total Project Cost:	Total Not Yet Funded:					
Grand Totals	2,585,041	11,198,033	8,188,695	5,132,113	7,946,164	7,551,000	42,601,048	40,016,004					

Infrastructure Capital Improvement Plan FY 2016-2020

ICIP Capital Project Description

Year/Rank 2016 001

ID:22905

Project Title: Water System Rehabilitation & Improvements **Project Type:** Renovate/Repair **Category:** Water Supply **Colonias?** Yes

Legislative Language: To plan, design, construct, purchase and equip water system rehabilitation and improvements for the Lower Rio Grande Public Water Works Authority.

Description: This project will plan, design, and construct water system rehabilitation and system-wide improvements. It will include pipeline connections, looping, line extensions, and improvements at the neighborhood level. It will include purchasing and installing valves, hydrants, and equipment and appurtenances. Phase I includes permit acquisition, PER amendment to include extending service to unserved areas, design, and construction for water line extensions to unserved areas. Phase II includes removing old tank and booster pump, rehab and improvement of wells, well houses, booster stations, power and control system upgrades and distribution line upgrades. Phase III includes tank rehab, valve and control optimization, well and well house rehab, distribution line upgrades, and more power and control system upgrades. Phase IV includes consolidating water rights for specific wells and relocating them, tank rehab, power and control system upgrades, and distribution line upgrades.

Does the project have life expectancy of 10 or more years? Yes **Is the project necessary to address population growth?** Yes

Has the land and all necessary easement or rights of way been acquired to complete the project? N/A

Street/Waterline Project (Name the streets, if applicable, and/or specific areas that will be affected.)

South Valley and East Mesa Colonias

Location: 325 Holguin Road Vado NM 88072

Latitude: 320705.25N

Longitude: 1063946.02W

Is the project necessary to eliminate potential or actual issue(s) in: **Health?** Yes **Safety?** Yes **Liability?** Yes **Other?** Yes

Is this project required by Federal, State or Judicial mandate? No **Issued by** **Date of Order:**

Is this project tied to another funding source as a match component? No

Funding source:

Has this project received previous legislative funding? Yes

Year Funded **Amount Funded**

2014 152,150

0

0

0

Funded to Date:	Sources	Amount	Secured Funds?
	CDBG	50,000	Yes
	NMFA	37,500	Yes
	LFUNDS	25,063	Yes
	CAP	152,150	Yes
	FGRANT	38,463	Yes
	Other	0	No
Total Funded To Date		303,176	

Infrastructure Capital Improvement Plan FY 2016-2020

Capital Outlay Project Information

Project Budget	Completed	Funded to Date	Estimated Costs Not Yet Funded					Total Project Cost
			2016	2017	2018	2019	2020	
Water Rights	N/A	0	0	0	0	0	0	0
Easements and Rights of Way	N/A	0	0	32,258	10,756	26,891	0	69,905
Acquisition	N/A	0	0	0	0	0	0	0
Archaeological Studies	Yes	10,000	0	0	0	0	0	10,000
Environmental Studies	Yes	10,000	0	0	0	0	0	10,000
Planning	No	92,563	30,000	0	0	0	0	122,563
Design (Engr./Arch.)	No	38,463	123,370	314,000	297,834	433,780	0	1,207,447
Construction	No	152,150	765,514	1,871,011	1,870,757	2,815,000	0	7,474,432
Furnishing/Equipment	N/A	0	0	0	0	0	0	0
TOTALS		303,176	918,884	2,217,269	2,179,347	3,275,671	0	8,894,347
Amount Not Yet Funded		8,591,171						

Can this project be phased?

Yes

Phase: A project phase is a fundable, standalone, functional or operable stage during the development and/or life of a project.

Project phases: Unfunded amounts broken down by phase and category.

Phase	Amount	Plan	Design	Construct	Furnish/Equip	Other (Wtr Rights, Easements, Acq)	# Mos to Complete
1	918,884	Yes	Yes	Yes	No	Yes	12
2	2,217,269	No	Yes	Yes	No	Yes	12
3	2,179,347	No	Yes	Yes	No	Yes	12
4	3,275,671	No	Yes	Yes	No	Yes	12
5	0	No	No	No	No	No	0
TOTAL	8,591,171						

Infrastructure Capital Improvement Plan FY 2016-2020

ICIP Capital Project Description

Year/Rank 2016 002

ID:24026

Project Title: System-Wide Information Technology
Standardization

Project Type: New

Category: Water Supply

Colonias? Yes

Legislative Language: To plan, design, purchase, install, construct, furnish and equip system-wide information technology.

Description: This project will plan, design, purchase, contract/install system-wide standardized information technology to include computer hardware and software, GPS tracking for vehicles, SCADA system (for well/pump/tank control), security fences and cameras, radio-read water meters, and associated technology, equipment, licenses, GIS, GPS, computers, printers, office equipment, and fixtures. This project will install SCADA in Butterfield Park to integrate with the Organ SCADA system.

Does the project have life expectancy of 10 or more years? Yes

Is the project necessary to address population growth? No

Has the land and all necessary easement or rights of way been acquired to complete the project? N/A

Street/Waterline Project (Name the streets, if applicable, and/or specific areas that will be affected.)

LRGPWWA Service Area

Location: 325 Holguin Road Vado NM 88072

Latitude: 320705.25N

Longitude: 1063946.02W

Is the project necessary to eliminate potential or actual issue(s) in:

Health? No

Safety? No

Liability? No

Other? Yes

Is this project required by Federal, State or Judicial mandate? No

Issued by

Date of Order:

Is this project tied to another funding source as a match component? No

Funding source:

Has this project received previous legislative funding? Yes

Year Funded

Amount Funded

2013 175,000

2014 130,000

0

0

Funded to Date:

Sources

Amount

Secured Funds?

FLOAN

595,000

Yes

CAP

175,000

Yes

CAP

130,000

Yes

0

No

0

No

Other

0

No

Total Funded To Date

900,000

Infrastructure Capital Improvement Plan FY 2016-2020

Capital Outlay Project Information

Project Budget	Completed	Funded to Date	Estimated Costs Not Yet Funded					Total Project Cost
			2016	2017	2018	2019	2020	
Water Rights	N/A	0	0	0	0	0	0	0
Easements and Rights of Way	N/A	0	0	0	0	0	0	0
Acquisition	N/A	0	0	0	0	0	0	0
Archaeological Studies	N/A	0	0	0	0	0	0	0
Environmental Studies	N/A	0	0	0	0	0	0	0
Planning	No	0	60,000	0	0	0	0	60,000
Design (Engr./Arch.)	No	0	50,000	0	0	0	0	50,000
Construction	No	0	500,000	0	0	0	0	500,000
Furnishing/Equipment	No	900,000	70,000	150,000	100,000	250,000	0	1,470,000
TOTALS		900,000	680,000	150,000	100,000	250,000	0	2,080,000
Amount Not Yet Funded		1,180,000						

Can this project be phased?

Yes

Phase: A project phase is a fundable, standalone, functional or operable stage during the development and/or life of a project.

Project phases: Unfunded amounts broken down by phase and category.

Phase	Amount	Plan	Design	Construct	Furnish/Equip	Other (Wtr Rights, Easements, Acq)	# Mos to Complete
1	60,000	Yes	No	No	No	No	15
2	620,000	No	Yes	Yes	Yes	No	12
3	150,000	No	No	No	Yes	No	6
4	100,000	No	No	No	Yes	No	6
5	250,000	No	No	No	Yes	No	6
TOTAL	1,180,000						

Infrastructure Capital Improvement Plan FY 2016-2020

Capital Outlay Project Information

Future Potential Funding Sources you will seek to complete this project

Potential Funding Sources	Amount	Applied for?
F1 LGRANT	680,000	No
F2 SGRANT	680,000	No
F3 SLOAN	680,000	No
F4 FGRANT	680,000	No
F5 FLOAN	680,000	No
Other	0	No

Will this project promote economic development? No If yes, will it:

No	Create Jobs
No	Retain Jobs
No	Attract New Business

List the number of direct project beneficiaries: 13588

Is this a Regional or Statewide project? Regional If Regional, areas affected or that will benefit: LRGPWWA

The entities who will assume the following responsibilities related to this project:

Own:	LRGPWWA
Operate:	LRGPWWA
Fiscal Agent:	LRGPWWA

Has your local government/agency budgeted for operating expenses for the project when it is completed? Yes

If not, reason why not:

ANNUAL OPERATING BUDGET	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
Annual Operating Expenses plus Debt Service	500	500	500	500	500	2,500
Annual Operating Revenues	500	500	500	500	500	2,500

Will the project produce operating savings or efficiencies resulting in a reduction in net operating costs? Yes

If yes, approximate estimated savings per year in \$ 50,000

House District: 52-Gallegos Senate District: 38-Papen County: 08-Dona Ana

Legislators that are in support of this project: Senator Soules Senator Cervantes Rep. Mary Helen Garcia Rep. Cote

Infrastructure Capital Improvement Plan FY 2016-2020

ICIP Capital Project Description

Year/Rank 2016 003

ID:19248

Project Title: Authority Interconnect Looping Project

Project Type: New

Category: Water Supply

Colonias? Yes

Legislative Language: To acquire easements and rights of way, plan, design, construct, purchase, and equip water system improvements.

Description: This project will acquire easements and rights of way, conduct arch and enviro studies, and plan, design, and construct large-diameter piping interconnections to loop the entire regional system. There are four sections involved: The first extends from Berino Rd, continuing south on Stern Dr, west on Ohara Rd, looping north up Hwy 460 to Stern Dr. The section extends from 460 west on Lipps, down Venadito, south to Ohara Rd, west to Hwy 478, and north to Joy Rd. The third extends from the East Side Canal in Berino west on Berino Rd to Hwy 28, north on Hwy 28 into La Mesa, along Castillo Rd to Archer Farms Rd. The fourth extends from Smokey Rd on Hwy 192 to Well #6 at John Grisham in Mesquite. This project will be constructed in phases. Large-diameter pipeline will be installed in sections and sub-sections as funding permits. This project is referenced in the Distribution System Rehabilitation & Improvements PER which can be amended as the planning component for this project.

Does the project have life expectancy of 10 or more years? Yes

Is the project necessary to address population growth? Yes

Has the land and all necessary easement or rights of way been acquired to complete the project? No

Street/Waterline Project (Name the streets, if applicable, and/or specific areas that will be affected.)

System-wide not including East Mesa.

Location: 325 Holguin Road Vado NM 88072

Latitude: 320705.25N

Longitude: 1063946.02W

Is the project necessary to eliminate potential or actual issue(s) in:

Health? Yes

Safety? Yes

Liability? Yes

Other? No

Is this project required by Federal, State or Judicial mandate? No

Issued by

Date of Order:

Is this project tied to another funding source as a match component? No

Funding source:

Has this project received previous legislative funding? No

Year Funded

Amount Funded

0

0

0

0

Funded to Date:

Sources

Amount

Secured Funds?

CDBG

50,000

Yes

NMFA

37,500

Yes

LFUNDS

25,063

Yes

0

No

0

No

Other

0

No

Total Funded To Date

112,563

Infrastructure Capital Improvement Plan FY 2016-2020

Capital Outlay Project Information

Project Budget		Completed	Funded to Date	Estimated Costs Not Yet Funded					Total Project Cost
				2016	2017	2018	2019	2020	
Water Rights	N/A	0	0	0	0	0	0	0	0
Easements and Rights of Way	No	0	100,000	0	0	0	0	0	100,000
Acquisition	N/A	0	0	0	0	0	0	0	0
Archaeological Studies	Yes	10,000	20,000	0	0	0	0	0	30,000
Environmental Studies	Yes	10,000	20,000	0	0	0	0	0	30,000
Planning	Yes	92,563	50,000	0	0	0	0	0	142,563
Design (Engr./Arch.)	No	0	177,000	90,000	90,000	90,000	90,000	0	447,000
Construction	No	0	1,673,000	910,000	910,000	910,000	910,000	0	4,403,000
Furnishing/Equipment	N/A	0	0	0	0	0	0	0	0
TOTALS		112,563	2,040,000	1,000,000	1,000,000	1,000,000	1,000,000	0	5,152,563
Amount Not Yet Funded			5,040,000						

Can this project be phased? Yes

Phase: A project phase is a fundable, standalone, functional or operable stage during the development and/or life of a project.

Project phases: Unfunded amounts broken down by phase and category.

Phase	Amount	Plan	Design	Construct	Furnish/Equip	Other (Wtr Rights, Easements, Acq)	# Mos to Complete
1	2,040,000	Yes	Yes	Yes	No	Yes	24
2	1,000,000	No	Yes	Yes	No	No	24
3	1,000,000	No	Yes	Yes	No	No	24
4	1,000,000	No	Yes	Yes	No	No	24
5	0	No	No	No	No	No	0
TOTAL	5,040,000						

Infrastructure Capital Improvement Plan FY 2016-2020

Capital Outlay Project Information

Future Potential Funding Sources you will seek to complete this project

Potential Funding Sources		Amount	Applied for?
F1	CDBG	0	No
F2	FGRANT	0	No
F3	LGRANT	0	No
F4	FLOAN	0	No
F5	SGRANT	0	No
Other		0	No

Will this project promote economic development? Yes If yes, will it: No **Create Jobs**
No **Retain Jobs**
No **Attract New Business**

List the number of direct project beneficiaries: 13,588

Is this a Regional or Statewide project? Regional If Regional, areas affected or that will benefit: LRGPWWA

The entities who will assume the following responsibilities related to this project:

Own:	LRGPWWA
Operate:	LRGPWWA
Fiscal Agent:	LRGPWWA

Has your local government/agency budgeted for operating expenses for the project when it is completed? Yes

If not, reason why not:

ANNUAL OPERATING BUDGET	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
Annual Operating Expenses plus Debt Service	0	5,000	5,000	5,000	5,000	20,000
Annual Operating Revenues	0	5,000	5,000	5,000	5,000	20,000

Will the project produce operating savings or efficiencies resulting in a reduction in net operating costs? No
If yes, approximate estimated savings per year in \$ 0

House District: 52-Gallegos Senate District: 38-Papen County: 08-Dona Ana
Legislators that are in support of this project: Senator Mary Kay Papen Senator Joseph Cervantes Rep. Mary Helen Garcia Rep. Doreen Gallegos

Infrastructure Capital Improvement Plan FY 2016-2020

ICIP Capital Project Description

Year/Rank 2016 004

ID:21301

Project Title: Authority Brazito Sewer Project

Project Type: New

Category: Wastewater

Colonias? Yes

Legislative Language: To acquire land, easements, and rights of way, and plan, design, construct, purchase and equip a sewer collection system extension.

Description: This project will acquire land, easements, and rights of way, potentially amend the PER if required by funding agency, design, and construct a sewer collection system extension. This project will extend the sewer collection system from Mesquite to Brazito. This is a regional effort that began with a partnership between the Mesquite MDWCA, Brazito MDWCA, and Dona Ana County to extend sewer service from Mesquite to Brazito. The Colonia Community of Brazito has over 500 dwellings, all of which are on individual septic tanks and leach fields. The tanks and fields are in close proximity to the system's drinking water wells and table, posing a serious threat of groundwater contamination. This project will also extend sewer service to two neighborhoods in Mesquite that do not currently have sewer service.

Does the project have life expectancy of 10 or more years? Yes

Is the project necessary to address population growth? Yes

Has the land and all necessary easement or rights of way been acquired to complete the project? No

Street/Waterline Project (Name the streets, if applicable, and/or specific areas that will be affected.)

Mesquite and Brazito

Location: 885 Three Hawks Rd Mesilla Park NM 88047

Latitude: 321141.92N

Longitude: 1064205.59W

Is the project necessary to eliminate potential or actual issue(s) in:

Health? Yes

Safety? Yes

Liability? No

Other? No

Is this project required by Federal, State or Judicial mandate? No

Issued by

Date of Order:

Is this project tied to another funding source as a match component? No

Funding source:

Has this project received previous legislative funding? Yes

Year Funded

Amount Funded

2007 24,353

2008 115,000

2014 30,000

0

Funded to Date:

Sources

Amount

Secured Funds?

LGRANT 115,000 Yes

NMFA 37,500 Yes

LGRANT 24,354 Yes

LFUNDS 264 Yes

CAP 30,000 Yes

Other 0 No

Total Funded To Date 207,118

Infrastructure Capital Improvement Plan FY 2016-2020

Capital Outlay Project Information

Project Budget		Completed	Funded to Date	Estimated Costs Not Yet Funded					Total Project Cost
				2016	2017	2018	2019	2020	
Water Rights	N/A	0	0	0	0	0	0	0	0
Easements and Rights of Way	No	0	150,000	0	0	0	0	0	150,000
Acquisition	No	0	11,000	0	0	0	0	0	11,000
Archaeological Studies	Yes	21,513	0	0	0	0	0	0	21,513
Environmental Studies	Yes	21,513	0	0	0	0	0	0	21,513
Planning	Yes	70,453	15,000	0	0	0	0	0	85,453
Design (Engr./Arch.)	No	93,639	512,149	157,348	48,557	65,058	0	0	876,751
Construction	No	0	0	4,303,078	1,328,209	1,779,435	0	0	7,410,722
Furnishing/Equipment	N/A	0	0	0	0	0	0	0	0
TOTALS		207,118	688,149	4,460,426	1,376,766	1,844,493	0	0	8,576,952
Amount Not Yet Funded			8,369,834						

Can this project be phased?

Yes

Phase: A project phase is a fundable, standalone, functional or operable stage during the development and/or life of a project.

Project phases: Unfunded amounts broken down by phase and category.

Phase	Amount	Plan	Design	Construct	Furnish/Equip	Other (Wtr Rights, Easements, Acq)	# Mos to Complete
1	688,149	No	Yes	No	No	Yes	12
2	4,303,078	No	No	Yes	No	No	12
3	1,328,209	No	No	Yes	No	No	12
4	1,844,493	No	No	Yes	No	No	12
5	0	No	No	No	No	No	0
TOTAL	8,163,929						

Infrastructure Capital Improvement Plan FY 2016-2020

Capital Outlay Project Information

Future Potential Funding Sources you will seek to complete this project

Potential Funding Sources	Amount	Applied for?
F1 NMFA	540,608	Yes
F2 FLOAN	8,222,086	Yes
F3 CAP	500,000	No
F4 CDBG	500,000	No
F5 SGRANT	500,000	No
Other	0	No

Will this project promote economic development? Yes If yes, will it:

No	Create Jobs
No	Retain Jobs
No	Attract New Business

List the number of direct project beneficiaries: 2,272

Is this a Regional or Statewide project? Regional If Regional, areas affected or that will benefit: LRGPWWA

The entities who will assume the following responsibilities related to this project:

Own:	LRGPWWA
Operate:	LRGPWWA
Fiscal Agent:	LRGPWWA

Has your local government/agency budgeted for operating expenses for the project when it is completed? Yes

If not, reason why not:

ANNUAL OPERATING BUDGET	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
Annual Operating Expenses plus Debt Service	0	17,000	18,000	18,000	21,000	74,000
Annual Operating Revenues	0	20,000	22,000	22,000	25,000	89,000

Will the project produce operating savings or efficiencies resulting in a reduction in net operating costs? Yes

If yes, approximate estimated savings per year in \$ 0

House District: 52-Gallegos Senate District: 38-Papen County: 08-Dona Ana

Legislators that are in support of this project: Rep. Mary Helen Garcia Rep. Doreen Gallegos Senator Cynthia Nava Senator Joseph Cervantes

Infrastructure Capital Improvement Plan FY 2016-2020

ICIP Capital Project Description

Year/Rank 2016 005

ID:29104

Project Title: PER and Environmental Documents for East Mesa **Project Type:** New **Category:** Water Supply

Colonias? Yes

Legislative Language: To conduct environmental and archaeological review and plan for water system improvements.

Description: This project consists of a PER and environmental documents for water system improvements on the East Mesa.

Does the project have life expectancy of 10 or more years? No **Is the project necessary to address population growth?** Yes

Has the land and all necessary easement or rights of way been acquired to complete the project? N/A

Street/Waterline Project (Name the streets, if applicable, and/or specific areas that will be affected.)

Not applicable because this is a planning project. The PER will identify easements and rights of way that must be acquired for projects to be constructed in the future.

Location:

Latitude:

Longitude:

Is the project necessary to eliminate potential or actual issue(s) in: **Health?** Yes **Safety?** Yes **Liability?** No **Other?** No

Is this project required by Federal, State or Judicial mandate? No **Issued by** **Date of Order:**

Is this project tied to another funding source as a match component? No **Funding source:**

Has this project received previous legislative funding? No **Year Funded** **Amount Funded**

0

0

0

0

Funded to Date:	Sources	Amount	Secured Funds?
		0	No
		0	No
		0	No
		0	No
		0	No
	Other	0	No
Total Funded To Date		0	

Infrastructure Capital Improvement Plan FY 2016-2020

Capital Outlay Project Information

Project Budget	Completed	Funded to Date	Estimated Costs Not Yet Funded					Total Project Cost
			2016	2017	2018	2019	2020	
Water Rights	N/A	0	0	0	0	0	0	0
Easements and Rights of Way	N/A	0	0	0	0	0	0	0
Acquisition	N/A	0	0	0	0	0	0	0
Archaeological Studies	No	0	30,000	0	0	0	0	30,000
Environmental Studies	No	0	30,000	0	0	0	0	30,000
Planning	No	0	90,000	0	0	0	0	90,000
Design (Engr./Arch.)	N/A	0	0	0	0	0	0	0
Construction	N/A	0	0	0	0	0	0	0
Furnishing/Equipment	N/A	0	0	0	0	0	0	0
TOTALS		0	150,000	0	0	0	0	150,000
Amount Not Yet Funded			150,000					

Can this project be phased? No

Phase: A project phase is a fundable, standalone, functional or operable stage during the development and/or life of a project.

Project phases: Unfunded amounts broken down by phase and category.

Phase	Amount	Plan	Design	Construct	Furnish/Equip	Other (Wtr Rights, Easements, Acq)	# Mos to Complete
1	0	No	No	No	No	No	0
2	0	No	No	No	No	No	0
3	0	No	No	No	No	No	0
4	0	No	No	No	No	No	0
5	0	No	No	No	No	No	0
TOTAL	0						

Infrastructure Capital Improvement Plan FY 2016-2020

Capital Outlay Project Information

Future Potential Funding Sources you will seek to complete this project

Potential Funding Sources	Amount	Applied for?
F1 CAP	150,000	No
F2 CDBG	50,000	No
F3 NMFA	50,000	No
F4 SGRANT	50,000	No
F5	0	No
Other	0	No

Will this project promote economic development? No If yes, will it:

No	Create Jobs
No	Retain Jobs
No	Attract New Business

List the number of direct project beneficiaries:

Is this a Regional or Statewide project? Regional If Regional, areas affected or that will benefit: LRGPWWA

The entities who will assume the following responsibilities related to this project:

Own:	LRGPWWA
Operate:	LRGPWWA
Fiscal Agent:	LRGPWWA

Has your local government/agency budgeted for operating expenses for the project when it is completed? No

If not, reason why not: Not applicable because this is a planning project.

ANNUAL OPERATING BUDGET	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
Annual Operating Expenses plus Debt Service	0	0	0	0	0	0
Annual Operating Revenues	0	0	0	0	0	0

Will the project produce operating savings or efficiencies resulting in a reduction in net operating costs? N/A

If yes, approximate estimated savings per year in \$ 0

House District: 53-Cote	Senate District: 37-Soules	County: 08-Dona Ana
Legislators that are in support of this project: Representative Nate Cote Senator Soules Representative Gallegos Senator Cervantes		

Infrastructure Capital Improvement Plan FY 2016-2020

ICIP Capital Project Description

Year/Rank 2016 006

ID:21300

Project Title: Water Treatment Plant

Project Type: New

Category: Water Supply

Colonias? Yes

Legislative Language: To plan, design, construct, purchase, install, furnish and equip a water treatment plant.

Description: This project will plan, design, and construct a water treatment plant. A water treatment plant will provide an additional source of water for many uses to the communities served by the Lower Rio Grande Public Water Works Authority. The PER is amended and will be submitted for review.

Does the project have life expectancy of 10 or more years? Yes

Is the project necessary to address population growth? Yes

Has the land and all necessary easement or rights of way been acquired to complete the project? Yes

Street/Waterline Project (Name the streets, if applicable, and/or specific areas that will be affected.)

LRGPWWA Southern Service Area

Location:

Latitude: 320721.87N

Longitude: 1063931.32W

Is the project necessary to eliminate potential or actual issue(s) in:

Health? Yes

Safety? Yes

Liability? No

Other? No

Is this project required by Federal, State or Judicial mandate? No

Issued by

Date of Order:

Is this project tied to another funding source as a match component? No

Funding source:

Has this project received previous legislative funding? Yes

Year Funded

Amount Funded

2007

149,684

0

0

0

Funded to Date:

Sources

Amount

Secured Funds?

SGRANT

125,000

Yes

CAP

149,684

Yes

SGRANT

750,000

Yes

0

No

0

No

Other

0

No

Total Funded To Date

1,024,684

Infrastructure Capital Improvement Plan FY 2016-2020

Capital Outlay Project Information

Project Budget	Completed	Funded to Date	Estimated Costs Not Yet Funded					Total Project Cost
			2016	2017	2018	2019	2020	
Water Rights	N/A	0	0	0	0	0	0	0
Easements and Rights of Way	N/A	0	0	0	0	0	0	0
Acquisition	Yes	125,000	0	0	0	0	0	125,000
Archaeological Studies	N/A	0	0	0	0	0	0	0
Environmental Studies	N/A	0	0	0	0	0	0	0
Planning	No	203,016	0	0	0	0	0	203,016
Design (Engr./Arch.)	No	696,668	0	0	0	0	0	696,668
Construction	No	0	5,000,000	0	0	0	0	5,000,000
Furnishing/Equipment	N/A	0	0	0	0	0	0	0
TOTALS		1,024,684	5,000,000	0	0	0	0	6,024,684
Amount Not Yet Funded		5,000,000						

Can this project be phased? No

Phase: A project phase is a fundable, standalone, functional or operable stage during the development and/or life of a project.

Project phases: Unfunded amounts broken down by phase and category.

Phase	Amount	Plan	Design	Construct	Furnish/Equip	Other (Wtr Rights, Easements, Acq)	# Mos to Complete
1	0	No	No	No	No	No	0
2	0	No	No	No	No	No	0
3	0	No	No	No	No	No	0
4	0	No	No	No	No	No	0
5	0	No	No	No	No	No	0
TOTAL	0						

Infrastructure Capital Improvement Plan FY 2016-2020

Capital Outlay Project Information

Future Potential Funding Sources you will seek to complete this project

Potential Funding Sources	Amount	Applied for?
F1 CAP	5,000,000	No
F2 NMFA	5,000,000	No
F3 CDBG	500,000	No
F4 SLOAN	5,000,000	No
F5 FLOAN	5,000,000	No
Other	0	No

Will this project promote economic development? Yes If yes, will it:

No	Create Jobs
No	Retain Jobs
No	Attract New Business

List the number of direct project beneficiaries: 11,375

Is this a Regional or Statewide project? Regional If Regional, areas affected or that will benefit: LRGPWWA

The entities who will assume the following responsibilities related to this project:

Own:	LRGPWWA
Operate:	LRGPWWA
Fiscal Agent:	LRGPWWA

Has your local government/agency budgeted for operating expenses for the project when it is completed? Yes

If not, reason why not:

ANNUAL OPERATING BUDGET	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
Annual Operating Expenses plus Debt Service	10,000	10,000	10,000	10,000	10,000	50,000
Annual Operating Revenues	10,000	10,000	10,000	10,000	10,000	50,000

Will the project produce operating savings or efficiencies resulting in a reduction in net operating costs? N/A

If yes, approximate estimated savings per year in \$ **0**

House District: 52-Gallegos Senate District: 38-Papen County: 08-Dona Ana

Legislators that are in support of this project: Senator Mary Kay Papen Senator Joseph Cervantes Rep. Mary Helen Garcia Rep. Doreen Gallegos

Infrastructure Capital Improvement Plan FY 2016-2020

ICIP Capital Project Description

Year/Rank 2016 007

ID:25096

Project Title: Heavy Equipment Purchase

Project Type: New

Category: Water Supply

Colonias? Yes

Legislative Language: To purchase equipment.

Description: This project will involve the purchase of heavy equipment including a dually dump truck, a vactor truck, a front end loader, one 3 ton truck with a crane, a grader, a water truck, a mini excavator and trailer, and a large backhoe with a trailer.

Does the project have life expectancy of 10 or more years? Yes

Is the project necessary to address population growth? Yes

Has the land and all necessary easement or rights of way been acquired to complete the project? N/A

Street/Waterline Project (Name the streets, if applicable, and/or specific areas that will be affected.)

LRGPWWA Service area.

Location: 325 Holguin Road Vado NM 88072

Latitude: 320705.25N

Longitude: 1063946.02W

Is the project necessary to eliminate potential or actual issue(s) in:

Health? Yes

Safety? Yes

Liability? Yes

Other? No

Is this project required by Federal, State or Judicial mandate? No

Issued by

Date of Order:

Is this project tied to another funding source as a match component? No

Funding source:

Has this project received previous legislative funding? No

Year Funded

Amount Funded

0

0

0

0

Funded to Date:

Sources

Amount

Secured Funds?

0

No

0

No

0

No

0

No

0

No

Other

0

No

Total Funded To Date

0

Infrastructure Capital Improvement Plan FY 2016-2020

Capital Outlay Project Information

Project Budget	Completed	Funded to Date	Estimated Costs Not Yet Funded					Total Project Cost
			2016	2017	2018	2019	2020	
Water Rights	N/A	0	0	0	0	0	0	0
Easements and Rights of Way	N/A	0	0	0	0	0	0	0
Acquisition	N/A	0	0	0	0	0	0	0
Archaeological Studies	N/A	0	0	0	0	0	0	0
Environmental Studies	N/A	0	0	0	0	0	0	0
Planning	N/A	0	0	0	0	0	0	0
Design (Engr./Arch.)	N/A	0	0	0	0	0	0	0
Construction	N/A	0	0	0	0	0	0	0
Furnishing/Equipment	No	0	171,000	171,000	171,000	171,000	171,000	855,000
TOTALS		0	171,000	171,000	171,000	171,000	171,000	855,000
Amount Not Yet Funded			855,000					

Can this project be phased?

Yes

Phase: A project phase is a fundable, standalone, functional or operable stage during the development and/or life of a project.

Project phases: Unfunded amounts broken down by phase and category.

Phase	Amount	Plan	Design	Construct	Furnish/Equip	Other (Wtr Rights, Easements, Acq)	# Mos to Complete
1	171,000	No	No	No	Yes	No	2
2	171,000	No	No	No	Yes	No	2
3	171,000	No	No	No	Yes	No	2
4	171,000	No	No	No	Yes	No	2
5	171,000	No	No	No	Yes	No	2
TOTAL	855,000						

Infrastructure Capital Improvement Plan FY 2016-2020

Capital Outlay Project Information

Future Potential Funding Sources you will seek to complete this project

Potential Funding Sources	Amount	Applied for?
F1 LGRANT	0	No
F2 SGRANT	0	No
F3 FGRANT	0	No
F4 FLOAN	0	No
F5 SLOAN	0	No
Other	0	No

Will this project promote economic development? No If yes, will it:

No	Create Jobs
No	Retain Jobs
No	Attract New Business

List the number of direct project beneficiaries: 13,588

Is this a Regional or Statewide project? Regional If Regional, areas affected or that will benefit: LRGPWWA

The entities who will assume the following responsibilities related to this project:

Own:	LRGPWWA
Operate:	LRGPWWA
Fiscal Agent:	LRGPWWA

Has your local government/agency budgeted for operating expenses for the project when it is completed? Yes

If not, reason why not:

ANNUAL OPERATING BUDGET	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
Annual Operating Expenses plus Debt Service	14,000	15,000	16,000	17,000	18,000	80,000
Annual Operating Revenues	14,000	15,000	16,000	17,000	18,000	80,000

Will the project produce operating savings or efficiencies resulting in a reduction in net operating costs? No

If yes, approximate estimated savings per year in \$ 0

House District: 34-Garcia Senate District: 31-Cervantes County: 08-Dona Ana

Legislators that are in support of this project: Rep. Gallegos Rep. Cote Senator Papen Senator Soules

Infrastructure Capital Improvement Plan FY 2016-2020

ICIP Capital Project Description

Year/Rank 2016 008

ID:25937

Project Title: 40 Year Water Plan Update

Project Type: New

Category: Water Rights

Colonias? Yes

Legislative Language: To update the 40 Year Water Plan.

Description: This project will update the 40 Year Water Plan in light of the new merger with the Organ Water & Sewer Association, the Butterfield Park MDWCA, and the Brazito MDWCA. This is a planning project.

Does the project have life expectancy of 10 or more years? Yes

Is the project necessary to address population growth? Yes

Has the land and all necessary easement or rights of way been acquired to complete the project? N/A

Street/Waterline Project (Name the streets, if applicable, and/or specific areas that will be affected.)

LRGPWWA Service Area

Location: 325 Holguin Road Vado NM 88072

Latitude: 320705.25N

Longitude: 1063946.02W

Is the project necessary to eliminate potential or actual issue(s) in:

Health? No

Safety? No

Liability? No

Other? Yes

Is this project required by Federal, State or Judicial mandate? No

Issued by

Date of Order:

Is this project tied to another funding source as a match component? No

Funding source:

Has this project received previous legislative funding? No

Year Funded

Amount Funded

0

0

0

0

Funded to Date:

Sources

Amount

Secured Funds?

0

No

0

No

0

No

0

No

0

No

Other

0

No

Total Funded To Date

0

Infrastructure Capital Improvement Plan FY 2016-2020

Capital Outlay Project Information

Project Budget	Completed	Funded to Date	Estimated Costs Not Yet Funded					Total Project Cost
			2016	2017	2018	2019	2020	
Water Rights	N/A	0	0	0	0	0	0	0
Easements and Rights of Way	N/A	0	0	0	0	0	0	0
Acquisition	N/A	0	0	0	0	0	0	0
Archaeological Studies	N/A	0	0	0	0	0	0	0
Environmental Studies	N/A	0	0	0	0	0	0	0
Planning	No	0	50,000	0	0	0	0	50,000
Design (Engr./Arch.)	N/A	0	0	0	0	0	0	0
Construction	N/A	0	0	0	0	0	0	0
Furnishing/Equipment	N/A	0	0	0	0	0	0	0
TOTALS		0	50,000	0	0	0	0	50,000
Amount Not Yet Funded		50,000						

Can this project be phased? No

Phase: A project phase is a fundable, standalone, functional or operable stage during the development and/or life of a project.

Project phases: Unfunded amounts broken down by phase and category.

Phase	Amount	Plan	Design	Construct	Furnish/Equip	Other (Wtr Rights, Easements, Acq)	# Mos to Complete
1	0	No	No	No	No	No	0
2	0	No	No	No	No	No	0
3	0	No	No	No	No	No	0
4	0	No	No	No	No	No	0
5	0	No	No	No	No	No	0
TOTAL	0						

Infrastructure Capital Improvement Plan FY 2016-2020

Capital Outlay Project Information

Future Potential Funding Sources you will seek to complete this project

Potential Funding Sources	Amount	Applied for?
F1 NMFA	0	No
F2 CDBG	0	No
F3 CAP	0	No
F4 SGRANT	0	No
F5 SLOAN	0	No
Other	0	No

Will this project promote economic development? No If yes, will it:

No	Create Jobs
No	Retain Jobs
No	Attract New Business

List the number of direct project beneficiaries: 13,588

Is this a Regional or Statewide project? Regional If Regional, areas affected or that will benefit: LRGPWWA

The entities who will assume the following responsibilities related to this project:

Own:	LRGPWWA
Operate:	LRGPWWA
Fiscal Agent:	LRGPWWA

Has your local government/agency budgeted for operating expenses for the project when it is completed? Yes

If not, reason why not:

ANNUAL OPERATING BUDGET	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
Annual Operating Expenses plus Debt Service	0	0	0	0	0	0
Annual Operating Revenues	0	0	0	0	0	0

Will the project produce operating savings or efficiencies resulting in a reduction in net operating costs? N/A

If yes, approximate estimated savings per year in \$ 9

House District: 53-Cote Senate District: 37-Soules County: 08-Dona Ana

Legislators that are in support of this project: Rep. Gallegos Senator Joseph Cervantes Rep. Mary Helen Garcia Senator Mary Kay Papen

Infrastructure Capital Improvement Plan FY 2016-2020

ICIP Capital Project Description

Year/Rank 2016 009

ID:25919

Project Title: Purchase and Upgrade Private Water Systems **Project Type:** New **Category:** Water Supply **Colonias?** Yes

Legislative Language: To purchase private water systems and associated water rights and to acquire property, rights of way, and easements, to conduct archaeological and environmental studies, and to plan, design, construct, purchase, install, furnish and equip water system improvements including system interconnection.

Description: This project will purchase and upgrade private water systems, interconnect to the Authority's system, and extend service to unserved areas. This would improve the water delivery to many residents. This would include purchasing the water systems and their associated water rights. This project includes system acquisition, archaeological and environmental studies, planning, design, and construction.

Does the project have life expectancy of 10 or more years? Yes **Is the project necessary to address population growth?** No

Has the land and all necessary easement or rights of way been acquired to complete the project? No

Street/Waterline Project (Name the streets, if applicable, and/or specific areas that will be affected.)

LRGPWWA Service Area

Location: 325 Holguin Road Vado NM 88072

Latitude: 320705.25N

Longitude: 1063946.02W

Is the project necessary to eliminate potential or actual issue(s) in: **Health?** No **Safety?** No **Liability?** No **Other?** No

Is this project required by Federal, State or Judicial mandate? No **Issued by** **Date of Order:**

Is this project tied to another funding source as a match component? No

Funding source:

Has this project received previous legislative funding? No **Year Funded** **Amount Funded**

0

0

0

0

Funded to Date:	Sources	Amount	Secured Funds?
	NMFA	37,500	Yes
		0	No
		0	No
		0	No
		0	No
	Other	0	No
Total Funded To Date		37,500	

Infrastructure Capital Improvement Plan FY 2016-2020

Capital Outlay Project Information

Project Budget	Completed	Funded to Date	Estimated Costs Not Yet Funded					Total Project Cost
			2016	2017	2018	2019	2020	
Water Rights	N/A	0	0	0	0	0	0	0
Easements and Rights of Way	N/A	0	0	0	0	0	0	0
Acquisition	No	0	750,000	0	0	0	0	750,000
Archaeological Studies	No	0	20,000	0	0	0	0	20,000
Environmental Studies	No	0	30,000	0	0	0	0	30,000
Planning	No	37,500	50,000	0	0	0	0	87,500
Design (Engr./Arch.)	No	0	200,000	0	0	0	0	200,000
Construction	No	0	450,000	0	0	0	0	450,000
Furnishing/Equipment	N/A	0	0	0	0	0	0	0
TOTALS		37,500	1,500,000	0	0	0	0	1,537,500
Amount Not Yet Funded		1,500,000						

Can this project be phased?

Yes

Phase: A project phase is a fundable, standalone, functional or operable stage during the development and/or life of a project.

Project phases: Unfunded amounts broken down by phase and category.

Phase	Amount	Plan	Design	Construct	Furnish/Equip	Other (Wtr Rights, Easements, Acq)	# Mos to Complete
1	1,050,000	Yes	Yes	No	No	Yes	18
2	450,000	No	No	Yes	No	No	6
3	0	No	No	No	No	No	0
4	0	No	No	No	No	No	0
5	0	No	No	No	No	No	0
TOTAL	1,500,000						

Infrastructure Capital Improvement Plan FY 2016-2020

Capital Outlay Project Information

Future Potential Funding Sources you will seek to complete this project

Potential Funding Sources		Amount	Applied for?
F1	CDBG	0	No
F2	NMFAL	0	No
F3	CAP	0	No
F4	SGRANT	0	No
F5	FGRANT	0	No
Other		0	No

Will this project promote economic development? No If yes, will it: No **Create Jobs**
 No **Retain Jobs**
 No **Attract New Business**

List the number of direct project beneficiaries: 13588
 Is this a Regional or Statewide project? Regional If Regional, areas affected or that will benefit: LRGPWWA

The entities who will assume the following responsibilities related to this project:

Own:	LRGPWWA
Operate:	LRGPWWA
Fiscal Agent:	LRGPWWA

Has your local government/agency budgeted for operating expenses for the project when it is completed? Yes
 If not, reason why not:

ANNUAL OPERATING BUDGET	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
Annual Operating Expenses plus Debt Service	0	20,000	20,000	20,000	20,000	80,000
Annual Operating Revenues	0	20,000	20,000	20,000	20,000	80,000

Will the project produce operating savings or efficiencies resulting in a reduction in net operating costs? No
 If yes, approximate estimated savings per year in \$ 0

House District: 52-Gallegos Senate District: 38-Papen County: 08-Dona Ana
 Legislators that are in support of this project: Rep. Mary Helen Garcia Rep. Cote Senator Soules Senator Cervantes

Infrastructure Capital Improvement Plan FY 2016-2020

ICIP Capital Project Description

Year/Rank 2017 001

ID:22906

Project Title: Light Equipment Purchase

Project Type: New

Category: Water Supply

Colonias? Yes

Legislative Language: To purchase vehicles.

Description: This project will involve replacing old pickup trucks with the following pickup trucks: four 1/2 ton trucks and three 3/4 ton trucks.

Does the project have life expectancy of 10 or more years? Yes

Is the project necessary to address population growth? No

Has the land and all necessary easement or rights of way been acquired to complete the project? N/A

Street/Waterline Project (Name the streets, if applicable, and/or specific areas that will be affected.)

LRGPWWA Service Area

Location: 325 Holguin Road Vado NM 88072

Latitude: 320705.25N

Longitude: 1063946.02W

Is the project necessary to eliminate potential or actual issue(s) in:

Health? No

Safety? Yes

Liability? Yes

Other? No

Is this project required by Federal, State or Judicial mandate? No

Issued by

Date of Order:

Is this project tied to another funding source as a match component? No

Funding source:

Has this project received previous legislative funding? No

Year Funded

Amount Funded

0

0

0

0

Funded to Date:

Sources

Amount

Secured Funds?

0

No

0

No

0

No

0

No

0

No

Other

0

No

Total Funded To Date

0

Infrastructure Capital Improvement Plan FY 2016-2020

Capital Outlay Project Information

Project Budget	Completed	Funded to Date	Estimated Costs Not Yet Funded					Total Project Cost
			2016	2017	2018	2019	2020	
Water Rights	N/A	0	0	0	0	0	0	0
Easements and Rights of Way	N/A	0	0	0	0	0	0	0
Acquisition	N/A	0	0	0	0	0	0	0
Archaeological Studies	N/A	0	0	0	0	0	0	0
Environmental Studies	N/A	0	0	0	0	0	0	0
Planning	N/A	0	0	0	0	0	0	0
Design (Engr./Arch.)	N/A	0	0	0	0	0	0	0
Construction	N/A	0	0	0	0	0	0	0
Furnishing/Equipment	No	0	0	140,000	105,000	105,000	0	350,000
TOTALS		0	0	140,000	105,000	105,000	0	350,000
Amount Not Yet Funded		350,000						

Can this project be phased?

Yes

Phase: A project phase is a fundable, standalone, functional or operable stage during the development and/or life of a project.

Project phases: Unfunded amounts broken down by phase and category.

Phase	Amount	Plan	Design	Construct	Furnish/Equip	Other (Wtr Rights, Easements, Acq)	# Mos to Complete
1	140,000	No	No	No	Yes	No	2
2	105,000	No	No	No	Yes	No	2
3	105,000	No	No	No	Yes	No	2
4	0	No	No	No	No	No	0
5	0	No	No	No	No	No	0
TOTAL	350,000						

Infrastructure Capital Improvement Plan FY 2016-2020

ICIP Capital Project Description

Year/Rank 2017 002

ID:25921

Project Title: Energy Audit

Project Type: New

Category: Other

Colonias? Yes

Legislative Language: To conduct and energy audit.

Description: This project will conduct an energy audit of the buildings and equipment of the LRGPWWA to identify energy saving measures and ensure the Authority's overall maximization of energy efficiency.

Does the project have life expectancy of 10 or more years? Yes

Is the project necessary to address population growth? No

Has the land and all necessary easement or rights of way been acquired to complete the project? N/A

Street/Waterline Project (Name the streets, if applicable, and/or specific areas that will be affected.)

LRGPWWA service area

Location: 325 Holguin Road Vado NM 88072

Latitude: 320705.25N

Longitude: 1063946.02W

Is the project necessary to eliminate potential or actual issue(s) in:

Health? No

Safety? No

Liability? No

Other? Yes

Is this project required by Federal, State or Judicial mandate? No

Issued by

Date of Order:

Is this project tied to another funding source as a match component? No

Funding source:

Has this project received previous legislative funding? No

Year Funded

Amount Funded

0

0

0

0

Funded to Date:

Sources

Amount

Secured Funds?

0

No

0

No

0

No

0

No

0

No

Other

0

No

Total Funded To Date

0

Infrastructure Capital Improvement Plan FY 2016-2020

Capital Outlay Project Information

Project Budget	Completed	Funded to Date	Estimated Costs Not Yet Funded					Total Project Cost
			2016	2017	2018	2019	2020	
Water Rights	N/A	0	0	0	0	0	0	0
Easements and Rights of Way	N/A	0	0	0	0	0	0	0
Acquisition	N/A	0	0	0	0	0	0	0
Archaeological Studies	N/A	0	0	0	0	0	0	0
Environmental Studies	N/A	0	0	0	0	0	0	0
Planning	No	0	0	50,000	0	0	0	50,000
Design (Engr./Arch.)	N/A	0	0	0	0	0	0	0
Construction	N/A	0	0	0	0	0	0	0
Furnishing/Equipment	N/A	0	0	0	0	0	0	0
TOTALS		0	0	50,000	0	0	0	50,000
Amount Not Yet Funded		50,000						

Can this project be phased?

No

Phase: A project phase is a fundable, standalone, functional or operable stage during the development and/or life of a project.

Project phases: Unfunded amounts broken down by phase and category.

Phase	Amount	Plan	Design	Construct	Furnish/Equip	Other (Wtr Rights, Easements, Acq)	# Mos to Complete
1	0	No	No	No	No	No	0
2	0	No	No	No	No	No	0
3	0	No	No	No	No	No	0
4	0	No	No	No	No	No	0
5	0	No	No	No	No	No	0
TOTAL	0						

Infrastructure Capital Improvement Plan FY 2016-2020

Capital Outlay Project Information

Future Potential Funding Sources you will seek to complete this project

Potential Funding Sources	Amount	Applied for?
F1 CDBG	0	No
F2 CAP	0	No
F3 NMFA	0	No
F4 SGRANT	0	No
F5 SLOAN	0	No
Other	0	No

Will this project promote economic development? No If yes, will it:

No	Create Jobs
No	Retain Jobs
No	Attract New Business

List the number of direct project beneficiaries: 13588

Is this a Regional or Statewide project? Regional If Regional, areas affected or that will benefit: LRGPWWA

The entities who will assume the following responsibilities related to this project:

Own:	LRGPWWA
Operate:	LRGPWWA
Fiscal Agent:	LRGPWWA

Has your local government/agency budgeted for operating expenses for the project when it is completed? Yes

If not, reason why not:

ANNUAL OPERATING BUDGET	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
Annual Operating Expenses plus Debt Service	0	0	0	0	0	0
Annual Operating Revenues	0	0	0	0	0	0

Will the project produce operating savings or efficiencies resulting in a reduction in net operating costs? Yes

If yes, approximate estimated savings per year in \$ 0

House District: 34-Garcia Senate District: 38-Papen County: 08-Dona Ana

Legislators that are in support of this project: Rep. Gallegos Rep. Mary Helen Garcia Senator Soules Senator Cervantes

Infrastructure Capital Improvement Plan FY 2016-2020

ICIP Capital Project Description

Year/Rank 2018 001

ID:25097

Project Title: Sewer Service Extension to Unserved Areas **Project Type:** New **Category:** Wastewater **Colonias?** Yes

Legislative Language: To conduct archaeological and environmental studies, acquire easements and rights of way, plan, design, construct, purchase, and install sewer line extensions to currently unserved areas.

Description: This project will conduct archaeological and environmental studies, acquire easements and rights of way, plan, design, and construct sewer line extensions to currently unserved areas in partnership with Dona Ana County. Design memorandums will be completed for sewer line extensions.

Does the project have life expectancy of 10 or more years? Yes **Is the project necessary to address population growth?** Yes

Has the land and all necessary easement or rights of way been acquired to complete the project? No

Street/Waterline Project (Name the streets, if applicable, and/or specific areas that will be affected.)

LRGPWWA Service Area

Location: 325 Holguin Road Vado NM 88072

Latitude: 320705.25N

Longitude: 1063946.02W

Is the project necessary to eliminate potential or actual issue(s) in: **Health?** Yes **Safety?** Yes **Liability?** No **Other?** No

Is this project required by Federal, State or Judicial mandate? No **Issued by** **Date of Order:**

Is this project tied to another funding source as a match component? No **Funding source:**

Has this project received previous legislative funding? No **Year Funded** **Amount Funded**

0
0
0
0

Funded to Date:	Sources	Amount	Secured Funds?
		0	No
		0	No
		0	No
		0	No
		0	No
	Other	0	No
Total Funded To Date		0	

Infrastructure Capital Improvement Plan FY 2016-2020

Capital Outlay Project Information

Project Budget	Completed	Funded to Date	Estimated Costs Not Yet Funded					Total Project Cost
			2016	2017	2018	2019	2020	
Water Rights	N/A	0	0	0	0	0	0	0
Easements and Rights of Way	No	0	0	0	0	200,000	0	200,000
Acquisition	N/A	0	0	0	0	0	0	0
Archaeological Studies	No	0	0	0	20,000	0	0	20,000
Environmental Studies	No	0	0	0	30,000	0	0	30,000
Planning	No	0	0	0	50,000	0	0	50,000
Design (Engr./Arch.)	No	0	0	0	0	400,000	0	400,000
Construction	No	0	0	0	0	0	1,500,000	1,500,000
Furnishing/Equipment	N/A	0	0	0	0	0	0	0
TOTALS		0	0	0	100,000	600,000	1,500,000	2,200,000
Amount Not Yet Funded		2,200,000						

Can this project be phased?

Yes

Phase: A project phase is a fundable, standalone, functional or operable stage during the development and/or life of a project.

Project phases: Unfunded amounts broken down by phase and category.

Phase	Amount	Plan	Design	Construct	Furnish/Equip	Other (Wtr Rights, Easements, Acq)	# Mos to Complete
1	100,000	Yes	No	No	No	Yes	12
2	600,000	No	Yes	No	No	Yes	12
3	1,500,000	No	No	Yes	No	No	12
4	0	No	No	No	No	No	0
5	0	No	No	No	No	No	0
TOTAL	2,200,000						

Infrastructure Capital Improvement Plan FY 2016-2020

Capital Outlay Project Information

Future Potential Funding Sources you will seek to complete this project

Potential Funding Sources	Amount	Applied for?
F1 CDBG	0	No
F2 FGRANT	0	No
F3 FLOAN	0	No
F4 CAP	0	No
F5 SGRANT	0	No
Other	0	No

Will this project promote economic development? Yes If yes, will it:

No	Create Jobs
No	Retain Jobs
No	Attract New Business

List the number of direct project beneficiaries: 13588

Is this a Regional or Statewide project? Regional If Regional, areas affected or that will benefit: LRGPWWA

The entities who will assume the following responsibilities related to this project:

Own:	LRGPWWA
Operate:	LRGPWWA
Fiscal Agent:	LRGPWWA

Has your local government/agency budgeted for operating expenses for the project when it is completed? Yes

If not, reason why not:

ANNUAL OPERATING BUDGET	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
Annual Operating Expenses plus Debt Service	0	0	0	0	9,000	9,000
Annual Operating Revenues	0	0	0	0	9,000	9,000

Will the project produce operating savings or efficiencies resulting in a reduction in net operating costs? N/A

If yes, approximate estimated savings per year in \$ 0

House District: 52-Gallegos Senate District: 38-Papen County: 08-Dona Ana

Legislators that are in support of this project: Rep. Mary Helen Garcia Rep. Nate Cote Senator Cervantes Senator Soules

Infrastructure Capital Improvement Plan FY 2016-2020

ICIP Capital Project Description

Year/Rank 2018 002

ID:21302

Project Title: Sewer Line for Dairies

Project Type: New

Category: Wastewater

Colonias? Yes

Legislative Language: To acquire land for, conduct archaeological and environmental studies, plan, design, construct, purchase and install a sewer line for the dairies.

Description: This project will acquire land for, conduct archaeological and environmental studies, plan, design, and construct a sewer line for the dairies. The concentration of dairies with waste lagoons in the service area of the Lower Rio Grande Public Water Works Authority poses serious groundwater contamination potential. A sewer line connecting the dairies with the Dona Ana County wastewater treatment facility and with the Lower Rio Grande Public Water Works Authority Regional Water Treatment Plant will alleviate nitrate contamination in the groundwater as well as provide water for re-use.

Does the project have life expectancy of 10 or more years? Yes

Is the project necessary to address population growth? No

Has the land and all necessary easement or rights of way been acquired to complete the project? No

Street/Waterline Project (Name the streets, if applicable, and/or specific areas that will be affected.)

LRGPWWA Southern Service Area.

Location: 325 Holguin Road Vado NM 88072

Latitude: 320705.25N

Longitude: 1063946.02W

Is the project necessary to eliminate potential or actual issue(s) in:

Health? Yes

Safety? Yes

Liability? No

Other? No

Is this project required by Federal, State or Judicial mandate? No

Issued by

Date of Order:

Is this project tied to another funding source as a match component? No

Funding source:

Has this project received previous legislative funding? No

Year Funded

Amount Funded

0

0

0

0

Funded to Date:

Sources

Amount

Secured Funds?

0

No

0

No

0

No

0

No

0

No

Other

0

No

Total Funded To Date

0

Infrastructure Capital Improvement Plan FY 2016-2020

Capital Outlay Project Information

Project Budget	Completed	Funded to Date	Estimated Costs Not Yet Funded					Total Project Cost
			2016	2017	2018	2019	2020	
Water Rights	N/A	0	0	0	0	0	0	0
Easements and Rights of Way	N/A	0	0	0	0	0	0	0
Acquisition	No	0	0	0	0	100,000	0	100,000
Archaeological Studies	No	0	0	0	20,000	0	0	20,000
Environmental Studies	No	0	0	0	30,000	0	0	30,000
Planning	No	0	0	0	50,000	0	0	50,000
Design (Engr./Arch.)	No	0	0	0	0	500,000	0	500,000
Construction	No	0	0	0	0	0	2,500,000	2,500,000
Furnishing/Equipment	N/A	0	0	0	0	0	0	0
TOTALS		0	0	0	100,000	600,000	2,500,000	3,200,000
Amount Not Yet Funded			3,200,000					

Can this project be phased? Yes

Phase: A project phase is a fundable, standalone, functional or operable stage during the development and/or life of a project.

Project phases: Unfunded amounts broken down by phase and category.

Phase	Amount	Plan	Design	Construct	Furnish/Equip	Other (Wtr Rights, Easements, Acq)	# Mos to Complete
1	100,000	Yes	No	No	No	Yes	12
2	600,000	No	Yes	No	No	Yes	12
3	2,500,000	No	No	Yes	No	No	12
4	0	No	No	No	No	No	0
5	0	No	No	No	No	No	0
TOTAL	3,200,000						

Infrastructure Capital Improvement Plan FY 2016-2020

Capital Outlay Project Information

Future Potential Funding Sources you will seek to complete this project

Potential Funding Sources	Amount	Applied for?
F1 CAP	0	No
F2 SGRANT	0	No
F3 CDBG	0	No
F4 FLOAN	0	No
F5 SLOAN	0	No
Other	0	No

Will this project promote economic development? Yes If yes, will it:

No	Create Jobs
Yes	Retain Jobs
No	Attract New Business

List the number of direct project beneficiaries: 11375

Is this a Regional or Statewide project? Regional If Regional, areas affected or that will benefit: LRGPWWA

The entities who will assume the following responsibilities related to this project:

Own:	LRGPWWA
Operate:	LRGPWWA
Fiscal Agent:	LRGPWWA

Has your local government/agency budgeted for operating expenses for the project when it is completed? Yes
If not, reason why not:

ANNUAL OPERATING BUDGET	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
Annual Operating Expenses plus Debt Service	0	0	0	0	12,000	12,000
Annual Operating Revenues	0	0	0	0	14,000	14,000

Will the project produce operating savings or efficiencies resulting in a reduction in net operating costs? No
If yes, approximate estimated savings per year in \$ 0

House District: 52-Gallegos Senate District: 31-Cervantes County: 08-Dona Ana
Legislators that are in support of this project: Rep. Mary Helen Garcia Rep. Doreen Gallegos Senator Mary Kay Papen Senator Joseph Cervantes

Infrastructure Capital Improvement Plan FY 2016-2020

ICIP Capital Project Description

Year/Rank 2019 001

ID:22911

Project Title: Vado Area Water System Improvements **Project Type:** Replace Existing **Category:** Water Supply **Colonias?** Yes

Legislative Language: To conduct archaeological and environmental studies, plan, design, construct, purchase and install water system improvements in the community of Vado.

Description: This project will conduct archaeological and environmental studies, plan, design, and construct water system improvements in the community of Vado. Current substandard water distribution and service lines will be replaced. This project also involves the purchase and installation of appurtenances and equipment including hydrants and valves.

Does the project have life expectancy of 10 or more years? Yes **Is the project necessary to address population growth?** No

Has the land and all necessary easement or rights of way been acquired to complete the project? Yes

Street/Waterline Project (Name the streets, if applicable, and/or specific areas that will be affected.)

The Community of Vado

Location: 325 Holguin Road Vado NM 88072

Latitude: 320705.25N

Longitude: 1063946.02W

Is the project necessary to eliminate potential or actual issue(s) in: **Health?** Yes **Safety?** Yes **Liability?** No **Other?** No

Is this project required by Federal, State or Judicial mandate? No **Issued by** **Date of Order:**

Is this project tied to another funding source as a match component? No **Funding source:**

Has this project received previous legislative funding? No **Year Funded** **Amount Funded**

0
0
0
0

Funded to Date:	Sources	Amount	Secured Funds?
		0	No
		0	No
		0	No
		0	No
		0	No
	Other	0	No
Total Funded To Date		0	

Infrastructure Capital Improvement Plan FY 2016-2020

Capital Outlay Project Information

Project Budget	Completed	Funded to Date	Estimated Costs Not Yet Funded					Total Project Cost
			2016	2017	2018	2019	2020	
Water Rights	N/A	0	0	0	0	0	0	0
Easements and Rights of Way	N/A	0	0	0	0	0	0	0
Acquisition	N/A	0	0	0	0	0	0	0
Archaeological Studies	No	0	0	0	0	20,000	0	20,000
Environmental Studies	No	0	0	0	0	30,000	0	30,000
Planning	No	0	0	0	0	50,000	0	50,000
Design (Engr./Arch.)	No	0	0	0	0	0	180,000	180,000
Construction	No	0	0	0	0	0	1,300,000	1,300,000
Furnishing/Equipment	N/A	0	0	0	0	0	0	0
TOTALS		0	0	0	0	100,000	1,480,000	1,580,000
Amount Not Yet Funded			1,580,000					

Can this project be phased?

Yes

Phase: A project phase is a fundable, standalone, functional or operable stage during the development and/or life of a project.

Project phases: Unfunded amounts broken down by phase and category.

Phase	Amount	Plan	Design	Construct	Furnish/Equip	Other (Wtr Rights, Easements, Acq)	# Mos to Complete
1	100,000	Yes	No	No	No	Yes	12
2	1,480,000	No	Yes	Yes	No	No	12
3	0	No	No	No	No	No	0
4	0	No	No	No	No	No	0
5	0	No	No	No	No	No	0
TOTAL	1,580,000						

Infrastructure Capital Improvement Plan FY 2016-2020

Capital Outlay Project Information

Future Potential Funding Sources you will seek to complete this project

Potential Funding Sources	Amount	Applied for?
F1 CDBG	0	No
F2 CAP	0	No
F3 FGRANT	0	No
F4 SGRANT	0	No
F5 FLOAN	0	No
Other	0	No

Will this project promote economic development? Yes If yes, will it: No Create Jobs
No Retain Jobs
No Attract New Business

List the number of direct project beneficiaries: 600

Is this a Regional or Statewide project? Regional If Regional, areas affected or that will benefit: LRGPWWA

The entities who will assume the following responsibilities related to this project:

Own:	LRGPWWA
Operate:	LRGPWWA
Fiscal Agent:	LRGPWWA

Has your local government/agency budgeted for operating expenses for the project when it is completed? Yes
If not, reason why not:

ANNUAL OPERATING BUDGET	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
Annual Operating Expenses plus Debt Service	0	0	0	0	1,000	1,000
Annual Operating Revenues	0	0	0	0	1,000	1,000

Will the project produce operating savings or efficiencies resulting in a reduction in net operating costs? Yes
If yes, approximate estimated savings per year in \$ 500

House District: 52-Gallegos Senate District: 38-Papen County: 08-Dona Ana
Legislators that are in support of this project: Rep. Mary Helen Garcia Senator Joseph Cervantes Senator Mary Kay Papen Rep. Doreen Gallegos

Infrastructure Capital Improvement Plan FY 2016-2020

ICIP Capital Project Description

Year/Rank 2020 001

ID:27612

Project Title: Green Projects

Project Type: New

Category: Clean Energy

Colonias? Yes

Legislative Language: To conduct planning/feasibility studies for green projects including solar installations, wind power, and water reclamation.

Description: To conduct planning/feasibility studies for green projects including solar installations, wind power, and water reclamation.

Does the project have life expectancy of 10 or more years? Yes

Is the project necessary to address population growth? No

Has the land and all necessary easement or rights of way been acquired to complete the project? N/A

Street/Waterline Project (Name the streets, if applicable, and/or specific areas that will be affected.)

LRGPWWA Service Area

Location: 325 Holguin Road Vado NM 88072

Latitude: 320705.25N

Longitude: 1063946.02W

Is the project necessary to eliminate potential or actual issue(s) in:

Health? No

Safety? No

Liability? No

Other? Yes

Is this project required by Federal, State or Judicial mandate? No

Issued by

Date of Order:

Is this project tied to another funding source as a match component? No

Funding source:

Has this project received previous legislative funding? No

Year Funded

Amount Funded

0

0

0

0

Funded to Date:

Sources

Amount

Secured Funds?

0

No

0

No

0

No

0

No

0

No

Other

0

No

Total Funded To Date

0

Infrastructure Capital Improvement Plan FY 2016-2020

Capital Outlay Project Information

Project Budget		Completed	Funded to Date	Estimated Costs Not Yet Funded					Total Project Cost
				2016	2017	2018	2019	2020	
Water Rights	N/A	0	0	0	0	0	0	0	0
Easements and Rights of Way	N/A	0	0	0	0	0	0	0	0
Acquisition	N/A	0	0	0	0	0	0	0	0
Archaeological Studies	N/A	0	0	0	0	0	0	0	0
Environmental Studies	N/A	0	0	0	0	0	0	0	0
Planning	No	0	0	0	0	0	100,000	100,000	100,000
Design (Engr./Arch.)	N/A	0	0	0	0	0	0	0	0
Construction	N/A	0	0	0	0	0	0	0	0
Furnishing/Equipment	N/A	0	0	0	0	0	0	0	0
TOTALS		0	0	0	0	0	0	100,000	100,000
Amount Not Yet Funded			100,000						

Can this project be phased?

No

Phase: A project phase is a fundable, standalone, functional or operable stage during the development and/or life of a project.

Project phases: Unfunded amounts broken down by phase and category.

Phase	Amount	Plan	Design	Construct	Furnish/Equip	Other (Wtr Rights, Easements, Acq)	# Mos to Complete
1	0	No	No	No	No	No	0
2	0	No	No	No	No	No	0
3	0	No	No	No	No	No	0
4	0	No	No	No	No	No	0
5	0	No	No	No	No	No	0
TOTAL	0						

Infrastructure Capital Improvement Plan FY 2016-2020

Capital Outlay Project Information

Future Potential Funding Sources you will seek to complete this project

Potential Funding Sources	Amount	Applied for?
F1 CAP	0	No
F2 NMFA	0	No
F3 SGRANT	0	No
F4 SLOAN	0	No
F5 CDBG	0	No
Other	0	No

Will this project promote economic development? No If yes, will it:

No	Create Jobs
No	Retain Jobs
No	Attract New Business

List the number of direct project beneficiaries: 13588

Is this a Regional or Statewide project? Regional If Regional, areas affected or that will benefit: LRGPWWA

The entities who will assume the following responsibilities related to this project:

Own:	LRGPWWA
Operate:	LRGPWWA
Fiscal Agent:	LRGPWWA

Has your local government/agency budgeted for operating expenses for the project when it is completed? Yes

If not, reason why not:

ANNUAL OPERATING BUDGET	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
Annual Operating Expenses plus Debt Service	0	0	0	0	0	0
Annual Operating Revenues	0	0	0	0	0	0

Will the project produce operating savings or efficiencies resulting in a reduction in net operating costs? N/A

If yes, approximate estimated savings per year in \$ 0

House District: 53-Cote Senate District: 37-Soules County: 08-Dona Ana

Legislators that are in support of this project: Rep. Mary Helen Garcia Senator Mary Kay Papen Senator Joseph Cervantes Rep. Doreen Gallegos

Infrastructure Capital Improvement Plan FY 2016-2020

ICIP Capital Project Description

Year/Rank 2020 002

ID:25920

Project Title: Water Rights Purchase

Project Type: New

Category: Water Rights

Colonias? Yes

Legislative Language: To purchase water rights.

Description: To purchase water rights for the Lower Rio Grande Public Water Works Authority water system.

Does the project have life expectancy of 10 or more years? Yes

Is the project necessary to address population growth? Yes

Has the land and all necessary easement or rights of way been acquired to complete the project? N/A

Street/Waterline Project (Name the streets, if applicable, and/or specific areas that will be affected.)

LRGPWWA Service Area

Location: 325 Holguin Road Vado NM 88072

Latitude: 320705.25N

Longitude: 1063946.02W

Is the project necessary to eliminate potential or actual issue(s) in:

Health? Yes

Safety? Yes

Liability? No

Other? No

Is this project required by Federal, State or Judicial mandate? No

Issued by

Date of Order:

Is this project tied to another funding source as a match component? No

Funding source:

Has this project received previous legislative funding? No

Year Funded

Amount Funded

0

0

0

0

Funded to Date:

Sources

Amount

Secured Funds?

0

No

0

No

0

No

0

No

0

No

Other

0

No

Total Funded To Date

0

Infrastructure Capital Improvement Plan FY 2016-2020

Capital Outlay Project Information

Project Budget	Completed	Funded to Date	Estimated Costs Not Yet Funded					Total Project Cost
			2016	2017	2018	2019	2020	
Water Rights	No	0	0	0	0	0	1,800,000	1,800,000
Easements and Rights of Way	N/A	0	0	0	0	0	0	0
Acquisition	N/A	0	0	0	0	0	0	0
Archaeological Studies	N/A	0	0	0	0	0	0	0
Environmental Studies	N/A	0	0	0	0	0	0	0
Planning	N/A	0	0	0	0	0	0	0
Design (Engr./Arch.)	N/A	0	0	0	0	0	0	0
Construction	N/A	0	0	0	0	0	0	0
Furnishing/Equipment	N/A	0	0	0	0	0	0	0
TOTALS		0	0	0	0	0	1,800,000	1,800,000
Amount Not Yet Funded		1,800,000						

Can this project be phased?

Yes

Phase: A project phase is a fundable, standalone, functional or operable stage during the development and/or life of a project.

Project phases: Unfunded amounts broken down by phase and category.

Phase	Amount	Plan	Design	Construct	Furnish/Equip	Other (Wtr Rights, Easements, Acq)	# Mos to Complete
1	300,000	No	No	No	No	Yes	18
2	300,000	No	No	No	No	Yes	18
3	300,000	No	No	No	No	Yes	18
4	300,000	No	No	No	No	Yes	18
5	600,000	No	No	No	No	Yes	18
TOTAL	1,800,000						

Infrastructure Capital Improvement Plan FY 2016-2020

Capital Outlay Project Information

Future Potential Funding Sources you will seek to complete this project

Potential Funding Sources	Amount	Applied for?
F1 FGRANT	0	No
F2 FLOAN	0	No
F3 LGRANT	0	No
F4 SGRANT	0	No
F5 SLOAN	0	No
Other	0	No

Will this project promote economic development? No If yes, will it:

No	Create Jobs
No	Retain Jobs
No	Attract New Business

List the number of direct project beneficiaries: 13588

Is this a Regional or Statewide project? Regional If Regional, areas affected or that will benefit: LRGPWWA

The entities who will assume the following responsibilities related to this project:

Own:	LRGPWWA
Operate:	LRGPWWA
Fiscal Agent:	LRGPWWA

Has your local government/agency budgeted for operating expenses for the project when it is completed? Yes

If not, reason why not:

ANNUAL OPERATING BUDGET	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
Annual Operating Expenses plus Debt Service	0	0	0	0	0	0
Annual Operating Revenues	0	0	0	0	0	0

Will the project produce operating savings or efficiencies resulting in a reduction in net operating costs? N/A

If yes, approximate estimated savings per year in \$ 0

House District: 52-Gallegos Senate District: 38-Papen County: 08-Dona Ana

Legislators that are in support of this project: Rep. Mary Helen Garcia Rep. Nate Cote Senator Cervantes Senator Soules



LOWER RIO GRANDE

Public Water Works Authority

325 Holguin Road

Vado, New Mexico 88072

(575) 571-3628

SCHEDULE OF RATES & FEES

Water Rates

Adopted January 15, 2014

Implementation Date March 1, 2014 *

Residential Water Rates *

Minimum Bill		\$ 12.50	for			2,000	gallons
Tier 1	2,001–5,000	gallons	for	\$ 2.00	per	1,000	gallons
Tier 2	5,001–10,000	gallons	for	\$ 2.50	per	1,000	gallons
Tier 3	10,001–15,000	gallons	for	\$ 3.00	per	1,000	gallons
Tier 4	15,001–20,000	gallons	for	\$ 3.50	per	1,000	gallons
Tier 5	Over 20,000	gallons	for	\$ 4.00	per	1,000	gallons

Small Commercial Water Rates—12 month average 3,000 gallons or less *

Minimum Bill		\$ 20.00	for			2,000	gallons
Tier 1	2,001–5,000	gallons	for	\$ 2.00	per	1,000	gallons
Tier 2	5,001–10,000	gallons	for	\$ 2.50	per	1,000	gallons
Tier 3	10,001–15,000	gallons	for	\$ 3.00	per	1,000	gallons
Tier 4	15,001–20,000	gallons	for	\$ 3.50	per	1,000	gallons
Tier 5	Over 20,000	gallons	for	\$ 4.00	per	1,000	gallons

Commercial Water Rates *

Minimum Bill		\$ 32.00	for			2,000	gallons
Tier 1	2,001–5,000	gallons	for	\$ 3.00	per	1,000	gallons
Tier 2	5,001–20,000	gallons	for	\$ 3.50	per	1,000	gallons
All over	All over 20,000	gallons	for	\$ 4.00	per	1,000	gallons

*These Rates are scheduled to increase on the following schedule:

- * July 1, 2014
- * January 1, 2015
- * July 1, 2015
- * January 1, 2016



LOWER RIO GRANDE

Public Water Works Authority

325 Holguin Road Vado, New Mexico 88072 (575) 571-3628

* July 1, 2016

FOR BULK WATER RATE & FEES

See Bulk Water Agreement Form (Attachment 15)

Sewer Rates

Adopted January 15, 2014
Implementation Date March 1, 2014

Residential Sewer Rates (If Sewer Service is from LRGPWWA)

Minimum Bill	\$ 12.00		for			0	gallons
Tier 1	0–20,000	gallons	for	\$ 1.75	per	1,000	gallons
Tier 2	All over 20,001	gallons	for	\$35.00	per	1,000	gallons

Commercial Sewer Rates (If Sewer Service is from LRGPWWA)

Minimum Bill		\$15.75	for			0	gallons
Tier 1	0–10,000	gallons	for	\$ 2.00	per	1,000	gallons
Tier 2	10,001–20,000	gallons	for	\$ 2.25	per	1,000	gallons
Tier 3	All over 20,001	gallons	for	\$ 3.00	per	1,000	gallons

These sewer rates only apply to people who receive sewer service from the LRG PWWA.



LOWER RIO GRANDE

Public Water Works Authority

325 Holguin Road

Vado, New Mexico 88072

(575) 571-3628

Residential Connection Fees

Membership fee:	\$50.00
Water Connection fee (Residential):	\$500.00
Water Rights Acquisition fee (Residential):	\$1,600.00 (see Water Rights Acquisition Policy)
Sewer Connection fee:	\$2,500.00
Other applicable fees:	(As determined by Board or Designee)

Please note that the above fees are for a simple installation only. Costs for permits, paving, boring, etc. will be estimated and charged in advance. If installation cost exceeds the amount specified above, the Member shall pay the balance due within 30 days of connecting.

Commercial and Industrial Connection Fees

Commercial and Industrial Connection Fees and Water Rights Acquisition Fees shall be approved by the Board on a case by case basis.

Penalty & Other Fees

Disconnection <u>Delinquency</u> fee:	\$20.00
Open or Close water service (When requested after normal business hours & in addition to Disconnection fee)	\$20.00
Service Activation fee:	\$50.00
Service Deactivation fee:	\$50.00
Renters Deposit (mandatory)	\$100.00



LOWER RIO GRANDE

Public Water Works Authority

325 Holguin Road

Vado, New Mexico 88072

(575) 571-3628

Cross Connection Policy Waiver Re-inspection Fee:	\$25.00
Backflow Prevention Assembly Annual Testing Fee:	\$75.00
Backflow Prevention Assembly Installation/Repair/Replacement Fee:	Cost of Labor + Materials
Fire-flow Testing Fee (per test)	\$200.00
Water/Sewer facility Tampering fee: (in addition to repair/replacement costs)	\$500.00
Insufficient Funds (Bounced Check): (after 3 times, customer is put on cash-only basis)	\$35.00
Late penalty on overdue accounts	15% of the overdue bill
Copy of Current Bill	\$2.00
Customer History	\$1.25 per page
Dona Ana County Service Letter	\$5.00
Copying per page	\$1.25 letter (8½ X11) \$1.40 legal (8½ X14) two-sided copies are charged as two pages
IPR Request Copies/per page (see Inspection of Public Records Policy)	\$1.00
Faxes (Local/Toll free) per page	\$2.00
Faxes (Long Distance) per page	\$3.00
Convenience Fee for Payment by Credit Card	\$3.00 minimum or 3% of transaction



LOWER RIO GRANDE

Public Water Works Authority

325 Holguin Road

Vado, New Mexico 88072

(575) 571-3628

BILLING, DUE DATES, DISCONNECTION SUMMARY

Billing Cycle #1 – Brazito, Butterfield, Organ La Mesa & Mesquite areas

Billing date – 1st of the month

Due date – 25th of the month

Late Penalty – 26th of the month – 15% of overdue amount

Disconnection – 16th of the next month

Billing Cycle #2 – Vado, Berino & Desert Sands areas

Billing date – 15th of the month

Due date – 10th of the next month

Late Penalty – 11th of the next month – 15% of overdue amount

Disconnection – 26th of the next month

Water service will be disconnected when accounts become delinquent with a 15 day grace period.

Service will be reconnected upon payment of the delinquent amount and applicable reconnection fee.

Three (3) returned checks (Insufficient Funds or Closed Account) will result in the customer being placed on a cash-only basis.

The Authority will cancel the Membership of a Member whose delinquent account remains unpaid for twelve (12) months after the service is disconnected. The property owner will then be required to re-apply for membership and pay the current Membership Fee and Connection Fee.

Multiple connections to a single meter are prohibited by the Authority and will result in disconnection and potential loss of membership.

Connections between the Authority's water distribution and a Member's private system/well or between the Authority's wastewater collection system and a Member's private system are prohibited and will result in immediate disconnection of service until the situation is corrected.



LOWER RIO GRANDE

Public Water Works Authority

325 Holguin Road Box C Vado, New Mexico 88072 (575) 233-5742

MEMBER - CUSTOMER POLICIES

These policies are issued in compliance with NMSA 1978 73-26-1 and the Governance Document of the Lower Rio Grande Public Water Works Authority and are designed to govern the supplying and taking of services rendered by the Authority. These policies are subject to change from time to time to ensure the proper management of the Authority and until the Authority is no longer indebted to the United States of America, all changes must be approved by the State Director of Rural Development, Department of Agriculture) (hereinafter called "Director"). If a provision of the Member & Customer Policies should conflict with a provision of the Governance Document, the Governance Document provision shall prevail.

1. MEMBER APPLICATION FOR WATER/SEWER SERVICE.

A. Application. Water/Sewer service will be available subject to the capacity of the Authority's facilities. All persons wishing to obtain Membership/water/sewer service from the Authority must be property owners within the Authority's service area as defined in the Authority's Governance Document Article II Section 2.01. Corporations and co-owners of a property are entitled to one Membership/one vote and must make a written designation of the individual person who is eligible to vote or run for office in their application. Renters shall obtain water/sewer service as stated in Paragraph 1.D. below.

B. Applicants must provide:

- i. Completed and signed MEMBER APPLICATION FOR WATER/SEWER SERVICE (Attachment #1)
- ii. Completed and signed WATER/SEWER USERS AGREEMENT for each connection to the Authority's water or sewer system (Attachment #2)
- iii. Copies of Applicants' photo identification, proof of property ownership, parcel ID number, map code and county designated street address for the property where the service connection will be located.
- iv. Payment of non-refundable Membership Fee, hookup fee, and all other applicable fees from the FEE SCHEDULE (Attachment #3) established by the Authority
- v. If a mobile home is to be placed on the property, the Applicant must provide the Authority with a copy of an approved MHP (mobile home



LOWER RIO GRANDE

Public Water Works Authority

325 Holguin Road Box C Vado, New Mexico 88072 (575) 233-5742

installation permit) from Dona Ana County's Mobile Home Section. This permit shall be for residency and not for storage purposes. For site built homes, a copy of the building permit shall be provided. For applicants who cannot provide proof of either of these county permits, a Conditional Service Connection may be approved, as long as the service is in compliance with USDA Rural Development regulations. Should the County subsequently take action subsequently to remove the structure from the Applicant's property; the property owner will not be reimbursed by the Authority for any fees or costs incurred as a Member, nor does the Authority assume any liability for providing service conditionally without proof or a permit from the County.

- vi. The Applicant shall check with the Lower Rio Grande PWWA regarding any outstanding account balances. Service will not be provided until all outstanding balances are paid in full. See Attachment #8 Real Estate Contract Policy.

C. Approval of Application. Upon submitting of an Application, Water/Sewer Users Agreement, all required documentation and payment of a membership fee, the General Manager or Designee shall promptly review and make a decision on the application. If the application is not approved, the Membership fee shall be refunded. Once the membership application is approved, the fee is not refundable and a non-transferrable Membership Certificate will be issued after the service is installed. Incomplete applications may be grounds for denial of service. A Membership fee must accompany the Application (if applicable). Water/Sewer service will not be available until these forms have been completed, approved by the Authority and all applicable fees have been paid in full. **Please note that this is for a simple installation.**

D. Water/Sewer Services for Rental Property. Applications for renters' water/sewer service may be approved by the General Manager or Designee of the Authority, but only if the property owner's Membership is current and in good standing. The property owner shall be the Member and responsible for all bills incurred, but the Authority will send bills to renters if requested by the Member. However, landlords renting properties serviced by the Authority must have each renter come in and complete a Renter's Application for water/sewer service. Both the Member and the renter must sign the Application. All renters must first pay a Renter's Deposit before service is made available. The deposit



LOWER RIO GRANDE

Public Water Works Authority

325 Holguin Road Box C Vado, New Mexico 88072 (575) 233-5742

shall be refunded when the renter leaves, provided that the renter submits a Renter's Exit Form, account balance and any pending charges are paid in full. Upon receiving Renter's Exit Form, the Authority will obtain a final meter reading, issue a prorated final bill, apply the Renter's Deposit to the account balance, and refund any credit balance to the Renter.

- E. Water Rights and Fees.** New Members or current Members requesting additional service connections will be required to provide water rights transferable to the Authority or pay a fee associated with the acquisition of additional water rights.

2. WATER/SEWER SERVICE.

- A. Water/Sewer Service Ready to be Connected.** Once the application process has been completed by the property owner and the application has been approved by the Authority and all applicable fees have been paid in full, hook-up will be installed by a certified operator employed by the Authority consisting of a water metering facility at the main water line easement or a sewer line stub-out will at the collection line easement, whichever is applicable. An Authority water meter connection is required for sewer connection.
- B. Shut-off Valve.** Each water metering facility shall have a shut-off valve on the Member/customer-side of the meter. This valve shall be installed and maintained by the Member/customer. The intent of the valve is for the Member/customer to be able to shut off and reopen their service in the event of an emergency or when they make repairs on their service lines within their property. After normal business hours, the Authority shall assess a fee to open or close the service when requested by the Member and/or customers.
- C. Additional facilities required for Service.** Service connections requiring additional facilities as required by the Authority's Policies and/or system design criteria and/or by State or Federal agencies, shall be installed by the Authority or by the Member(s)/customer(s) requesting or receiving the service. The Member(s)/customer(s) are responsible for costs and fees associated with the additional facilities to include the maintenance, repair and replacement of the additional facility.



LOWER RIO GRANDE

Public Water Works Authority

325 Holguin Road Box C Vado, New Mexico 88072 (575) 233-5742

- D. Sale of service(s).** Water and wastewater service is for the sole use of the Member or customer, who applied for and was approved to receive service. Members or customers are prohibited from re-selling service(s) being provided by the Authority.
- E. Connection to Private System.** There shall be no physical connection between any private water system/well and the water system of the Authority and there shall be no physical connection between any private sewage disposal system and the sewer system of the Authority. A representative of the Authority shall have the right at all reasonable hours to enter upon Member's premises for the purpose of inspection and enforcement of this provision. Violation of this provision is cause for immediate disconnection of a member's water service. If a backflow prevention valve is installed, the Member will pay for all expenses incurred.
- F. Continuity of Service.** The Authority will make all reasonable efforts to supply continuous, uninterrupted service. However, it shall have the right to interrupt service for the purpose of making repairs, connections, extension, or for other necessary work. Efforts will be made to notify Members and customers who may be affected by such interruptions, but the Authority will not accept responsibility for losses, which might occur due to such necessary interruptions of service or shortage of water supply.
- G. Water Shortage.** In the event of a shortage of water, the Authority shall take appropriate measures, (such as restrictions to water use and acquisition of additional water) to meet the needs of the Authority.
- H. Rates and Fees.** The Authority FEE SCHEDULE (Attachment #3) and RATE SCHEDULE (Attachment #4) are attached to and made a part of this Policy.
- I. Minimum Charge.**
- i. Water/Sewer services shall be considered ready to use when the Authority maintains the water supply at normal pressure at the point of delivery in readiness for the Member's use, regardless of whether or not the Member makes use of it or when collection line is ready to convey



LOWER RIO GRANDE

Public Water Works Authority

325 Holguin Road Box C Vado, New Mexico 88072 (575) 233-5742

sewage. Charges shall be made for services as of the date service is ready to use.

- ii. All Authority members/customers are subject to at least the minimum water/sewer charge as long as water/sewer service is connected and ready to use. Failure to pay for the minimum water service within the time provided herein and after due notification by the Authority shall be grounds for a penalty and/or disconnection of service.
- iii. An active Member may voluntarily activate or deactivate their water service for a fee. However, Activation or Deactivation of service is required unilaterally for both water and sewer and requires a signed statement by the member requesting the meter being activated or deactivated. During Deactivation the member will not be assess a minimum charge for deactivated service. Activation commences the initiation of billing for that service. **Any recorded water/sewer usage on a Deactivated service is a violation of this policy and is grounds for a penalty fee (See FEE SCHEDULE—Attachment #3) or disconnection of service at any facility in service for the Member.**

J. Legal/Illegal Water/Sewer Service Connection. Water/Sewer service shall consist of facilities to supply water at normal operating pressure of the system to one dwelling or commercial unit at the meter or sewer stub-out. Water/Sewer service is for the sole use of the member, his agent(s) or tenant(s) **at the location requested only**, and does not permit the transfer or cross-connection of water by any means to another dwelling or commercial unit. Multiple connections are prohibited by the Authority and are unfair to the Members of the Authority. A representative of the Authority shall have the right at all reasonable hours to enter upon a Member's premises for the purpose of inspection and enforcement of this provision. **A violation of this policy is grounds for a penalty (See FEE SCHEDULE—Attachment #3) or disconnection of service at any facility in service for the Member.** An **Additional Minimum Policy** has been adopted to address certain types of multiple connections for both water and sewer connections.

3. METERING FACILITIES.



LOWER RIO GRANDE

Public Water Works Authority

325 Holguin Road Box C Vado, New Mexico 88072 (575) 233-5742

- A. Metering of Water Service.** Water service will be metered at each individual dwelling or place of business. Multiple dwellings **shall not** be connected to one service connection unless as outlined in the **Additional Minimum Policy**. Meter facilities shall be installed by the Authority.
- B. Metering Facilities/ Tampering.** Metering facilities shall be installed, owned and maintained by the Authority and shall be paid for by the Member. These shall consist of service clamp, corporation stop, service line, meter yoke, meter box, backflow device, and meter. Metering facilities are for the sole use of the Authority. **A violation of this policy is grounds for a penalty (See FEE SCHEDULE—Attachment #3) or disconnection of service at any facility in service for the Member. Tampering with meter facilities is a violation of Authority Policy and in some cases a violation of State and/or Federal law which may be reported to the appropriate law enforcement agency and prosecuted.**
- C. Location of Metering Facilities.** Metering facilities shall be located at the main line or at the member's property line. In special cases where this is not practical, the location shall be agreed upon jointly by the General Manager or Designee and the Member. Should the location be within the member's property, he/she shall grant the Authority an easement of right-of-way and the right of ingress and egress to said property for the purposes of servicing or removing the metering facilities.
- D. Meter Accuracy.** Water meters, where errors do not exceed two (2%) percent fast or slow, shall be considered as being within the allowable limits of accuracy for billing purposes.
- E. Meter Testing.** Meter testing requested by Members will be performed without cost to the Member, if the meter is found to be off in excess of two (2%) percent. Otherwise, the Member for whom the required testing was made will be charged for the cost of making the test.
- F. Meter Reading.** Meters will be read by the Authority on a regular monthly schedule, and different areas of the system may be on different meter reading and billing cycles. If a meter cannot be read, the Authority will bill the Member for the average water used during the prior three months until such time as adjustments can be made for actual water used.



LOWER RIO GRANDE

Public Water Works Authority

325 Holguin Road Box C Vado, New Mexico 88072 (575) 233-5742

4. BILLING AND PAYMENT FOR WATER/SEWER SERVICE.

A. Dates:

Bill Date Cycle #1 bills are sent on the 1st of the month. Cycle #2 bills are sent on the 15th of the month. Additional Cycles may be added as the needed due to growth of the customer base.

Due date is twenty-five days after the billing date for the cycle. Cycle #1 bills are sent on the 1st of the month, and the due date is the 25th. Cycle #2 bills are sent on the 15th with a due date of the 10th of the following month.

Overdue date is 3:00 p.m. on the due date.

Delinquency date is thirty (30) days after the bill date

Fees for Disconnection of Service, Bad Checks, Meter Tampering, and Open or Close Water Service After Hours are due immediately and are subject to overdue and delinquent penalties.

B. Billing of Water/Sewer Service. All Authority Members are subject to at least the minimum water and minimum sewer charges as soon as water/sewer service is available, as defined in "Water/Sewer Service". The Authority shall bill the membership **monthly** for water/sewer service from actual meter readings and/or at the rates set forth on the approved water/sewer rate schedule attached to this Policy. All water metered as used by the member shall be subject to the rate schedule, including water leaked from a member's line.

C. Payment of Water/Sewer Service Bills. Bills for water/sewer service are due and payable at the location indicated on the bill or at the location determined by the Board of Directors. Payment of a bill is due on the **due date** and becomes **overdue at 3:00 p.m. on that date**. To be timely, payments must be received in the Authority's offices on or before **3:00 p.m. on the due date** to avoid overdue penalties.



LOWER RIO GRANDE

Public Water Works Authority

325 Holguin Road Box C Vado, New Mexico 88072 (575) 233-5742

D. Overdue Accounts. Overdue amounts are assessed a **penalty of 15% of the amount due per month**. Failure to pay for water/sewer service will result in disconnection of water service SEE below.

E. Delinquent Accounts/Notification & Disconnection of Service. Accounts become delinquent and subject to disconnection of water service thirty (30) days after the billing date. **Delinquent notice is outlined in the printed bill, no further notice will be provided.** Payment to the account which does not pay the delinquency in full will be insufficient to avoid disconnection unless arrangements for a payment plan have been approved in writing by the Customer Service Specialist at the request of the member prior to water being shut off. The Customer Service Specialist has discretion regarding whether to agree to a payment plan.

F. Negotiation of Payment Agreement. To avoid disconnection of services, the Customer Service Specialist and a current customer and/or Member may negotiate a monthly payment schedule for the delinquent amount, provided that at the time of the agreement, the customer and/or Member shall pay as an initial deposit fifty percent (50%) of the overdue amount.

If services are disconnected, the Customer Service Specialist and the customer and/or Member may still negotiate a monthly payment schedule for the delinquent amount. Services will be reinstated provided that the current account holder and/or member pays the **disconnection-delinquency** fee and fifty percent (50%) of the overdue amount.

G. Returned Checks/Delinquent Accounts. If a payment by check for disconnection or delinquency is returned for insufficient funds, the balance due, returned check fee, and any other applicable fees shall be added to the member's delinquency, which thereafter will be required to be paid in cash.

H. Disconnection of Water Service. Any water service which has been disconnected due to a delinquent account shall not be reconnected until the account has been paid in full.

The **disconnection-delinquency** fee is applied after the delinquency date has occurred and the disconnection list is generated, which is thirty (30) days after



LOWER RIO GRANDE

Public Water Works Authority

325 Holguin Road Box C Vado, New Mexico 88072 (575) 233-5742

billing date and whether services have or have not been physically terminated through closing, locking or removing of water meter.

- I. Delinquent Accounts.** When an account balance reaches sixty (60) days, the customer will be required to pay a deposit of one-hundred dollars (\$100.00) which will be refundable after the account balance has been kept current for a period of twelve (12) consecutive months.
- J. Membership in Default.** When an account balance reaches six (6) months, the membership is deemed to be in default, and collection procedures will be initiated.
- K. Termination of Membership & Liens.** If a member's account is delinquent for twelve (12) months after disconnection of water service, the amount due may be considered uncollectible and the membership shall be cancelled. Water service for **all** accounts associated with the terminated membership will be terminated. The Authority may file a lien against property owned by the member, initiate further collection procedures, and/or use any other available means to collect the amount owned and resolve the default. After a membership is terminated, a request for reconnection shall be subject to payment of a new **membership fee and connection fees**.
- J.L. Water/Sewer Service to the Seriously Ill.** The Authority will not terminate water/sewer service to any residence where a seriously ill person resides provided that:
- i.** A letter from a practitioner of the healing arts stating that discontinuance of service will endanger that person's life or health is filed with the Authority and such letter is updated and filed with the Authority every **ninety (90) days** thereafter and;
 - ii.** ~~An Affidavit in a form approved by the Authority is filed with the Authority by the Member/customer stating that he/she is without income or property sufficient to pay water/sewer charges and no one in the residence has sufficient income or property to do so and said Affidavit is updated and filed with the Authority every **ninety (90) days** thereafter. The Member/Customer enters~~



LOWER RIO GRANDE

Public Water Works Authority

325 Holguin Road Box C Vado, New Mexico 88072 (575) 233-5742

into a Negotiated Payment Agreement with a monthly payment schedule for the delinquent amount.

~~The Authority will not terminate sewer service even if the Member/customer fails to comply with 4.J.I.i. and 4.J.II. Yet, the Authority will use any and all legal methods to obtain water/sewer charges due the Authority including but not limited to termination of water service; placement of lien on property; and use of a collection agency.~~

5. SERVICE CONNECTIONS BEYOND THE DISTRIBUTION/COLLECTION SYSTEM/SERVICE AREA

A. Extension of Water Mains/Sewage Collection Lines for One Individual.

Mains/Collection lines and service lines laid beyond the Authority's existing water/sewer system will **be installed to the Authority's specifications and paid for by the individual applying for Membership**. Individuals are not authorized to add service lines to the water and/ or wastewater system. The individual must provide easements to the Authority as needed.

B. Extension of Water Mains/Sewage Collection Lines for a Group of Individuals.

In cases where a group of individuals is applying for membership, the General Manager will consider such extension provided that the cost of such an extension does not cause hardship to the Authority's current members. Landowners seeking Membership into the Authority shall provide easements to the Authority as needed.

C. Extension of Water Mains/Sewage Collection Lines Not Covered Above.

The Board of Directors may enter into special service contracts in cases where the applicant has unusual service requirements. However, in no case will the Authority enter into such a contract before obtaining approval from any funding agency review and approval of the contract from the Authority has indebtedness.

ATTACHMENTS:

1. MEMBER APPLICATION FOR WATER/SEWER SERVICE

10/11



LOWER RIO GRANDE

Public Water Works Authority

325 Holguin Road Box C Vado, New Mexico 88072 (575) 233-5742

2. SCHEDULE OF RATES & FEES
3. ADDITIONAL MINIMUM POLICY
4. WATER USERS AGREEMENT
5. SEWER USERS AGREEMENT
6. RENTER'S APPLICATION FOR SERVICE
7. RENTER'S EXIT FORM
8. REAL ESTATE CONTRACT POLICY
9. OWNER ACCOUNT INFORMATION FORM
10. WATER LEAK ADJUSTMENT POLICY
11. PAYMENT AGREEMENT – DELINQUENT ACCOUNTS
12. PAYMENT AGREEMENT – SERVICE INSTALLATION
13. SERVICE ACTIVATION/DEACTIVATION STATEMENT
14. BILLING ADJUSTMENT REQUEST FORM
15. BULK WATER AGREEMENT
16. CROSS CONNECTION PREVENTION AND CONTROL POLICY

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

Schedule 1

Name LowerRioGrandePublicWaterWorksAuthority	Address PO Box 2646 Anthony, NM 88021 Interim Budget
---	---

(1) <u>OPERATING INCOME</u>	PRIOR YEAR <u>Actual</u> (2)	ANNUAL BUDGET		For the <u>07-01-2014</u> Months Ended <u>06-30-2015</u>		
		BEG <u>07-01-2014</u>	END <u>06-30-2015</u>	<u>CURRENT YEAR</u>		Actual YTD (Over) Under Budget Col. 3 - 5 = 6 (6)
				<u>Actual Data</u>		
				Current Quarter (4)	Year To Date (5)	
1. Water Revenue	1,919,353	1,962,958				1,962,958
2. Sewer Revenue	90,000	142,000				142,000
3. Interest	300	300				300
4. _____						0
5. Miscellaneous						0
6. Less: Allowances and Deductions						0
7. Total Operating Income (Add lines 1 through 6)	2,009,653	2,105,258		0	0	2,105,258
<u>OPERATING EXPENSES</u>						
8. Salaries, Labor	1,103,000	1,136,089				1,136,089
9. Accounting, Legal	87,000	87,925				87,925
10. Taxes, Insurance	112,000	93,500				93,500
11. Utilities	241,650	248,800				248,800
12. Supplies	321,650	324,500				324,500
13. Lab, Chemical	30,000	85,900				85,900
14. Debt Service	319,353	333,544				333,544
15. Interest						0
16. Depreciation	606,000	606,000				606,000
17. Total Operating Expense (Add Lines 8 through 16)	2,820,653	2,916,258		0	0	2,916,258
18. NET OPERATING INCOME (LOSS) (Line 7 less 17)	-811,000	-811,000		0	0	-811,000
<u>NONOPERATING INCOME</u>						
19. Water	200,000	200,000				200,000
20. Sewer	5,000	5,000				5,000
21. Total Nonoperating Income (Add 19 and 20)	205,000	205,000		0	0	205,000
22. NET INCOME (LOSS) (Add lines 18 and 21)	-606,000	-606,000		0	0	-606,000
23. Equity Beginning of Period						0
24. _____						0
25. _____						0
26. Equity End of Period (Add lines 22 through 25)	-606,000	-606,000		0	0	-606,000

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 and 0572-0137. 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.